

2022 Non-financial performance report



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A word from the CEO

Our products have always been there in the daily lives of millions of people around the world, at home, at work, in schools, healthcare centres or public spaces.

In the utmost silence, our solutions bring healthy, clean indoor air to buildings. Ventilation, thermal comfort, fire protection, and more: Aldes systems bring comfort and well-being.

Because "Breathing clean air inside buildings is essential for everyone's well-being", we design and produce our solutions keeping in mind our responsibility towards our employees, our customers and our environment, and we impose the highest health and well-being standards on ourselves.

As a family-run industrial group since 1925, active in over 15 countries with 2100 employees across 22 subsidiaries and 12 production sites, we are pursuing our growth objectives in consideration of our environmental and social impacts in order to make our growth both responsible and profitable.

With products designed, manufactured and sold as close to customers as possible, Aldes has consistently strived to minimise its negative external effects on the environment. Today, the Group is going further and has structured its CSR strategy around a much more global ambition: generate a **positive impact** on our direct sphere of influence - our employees, our products, our customers, our suppliers and more widely on society and the environment. This ambition has resulted in four major commitments made for 2030, details of which are provided in this report. They are our drivers to meet the climate challenges.

Aldes Impact is altogether more than a slogan, it is a vision that guides us every day in our relationships with employees, customers, communities and the planet.

Stanislas Lacroix Chief Executive Officer Aldes Group





Aldes, specialist in air quality



Our solutions bring healthy, clean indoor air to buildings.

Ventilation, thermal comfort, fire protection, and more: Aldes systems bring comfort and well-being. Aldes designs and manufactures reliable, efficient solutions. Through expert airflow management and driven by a capacity for regular innovation, our solutions ensure the health of buildings and their occupants over the long term.

Aldes experts devote their time and energy to serve those responsible for erecting sustainable buildings.

ZLT **M*** €386 2022 revenue production 50% in France/50% international sites Net pro forma revenue 2022 Active in 2,100 employees 15 countries through 22 subsidiaries 60 8 countries logistics covered platforms 5 8 areas of R&D expertise Ventilation, Thermal Comfort, Fire Protection, Air Purification, Central vacuum cleaning centres 3 Main markets commercial regions Southern Europe (incl. France) Northern Europe Asia, Middle East and Americas 鼬 *** N Offices Multi-Individual Schools Hotels occupancy housing ms 🟉 Production sites 💣 R&D ce housing

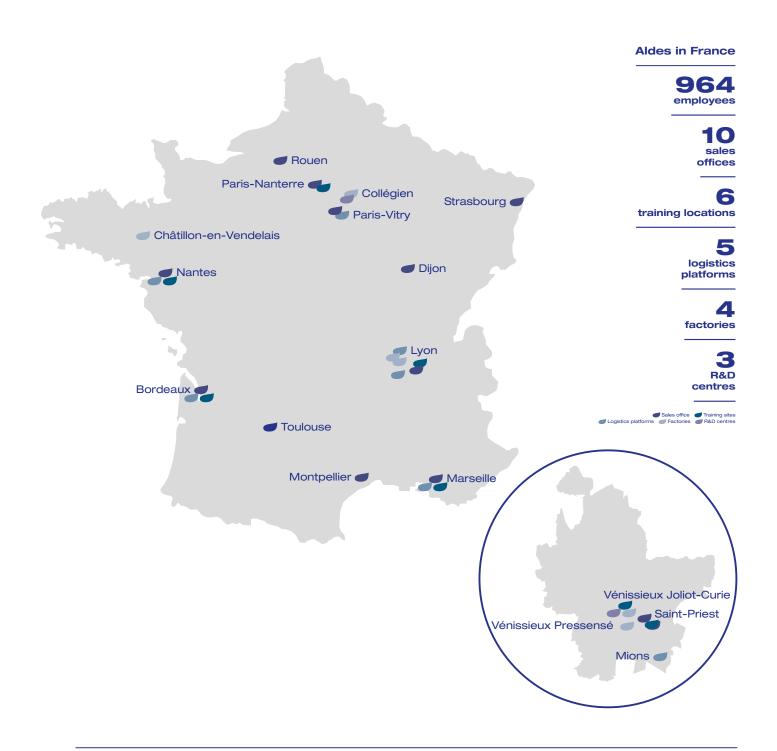
Aldes around the world

aldesgroupe



Aldes was founded in Lyon by Bernard Lacroix in 1925. It originally started out forming and manufacturing metal ventilation grilles.

In the heart of French regions, close to trade professionals, our production sites breathe fresh air into construction and refurbishment projects, ensuring quality and energy savings for the long term.



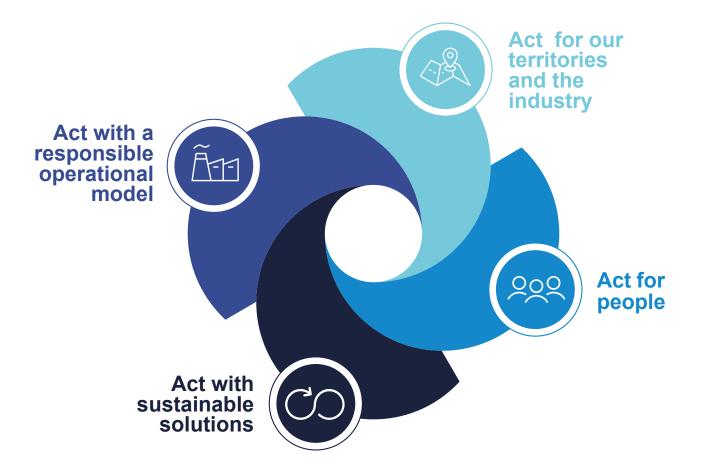


Aldes IMPACT

Together, let's act with commitment and awareness



Because all our daily actions have an IMPACT on our environment and our society, aldes group has built its CSR strategy: aldes impact, around 4 major COMMITMENTS. Our objective is to ACT tangibly for our employees, our customers, ou industry and the society.



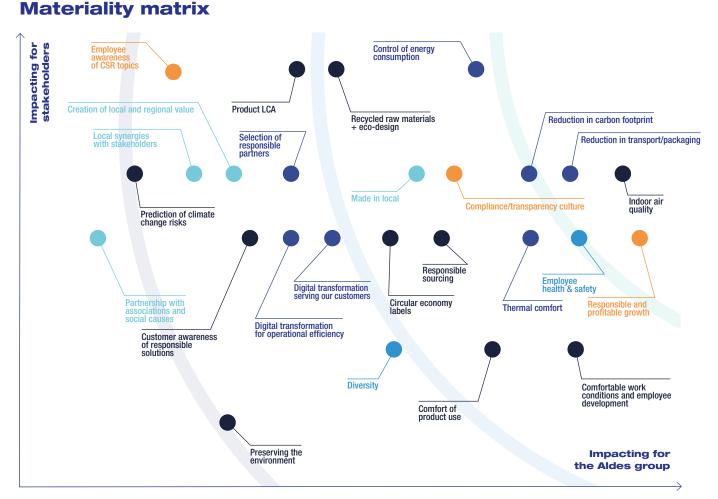


To prioritise the CSR challenges of the Aldes Group, the company used a materiality matrix analysis to incorporate interviews with external stakeholders and internal contributors, namely employees and the management committee.

The materiality matrix reveals six priority questions:

- Control of energy consumption
- Eco-design

- Product life cycle analysis
- Indoor air quality
- Reduction of packaging and transport flows
- Reduction of our carbon footprint



- Questions related to the CSR commitment "Use responsible solutions"
- Questions related to the CSR commitment "Use a sustainable operating model"
- Questions related to the CSR commitment "Nourish our regions and industry"
- Questions related to the CSR commitment "Take action for humanity"
- General company questions



Aldes Impact, the vision of our CEO and Director of Quality & CSR



Pierre-Yves Rollet Chief Executive Officer Aldes Group,

G Well before our Aldes Impact strategy came to being, the group had led programmes to develop regional interactions, firstly surrounding its home city of Lyon, then successively

to other regions of activity. The awareness of the need to preserve the physical and cultural environment, and the importance to our health of indoor air quality both reinforced our desire to take action in symbiosis with our regions, our society, and our environment. Our decades of experience in industry have given us the necessary maturity to succeed in a tangible strategy.

The Aldes Impact strategy reflects our joint concerns, shared by all our entities. Our four commitments are the reflection of our concerns and focus on areas where we wish to make progress.



Anne Lefebvre Director of Quality and CSR

Aldes Impact marks the continuity of our first CSR actions and sets out the strategy for the coming years. The group now has a clearly defined CSR position across

human, environmental, and regional dimensions, alongside our solutions which occupy a primordial place in our strategy.

Aldes Impact gives us the confidence in our ability to achieve the required performance as a sustainable and responsible industry.





Through our Aldes Impact strategy, we satisfy 11 of the 17 United Nations Sustainable Development Goals (SDG):



WE SUPPORT THE GLOBAL COMPACT

Since 2023, Aldes has been committed to the United Nations Global Compact social responsibility initiative and its ten principles around Human Rights, labour standards, the environment and anti-corruption. This voluntary engagement will align us as an economic player for the UN's 2030 Agenda for Sustainable Development.





Aldes group performance

Work with IMPACT	Key indicators	2022 performance	2023 objectives
Act for people	Workplace accident rate	12.9	8.00
200	Senior management trained in excellence programmes	75%	> 75%
	Women in senior management	25.7%	26.7%
	New managers supported in managerial performance	100%	100%
	People with access to one or more training courses per year	95%	> 80%
Act with sustainable solutions	Products referenced with an eco-label	Introduction of eco-design initiative	Identify the appropriate eco-label for our solutions on France sales scope
\bigcirc	Solutions with eco-guides in software and manuals	-	Propose eco-guides for each new motorised solution
	Revenue from services	€1.381 M	-
Act with a responsible operating model	Carbon footprint	Carbon assessment (Scopes 1, 2 and 3) calculation in progress	-5.87%/year Scopes 1 and 2 in absolute value -7.75%/year Scope 3 relative to Revenue
	Portion of spending with strategic suppliers involved in CSR	Include CSR criteria in our supplier selection process.	-
	Portion of waste from manufactured products	Creation of indicator	-
Act for our territories and the indust	Sourcing from local suppliers ry	-	Define criteria for local suppliers based on purchasing category
	Initiatives with local ecosystem	4	Lead one initiative per site across the whole Aldes group, with at least five at head office
	Partnerships with local players active in areas of housing or education	-	Review the state of our partnerships
	Customers trained	286	+ 15%
	Commitments on legal or regulatory requirements relating to environmental or health questions	-	Creation of indicator

Our CSR performance ecovadis

In 2022, Aldes was scored **58/100** by EcoVadis, leading corporate CSR ratings provider. This score earned us a silver medal. In 2022, Aldes is amongst the top 25% of businesses obtaining the silver level on the platform.

The EcoVadis approach reflects the quality of the company's CSR management system and is based on the ISO 26000 standard.











Act for people

Because our values of respect, trust and commitment guide us in the consideration we give to each person.

Because diversity is an asset and we want everyone to be able to develop and grow within the company.



Our ambitions

Give meaning and strengthen collectivness

By paying particular attention to the quality of life at work.

By sharing our corporate purpose :"Progress is in the air"

Building success paths and nourishing our performance

By promoting an entrepreneurial and educational approach of the compagny.

By activating personalized training programs.

*Our employer slogan is a project designed, embodied and driven by all employees across the group to ensure an authentic base and provide a tangible illustration of what makes the strength of the Aldes group.

Action #1 Make health and safety a priority for all, everywhere, all the time	P.14
Action #2 Enlighten our diversity	P.20
Action #3 Drive our learning business ambition	P.24
Action #4 Use responsible management practices and innovative methods	P.28
Action #5 Innovate with custom career paths	P.32



ACTION #1

Make health and safety a priority for all, everywhere, all the time.

We are committed with firm convictions to ensuring health and safety in the workplace. We implement a proactive risk prevention policy.

The performance indicator used is the workplace accident rate.

2022 results

Accident Frequency Rate (TF) 12.9

France and Belgium scope

2023 target

Accident Frequency Rate (TF)



G TAKE ACTION

HEALTH

TOGETHER

TO PRESERVE

Faldes | health

To promote occupational health, Aldes France introduced a health and safety policy in 2014. "Aldes en Santé" works to preserve and improve health in the workplace.

The policy is based on:

- The development of actions to improve quality of life at work
- The promotion of public health programmes
- The right balance between work life and private life
- Awareness of mental health issues

Since 2019, Aldes en Santé has included a charter that reminds employees of the recommended behaviours to preserve their health, in terms of **protection, vigilance, actions** and **postures**.

In 2021, Aldes en Santé created a **First Responder (SST) community** for the France scope.



2022 actions

- As part of its efforts to improve the Quality of Life at Work (QLW), Aldes introduced the **Aldes for Me programme; 100% free of charge and confidential**. This is a psychological support and assistance programme for employees and their families, with the aim of better reconciling their work lives with private and family lives. Aldes for Me can help people deal with a difficult situation, a source of anxiety or concern, and support employees through complicated times. Aldes for Me is also active on site to deal with psychological stress subsequent to a serious event.
- Other actions relating to QLW are also proposed, such as:
 - Relaxation activities (board games, cross training, pilates, yoga and meditation);
- Regular workshops are on offer concerning nutrition, quitting smoking, parenthood, addictions or better sleep.
- To prevent muscular-skeletal concerns, each employee may receive osteopathy sessions in the workplace and during working hours.
- To better reconcile private life and professional life, the Aldes group has rolled out a remote work agreement.
- A social worker is present for all Aldes employees in France.
- As QLW is also directly linked with psycho-social risks (PSR) which are amongst occupational risks, Aereco wanted to undertake a proactive PSR assessment approach with help from an external, neutral organisation. The IUMM Design and Prevention Training centre supported the company in its risk assessment and jointly drew up an action plan to resolve the risks identified.







2023 actions V

- Further mandatory awareness training on disabilities, addition and mental health will be proposed to employees and will supplement existing training on health and safety.
- **Obtain WEEL GOLD** certification for the group head office, which certifies that occupant health, comfort and well-being are incorporated in the building construction.
- Introduction of first engagement barometer for the Aldes group. Its aim is to:
 - Monitor employee engagement level.
 - Understand the motivations that drive them.
 - Identify priority levers for HR actions.



certified in 2025 (Scope: Mions (logistics site), Pressensé and Joliot Curie (production sites))

ISO 45001 is the international standard for organisations

seeking to improve the safety of their employees, reduce

risks in the workplace, create better and safer working

Be

conditions.

ISO 45001

Faldes | safety

Our ambitions O accidents across all our sites

To prevent risks associated with the workplace environment, Health & Safety stand-up meetings are held systematically on a weekly basis since 2022. This is supplemented by a daily 5-minute session on health & safety to remind employees of the issues. Preventive posters are also shared with all employees.

Employees working at stations where risks are identified also have work station safety guides (FSP) which help to identify the risks and prevent accidents. In addition to these guides, employees are trained in safety at the workstation using digital training modules as well as in-person sessions.

Group level safety

To identify the risks more effectively, safety audits are carried out on logistics and production sites in France several times a month by operations managers. Risks are detected and eliminated zone by zone, with the aim being to have a new, responsible view of workplace situations that need to evolve.

Aldes ensures the safety of all by providing personal protective equipment (PPE) according to the location and workstation. All group sites are equipped with PPE (ear plugs, safety shoes, protective goggles, etc.).

An assessment of the risks and preventive measures defines the daily pace of the business:

- In case of co-activity a risk assessment is systematically carried out.
- An occupational risk prevention manager works daily in the production sites and logistics hubs to identify the risks that employees don't notice any more.

To ensure everyone applies safety measures, each new employee must complete safety training.

Then throughout their career the employee is proposed safety training which is also mandatory, such as fire extinguisher handling, emergency evacuation and general safety.

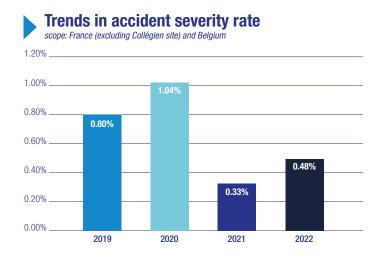
► **100**% of new employees receive safety training at group level

► +150 workstation safety guides

2022 in figures 🗸







2023 actions

• We are working on developing our **internal training with the roll-out of workstation aptitude guides** which will better address safety/quality and occupational activities in the environment of each operator.

In the words of our employees

Pierre Flandin, Workplace health awareness manager

G Health in the workplace should no longer be seen just from a regulatory standpoint but be considered as an area for improvement of global business performance. At Aldes, employee health and safety are an absolute priority. We firmly believe that a safe and healthy work environment favours productivity, employee well-being and the success of our company.

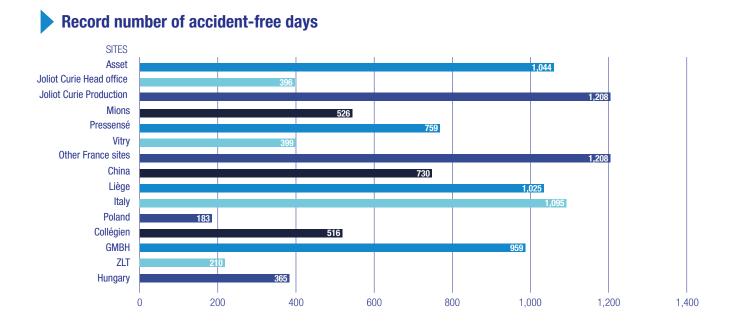
Nearly 10 years ago already, an innovative initiative: Aldes en Santé was proposed to support our employees in their Overall Health and in improving day-to-day working conditions. We are proud of the progress we have made this far and will continue to invest in innovative health & safety programmes, cooperate with our partners and incorporate industry best practices to protect our employees. Our commitment to health and safety is inseparable from our success as a responsible company in social and environmental terms.

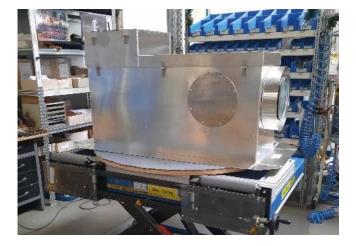




Panorama of sites:

- All Aldes group sites are subject to health and safety audits, whether internal or external.
- Our Canada site scored an 89% compliance rate for its external audit.





To prevent workplace accidents and to improve workstation ergonomics, the ZLT plant introduced mobile platforms for product assembly.

Mobile work table

Our ambitions for the next 3 years

- Monitor frequency and severity indicators across all Aldes group entities using a harmonious calculation and monitoring system.
- Deploy the Group policy: the essential Safety rules adopted by all Group entities.
- Build and initiate the ERGO 2023-2024 programme to contribute more to QLW.



ACTION #2 Embrace our diversity.

We consider that the diversity of our employee population is a strength. We strive to ensure equal opportunities.

The performance indicator used is % of women in senior management.

2022 results 25.7%

2023 target **26.7%**

group level

2030 target 33.7%

group level

The Aldes group sees difference as important and considers that it represents a solid asset to enrich the collective.

The group operates an **Employment and Diversity Policy**. Within the group, inclusion is embodied by diversity and gender equality at all ages, as well as people with disabilities. The Aldes group is committed to equal opportunities in its hiring, employment, personal development and career progression.

2022 actions **V**

- In 2022, the Collégien site also signed **an agreement covering gender equality and quality of life at work** to firmly incorporate these issues for personnel on a daily basis. This commitment aims to reinforce respect for diversity, gender parity and equal opportunities, while completing the implementation of the 2016 gender equality plan.
- The Aldes plant in Canada has made efforts towards gender equality **by participating in a recruitment drive to attract women to qualified positions considered as not traditional**. The site has also applied equal pay conditions for men and women in the same position.

2023 actions **V**

• Signature of a new agreement in France on professional gender equality and a personal life-work life balance.

Panorama of sites:

Collégien site:

- 70% of the shop floor production staff are female
- 4.39% of RQTH* recognised disabled
- Gender pay gap: **3.3%** in favour of men.
- Gender pay rises: 1.1% in favour of men.
- Percentage of employees receiving a rise on return from maternity leave: no returns from maternity leave. Since 2018, each new parent can obtain a place in nursery near their home or near their place of work to facilitate and support the organisation of new parents.
- Number of employees from under-represented gender amongst ten highest earners = 2.
 Women are under-represented amongst the highest earners.





*Recognition of disabled worker status



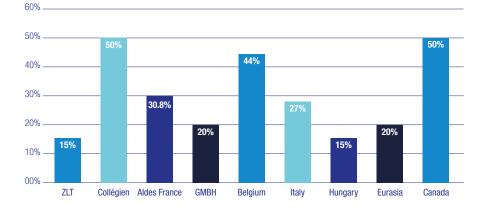
Aldes France (except Collégien site):

- 3.5% RQTH
- Gender pay gap: 0%
- Gender pay rises: 1.8% in favour of men
- Gender promotion gap: 4% in favour of women.
- Percentage of employees receiving a rise on return from maternity leave: 100%
- Number of employees from under-represented gender amongst ten highest earners: women are under-represented amongst the highest earners.



Did you know?

Note that above a score of 75/100, the company is considered to act in favour of gender pay equality and that no specific measures are needed.



Percentage of women active on group sites

In the words of our employees

Stéphane Allard, Director of Operations, Aldes group Canada plant.

Firing women in the HVAC industry presents a number of benefits. Women bring a diversity of thought processes and experiences, which can enhance the resolution of problems and drive innovation in the development of ventilation solutions. Furthermore, by incorporating more women into our personnel, we are expanding our pool of talent and our positioning is that of an inclusive, equitable employer. Businesses with a wellbalanced gender diversity generally perform better and have a stronger reputation. Consequently, recruiting women in the industrial sector is not just a question of social justice, but also a strategic choice to ensure the success of Aldes.





Agreement on disabilities



NOUVELLE ÈRE

To support the Aldes group in preparing its agreement on disabilities, in March 2022 Nouvelle Ere hosted **a Serious Game**, which enabled us to:

- Raise the awareness of main disability players in businesses: union representatives, elected staff representatives, managers
- · Co-build an action plan and a draft agreement



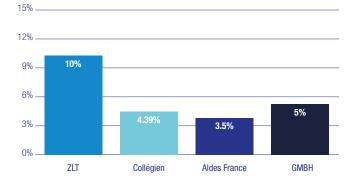
The agreement on disabilities covers the France scope and aims to:

- · Retain workers with disabilities in employment
- Enable employees to declare their disabled status so we can offer them better support
- Recruit and integrate

To raise employee awareness on identifying disabilities, administrative formalities, and to prevent any form of discrimination at work **the company requires staff to attend mandatory training**.

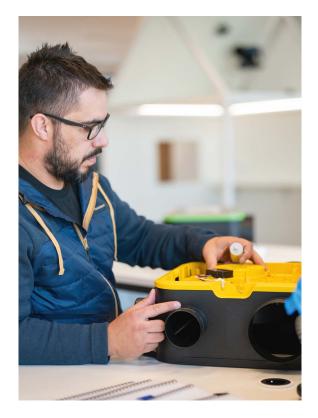
In the ZLT factory in Germany, 10% of the staff have some form of disability. They perform activities such as edging, fitting, assembly of small parts, they manage logistics, work in administrative roles or in grounds maintenance.

Percentage of recognized disabled workers on group sites



2023 actions **V**

- Participation in hiring events (Job dating, etc.) related to disabilities.
- Adaptation of workstations and work situations.
- Informative campaign.
- Rigorous monitoring of the implementation of our agreement.





ACTION #3 Drive our learning business ambition.

We encourage learning within our company through our training programmes. We develop innovative, experience-based training, favouring agility and an entrepreneurial spirit.

The performance indicator used is % of people with access to one or more training courses per year.

2022 results 95%

2023 target >80%
group level indicator

2030 target >80%

Faldes | campus

Since Aldes was established, the choice has always been made to invest significantly in the development of employee skills, and this approach guides our actions and organisation now. This is what led to the creation of the **Campus**! **The Aldes Campus** is a dedicated team, active in providing the resources and skills the company needs, such as:

- In-class and computer-based training courses
- Custom or standard training programmes
- START induction programmes for new hires
- Learning cafés
- Coaching sessions
- Co-development
- Virtual reality (cybersecurity, HSE, mobility, peace of mind, CSR, management)
- Podcasts
- Skills assessments





Aldes Campus has its own training space in the head office, bearing witness to the fundamental approach of being a learning company.



The training topics covered are diverse and varied, enabling every person to **improve their skills** and enjoy **a corporate culture shared by all**. The following broad areas are covered in training programmes:

- Commerce
- Corporate culture
- Management
- Health and safety
- In-house software
- Technical aspects of indoor air quality (acoustics, air management, heat and smoke exhaust, air diffusion, heat transfer)
- GDPR
- CSR



Extend, update, and develop our knowledge, this is the ambition fit for a learning business adopted as an objective by Aldes!

In the course of the group's transformation, we all need to update our skills and to continue constantly adapting to maintain our performance. The Aldes Campus supports employees in **acquiring knowledge** and **skills** so that each employee can remain an agile professional within a constantly-evolving business. The Aldes Campus offers the capacity to learn and to achieve professional and personal satisfaction.

Training is a means of increasing confidence and self-esteem. Aldes Campus also proposes specific training courses. Requests for training are made to the manager of the employee in question.

Aldes Campus is involved as soon as the new employee arrives in the group, with the **START** induction course. This course explains about the Aldes group, its creation, history, ambition and work environment.

2022 actions

2022 was marked by the introduction of the new Aldes Learning e-learning platform.

► 64 e-learning modules are available:

► +33% compared to 2021

Deployment for international subsidiaries is in progress.





2022 in figures 🔻

Aldes Campus represents:



► 847 people trained via e-learning 784 people trained, or 95% of personnel of France head office (except Aereco)

Panorama of sites

Collégien site

As part of the START induction course, an operator guides a new hire without experience in production and assists them in making products for a few hours. This is part of the company's continuous improvement efforts and aims to enable all personnel to have experience of production jobs. Over 60 office workers have been initiated into the secrets of the production line!



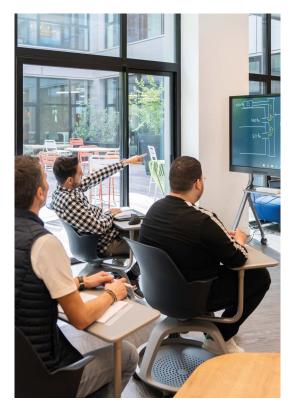
► 91% of personnel trained ► 4,116 hours of training dispensed

Aldes China scope



2023 actions

Deployment of a structured annual training plan and monitoring across all international subsidiaries.





ACTION #4

Use responsible management practices and innovative methods.

We aim for managerial excellence to build a decent quality of life at work, share the meaning of our actions and nourish our talented people. We create places and innovative work methods to drive ever more efficient cooperation.

The performance indicator used is % of senior management trained in excellence programmes.

2022 results

75% group level

2023 target

>75%

Faldes | campus

To support managerial performance, the Aldes group and **its Campus propose several skills development programmes**: individual or group coaching, co-development sessions, new manager courses, custom self-awareness programmes, working better together or being effective on a daily basis (e.g. effective meetings, time and priority management, etc.).

The manager is the guarantor of their team's quality of life at work.

More specific training paths are proposed. Their aims are to **familiarise managers** with our strategy, values and corporate culture. As the genuine backbone of the company, managers can infuse and embody these ideas throughout their teams. This alignment will drive performance and collective involvement.

At Aldes we have an internal resource dedicated to personal development and supporting managers, **who obtained a mediator qualification in July 2022**.

The Aldes group has **OVER 100** top managers

who must be supported towards managerial excellence.







In the words of our employees

Laurent Capra,

Managerial performance expert for the Aldes group explains his role and why it is essential to support our managers in their performance:

To manage means handling humans. Sometimes, managers can encounter complex situations that they have never experienced. The coaching session will enable them to define their issues and help them to find solutions themselves. To acquire managerial excellence, management training is not sufficient, coaching support with enable managers to refine their skills. We increasingly speak of the manager coach posture with the aim of developing employee independence and accountability. The usefulness of my work lies in the transformation of the managerial posture.



2022 actions V

• 2022 saw the introduction of the CHANGE programme for group top managers at international level.

Its aim? Support management in experiencing and embodying change and transformation across the group. The content is focused on the following elements:

- Better self-knowledge, being aware of one's impact and identify colleague behaviours to support them through change
- Manage in a context of transformation and change
- Be more efficient every day with effective and pertinent meetings

Example of the objective of the effective meetings module: With the effective meetings module, each meeting could become a collective time for production, commitment, and development serving collective effectiveness and individual self-realisation.



2022 in figures **V**





Actions for 2023/2024

- 2023 will be the opportunity to introduce the **CHANGE programme** to the senior management of Aereco, a new Group subsidiary.
- Roll-out of a new training programme on responsible and proactive management.
- Creation of anew training programme that willfocus more on managerial accountability, developing skills, an entrepreneurial mindset, and agility.

Our ambition

Support our managers daily to improve individual and collective performance.

*The co-development approach improves professional habits, skills and can help resolve certain difficult situations. The aim is to learn in contact with peers, develop a professional identify through communication, action, and experimentation.



ACTION #5 Innovate with custom career paths.

We drive the development of our employees with personal approach to speed up individual and collective performance.

The performance indicator used is % of new managers supported in managerial performance.

2022 results 100% group level

2023 target 100% group level

2030 target

Maintain **100%**group level



In a complex and uncertain environment, the Aldes group delivers high-quality support to its managers for them to embody the transformation and to assist in their mission.

The range of support available comprises:

- Individual coaching sessions
- Team building
- Mediation
- Co-development
- Néo programme: mandatory for all new managers, with the aim of optimising their integration
- · Custom training according to specific needs expressed by a manager or their team.

These sessions are supplemented by workshops to exchange best practices and virtual reality modules. Subjects covered:

- Setting and monitoring goals
- Delegating efficiently
- · Adapting your management style
- Anticipate and manage conflicts
- Handle and implement feedback.

Virtual reality enables managers to experience complex situations "for real" and provides tips on resolving them in a safe environment.

For manager training and career paths to meet our actual needs, the group conducts individual meetings (IM):

▶ 92.15% ▶ 100% completion rate of IM Aldes Air solutions scope

completion rate of IM Collégien[.]





Act with sustainable solutions

Because for more than 50 years, we have been combining energy efficiency and performance to improve air quality in buildings.

Because today, faced with the challenges of climate and health, our solutions are even more essential for the health of occupants and minimizing the environmental impact of buildings.



Aldes solutions comprise products and associated services for which the group strives to minimise the environmental impact and optimise their uses.

Our ambitions

Increading the positive impact of our products

by minimising their environmental footprint over their whole life cycle and by recommending reasonable and suitable use.

Preserving indoor air quality:

by innovating and proposing solutions that harmoniously blend well-being with comfort and efficiency.

Action #	£1	. P.36
Develop eco-d	esign	
Action #	2	P.40
Lead towards	efficient and environmental use	
Action #	3	. P.42
Build to last an	nd ensure long-term performance,	
leverage our ex	xpertise and data services	



ACTION #1 Develop eco-design.

To minimise our environmental footprint, we operate a 360° eco-design policy certified by an external body. We are mobilised for a circular economy approach (Reduce/Reuse/Repair/Recycle).

We have adopted an integrated co-development strategy with our partners to prioritise local, low-carbon production.

The performance indicator used is the number of products certified with an eco-label.

2023 target

Identify the appropriate eco-label for our solutions on France sales scope

2024 / 2025 target

Extension to all group geographical regions

37

Aldes manufactures and markets products delivering thermal comfort, ventilation, fire protection, air diffusion and central vacuum cleaning, as close as possible to their intended market.

The solutions we have developed through our fields of expertise satisfy a major requirement: ensure the well-being of occupants inside buildings, by optimising their safety, comfort and health.

Beyond our primary concern of the end user, the Aldes group strives to design products through a responsible development approach using eco-design for:

- Products
- Packaging

2022 actions V

Products:

Plastic parts used in the products of our individual house exhaust CMEV range (EasyHOME) contain 77% recycled materials.

Packaging:

At group level, we systematically verify that the suppliers we select use paper from sustainable forestry and which is certified FSC, PEFC or recycled.

100% of packing boxes are from recycled or FSC channels.

By opting to use recycled paper products to package its own production, the Mions site received a sustainable packaging certificate from one of its suppliers. To put it into context, by opting for this supplier and its eco-packaging, the group saved 152 trees from being felled in 2022.

To raise our attention level to the nature and composition of packaging, the Aldes group has introduced an environmental rating table to analyse our own packaging alongside those of our suppliers.

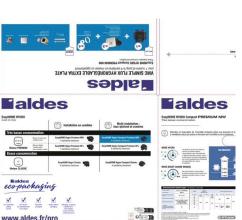
We strive to limit the use of ink and coatings on our packaging. In line with regulatory developments, we mark our products and packaging with sorting recommendation for our customers. This includes the Triman symbol and sorting recommendations, along with details of the product design process, to inform our customers of best practices used.



packaging





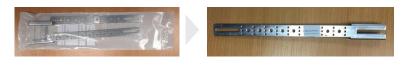




Panorama of sites:

The ZLT site in Germany is working on reducing packaging and plastic by eliminating blisters, to reduce the packaging to almost nothing as illustrated below:

From a blister pack to almost zero packaging, example from ZLT:



Since 2020, **our Poland site** has replaced its 20,000 packaging units by selecting neutral cardboard without white coating. In 80% of cases, bubble wrap was replaced with kraft paper as from 2019.



Our Chinese subsidiary achieved local certification for its products, equivalent to ISO 14067. The Chinese product certificate validates the product carbon footprint over all phases of its life cycle.

2023 actions V

The group aims to develop products with the smallest environmental footprint possible. The main lever for action identified by the Aldes group is the reinforcement of its eco-design strategy. This preventive approach is an opportunity to rethink the ways in which we develop solutions, while remaining attractive and high-performing.

The Aldes group opted for eco-design:

- Introduction of a multi-skilled pilot group of staff from marketing, R&D, purchasing, environment.
- Awareness training and information on climate change mechanisms using the Climate Fresk tool.
- Training for pilot group in eco-design and eco-engineering by a specialist external provider.
- Reverse engineering workshop on several Aldes products to learn how eco-design principles are applied in real cases.

In parallel, the Aldes group will select the eco-label most suited to its solutions. Obtaining an eco-label for some of our products will be a sign of recognition of how environmental impacts are integrated over the product life cycle.

Our priority action in 2023 will be to start the elimination of plastic blister packs for all branded packaging. For these, we will use ecodesign cartons.

Our individual house exhaust ventilation range (extractors) features new 100% carton packaging and will soon be followed by the ColorLINE fixed terminal range.



Product Environmental Profile (PEP):

To bolster our eco-design strategy and aim to earn eco-labels, the group will use Product Environmental Profiles (PEP) which are authentic ecopassports for electrical, electronic, and HVAC equipment.

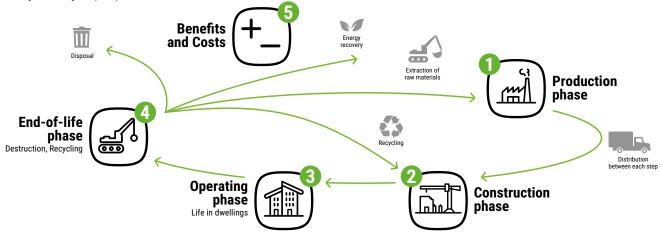


Aldes has prepared its own PEP for its main product ranges to specify their characteristics:



The PEP contains information on the environmental impact of the product during its life cycle. It compares the impacts of two products performing the same function. It is also required to analyse the life cycle of a building where the product is installed. As such, they are essential to the application of the RE2020 regulations. PEP may also be required to obtain building environmental certification such as HEQ, BREEAM, etc. As such, the Aldes head office building opened in 2022 is fully equipped with our solutions and is BREEAM-certified.

Life Cycle Analysis (LCA):



Our ambitions

- Incorporate eco-design in development processes and tools.
- Eco-design our products with and for our commercial partners and users, because we are convinced that reducing greenhouse gas emissions, resource use and waste generation are only possible through close cooperation between all stakeholders.
- Propose products that consume minimum resources, which are durable, energy-efficient and resource-efficient throughout their life cycle.



ACTION #2 Lead towards efficient and environmental use.

We support our customers and users from the sizing and selection phases through to their daily use and maintenance, whether for a heat pump or an air-handling solution.

We share the information and tools required to enable the most appropriate choices in terms of needs and uses, while minimising the impact on our planet.

The performance indicator used is % of solutions with eco-guides in software and manuals.

2023 target

Propose eco-guides for each new motorised solution

2030 target

Have eco-guides for each motorised solution (excluding fire protection solutions)

The Aldes group assists its customers in reducing their environmental impact by proposing solutions that lower GHG emissions and optimise the use of energy resources.

A very large majority of solutions produced by the Aldes group contribute to improving air quality while remaining energy-efficient. Also, thermal comfort, heat recovery ventilation and air-handling units can recover heat energy that is naturally present in the air.

To help customers size their products correctly, the Aldes group has developed dedicated solutions for each construction professional. The group proposes software tools, methods, and services on air-handling system management to ensure optimal operation. Our experts conduct several assessments:

- Air management assessment of exhaust and heat recovery systems in individual housing, multi-occupancy and nonresidential buildings
- Thermal assessment of the T.One air-air heat pump distribution system in individual housing
- Smoke and heat exhaust management

High-performance products in environmental and social terms:

Consultants Carbone 4 drew up the following observations for all our products:

- Positive carbon impact: by controlling air renewal and energy recovery from exhaust air, our ventilation systems prevent GHG emissions in relation to traditional ventilation methods (opening windows).
- **Positive impact on energy consumption:** using airflow modulation, the vast majority of ventilation systems can limit energy consumption to the minimum required.
- Neutral impact on renewable energies: our thermal comfort products are not considered a renewable energy source as such and depend on electricity production. However, heat pumps are a factor in the energy transition for buildings, and heat recovery systems may be considered as renewable energy.
- Very positive impact on air quality: our ventilation and air purification systems considerably improve air quality inside buildings.

- Neutral to positive impact on the circular economy: compliance with regulatory requirements (AGEC anti-waste law), with the aim of limiting our waste and expanding eco-design.
- Neutral impact on the just transition: our French subsidiary Acthys is working in part on the refurbishment of ventilation systems in social housing. Certain products are eligible for the CEE Energy Saving Certificate or the MaPrimeRénov renovation grant.
- Neutral to positive impact on resilience: products can better withstand heat waves and cold blasts but with performance suited to needs.

2022 in figures V



99% of pollen and fine particles (PM 2.5 and PM 10) are captured by Aldes* ventilation systems

24.7_{MWh} prevented per fan unit sold* ▶ **4.3** tCO₂eq. prevented per ventilation unit sold*

Our ambitions

The Aldes group aims to support and propose the means for the end user to benefit from the product in optimal conditions and to adopt smart daily habits.

* Source Carbone 4



ACTION #3

Build to last and ensure long-term performance, leverage our expertise and data services.

We are committed to maximising the lifetime of solutions and to maintaining them at a high level of operating performance by investing in expert services and digital tools. We work to invent new services putting our technologies to use (connected supervision, digital twins, simulation) alongside the know-how of our engineers.

The performance indicator used is **Revenue from services.**

2022 results €1381 K

2023 target €1800 K

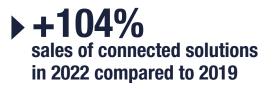
The group undertakes to support construction professionals and to make their day-to-day work easier, by aiming for excellence in technological innovations, services and support.

The Aldes group develops smart ventilation solutions to ensure optimal indoor air quality, in terms of hygiene and thermal comfort. The "smart" capacities of our solutions must:

- Enable them to dynamically and autonomously adapt their operation in relation to their actual environment and on the basis of a set of data (current and historical measurements, weather, occasional outdoor pollution, etc.).
- Ensure suitable and optimised commissioning to maximise their efficiency and minimise their energy consumption.
- Enable preventive or predictive equipment maintenance in a controlled manner, for example replace a part ahead of time rather than a whole assembly after a sudden shutdown.

It is essential to ensure that the information reaches the people with the capacity to take action, if possible via an automated system, but in all events in a usable form. The Aldes group works to support its trade and private customers through dedicated services.

2022 in figures V



A connected ventilation or thermal comfort system maintains the equipment in optimal operating condition, through:

- Optimised electricity consumption
- Maximised life times

17 years average lifetime of an Aldes product ► 44% of connected residential solutions sold in Europe are activated



A connected ventilation system serves to:

- Automate the detection of events and manage their treatment: immediate email alerts in case of abnormality or if a threshold is
 reached. Alerts can be custom-defined (thresholds and recipients) for optimal management of the equipment stock under contract.
- Secure operations with Aldes expertise and guarantee the product.
- Travel efficiently: go to a site with a pre-diagnostic, taking the replacement parts or tools required, to prevent pointless journeys to perform product maintenance:
 - Reduce operations on site to a minimum in frequency and duration.
 - Limit travel to 1 person for a malfunction identified remotely beforehand.
 - Prevent problems and damage.
 - Monitor unit operation and maintenance work.
- · Reduce wear which limits the replacement of parts and equipment.
- Replace single parts rather than full systems.
- Secure your product operation with Aldes expertise and an extended warranty: on request, an Aldes technical expert can run
 remote diagnostics of your system.

Our solutions enable the customer to minimise their costs and enjoy the assurance of guaranteed system performance. In operational terms, they minimise maintenance costs and maximise operational efficiency. Our solutions therefore ensure that units are operational and function in line with performance objectives.

▶ 978 users connected and active in China

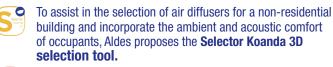
5,000 users connected and active in France, Italy and Spain

Based on our field observations, one site in four visited functions inefficiently and does not meet air quality targets in terms of air renewal or thermal considerations. Monitoring sites remotely will **identify malfunctions and guarantee continued operational worthiness** in terms of hygiene and the environment.

Example: a clogged filter on an air-handling unit increases motor energy consumption by 10%.



Our digital tools:





Aldes SecurONE: Maintenance aid for inspection of fire dampers. Serves to run easy, reliable and swift diagnostics.

Aldes Configurator: assistant tool for installation, configuration, commissioning and maintenance of the network unit.

The services proposed can monitor parameters such as:

- Pressure
- Airflow
- Presence of an error code

They can also take remote action on our most sophisticated solutions such as heat pumps and air handling units. Almost all adjustments and configuration settings on our AHU can be done remotely by our experts. The embedded smart control system is dynamic and easily customised to enable close control of the hygienic and/or thermal quality of air inside the building.



Towards a carbon-neutral building stock...

Every day, we make it so that our solutions contribute to achieving a stock of carbon-neutral buildings in 2050 using mechanical ventilation. This technology has a leading role to play in optimising the heating and cooling needs of buildings, by limiting heat losses through air renewal at the precise level required and recovering heat or cold from exhaust air. Alongside the airtight properties of well-insulated buildings, these systems are essential to ensure the good health of building occupants and the buildings themselves. Through its solutions and services the **Aldes group helps to adapt to climate change** in the construction sector and intends to improve its range by developing products and related services that will limit their environmental impact over their whole life cycle.

To propose ever better-performing more efficient products, the Aldes group devotes resources to research and development. Our R&D projects help to identify solutions that continue to reduce building energy consumption and to reduce GHG emissions.



• Ensure the optimal operation of our products.







Act with a responsible operational model

Because our collective involvement is essential.

Because our customers and partners expect us to optimize the way we produce our solutions



Our ambitions

The Aldes group strives to work with a sustainable operating model based on $\ensuremath{\mathsf{ISO}}$ 14001.

Building a low-carbon value chain: By defining a reasoned supply strategy. By optimising resource management.

Sharing a sustainable vision:

By animating and mobilizing our network of suppliers and partners.

By choosing sustainable components and technical soltuions.

By deploying a responsible purchasing strategy.

Coloration ISO 14001 certification for the Joliot Curie site in 2025

Action #1 A responsible manufacturing strategy	P.48
Action #2 A responsible sourcing policy	P.56
Action #3 Optimise the impact of our logistics	P.62



ACTION #1 A responsible manufacturing strategy.

We optimise our consumption and are seeking to produce from our own sources. We are committed to reducing, reusing and recycling our waste. We develop optimised production to do more with less. We continuously improve and integrate new technologies (Factory 4.0, 3D approaches, etc.) and support our staff through these changes.

The performance indicator used is the carbon footprint (Scopes 1, 2 and 3).

2021 results

Scope	Carbon footprint (tCO2eq.)
Aldes Air Solutions Mions, Joliot Curie, Pressensé	161,000
ACTIF, Châtillon (thermal comfort)	24,000
Canada	58,000

2030 objectives

SCOPES 1 & 2: -42% of GHG in absolute terms (-5.87% per year) **SCOPE 3: -51%** of GHG in absolute terms (-7.75% per year)

Explanation of our carbon footprint

Scope incorporate Joliot Curie, Pressensé, Mions, Châtillon and Canada in



Corresponds to the company's direct emissions

For our situation: the main factor is the fleet of vehicles operated and corporate equipment such as 3D printers, industrial machines, fuel oil and gas consumption.



Corresponds to company's indirect emissions (e.g. energy purchased, consumption of electricity, heating and cooling). For our situation: exclusively concerns the procurement and consumption of electricity from nuclear sources for France and hydroelectric sources for Canada.



Corresponds to indirect emissions upstream and downstream of the company. For our situation, the upstream phase concerns the purchase of raw materials and components, the transport method for delivery of supplies and the waste generated. The downstream phase mainly concerns the use of the products sold and their end of life processing.

0.8% of our GHG* 99.2% of our GHG*

*Greenhouse gases, or GHG, are gases which absorb some of the sun's rays and redistribute them across Earth's atmosphere as radiation, a phenomenon known as the greenhouse effect.

Aldes Air Solutions has already made efforts to lower its carbon footprint:

Carbon footprint of Mions, Joliot Curie, Préssensé sites (Scopes 1 & 2) from 2014 to 2021.

Year	tCO ₂ eq. (Scopes 1 & 2)	-
2014	2,474) -5.8%
2019	2,330) -24%
2021	1,771) -24 /0

The incorporation of our carbon footprint accelerated swiftly this year and has been marked by the integration of Scope 3 in our Carbon assessment.



The Aldes group has set itself the following carbon trajectory:

Our ambition focuses on two reduction programmes: ours and those of our suppliers, to support the whole value chain towards a carbon-neutral industrial sector.

scopes 1 & 2 **-5.87%/year**

in absolute value to achieve **-42%** in GHG emissions in 2030 (based on 2021 data) across a defined scope representing over **70%** of our revenue to be consistent with the Paris Agreements.

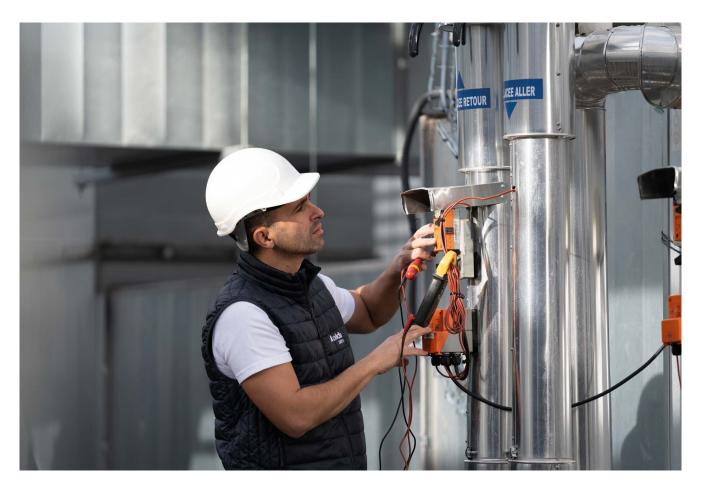


in relative value to achieve **-51%** in GHG emissions in 2030 (based on 2021 data) across a defined scope representing over **70%** of our revenue.

Levers for action

As a stakeholder in the construction industry, contributing to reducing GHG emissions while improving our revenue essentially from solutions that help in adapting to climate change.

To achieve its ambitions, the Aldes group is committed to mobilising and deploying an action plan to reduce its GHG emissions. The panel of actions impact the operating model as well as our products and solutions.

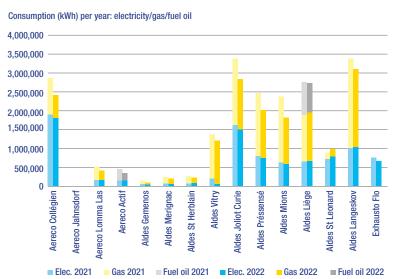




Energy consumption:

The whole group is working to optimise its day-to-day energy consumption.

The use of LED lamps on most group sites (all of France, Belgium, Dubai, Denmark, Spain, Germany, Poland, Italy) was our first action to minimise our energy footprint. These efforts are correlated on certain sites with lighting control according to detection of occupation. As an example, German subsidiary ZLT saved 6,000 kWh through the introduction of LED lighting.



- The Aldes group also ensures that all connected IT devices automatically go into standby mode when not in use. All computer equipment is switched off from 7:30 pm to 7:30 am and on non-working days.
- Since 2022, an energy audit is carried out on all Aldes group sites. We have monitored the energy footprint of group logistics hubs and production sites since 2022 to assess energy consumption outside of active periods with the aim of identifying sources of consumption that we can avoid in the future. This initial analysis will help us to understand and explain a portion of our energy consumption. The whole Aldes group, but especially production and logistics sites, has adopted the challenge of identifying solutions to reduce energy consumption and undertake an energy sobriety plan.

The Aldes group received BREEAM Very Good status with a score of 65.6% for the new head office building.

BREEAM	B STAINABLE BUILT
Very Good	BREEAM

Scores by category											~	V
Management	62											
Health and well-being	59											
Energy	81											
Transport	44											
Water	89											
Materials	42											
Waste	63											
Ground occupation and environment	70											
Pollution	58											
Innovation	30											
		0	10	20	30	40	50	60	70	80	90	100

The head office is certified to comply with BREEAM, the international building environmental performance standard. The following configurations are applied to offices and production sites:

- Installation of modern cooling systems and convector fans to generate energy savings.
- Installation of reversible air conditioning.
- Installation of window films and sun shades.
- · Lower heating and cooling settings with locking systems.
- Installation of variable-control boiler pumps according to needs.
- · Reduction of compressor output pressures.
- Assessment of the possibility of lowering the compressed air network pressure.
- Air leak detection campaigns on compressed air lines.
- · Shutdown of water coolers at night and weekends.



Biodiversity

Beyond reducing our carbon footprint, the Aldes group also strives to preserve resources and pays special attention to biodiversity. Nesting boxes and insect hotels are installed on the BREEAM-certified sites, outdoor parking areas are covered with vegetation and not permeable. The use of herbicides and insecticides is prohibited for grounds maintenance purposes across all our sites.

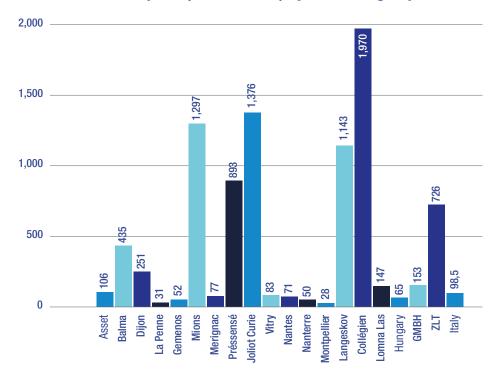


Insect hotel in front of the Aereco site in Lomna, Poland.

Since November 2021, the Collégien site houses an eco-pasture to maintain a protected area of 4,000 m² using a more respectful maintenance method than using a mechanical lawnmower. This eco-practice will ensure strong respect of biodiversity. Dung-eating insects process the organic waste of sheep and are eaten by birds. The larger animals come from a local farm and are looked after by professionals. The animals vary and may be sheep, lambs or rams. A shared vegetable allotment is also present alongside the eco-pasture.

No activities of the Aldes group release pollutants into the water system. To preserve water resources most group sites operate equipment using as little water as possible, such as dual-flush toilers, flow limiters for sink taps and showers.

We can also point out the 80 m³ rain water collection tank used for watering the gardens and for toilets.



Water consumption (cubic metres) by the Aldes group





Panorama of sites:

Each of our sites implements measures to reduce its energy consumption.

Hungary:

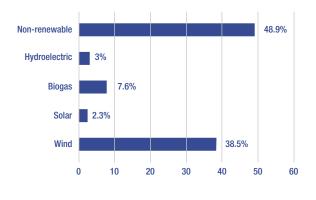
The Hungary site produces its own renewable energy using a solar panel installation. It covers almost a quarter of its total energy consumption.

Canada:

The Canada site only consumes renewable electricity generated by a hydroelectric dam.

GMBH:

51% of the energy used by the GMBH site in Germany comes from renewable sources:





Solar panels installed on site in Hungary

ZLT:

The ZLT site in Germany is reducing its gas consumption by heating a part of the site using an alternative fuel made from waste pallets which are processed and consumed on site. The site also recovers heat from compressed air using a heat pump which heats sanitary hot water.



The ZLT site, heated by re-purposed wooden pallets.

Châtillon:

The Châtillon en Vendelais site in France will see a new location and working arrangements which will be managed by innovative specifications relating to energy sobriety. We can mention the following measures:

- Reduction of weather compensation on the regulation of the fuel oil boiler, with the aim of lowering the temperature in the workshop by 1 or 2 degrees (18-19°C).
- Lock radiator valves and investigate their replacement with thermostatic valves for better temperature control.
- In low-frequency zones, only activate heating when necessary.

- Consolidate certain offices to optimise heating zones.
- Divide up lighting zones.
- Replace standard neon lights with LED lamps which will halve the energy consumption over a month.

The energy sobriety plan will run alongside an awareness raising programme for all managers to be familiar with the issues and understand the savings in terms of financial cost and energy use. The site has already made extensive efforts to save energy, which have reduced energy consumption between 2021 and 2022 by 20%, and fuel oil by 28%.



Collégien:

The Collégien site started mapping its energy consumption by sector of activity in 2021.
Using a power and energy recorder, three primary consumption sources were identified:
the technical infrastructure used to supply air conditioned rooms

- building lighting
- fabric product conditioning tunnels.

To resolve the energy consumption of tunnels, optimising their filling enabled us to shut one down in September 2022, which saves around 1200 kWh per week. The second step was to adapt the tunnel operating times to production workshop opening times, namely 5 days a week against 7 days previously. The production teams now shut down and restart the tunnels on weekends. This has saved a further 1000 kWh per week.

Investigations are in progress to reduce electricity consumption by lighting (re-lamping) and the use and operation of air-conditioned rooms is being reconsidered. Thermostat temperatures were lowered in each zone.



Conditioning tunnels in the Collégien plant

Liège site

The Liège site has deployed a number of actions to address energy issues:

- · Lower temperatures in offices and workshops
- Shorter operating hours for heating system
- Reminder of energy savings actions to be adopted by all personnel (putting computers and production lines on standby mode

Denmark site

Our site in Denmark has opted for a major project in 2023, to switch to a district heating network. The distribution system will pump and heat water to heat rooms or floors, and to produce domestic hot water. The water used in the district heating distribution system circulates continuously in a closed loop. The aim of the project is to reduce our CO_2 emissions and to reduce the risks of gas leaks from the current heating system. The district heating system is both an environmental and energy-efficient alternative to gas.



In the words of our employees

Pierre Chaffois, environment manager

C The subject of the environment is present in all areas of our life right now, from private discussions to professional meetings, to media coverage. However, everything that is said or written on the subject must be analysed with a critical eye from a global viewpoint, to avoid ineffective, narrow-minded and simplistic solutions.

To do so, ISO 14001 certification will provide a consistent, comprehensive and internationally acknowledged framework for the Aldes group environmental strategy, to communicate with all our partners, customers and stakeholders, and to deploy it for all Aldes group employees, who will be the leading force in this approach.

aldesgroupe

Opt for soft modes:

As part of related measures, the group offers some of its personnel a hybrid company car. No diesel cars are available in the pool. The Aldes group vehicle fleet represents an average of 121 g/km of CO₂ compared to 124.2 g/km, the average of French businesses.

Aldes France upgraded its 2022 eco-mobility plan by proposing a supplementary option to the sustainable mobility package for employees coming to work by bicycle only.

In 2023, a fleet of electric bicycles will be provided for employees living in Lyon for their commutes between home and work. This is an attempt to modify employee behaviours and to help them discover means of transport that they would not have taken if the company hadn't proposed.

2022 saw the organisation of a half-day dedicated to soft travel, to raise employee awareness. This event will be repeated in 2023.

Employee commuting between home and work generates



Almost all Aldes group sites are equipped with charging points to facilitate access and promote the use of hybrid and allelectric vehicles. Alongside this cycle parking area have been installed on all our sites along with a trottibox scooter storage unit at the head office to favour soft modes of transport.



The ZLT site in Germany has provided electric bicycles since 2022; it has also bought a hybrid company car and installed a charging point.



ACTION #2 A responsible sourcing policy.

We involve our suppliers and partners in sustainability and durability initiatives through partnerships.

The performance indicator used is % of spending with strategic suppliers involved in CSR.

2023 target

Include CSR criteria in our supplier selection process.

The Aldes group procurement policy strives to develop long-term partnerships with suppliers and to ensure the integrity of activities to ensure its own interests and those of its stakeholders.

The Aldes group is extending its requirements and vigilance on CSR criteria and has committed to working closely on these matters with almost 2500 different suppliers.

Renewed signature of the Responsible Supplier Relations Charter in 2022:

The group has adhered to this charter since 2010. It aims to implement responsible practices towards our suppliers. The charter covers varied topics, summed up in 10 commitments that the Aldes group is committed to applying, by defining an action plan on the following:

Charte C S S S C RELATIONS FOURNISSEURS ET ACHATS RESPONSABLES SIGNATAIRE

· Ensure a responsible financial relationship with suppliers

Entities	Average period (days)
Aldes Air Solutions	56.5
ZLT (Germany)	21
Poland	30
Hungary	30
GMBH (Germany)	10
Spain	68
Italy	90
China	30

Average supplier payment times by entity

- Maintain a respectful relationship with all suppliers, favourable to the development of cooperative activities
- Identify and manage reciprocal dependency situations with suppliers
- · Get signatory organisations involved in their sectors
- Assess all costs and impacts of the life cycle
- Integrate social and environmental responsibility issues
- Ensure regional accountability for organisations
- Professionalism and ethics of the purchasing function
- A purchasing function responsible for overall management of supplier relations
- A "Supplier relations" mediator function to ensure the fluidity of relationships, whether internal or external to the company

Procurement Ethics charter and Supplier code of conduct:

▶ 100%

of new suppliers on the Aldes panel have signed the Procurement Ethics charter





2023 actions **V**

With a view to getting all our suppliers on board, in 2023 the Aldes group will release a new Supplier Code of Conduct which will replace the Procurement Ethics charter introduced in 2020. This new code of conduct will feature more stringent requirements in terms of CSR. The principles of the Aldes code of conduct:

- Observe and promote the governing principles on the protection of human rights and of the International Labour Organization (ILO).
- Observe laws and regulations in effect in all countries of activity
- Comply with working hours requirements and ensure suitable compensation
- · Prohibit the use of forced labour
- Acknowledge and observe the principle of freedom of assembly and association
- · Prevent and minimize our environmental impact

- · Fight discrimination at work and respect equal opportunities
- Comply with health and safety standards
- Comply with anti-corruption laws and regulations
- Prohibit fraudulent actions
- Avoid all situations of conflict of interest
- Respect freedom of competition
- Avoid economic dependency on our customers, remain below 25% revenue
- Respect the IP of others and ensure the protection of confidential data

The Aldes Supplier Code of Conduct shall be automatically issued when a new supplier is approved and must be signed by the supplier. In 2023, the Aldes group will also start a communication programme informing all suppliers already on the panel about the Code of Conduct and requesting their adhesion to the principles in the Code.

Our ambitions

By the end of 2024, 50% of Aldes group spending for Aldes France, Belgium Exhausto/Novema and Aereco to be covered by suppliers who are signatories to the Code of Conduct.

Map our direct material suppliers who implement a CSR strategy with ambitions, commitments and tangible objectives.

For 2023, we are targeting our 30 leading suppliers who will need to disclose their CSR approach.

Assess group spending with suppliers that are certified by EcoVadis, Sedex or to an ISO 26000-equivalent

Code de conduite des fournisseurs Aldes

PRESENTATION DU GROUPE ALDES

Le Groupe Aldes est un groupe familial fondé en 1925 spécialisé dans la conception, le développement et la fabrication, de manière toujours plus responsable, de solutions de ventilation et de confort thermique pour la santé et le bien-être des personnes occupant des bâtiments d'habitation ou d'activités tertiaires.

La vision du Groupe Aldes est de permettre au plus grand nombre de respirer un air plus sain et de bénéficier d'équipements améliorant leur qualité de vie.

Au-delà des produits de ventilation et du confort thermique, le Groupe Aldes est également spécialisé dans la conception et la fabrication de systèmes de protection incendie à destination des bâtiments d'habitation ou tertiaires.

Le Groupe Aldes est engagé à conduire ses activités avec intégrité et dans le respect des intérêts d'autrui. Le Groupe a pleinement conscience que son développement économique est indissociable d'un développement environnemental, social et sociétal. L'ensemble des principes directeurs et repères auxquels adhère le Groupe Aldes font partie du **Plan Stratégique du groupe**, et sont par ailleurs inscrits dans la charte « L'Ethique du Groupe ». Chaque collaborateur s'engage à exercer sa mission dans le respect de cette charte.

CSR criteria in sourcing audit:

Since 2021, the Aldes group has updated its supplier qualification process by incorporating CSR criteria into the assessment done during the sourcing audit.

Since 2022, supplier audits include environmental and social criteria that are weighted during the assessment by the supplier quality auditor (including Aereco).

Through such practices, the Aldes group is committed to considering supplier CSR strategy as a determinant criterion on the selection of new business partners and suppliers. In this way it will raise the percentage of its purchasing from a panel of suppliers firmly committed to CSR initiatives and/or with a genuine CSR strategy.



Carbon assessment Scope 3:

It is now essential for the group to consider the environmental efforts made by our suppliers given that purchasing represents a significant contribution to our carbon footprint. Therefore reducing our carbon footprint in terms of Scope 3 will only be possible if the group manages to review the GHG emission data of its suppliers and challenge them to reduce their carbon footprint.

Extraction and transformation of raw materials, production of electronic components or their transport to our plants, these are all upstream activities in our value chain that are essential to our own, yet are responsible for a significant portion of our final greenhouse gases. The group undertakes to reduce its Scope 3 emissions by 51% by 2030, and must therefore deploy the actions necessary to reduce the upstream portion of its Scope 3.

The Aldes group is also committed to paying special attention to supplier attitudes to the environment in wider terms.

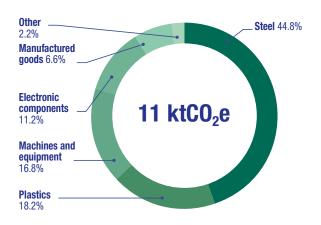
Our ambition V

Encourage our suppliers to carry out their carbon assessment and implement actions to reduce GHG emissions

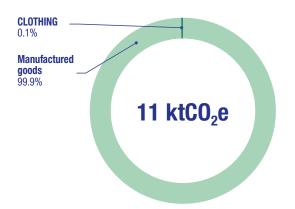


Panorama of sites

Purchasing by Aldes Canada 2021



Purchasing by Châtillon 2021



Purchasing represents:

► **18%** of the carbon footprint of Aldes Canada

► **33%** of the carbon footprint of Aldes Air Solutions

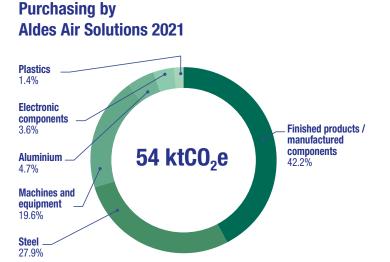
► 44% of the carbon footprint for Châtillon

In total, product purchasing in the 3 scopes indicated represent 31% of our total GHG emissions.

To reduce our carbon footprint associated with this source of emissions, the Aldes group must drive its suppliers to make the required efforts in terms of:

- Reducing their carbon footprint
- Promoting the eco-design of products
- Proposing recycled products
- Limiting their production of non-recyclable waste

Special attention will be paid to our suppliers of raw materials.



aldesgroupe

Integration of ESAT assistance and service centres:

Beyond the involvement of its suppliers, the Aldes group is committed to making efforts by opting for suppliers with a stated corporate purpose. For example, our IT equipment (personal computers and mobile phones) are collected by an ESAT when renewed. Each entity of the Aldes Group uses at least one ESAT for a number of purposes (grounds maintenance, product assembly and packing, services etc.). ► €604 K revenue for Aldes generated with ESAT*



*Etablissements ou Services d'aide par le Travail (ESAT) - Sheltered Employment Organisations

ACTION #3 Optimise the impact of our logistics.

We regularly revise our logistics organisation to reduce its impact. We constantly seek to reduce single-use packaging with our suppliers and for internal product flows between sites.

The performance indicator used is % of waste from manufactured products.

Waste management is a major and priority aspect of Aldes' environmental management programme.

The whole group correctly applies the regulations imposed in the country of activity. The Aldes group processes several types of waste:

- · Sheet metal and mixed metals
- Wood
- Paper and card
- Plastic wrapping films

In France, the group is impacted by 4 EPR* principles, including the PMCB for construction products and materials. For this reason, it is a member of three eco-organisations: Citeo for household packaging and printed materials, Ecosystem for WEEE, Valobat for PCMB products and materials.

*EPR : extended producer responsibility

Panorama of sites:

Mions

The largest logistics hub of the group located in Mions reuses all incoming wooden pallets for outgoing shipments to avoid creating waste. Pallets that are not reused are donated to a local association.

Pressensé

On the Pressensé site, all packaging components such as foam padding and cardboard spacers are reused. This avoids the generation of waste.

For 2022, the estimated amount saved is around 22.5 tonnes of foam and over 85 tonnes of cardboard spacers.

ZLT

On the ZLT site in Germany, all plastic wrapping films and cartons are placed in a waste compactor.

This reduces the volume of waste stored and transports, while also improving how the waste is recycled.



Waste compactor on the ZLT site



Waste compressed by ZLT using the paper press



Poland

In 2021, our Poland site invested in carton shredders, which reduced the volume of recycled cartons by 75% and the frequency of collection by 60%. In 2017, the site purchased and configured a new pallet filming machine which reduced its consumption of plastic wrapping film by 50%. In 2022, the site bought a pallet wrapping tool which reduced the use of plastic wrapping film by 30%.

Since 2019, the site also operates its own paper shredder to produce carton filler for dispatched products. This has replaced 80% of bubble wrap with crunched paper.

Châtillon

The Châtillon plant will recover blue plastic wrapping film and polystyrene to increase the amount of waste recovered, starting in 2023.

The Aldes group

To limit the consumption and generation of paper, user guides for plant equipment such as electrical cabinets are now replaced by QR Code guides.





Most Aldes group sites only print documents required by regulations (e.g. wiring diagram).

Important figures

Aldes France (except the Collégien site) generates

11.2 tonnes

of waste per million Euros of revenue.

The sorting error rate represents

• 0.3% in mass

Scope	Recovery rate
Aldes France	79.5
Aldes Collégien	80
Aldes Hungary	50
Aldes Denmark	95.5
Aldes Italy	95

Waste recovery rate by scope

None of our sites produce more than 1 tonne of hazardous waste except our central logistics site in Mions (20.5 tonnes of hazardous waste in 2022) due to the increase scrapping of certain products.









Act for our territories and the industry

Because we want to become a key player in each of our regions by contributing to economic development, more harmonious living and resource optimization.

Because we are collectively committed to a sustainable industry, giving back to the regions the benefits they bring us.



Our ambitions

Contribute to the value creation in our territories : By contributing to local economic growth

By establishing strong bonds with local stakeholders

To carry a sustainable industrial vision :

By participating in the construction of a virtuous industrial ecosystem By getting involved in a sustainable and supportable approach By committing to and promoting a positive legal framework for health, safety and environment matters

Action #1 Generate dynamic local actions	P.68
Action #2 Contribute to the economic development of our territories	P.70
Action #3 Support partnerships for education and housing	P.72
Action #4 Train our customers and installers	P.76
Action #5 Speed up our transition to a sustainable industry	P.80



ACTION #1 Generate dynamic local actions.

We manufacture and market near to destination regions. We are committed to developing our sourcing from local suppliers and partners.

The performance indicator used is % of sourcing from local suppliers.

2023 target

Define criteria for local suppliers based on purchasing category.

Ensuring suppliers are appropriately local is a fundamental point of the Aldes group purchasing policy published in 2018.

This approach is based on the fact that as economic players in areas where our plants operate, we seek to use local sources wherever possible, so as to:

- · Limit our environmental impact associated with transport
- Mitigate and avoid supporting territories with a high geopolitical risk
- Contribute to the local economy (surrounding *départements*, regions, countries)

Sourcing from local territories means development of local employment, higher skills levels, deployment of infrastructures and more attractive territories.

The group considers that local sourcing is genuinely a supplementary lever in the transition to a sustainable industry.

2023 will be devoted to:

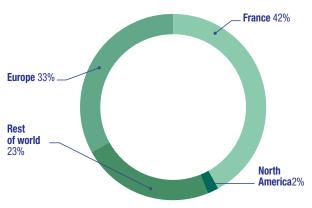
- Mapping the geographical locations of current suppliers of goods and services.
- Identifying products that can be sourced locally to Aldes group production sites.
- Defining the concept of local.
- Implementing a performance indicator.

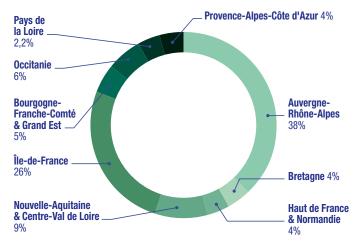
If the group wished to focus on local relationships and partnerships, it is nonetheless dependent on certain goods that are sourced from outside local areas (e.g. steel).

The concept of local must take into account the diversity of our locations, the ease and difficulties of sourcing and the availability of goods.

Suppliers in production for the Aldes France - Italy - Spain - Belgium scope & Châtillon

Indirect supplier panel in France by region





The Aldes group mainly operates in France and Europe, its panel of suppliers is widely present in France and Europe. **Over 50% of group spending** on sourcing is done in France, country which represents over 65% of group revenue. Therefore, a close correlation exists between the location of our sites and the sources of our purchased goods and services. The group already exhibits common sense in this matter but is seeking to extend its approach and pay it special attention.

Our ambition **V**

Contribute to creating values in our regions.



ACTION 2:2

Support partnerships for education and housing.

We create local partnerships to favour the skills development of young people. We are committed to actions that enable access to responsible housing and good indoor air quality for all.

The performance indicator used is Number of partnerships with local players active in areas of housing or education.

2022 results

Four partnerships.

Both partnerships and initiatives must help to create value on the territory and drive its attractiveness.

The Aldes group opted to focus its partnerships on education for young people, access to decent housing, accessibility and information on good indoor air quality, to resonate with its core business activity. The aim will therefore be to secure partnerships in the years to come to address these broad topics.

Our partners



The Aldes group is one of the 150 partners of the **Climate Air Energise Sterilor (PCAET)** plan organised by the Greater Lyon authority. The PCAET plan has set 3 objectives for the decade from 2020 to 2030: • A 43% reduction in greenhouse gas emissions compared to 2000 levels,

• A 30% reduction in energy consumption compared to 2000 levels,

• Double the proportion of renewable energies in the consumption mix of the region by 2030 As a company committed to the PCAET plan, all Aldes Group entities within the region of Greater Lyon are making extensive efforts to support the region in achieving these objectives. As an industrial operator with plants in the heart of the Greater Lyon territory, the Aldes group is keen to contribute to adapting the city of the future.

The Aldes group is a founding member of the **Industrial Hive** in Vénissieux. The "La Ruche" industrial hive is an open collective of industrial firms of all sizes and varied sectors, which combine their resources to aid each other on specific matters to speed up their transformation. Businesses on a transformation trajectory are invited to come and share experience and skills to develop a better-performing, more sustainable and more human industry.





In 2010, the Aldes group became a founder member of **the Foundation Emergences** foundation. As a family-run company, Aldes decided to offer financial and operational support through the involvement of our employees, by investing time and skills in the foundation's activities. Motivate, favour objectivity, help entrepreneurs to grow, support them in successes and difficulties; these

are some of the ways certain Aldes group employees help the foundation.

To reflect its concerns on accessibility to decent and just housing with an acceptable level of hygiene, the Aldes group donated products to the homeless shelter **Foyer Notre Dame des sans-abri**. This partnership has seen the Aldes group contribute to the Linkedln CLEF project to provide a centre and housing for women and children. The project is overseen by the Foyer Notre Dame des sans-abri homeless shelter and aims to provide safe accommodation for individual women or with children in precarious situations. The Aldes group will contribute to the well-being of the occupants of the residence, as its aim is to provide decent housing and support for them to rebuild their lives peacefully. The residence will be located in the centre of Lyon, in the 6th *arrondissement*. It will be able to house 56 women with children. Construction started in the second half of 2022.





ACTION #3

Contribute to the economic development of our territories

We encourage our employees to take part in local initiatives related to our scope of activity and which boost our CSR performance.

The performance indicator used is **Number of initiatives** with local ecosystem.

2023 target

Lead one initiative per site across the whole Aldes group, with at least five at head office. By initiative, the Aldes group means any undertaking which aims to be useful in social or environmental spheres.

Our initiatives

The partnership with the Foundation Emergences has enabled the Aldes group and its employees to participate in multiple initiatives throughout the year, especially in terms of donating skills. For 2022:

► 24 employees involved primarily by providing mirroring sessions











December 2022 saw a Christmas market held in the new Aldes head office. Three sponsors (Luzon & Suzette, Terra Bouygues, Le Regard Safran) of Foundation Emergences projects were able to propose their products for sale.

E VIVA FABRICA

At the presentation of industrial professions to future talents the Aldes group took part in the second edition of **Viva Fabrica** with the aim of promoting its know-how, the dynamically rich range of professions in our industrial sector, and to young people in particular.



A 3D mock-up demonstration of normal operations in a factory and when a problem is identified on the production line, so that the public can be immersed in some of the multitude of situations our personnel experience. The 3D mock-up was loaned to us by the Roche Industrielle.



The main theme chosen by Aldes was "From a child's dream to an industrial reality". Each visitor could tell us what their dream job was when they were a child, to reveal what profession would suit them in the industry, requiring the same skills and same appeal.





When attending a debate on "Opening corporate real estate to projects, a lever for CSR and value creation" held by the Greater Lyon authority, the Aldes group joined *Les Petites Cantines* where the debate was held.

The Alchmistes come to collect food waste from the company canteen at head office to optimise the collection and composting of urban food waste in a short loop. The aim of the Alchimistes is to cover French cities and towns with a network of micro-industrial composting units.



Panorama of sites:



Canada

Aldes Canada supports a social paediatric centre named *Le Cercle*, the aim of which is to support children and families at risk or vulnerable, to ensure their optimal well-being and development, in full respect of their rights and interests.

Poland

Our French subsidiary is part of the "Nature-friendly business" programme, an educative environmental activity offered by AURAEKO, a WEEE collection and processing specialist. The programme is aimed at customers seeking to improve their environmental awareness. The site benefits from a variety of environmental education campaigns.

The subsidiary also places its WEEE containers in the local area to support and propose a solution for residents to handle their waste.

2023 actions

All Aldes group subsidiaries are asked to promote IAQ in their local areas.

The aim is to raise awareness and inform other industrial players about how our activity is genuinely a public health issue.

All subsidiaries will also have to promote industrial professions to young people to familiarise them with the sector, show the rich array of occupations across the industry, to inspire future talents to get involved in a fast-moving sector.

Our ambitions

Drive our future initiatives on criteria such as the local aspects, social and economic influence.

Over time, the Aldes group will seek involvement in initiatives related to our core business, that of indoor air quality, the well-being of dwelling occupants, the promotion of careers and the industrial sector to young people.

All sites will have to complete at least one initiative.





ACTION #4 Train our customers and installers.

We support skills development for all our downstream value chain so that contributors are more robust in promoting efficient solutions and delivering justified opinions to customers.

The performance indicator used is **Number of customers trained.**

2022 results 286 Customers trained Aldes France

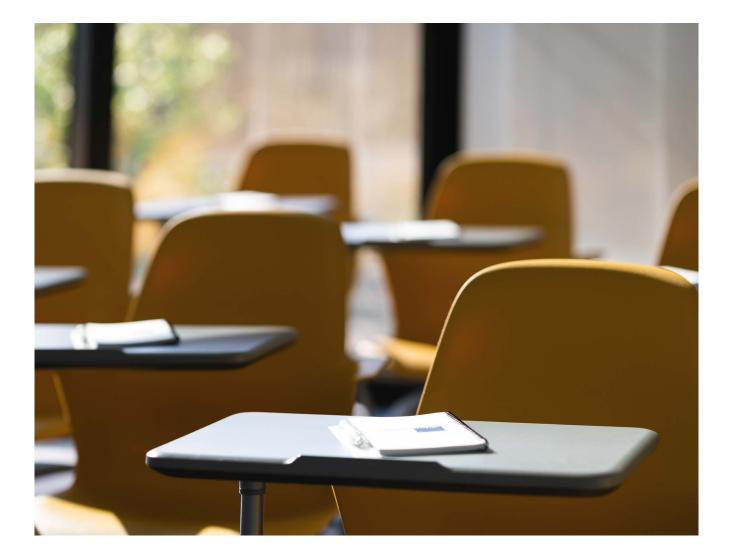
2023 target +15% of customers trained Aldes France

Faldes | campus

Alongside training group employees, the Aldes Campus offers training to customers and installers.

Aldes offers full range of training for its customers in several locations, the most recent of which being at the head office. This modern, welcoming space is a genuine real-life showcase that offers real-life training blending hands-on practice, practical exercises and technologies.

The Aldes range of training is well-suited to the market trends (digital mockups, efficient building design) and satisfies regulatory requirements. Our desire and motivation are guided by the wish to support our customers and installers in the field by delivering high-quality QUALIOPI*-compliant training.



*QUALIOPI: a quality passport set up and managed by the State. This certification proves that the Aldes training process meets all the requirements of the QUALIOPI national quality standard. Certification enables customers to have their training paid for by funding organisations.



Several training formats are proposed:

Classic in-room training which enables manual handling of operating products:

► 32 standard training modules

- Virtual classes or remote training, which offers contact with a trainer and other participants without the constraints of travel
- Specific programmes combining various methods to suit needs.

Our training courses are delivered at the Lyon training centres (Vénissieux + Saint Priest) along with our other training sites in Marseille, Bordeaux, Nantes and Paris Nanterre. The Nantes, Nanterre, Lyon and Marseille centres are fully accessible to people with reduced mobility. Training can also be delivered internally or at any of the 11 Aldes sales branches located throughout France.

In France we have:



where over 30 programmes are proposed.

In a world in the midst of a perpetual technical evolution, the Aldes Campus supports its customers to:

- Update their knowledge of construction trades and professions.
- Prepare and anticipate future thermal and environmental requirements.

To ensure its local activities, Aldes counts on a team comprising:

► 3 trainers 1 manager

Through the efforts made in terms of local services, dedicated space, the modules proposed, formats available, and through our values of closeness, support and training, Aldes is proud to have delivered in 2022:







Faldes | campus

2022 actions 🔻

Creation of a training Campus with resources shared between technical training for customers and training proposed to group employees. Full reorganisation of the training department with the creation of a manager position for customer technical training. Integration of a new trainer with strong skills in digital learning tools to modernise and simplify the content. Retain QUALIOPI certification until 2024.

Installation and inauguration of the training space in the new Aldes head office building.



2023 actions

Digital transformation and modernisation of training and assessments.

*QUALIOPI: a quality passport set up and managed by the State. This certification proves that the Aldes training process meets all the requirements of the QUALIOPI national quality standard. Certification enables customers to have their training paid for by funding organisations.

ACTION #5 Speed up our transition to a sustainable industry.

We aim to contribute to mobilising all key players for a more virtual industry.

The performance indicator used is Number of commitments on legal or regulatory requirements relating to environmental or health questions.

The Aldes group is a member of several professional associations.

The Aldes group is especially active in the joint work done by **UNICLIMA**, the **presidency of which is currently held by the CEO of the Aldes group**, to develop PEP passports covering flagship ventilation and thermal comfort product.

We can also mention GIFAM, FIEEC or membership of specialist associations such as APORA. The group is also active in organisations dedicated to monitoring regulatory developments in France and Europe.

Our investments

- The **Operational Environment Group** (*Groupe Opérationnel Environnement* or GOE) comprises expert employees to conduct regulatory lobbying on future regulations related to the environment and our activity. The purpose of the GOE is to manage the legislative, regulatory, and standards environments.
- We can mention our active participation in 2021, in the formal definition of the "Climate and Resilience" act, for air quality to be addressed with specific requirements for each type of building no later than 1st January 2025. This act also addresses the need for all renovation work to ensure sufficient but controlled air renewal, which requires the presence of a mechanical ventilation system in all renovated buildings.
- Contribution to achieving a stock of carbon buildings in 2050 through mechanical ventilation, which has a significant role to play in optimising building heating and cooling needs, by limiting thermal losses through controlled air renewal at the appropriate rate and through heat and cold recovery on exhaust air.
- In 2022, the Aldes group contributed to the ongoing formal description of the minimum IAQ results as part of the deployment of the ESSOC II approach to ventilation. Actions have also been taken to prepare laws to apply the 2020 environmental regulations, especially in terms of the calculation method applied to ventilation and the incorporation of the environmental impact of systems. We also proposed several improvements to the regulatory framework relating to refurbishment and aid mechanisms.
- Lastly, the Aldes group also actively took part in debate on revising the European Directive on **building energy performance which** should be completed in 2023.



The Aldes group is also a member of the collective "**Isolons la terre contre le CO_2"** (Isolate the Earth against CO_2) which includes industries seeking to contribute to climate change mitigation through solutions intended to reduce building energy consumption and improve the level of comfort. Consumption can be reduced:

- In new constructions through an appropriate and evolving regulatory framework
- In existing constructions through a regulatory framework and incentives.

Notes



Progress is in the air ades

Since 1925, here in the family-run Aldes group, we are convinced that the purpose given to our actions must nourish our communal wellbeing. Our projects. Our innovations.

With pride, desire, and ambition, our mission is to make indoor spaces healthier by assuming our societal and environmental responsibilities. We know that our collective efforts have greater effect when we all pull together in the same direction. Everywhere around the world. By everyone being committed on the same level, we are at the service of indoor air quality.







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