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REPORT ON CORPORATE GOVERNANCE

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04

REPORT ON CORPORATE GOVERNANCE

Pursuant to Article L. 22-10-10 of the Commercial Code, we remind you of Somfy SA's corporate governance principles and hereby present information in relation to corporate officers' remuneration and elements liable to have an impact in the event of a public offering.

The company's Financial and Legal Departments are the major contributors to the preparation of this report under the authority of the Board of Directors.

This report was forwarded to the Statutory Auditors, submitted to the Audit and Risk Committee on 7 March 2022 for review, and to the Board of Directors on 9 March 2022 for approval.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE CODE

Somfy SA refers to the Middelnext Corporate Governance Code for listed companies revised in September 2021 (the Middelnext Code hereafter), available at: www.middelnext.com.

At its meeting of 17 November 2021, the Board took note of the new version of the Middelnext Code. It also initiated work to implement the new recommendations and, where necessary, to note those that cannot be. The Board's rules of procedure (the revised version of which was adopted by the Board of Directors on 7 December 2021) were updated accordingly.

The Board has already taken into account recommendation R16 covering in particular the publication of a fairness ratio in relation to the French minimum wage (SMIC).

Moreover, the Board has created a Sustainable Development Committee pursuant to recommendation R8 of the new Middelnext Code.

The Board noted that the company rejected the application of the following recommendation of the Middelnext Code:

| Recommendation rejected | Explanation |
|--|--|
| Strategy Committee to be chaired by an independent member (R7) | The Chairman of the Strategy Committee has been the Chairman of the Board of Directors since 2 June 2021 and is a member of the shareholding family; his training and professional experience qualify him to hold this position. Moreover, the Strategy Committee is made up of three independent members and one other member of the shareholding family. |

The following recommendations have not yet been implemented, given that the new Middelnext Code was published in September 2021:

| | Explanations |
|--|---|
| Conflicts of interest – Absence of services other than the certification of the financial statements (SACC) entrusted to the Statutory Auditors (R2) | Before publication of the new version of the Code and for the 2022 financial year, the company entrusted this assignment to KPMG and for the 2023 financial year, it will fall to the company to decide on this issue. |
| Regular training of the members of the Board – Three-Year Training Plan tailored to the specific features of the business (R5) | During the Board's self-assessment which will take place during the 2022 financial year, Board members are to be interviewed on this issue in order to gather their opinions and thus develop a training plan closely in line with their needs. |
| Analysis of the votes against and in particular those of the majority of minority shareholders (R14) | Analysis of the votes against and in particular those of the majority of minority shareholders will be conducted as of the Combined General Meeting called for 1 June 2022. |

Lastly, at its meeting of 17 November 2021 the Board reviewed the areas requiring attention in the new Code in compliance with recommendation R22 of the Middelnext Code.

COMPOSITION OF CORPORATE GOVERNANCE BODIES

Until 2 June 2021, Somfy was a limited company (*Société Anonyme*), whose structure was based on the “Management Board and Supervisory Board” formula, which entrusts company management to the former under supervision of the latter.

At the Combined General Meeting of 2 June 2021, Somfy changed its corporate governance structure by adopting the form of a limited company with a Board of Directors.

Moreover, at its meeting of 2 June 2021, the Board of Directors decided, pursuant to Article 18 of the company’s Articles of Association, to separate the roles of Chairman, entrusted to Jean Guillaume Despature, and Chief Executive Officer, entrusted to Pierre Ribeiro. It was also decided to appoint Valérie Dixmier as Deputy Chief Executive Officer in charge of People, Culture and Organization. The Board of Directors also decided to appoint Michel Rollier to the role of Vice-Chairman of the Board of Directors for the duration of his term of office as Board member, that is to say one year, expiring at the General Meeting to be held in 2022 and called to approve the financial statements for the financial year then ended.

This change in the governance structure helps to strengthen the Group’s agility and foundations, achieving a better balance between strategic vision and operational excellence at a time of many challenges and significant opportunities, due in particular to the acceleration of the digital and environmental transitions that have put housing back at the heart of consumers’ priorities.

COMPOSITION OF GENERAL MANAGEMENT

It should be noted that until 2 June 2021, the company was a limited company (*Société Anonyme*) with a Management Board and a Supervisory Board. Management Board members were appointed by the Supervisory Board in accordance with legal provisions.

Management Board members were appointed for a term of four years to expire at the end of the General Meeting called to approve the financial statements for the year then ended and held during the year in which their term of office was to expire.

Until 2 June 2021, the Management Board consisted of:

- Jean Guillaume Despature, Chairman of the Management Board; and
- Pierre Ribeiro, member of the Management Board and Chief Financial Officer.

Since 2 June 2021, the company has been a limited company (*Société Anonyme*) governed by a Board of Directors.

Members of the General Management team are appointed by the Board of Directors in accordance with legal provisions and the company’s Articles of Association.

At its meeting of 2 June 2021, the Board decided to appoint the members of the General Management team for a term of four years expiring at the General Meeting held in 2025 and called to approve the financial statements for the financial year just ended.

At 31 December 2021, as at the date of this report, General Management is comprised as follows:

| Name | Position | Age | Date appointed | Date term ends |
|-----------------|--------------------------------|-----|----------------|----------------|
| Pierre Ribeiro | Chief Executive Officer | 55 | 2 June 2021 | 2025 AGM |
| Valérie Dixmier | Deputy Chief Executive Officer | 55 | 2 June 2021 | 2025 AGM |

LIMITATIONS TO THE POWERS OF GENERAL MANAGEMENT

As an internal rule that is not binding on third parties, General Management’s powers are limited. As such, the Board of Directors must approve in advance the following transactions and items:

- consolidated budget;
- any draft press release relating to the annual and half-year results;
- internal restructuring operations (notably mergers, demergers, contributions, winding-up, creation, reorganisation and/or location of major industrial and commercial sites).

And for off-budget transactions:

- acquisition, disposal, transfer of assets or shareholding, or acquisition of interests, partnerships, joint ventures or off-balance sheet undertaking which exceeds a unit amount of €10 million;
- capital investiture or divestments of any kind that exceed a unit amount of €10 million;
- payment in relation to any disputes, penalties, fines, amicable settlements or compromise agreements that exceed €10 million;
- transactions involving financing, borrowing or hedging and/or modification and/or early loan repayment, the financial value of which exceeds €10 million.

In each of the above cases, the amounts referred to must, for a given proposal, be assessed by aggregating all the steps and decisions relating to the same purpose or pursuing the same goal (whether the relevant investment, divestment, acquisition, disposal, debt or contract is completed in one or more instalments by the company or by one or more of its subsidiaries over several years).

COMPOSITION OF THE BOARD

Until 2 June 2021, the company was a limited company (*Société Anonyme*) with a Management Board and a Supervisory Board. The members of the Supervisory Board were:

- Michel Rollier, Chairman and independent member;
- Victor Despature, Vice-Chairman;
- Paule Cellard, independent member;
- Anthony Stahl;
- Marie Bavarel-Despature;
- Sophie Desormière, independent member;
- Florence Noblot, independent member;
- Bertrand Parmentier, independent member;
- Arthur Watin-Augouard, member representing employees.

At 31 December 2021, as at the date of preparation of this report, the Somfy SA Board of Directors consisted of nine members, including a member representing employees:

| Name | Position | Age | Nationality | Date appointed | Date term ends | Audit and Risk Committee | Appointment and Remuneration Committee | Strategy Committee | Sustainable Development Committee |
|--------------------------|-------------------------------------|-----|--------------|----------------|----------------|--------------------------|--|--------------------|-----------------------------------|
| Jean Guillaume Despature | Chairman | 44 | French | 2 June 2021 | 2025 AGM | - | Member | Chairman | Member |
| Michel Rollier | Vice-Chairman Independent member | 77 | French | 2 June 2021 | 2022 AGM | - | Chairman | - | - |
| Paule Cellard | Independent member | 66 | French | 2 June 2021 | 2025 AGM | Member | Member | - | - |
| Anthony Stahl | Member | 48 | French | 2 June 2021 | 2023 AGM | - | - | Member | - |
| Marie Bavarel-Despature | Member | 41 | French-Swiss | 2 June 2021 | 2024 AGM | - | - | - | Member |
| Sophie Desormière | Independent member | 55 | French | 2 June 2021 | 2025 AGM | - | - | Member | - |
| Florence Noblot | Independent member | 58 | French | 2 June 2021 | 2025 AGM | - | - | - | Chair |
| Bertrand Parmentier | Independent member | 66 | French | 2 June 2021 | 2024 AGM | Chairman | - | Member | - |
| Arthur Watin-Augouard | Member representing employees | 41 | French | 27 July 2021 | 26 July 2025 | - | - | - | - |

It should be noted that the Article 14 *bis* of the company's Articles of Association sets out the provisions relating to the terms and conditions for appointing members representing employees. If the company meets the legal conditions and cannot invoke the exceptions set out by law, the Board of Directors will include one or two members representing Group employees, to be appointed by the Group Committee. Pursuant to the above, the member representing employees on the Board of Directors was appointed by the Group Committee on 27 July 2021 and at its meeting of 8 September 2021, the Board recorded his appointment as a member of said Board.

Changes made during the financial year 2021

Former members of the Supervisory Board were appointed Directors with effect from 2 June 2021, with the exception of Victor Despature, whose term of office expired on 2 June 2021.

Relevant expertise and experience contributed by the members of the Board of Directors are detailed in the section, "Expertise and experience of the members of the Board of Directors".

In addition, two Observers were appointed by the Board of Directors on 2 June 2021 for a term of four years, expiring during the General Meeting held in 2025 called to approve the financial statements for the financial year then ended:

- Vincent Leonard; and
- Grégoire Ferré.

They contribute complementary skills and experience, in the financial and digital fields respectively, to the Board.

Equal representation of men and women on the Board

To date, excluding the member representing employees on the Board (who must not be taken into account when assessing gender parity – Commercial Code, Article L. 225-27-1, II paragraph 2), the Board comprises eight members, including four women, meaning there is no gender imbalance within the Board. As such, the company complies with the legal provisions regarding gender equality namely, given the size of the Board, a maximum difference of two between the number of members of each gender.

Self-assessment of the Board

During the financial year 2021, an update on the assessment of the operation and the work of the Board and its Committees was carried out during the Board of Directors' meeting of 17 November 2021. A deeper assessment will be carried out during the 2022 financial year, when the Board and its Committees will have had more than a year of operation and therefore more experience to enable it to complete the assessment of their respective roles.

CONDITIONS OF PREPARATION AND ORGANISATION OF THE BOARD OF DIRECTORS' WORK

The Board of Directors determines the strategic direction of the company's operations and oversees their implementation, in accordance with its corporate purpose, taking into consideration the social and environmental challenges of its business. Subject to the powers expressly conferred to the Shareholders' General Meetings and within the limit of the corporate purpose, it handles any matters pertaining to the proper functioning of the company and settles matters concerning it through its deliberations. The Board of Directors carries out the checks and verifications it deems appropriate.

A Chairman, and potentially a Vice-Chairman, is elected from among its members. Board meetings are convened by the Chairman or, where necessary, by the Vice-Chairman at their own instigation and, if the Chairman is not the Chief Executive Officer, at the request of the Chief Executive Officer or, if the Board has not met for more than two months, at the request of at least two thirds of the Directors. They may call meetings of the Board by any means, including verbally.

INDEPENDENCE OF THE MEMBERS OF THE BOARD OF DIRECTORS

A group of family shareholders holds the majority stake in Somfy SA.

Summary table:

| Independent Board members | Michel Rollier | Paule Cellard | Sophie Desormière | Florence Noblot | Bertrand Parmentier | Explanation in the event of non-compliance |
|---|----------------|---------------|-------------------|-----------------|---------------------|--|
| Is not and has not been an employee or an executive corporate officer of the company or any other Group entity during the last five years | X | X | X | X | X | - |
| Has not had, during the past two years, and does not have any significant business relationship* with the company or its Group (customer, supplier, competitor, service provider, creditor, banker, etc.) | X | X | X | X | X | - |
| Is not a significant shareholder of the company and does not hold a significant percentage of voting rights | X | X | X | X | X | - |
| Does not have a close relationship or family connection with a corporate officer or a significant shareholder | X | X | X | X | X | - |
| Has not been a Statutory Auditor of the company over the previous six years | X | X | X | X | X | - |
| Conclusion regarding independence | Independent | Independent | Independent | Independent | Independent | - |

* Where necessary, the materiality of relationships may be discussed and the assessment criteria clarified at a Board meeting. To date, no material business relationship exists.

It is also specified that on the basis of the independence criteria established by the Middenext Code and summarised above, Grégoire Ferré and Vincent Léonard, Observers, meet these criteria and can thus qualify as independent Observers.

As recommended by the Middenext Code, the Board assesses the independence of its members every year and at the time of their appointment, based on the independence criteria recommended by the Middenext Code, namely:

- to not be, nor to have been during the last five years, an employee or executive corporate officer of Somfy SA or any Group entity;
- to not have nor to have had, during the past two years any significant business relationship with the company or its Group (customer, supplier, competitor, service provider, creditor, banker, etc.);
- to not be a significant shareholder of the company or hold a significant percentage of voting rights;
- to not have a close relationship or family connection with a corporate officer or a significant shareholder;
- to not have been, over the previous six years, a Statutory Auditor of the company.

The Board noted on 2 June 2021 that five members of the Board: Paule Cellard, Sophie Desormière, Florence Noblot, Michel Rollier and Bertrand Parmentier, meet these criteria and can therefore qualify as independent members. There exists no significant relationship, that could affect their freedom of opinion, between these members and Somfy SA or its Management, or with a company consolidated by the Group.

EXPERTISE AND EXPERIENCE OF THE MEMBERS OF THE BOARD OF DIRECTORS AND OBSERVERS

As regards the independent members of the Board, Paule Cellard brings to the Group her international experience in finance, risk management and compliance; Michel Rollier brings to the Group the full breadth of his industrial and international experience gained with the Michelin group, particularly in finance, strategy

and marketing; Sophie Desormière brings to the Group her industrial and international experience gained with the Valeo and Solvay groups in strategy, sales and marketing, as well as her expertise in investment strategy gained as Chief Executive Officer of AALPS Capital; Florence Noblot brings to the Group her experience gained with the DHL group in Europe and Asia (China and Singapore) in strategy, sales and marketing; and Bertrand Parmentier brings to the Group his international experience gained with the groups Pierre Fabre and Latécoère, notably in strategy, organisation and finance.

The other members of the Board, in addition to the respective expertise and professional experience they bring to the Group, are members of the family and therefore have a family code of ethics, which reinforces the shared respect for the shareholders' agreement. Moreover, their own substantial individual investment naturally motivates their long-term commitment and thus their aim to create sustainable value for all the stakeholders of Somfy SA.

Lastly, the Observers, Grégoire Ferré and Vincent Léonard, bring to the Board their expertise - in the digital field for Grégoire Ferré and the financial field for Vincent Léonard.

Grégoire Ferré is Senior Vice-President at Faurecia, responsible for the digital transformation and the artificial intelligence and data centre of expertise, as well as the Cockpit of the Future Division. Prior to joining Faurecia, Grégoire was a consultant with AlixPartners in the aeronautical and automotive industry, and began his career at Renault Group, where he held positions in strategy, on the factory floor and in the automotive programme. Grégoire is a graduate of the École Polytechnique and Massachusetts Institute of Technology (MIT).

Vincent Léonard is a partner at the socially-driven management company IMPACT Partners, based in Paris. Vincent began his career at Arthur Andersen, before moving to PepsiCo Group where he held numerous roles in finance, in France, the UK, China and at the Group's head office in New York. Before joining IMPACT Partners, he spent seven years at SEB Group in Lyon, where he was Deputy CEO and CFO. He is a member of the Board of the charity Secours Catholique and Chairman of its Audit Committee. Vincent is a graduate of the business school ESSEC.

OPERATION OF THE BOARD

Until the Combined General Meeting of 2 June 2021, the operation of the Supervisory Board was determined by legal and regulatory provisions, and the company's Articles of Association and rules of procedure.

Prior to the change in the governance structure of the company, the rules governing the operation of the Board were as follows:

The Supervisory Board performed its supervisory role in accordance with the conditions prescribed by law.

The Management Board submitted a report to it a minimum of once every quarter.

After the end of each financial year, and within the legal time limit, the Management Board presented to it, for the purposes of verification and review, the documents referred to in Article L. 225-100 of the Commercial Code.

At each ordinary meeting, the Management Board presented a report on the operations and results of the Group and its main subsidiaries for the quarter just ended.

Within three months following the end of each financial year, the parent company and consolidated financial statements approved by the Management Board were sent to the Supervisory Board for review.

The Board then presented its observations on the Management Board report as well as on the financial statements to the General

Meeting; these observations were included in the report on corporate governance.

As of 2 June 2021, the company is governed by a Board of Directors.

The company's Articles of Association adopted at the Combined General Meeting of 2 June 2021 define and specify the terms and conditions governing the composition of the Board of Directors, as specified below:

Members of the Board of Directors, the number of which can never fall below the legal threshold nor exceed the legal limit, are appointed in accordance with the conditions specified by law for a period of four years. As an exception and solely to enable the implementation or maintenance of staggered terms of office, the Ordinary General Meeting can appoint one or more members of the Board of Directors for a term of one, two or three years. All outgoing Board of Directors members may be reappointed.

The term of office of an outgoing member of the Board of Directors ceases at the end of the Ordinary General Meeting of Shareholders called to approve the financial statements for the financial year then ended and held in the year that the term of office of said member of the Board of Directors expires.

No one may be appointed as a member of the Board of Directors, if, being over 75 years old, their appointment leads to more than a third of the members of the Board of Directors being over that age.

The Board of Directors meets as often as required in the interests of the company.

During the 2021 financial year, the Supervisory Board met on two occasions with an attendance rate of 93%. The Board of Directors constituted on 2 June 2021 met on seven occasions with an attendance rate of 98%. Due to the pandemic, the Supervisory Board and subsequently the Board of Directors have only been able to meet in person twice, with six sessions taking place by audiovisual conference on three occasions, and the Board has been consulted in writing once.

Meetings of the Board take place either at the registered office or at any other location specified in the notice of the meeting.

Pursuant to Article 15 of the Articles of Association and Article 5 of the rules of procedure, and excepting cases provided for by the law, Board of Directors' members who participate in Board meetings using videoconferencing or telecommunication means both enabling them to be identified and guaranteeing their effective participation are deemed to be present for quorum and majority calculation purposes.

It is specified that, in accordance with recommendation 6 of the Middenext Code, the physical presence of members is preferred and, if members are unable to attend, videoconferencing is preferred over telephone conversations (excluding the exceptional circumstances related to the pandemic).

In accordance with the law, General Management can only agree to deposits, sureties and guarantees if they have been authorised in advance by the Board of Directors. To this end, the Board of Directors can authorise General Management to grant deposits, sureties and guarantees within the limit of a total amount that it determines; it can also impose, per each commitment, a maximum amount above which the deposits, sureties or guarantees cannot be granted. The authorisation of the Board is required in every case where a commitment exceeds any cap set (except as otherwise provided for by regulations).

The rules of operation of the Board of Directors are specified in its rules of procedure, which are available on the company's website.

The Board's rules of procedure also include provisions aimed at preventing and managing conflicts of interest.

Should a situation arise where there is or appears to be a conflict of interest between the corporate and their direct or indirect personal interest, or the interests of the shareholder or group of shareholders they represent, the Board member concerned must:

- inform the Board of this conflict of interest as soon as they become aware of it and in any case before any Board meeting depending on the agenda;
- take all appropriate action in relation to exercising their term of office.

Depending on the case, they shall therefore:

- abstain from participating in discussions and from voting on the relevant deliberation (exiting the room);
- refrain from attending Board meetings during the period they are faced with a conflict of interest;
- resign from their duties as a member of the Board.

The Board member may be held liable for failing to comply with these abstention and non-attendance rules.

Furthermore, the Chairman of the Board will not be obliged to disclose information or documentation relating to the matter in dispute to any member(s) whom they have strong grounds for suspecting is (are) in a position of conflict of interest within the meaning of this paragraph, and will inform the Board of Directors of this act of non-disclosure.

Once a year, each Director is asked about the possible existence of a direct or indirect conflict of interest. Under the revised Middelnext Code, each Director will in future be asked as part of a questionnaire they will be required to complete. Based on the questionnaires thus received, the Board will review the conflicts of interest disclosed or already known. Where applicable, each member of the Board will disclose any changes in their circumstances.

In its meeting of 8 September 2021, the Board conducted an annual review of the known potential conflicts of interest in accordance with the R2 recommendation of the Middelnext Code.

The main issues covered at meetings of the Supervisory Board during the year were the following:

- review of the Management Board's report on the corporate transactions for the financial year ended 31 December 2020; Audit Committee's report; Statutory Auditors' report and review of the financial statements approved by the Management Board;
- authorisation to be granted to the Management Board to agree to deposits, sureties and guarantees on behalf of the company;
- borrowing authorisation to be granted to the Management Board;
- dividends: proposal by the Management Board to the General Meeting;
- review of forward planning documents;
- regulated agreements – Review of current agreements concluded under standard conditions as referred to in Article L. 225-87 of the Commercial Code;
- allocation of performance-based shares to Management Board members;
- report of the Remuneration Committee - Setting the remuneration policy for corporate officers; update on the remuneration of the members of the Management Board – Acknowledgement of the fulfilment of each variable remuneration criterion set for 2020 and setting of new criteria/targets for variable remuneration for 2021;
- addition to the agenda for the next General Meeting – Say on Pay: approval of the remuneration policy for the Chairman of the Management Board, member(s) of the Management Board and members of the Supervisory Board (*ex-ante* Say on Pay); *ex-post* Say on Pay (individual) for executive corporate officers; approval of the information referred to in paragraph I of Article L. 22-10-9 of the Commercial Code for all corporate officers (overall *ex-post* Say on Pay);

- review of the independence of Board members;
- adoption of the report on corporate governance;
- deliberations on the company's policy regarding equality in the workplace and equal pay;
- review of the draft resolutions and the Board of Directors' report;
- review of the proposed change to the company's governance and management structure – Review of the proposed Articles of Association and the main choices to be made as part of the new governance structure;
- addition to the remuneration policy for corporate officers: subject to approval by the General Meeting of the change in the governance and management structure and dependent on the choices to be made within the context of the new governance structure, adoption of the remuneration policy:
 - relating to the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer,
 - relating to the Directors;
- update on the independence of candidates to the Board;
- modification of the corporate governance report including Say on Pay – Remuneration policy for corporate officers (applicable to the new governance structure subject to the approval of the corresponding resolution by the General Meeting, or in the absence thereof, to the former governance structure) and the observations of the Supervisory Board;
- addition to the agenda for the General Meeting, in particular amended Say on Pay – Approval of the remuneration policy for corporate officers, *ex-ante* Say on Pay - Applicable to the new governance structure subject to the approval of the corresponding resolution by the General Meeting, or in the absence thereof, to the former governance structure.

The main issues covered at meetings of the Board of Directors during the year were the following:

- choice of method for exercising General Management;
- appointment of the Chairman of the Board, confirmation of the remuneration policy for corporate officers, the setting of their remuneration in accordance with the policy approved by the General Meeting;
- appointment of a Vice-Chairman of the Board;
- appointment of a Chief Executive Officer, determination of their powers and remuneration in accordance with the approved remuneration policy;
- establishment of a process to select one or more Deputy Chief Executive Officers;
- appointment of one or more Deputy Chief Executive Officers in compliance with the previously established process, determination of their powers and remuneration in accordance with the remuneration policy approved by the General Meeting;
- determination of the number of shares that each member of General Management will be required to retain in registered form until the termination of their duties within the context of a free share allocation;
- appointment of two Observers;
- review of the independence of Directors in reference to the criteria of the Middelnext Code and the Board's rules of procedure;
- setting the rules for distributing the total amount of remuneration allocated to Board members in accordance with the policy approved by the Meeting;
- creation of the Audit and Risk Committee – Composition;
- creation of the Appointment and Remuneration Committee – Composition;
- creation of the Strategy Committee – Composition;
- creation of the Sustainable Development Committee – Composition;

- recognition of the appointment of the member of the Board of Directors representing employees appointed by the Group Committee – Setting of the time required for the member of the Board of Directors representing employees for the performance of their role and determination of the arrangements for their training;
- confirmation in favour of the new Chief Executive Officer of the delegations and authorisations previously granted to the Chairman of the Management Board, notably in relation to deposits, sureties and guarantees;
- concerning the free allocations of shares agreed upon by the Management Board on 12 November 2018, 20 May 2019 and 15 November 2019, the definitive allocation of which will take place, subject to compliance with the allocation conditions, on 30 June 2021:
 - where applicable, certification of compliance with the performance-based conditions,
 - sub-delegation to the Chief Executive Officer to certify, where applicable, compliance with the continued employment condition, the definitive allocation of free shares in the form of existing ordinary shares held by the company as part of its share buyback programme and the definitive allocation to the beneficiaries of existing shares;
- implementation of the share buyback programme;
- 2023/2024 LTI plan;
- report on the operations and results of the first half of 2021 – Review of the half-year financial statements and report – Audit and Risk Committee’s report – Statutory Auditors’ report; Statutory Auditors’ opinion; financial press release on the sales for the first half of 2021; financial press release for the 2021 financial year – Results for the first half of 2021;
- business report on the transactions during the third quarter of 2021;
- presentation of the 2022 Group budget for approval;
- M&A update;
- approval of the procedure facilitating the regular review of whether agreements relating to current transactions concluded under standard conditions fulfil these conditions;
- adoption of forward planning documents;
- presentation and ratification of the update to the corruption risk mapping; progress of the programme – Ratification of the update to compliance documents;
- presentation of the Middelnext Code revised in September 2021;
- assessment by the Board of its operation and the preparation of its work;
- review of conflicts of interest – Middelnext Code;
- annual review of areas requiring attention – Middelnext Code;
- adoption of the rules of procedure of the Board and its Committees and modification of the rules of procedure of the Board and its Committees to take into account the revision of the Middelnext Code which took place in September 2021;
- adoption of the Code of Conduct;
- adoption of the internal procedure relating to external communication.

COMMITTEES ESTABLISHED BY THE BOARD OF DIRECTORS

Audit and Risk Committee

With regard to the Audit and Risk Committee, the company applies the recommendations of the AMF’s working group chaired by Mr Poupart Lafarge at the Audit Committee meeting of 22 July 2010. The recommendations in respect of the composition and chairing of the Committee, the competence of its members and definitions of independence, the operation (disclosure, evaluation and reporting on the work undertaken), as well as the

recommendations relating to the performance of its legal responsibilities have been followed.

Follow-up work on the effectiveness of the internal control and risk management systems has also been carried out.

In 2021, as part of its assignment relating to risks, the Audit and Risk Committee monitored risks and updated the risk mapping at an extraordinary meeting of the Audit and Risk Committee, during which the Compliance and Risk Management Officer presented the relevant information.

The Committee’s composition has changed over the course of the financial year:

- until 2 June 2021, the Supervisory Board’s Audit Committee was comprised of three members: Victor Despature, Chairman, Paule Cellard and Bertrand Parmentier, independent members;
- since 2 June 2021, the Board of Directors’ Audit and Risk Committee comprises three members: Bertrand Parmentier (independent Chairman), Paule Cellard (independent member) and Vincent Léonard (Observer).

It should be noted that Victor Despature had accounting expertise. He is a Chartered Accountant and an Auditor (state registered), and performed these roles from 1983 to 2000. Since then, he has served on the management of a major family-owned group from 2002 to 2006, acting as Chairman of the Legal Committee from 2002 to 2008 and as Chairman of the Supervisory Board from 2012 to 2017. He was also a member of the Remuneration Committee of this group from 2002 to 2017. Between 2000 and 2017, he also led a medium-sized company operating in the aeronautic sub-contracting sector and was the Chairman of the latter’s Supervisory Board between 2017 and 2020. He has been a member of the Board of Directors of Edify SA since 16 September 2014, and Chairman of its Audit Committee since 19 March 2015. Paule Cellard, a graduate of ESC Paris (business school) and with a Master’s degree from the Paris Assas Law School, has held various operational roles in Corporate and Investment Banking. In particular, between 2006 and 2009 she was CEO of Gestion Privée Indosuez, and was subsequently, until 2012, Global Director of Compliance for Crédit Agricole Corporate & Investment Bank. Since November 2012, she has been a Director of CA INDOSUEZ Wealth Management Europe, where she has chaired the Audit and Risk Committee since December 2015. Since February 2017, she has been a Director of HSBC Continental Europe and is also a member of the Risk Committee and of the Remuneration Committee of HSBC Continental Europe. She has expertise in the financial field and extensive experience in risk management. A graduate of HEC (Paris business school), Bertrand Parmentier has accumulated a wealth of solid experience in corporate finance (audit, treasury, financing, management control, internal control, risk management, corporate finance, merger-acquisitions, restructuring, listed company financial communication) throughout a career in industry which led him to occupy positions of increasing responsibility in the administrative and financial fields, followed by General Management positions within the Shell (1979-1988) and Aubert et Duval (1988-1991/CFO) groups as well as at Laboratoires Pierre Fabre where he successively held the positions of CFO (1991-1996), CEO responsible for Finance, Procurement and IT (1996-2008); and later at aeronautical manufacturer Latécoère where he was CEO and CFO, and then Chairman of the Management Board (2008-2013), it may also be noted that in 2013, following the death of Pierre Fabre, he took the helm of the eponymous pharmaceutical and dermo-cosmetics group where he remained in charge until his retirement in June 2018.

The Committee’s duties are to:

- monitor the process of preparing financial information and the legal audit of the parent company and consolidated financial statements, ensure the relevance and consistency of the accounting methods used and, where necessary, make

- recommendations to guarantee its consistency, integrity and compliance with the company's regulatory reporting guidelines;
- ensure the consistency of non-financial information with financial information; in this regard, review the components of the non-financial statement (NFS) put forward by the Sustainable Development Committee;
- monitor the efficiency and smooth coordination of the internal control and risk management systems, notably the dynamics of establishing, approving and regularly updating the risk mapping, as well as the development and execution of audit plans: in this regard, Audit and Risk Committee members can request, from the Chief Executive Officer, audits on any subject falling within their authority and they receive summaries of all internal audit reports prepared by the company as well as those prepared by external auditors; they are also informed of any major disputes likely to have a significant impact on the consolidated and parent company financial statements and their progress;
- review the legal and fiscal policy implemented by the company and its subsidiaries;
- ensure the independence and objectivity of the Statutory Auditors;
- participate in their selection by issuing a recommendation on the Statutory Auditors proposed for appointment by the General Meeting;
- monitor the completion by the Statutory Auditors of their assignment;
- approve the provision of services other than the certification of the financial statements, mentioned in Article L. 822-11-2 of the Commercial Code;
- review the implementation of the process for assessing current agreements concluded under standard conditions and inform the Board of Directors in this regard.

The Audit and Risk Committee regularly reports on the performance of its assignments to the Board of Directors, and also reports on the results of the assignment to certify the financial statements, on the way in which this mission has contributed to the integrity of financial information and on the role it has played in this process. It shall inform the Board without delay of any difficulty encountered. The Committee can also at any time consider any significant issue of a financial, accounting or auditing nature and deliver any opinion or recommendation to the Board of Directors in the aforementioned areas. Within the context of its duties, and to successfully complete its missions, the Audit and Risk Committee has access to the information necessary for its work. It can interview any individual it considers appropriate to speak to and make use of all sources of expertise, both internal and external, that it considers necessary for forming its opinion. Since its creation, it has met at each half-year and year-end balance sheet date. It meets as often as necessary, and at least twice every financial year, prior to the Board of Directors' review of the half-year and annual financial statements and/or the proposed appointment of Statutory Auditors.

During the 2021 financial year, the Audit and Risk Committee met on four occasions each time with all members in attendance.

Until 2 June 2021, Pierre Ribeiro, member of the Management Board and Chief Financial Officer, took part in Committee meetings. As of 2 June 2021, Jean Guillaume Despature, Chairman of the Board, and Pierre Ribeiro, Chief Executive Officer, took part in the Audit and Risk Committee meetings.

At the various Audit and Risk Committee meetings, the Chief Financial Officer and the Group Head of Accounting, Consolidation and Treasury presented the financial position of the Group, the accounting options adopted, the risk exposure, the significant off-balance sheet commitments and the changes in the consolidation scope; Internal Audit presented the results of audits carried out and the proposed annual audit plan, while the results

of the risk mapping update was presented by the Compliance and Risk Management Officer.

In addition to the recurring topics set out above, the following were specifically presented to the Audit and Risk Committee in 2021:

- an annual update on the Group's ethics policy and monitoring of the implementation of the anti-corruption programme to comply with the "Sapin II" Act, presented by the Compliance and Risk Management Officer;
- a presentation of the new audit approach, illustrated with examples, by the Statutory Auditors;
- a summary of the main recent and upcoming regulatory developments, and in particular the impact of the pandemic in the presentation of the financial statements by the Statutory Auditors;
- a presentation of the Group's tax policy by the Tax and Customs Director;
- a presentation of the Group's treasury policy by the Treasury Officer.

Pursuant to Article L. 823-16 of the Commercial Code, the Statutory Auditors presented to the Board their general work programme as well as the various surveys they carried out; the changes that they felt should be made to the financial statements or other accounting documents that required approval, making any relevant comments about the valuation methods used in their preparation; possible irregularities and errors discovered and the findings leading to the above observations and corrections on the results for the period compared with those for the previous period. In addition, every year the Statutory Auditors submit to the Audit and Risk Committee a declaration of independence and an update of the information described in Article L. 820-3 detailing the services provided by the members of the network to which the Statutory Auditors are affiliated, as well as services other than the certification of the financial statements.

In accordance with the obligation arising from the reform of the audit, the rules for the approval by the Audit and Risk Committee of the services provided by the auditors have been formally set out in a procedure. The total cost of these services is reported in note 14 to the consolidated financial statements. Furthermore, the Statutory Auditors and the Audit and Risk Committee had a number of discussions about the supplementary report prepared for the Audit and Risk Committee by the Statutory Auditors.

With regard to working methods: a minimum time period for the examination of the financial statements was complied with to enable the Audit and Risk Committee to avail of the option of using external experts, as well as interviewing the Chief Financial Officer, Statutory Auditors and the Internal Audit Officer.

The Chairman of the Audit and Risk Committee reports to the Board of Directors on the work carried out by the Audit and Risk Committee and its findings during the Board of Directors' meetings called to approve the half-year and annual financial statements.

Minutes of each Audit and Risk Committee meeting are provided to the Board of Directors for its information.

Appointment and Remuneration Committee

The Appointment and Remuneration Committee was created by the Board of Directors on 2 June 2021. Its composition has changed in relation to its composition prior to 2 June 2021, when the company was structured as a limited company (*Société Anonyme*) with a Management Board and a Supervisory Board.

Until 2 June 2021, the Remuneration Committee was comprised of two members: Michel Rollier and Victor Despature whose terms of office expired on that date. The new Appointment and Remuneration Committee was established by the Board of Directors on 2 June 2021. It comprises three members: Michel Rollier (Chairman and independent member), Jean Guillaume

Despature (member) and Paule Cellard (independent member). The Committee's mission is to submit proposals to the Board of Directors, in particular in respect of the amount of, and calculation methods for, corporate officers' remuneration, including findings on the variable remuneration for the financial year just ended and proposals to be issued for the coming financial year, and to issue an opinion concerning the amount of the remuneration of members of the Board of Directors.

External persons who are not members may attend meetings at the Committee's request.

The Committee regularly calls on a firm specialised in the subject of senior executive remuneration, which provides advice on the practices that are generally applied in companies of a comparable size.

During the year just ended, it met three times. Two meetings took place before 2 June 2021, when the company was structured as a limited company (*Société Anonyme*) with a Management Board and a Supervisory Board and one took place after 2 June, since when the company has been a limited company with a Board of Directors. The attendance rate of members was 100%.

The Appointment and Remuneration Committee is called upon to consider the succession of management resulting from recommendation R14 of the Middledenext Code; such consideration took place at its meeting of 4 March 2021. This item will be discussed again in 2022.

The members of the Appointment and Remuneration Committee report verbally to the Board of Directors on the work carried out and the opinions issued, thus helping the Board to prepare and make decisions in terms of corporate officers' remuneration.

Sustainable Development Committee

The Sustainable Development Committee comprises three members: Florence Noblot, who chairs this Committee (independent member), Jean Guillaume Despature and Marie Bavarel-Despature (members).

Its role is to:

- express opinions on the major policy directions in relation to Sustainable Development and Social Responsibility, including diversity and inclusion, proposed by General Management, in line with the Group's strategy;
- ensure that Sustainable Development and Social Responsibility issues are taken into account in the company's strategy including the resources made available by management to address them (implementation and KPIs);
- oversee the establishment of commitments and targets in terms of Sustainable Development and Social Responsibility, notably through the review of the related action plan and performance indicators including the elements in the non-financial statement;
- ensure the monitoring and ongoing assessment of the results and impacts of the action plan through indicators and in reference to the targets set;
- review all the reporting and communication documents relating to the company's Sustainable Development and Social Responsibility policy and enable the reporting of the progress and the achievement of the targets set;
- examine the risks and opportunities in terms of Sustainable Development and Social Responsibility in relation to the company's activities;

- ensure that the company's Sustainable Development and Social Responsibility targets are developed as part of a coherent ongoing improvement drive.

Since its establishment on 2 June 2021, it has met once. The rate of attendance by the members was 100%.

The members of the Sustainable Development Committee report verbally to the Board on the work carried out and the opinions issued, thus helping the Board to prepare and make decisions in terms of Sustainable Development.

Strategy Committee

The Strategy Committee comprises five members: Jean Guillaume Despature, who chairs this Committee, Sophie Desormière (independent member), Bertrand Parmentier (independent member), Anthony Stahl (member), as well as Grégoire Ferré (Observer).

Its role includes submitting proposals to the Board aimed at:

- examining the strategic issues of interest to the Group;
- reviewing the three-year strategic roadmap;
- giving its opinions to the Board on the Group strategy proposed by General Management;
- looking into the major technological choices;
- conducting an annual review of the roadmap concerning the digitalisation of the business;
- reviewing the draft annual budget;
- overseeing General Management's roll-out of the Group's strategy;
- examining all significant planned investments, strategic partnerships, acquisitions and disposals.

Since its establishment on 2 June 2021, it has met once. The rate of attendance by the members was 100%.

The members of the Strategy Committee report verbally to the Board on the work carried out and the opinions issued, thus helping the Board to prepare and make decisions in terms of strategy.

CONDITIONS OF SHAREHOLDERS' PARTICIPATION IN GENERAL MEETINGS

The Articles of Association set out the following provisions (excluding any exceptional legal and regulatory provisions related to the pandemic):

- all shareholders have a right to attend General Meetings and participate in their deliberations, in person or by proxy;
- they may vote remotely. If the Board provides for this when convening the meeting, all shareholders may also participate in General Meetings by videoconferencing or by any communication means enabling their identification according to the terms and conditions set out by the law and regulations and that are specified in the notice of the meeting; the shareholder will, in this case, be deemed to be present for the calculation of quorum and majority;
- the right to participate in General Meetings is contingent upon the shareholder providing proof of their identity and on the registration of the securities in their name (or in the name of the intermediary recorded on their behalf if they reside abroad) at midnight Paris time on the second working day preceding the Meeting, either in a nominative account or in the records of bearer shares held by an authorised intermediary;
- the attendance in person of the shareholder supersedes all proxy or remote voting.

INFORMATION REGARDING TERMS OF OFFICE AND DUTIES DURING THE FINANCIAL YEAR

TERMS OF OFFICE AND DUTIES OF MEMBERS OF GENERAL MANAGEMENT DURING THE FINANCIAL YEAR

- **Pierre RIBEIRO – Chief Executive Officer since 2 June 2021**
 - Director of Asian Capital International Limited, Sino Global International Holdings Limited, Sino Link Trading Limited, New Unity Limited, Hong Kong CTLT Trade Co.Limited, Somfy Kabushiki Kaisha, FIGEST BV and PROMOFI BV,
 - Director, Vice-Chairman and Chief Executive Officer of Somfy Activités SA,
 - Permanent Representative of Somfy Activités SA, Manager of Somfybat,
 - Member of the Board of Directors of BFT SpA,
 - Director of DSG Coordination Center SA,
 - Member of the Management Board and Chief Financial Officer of Somfy SA until 2 June 2021.
- **Valérie DIXMIER – Deputy Chief Executive Officer**
 - No other terms of office.

The above terms of office are exercised within unlisted Group companies, unless otherwise indicated.

TERMS OF OFFICE AND DUTIES OF MEMBERS OF THE BOARD OF DIRECTORS DURING THE FINANCIAL YEAR

- **Paule CELLARD – Independent member of the Board of Directors since 2 June 2021**
 - Member of the Audit and Risk Committee of Somfy SA,
 - Member of the Appointment and Remuneration Committee of Somfy SA,
 - Member of the Supervisory Board of Damartex SA (company listed on Euronext Growth),
 - Chair of the Audit Committee of Damartex SA (company listed on Euronext Growth),
 - Member of the Remuneration Committee of Damartex SA (company listed on Euronext Growth),
 - Member of the Board of Directors of INDOSUEZ Wealth Management Europe,
 - Chair of the Audit Committee and of the Risk Management and Internal Control Committee of INDOSUEZ Wealth Management Europe,
 - Director of HSBC Continental Europe,
 - Member of the Risk and Remuneration Committees of HSBC Continental Europe,
 - Independent member of the Supervisory Board of Somfy SA until 2 June 2021.
 - **Jean Guillaume DESPATURE – Chairman of the Board of Directors since 2 June 2021**
 - Chairman of the Strategy Committee of Somfy SA,
 - Member of the Appointment and Remuneration Committee of Somfy SA,
 - Member of the Sustainable Development Committee of Somfy SA,
 - Chairman of the Supervisory Board of Damartex SA (company listed on Euronext Growth),
 - Chairman of the Remuneration Committee and member of the Audit Committee of Damartex SA (company listed on Euronext Growth),
 - Director of Edify SA (company listed on the Euro-MTF market of the Luxembourg stock exchange),
 - Chairman of the Somfy Corporate Foundation (as Permanent Representative of the Founder – Somfy Activités SA, a Group company),
 - Chairman of the Les Petites Pierres endowment fund (as Permanent Representative of the Somfy Corporate Foundation, itself represented by Somfy Activités SA, a Group company),
 - Director of Acacia SA,
 - Director of DSG Coordination Center SA (a Group company),
 - Manager of FIDEP and CMC (a Group company),
 - Chairman and Chairman of the Supervisory Board of Somfy Protect by Myfox (a Group company),
 - Chairman of the Management Board of Somfy SA until 2 June 2021.
- **Michel ROLLIER – Vice-Chairman of the Board of Directors since 2 June 2021 – Independent Board member**
 - Chairman of the Appointment and Remuneration Committee of Somfy SA,
 - Chairman of the Board of Directors of Siparex Associés,
 - Chairman of the Association Nationale des Sociétés par Actions (ANSA),
 - Chairman of the Supervisory Board – Independent member of the Supervisory Board of Somfy SA until 2 June 2021.
 - **Anthony STAHL – Member of the Board of Directors since 2 June 2021**
 - Member of the Strategy Committee of Somfy SA,
 - Member of the Supervisory Board of Damartex SA (company listed on Euronext Growth),
 - Chairman of the Management Committee of FIDEP,
 - Member of the Supervisory Board of Somfy SA until 2 June 2021.
 - **Marie BAVAREL-DESPATURE – Member of the Board of Directors since 2 June 2021**
 - Member of the Sustainable Development Committee of Somfy SA,
 - Member of the Supervisory Board of Damartex SA (company listed on Euronext Growth),
 - Manager of FIDEP,
 - Member of the Board of Directors of the On Seniors' Side Foundation (Damartex),
 - Member of the Supervisory Board of Somfy SA until 2 June 2021.
 - **Sophie DESORMIÈRE – Independent member of the Board of Directors since 2 June 2021**
 - Member of the Strategy Committee of Somfy SA,
 - Member of the Board of Directors of Gentherm,
 - Chair of the Appointments and Corporate Governance Committee of Gentherm,
 - Chair of the Management Board of Navya SA (company listed on Euronext - Compartment C),
 - Independent member of the Supervisory Board of Somfy SA until 2 June 2021.
 - **Florence NOBLOT – Independent member of the Board of Directors since 2 June 2021**
 - Chair of the Sustainable Development Committee of Somfy SA,
 - Member of the Supervisory Board of Elis SA (company listed on Euronext),
 - Chair of the Corporate Social Responsibility Committee of Elis SA (company listed on Euronext),
 - Independent member of the Supervisory Board of Somfy SA until 2 June 2021.

– **Bertrand PARMENTIER – Independent member of the Board of Directors since 2 June 2021**

- Chairman of the Audit and Risk Committee of Somfy SA,
- Member of the Strategy Committee of Somfy SA,
- Director of the Pierre Fabre Foundation,
- Trustee of Secours Catholique Caritas France, Chairman of the Tarn-Aveyron-Lozère Delegation,
- Chairman of the Cylad Consulting Corporate Foundation,
- Independent member of the Supervisory Board of Somfy SA until 2 June 2021.

– **Arthur WATIN-AUGOUARD – Member of the Board of Directors representing employees since 27 July 2021**

- Trustee – Association Saint Pierre de Tarentaise,
- Member of the Supervisory Board of Somfy SA representing employees until 2 June 2021.

– **Victor DESPATURE until 2 June 2021**

- Vice-Chairman of the Supervisory Board of Somfy SA until 2 June 2021,
- Chairman of the Audit Committee of Somfy SA until 2 June 2021,
- Member of the Remuneration Committee of Somfy SA until 2 June 2021,
- Director and Chairman of the Audit Committee of MCSA SA since 15 December 2020,
- Manager of SARL MCSA-Tunis, and SCs Vicma and Devin-VD,
- Director and Chairman of the Audit Committee of Edify SA (company listed on the Euro-MTF market of the Luxembourg stock exchange).

Apart from the terms of office and duties performed by the members of the Board within Somfy SA and a number of Group entities, all the other terms of office and duties are performed outside the Group.

Concerning observers:

- Grégoire Ferré holds no other position;
- Vincent Léonard is a member of the Board of the charity Secours Catholique, whose Audit Committee he also chairs.

AUTHORISATIONS

The Board of Directors benefits from the following authorisations:

| | Date of AGM | Date authorisation expires | Authorised amount | Used during the financial year ended 31 December 2021 | Residual amount at 31 December 2021 |
|---|------------------|----------------------------|---|---|-------------------------------------|
| Authorisation to grant existing free shares | AGM 22 May 2019* | 21 July 2022 | 1.5% of share capital on date of AGM | ** | 1.3076% of share capital |
| Authorisation to grant stock options | AGM 2 June 2021 | 1 August 2024 | 1.5% of share capital on date of AGM*** | Nil | 1.5% of share capital |

* As a result of the change in corporate structure, the Combined General Meeting of 2 June 2021 decided to transfer the authorisation previously granted to the Management Board, to allocate free of charge existing shares for the benefit of salaried members of staff of the company or companies related to it either directly or indirectly within the meaning of Article L. 225-197-2 of the Commercial Code and/or corporate officers who fulfil the criteria set by Article L. 225-197-1 of the Commercial Code, granted by the Combined General Meeting of 22 May 2019 as part of its 12th extraordinary resolution, to the Board of Directors for the remainder of its term.

** Free allocation of 46,248 shares, representing 0.1250% of the share capital, decided by the Board of Directors on 28 June 2021 and 7 December 2021.

*** This ceiling shall count towards the total number of shares able to be allocated free of charge by the Management Board or the Board of Directors, as appropriate, in respect of the authorisation granted by the 12th extraordinary resolution of the General Meeting of 22 May 2019 and any other subsequent authorisation of a similar type granted by the General Meeting.

It is further specified that the Board of Directors has a share buyback authorisation, granted by the General Meeting of 2 June 2021 in its tenth ordinary resolution, details of which are set out in the section on the buyback of own shares in the Board of Directors' management report. This authorisation is valid until 1 December 2022. The Board of Directors also has an authorisation to cancel the shares bought back by the company, which was granted to the Management Board by the General Meeting of 24 June 2020 in its 16th extraordinary resolution, and transferred to the Board of Directors on 2 June 2021. This latter authorisation covers a maximum of 10% of the share capital and is valid until 23 June 2022. It was not used during the 2021 financial year.

REGULATED AGREEMENTS

—
Please note that no regulated agreement concluded and authorised during previous financial years and with continuing effect during the financial year just ended is to be reported, and that no new agreements of the same nature as those referred to in Articles L. 225-86 and L.225-38 and subsequent of the Commercial Code were concluded during the 2021 financial year.

AGREEMENTS CONCLUDED BETWEEN A CORPORATE OFFICER OR SHAREHOLDER HOLDING MORE THAN 10% OF VOTING RIGHTS AND A CONTROLLED ENTITY (EXCLUDING CURRENT AGREEMENTS)

—
Nil.

EVALUATION PROCEDURES FOR CURRENT AGREEMENTS CONCLUDED UNDER STANDARD CONDITIONS – ASSESSMENT OF THE ABSENCE OF CURRENT AGREEMENTS CONCLUDED UNDER STANDARD CONDITIONS AS REFERRED TO IN ARTICLE L. 225-39 OF THE COMMERCIAL CODE

—
Pursuant to the provisions of Article L. 22-10-12 of the Commercial Code, a procedure for assessing current agreements concluded under standard conditions was adopted at the Board of Directors' meeting of 2 June 2021. This procedure provides that each year the company's Finance and Legal Departments list the agreements covered by Article L. 225-39 of the Commercial Code and assess whether the criteria for qualifying as a current agreement concluded under standard conditions are met. The Finance and Legal Departments report once a year on their work to the Audit and Risk Committee and to the Board.

At the Board meeting of 9 March 2022, it was noted that there are no current agreements concluded under standard conditions as referred to in Article L. 225-39 of the Commercial Code.

Pursuant to the provisions of Article L. 225-37-4, 3°, it is specified that the Board of Directors does not benefit from any delegation of authority or powers granted by the General Meeting in respect of increases in capital in relation to Articles L. 225-129-1 and L. 225-129-2 of the Commercial Code.

INFORMATION ON REMUNERATION

CORPORATE OFFICERS' REMUNERATION POLICY (RESOLUTIONS 12 TO 15 TO THE GENERAL MEETING OF 1 JUNE 2022)

Shareholders will be asked to approve the remuneration policy for the single-tier governance structure, Chairman of the Board of Directors, Chief Executive Officer, Deputy Chief Executive Officer and Directors (resolutions 12 to 15).

Upon proposal of the Appointment and Remuneration Committee and taking into account the recommendations of the Middledex Code, the Board of Directors has established a remuneration policy for each of the company's corporate officers that is in line with its corporate interest, contributes to its sustainability and conforms to its business strategy as described in the chapter "Presentation of the Group" of the Annual Financial Report. In order to do this, the Board has set the remuneration policy for its executive corporate officers in relation to these components, in particular in setting the criteria for variable remuneration and the criteria for the allocation of performance-based shares. These criteria are tailored to the company's strategy and environment in order to promote its competitiveness over the medium and long term and the achievement of sustainable and profitable growth.

The Board of Directors determines, reviews and implements the remuneration policy for each of the corporate officers on the recommendation of the Appointment and Remuneration Committee. It is specified that the Chairman does not take part in the deliberations or vote on matters relating to him and is not present at the Board's discussions on these matters. Similarly, the Chief Executive Officer and the Deputy Chief Executive Officer are not present at discussions on matters relating to them.

No remuneration component, of any kind whatsoever, may be determined, allocated or paid by the company, nor any commitment made by the company, if it does not comply with the approved remuneration policy or, if no policy is in place, with the existing remuneration or practices within the company. However, under exceptional circumstances the Board of Directors may depart from application of the remuneration policy, if such departure is temporary, is in the company's interest and is necessary to ensure the company's continued existence or viability, and only for the following remuneration components: annual variable remuneration, exceptional remuneration and allocation of performance-based shares. The Board of Directors will rule on the recommendation of the Appointment and Remuneration Committee and will verify whether this departure is in line with the corporate interest and necessary to ensure the company's continued existence or viability. This information will be brought to the attention of shareholders in the next report on corporate governance.

To establish the remuneration policy for corporate officers, the terms and conditions of remuneration and employment of the company's employees were also taken into account by the Appointment and Remuneration Committee and the Board of Directors, in particular the information referred to in paragraph 6, section I of Article L. 22-10-9 (fairness ratios).

In the event of a change in governance, the remuneration policy will be applied to the company's new corporate officers, with the necessary adjustments where applicable.

The Board of Directors, acting on a proposal from the Appointment and Remuneration Committee, takes the following principles into account, in accordance with recommendation R16 of the Middledex Code on Corporate Governance of September 2021:

- **completeness:** each company is free to determine the remuneration components of the executive corporate officers. Communication with shareholders regarding the remuneration of executive corporate officers must be complete: fixed portion, variable portion (bonus), stock-options, free shares, remuneration in respect of the term of office as "Board member", exceptional remuneration, pension conditions and specific benefits, etc.
- In the case of variable remuneration, assessment of the achievement of performance takes into account quantitative financial and non-financial criteria, as well as qualitative criteria;
- **balance** between the elements of the remuneration: each remuneration component must be substantiated and correspond to the company's general interest;
- **benchmark:** the remuneration must be assessed, insofar as possible, within the context of a business sector and the benchmark market, and be proportionate to the company's situation, while paying due attention to its inflationary effects;
- **consistency:** executive corporate officers' remuneration must be determined in a manner consistent with that of other officers and employees in the company;
- **clarity:** the rules must be simple and transparent; the performance criteria used to determine the variable part of the remuneration or, where applicable, the allocation of options or free shares, must be linked to the company's performance, correspond to its goals, and be demanding, accountable and to the greatest extent possible, sustainable. They should be detailed without however jeopardising the confidentiality that may be justified for certain elements;
- **reasonableness:** the method determining the remuneration and allocation of options or free shares must be balanced and simultaneously take into account the company's general interest, market practices and officer performance;
- **transparency:** in accordance with the law, companies whose shares are admitted for trading on a regulated market must publish in the report on corporate governance all the remuneration components of the corporate officers. In the case of variable remuneration, the shareholders are informed of the weighting of the various criteria.

REMUNERATION POLICY FOR THE CHAIRMAN OF THE BOARD OF DIRECTORS (RESOLUTION 12)

The remuneration of the Chairman of the Board of Directors will be comprised of the following components:

Fixed remuneration

It is determined in accordance with market practice, and regularly benchmarked by a recognised and reputable expert from a firm specialising in executive remuneration. It is set upon appointment and will change only little every year during the term of office, which is set at four years. It is reviewed and benchmarked again each time the term of office is renewed. The remuneration of the

Non-Executive Chairman of the Board of Directors does not include a Pension Equivalent Premium (French PER).

Like the other members of the Board of Directors, the Chairman also receives remuneration corresponding to his duties as a Director.

Annual variable remuneration

The Non-Executive Chairman of the Board of Directors does not receive any variable remuneration.

Exceptional remuneration

The Non-Executive Chairman of the Board of Directors does not receive any exceptional remuneration.

Allocation of performance-based shares

The Non-Executive Chairman of the Board of Directors is not the beneficiary of any performance-based share allocations.

Commitments

It should be noted that the Chairman of the Board of Directors held an employment contract within a subsidiary of the Group. This employment contract was suspended following their appointment to the Board of Directors, for a period that will last until the end of their term of office. As a guide, the notice period in the event of termination of this employment contract is six months.

Severance pay

The Chairman of the Board of Directors does not benefit from any undertaking of this kind in respect of his term of office.

Pension

The Chairman of the Board of Directors, whose remuneration is treated as a salary, benefits from the mandatory collective pension schemes applicable to executives and senior executives of Group companies.

In the case of Jean Guillaume Despature, the current Chairman, who is not territorially eligible for French pension plans, the applicable scheme is the mandatory group scheme applicable to senior executives for companies based in the Swiss Confederation. The Chairman of the Board of Directors is not a member of any defined benefit pension scheme covered by Article L. 137-11 of the Social Security Code (supplementary pension plan).

Provident fund

The Chairman of the Board of Directors, whose remuneration is treated as a salary, benefits from the group provident fund scheme (death and disability insurance) which applies to the Group's senior executives.

Unless they have taken personal insurance cover elsewhere, they also join the "Mutual Health Insurance" scheme, which is mandatory for Group employees.

Non-compete clause

There is no such commitment concerning the Chairman of the Board of Directors.

Employee savings

The Chairman of the Board of Directors, whose remuneration is treated as a salary, benefits from the current incentive bonus scheme and Employee Savings Scheme, which are open to the company's employees and corporate officers.

Benefits of any kind

The Chairman of the Board of Directors benefits from a company car that they may use in a personal capacity, and which is the subject of a benefit in kind declaration.

REMUNERATION POLICY FOR THE CHIEF EXECUTIVE OFFICER (RESOLUTION 13)

The remuneration of the Chief Executive Officer will be comprised of the following components:

Fixed remuneration

It is determined in accordance with market practice, and regularly benchmarked by a recognised and reputable expert from a firm specialising in executive remuneration. It is set upon appointment and will change only little every year during the term of office, which is set at four years. It is reviewed and benchmarked again each time the term of office is renewed. The remuneration policy also includes the payment of a Pension Equivalent Premium (French PER) introduced within the company in 2017 for the benefit of senior executives and executive corporate officers in order to offset the lack of pension contributions on the upper portions of their remuneration.

Annual variable remuneration

Variable remuneration is determined by the Board of Directors on the recommendation of the Appointment and Remuneration Committee. It is based on the achievement of objectives that take account of quantitative financial and qualitative non-financial criteria.

Annual variable remuneration is capped at a maximum of the annual basic fixed remuneration.

For the Chief Executive Officer, this cap is a maximum of 87% of basic fixed remuneration (BFR), *i.e.* 72% of the quantitative variable on financial criteria, and 15% of the qualitative variable on non-financial criteria.

The cap is calculated as follows:

- the quantitative component, ranging from 0% to 120% and based on financial criteria, applies to the target bonus of 60% of the BFR;
- the qualitative component, ranging from 0% to 15% and based on non-financial criteria, applies to the BFR. This component is weighted by a coefficient of 0 to 1 representing the Appointment and Remuneration Committee's assessment of the personal and managerial involvement of the corporate officer concerned.

Annual variable remuneration is therefore capped at a maximum of 87% of the BFR, based on the following formula:

$$\text{maximum annual variable remuneration} = (\text{BFR} \times 60\% \times 120\%) + (\text{BFR} \times 15\% \times 1)$$

The criteria for determining annual variable remuneration and the methods for assessing these criteria are as follows:

- for 2022, the quantitative criteria based on financial items (“financial” criteria) are profit growth, measured by the average growth in COR (Current Operating Result) over two years; the growth in profitability of capital used, measured by the average level of ROCE (Return On Capital Employed) over two years; and

lastly, business development, measured by Sales Growth and by its differential with the Sales Growth in relation to a range of benchmarks consisting of eight companies deemed to be comparable.

The financial criteria used are as follows:

- a matrix cross-referencing COR and ROCE determines the initial R1 rate, which falls within a range of 0% to 120%;

| | COR (2-year average growth) | | | | | | |
|--|-----------------------------|------|----|------|----|------|-----|
| | % | 1.5% | 3% | 4.5% | 6% | 7.5% | 9% |
| ROCE (2-year average) | 10% | 12 | 24 | 36 | 48 | 60 | 72 |
| | 12.5% | 18 | 30 | 42 | 54 | 66 | 78 |
| | 15% | 24 | 36 | 48 | 60 | 72 | 84 |
| | 17.5% | 30 | 42 | 54 | 66 | 78 | 96 |
| | 20% | 36 | 48 | 60 | 72 | 90 | 108 |
| | 22.5% | 42 | 54 | 66 | 78 | 96 | 120 |

- the multiplier M2 related to Sales Growth corresponds to the formula:

$$M2 = 1 + ((Ss \times Ws) + (DIFr \times Wdif))$$

In which:

- Ss represents the rate of Somfy’s Sales Growth in actuarial rate for two years, within a range of -5% to +5%,
- Ws represents the weighting applied to the Ss factor. For 2022, the value employed is Ws = 5,
- DIFr represents the differential the growth rate of Somfy’s Sales in actuarial rate for two years, and the growth rate of Sales of a Range of benchmark companies in actuarial rate for two years. DIFr is within a range of -5% to +5%,
- Wdif represents the weighting applied to the DIFr factor. For 2022, the value employed is Wdif = 5.

The value of M2 therefore fluctuates within a range of 0.5 to 1.5.

- lastly, the resulting rate Rr corresponds to the formula:
 $Rr = R1 \times M2$
It is used for a maximum value of 120%, and can thus fluctuate within a range of 0% to 120%.

The Quantitative component is therefore: $BFR \times 60\% \times Rr$.

The expected level of achievement for the quantitative criteria, predefined by the Board of Directors further to a proposal by the Appointment and Remuneration Committee, is not disclosed for reasons of confidentiality;

- the qualitative non-financial criteria are set by the Board of Directors further to a proposal by the Appointment and Remuneration Committee. For 2022, they include a criterion relating to the “Integration strategy for new acquisitions” project, a CSR-focused criterion relating to the “Globalisation of the downstream supply chain” project, and lastly a criterion relating to the “Solutions for stand-alone roller shutters” project. As usual these non-financial criteria are weighted by a coefficient representing the Appointment and Remuneration Committee’s assessment of the personal and managerial involvement of the corporate officer concerned.

The expected level of achievement for the qualitative criteria, predefined by the Board of Directors further to a proposal by the Appointment and Remuneration Committee, is not disclosed for reasons of confidentiality.

In brief, the financial and non-financial criteria apply as follows:

| | Financial criteria | Non-financial criteria |
|-------------------------|--|--|
| Chief Executive Officer | <ul style="list-style-type: none"> – change in Result (COR) – increase in Return On Capital Employed (ROCE) – Sales Growth – differential between Somfy sales and the sales of eight benchmark companies | <ul style="list-style-type: none"> – integration strategy for new acquisitions – globalisation of the downstream supply chain – solutions for stand-alone roller shutters |

These variable remuneration criteria contribute to meeting the objectives of the remuneration policy since they are in line with the company’s corporate interest, contribute to its sustainability and are aligned with its business strategy.

To determine the extent to which the financial performance criteria provided for the calculation of variable remuneration have been met, the Board of Directors notably relies on the consolidated financial statements audited by the Statutory Auditors.

Exceptional remuneration

The Board of Directors can decide, further to a proposal of the Appointment and Remuneration Committee and under very

specific circumstances, to grant exceptional remuneration to the Chief Executive Officer. Such a payment may notably be made in the event of completion of a major transaction for the company or of exceptional over-achievement that is not taken into account in the criteria determining the variable remuneration for the financial year.

The Board of Directors can also decide, further to a proposal by the Appointment and Remuneration Committee, to grant exceptional remuneration to the Chief Executive Officer in the event of economic, political or social events, in response to which the company’s governance is required to take exceptional action to preserve the company’s interests.

In every case, the amount of exceptional remuneration thus decided cannot exceed a maximum of 100% of the fixed annual remuneration.

Allocation of performance-based shares

The Chief Executive Officer can be the beneficiary of allocations of performance-based shares, subject to one or more performance conditions, under the same conditions and subject to the same performance criteria as for allocations granted to the Group's executives and senior executives.

The performance criteria used are usually based on the level of Current Operating Result and Sales Growth. Other performance-based criteria can also be taken into account, based in particular on corporate social responsibility.

Performance-related conditions are assessed over a period identical to that used for the plan's vesting period.

Except under specific circumstances, these free share allocations are granted on an annual basis and are limited on initial allocation to an allocated amount that corresponds to the book value calculated at fair value and which may not exceed 150% of the annual fixed remuneration.

In the event of a change to the company's governance and the arrival of a new Chief Executive Officer from outside the Group, a specific allocation may be authorised by the Board of Directors in the form of an introductory bonus. In such a case, the amount granted, corresponding to the book value calculated at fair value, cannot exceed 300% of the annual fixed remuneration. The vesting period of this plan is a minimum of two years.

In order to ascertain to what extent the performance-based criteria set out in relation to the allocation of performance-based shares free of charge have been fulfilled, the Board of Directors sets the following methods of assessment: the financial performance criteria are based on indicators that are reviewed by the Statutory Auditors as part of their annual audit of the financial statements. In addition, the Group's Internal Audit Department is entrusted by the Board of Directors with an audit assignment to validate the data taken into account for the calculation of performance conditions.

The vesting and, where applicable, retention periods applicable after vesting are defined by the Board of Directors at the time of allocation and comply with the authorisation of the General Meeting, *i.e.*:

- the allocation of shares will be definitive at the end of a vesting period whose duration may not be less than one year, in accordance with Article L. 225-197-1 of the Commercial Code;
- where applicable, the shares shall be retained for a minimum period at least equal to that required to ensure that the cumulative duration of the vesting periods, and where necessary, the retention periods, may not be less than two years.

Moreover, at its meeting of 2 June 2021, the Board of Directors set the number of shares that every corporate officer will be required to retain in registered form until the termination of their duties at 25% of the total shares allocated to them free of charge; this percentage may be reduced to 20% at the end of a period of four years from the allocation, then successively to 15% six years after the allocation, to 10% eight years after the allocation and to 5% until they leave their role.

These performance-based share allocation criteria will contribute to the objectives of the remuneration policy since they will be in line with the company's corporate interest, will contribute to its sustainability and will be aligned with its business strategy.

Commitments

It should be noted that the Chief Executive Officer holds an employment contract within a Group subsidiary. This employment contract was suspended on the date of their appointment to the role of Chief Executive Officer, for a period that will last until the end of their term of office. As a guide, the notice period in the event of termination of this employment contract is six months.

Severance pay

The Chief Executive Officer does not benefit from any undertaking of this kind in respect of their term of office.

In the event of a change in the governance of the company and the appointment of a new Chief Executive Officer from outside the Group, the Board of Directors may introduce for the new arrival severance pay in the event of early termination of their contract not exceeding two years' fixed and variable remuneration, subject to a minimum of two years in office and to the same financial and non-financial criteria as those used to determine the annual variable remuneration. This severance pay will be paid in full if the variable remuneration rate for the financial year preceding the departure represents at least 60% of the target bonus. Below a rate of 60%, the severance pay will be reduced proportionally.

Pension

The Chief Executive Officer, whose remuneration is treated as a salary, benefits from the mandatory collective pension schemes applicable to executives and senior executives of Group companies.

They are not a member of any defined benefit pension scheme covered by Article L. 137-11 of the Social Security Code (supplementary pension plan).

Like Group executives, the Chief Executive Officer benefits, upon retirement, from a retirement bonus (*Indemnité de Fin de Carrière*, or IFC) as provided for by the National Collective Bargaining Agreement for Executives and Engineers in the Metalwork Industry (IDCC 650). This is the mandatory scheme in force within the company.

Provident fund

The Chief Executive Officer, whose remuneration is treated as a salary, benefits from the group provident fund scheme (death and disability insurance) applicable to executives and senior executives of Group companies.

Unless they have taken personal insurance cover elsewhere, they also join the "Mutual Health Insurance" scheme, which is mandatory for Group employees.

Non-compete clause

There is no such commitment concerning the Chief Executive Officer.

In the event of a change in the governance of the company and the appointment of a new Chief Executive Officer from outside the Group, the Board of Directors may decide to introduce non-competition compensation for this new member for a period of one year, which may be renewable once and applicable to companies involved in a competing business. The Board of Directors will decide, after the Chief Executive Officer has ceased their duties, whether or not to apply this non-compete clause, from which the outgoing member may be exempted. Its payment will, in any case, be waived in the event of retirement.

Employee savings

The Chief Executive Officer is a beneficiary of the current incentive bonus scheme and Employee Savings Scheme, which are open to the company's employees and corporate officers.

Benefits of any kind

During the actual period of the corporate office, the Chief Executive Officer is the beneficiary of Senior Executives' Insurance (GSC or *Garantie Sociale des Chefs d'entreprises*) covering the risk of removal from corporate office, subject to the waiting periods and the usual limitations of this scheme. Contributions to this scheme are subject to a benefit in kind declaration.

The Chief Executive Officer benefits from a company car that they may use in a personal capacity, and which is the subject of a benefit in kind declaration.

The payment of variable, and possibly exceptional, remuneration elements allocated in relation to financial year N to the Chief Executive Officer is subject to approval in year N+1 by the Ordinary General Meeting of the remuneration elements paid in year N or allocated in relation to financial year N.

REMUNERATION POLICY FOR THE DEPUTY CHIEF EXECUTIVE OFFICER (RESOLUTION 14)

The remuneration of the Deputy Chief Executive Officer will be comprised of the following components:

Fixed remuneration

It is determined in accordance with market practice, and regularly benchmarked by a recognised and reputable expert from a firm specialising in executive remuneration. It is set upon appointment and will change only little every year during the term of office, which is set at four years. It is reviewed and benchmarked again each time the term of office is renewed. The remuneration policy also includes the payment of a Pension Equivalent Premium (French PER) introduced within the company in 2017 for the benefit of senior executives and executive corporate officers in

order to offset the lack of pension contributions on the upper portions of their remuneration.

Annual variable remuneration

Variable remuneration is determined by the Board of Directors on the recommendation of the Appointment and Remuneration Committee. It is based on the achievement of objectives that take account of quantitative financial and qualitative non-financial criteria.

Annual variable remuneration is capped at a maximum of the annual basic fixed remuneration.

For the Deputy Chief Executive Officer, this cap is a maximum of 75% of basic fixed remuneration (BFR), i.e. 60% of the quantitative variable on financial criteria, and 15% of the qualitative variable on non-financial criteria.

The cap is calculated as follows:

- the quantitative component, ranging from 0% to 120% and based on financial criteria, applies to the target bonus of 50% of the BFR;
- the qualitative component, ranging from 0% to 15% and based on non-financial criteria, applies to the BFR. This component is weighted by a coefficient of 0 to 1 representing the Appointment and Remuneration Committee's assessment of the personal and managerial involvement of the corporate officer concerned.

Annual variable remuneration is therefore capped at a maximum of 75% of the BFR, based on the following formula:
maximum annual variable remuneration = (BFR x 50% x 120%) + (BFR x 15% x 1)

The criteria for determining annual variable remuneration and the methods for assessing these criteria are as follows:

- for 2022, the quantitative criteria based on financial items ("financial" criteria) are profit growth, measured by the average growth in COR (Current Operating Result) over two years; the growth in profitability of capital used, measured by the average level of ROCE (Return On Capital Employed) over two years; and lastly, business development, measured by Sales Growth and by its differential with the Sales Growth in relation to a range of benchmarks consisting of eight companies deemed to be comparable.

The financial criteria used are as follows:

- a matrix cross-referencing COR and ROCE determines the initial R1 rate, which falls within a range of 0% to 120%;

| | | COR (2-year average growth) | | | | | |
|--------------------------|-------|-----------------------------|------|----|------|----|------|
| | | % | 1.5% | 3% | 4.5% | 6% | 7.5% |
| ROCE (2-year average) | 10% | 12 | 24 | 36 | 48 | 60 | 72 |
| | 12.5% | 18 | 30 | 42 | 54 | 66 | 78 |
| | 15% | 24 | 36 | 48 | 60 | 72 | 84 |
| | 17.5% | 30 | 42 | 54 | 66 | 78 | 96 |
| | 20% | 36 | 48 | 60 | 72 | 90 | 108 |
| | 22.5% | 42 | 54 | 66 | 78 | 96 | 120 |

- the multiplier M2 related to Sales Growth corresponds to the formula:

$$M2 = 1 + ((Ss \times Ws) + (DIFr \times Wdif))$$

In which:

- Ss represents the rate of Somfy's Sales Growth in actuarial rate for two years, within a range of -5% to +5%,
- Ws represents the weighting applied to the Ss factor. For 2022, the value employed is Ws = 5,
- DIFr represents the differential the growth rate of Somfy's Sales in actuarial rate for two years, and the growth rate of

Sales of a Range of benchmark companies in actuarial rate for two years. DIFr is within a range of -5% to +5%,

- Wdif represents the weighting applied to the DIFr factor. For 2022, the value employed is Wdif = 5.

The value of M2 therefore fluctuates within a range of 0.5 to 1.5.

- lastly, the resulting rate Rr corresponds to the formula:

$$Rr = R1 \times M2$$

It is used for a maximum value of 120%, and can thus fluctuate within a range of 0% to 120%.

The Quantitative component is therefore: BFR x 50% x Rr.

The expected level of achievement for the quantitative criteria, predefined by the Board of Directors further to a proposal by the Appointment and Remuneration Committee, is not disclosed for reasons of confidentiality;

- the qualitative non-financial criteria are set by the Board of Directors further to a proposal by the Appointment and Remuneration Committee. For 2022, they include a criterion relating to the “Integration strategy for new acquisitions” project, a CSR-focused criterion relating to the “Globalisation of

the downstream supply chain” project, and lastly a criterion relating to the “GAM/KAM operating model” project. As usual these non-financial criteria are weighted by a coefficient representing the Appointment and Remuneration Committee’s assessment of the personal and managerial involvement of the corporate officer concerned.

The expected level of achievement for the qualitative criteria, predefined by the Board of Directors further to a proposal by the Appointment and Remuneration Committee, is not disclosed for reasons of confidentiality.

In brief, the financial and non-financial criteria apply as follows:

| | Financial criteria | Non-financial criteria |
|--------------------------------|--|--|
| Deputy Chief Executive Officer | <ul style="list-style-type: none"> – change in Result (COR) – increase in Return On Capital Employed (ROCE) – Sales Growth – differential between Somfy sales and the sales of eight benchmark companies | <ul style="list-style-type: none"> – integration strategy for new acquisitions – globalisation of the downstream supply chain – GAM/KAM operating model |

These variable remuneration criteria contribute to meeting the objectives of the remuneration policy since they are in line with the company’s corporate interest, contribute to its sustainability and are aligned with its business strategy.

To determine the extent to which the financial performance criteria provided for the calculation of variable remuneration have been met, the Board of Directors notably relies on the consolidated financial statements audited by the Statutory Auditors.

Exceptional remuneration

The Board of Directors can decide, further to a proposal of the Appointment and Remuneration Committee and under very specific circumstances, to grant exceptional remuneration to the Deputy Chief Executive Officer. Such a payment may notably be made in the event of completion of a major transaction for the company or of exceptional over-achievement that is not taken into account in the criteria determining the variable remuneration for the financial year.

The Board of Directors can also decide, further to a proposal by the Appointment and Remuneration Committee, to grant exceptional remuneration to the Deputy Chief Executive Officer in the event of economic, political or social events, in response to which the company’s governance is required to take exceptional action to preserve the company’s interests.

In every case, the amount of exceptional remuneration thus decided cannot exceed a maximum of 100% of the fixed annual remuneration.

Allocation of performance-based shares

The Deputy Chief Executive Officer can be the beneficiary of allocations of free shares, subject to one or more performance conditions, under the same conditions and subject to the same performance criteria as for allocations granted to the Group’s executives and senior executives.

The performance criteria used are usually based on the level of Current Operating Result and Sales Growth. Other performance-based criteria may also be taken into account, based in particular on corporate social responsibility.

Performance-related conditions are assessed over a period identical to that used for the plan’s vesting period.

Except under specific circumstances, these free share allocations are granted on an annual basis and are limited on initial allocation

to an allocated amount that corresponds to the book value calculated at fair value and which may not exceed 150% of the annual fixed remuneration.

In the event of a change to the company’s governance and the arrival of a new Deputy Chief Executive Officer from outside the Group, a specific allocation can be decided by the Board of Directors in the form of an introductory bonus. In such a case, the amount granted, corresponding to the book value calculated at fair value, cannot exceed 300% of the annual fixed remuneration. The vesting period of this plan is a minimum of two years.

In order to ascertain to what extent the performance-based criteria set out in relation to the allocation of performance-based shares free of charge have been fulfilled, the Board of Directors sets the following methods of assessment: the financial performance criteria are based on indicators that are reviewed by the Statutory Auditors as part of their annual audit of the financial statements. In addition, the Group’s Internal Audit Department is entrusted by the Board of Directors with an audit assignment to validate the data taken into account for the calculation of performance conditions.

The vesting and, where applicable, retention periods applicable after vesting are defined by the Board of Directors at the time of allocation and comply with the authorisation of the General Meeting, *i.e.*:

- the allocation of shares will be definitive at the end of a vesting period whose duration may not be less than one year, in accordance with Article L. 225-197-1 of the Commercial Code;
- where applicable, the shares shall be retained for a minimum period at least equal to that required to ensure that the cumulative duration of the vesting periods, and where necessary, the retention periods, may not be less than two years.

Moreover, at its meeting of 2 June 2021, the Board of Directors set the number of shares that every corporate officer will be required to retain in registered form until the termination of their duties at 25% of the total shares allocated to them free of charge; this percentage may be reduced to 20% at the end of a period of four years from the allocation, then successively to 15% six years after the allocation, to 10% eight years after the allocation and to 5% until they leave their role.

These performance-based share allocation criteria will contribute to the objectives of the remuneration policy since they will be in line with the company’s corporate interest, will contribute to its sustainability and will be aligned with its business strategy.

Commitments

It should be noted that the Deputy Chief Executive Officer holds an employment contract within a Group subsidiary. This employment contract was suspended on the date of their appointment to the role of Deputy Chief Executive Officer, for a period that will last until the end of the term of office. As a guide, the notice period in the event of termination of this employment contract is six months.

Severance pay

The Deputy Chief Executive Officer does not benefit from any undertaking of this kind in respect of their term of office. In the event of a change in the governance of the company and the appointment of a new Deputy Chief Executive Officer from outside the Group, the Board of Directors may decide to introduce for the new arrival severance pay in the event of early termination of their contract not exceeding two years' fixed and variable remuneration, subject to a minimum of two years in office and to the same financial and non-financial criteria as those used to determine the annual variable remuneration. This severance pay will be paid in full if the variable remuneration rate for the financial year preceding the departure represents at least 60% of the target bonus. Below a rate of 60%, the severance pay will be reduced proportionally.

Pension

The Deputy Chief Executive Officer, whose remuneration is treated as a salary, benefits from the mandatory collective pension schemes applicable to executives and senior executives of Group companies.

They are not a member of any defined benefit pension scheme covered by Article L. 137-11 of the Social Security Code (supplementary pension plan).

Like Group executives, the Deputy Chief Executive Officer benefits, upon retirement, from a retirement bonus (*Indemnité de Fin de Carrière*, or IFC) as provided for by the National Collective Bargaining Agreement for Executives and Engineers in the Metalwork Industry (IDCC 650). This is the mandatory scheme in force within the company.

Provident fund

The Deputy Chief Executive Officer, whose remuneration is treated as a salary, benefits from the group provident fund scheme (death and disability insurance) applicable to executives and senior executives of Group companies.

Unless they have taken personal insurance cover elsewhere, they also join the "Mutual Health Insurance" scheme, which is mandatory for Group employees.

Non-compete clause

There is no such commitment concerning the Deputy Chief Executive Officer.

In the event of a change in the governance of the company and the appointment of a new Deputy Chief Executive Officer from outside the Group, the Board of Directors may decide to introduce non-competition compensation for this new member for a period of one year, which may be renewable once and applicable to

companies involved in a competing business. The Board of Directors will decide, after the Deputy Chief Executive Officer has ceased their duties, whether or not to apply this non-compete clause, from which the outgoing member may be exempted. Its payment will, in any case, be waived in the event of retirement.

Employee savings

The Deputy Chief Executive Officer is a beneficiary of the current incentive bonus scheme and Employee Savings Scheme, which are open to the company's employees and corporate officers.

Benefits of any kind

During the actual period of the corporate office, the Deputy Chief Executive Officer is the beneficiary of Senior Executives' Insurance (GSC or *Garantie Sociale des Chefs d'entreprises*) covering the risk of removal from corporate office, subject to the waiting periods and the usual limitations of this scheme. Contributions to this scheme are subject to a benefit in kind declaration.

The Deputy Chief Executive Officer benefits from a company car that they may use in a personal capacity, and which is the subject of a benefit in kind declaration.

The payment of variable, and possibly exceptional, remuneration elements allocated in relation to financial year N to the Deputy Chief Executive Officer is subject to approval in the financial year N+1 by the Ordinary General Meeting of the remuneration elements paid during the financial year N or allocated in relation to financial year N.

REMUNERATION POLICY FOR THE DIRECTORS (RESOLUTION 15)

The remuneration policy for members of the Board of Directors, including the Vice-Chairman of the Board of Directors, proposed upon the recommendations of the Appointment and Remuneration Committee, is as follows:

- the General Meeting allocates to the members of the Board of Directors a fixed annual sum as remuneration for their activity;
- the Board of Directors sets the amount allocated to each member, with the exception of the member representing employees, according to their actual presence at the meetings of the Board and the specialist Committees. The remuneration allocated includes a fixed part that remunerates responsibility and a part that remunerates attendance;
- in addition to their remuneration for their duties as member of the Board of Directors, the Vice-Chairman of the Board of Directors receives specific remuneration for their duties as Vice-Chairman. This remuneration, payable from the total amount of remuneration allocated to the members of the Board, is fixed and changes upon each extension to their term of office, or when the Board observes that there has been a permanent change to the Vice-Chairman's workload;
- the Board of Directors reserves the right to allocate specific remuneration to any of its members in order to reward specific services rendered other than participation in the Board's routine work;
- the members representing employees on the Board of Directors continue to receive remuneration under their permanent employment contract, whose notice period is three months. It is specified that the member(s) representing employees do not receive any remuneration in relation to their term(s) of office as member of the Board of Directors.

INFORMATION ON THE TERMS OF OFFICE AND EMPLOYMENT AND/OR SERVICE CONTRACTS OF CORPORATE OFFICERS WITH THE COMPANY

The terms of office of the members of the General Management and of the Board of Directors are set out on pages 73 and 74 of the report on corporate governance in chapter 4 of the 2021 Annual Financial Report.

As of the date of preparation of this report, no member is bound to the Group by an unsuspended contract of employment or a contract for the provision of services, except for the member representing employees who has a permanent employment contract with Somfy Activités SA, a Somfy SA subsidiary.

INFORMATION REFERRED TO IN PARAGRAPH I OF ARTICLE L. 22-10-9 OF THE COMMERCIAL CODE FOR EACH CORPORATE OFFICER OF THE COMPANY (RESOLUTION 16 TO THE GENERAL MEETING OF 1 JUNE 2022)

It is specified that the total remuneration of each executive corporate officer complies with the remuneration policy approved by the General Meeting of 2 June 2021 in its resolutions 25 to 28. It thus contributes to the company's long-term performance.

JEAN GUILLAUME DESPATURE CHAIRMAN OF THE MANAGEMENT BOARD UNTIL 2 JUNE 2021 AND CHAIRMAN OF THE BOARD OF DIRECTORS SINCE 2 JUNE 2021

In accordance with the remuneration policy approved by the General Meeting in its resolution 25 which was adopted by 99.92% of votes in favour, the remuneration is comprised of the components detailed in the tables below.

Benefits in kind consist of the use of a company car.

In respect of his term of office with DSG Coordination Center SA, Jean Guillaume Despature is also a beneficiary of the defined contribution pension plan of this company, which applies equally to senior executives and corporate officers. This is the second mandatory pillar for companies based in the Swiss Confederation. The company's commitment is limited to the amount of contributions paid during the financial year.

Details of total remuneration allocated and paid during the financial year just ended are included in the summary tables (pages 94 and 95).

PIERRE RIBEIRO MEMBER OF THE MANAGEMENT BOARD AND CHIEF FINANCIAL OFFICER UNTIL 2 JUNE 2021 AND CHIEF EXECUTIVE OFFICER SINCE 2 JUNE 2021

In accordance with the remuneration policy approved by the General Meeting in its resolution 26 which was adopted by 99.92% votes in favour, remuneration comprises a fixed portion, a variable portion, long-term remuneration and other benefits detailed below.

The fixed portion comprises the basic fixed remuneration and also includes the payment of a Pension Equivalent Premium (French PER) introduced within the company in 2017 for the benefit of senior executives and executive corporate officers in order to offset the lack of pension contributions on the upper portions of their remuneration.

The variable portion is determined by the Board of Directors on the recommendation of the Appointment and Remuneration Committee. It is based on the achievement of objectives that take account of quantitative financial and qualitative criteria.

For the portion based on quantitative criteria (referred to as "financial" criteria), the criteria used in 2021 are profit growth, measured by the average growth in Current Operating Result over two years; the growth in profitability of capital used, measured by the average level of ROCE (Return On Capital Employed) over two years; and lastly, business development, measured by Sales Growth and by its differential with the Sales Growth of a range of benchmarks consisting of eight companies deemed to be comparable.

For the portion based on qualitative criteria, the criteria used for 2021 ("non-financial criteria") relate to company strategy and include a criterion relating to the Design and Go-live of the Group's transformation programme, a criterion relating to the Cost Leadership, connected with materials and electronic components, and lastly a criterion relating to the implementation of the Sales & Operations planning. These non-financial criteria will be weighted by a coefficient representing the Appointment and Remuneration Committee's assessment of the personal and managerial involvement of the corporate officer concerned. For confidentiality reasons the expected level of achievement of quantitative criteria, as well as the qualitative criteria, which are predetermined by the Board of Directors on proposal by the Appointment and Remuneration Committee, are not publicly disclosed.

Benefits in kind consist of the use of a company car and Senior Executives' Insurance (GSC or *Garantie Sociale des Chefs d'entreprises*) covering the risk of removal from corporate office.

An allocation of 4,080 performance-based shares was agreed upon by the Board of Directors on 28 June 2021 in respect of long-term remuneration for the benefit of Pierre Ribeiro. Details are provided in tables 3 and 4 below.

Pierre Ribeiro is a beneficiary of the current incentive bonus scheme and Employee Savings Scheme, which are open to Somfy SA's employees and corporate officers.

He is also a beneficiary of Somfy SA's defined contribution pension plan (Article 83), which applies to both senior executives and employee Directors. The company's commitment is limited to the amount of contributions paid during the financial year.

Details of total remuneration allocated and paid during the financial year just ended are included in the summary tables (pages 96 and 97).

VALÉRIE DIXMIER DEPUTY CHIEF EXECUTIVE OFFICER SINCE 2 JUNE 2021

In accordance with the remuneration policy approved by the General Meeting in its resolution 27 which was adopted by 95.57% votes in favour, remuneration comprises a fixed portion, a variable portion, long-term remuneration and other benefits detailed below.

The fixed portion comprises the basic fixed remuneration and also includes the payment of a Pension Equivalent Premium (French PER) introduced within the company in 2017 for the benefit of senior executives and executive corporate officers in order to offset the lack of pension contributions on the upper portions of their remuneration.

The variable portion is determined by the Board of Directors on the recommendation of the Appointment and Remuneration Committee. It is based on the achievement of objectives that take account of quantitative financial and qualitative criteria.

For the portion based on quantitative criteria (referred to as "financial" criteria), the criteria used in 2021 are profit growth, measured by the average growth in Current Operating Result over two years; the growth in profitability of capital used, measured by the average level of ROCE (Return On Capital Employed) over two years; and lastly, business development, measured by Sales Growth and by its differential with the Sales Growth of a range of

benchmarks consisting of eight companies deemed to be comparable.

For the portion based on qualitative criteria, the criteria used for 2021 (“non-financial criteria”) relate to company strategy and include a criterion relating to the Design and Go-live of the Group’s transformation programme, a criterion relating to the Cost Leadership, connected with materials and electronic components, and lastly a criterion relating to the Design and Go-live of the Leadership Framework related to the corporate culture. These non-financial criteria will be weighted by a coefficient representing the Appointment and Remuneration Committee’s assessment of the personal and managerial involvement of the corporate officer concerned. For confidentiality reasons the expected level of achievement of quantitative criteria, as well as the qualitative criteria, which are predetermined by the Board of Directors on proposal by the Appointment and Remuneration Committee, are not publicly disclosed.

Benefits in kind consist of the use of a company car and Senior Executives’ Insurance (GSC or *Garantie Sociale des Chefs d’entreprises*) covering the risk of removal from corporate office.

An allocation of 2,640 performance-based shares was agreed upon by the Board of Directors on 28 June 2021 in respect of long-term remuneration for the benefit of Valérie Dixmier. Details are provided in tables 3 and 4 below.

Valérie Dixmier is a beneficiary of the current incentive bonus scheme and Employee Savings Scheme, which are open to Somfy SA’s employees and corporate officers.

She is also a beneficiary of Somfy SA’s defined contribution pension plan (Article 83), which applies to both senior executives and employee Directors. The company’s commitment is limited to the amount of contributions paid during the financial year.

Details of total remuneration allocated and paid during the financial year just ended are included in the summary table (page 98).

SUMMARY TABLE OF TOTAL REMUNERATION PAID IN 2021 OR ALLOCATED IN RESPECT OF 2021 TO CORPORATE OFFICERS (including remuneration paid by the company and companies under its control)

Table 1: Summary of remuneration and allocated options and shares

| Jean Guillaume DESPATURE Chairman of the Management Board until 2 June 2021 <i>Gross, euros</i> | Allocated for the 2021 financial year | Allocated for the 2020 financial year |
|--|--|--|
| Remuneration allocated for the financial year (as detailed in table 2) | | |
| – for his duties as Chairman of the Management Board | 913,230 | 1,014,284 |
| – for his employment contract prior to 2 June 2021 | 306,061 | 342,071 |
| Value of options granted during the financial year | | |
| – for his duties as Chairman of the Management Board | nil | nil |
| – for his employment contract prior to 2 June 2021 | nil | nil |
| Value of performance-based shares granted during the financial year (as detailed in table 3) | | |
| – for his duties as Chairman of the Management Board | nil | 151,245 |
| – for his employment contract prior to 2 June 2021 | nil | nil |
| Value of other long-term remuneration plans | | |
| – for his duties as Chairman of the Management Board | nil | nil |
| – for his employment contract prior to 2 June 2021 | nil | nil |
| TOTAL | 1,219,291 | 1,507,600 |

| | | |
|--|--|--|
| Jean Guillaume DESPATURE Chairman of the Board of Directors since 2 June 2021 <i>Gross, euros</i> | Allocated for the 2021 financial year | |
| Remuneration allocated for the financial year (as detailed in table 2) | | |
| – for his duties as Chairman of the Board of Directors | | 232,222 |
| – for his duties as corporate officer with DSG Coordination Center SA | | 118,396 |
| Value of options granted during the financial year | | |
| – for his duties as Chairman of the Board of Directors | | nil |
| – for his duties as corporate officer with DSG Coordination Center SA | | nil |
| Value of performance-based shares granted during the financial year (as detailed in table 3) | | |
| – for his duties as Chairman of the Board of Directors | | nil |
| – for his duties as corporate officer with DSG Coordination Center SA | | nil |
| Value of other long-term remuneration plans | | |
| – for his duties as Chairman of the Board of Directors | | nil |
| – for his duties as corporate officer with DSG Coordination Center SA | | nil |
| TOTAL | | 350,618 |
| Pierre RIBEIRO Member of the Management Board and Chief Financial Officer until 2 June 2021 <i>Gross, euros</i> | Allocated for the 2021 financial year | Allocated for the 2020 financial year |
| Remuneration allocated for the financial year (as detailed in table 2) | | |
| – for his duties as member of the Management Board and Chief Financial Officer | 63,257 | 146,562 |
| – for his employment contract prior to 2 June 2021 | 286,944 | 660,190 |
| Value of options granted during the financial year | | |
| – for his duties as member of the Management Board and Chief Financial Officer | nil | nil |
| – for his employment contract prior to 2 June 2021 | nil | nil |
| Value of performance-based shares granted during the financial year (as detailed in table 3) | | |
| – for his duties as member of the Management Board and Chief Financial Officer | nil | 151,245 |
| – for his employment contract prior to 2 June 2021 | nil | nil |
| Value of other long-term remuneration plans | | |
| – for his duties as member of the Management Board and Chief Financial Officer | nil | nil |
| – for his employment contract prior to 2 June 2021 | nil | nil |
| TOTAL | 350,202 | 957,997 |
| Pierre RIBEIRO Chief Executive Officer since 2 June 2021 <i>Gross, euros</i> | Allocated for the 2021 financial year | |
| Remuneration allocated for the financial year (as detailed in table 2) | | |
| – for his duties as Chief Executive Officer | | 626,223 |
| Value of options granted during the financial year | | |
| – for his duties as Chief Executive Officer | | nil |
| Value of performance-based shares granted during the financial year (as detailed in table 3) | | |
| – for his duties as Chief Executive Officer | | 471,818 |
| Value of other long-term remuneration plans | | |
| – for his duties as Chief Executive Officer | | nil |
| TOTAL | | 1,098,041 |

| Valérie DIXMIER Deputy Chief Executive Officer since 2 June 2021 <i>Gross, euros</i> | Allocated for the 2021 financial year |
|--|---|
| Remuneration allocated for the financial year (as detailed in table 2) | |
| – for her duties as Deputy Chief Executive Officer | 464,331 |
| Value of options granted during the financial year | |
| – for her duties as Deputy Chief Executive Officer | nil |
| Value of performance-based shares granted during the financial year (as detailed in table 3) | |
| – for her duties as Deputy Chief Executive Officer | 305,294 |
| Value of other long-term remuneration plans | |
| – for her duties as Deputy Chief Executive Officer | nil |
| TOTAL | 769,625 |

Table 2: Overview of the remuneration of each corporate officer

| Jean Guillaume DESPATURE Chairman of the Management Board until 2 June 2021 Gross, euros | 2021 | | 2020 | |
|--|----------------------------------|--------------------------------|----------------------------------|--------------------------------|
| | Allocated for the financial year | Paid during the financial year | Allocated for the financial year | Paid during the financial year |
| Basic fixed remuneration (BFR) | | | | |
| – for his duties as Chairman of the Management Board | 200,075 | 200,075 | 477,000 | 477,000 |
| – for his employment contract prior to 2 June 2021 | 66,692 | 66,692 | 159,000 | 159,000 |
| Fixed remuneration - Pension Equivalent Premium | | | | |
| – for his duties as Chairman of the Management Board | 38,080 | 38,080 | 88,784 | 88,784 |
| – for his employment contract prior to 2 June 2021 | 12,694 | 12,694 | 29,595 | 29,595 |
| Annual variable remuneration | | | | |
| – for his duties as Chairman of the Management Board | 198,075 | 448,500 | 448,500 | 454,500 |
| – for his employment contract prior to 2 June 2021 | 66,025 | 149,500 | 149,500 | 151,500 |
| Exceptional remuneration | | | | |
| – for his duties as Chairman of the Management Board | 477,000 | - | - | - |
| – for his employment contract prior to 2 June 2021 | 159,000 | - | - | - |
| Benefits in kind | 1,650 | 1,650 | 3,976 | 3,976 |
| TOTAL | 1,219,291 | 917,191 | 1,356,355 | 1,364,355 |

Relative proportion of variable remuneration to fixed remuneration:

| | | | | |
|---------------------|-------|---|-------|---|
| Term of office | 99.0% | - | 94.0% | - |
| Employment contract | 99.0% | - | 94.0% | - |

In relation to annual variable remuneration, the performance criteria were applied as follows:

Annual variable remuneration is capped at a maximum of the annual fixed remuneration.

This cap represents a maximum of 99% of the basic fixed remuneration, i.e. 84% for the quantitative variable remuneration based on financial criteria, and 15% for the qualitative variable remuneration based on non-financial criteria, as described in the paragraph "Remuneration policy regarding the Chairman and member(s) of the Management Board - Annual variable remuneration" on pages 81 and 82 of the 2020 Annual Financial Report.

The target bonus is 70% of the basic fixed remuneration.

For the 2021 financial year, the ROC and ROCE quantitative criteria were 120%, the growth multiplier was 1.5, resulting in a quantitative bonus rate of 180%, capped at 120% of the target bonus. The quantitative variable portion based on financial criteria was therefore 84% of the basic fixed remuneration.

The qualitative variable portion based on non-financial criteria was 15% of the basic fixed remuneration.

The total bonus is calculated as follows:

total bonus = basic fixed remuneration X % quantitative bonus + basic fixed remuneration X % qualitative bonus, i.e. (€266,767 x 70% x 120%) + (€266,767 x 15%) = €264,100, i.e. 99% of the annual basic fixed remuneration.

For the 2020 financial year, the ROC and ROCE quantitative criteria were 120%, the growth multiplier was 1.5, resulting in a quantitative bonus rate of 180%, capped at 120% of the target bonus. The quantitative variable portion based on financial criteria was therefore 84% of the basic fixed remuneration.

The qualitative variable portion based on non-financial criteria was 10% of the basic fixed remuneration.

The total bonus is calculated as follows:

total bonus = basic fixed remuneration X % quantitative bonus + basic fixed remuneration X % qualitative bonus, i.e. (€636,000 x 70% x 120%) + (€636,000 x 10%) = €598,000, i.e. 94% of the annual basic fixed remuneration.

In relation to the exceptional remuneration, for the 2021 financial year it corresponds to the option provided for in the remuneration policy for the Management Board, of the ability to award a bonus equivalent to a maximum amount of 100% of the fixed annual remuneration in the case of specific circumstances.

This bonus decided upon during the first half of 2021, of an amount of €636 thousand is awarded in recognition of the particularly successful handling of the Covid crisis, and is distributed on a pro rata basis between the Term of Office and Employment contract, equating to €477 thousand for Somfy SA and €159 thousand for DSG Coordination Center SA respectively.

| Jean Guillaume DESPATURE Chairman of the Board of Directors since 2 June 2021 <i>Gross, euros</i> | 2021 | |
|---|----------------------------------|--------------------------------|
| | Allocated for the financial year | Paid during the financial year |
| Basic fixed remuneration (BFR) | | |
| – for his duties as Chairman of the Board of Directors | 232,222 | 232,222 |
| – for his duties as corporate officer with DSG Coordination Center SA | 116,111 | 116,111 |
| Fixed remuneration - Pension Equivalent Premium | | |
| – for his duties as Chairman of the Board of Directors | nil | nil |
| – for his duties as corporate officer with DSG Coordination Center SA | | |
| Annual variable remuneration | | |
| – for his duties as Chairman of the Board of Directors | nil | nil |
| – for his duties as corporate officer with DSG Coordination Center SA | | |
| Exceptional remuneration | | |
| – for his duties as Chairman of the Board of Directors | nil | nil |
| – for his duties as corporate officer with DSG Coordination Center SA | | |
| Benefits in kind | 2,284 | 2,284 |
| TOTAL | 350,618 | 350,618 |

| Pierre RIBEIRO Member of the Management Board and Chief Financial Officer until 2 June 2021 <i>Gross, euros</i> | 2021 | | 2020 | |
|---|----------------------------------|--------------------------------|----------------------------------|--------------------------------|
| | Allocated for the financial year | Paid during the financial year | Allocated for the financial year | Paid during the financial year |
| Basic fixed remuneration (BFR) | | | | |
| – for his duties as member of the Management Board and Chief Financial Officer | 32,194 | 32,194 | 76,560 | 76,560 |
| – for his employment contract prior to 2 June 2021 | 128,329 | 128,329 | 305,440 | 305,440 |
| Fixed remuneration - Pension Equivalent Premium | | | | |
| – for his duties as member of the Management Board and Chief Financial Officer | 6,916 | 6,916 | 16,302 | 16,302 |
| – for his employment contract prior to 2 June 2021 | 27,592 | 27,592 | 65,036 | 65,036 |
| Annual variable remuneration | | | | |
| – for his duties as member of the Management Board and Chief Financial Officer | 24,147 | 53,700 | 53,700 | 55,300 |
| – for his employment contract prior to 2 June 2021 | 96,253 | 214,300 | 214,300 | 220,700 |
| Exceptional remuneration | | | | |
| – for his duties as member of the Management Board and Chief Financial Officer | - | - | - | - |
| – for his employment contract prior to 2 June 2021 | - | - | - | - |
| Incentive bonus, profit-sharing, employer's contribution | 31,496 | 74,209 | 67,628 | 55,229 |
| Benefits in kind | 3,274 | 3,274 | 7,787 | 7,787 |
| TOTAL | 350,202 | 540,515 | 806,753 | 802,354 |

Relative proportion of variable remuneration to fixed remuneration:

| | | | | |
|---------------------|-------|---|-------|---|
| Term of office | 75.0% | - | 70.1% | - |
| Employment contract | 75.0% | - | 70.2% | - |

In relation to annual variable remuneration, the performance criteria were applied as follows:

Annual variable remuneration is capped at a maximum of the annual basic fixed remuneration.

This cap represents a maximum of 75% of the basic fixed remuneration, i.e. 60% for the quantitative variable remuneration based on financial criteria, and 15% for the qualitative variable remuneration based on non-financial criteria, as described in the paragraph "Remuneration policy regarding the Chairman and member(s) of the Management Board - Annual variable remuneration" on pages 81 and 82 of the 2020 Annual Financial Report.

The target bonus is 50% of the basic fixed remuneration.

For the 2021 financial year, the ROC and ROCE quantitative criteria were 120%, the growth multiplier was 1.5, resulting in a quantitative bonus rate of 180%, capped at 120% of the target bonus. The quantitative variable portion based on financial criteria was therefore 60% of the basic fixed remuneration.

The qualitative variable portion based on non-financial criteria was 15% of the basic fixed remuneration.

The total bonus is calculated as follows:

total bonus = basic fixed remuneration X % quantitative bonus + basic fixed remuneration X % qualitative bonus, i.e. (€160,523 x 50% x 120%) + (€160,523 x 15%) = €120,400, i.e. 75% of the annual basic fixed remuneration.

For the 2020 financial year, the ROC and ROCE quantitative criteria were 120%, the growth multiplier was 1.5, resulting in a quantitative bonus rate of 180%, capped at 120% of the target bonus. The quantitative variable portion based on financial criteria was therefore 60% of the basic fixed remuneration.

The qualitative variable portion based on non-financial criteria was 10% of the basic fixed remuneration.

The total bonus is calculated as follows:

total bonus = basic fixed remuneration X % quantitative bonus + basic fixed remuneration X % qualitative bonus, i.e. (€382,000 x 50% x 120%) + (€382,000 x 10%) = €268,000, i.e. 70% of the annual basic fixed remuneration.

| Pierre RIBEIRO Chief Executive Officer since 2 June 2021 Gross, euros | 2021 | |
|---|----------------------------------|--------------------------------|
| | Allocated for the financial year | Paid during the financial year |
| Basic fixed remuneration (BFR) | | |
| – for his duties as Chief Executive Officer | 289,773 | 289,773 |
| Fixed remuneration - Pension Equivalent Premium | | |
| – for his duties as Chief Executive Officer | 66,261 | 66,261 |
| Annual variable remuneration | | |
| – for his duties as Chief Executive Officer | 237,700 | - |
| Exceptional remuneration | | |
| – for his duties as Chief Executive Officer | - | - |
| Incentive bonus, profit-sharing, employer's contribution | 21,954 | - |
| Benefits in kind | 10,535 | 10,535 |
| TOTAL | 626,223 | 366,569 |

Relative proportion of variable remuneration to fixed remuneration: 82.0% -

In relation to annual variable remuneration, the performance criteria were applied as follows:

Annual variable remuneration is capped at a maximum of the annual basic fixed remuneration.

This cap represents a maximum of 87% of the basic fixed remuneration, i.e. 72% for the quantitative variable remuneration based on financial criteria, and 15% for the qualitative variable remuneration based on non-financial criteria, as described in the paragraph "Remuneration policy for the Chief Executive Officer - Annual variable remuneration" on pages 75 and 76 of the 2020 Annual Financial Report.

The target bonus is 60% of the basic fixed remuneration.

For the 2021 financial year, the ROC and ROCE quantitative criteria were 120%, the growth multiplier was 1.5, resulting in a quantitative bonus rate of 180%, capped at 120% of the target bonus. The quantitative variable portion based on financial criteria was therefore 60% of the basic fixed remuneration.

The qualitative variable portion based on non-financial criteria was 10% of the basic fixed remuneration.

The total bonus is calculated as follows:

total bonus = basic fixed remuneration X % quantitative bonus + basic fixed remuneration X % qualitative bonus, i.e. (€289,773 x 60% x 120%) + (€289,773 x 10%) = €237,700, i.e. 82% of the annual basic fixed remuneration.

| Valérie DIXMIER Deputy Chief Executive Officer since 2 June 2021 Gross, euros | 2021 | |
|---|----------------------------------|--------------------------------|
| | Allocated for the financial year | Paid during the financial year |
| Basic fixed remuneration (BFR) | | |
| – for her duties as Deputy Chief Executive Officer | 220,227 | 220,227 |
| Fixed remuneration - Pension Equivalent Premium | | |
| – for her duties as Deputy Chief Executive Officer | 48,054 | 48,054 |
| Annual variable remuneration | | |
| – for her duties as Deputy Chief Executive Officer | 165,200 | - |
| Exceptional remuneration | | |
| – for her duties as Deputy Chief Executive Officer | - | - |
| Incentive bonus, profit-sharing, employer's contribution | 21,955 | - |
| Benefits in kind | 8,895 | 8,895 |
| TOTAL | 464,331 | 277,176 |

Relative proportion of variable remuneration to fixed remuneration:

75.0%

-

In relation to annual variable remuneration, the performance criteria were applied as follows:

Annual variable remuneration is capped at a maximum of the annual basic fixed remuneration.

This cap represents a maximum of 75% of the basic fixed remuneration, i.e. 60% for the quantitative variable remuneration based on financial criteria, and 15% for the qualitative variable remuneration based on non-financial criteria, as described in the paragraph "Remuneration policy for the Deputy Chief Executive Officer - Annual variable remuneration" on page 78 of the 2020 Annual Financial Report.

The target bonus is 50% of the basic fixed remuneration.

For the 2021 financial year, the ROC and ROCE quantitative criteria were 120%, the growth multiplier was 1.5, resulting in a quantitative bonus rate of 180%, capped at 120% of the target bonus. The quantitative variable portion based on financial criteria was therefore 60% of the basic fixed remuneration.

The qualitative variable portion based on non-financial criteria was 15% of the basic fixed remuneration.

The total bonus is calculated as follows:

total bonus = basic fixed remuneration X % quantitative bonus + basic fixed remuneration X % qualitative bonus, i.e. (€220,227 x 50% x 120%) + (€220,227 x 15%) = €165,200, i.e. 75% of the annual basic fixed remuneration.

These remuneration components contribute to the objectives of the remuneration policy since they are in line with the company's corporate interest, they contribute to its sustainability and they are aligned with its business strategy.

Performance shares allocated or vested during the financial year

Table 3: Performance shares allocated free of charge to each corporate officer

| Performance shares allocated by the Shareholders' General Meeting during the financial year to each corporate officer by the issuer and by any Group entity | Plan n° and date | Number of shares allocated during the financial year | Value of shares as per the method used in the consolidated financial statements (IFRS 2) | Allocation date | Vesting date | Performance conditions |
|---|--|--|--|-----------------|--------------|---|
| Jean Guillaume Despature | 2021 Free Performance Share Plan of 20 May 2019 | 3,576 | €225,348 | 30/06/21 | 01/07/21 | <ul style="list-style-type: none"> – Sales Growth for the year ended 31 December 2020 – change in Current Operating Result for the year ended 31 December 2020 – % of Home & Building products sold under the Somfy brand and "Act for Green" certified in the year ended 31 December 2020 |
| | 2022 Free Performance Share Plan of 31 August 2020 | 1,800 | €151,245 | 15/09/22 | 16/09/22 | <ul style="list-style-type: none"> – Sales Growth for the year ended 31 December 2021 – change in Current Operating Result for the year ended 31 December 2021 – development of technology solutions enabling a significant reduction in the Group's carbon footprint at 31 December 2021 |
| Pierre Ribeiro | 2021 Free Performance Share Plan of 20 May 2019 | 3,576 | €225,348 | 30/06/21 | 01/07/21 | <ul style="list-style-type: none"> – Sales Growth for the year ended 31 December 2020 – change in Current Operating Result for the year ended 31 December 2020 – % of Home & Building products sold under the Somfy brand and "Act for Green" certified in the year ended 31 December 2020 |
| | 2022 Free Performance Share Plan of 31 August 2020 | 1,800 | €151,245 | 15/09/22 | 16/09/22 | <ul style="list-style-type: none"> – Sales Growth for the year ended 31 December 2021 – change in Current Operating Result for the year ended 31 December 2021 – development of technology solutions enabling a significant reduction in the Group's carbon footprint at 31 December 2021 |
| | 2023 Free Performance Share Plan of 28 June 2021 | 2,040 | €238,255 | 30/06/23 | 01/07/23 | <ul style="list-style-type: none"> – Sales Growth for the year ended 31 December 2022 – change in Current Operating Result for the year ended 31 December 2022 – percentage of performance reviews conducted in 2022 |
| | 2024 Free Performance Share Plan of 28 June 2021 | 2,040 | €233,563 | 30/06/24 | 01/07/24 | <ul style="list-style-type: none"> – Sales Growth for the year ended 31 December 2023 – change in Current Operating Result for the year ended 31 December 2023 – reduction in the Group's carbon footprint at 31 December 2023 |

| Performance shares allocated by the Shareholders' General Meeting during the financial year to each corporate officer by the issuer and by any Group entity | Plan n° and date | Number of shares allocated during the financial year | Value of shares as per the method used in the consolidated financial statements (IFRS 2) | Allocation date | Vesting date | Performance conditions |
|---|--|--|--|-----------------|--------------|---|
| Valérie Dixmier | 2021 Free Performance Share Plan of 20 May 2019 | 1,080 | €68,058 | 30/06/21 | 01/07/21 | <ul style="list-style-type: none"> – Sales Growth for the year ended 31 December 2020 – change in Current Operating Result for the year ended 31 December 2020 – % of Home & Building products sold under the Somfy brand and “Act for Green” certified in the year ended 31 December 2020 |
| | 2022 Free Performance Share Plan of 31 August 2020 | 1,200 | €100,830 | 15/09/22 | 16/09/22 | <ul style="list-style-type: none"> – Sales Growth for the year ended 31 December 2021 – change in Current Operating Result for the year ended 31 December 2021 – development of technology solutions enabling a significant reduction in the Group’s carbon footprint at 31 December 2021 |
| | 2023 Free Performance Share Plan of 28 June 2021 | 1,320 | €154,165 | 30/06/23 | 01/07/23 | <ul style="list-style-type: none"> – Sales Growth for the year ended 31 December 2022 – change in Current Operating Result for the year ended 31 December 2022 – percentage of performance reviews conducted in 2022 |
| | 2024 Free Performance Share Plan of 28 June 2021 | 1,320 | €151,129 | 30/06/24 | 01/07/24 | <ul style="list-style-type: none"> – Sales Growth for the year ended 31 December 2023 – change in Current Operating Result for the year ended 31 December 2023 – reduction in the Group’s carbon footprint at 31 December 2023 |

Table 4: Performance shares vested or allocated during the financial year to each corporate officer

| Name and title of the corporate officer | Main characteristics of the free share allocation plans | | | | | Information relating to the financial year just ended | | | | | |
|---|---|------------------|-------------------|----------------|-------------------------------|---|---------------------------|-----------------|--|------------------------------------|---------------------------------------|
| | | | | | | At the start of the year | During the financial year | | At year-end | | |
| | 1 Plan n° | 2 Vesting period | 3 Allocation date | 4 Vesting date | 5 End of the retention period | 6 Shares granted at the start of the year | 7 Shares allocated | 8 Shares vested | 9 Shares subject to performance conditions | 10 Shares allocated but not vested | 11 Shares subject to retention period |
| Jean Guillaume Despature | Free Share Plan n°3 | 2 years | 16/06/17 | 01/07/19 | end of term of office | 7,320 | - | - | - | 5,564 | 439 |
| Chairman of the Management Board | 2021 Free Performance Share Plan | 2 years | 20/05/19 | 30/06/21 | end of term of office | 3,576 | - | - | - | 786 | 2,790 |
| | 2022 Free Performance Share Plan | 2 years | 31/08/20 | 15/09/22 | end of term of office | 1,800 | - | - | 1,800 | - | - |
| Chairman of the Board of Directors | nil | | | | | - | - | - | - | - | - |
| | | | | | | 12,696 | - | - | 1,800 | 6,350 | 3,229 |
| Pierre Ribeiro | Free Share Plan n°3 | 2 years | 16/06/17 | 01/07/19 | end of term of office | 7,320 | - | - | - | 5,564 | 439 |
| Member of the Management Board and Chief Financial Officer | 2021 Free Performance Share Plan | 2 years | 20/05/19 | 30/06/21 | end of term of office | 3,576 | - | - | - | 786 | 2,790 |
| | 2022 Free Performance Share Plan | 2 years | 31/08/20 | 15/09/22 | end of term of office | 1,800 | - | - | 1,800 | - | - |
| Chief Executive Officer | 2023 Free Performance Share Plan | 2 years | 28/06/21 | 30/06/23 | end of term of office | - | 2,040 | - | 2,040 | - | - |
| | 2024 Free Performance Share Plan | 3 years | 28/06/21 | 30/06/24 | end of term of office | - | 2,040 | - | 2,040 | - | - |
| | | | | | | 12,696 | 4,080 | - | 5,880 | 6,350 | 3,229 |
| Valérie Dixmier Deputy Chief Executive Officer | 2021 Free Performance Share Plan | 2 years | 20/05/19 | 30/06/21 | end of term of office | 1,080 | - | - | - | 237 | 843 |
| | 2022 Free Performance Share Plan | 2 years | 31/08/20 | 15/09/22 | end of term of office | 1,200 | - | - | 1,200 | - | - |
| | 2023 Free Performance Share Plan | 2 years | 28/06/21 | 30/06/23 | end of term of office | - | 1,320 | - | 1,320 | - | - |
| | 2024 Free Performance Share Plan | 3 years | 28/06/21 | 30/06/24 | end of term of office | - | 1,320 | - | 1,320 | - | - |
| | | | | | | 2,280 | 2,640 | - | 3,840 | 237 | 843 |

Table 5: Performance shares vested during the financial year to each corporate officer

| Performance-based shares vested during the financial year to each corporate officer | Plan n° and date | Number of shares vested* during the financial year |
|---|--|--|
| Jean Guillaume Despature | 2021 Free Performance Share Plan of 20/05/19 | 2,790 |
| Pierre Ribeiro | 2021 Free Performance Share Plan of 20/05/19 | 2,790 |
| Valérie Dixmier | 2021 Free Performance Share Plan of 20/05/19 | 843 |

* Subject to the retention obligation included in the remuneration policy (page 86).

Benefits of executive corporate officers

Table 6.1: Summary table of Management Board members' benefits until 2 June 2021

| Corporate officers | Employment contract | | Supplementary pension scheme | | Compensation or benefits due or liable to be due as a result of the termination or change of terms of office | | Compensation relating to a non-compete clause | |
|--|--|----|------------------------------|----|--|----|---|----|
| | yes | no | yes | no | yes | no | yes | no |
| Name: Jean Guillaume DESPATURE Position: Chairman of the Management Board Start of term of office: 17/05/17 End of term of office: 02/06/21 | ✓ with an entity included in the Group's scope of consolidation | | | ✗ | | ✗ | | ✗ |
| Name: Pierre RIBEIRO Position: Member of the Management Board and Chief Financial Officer Start of term of office: 17/05/17 End of term of office: 02/06/21 | ✓ with an entity included in the Group's scope of consolidation | | | ✗ | | ✗ | | ✗ |

Table 6.2: Summary table of corporate officers' benefits since 2 June 2021

| Corporate officers | Employment contract | | Supplementary pension scheme | | Compensation or benefits due or liable to be due as a result of the termination or change of terms of office | | Compensation relating to a non-compete clause | |
|--|--|----|------------------------------|----|--|----|---|----|
| | yes | no | yes | no | yes | no | yes | no |
| Name: Jean Guillaume DESPATURE Position: Chairman of the Board of Directors Start of term of office: 02/06/21 End of term of office: 2025 AGM | X | | | X | X | X | | X |
| | contract with an entity included in the Group's consolidation scope suspended as of 02/06/21 | | | | | | | |
| Name: Pierre RIBEIRO Position: Chief Executive Officer Start of term of office: 02/06/21 End of term of office: 2025 AGM | X | | | X | X | X | | X |
| | contract with an entity included in the Group's consolidation scope suspended as of 02/06/21 | | | | | | | |
| Name: Valérie DIXMIER Position: Deputy Chief Executive Officer Start of term of office: 02/06/21 End of term of office: 2025 AGM | X | | | X | X | X | | X |
| | contract with an entity included in the Group's consolidation scope suspended as of 02/06/21 | | | | | | | |

The Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer all had employment contracts with subsidiary companies of Somfy SA prior to their appointment. These employment contracts were suspended with effect from their appointment on 2 June 2021.

Compensation or benefits due or liable to be due as a result of the termination or change of duties

The Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer do not benefit from any undertaking of this kind in respect of their term of office.

Pension

The Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer benefit from the mandatory collective pension schemes applicable to executives and senior executives of Group companies.

For the Chairman of the Board of Directors, who is not territorially eligible for French pension plans, the applicable scheme is the mandatory group scheme applicable to senior executives for companies based in the Swiss Confederation.

There is no pension scheme with defined benefits covered by Article L. 137-11 of the Social Security Code (supplementary pension plan), for the benefit of the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer.

Non-compete clause

There is no such commitment concerning the Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officer.

Table 7: Remuneration received by non-executive corporate officers sitting on the Supervisory Board

| Members of the Supervisory Board | 2021 financial year | | 2020 financial year | |
|--|----------------------------------|--------------------------------|----------------------------------|--------------------------------|
| | Allocated for the financial year | Paid during the financial year | Allocated for the financial year | Paid during the financial year |
| <i>Gross, euros</i> | | | | |
| Michel ROLLIER | | | | |
| Remuneration for the term of office as member of the Supervisory Board | 10,000 | 10,000 | 15,000 | 15,000 |
| Remuneration for the term of office as Chairman of the Supervisory Board | 25,000 | 25,000 | 100,000 | 100,000 |
| Paule CELLARD | | | | |
| Remuneration for the term of office as member of the Supervisory Board | 15,000 | 15,000 | 39,000 | 39,000 |
| Victor DESPATURE | | | | |
| Remuneration for the term of office as member of the Supervisory Board | 46,000 | 46,000 | 62,000 | 62,000 |
| Anthony STAHL | | | | |
| Remuneration for the term of office as member of the Supervisory Board | 9,000 | 9,000 | 33,000 | 33,000 |
| Florence NOBLOT | | | | |
| Remuneration for the term of office as member of the Supervisory Board | 6,000 | 6,000 | 33,000 | 33,000 |
| Sophie DESORMIÈRE | | | | |
| Remuneration for the term of office as member of the Supervisory Board | 9,000 | 9,000 | 33,000 | 33,000 |
| Marie BAVAREL-DESPATURE | | | | |
| Remuneration for the term of office as member of the Supervisory Board | 9,000 | 9,000 | 33,000 | 33,000 |
| Bertrand PARMENTIER | | | | |
| Remuneration for the term of office as member of the Supervisory Board | 15,000 | 15,000 | 25,750 | 25,750 |
| Arthur WATIN-AUGOUARD | | | | |
| Employee representative | _* | _* | _* | _* |
| TOTAL | 144,000 | 144,000 | 373,750 | 373,750 |

* The salary amount due in respect of the employment contract is not disclosed for reasons of confidentiality.

Table 8: Remuneration received by non-executive corporate officers sitting on the Board of Directors

| Members of the Board of Directors and Observers | 2021 financial year | |
|---|----------------------------------|--------------------------------|
| | Allocated for the financial year | Paid during the financial year |
| <i>Gross, euros</i> | | |
| Michel ROLLIER | | |
| Remuneration for the term of office as member of the Board of Directors | 71,249 | 71,249 |
| Paule CELLARD | | |
| Remuneration for the term of office as member of the Board of Directors | 48,000 | 48,000 |
| Anthony STAHL | | |
| Remuneration for the term of office as member of the Board of Directors | 36,000 | 36,000 |
| Florence NOBLOT | | |
| Remuneration for the term of office as member of the Board of Directors | 38,000 | 38,000 |
| Sophie DESORMIÈRE | | |
| Remuneration for the term of office as member of the Board of Directors | 36,000 | 36,000 |
| Marie BAVAREL-DESPATURE | | |
| Remuneration for the term of office as member of the Board of Directors | 36,000 | 36,000 |
| Bertrand PARMENTIER | | |
| Remuneration for the term of office as member of the Board of Directors | 56,000 | 56,000 |
| Vincent LÉONARD | | |
| Remuneration for the term of office as Observer | 44,750 | 44,750 |
| Grégoire FERRÉ | | |
| Remuneration for the term of office as Observer | 35,750 | 35,750 |
| Arthur WATIN-AUGOUARD | | |
| Employee representative | _* | _* |
| TOTAL | 401,749 | 401,749 |

* The salary amount due in respect of the employment contract is not disclosed for reasons of confidentiality.

Table 9: Fairness ratios

Pursuant to the provisions of sub-paragraph 6 and 7° of paragraph I of Article L. 22-10-9 of the Commercial Code, below we detail the ratios between the level of remuneration of each of the corporate officers and, firstly, the average remuneration on a full-time equivalent basis of the company's employees other than the corporate officers, and secondly, the median remuneration on a full-time equivalent basis of the company's employees other than the corporate officers. With these provisions limiting the comparison solely based on the scope of "employees of the company", ratios are calculated until 31 December 2018 by comparing the remuneration of corporate officers with that of employees of Somfy SA, whose limited workforce notably includes Executive Committee members. From the 2019 financial year, the remuneration of corporate officers is compared with that of employees of the companies Somfy SA and Somfy Activités SA for better comparability.

For corporate officers, as for Somfy SA employees, the total remuneration paid during the financial year was used. It comprises:

- the fixed portion;
- the variable portion paid during financial year N in respect of N-1;
- the exceptional remuneration paid during financial year N;
- performance shares granted in respect of financial year N and valued at the IFRS value;
- employee savings;
- benefits in kind (salary portion).

| | | Chairman of the Management Board then Chairman of the Board of Directors | Member of the Management Board then Chief Executive Officer | Deputy Chief Executive Officer from 2 June 2021 | Chairman of the Supervisory Board until 2 June 2021 |
|---|--------|--|---|---|---|
| 2021 financial year* | | | | | |
| Remuneration as corporate officer | - | 1,267,809 | 1,378,902 | 582,470 | 35,000 |
| Ratio to average employee salary | - | 21.10 | 22.94 | 9.69 | 0.58 |
| Ratio to median employee salary | - | 24.72 | 26.88 | 11.36 | 0.68 |
| Comparison ratio with minimum wage | - | 67.96 | 73.92 | 31.22 | 1.88 |
| Annual change in corporate officer's remuneration | - | -16.3% | 44.6% | N/A | -69.6% |
| Annual change in average salary of non-corporate officer employees | - | 3.7% | 3.7% | 3.7% | 3.7% |
| Average salary of non-corporate officer employees | 60,099 | - | - | - | - |
| Median salary of non-corporate officer employees | 51,291 | - | - | - | - |
| Annual change in company performance: consolidated net profit | 21.8% | - | - | - | - |
| Annual change in company performance: consolidated current operating result | 15.5% | - | - | - | - |

* Compared to the Somfy SA + Somfy Activités SA population.

| | | Chairman of the Management Board | Member of the Management Board | | Chairman of the Supervisory Board |
|---|--------|----------------------------------|--------------------------------|--|-----------------------------------|
| 2020 financial year* | | | | | |
| Remuneration as corporate officer | - | 1,515,600 | 953,599 | | 115,000 |
| Ratio to average employee salary | - | 26.16 | 16.46 | | 1.98 |
| Ratio to median employee salary | - | 31.13 | 19.59 | | 2.36 |
| Comparison ratio with minimum wage | - | 82.04 | 51.62 | | 6.23 |
| Annual change in corporate officer's remuneration | - | 5.5% | -2.1% | | 11.0% |
| Annual change in average salary of non-corporate officer employees | - | 3.0% | 3.0% | | 3.0% |
| Average salary of non-corporate officer employees | 57,938 | - | - | | - |
| Median salary of non-corporate officer employees | 48,679 | - | - | | - |
| Annual change in company performance: consolidated net profit | 30.5% | - | - | | - |
| Annual change in company performance: consolidated current operating result | 27.3% | - | - | | - |

* Compared to the Somfy SA + Somfy Activités SA population.

| 2019 financial year* | | Chairman of the Management Board | Member of the Management Board | | Chairman of the Supervisory Board |
|---|--------|----------------------------------|--------------------------------|--|-----------------------------------|
| Remuneration as corporate officer | - | 1,436,258 | 973,722 | | 103,600 |
| Ratio to average employee salary | - | 25.54 | 17.32 | | 1.84 |
| Ratio to median employee salary | - | 30.55 | 20.71 | | 2.20 |
| Comparison ratio with minimum wage | - | 78.68 | 53.34 | | 5.68 |
| Annual change in corporate officer's remuneration | - | 38.1% | 46.1% | | 7.9% |
| Annual change in average salary of non-corporate officer employees | - | - | - | | - |
| Average salary of non-corporate officer employees | 56,229 | - | - | | - |
| Median salary of non-corporate officer employees | 47,007 | - | - | | - |
| Annual change in company performance: consolidated net profit | 16.3% | - | - | | - |
| Annual change in company performance: consolidated current operating result | 15.2% | - | - | | - |

* Compared to the Somfy SA + Somfy Activités SA population.

| 2018 financial year** | | Chairman of the Management Board | Member of the Management Board | | Chairman of the Supervisory Board |
|---|---------|----------------------------------|--------------------------------|--|-----------------------------------|
| Remuneration as corporate officer | - | 1,040,192 | 666,580 | | 96,025 |
| Ratio to average employee salary | - | 2.57 | 1.65 | | 0.24 |
| Ratio to median employee salary | - | 2.42 | 1.55 | | 0.22 |
| Annual change in corporate officer's remuneration | - | -13.6% | -33.0% | | 22.2% |
| Annual change in average salary of non-corporate officer employees | - | 6.2% | 6.2% | | 6.2% |
| Average salary of non-corporate officer employees | 404,577 | - | - | | - |
| Median salary of non-corporate officer employees | 429,716 | - | - | | - |
| Annual change in company performance: consolidated net profit | -11.0% | - | - | | - |
| Annual change in company performance: consolidated current operating result | 1.8% | - | - | | - |

** Exclusively compared to the Somfy SA population.

| 2017 financial year** | | Chairman of the Management Board | Member of the Management Board | | Chairman of the Supervisory Board |
|---|---------|----------------------------------|--------------------------------|--|-----------------------------------|
| Remuneration as corporate officer | - | 1,203,993 | 994,566 | | 78,600 |
| Ratio to average employee salary | - | 3.16 | 2.61 | | 0.21 |
| Ratio to median employee salary | - | 3.16 | 2.61 | | 0.21 |
| Annual change in corporate officer's remuneration | - | 44.6% | 63.9% | | 0.0% |
| Annual change in average salary of non-corporate officer employees | - | 18.4% | 18.4% | | 18.4% |
| Average salary of non-corporate officer employees | 380,906 | - | - | | - |
| Median salary of non-corporate officer employees | 380,906 | - | - | | - |
| Annual change in company performance: consolidated net profit | 10.1% | - | - | | - |
| Annual change in company performance: consolidated current operating result | -5.2% | - | - | | - |

** Exclusively compared to the Somfy SA population.

FIXED, VARIABLE AND EXCEPTIONAL ITEMS COMPRISING TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID DURING OR ALLOCATED IN RESPECT OF THE FINANCIAL YEAR JUST ENDED TO THE CORPORATE OFFICERS (RESOLUTIONS 17 TO 22 TO THE GENERAL MEETING OF 1 JUNE 2022)

The items of remuneration paid during or allocated in respect of the 2021 financial year and presented hereafter are submitted for your approval pursuant to Article 22-10-34 paragraph 2 of the Commercial Code.

RESOLUTION 17:

FIXED, VARIABLE AND EXCEPTIONAL ITEMS MAKING UP THE TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID DURING OR ALLOCATED IN RESPECT OF THE FINANCIAL YEAR JUST ENDED TO THE CHAIRMAN OF THE MANAGEMENT BOARD UNTIL 2 JUNE 2021

The total remuneration paid during or allocated in respect of the financial year just ended consists of:

- **the fixed remuneration allocated in respect of 2021 and paid in 2021**, comprising gross basic remuneration of €266,767 (including €200,075 gross for the term of office as Chairman of the Management Board and €66,692 gross for the employment contract suspended as from 2 June 2021) and the Pension Equivalent Premium amounting to €50,774 gross (including €38,080 gross for the term of office as Chairman of the Management Board and €12,694 gross for the employment contract suspended as from 2 June 2021), in accordance with the remuneration policy adopted at the General Meeting of 2 June 2021;
- **the variable remuneration allocated in respect of 2020 and paid in 2021**, as adopted at the General Meeting of 2 June 2021, amounting to €598,000 gross (including €448,500 gross for the term of office as Chairman of the Management Board and €149,500 gross for the employment contract suspended as from 2 June 2021);
- **the variable remuneration allocated in respect of the 2021 financial year**, totalling €264,100 gross (including €198,075 for the term of office as Chairman of the Management Board and €66,025 for the employment contract suspended as from 2 June

2021), **and to be paid in 2022** following the General Meeting and subject to its approval (see corresponding table 2 above detailing the procedure for determining the annual variable remuneration of the Chairman of the Management Board). The quantitative and qualitative criteria used to determine this variable remuneration are described in the section "Information referred to in paragraph I of Article L. 22-10-9 of the Commercial Code for each corporate officer of the company" on page 84 of the 2020 Annual Financial Report;

- **exceptional remuneration** of €636,000 to be paid in 2022 after the General Meeting has taken place and subject to a favourable vote (including €477,000 in respect of the term of office as Chairman of the Management Board and €159,000 in respect of the employment contract suspended with effect from 2 June 2021) (see corresponding Table 2 above concerning the circumstances justifying the award of this exceptional remuneration to the Chairman of the Management Board);
- **a benefit in kind** granted in 2021 and represented by the use of a company car with a book value of €1,650, in accordance with the 2021 remuneration policy adopted at the General Meeting of 2 June 2021;
- **the vesting of 2,790 performance-based shares** allocated free of charge to Jean Guillaume Despature for his term of office as Chairman of the Management Board. The allocation took place on 30 June 2021 under the performance-based share allocation plan AGAP 2021 agreed by the Management Board on 20 May 2019 (no amount subject to *ex-post* vote).

It should also be noted that Jean Guillaume Despature benefits from a defined contribution pension commitment (no amount subject to *ex-post* vote).

**RESOLUTION 18:
FIXED, VARIABLE AND EXCEPTIONAL ITEMS MAKING UP THE
TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID
DURING OR ALLOCATED IN RESPECT OF THE FINANCIAL YEAR
JUST ENDED TO THE CHAIRMAN OF THE BOARD OF DIRECTORS
SINCE 2 JUNE 2021**

The total remuneration paid during or allocated in respect of the financial year just ended consists of:

- **the fixed remuneration allocated in respect of 2021 and paid in 2021**, comprising gross basic remuneration of €348,333 (including €232,222 gross for the term of office as Chairman of the Board of Directors and €116,111 gross for the term of office with DSG Coordination Center SA);
- **a benefit in kind** granted in 2021 and represented by the use of a company car with a book value of €2,284, in accordance with the 2021 remuneration policy adopted at the General Meeting of 2 June 2021.

It should also be noted that Jean Guillaume Despature benefits from a defined contribution pension commitment (no amount subject to *ex-post* vote).

**RESOLUTION 19:
FIXED, VARIABLE AND EXCEPTIONAL ITEMS MAKING UP THE
TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID
DURING OR ALLOCATED IN RESPECT OF THE FINANCIAL YEAR
JUST ENDED TO THE MEMBER OF THE MANAGEMENT BOARD
AND CHIEF FINANCIAL OFFICER UNTIL 2 JUNE 2021**

The total remuneration paid during or allocated in respect of the financial year just ended consists of:

- **the fixed remuneration allocated in respect of 2021 and paid in 2021**, comprising gross basic remuneration of €160,523 (including €32,194 gross for the term of office as member of the Management Board and Chief Financial Officer and €128,329 gross for the employment contract suspended as from 2 June 2021) and the Pension Equivalent Premium amounting to €34,508 gross (including €6,916 gross for the term of office as member of the Management Board and Chief Financial Officer and €27,592 gross for the employment contract suspended as from 2 June 2021), in accordance with the remuneration policy adopted at the General Meeting of 2 June 2021;
- **the variable remuneration allocated in respect of 2020 and paid in 2021**, as adopted at the General Meeting of 2 June 2021, amounting to €268,000 gross (including €53,700 gross for the term of office as member of the Management Board and Chief Financial Officer and €214,300 gross for the employment contract suspended as from 2 June 2021);
- **the variable remuneration allocated in respect of the 2021 financial year**, totalling €120,400 gross (including €24,147 for the term of office as member of the Management Board and Chief Financial Officer and €96,253 for the employment contract suspended as from 2 June 2021), **and to be paid in 2022** following the General Meeting and subject to its approval (see corresponding table 2 above detailing the procedure for determining the annual variable remuneration of the member of the Management Board and Chief Financial Officer). The quantitative and qualitative criteria used to determine this variable remuneration are described in the section “Information referred to in paragraph I of Article L. 22-10-9 of the Commercial Code for each corporate officer of the company” on page 84 of the 2020 Annual Financial Report;
- **a benefit in kind** granted in 2021 and represented by the use of a company car with a book value of €3,274, in accordance with

the 2021 remuneration policy adopted at the General Meeting of 2 June 2021;

- **an employee savings plan related to the employment contract** (profit-sharing, incentive bonus, employer’s contribution) amounting to €31.496 due in respect of the 2021 financial year and to be paid in 2022;
- **the vesting of 2,790 performance shares** allocated free of charge to Pierre Ribeiro, which took place on 30 June 2021 under the performance-based share allocation plan AGAP 2021 agreed by the Management Board on 20 May 2019 (no amount subject to *ex-post* vote).

It should also be noted that Pierre Ribeiro benefits from a defined contribution pension commitment (no amount subject to *ex-post* vote).

**RESOLUTION 20:
FIXED, VARIABLE AND EXCEPTIONAL ITEMS MAKING UP THE
TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID
DURING OR ALLOCATED IN RESPECT OF THE FINANCIAL YEAR
JUST ENDED TO THE CHIEF EXECUTIVE OFFICER SINCE 2 JUNE
2021**

The total remuneration paid during or allocated in respect of the financial year just ended consists of:

- **the fixed remuneration allocated in respect of 2021 and paid in 2021**, comprising gross basic remuneration of €289,773 for the term of office as Chief Executive Officer and the Pension Equivalent Premium amounting to €66,261 gross for the term of office as Chief Executive Officer, in accordance with the remuneration policy adopted at the General Meeting of 2 June 2021;
- **the variable remuneration allocated in respect of the 2021 financial year**, totalling €237,700 gross for the term of office as Chief Executive Officer **and to be paid in 2022** following the General Meeting and subject to its approval (see corresponding table 2 above detailing the procedure for determining the annual variable remuneration of the Chief Executive Officer). The quantitative and qualitative criteria used to determine this variable remuneration are described in the section “Remuneration policy for the Chief Executive Officer” on pages 75 and 76 of the 2020 Annual Financial Report;
- **a benefit in kind** granted in 2021 and represented by the use of a company car with a book value of €4,542, and Senior Executives’ Insurance (GSC or *Garantie Sociale des Chefs d’entreprises*) covering the risk of removal from corporate office and amounting to €5,993, in accordance with the 2021 remuneration policy adopted at the General Meeting of 2 June 2021;
- **an employee savings plan** (profit-sharing, incentive bonus, employer’s contribution) amounting to €21,954 due in respect of the 2021 financial year and to be paid in 2022;
- **the allocation of 4,080 performance shares** allocated free of charge on 28 June 2021, including 2,040 shares under the “2023 Performance-Based Share Plan” and 2,040 shares under the “2024 Performance-Based Share Plan”, for the benefit of certain salaried employees of the company, certain of its corporate officers, as well as certain salaried employees of its subsidiaries (see table 3 above detailing the performance-based conditions related to this plan), in accordance with the remuneration policy adopted at the General Meeting of 2 June 2021 with a book value under IFRS 2 of €471,818.

It should also be noted that Pierre Ribeiro benefits from a defined contribution pension commitment (no amount subject to *ex-post* vote).

**RESOLUTION 21:
FIXED, VARIABLE AND EXCEPTIONAL ITEMS MAKING UP THE
TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID
DURING OR ALLOCATED IN RESPECT OF THE FINANCIAL YEAR
JUST ENDED TO THE CHAIRMAN OF THE SUPERVISORY BOARD
UNTIL 2 JUNE 2021**

Remuneration for the 2021 financial year consists of remuneration of €25,000 gross paid in respect of his role as Chairman of the Supervisory Board and remuneration of €10,000 gross for his participation in specialist Committees.

**RESOLUTION 22:
FIXED, VARIABLE AND EXCEPTIONAL ITEMS MAKING UP THE
TOTAL REMUNERATION AND BENEFITS OF ANY KIND PAID
DURING OR ALLOCATED IN RESPECT OF THE FINANCIAL YEAR
JUST ENDED TO THE DEPUTY CHIEF EXECUTIVE OFFICER SINCE
2 JUNE 2021**

The total remuneration paid during or allocated in respect of the financial year just ended consists of:

- **the fixed remuneration allocated in respect of 2021 and paid in 2021**, comprising gross basic remuneration of €220,227 for the term of office as Deputy Chief Executive Officer and the Pension Equivalent Premium amounting to €48,054 gross for the term of office as Deputy Chief Executive Officer, in accordance with the remuneration policy adopted at the General Meeting of 2 June 2021;
- **the variable remuneration allocated in respect of the 2021 financial year**, totalling €165,200 gross for the term of office as Deputy Chief Executive Officer **and to be paid in 2022** following the General Meeting and subject to its approval (see table 2 above detailing the procedure for determining the annual variable remuneration). The quantitative and qualitative criteria used to determine this variable remuneration are described in the section “Remuneration policy for the Deputy Chief Executive Officer” on page 78 of the 2020 Annual Financial Report;
- **a benefit in kind** granted in 2021 and represented by the use of a company car with a book value of €3,199, and Senior Executives’ Insurance (GSC or *Garantie Sociale des Chefs*

d’entreprises) covering the risk of removal from corporate office and amounting to €5,696, in accordance with the 2021 remuneration policy adopted at the General Meeting of 2 June 2021;

- **an employee savings plan** (profit-sharing, incentive bonus, employer’s contribution) amounting to €21,955 due in respect of the 2021 financial year and to be paid in 2022;
- **the allocation of 2,640 performance shares** allocated free of charge on 28 June 2021, including 1,320 shares under the “2023 Performance-Based Share Plan” and 1,320 shares under the “2024 Performance-Based Share Plan”, for the benefit of certain salaried employees of the company, certain of its corporate officers, as well as certain salaried employees of its subsidiaries (see table 3 above detailing the performance-based conditions related to this plan), in accordance with the remuneration policy adopted at the General Meeting of 2 June 2021 with a book value under IFRS 2 of €305,294;
- **the vesting of 843 performance shares** free of charge to Valérie Dixmier, which took place on 30 June 2021 under the performance-based share allocation plan AGAP 2021 agreed by the Management Board on 20 May 2019 (no amount subject to *ex-post* vote). This allocation was granted in respect of her employment contract and prior to her appointment as Deputy Chief Executive Officer.

It should also be noted that Valérie Dixmier benefits from a defined contribution pension commitment (no amount subject to *ex-post* vote).

**INFORMATION ON THE TERMS AND CONDITIONS
FOR THE RETENTION OF SHARES ALLOCATED FREE
OF CHARGE TO EXECUTIVE CORPORATE OFFICERS**

At its meeting of 2 June 2021, the Board of Directors set the number of shares that every corporate officer will be required to retain in registered form until the termination of their duties at 25% of the total shares allocated to them free of charge; this percentage may be reduced to 20% at the end of a period of four years from the allocation, then successively to 15% six years after the allocation, to 10% eight years after the allocation and to 5% until they leave their role.

**INFORMATION ON ELEMENTS LIABLE TO HAVE AN IMPACT IN THE EVENT
OF A PUBLIC OFFERING**

In accordance with existing regulations and to the best of company’s knowledge, the following may have an impact in the event of a public offering:

- the capital structure and all known direct or indirect holdings in Somfy SA and all relevant information is described under “Information on the distribution of share capital and holdings” in the Board’s management report;
- there are no statutory restrictions regarding the exercise of voting rights and share transfers or agreements providing for preferential conditions for the transfer or acquisition of shares, excepting those described in the section “Action in concert and retention agreements” of the Board’s management report;
- there are no securities carrying special voting rights, aside from the existence of double voting rights enjoyed by fully paid shares registered under the same named shareholder for at least four years (see excerpt from Article 27 of the Articles of Association in the Board’s management report);

- voting rights attached to Somfy SA shares held by personnel through FCPE actions Somfy (Somfy Investment Fund Scheme) are exercised by a representative appointed by the Supervisory Board of the FCPE to represent it at the Annual General Meeting;
- commitments signed between shareholders that could lead to restrictions on the transfer of shares and the exercise of voting rights have been referred to in the “Action in concert and retention agreements” section of the Board’s management report;
- rules governing the appointment and replacement of General Management and any amendments to the Articles of Association are respectively provided for in Articles 18 and 29 of the Articles of Association;
- concerning powers, the Board has no delegations except those described under the section “Authorisations” of this report;

- agreements concluded by the company that are amended or terminated upon a change of control of the company are as follows: contracts signed between Somfy SA and credit institutions concerning credit facilities granted require the former to inform said banks of all projects related to a significant change in its shareholding, notably those resulting in a transfer of control to a new company;
- there are no particular agreements providing for compensation to be paid upon termination of the term of office of General Management or employment contract of employees, if they resign or are dismissed without fair or serious cause or if their employment is terminated as a result of a public offering.

The Board of Directors