DELFINGEN

Safe networks in motion





2024

UNIVERSAL REGISTRATION DOCUMENT

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NFPD Non-Financial Performance Declaration

AFR Annual Financial Report

AUTORITÉ DES MARCHÉS FINANCIERS

AMF

The Universal Registration Document was filed on 29 April, 2025, with the French securities commission (Autorité des Marchés Financiers - AMF), in its capacity as the competent authority under Regulation (EU) 2017/1129 without prior approval, in accordance with Article 9 of said regulation.

The Universal Registration Document may be used for the purposes of an offer to the public of financial securities or the admission of financial securities to trading on a regulated market if supplemented by a securities note and, where applicable, a summary of any amendments made to the Universal Registration Document. All registration documents were approved by the Autorité des Marchés Financiers in accordance with Regulation (EU) 2017 /1129.

Copies of the Universal Registration Document are available on the Company's website, www.delfingen.com, and the Autorité des Marchés Financiers' website, www.amf-france.org.

INTRODUCTION

BY GÉRALD STREIT

Chairman and CEO



"OUR GOAL IS TO ACHIEVE QUALITATIVE, ETHICAL, AND RESPONSIBLE GROWTH."

Over the past five years, we have faced significant challenges: pandemics, wars, supply chain disruptions, etc. These events have created uncertainties that affect economies and all areas of DELFINGEN's business.

Our ambition is to be our customers' trusted supplier for all electrical wire protection products, whether plastic tubes, textile sheaths, or injection-molded parts.

In 2024, as part of the IMPULSE 2026 plan, we initiated key repositioning actions to improve our economic performance and secure the long-term future of the company.

Our teams are currently focused on discontinuing non-contributing product lines, refocusing on our strategic activities, increasing production capacity in high-potential sectors, streamlining our geographic presence, and simplifying our organizational structure. We have already seen the first positive results of these actions in the second half of 2024.

It is important to note that while addressing these immediate economic performance challenges, we remain committed to our ongoing goals of reducing our carbon footprint and combating plastic pollution.

Our goal is to achieve qualitative, ethical, and responsible growth.

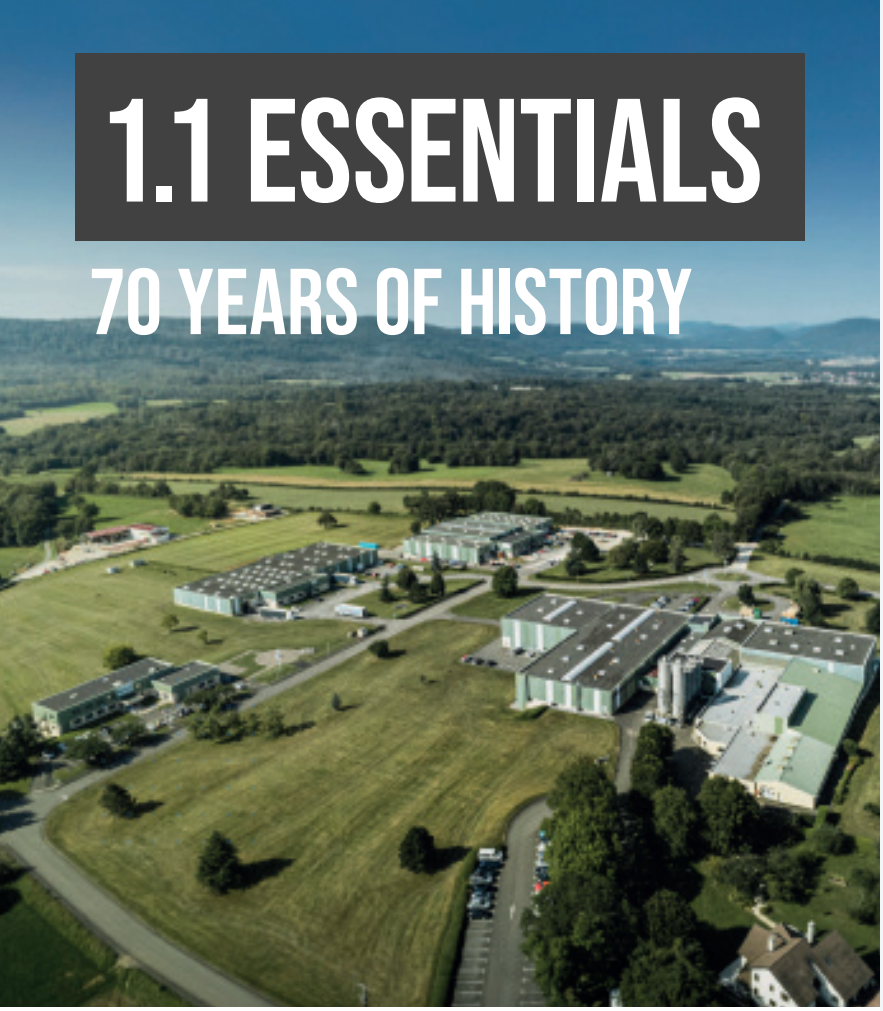


CHAPTER 1

THE GROUP AND ITS ACTIVITIES

1.1 ESSENTIALS

70 YEARS OF HISTORY



KEY FIGURES

3 A family business spanning generations

Founded in **1954**

4 000+ Coworkers

- Cable protection solutions
- Expert in technical tubing for fluid transfer solutions

Present in **21 COUNTRIES**

423 Million euros in sales revenue

PARIS STOCK EXCHANGE
Euronext Growth

A GLOBAL PRESENCE

FROM FAMILY BUSINESS ... TO GLOBAL INDUSTRIAL GROUP

41 locations worldwide dedicated to product development, innovation, production, logistics, and marketing, spread across 21 countries on 4 continents.

25	10	18	6
PLANTS	R&D CENTERS	SALES OFFICES	LOGISTIC CENTERS

AMERICAS

Brazil
Canada
United States
Honduras
Mexico

EUROPE & AFRICA

Germany
Spain
France
Italy
Morocco
Portugal
Romania
Slovakia
Tunisia

ASIA

ChinA
Korea
U.A.E
India
Japan
Philippines
Thailand



A LOCAL PARTNER



A TRUSTED GLOBAL PARTNER

Beyond the geographical proximity of its factories and engineering centers, this closeness reflects the nature of the relationship built with its customers.

DELFINGEN Industry supports them through the responsiveness of its teams, the flexibility of its industrial organization, and the joint development of products and processes

41 SITES WORLDWIDE IN 21 COUNTRIES

DELFINGEN INDUSTRY'S COMMITMENT

RELIABLE AND PREFERRED SUPPLIER

- Best-in-class products and services
- Quality
- Logistics
- Responsiveness

THE WIDEST RANGE ON THE MARKET

- Plastic conduits
- Textile conduits
- Cable channels
- Fastening and branching components

UNIQUE EXPERTISE

- Development and design of solutions and supports
- 70 years of experience serving our customers

A GLOBAL PLAYER CLOSE TO ITS CUSTOMERS

- 21 countries
- 41 locations
- 25 production plants
- Proximity of R&D and decision-making centers to its customers

1.2 OUR HISTORY



"It was the boldness, courage and determination of women and men that helped transform the small family business into a global automotive equipment supplier, now a leader in its market"

Gérald Streit,
Chairman & CEO





1954

Emile Streit, originally from Radelfingen in Switzerland, founds SOFANOU in Anteuil, France



1973

Bernard Streit, son of Emile, joins SOFANOU and becomes its manager in 1984



1992

First foreign venture (Spain), and deployment and growth in Europe



1998

Acquisitions in the United States (APTC, Truesdell, Markel, Jenisco)



2000

Expansion worldwide: new sites in North Africa, Eastern Europe, South America and Asia

2007

SOFANOU becomes DELFINGEN



2013

New sites in China, India and Germany



2015

Gérald Streit, son of Bernard, who joined the Group in 2011, takes over as CEO

2017

With its acquisition of DROSSBACH, DELFINGEN enters the industrial market

2020

Acquisition of Schlemmer Europe/Africa

2023

Acquisition of AHN Chem and REIKU

2024

Celebration of the company's 70th anniversary.



COMPANY ROOTS

It all began in the small Swiss village of Radelfingen in early 1900. Christian STREIT, a farmer of modest means, left Radelfingen to find work in France. As was the case for so many women and men around the world, his bold decision was driven by his duty to provide for his family.

His son, Emile, would therefore become be a farmer. Very soon he demonstrated his skills and dexterity with tools. He repaired and built things and showed a passion for mechanics, practising his craft in businesses in the region.

The family's destiny was marked by Jeannette's disability. Her two brothers, Emile and René, set up a small activity for her making plastic sleeves. The company's roots were thus founded on mutual aid and solidarity in 1954.

Emile acquired a taste for entrepreneurial spirit and production expanded to making plastic bags for Peugeot. SOFANOU was born.

The first extruder was purchased in 1958 and installed in the family home in Anteuil. The company subsequently expanded into a garage and its first workshop in 1964.

Bernard, son of Emile, joined the company after completing his military service in 1973. Self-taught, he listened and learned. In 1984, Bernard took over the business and embarked on what would prove to be a strategic move. After 30 years of small-scale production, SOFANOU joined the industrial era.

THE AUTOMOTIVE INDUSTRY ENTERED A PERIOD OF TREMENDOUS CHANGE. IT WAS ALL ABOUT GAINING EXPERTISE, DIVERSIFYING THE CUSTOMER PORTFOLIO AND EXPANDING BUSINESS. THE COMPANY THEN TURNED TO THE EXTRUSION OF CONVOLUTED TUBING FOR THE PROTECTION OF ON-BOARD WIRING HARNESSES.

A STRATEGY FOR GROWTH

Two ambitious plans were introduced to give the company a global dimension, with a “European market” drive in the 1990s, and an “American market” drive in the 2000s, to position the company as a leader in both these geographical areas.

These plans were backed by financial partners and an IPO on the Paris stock exchange was launched in 1996.
The 2000s saw THE DELFINGEN Group move into emerging countries (Brazil, China, India, Thailand), and to further expand in Asia. Another of DELFINGEN Industry’s main challenges to continue to be bold, dynamic and enterprising.
In 2007, all of the Group’s entities joined forces under one name, DELFINGEN, a nod to the global Group’s beginnings in a small Swiss village called Radelfingen.

NEW MARKETS, NEW ACTIVITIES

2010

Keen to diversify its products, in 2010 the DELFINGEN Group created a new fluid transfer business, making the company a key player in the fuel tank environment. With the advent of new vehicle transmission systems (electrification, hybridization), which have a particular need for battery cooling, this business has become even more strategic for the DELFINGEN Group.

2014

The acquisition of two German companies, LANGENDORF and MBG, strengthened DELFINGEN Industry’s presence among German equipment suppliers and auto manufacturers, as well as its technological substance in textile sleeves, offering the most comprehensive range on the market for the protection of wiring harnesses and hoses.

2017

In 2017, the DELFINGEN Group acquired DROSSBACH North America, a group specializing in the manufacture and distribution of cable protection solutions for transportation, industrial, environmental and robotics markets.

2020

DELFINGEN pursued its growth strategy with the acquisition of Schlemmer’s Europe/Africa activities. This growth operation was of particular importance structurally: it enabled the Group to lead its sector, consolidate its position in the German automotive market, and strengthen its capacity to innovate and build solutions for hybrid and electric vehicles.

2023

The Group enhanced its growth potential with the acquisition of two companies, AHN Chem (South Korea), specializing in textile sleeves, and REIKU (Germany), known in the industrial market for its cable management and protection solutions for robotics.



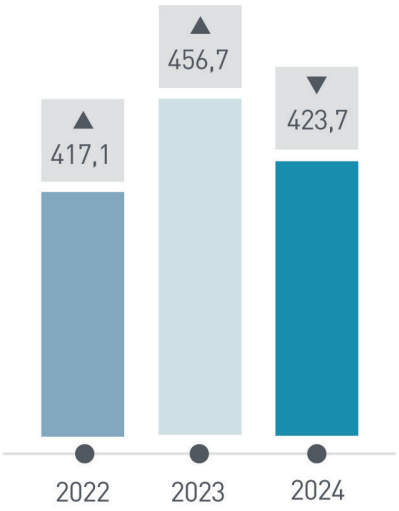
A STRONG GOVERNANCE

Gérald STREIT, who represents the third generation, took over as CEO in 2015, and then as Chairman and CEO in 2018.
Gérald STREIT is supported by an eight-member Executive Committee, representing the Group's main functions, activities and geographical regions.
Keen to strike the right balance with the Group's shareholders, Gérald STREIT and members of the Executive Committee regularly attend investor meetings to discuss the Group's strategy and its different markets (mobility, industrial, etc.).

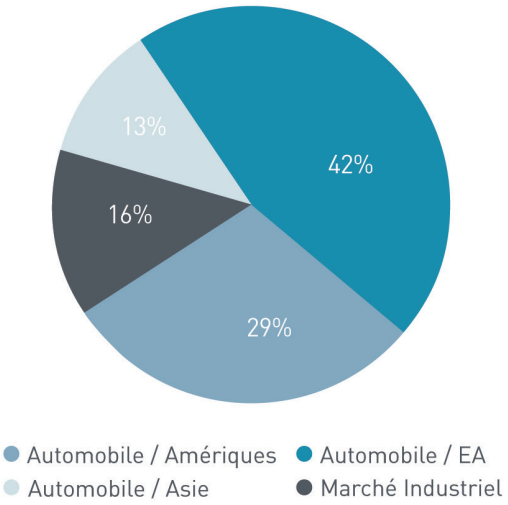
Under Gérald STREIT's guidance, a strategy based on ethical and responsible leadership is underway, with a strong environmental focus.
The Group is also expanding its presence in the industrial market, acquiring several well-know brands in this market (DROSSBACH, SCHLEMMER, REIKU, etc.), and bringing its products and customer approach to this global market.

1.3 KEY FIGURES 2024

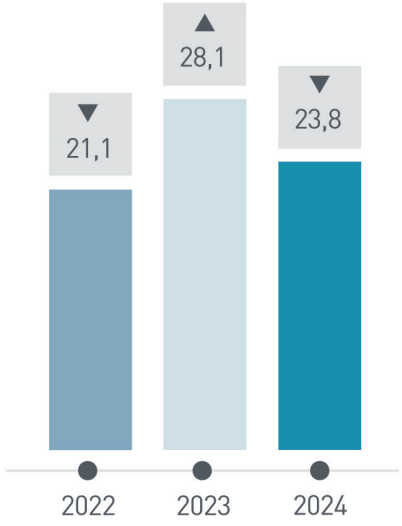
REVENUES (M€)



SALES BY SECTOR (M€)



CURRENT OPERATING INCOME (M€)



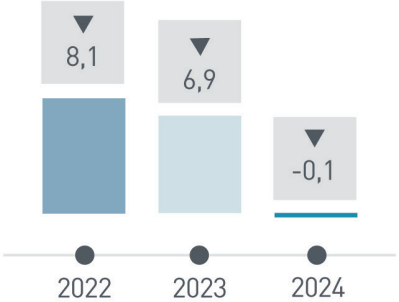
RATIO OF NET FINANCIAL DEBT / SHAREHOLDER'S EQUITY AT DECEMBER 31 *



See note 34-2 to the consolidated financial statements for the definition of net financial debt

*excluding IFRS 16

NET INCOME (GROUP SHARE) (M€)



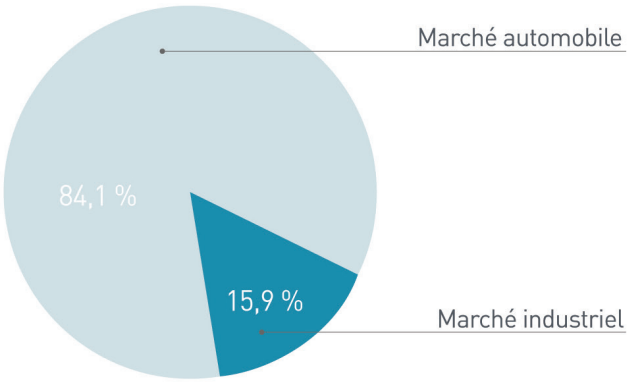
CAPEX AND INDUSTRIAL INVESTMENTS (M€)

CAFICE : cash flow from operations before tax and cost of net financial debt

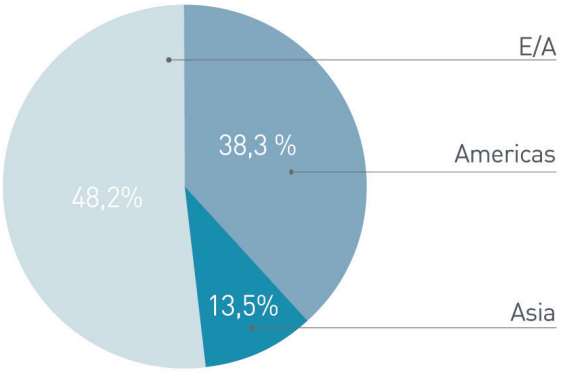
	CAFICE	INVESTISSEMENTS
2022	40,3	18,1
2023	45,5	20,3
2024	46,2	18,7

Investments represent "acquisitions of non-current assets" as presented in note 42 to the consolidated financial statements.

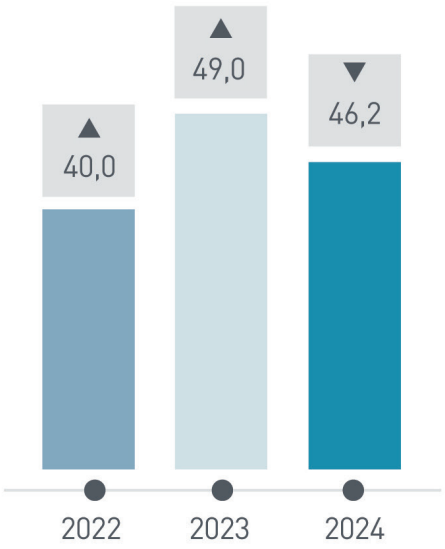
BREAKDOWN OF SALES BY MARKET



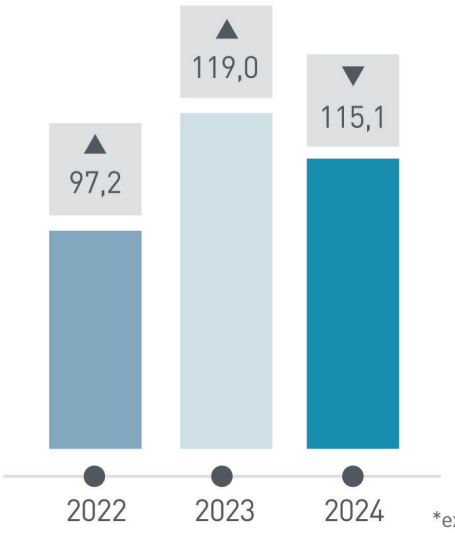
BREAKDOWN OF REVENUES BY GEOGRAPHIC AREA



EBITDA (M€)

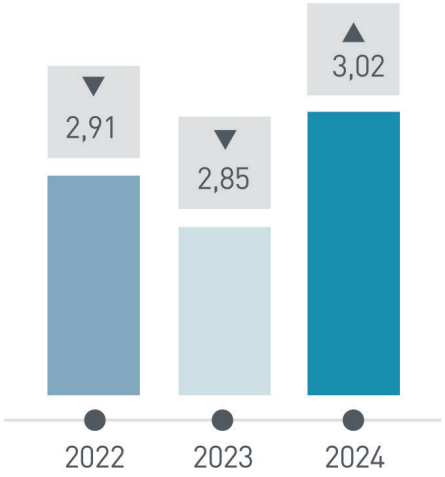


NET FINANCIAL DEBT (M€) *



*excluding IFRS 16

LEVERAGE RATIO*



excluding IFRS 16

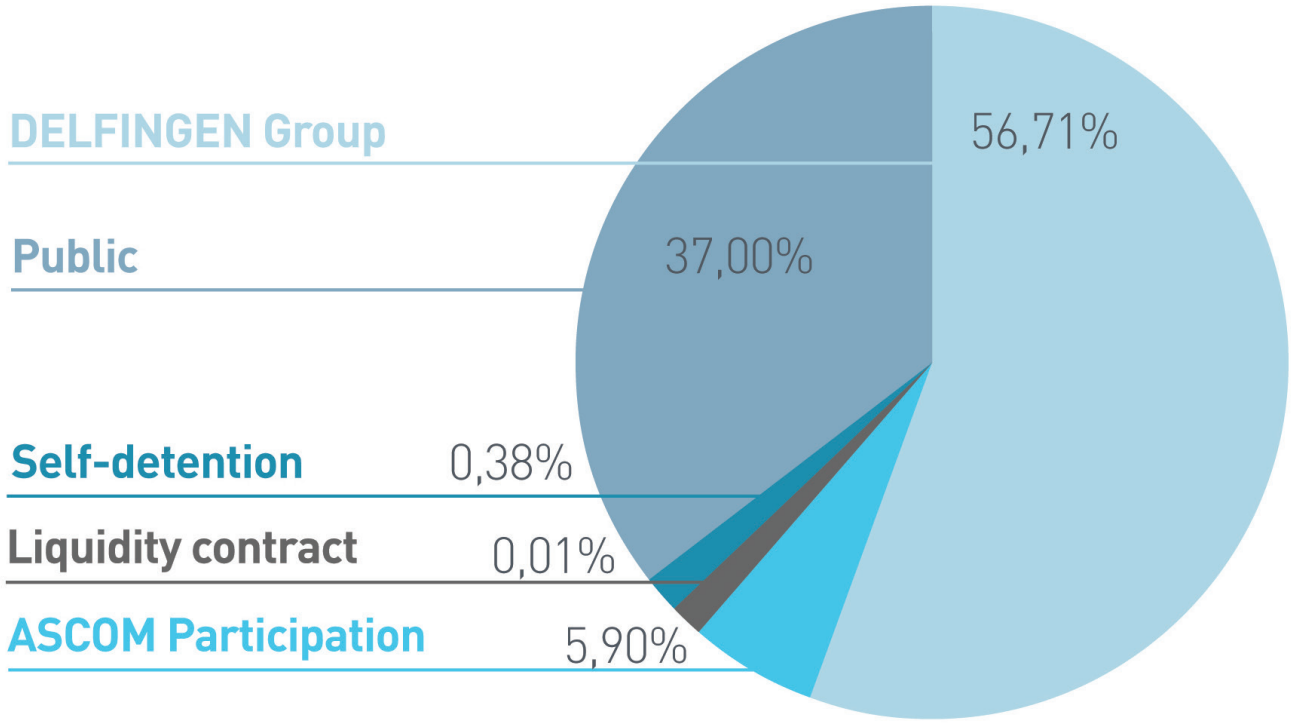
SHAREHOLDERS' EQUITY (GROUP SHARE) (M€)



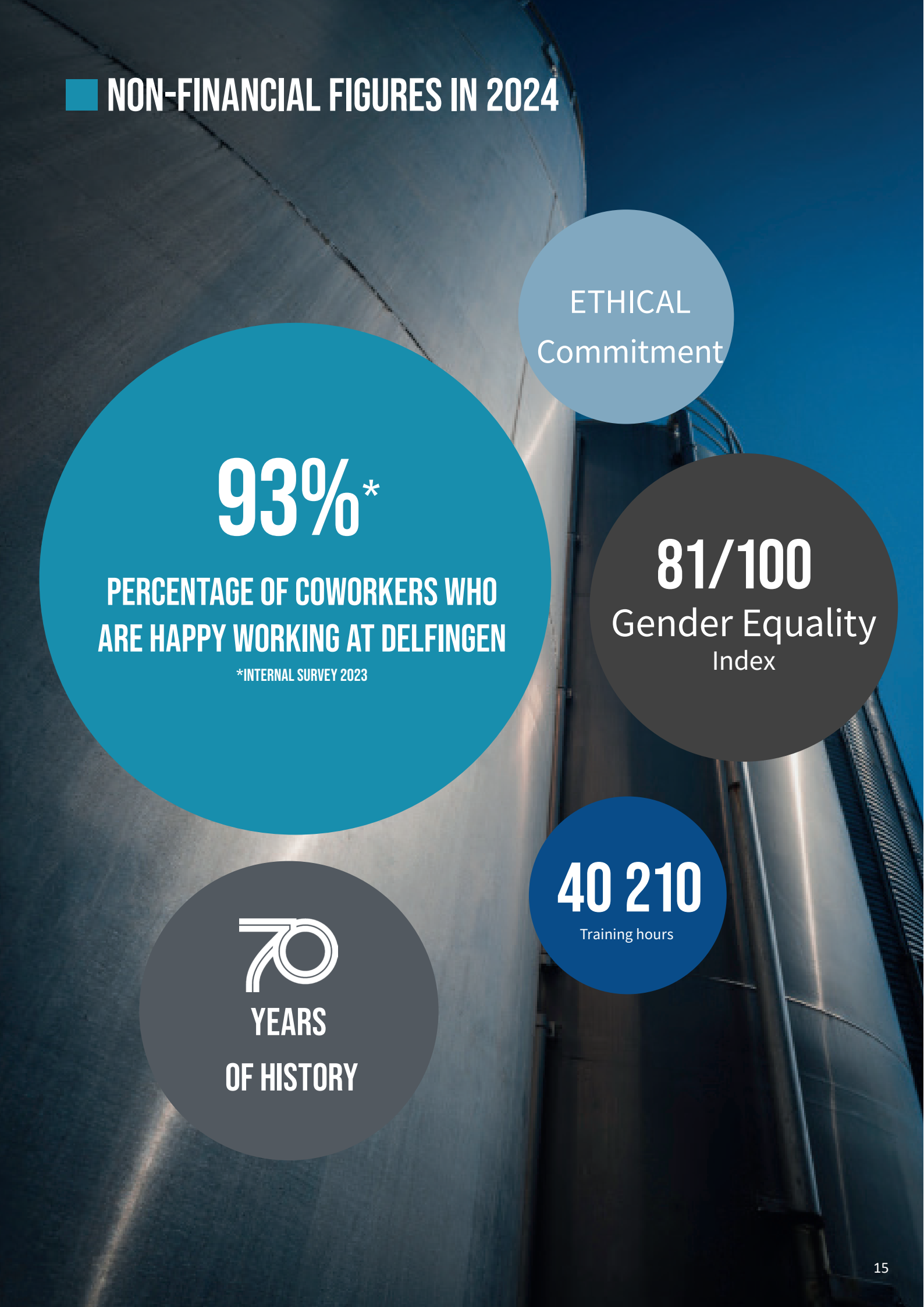


SHAREHOLDER STRUCTURE

AT DECEMBER 31, 2024



NON-FINANCIAL FIGURES IN 2024



1.4 OBJECTIVES AND STRATEGY

DELFINGEN has been on a human and industrial adventure for over 70 years. We've come a long way!

The DELFINGEN Group is constantly renewing itself in anticipation of the demands of markets and customers: movement, dynamism, growth.

That is why, in addition to the quality of its products, the excellence of its industrial organization, and its capacity to innovate, the DELFINGEN Group has invested in its women and men for so many years. These same women and men have the capacity to understand their environment and adapt to it individually and collectively, and to meet the challenges they face every day.

Talent, Values, Interaction and Exchange give meaning to what we do and help make DELFINGEN a sustainable company, and a company like no other.

93% of our employees think DELFINGEN is a great place to work.



ENTREPRENEURSHIP

• Having the freedom to turn an idea into an outcome through action, within the scope of job and mission.
• Encouraging initiative, daring to bring change, and learning from our mistakes.
• Demanding the best of ourselves.

SOLIDARITY

• Promoting the collective interest in all circumstances to ensure the company's long-term future.
• Providing help and support so that everyone can carry out their mission.
• Being kind.

HARMONY

• Seeking balance in human relationships.
• Developing a relationship of trust and exposing disagreements to reach a consensus.
• Listening and striving to question ourselves.

RESPONSABILITY

• Making and being accountable for decisions related to our job.
• Being aware of the consequences of our actions and taking responsibility for them.
• Honoring our individual and collective commitments.

AN ORGANIZATION THAT SUPPORT GROWTH



CUSTOMERS
A “customer centric” approach, close to customer needs

WOMEN AND MEN
A local organization strongly based on common values and considering the special characteristics of each region

STRONG PERFORMANCE
Full integration of quality procedures in all of our processes

PROFITS
Improving our financial performance, guaranteeing our long-term future.

DECARBONIZATION PLAN
Aiming to reduce our greenhouse gas emissions and promoting moderation in our actions

INNOVATION, A MAJOR CHALLENGE

DELFINGEN Industry continuously adapts its products and services to market expectations while streamlining its offering. DELFINGEN Industry offers the widest range of cable protection technologies thanks to its expertise in extrusion, textiles, and injection molding, enabling it to provide its customers with unique solutions.

To accelerate its growth, DELFINGEN Industry is investing to stay at the forefront of technological developments in the context of new product development and the optimization of its production processes.

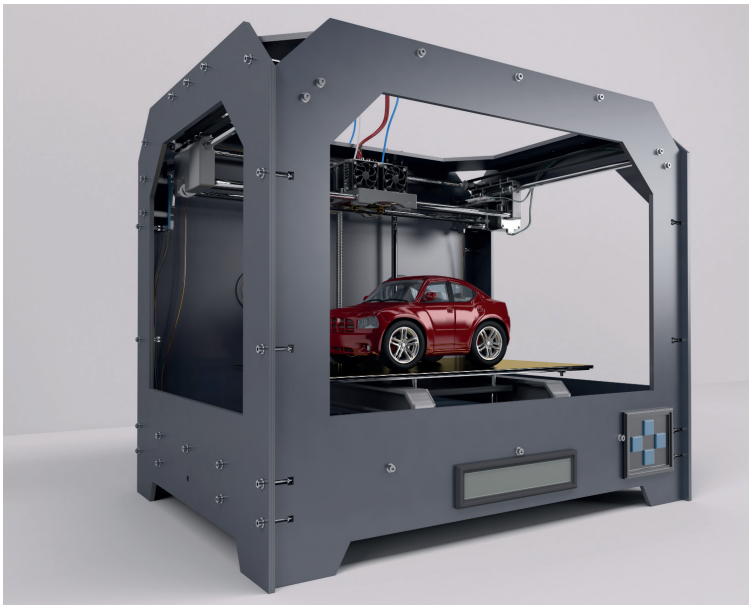
INNOVATION: CREATIVITY & CO-DEVELOPMENT

The development of partnerships with strategic players such as research centers, competitiveness clusters, engineering schools, and universities allows for the expansion of knowledge.

The innovation process

Innovation is driven every day by a strong interaction among multidisciplinary teams, which goes beyond R&D to involve the marketing, sales, purchasing, quality, industrialization and production teams. These regular exchanges, a veritable laboratory of ideas, create a dynamic environment and encourage the emergence of new concepts.

The Group has also established its own “DELFINGEN Lab”. Its aim is to provide a physical space where projects from the in-house ideation platform (The Annex) can develop. It is a place where everyone (including, in the future, people outside the company), can test new technologies, and perhaps even work on some of DELFINGEN’s future products. Ultimately, this facility provides the means needed to develop future technologies and to bring them into use, particularly by building prototypes, to speed up projects.



EXPERIMENTATION AND CONTINUOUS IMPROVEMENT APPLY TO THE INNOVATION PROCESS:



• Workshops dedicated to meeting prototyping and feasibility validation needs;

• Test and metrology laboratories for testing solutions to performance limits and carrying out experimental designs;

• An ISO/TS 16949-compliant development process that includes technical and economic validation at every key stage of the project: from idea to industrialization;

• An advanced engineering team.

AREAS OF INNOVATION



DELFINGEN Industry's strength: its unique and extensive technical expertise

• Development of comprehensive and innovative solutions, plastics and/or textiles
• Simultaneous product/process engineering
• Development of special machines adapted to these new processes
• Development and qualification of new material formulations
• Global sourcing of materials
• ISO 14001 certification: recycling and reduction of the ecological footprint of products and processes
• Cleanliness control: production in a controlled environment

Anticipating and responding to customer needs constantly guides the work and thinking of DELFINGEN Industry's innovation groups.

To do this, DELFINGEN Industry monitors technological developments in its areas of activity and expertise: changes in standards, raw materials, new technologies, patent filings, etc. Co-developing products with its customers is also a key factor for success, essential for any new product launch. The collaboration between DELFINGEN Industry teams and those of its customers, and their long-term commitment, strengthen cooperation and contribute to the achievement of common goals.

R&D AT DELFINGEN



R&D IS ORGANIZED AROUND CENTERS OF EXPERTISE:

- Plastics processing (extrusion, injection, etc.)
- Technical textiles and coatings
- Forming and assembly technologies, and new processes

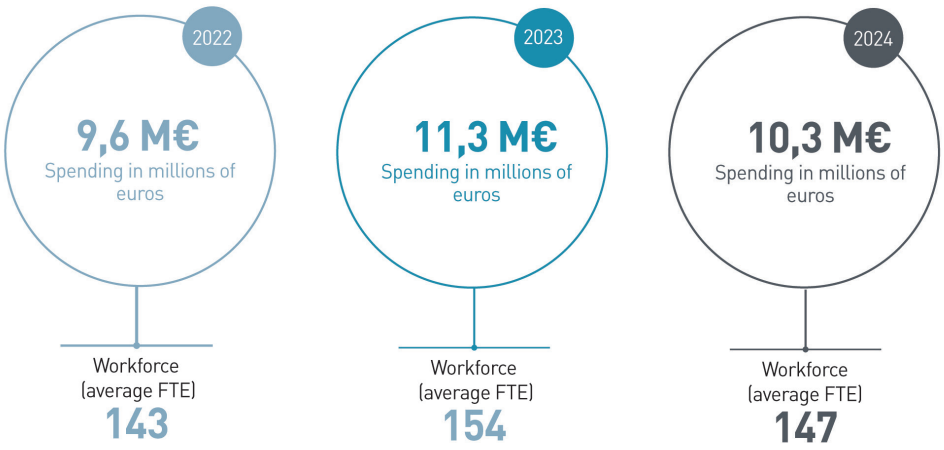
R&D is structured into a network of teams spread around the world:

FRANCE (ANTEUIL)	GERMANY (MARKTRODACH, ASCHHEIM)	CHINA (HEBI)	KOREA (DAEGU)
USA (ROCHESTER HILLS, NIAGARA FALLS)	PHILIPPINES (CEBU)	INDIA (CHENNAI)	ROMANIA (SATU MARE)

R&D IN FIGURES

The Group is continuing its research and development efforts, with an annual expenditure budget of €10.3 million in 2024, compared to €11.3 million in 2023. These expenditures include all research and development costs, excluding:

- direct costs for patents, models, and trademarks, which are capitalized;
- development costs, which are capitalized.





OPERATIONAL EXCELLENCE, AN IMPERATIVE

A GLOBAL INDUSTRIAL ORGANIZATIOB

DELFINGEN Industry deploys its system of operational excellence at every stage of its organization, sharing this mindset with employees and customers alike.

In order to be as close as possible to the DELFINGEN Group's organizations and teams, the management has been reorganized to set up a decision-making center for each region (Americas, Europe/Africa and Asia). At the head of each region, an Executive Committee member leads a team of experts.

FINALLY, THE ORGANIZATION BETWEEN THE DIFFERENT MARKETS IS ALSO BECOMING MORE STRUCTURED. WITH THE ACQUISITION OF DROSSBACH NORTH AMERICA IN 2017, SCHLEMMER EUROPE/AFRICA IN 2020, AND REIKU IN 2023, DELFINGEN HAS ENJOYED GENUINE BRAND RECOGNITION ACROSS THIS MARKET.

EXCELLENCE, PROXIMITY AND RESPONSIVENESS TO SERVE CUSTSOMERS WORLDWIDE

DELFINGEN, A “GLOBAL AND LOCAL” PLAYER

Global, because its international deployment enables DELFINGEN Industry to serve its customers wherever their needs may be, with the same level of quality and excellence. Local, because it is located as close as possible to equipment suppliers, auto manufacturers and industrialists, enabling DELFINGEN Industry to deliver customized and local solutions, in terms of lead times and packaging.

CLOSE TO CUSTOMERS

With 41 sites in 21 countries, DELFINGEN Industry is present in the main automotive production areas. DELFINGEN Industry’s production and assembly plants are located close to its customers’ factories, ensuring just-in-time delivery with very short lead times from the moment the order is received.

RESPONSIVENESS AND COMMITMENT

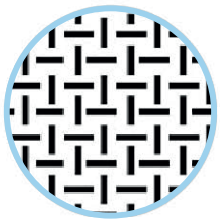
In addition to the physical proximity of its plants, DELFINGEN Industry’s close cooperation with its customers’ teams, its constant drive to serve them better, the standardization of its production tools, and the homogenization of its methods, enable it to adapt in real time to its customers demands, particularly in an emergency.

CONTINUOUS IMPROVEMENT

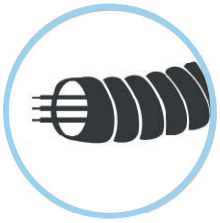
Continuous improvement is central to DELFINGEN Industry’s operations. Deployed at all sites, which follow the same methods, the Continuous Improvement Plan enhances the performance and efficiency of DELFINGEN Industry’s internal processes and QCDR optimization (Quality, Costs, Deadlines, Responsiveness) for customers.

INDUSTRIAL PERFORMANCE

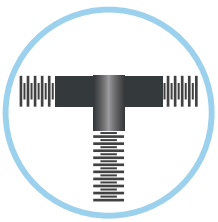
DELFINGEN Industry’s production facilities are organized around its business expertise.



Technical textiles (braiding, weaving, knitting and coating)



Plastics processing (extrusion)



Custom-designed injection-molded parts (fittings, ducts and connectors)



Forming and assembly technologies



“SUPPLY CHAIN” PERFORMANCE

AN INTEGRATED MODEL

The supply chain is a key part of operations in a global just-in-time industry. Anticipating fluctuations in activity, avoiding supply and delivery shortages, controlling inventories, and reducing transportation costs are just some of the challenges DELFINGEN Industry’s teams face on a daily basis.

The supply chain process requires knowledge and skills to manage:

- supplies planning;
- customer delivery calls;
- stock management;
- data management;
- procurement sourcing;
- customer relationship management.

Aware of the environmental impact of supply chain activities, DELFINGEN Industry is developing its indicators and looking to integrate, alongside financial indicators (transport cost, storage cost) and operational indicators (stock level, service rate, lead time), others such as the measurement of its CO2 footprint.

QUALITY PERFORMANCE

A CERTAIN MINDSET

Quality is a must for manufacturers and equipment suppliers. DELFINGEN Industry's quality approach goes beyond methods and tools to become firmly rooted in the company's culture. The DELFINGEN Group's approach to quality is in line with the values shared by all its employees.

It is not just about complying with standards, but revitalizing the quality management system, gearing the company's activities towards customer satisfaction. Employee involvement is therefore a key component.

On the one hand, the continuous improvement of processes, methods and organization helps to reduce quality-related incidents. However, DELFINGEN Industry is committed to responding promptly to any problems that may arise. Trained teams develop QRQC (Quick Response Quality Control) and 8D procedures to resolve any issues efficiently. They work close to the ground and offer a wide range of services (Maintenance, Supply Chain, etc.).

Meanwhile, capitalization and mainstreaming, essential steps in 8D processes, are indispensable to DELFINGEN Industry and its commitment to serve its customers with the same high standards.

DELFINGEN Industry engages in environmentally responsible behavior and complies with local regulations, while controlling its waste and emissions and optimizing its energy and natural resource consumption.

Protecting the environment is central to its actions.



1.5 DESCRIPTION OF ACTIVITIES

A STRATEGIC PLAN FOCUSED ON 5 PILLARS:

« PERFORMANCE 25 »

PARTNERSHIP
- The preferred partner of our customers
- Multi-channel distribution
- Alliance strategies

PRODUCTS
- High value-added technological solutions
- An adapted offer to the new needs of the market
- Unique products and services (quality, deadlines, etc.)

PLEASURE
- Pleasure in your work
- Strong corporate culture
- Human and social connections

PERFORMANCE
- Operational excellence
- Digital transformation
- Financial strength

PLANET
- Reducing the carbon footprint
- Promoting the circular economy
- Tackling plastic pollution

AUTOMOTIVE

STRATEGIC POSITIONING TO MEET THE CHALLENGES OF THE SECTOR



« Mobility is going through a period of change. »

The automotive industry is in the midst of a radical transformation. In 10 years' time, the cars we see will be very different from those on our roads today.

Faced with the dual challenge of ecological and digital transition, mobility must adapt to better meet the expectations of users and society as a whole. DELFINGEN has anticipated these trends and developed its strategy accordingly.

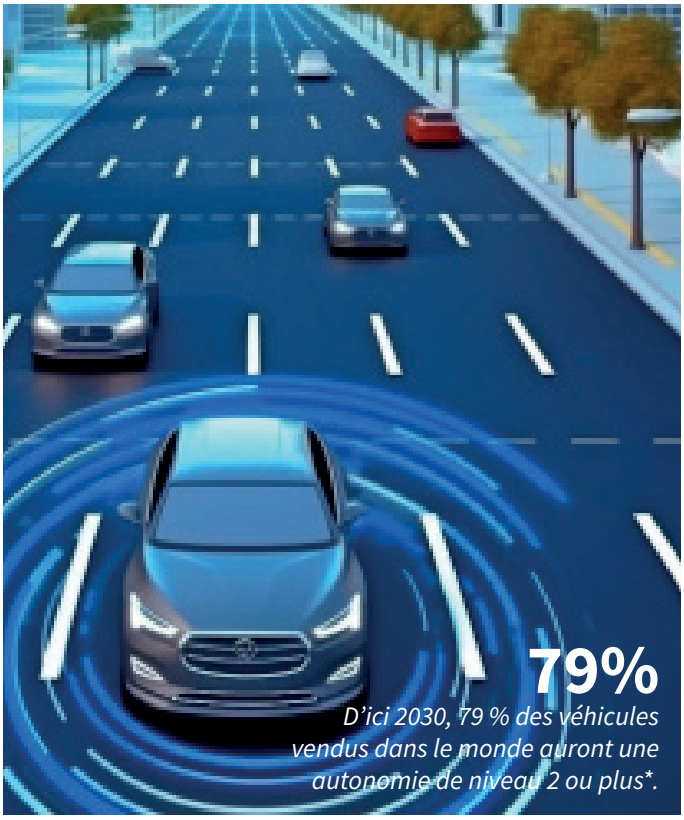
Its status as a world leader in cable protection and on-board wiring systems, along with its recent acquisitions, are opening up a growing number of development opportunities.

MORE SUSTAINABLE, CONNECTED, SHARED AND THOUGHTFUL MOBILITY.

The mobility sector is fast evolving, with the development of new and increasingly ambitious technologies (AI, robotics, autonomous cars, etc.) As people become more aware of the climate challenges facing future generations, global demand is turning increasingly towards more sustainable and responsible transport solutions, with autonomous and connected vehicles that improve our safety. These developments are driving research and innovation across of an entire ecosystem of players.

One underlying trend is the emergence of electric cars over the past decade or so. The deployment of electrification should follow exponential rather than linear growth. This movement has recently gained momentum with the arrival of new competitors and new vehicle models.

Even though electric vehicles are not a miracle solution, potential improvements in manufacturing methods and battery components are likely to reduce the overall carbon impact of these modes of transport.



79%

D'ici 2030, 79 % des véhicules vendus dans le monde auront une autonomie de niveau 2 ou plus.*



70%

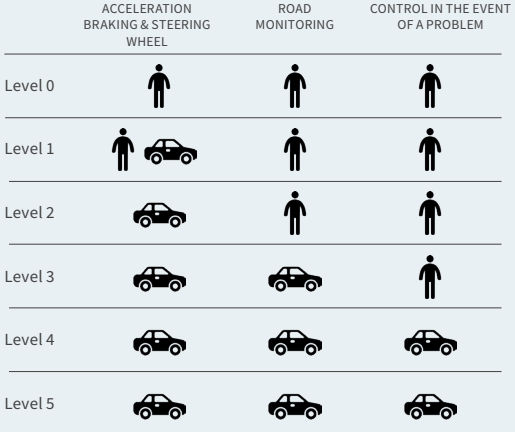
of vehicles on the road will be electric by 2030.

Electrification of the world's car fleet is set to continue its rapid rise, and should account for 70% of vehicles in service by 2030. Widespread electrification will be necessary to meet the European Union's target of zero net carbon emissions by 2050.

Autonomous vehicles are also gaining ground. They promise to reduce the number of serious accidents and improve traffic flows thanks to inter-vehicle communication. By 2030, 79% of vehicles sold worldwide will have Level 2 or higher autonomy* (*Source: UBS Report, 2021*). The creation of autonomous cars means rethinking the whole vehicle interior. The entire urban network and infrastructure will also benefit from their progress. The next decade will be key for autonomous vehicles: the imminent relaxation of legislation will enable more extensive test phases.

Our vehicles will be packed with electronics, artificial intelligence, batteries, sensors and software, etc. This trend towards zero-emission mobility therefore depends on the creation of a coordinated ecosystem that includes infrastructure and energy suppliers.

*THE 6 LEVELS OF VEHICLE AUTONOMY



ON-BOARD SYSTEMS PROTECTION

Safety, comfort, driving aids and reduced emissions, etc., are some of the innovations that are constantly on the increase. The development of hybrid and electric propulsion systems and the growing number of sensors in vehicles, are making their systems and architectures increasingly complex.



66 %
OF TOTAL
SALES REVENUE

OUR EXPERTISE: Protecting electrical and fluid transfer systems in highly demanding environments.

We offer high-performance, reliable solutions for protecting electrical and fluid transfer systems for industry and the automotive sector.

From plastic tubing to textile sleeves, we offer a wide selection of protective solutions for the most demanding environments: abrasion, temperature, radiation, noise, vibration, electromagnetic pollution, etc.

Our range of protective products is enriched by routing, fastening and branching products, to offer customers comprehensive solutions.

Electrical and fluid transfer systems are the vehicle's real nervous system. As we enhance the media content, safety, comfort and autonomy functions, and develop hybrid and electric forms of propulsion, the architecture of this nervous system becomes increasingly complex. Drawing on our experience and expertise, we can deliver the most suitable solutions to meet the automotive industry's expectations in terms of quality and performance.

DELFINGEN Industry is the only company in the market to offer both plastic tube and textile sleeve protection solutions. Fränkische is the only competitor in the market for plastic tubing protection.

In terms of plastic tubing, DELFINGEN Industry is the market leader in the Americas, the leader in Europe, and a challenger in Asia. In the textile sheathing market, the global leader is the American company Tennecco, challenged by DELFINGEN Industry and Relats.



TECHNICAL TUBING FOR FLUID TRANSFER SOLUTIONS

Hybridization and the use of biofuels are leading to changes in fuel tanks and associated systems (higher pressures, physical properties of materials). The challenge is to meet these physico-chemical constraints while ensuring that its products are easy to mount and have a long service life.



16 %
OF TOTAL
SALES REVENUE

Drawing on our expertise in extrusion and plastics processing, we work closely with our customers to design and produce dedicated solutions for their fluid transfer needs in vehicles. Integrated at the design stage, we provide manufacturers and equipment suppliers with tubes and systems for routing, filling, draining, transferring and distributing low-pressure fluids.

FUEL TANK ENVIRONMENT:

We keep pace with changes in the fuel tank environment, both in terms of the technical definitions and speed of implementation. Our tubing solutions for inside and outside the fuel tank, transferring fluids and vapors, incorporate product (i.e. materials) and process (i.e. multi-layer convolute extrusion) solutions for ensuring maximum efficiency and quality for our customers.

UNDER THE HOOD SYSTEMS:

In a restricted environment like the area under the hood, there are a numerous different technical requirements. Our tried-and-tested solutions meet customer expectations for a range of functions, such as hydraulic clutch control, condensate and battery acid drainage, and canister purge lines.

WASHING SYSTEMS:

An important element of vehicle safety, our washing solutions route the liquid from the filling pipe to the vehicle's spray nozzle. The variety of materials used for the tubes and associated connectors are ideal for cleaning windshields, headlights and sensors.

DELFINGEN Industry is a niche player in this market, an expert in designing and manufacturing highly technical tubes for customers such as Aptiv, TI Automotive, Contitech, Hutchinson, Inergy, YAPP, etc. Competition is highly fragmented, with Fränkische being the leader.

INTERIOR TRIM FASTENINGS

2 %
OF TOTAL
SALES REVENUE

The customization of visible seat components that improve occupant comfort (trim covers, headrests), are key to enhancing the appeal of the vehicle through perceived quality and on-board comfort. Invisible yet indispensable, profiles and fastening components for seats and interior car trim are the result of years of experience.

Co-developed with customers, DELFINGEN Industry's customized solutions are perfectly adapted for modern and precise designs. Easy to implement with optimized sewing and assembly times, they offer a high level of comfort for leather and textile seat covers and upholstery.



SEAT PROFILES:

DELFINGEN Industry's expertise in extrusion, the integrated design of specific tooling, customized forming and cutting to length enable it to offer tailored and cost-effective solutions:

- retainers/seat profiles for fastening on frames (J-shaped, arrow-shaped, harpoon-shaped);
- bi-material profiles: PP/non-woven fabric, pre-cut, pre-punched;
- Formed profiles, etc.

FELT STRIPS AND SPECIALTY PRODUCTS:

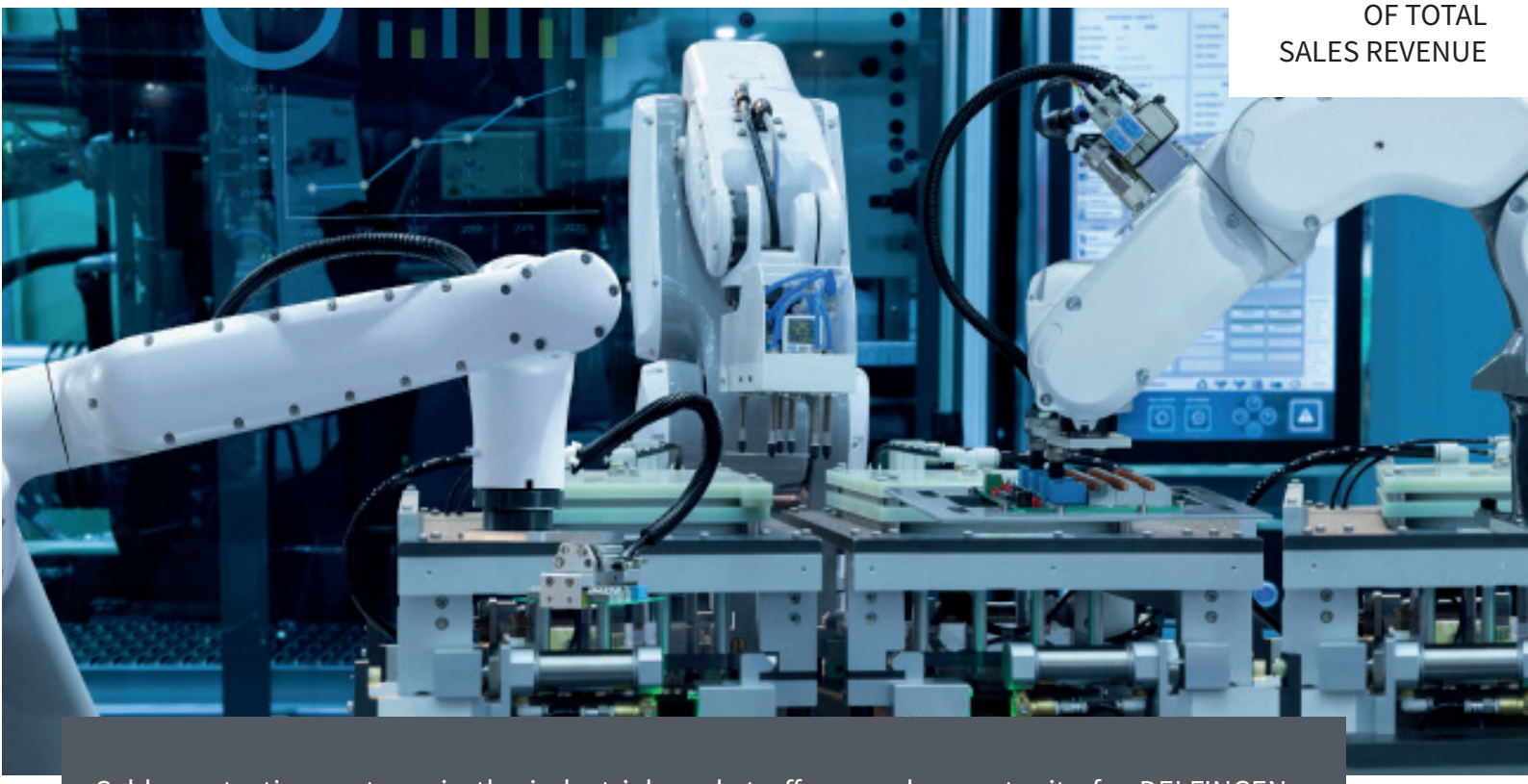
DELFINGEN Industry offers a complete range of solutions for fastening and assembling interior trim:

- speciality profiles for headrests, map pockets, armrests;
- plastic panels and inserts;
- wedge spacers (seat runners).

With this activity, DELFINGEN Industry only serves the local Indian market.

INDUSTRIAL MARKET

16 %
OF TOTAL
SALES REVENUE



Cable protection systems in the industrial market offer a real opportunity for DELFINGEN. Divided into multiple segments (industrial machinery and equipment, railroads, renewable energies, agriculture, marine, heavy-duty equipment, etc.), the need for cable protection systems are manifold.

As the population grows more aware of the climate issues facing future generations, the world's manufacturers are turning increasingly to sustainable production methods. These developments are driving research and innovation across an entire ecosystem of players.

Electrification is also being rolled out across industry, a movement that recently gained momentum with the firm decision to decarbonize our planet and promote renewable energies.

For example, electrification of the world's rail fleet is set to continue its rapid progression, growing by 5%-6% a year between now and 2030. Widespread electrification will be necessary to meet the European Union's target of zero net carbon emissions by 2050. This trend towards decarbonization in industry therefore relies on the the building of a coordinated ecosystem that includes infrastructure and energy suppliers.

Industry must therefore adapt to better meet the expectations of both customers and society as a whole. DELFINGEN has anticipated these trends and developed its strategy accordingly. Its status as a world leader in cable protection and on-board wiring systems in sectors associated with the sustainable economy, along with its recent acquisitions, open up a growing number of development opportunities.





DELFINGEN ADDRESSES THE NEEDS OF ITS INDUSTRIAL CUSTOMERS THROUGH THREE BRANDS WHOSE HISTORY AND TECHNICAL RECOGNITION ARE IMPORTANT MARKERS:

DROSSBACH
A DELFINGEN Company

DROSSBACH, one of the pioneers in the corrugated pipe industry, began operations in Germany in 1919 before expanding into its current form in the United States and Canada more than 45 years ago. Today, the brand is recognized in the industrial market for the quality of its products and its ability to customize components. Thanks to its extensive product catalog, DROSSBACH serves customers in many markets, including construction, recreational vehicles (boats, ATVs, etc.), as well as emergency vehicles and heavy trucks.

Schlemmer

Founded in Munich in 1954 as a spare parts retailer, Schlemmer excels in innovative solutions for cable management and air and fluid systems, serving key sectors such as agricultural equipment, railways, construction, renewable energy, and machine installations. SCHLEMMER products are designed for excellence, meeting the specific needs of our customers. With a dedicated global team, SCHLEMMER's experience enables it to help set industry standards for quality, efficiency, and sustainability.

REIKU

REIKU was founded in 1969 by Hans HENNEMANN to sell a niche product (plastic zipper covers), whose German name (Reißverschluss-Kunststoff-Ummantelungen) inspired the company's name. With its own development, processing, and manufacturing plant located in Wiehl (about 25 miles east of Cologne), REIKU is now synonymous with superior innovation. With over 50 years of experience, REIKU, through its capacity for innovation and knowledge of customer needs, constantly focuses on optimizing its partners' production processes.

Through its brands, DELFINGEN offers a wide range of products for key sectors such as agricultural equipment, robotics, railways, construction, renewable energies, machine installations, and leisure equipment. Our products are designed for excellence, meeting needs such as mechanical and abrasion protection, compression resistance, impact resistance, noise reduction, radiant heat protection, electromagnetic shielding, resistance to climatic stresses, as well as cable and conduit routing and fastening. Our comprehensive range of network protection and routing solutions, including corrugated tubing and technical textiles, is manufactured from high-performance materials such as polyamide (PA6, PA66), polypropylene (PP), polyester (PET), and tin-plated copper (CuSn). These materials are chosen for their exceptional durability and flexibility, making our products the ideal choice for protecting and organizing cables and conduits. Specially designed to withstand the environmental challenges faced by our customers, ranging from UV exposure to rodents, oils, and abrasion, our network protection systems ensure optimal routing in complex assemblies while preserving the integrity and functionality of cabling and conduits. Maintained by a team of specialists in various industrial market components, our product range is meticulously tailored to our customers' needs and designed to overcome all risk factors for the cabling and conduits in their applications.

Finally, in order to be as close as possible to its customers' needs, DELFINGEN can rely on:

- A large network of trusted distributors, whose long-standing presence in certain market segments enables them to best meet customer needs;
- A strong digital strategy, focused on easy access to certain product information (specifications, 3D drawings, etc.), enabling rapid integration of our parts into customer plans.

DELFINGEN protective and insulating sleeves are used by ABB, Alstom, Baldor, CAT, DB, Emerson, General Electric, Kuka, Leroy Somer, Liebherr, Schneider Electric, Siemens, SNCF, Toshiba, etc. The main competitors are Atkins & Pearce, Flexa, Fränkische, Techflex, Tenneco Systems Protection, and Varflex.





1.6 ORGANIZATION

LEGAL STRUCTURE

Diagram of consolidated companies owned by DELFINGEN Industry at 12/31/2023.

DELFINGEN GROUP
FRANCE
|
DELFINGEN INDUSTRY
FRANCE

AMERICAS

DELFINGEN US Holding (USA)
DELFINGEN US Inc. (USA)
DELFINGEN US-Texas (USA)
DELFINGEN US-New York (USA)
DROSSBACH CN-Ontario (CAN)
DROSSBACH US-Ohio (USA)
DELFINGEN US-Central America (USA)
o DELFINGEN HN-Cortes (HN)
DELFINGEN US-Mexico (USA)
o DELFINGEN MX-Coahuila (MX)
DELFINGEN BR-Sao Paulo (BR)[1]

[1] DELFINGEN BR-Sao Paulo is 100% owned by DELFINGEN Industry

EUROPE AFRICA

DELFINGEN INDUSTRY (FR)
DELFINGEN DE-Marktrodach (DE)
DELFINGEN DE-Aschheim (DE)
o DELFINGEN DE-Hassfurt (DE)
DELFINGEN FR-Anteuil (FR)
DELFINGEN Iberica (SP)
DELFINGEN IT-Verona (IT)
o DELFINGEN MA-Tanger 2 (MA)
o DELFINGEN TN-Fouchana (TN)
DELFINGEN LU-Luxembourg (LU)
DELFINGEN MA-Casablanca (MA)
DELFINGEN PT-Porto (PT)
DELFINGEN RO-Satu Mare (RO)
DELFINGEN RO-Transilvania (RO)
DELFINGEN SK-Nitra (SK)
DELFINGEN TN-Tunis (TN)
REIKU (DE)

ASIA

DELFINGEN Asia Pacific Holding (SG)
DELFINGEN Automotive parts (Hebi) (CN)
o DELFINGEN CN-Shanghai (CN)
o Wuhan DELFINGEN Automotive tubing (CN)
DELFINGEN India PVT (IN)
DELFINGEN Japan (JP)
DELFINGEN PH-ROHQ (PH)
DELFINGEN SG-Filipinas (SG)
o DELFINGEN PH-Cavite (PH)
o DELFINGEN PH-Filipinas (PH)
DELFINGEN ROH (Asia) (TH)
DELFINGEN SIAM (TH)
DELFINGEN Middle-East (EAU)
DELFINGEN Korea (KR)



INTRA-GROUP RELATIONS

PARENT COMPANY/SUBSIDIARY RELATIONS

The Group is comprised of 44 legal entities, all of which are consolidated (see Note 5 in the annex to the consolidated financial statements for more detailed information on the subsidiaries and their countries of incorporation). The number of legal entities is mainly linked to the Group's organization: a global market and a local presence.

DELFINGEN Industry provides its various subsidiaries with services that can be grouped into two parts: financial and support.

FINANCIAL

DELFINGEN Industry finances the activities of many of its subsidiaries. At December 31, 2023, approximately 90% of financial liabilities were borne by DELFINGEN Industry. Its purpose is to provide a significant proportion of the Group's financing, either directly or indirectly, through loans secured via its access to the banking networks.

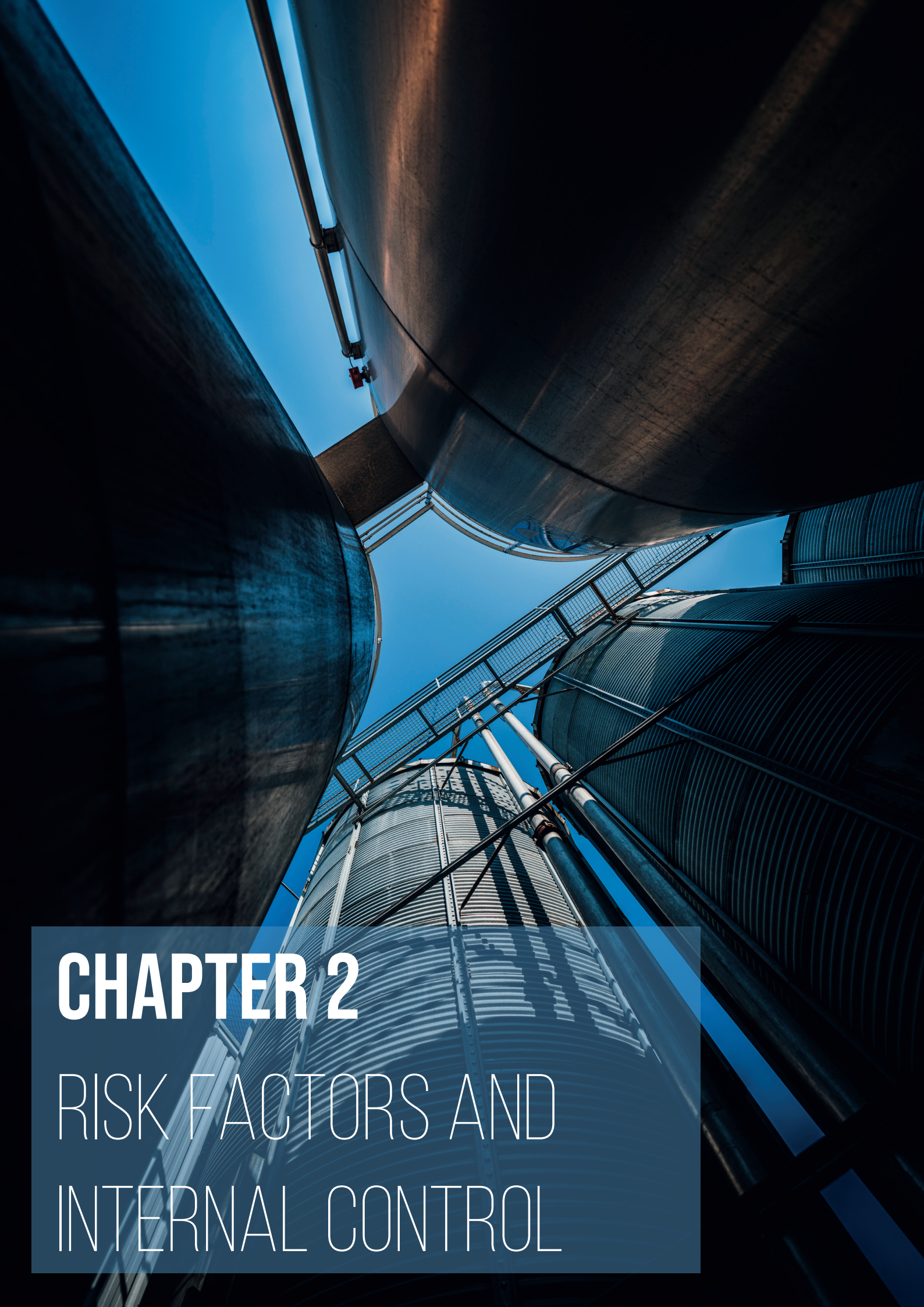
However, one exception is in the dollar zone, where a share of the financing is borne directly by DELFINGEN US-Holding, a subsidiary 100% owned by DELFINGEN Industry. Financing has also been taken out directly by some consolidated subsidiaries, mainly in Germany.

As part of the regionalization of Group operations, the consolidation and day-to-day cash management of subsidiaries in the Europe/Africa region is handled by DELFINGEN Industry, in the Asia region by DELFINGEN Asia Pacific Holding, and in the Americas by DELFINGEN US-Holding.

SUPPORT

DELFINGEN Industry assists its subsidiaries either directly, with operational management issues (General Management, Sales and Marketing, Supply Chain, etc.), or indirectly, with administrative, financial, human resources, legal, information systems and communications matters, either via its own intermediary or via staff provided by the DELFINGEN Group (see Section N of the consolidated financial statements).

It should be noted that industrial patents and know-how are the property of DELFINGEN Industry S.A, which grants the rights of use and know-how to its subsidiaries worldwide.



CHAPTER 2

RISK FACTORS AND INTERNAL CONTROL

CHAPTER 2

RISK FACTORS AND INTERNAL CONTROL

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2.1 RISK FACTORS AND RISK MANAGEMENT

INTRODUCTION

In accordance with the requirements of the so-called “Prospectus 3” regulations, applicable from July 21, 2019, the presentation of the “Risk Factors” chapter of this Document has been revised to improve readability. Only significant risks specific to the Company are presented in this chapter.

The risk matrix drawn up by the Company’s management was reviewed by the Audit Committee at its meeting on March 12, 2025.

As part of the Company’s risk management process, all identified risks are analyzed on a regular basis.

2.1.1 MAIN RISK FACTORS

The DELFINGEN Group operates in a constantly changing environment.

It is therefore exposed to risks which, if they materialize, could have a negative impact on its business, results, financial situation, image and prospects. This chapter presents the most significant risks to which the DELFINGEN Group believes it is exposed.

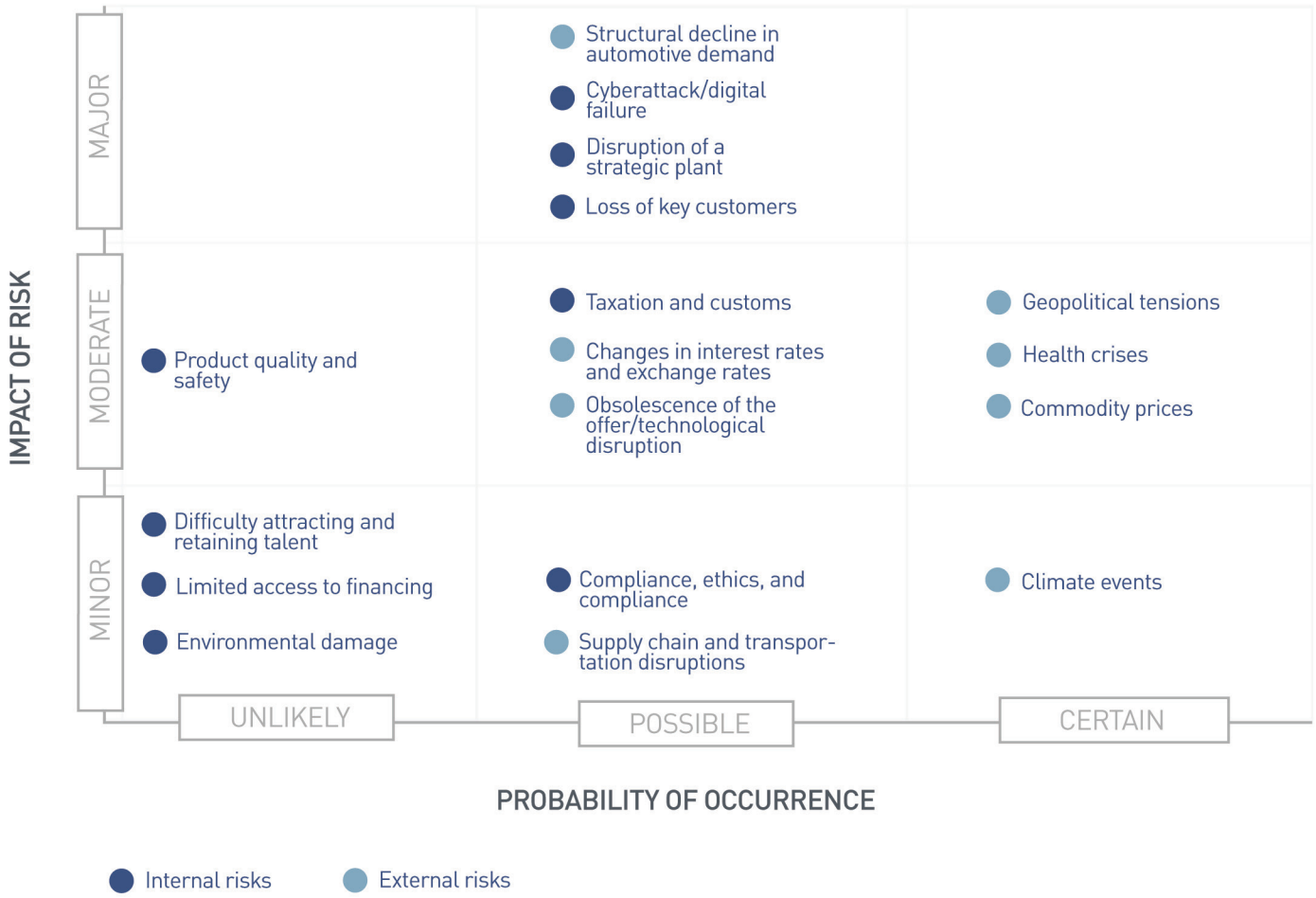
However, the DELFINGEN Group cannot provide an absolute guarantee that it will achieve its objectives and eliminate all risks. The purpose of the internal control system, which is implemented by the DELFINGEN Group’s senior management and teams, is to identify and qualify risks, and to reduce the probability of their occurrence and their potential impact on the Group.

Lastly, in view of the situation prevailing worldwide at the date of publication of this Universal Registration Document, these risks are likely to vary in intensity and probability.



2.1.1.1 MATRIX OF MAIN RISKS IDENTIFIED

The table below summarizes the most significant risks affecting the Group's activities, whether of internal or external origin.



During its meetings, the Audit Committee decided, among other things, to:

- Remove the risk relating to "no access to the Chinese market";
- Classify the risk of "structural decline in automotive demand" as a major risk.
- Include the difficulty of retaining these same talents in the risk relating to "difficulty in accessing talent";
- Include the concept of climate events and draw on CSRD work to supplement the concept of "climate risk";
- Add "product safety" to the "quality" risk;
- Move the risk of "obsolescence of supply/technological disruption" to a risk impact considered 'moderate' and a probability considered "possible."

2.1.1.2 RISK FACTORS

INTERNAL RISKS

Risk factors	Details	Impact	Probability	Residual criticality	Management measures
Loss of key customers	Loss of market share due to customer dissatisfaction or competitive pressure (ranges, prices, etc.)	Major	Possible	Moderate	Reduced customer exposure: largest customer represents 7.7% of sales (top 5: 31.7%) Best-in-class quality and service in the sector Ongoing efforts to improve operational excellence Competitive offering
Product quality and safety	Non-quality of products manufactured by the DELFINGEN Group, which may lead to manufacturer recalls	Moderate	Unlikely	Low	Reinforcement of processes and quality plan from development to customer delivery Internal and external audits IATF certification for the entire perimeter Implementation of adequate insurance coverage
Disruption of a strategic plant	Disruption to the operation of certain plants considered critical by virtue of their size (El Paso) and/ or their business specificities (Celaya, Marktrodach).	Major	Possible	Moderate	Implementation of a risk prevention plan and a disaster recovery plan Third-party audits of strategic sites
Access to financing	Limitation or refusal of access to financing, lack of interest from investors due to debt levels.	Minor	Unlikely	Low	Establishment of multi-year credit facilities, renewed in September 2023 Diversification of financing sources (traditional loans, EuroPP, BPIfrance, etc.) Long-term loyalty of our financial partners Signature quality of our financial partners Track record of financial performance
Cyber-attack / digital failure	Stoppage of certain operations (manufacturing, scheduling, delivery, invoicing, etc.) Hacking and/or alteration of data	Major	Possible	Moderate	Implementation of a global information systems security policy Staff awareness and training Security audits by external service providers Strengthen information systems governance Use of state-of-the-art technologies Secure system access and continuity planning

Risk factors	Details	Impact	Probability	Residual criticality	Management measures
Difficulty attracting and retaining talent	Lack of access to talent, lack of committed men and women	Minor	Unlikely	Low	Implementing corporate attractiveness policies Creation of an internal Academy to develop skills Act in all circumstances in line with our Values Importance given to the prevention of physical/ psychological risks 93 % of employees satisfied with working for the DELFINGEN Group (internal survey 2023)
Environmental damage	Damage to the environment (pollution, over-consumption of resources, etc.)	Minor	Unlikely	Low	Implementation: decarbonization plan, alignment with Paris objectives Implementation of a responsible approach: resource consumption, waste management, etc. Use of non-polluting or highly recyclable materials Reduction of international transport flows
Taxation and customs	Ne pas respecter les législations locales dans le cadre d'une gestion de groupe	Modéré	Possible	Faible	**Application** des règles OCDE **Analyse** par des cabinets tiers des politiques de prix de cessions internes, prix de transfert et des rémunérations de services de groupe, des procédures, export control, etc **Présence** d'auditeurs externes dans chaque entité
Taxation and customs	Failure to comply with local legislation in the context of group management	Moderate	Possible	Low	Application of OECD rules Third-party analysis of internal transfer pricing policies, transfer pricing and remuneration for group services, procedures, export control, etc.
Compliance, ethics & ethics	Failure to comply with group management legislation and ethical commitments	Minor	Possible	Low	Application of rules and policies applicable to the DELFINGEN Group Implementation of an adequate compliance program

EXTERNAL RISKS

Risk factors	Details	Impact	Probability	Residual criticality	Management measures
Geopolitical tensions	Rising costs Restrictions on the free movement of goods and global demand	Moderate	Certain	Moderate	The DELFINGEN Group, a global and local player: sourcing, production and sales in the same geographical area Limitation of inter-regional flows
Health crises	Hausse significative du coût des matières plastiques	Moderate	Certain	Moderate	Adaptability and flexibility to cope with health risks
Raw material prices	Significant rise in the cost of plastics	Moderate	Certain	Moderate	Gain significant market share to strengthen our negotiating position Develop a higher value-added product offering
Climatic events	Certain sites are subject to climatic risks (typhoons, etc.).	Minor	Certain	Low	Implementation of business continuity and recovery plans validated with customers
Obsolescence of our offering and/or technological disruption	Risk that our products and services no longer meet the expectations of the automotive market, in a context of technological disruption (electric vehicles, zonal architecture, etc.). Risk of electrification volatility	Moderate	Possible	Moderate	Co-development with customers Market research and advance engineering, monitoring and innovation unit
Changes in exchange rates and/or interest rates	Exposure to changes in the €/$ exchange rate, with a proportion of sales and assets in the USD zone. Rising interest rates, given our debt burden	Moderate	Possible	Moderate	The DELFINGEN Group, a global and local player: sourcing, production and sales in the same currency zone Implementation of forward hedges based on budget rates

RISQUES EXTERNES

Facteurs de risques	Détail	Impact	Probabilité	Criticité résiduelle	Mesures de gestion
Supply chain and transport disruptions	Supply chain disruptions and/ or supply chain breakdown due to supplier failure or tensions over access to certain materials.	Minor	Possible	Moderate	Reduction of supplier exposure: the top supplier accounts for 5.2% of purchases (the top 5 for 15.2%) Supplier qualification/ assessment Multisourcing of strategic materials and upstream needs assessment Creation of safety stocks
Structural decline in automotive demand	Decline in production Different dynamics in different regions Position as automotive equipment supplier	Major	Possible	Moderate	Diversification into other markets (such as industrial applications)

2.2 INSURANCE POLICY AND RISK COVERAGE

The major risks identified by the DELFINGEN Group benefit from insurance cover under international programs.

The DELFINGEN Group's insurance plan for 2024 is based on the following principles:

- The insurance policy is general to all sites: the nature and levels of cover are defined by the Group's Legal Department. Each site takes out local policies in accordance with local regulations. A "master" policy is taken out at Group level to supplement local cover, both in terms of coverage and limits, if local cover is insufficient.

- Risk management is carried out with the support of an insurance broker specializing in the coverage of major risks, working with recognized insurers in the industrial risk insurance sector and benefiting from an international network to cover all sites. Every year, DELFINGEN Industry's industrial sites are visited by experts and engineers from the insurers. Following these visits, reports are issued containing recommendations for adapting site safety procedures and conditions. The DELFINGEN Group, in conjunction with these experts, strives to raise the level of safety at its sites every year, both in terms of material and human resources, by working to ensure the safety of its employees.

The main insurance policies are as follows:

PROPERTY INSURANCE

Multi-risk insurance covers damage to Group property, rental risk (owned or leased buildings, installations, equipment and materials) and business interruption, in the event of events such as fire, storm and water damage. This "Master" policy provides an overall limit of cover for damage per claim, in line with risk assessment.

CIVIL LIABILITY INSURANCE

This policy covers the company and its subsidiaries against the financial consequences of its liability in all cases where it is called upon to pay damages for bodily injury (physical or moral harm and consequential loss), property damage, consequential or non-consequential loss (damage or loss such as, in particular, deprivation of use, immobilization, loss of production, loss of profit) caused to third parties in the course of the activities of the company and its subsidiaries.

Master" covers operating liability and product liability, before and after delivery and/or acceptance. Master limits (worldwide coverage) are in line with the analysis and assessment of identified risks.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The purpose of this cover is to pay the financial consequences of claims made against senior executives (corporate officers and directors) or involving their individual civil liability and attributable to any actual or alleged professional misconduct.

It covers the directors and officers of all Group companies.

In addition, DELFINGEN Industry has adopted a risk prevention and protection policy that enables it to identify, assess and reduce risks:

- Audits of operating sites by the Legal Department and insurers/brokers;

- Annual appraisal of assets at risk;

- Follow-up of organization/equipment recommendations from insurers;

- Staff training;

- implementing appropriate contingency plans.

2.3 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

2.3.1 DESCRIPTION OF THE DELFINGEN GROUP'S INTERNAL CONTROL ENVIRONMENT

DELFINGEN Industry has implemented tools and procedures as part of its internal control system. Internal control comprises a set of resources, behaviors, procedures and actions adapted to the specific characteristics of each company and of the Group as a whole.

The internal control system contributes to the control of activities, the effectiveness of operations and the efficient use of resources. It must enable us to take appropriate account of significant operational, financial, legal and environmental risks.

SCOPE OF INTERNAL CONTROL AND RISK MANAGEMENT

The internal control system is applied to the entire Group, the Group being defined as the parent company DELFINGEN Industry and all fully consolidated companies.

CONTROL ENVIRONMENT

The internal control system is built around an organization based on :

1. An Operations Department covering all subsidiaries in the three regions (Americas, Europe/Africa, Asia), under the responsibility of a Regional Director.

General Management and the Regional Managers are supported by :

- The Sales Departments ;
- Research and Development;
- Central Operational Departments (Quality, Purchasing, Supply Chain, Data Management and Industrial Management).

2. Central Management, supported by Finance, Human Resources, Legal Affairs, Communications and Information Systems.

For each of its entities, the Group defines its mission, its organization, its contribution to critical decisions, the measurement of its performance and its exchanges with other entities.

The Group is strongly committed to the values of integrity and ethics, which are expressed in the Group's core values. This value framework provides a benchmark for the proper conduct of day-to-day business, and in particular aims to promote fair and honest behavior in the conduct of business and towards customers, suppliers, employees, shareholders, etc. All employees are responsible for complying with it.

RISK ASSESSMENT AND MANAGEMENT

Risk identification and analysis is the responsibility of the Group's Executive Committee.

More specifically, the Operations Department monitors operational risks, notably industrial risks and risks relating to raw materials, safety and the environment.

The Legal Department manages the Group's legal risks, in particular those relating to industrial property and liability claims.

The Human Resources Department ensures that local social legislation is properly applied and that our values are respected.

The Finance Department manages the risks associated with the Group's financial activities, in particular the compliance of financial statements with local and international accounting standards (IFRS), foreign exchange, interest rate, liquidity, tax and fraud risks.

The Information Systems Department ensures the replicability of stored information, as well as the management of cyber risks.

The Supply Chain Department ensures that customs and import/export legislation is properly applied at Group and local level.

Taking risk exposure into account is an integral part of our decision-making and operational processes.

CONTROL ACTIVITIES

DELFINGEN Industry's quality system describes the company's processes. Procedures and instructions set out the responsibilities of each individual and specify the associated operating methods and controls. As part of this system, audits are organized to verify the application of Group standards. Qualified auditors are trained for this purpose. These internal audits are supplemented by certifications awarded by external bodies, customers and suppliers.

Control activities, carried out at all hierarchical and functional levels, are based on standards and procedures that help to guarantee the implementation of guidelines issued by management.

INFORMATION AND COMMUNICATION

Information from management systems is analyzed and distributed to the relevant managers, who are provided with dashboards to help them manage their activities.

Each Director is responsible for his or her own activity and for financial and operational performance, in accordance with the action plan and budget discussed and approved by the Board of Directors.

Performance monitoring and control are based on a reporting process. Within this framework, each Group company prepares :

- Monthly reporting on all financial and operational information (HR indicators, sales analysis, analysis of overdue receivables, etc.);
- Monthly reporting on actual and forecast cash flow;
- An annual budget cycle.

These elements, defined at Group level, are consolidated and distributed to the Executive Committee and to the various managers. They are essential tools for steering the Group's business and choosing its strategic orientations. They enable us to identify, analyze and deal with any deviations as early as possible.

Operational Management reviews each site's results and performance with each Site Manager, and proposes action plans for improvement. These reviews take place monthly at local level and fortnightly at regional level.

The Finance Department, through Management Control, analyzes and validates the monthly reports included in the consolidation.

The Executive Committee meets monthly to analyze trends in the Group's financial results and performance, and to propose action plans for improvement. Additional reviews are also carried out prior to each Board meeting.

2.3.2 CONTROL BODIES OF THE DELFINGEN GROUP

2.3.2.1 BOARD OF DIRECTORS

The Board of Directors, assisted by the Audit Committee in its supervisory role, ensures the quality of internal control and the reliability of information provided to shareholders and financial markets.

2.3.2.2 THE AUDIT COMMITTEE

In accordance with Article L. 821-67 of the French Commercial Code, and with its internal regulations, the Audit Committee's mission is to assist the Board of Directors in its supervisory role, so that it can ensure the quality of internal controls and the reliability of information provided to shareholders and the financial markets.

In particular, it is responsible for monitoring issues relating to the preparation and control of sustainability information.

The Audit Committee is responsible for the following tasks:

1. It monitors the process of preparing financial information, the process of preparing sustainability information, including in the digital form provided for in Article 29d of Directive 2013/34/EU, and the process implemented to determine the information to be published in accordance with the sustainability reporting standards adopted under Article 29b of that Directive. Where appropriate, it makes recommendations to ensure the integrity of these processes;
2. It monitors the effectiveness of internal control and risk management systems, and, where appropriate, internal audit, with regard to procedures relating to the preparation and processing of accounting and financial information on sustainability, including in digital form, without prejudice to its independence;
3. It issues a recommendation on the statutory auditors proposed for appointment by the shareholders' meeting or the body exercising a similar function. This recommendation is addressed to the administrative or supervisory body. For the task of certifying the financial statements, it is drawn up in accordance with the provisions of Article 16 of the aforementioned Regulation (EU) no. 537/2014; it also issues a recommendation to this body when the renewal of the term of office of the statutory auditor(s) is being considered under the conditions defined in Article L. 821-45 ;
4. It monitors the performance of the statutory auditors' duties and the certification of sustainability information;
5. It ensures compliance with the conditions of independence required of those involved in carrying out statutory audit and sustainability information certification assignments; with regard to public interest entities, where applicable, it takes the measures necessary for the application of paragraph 3 of Article 4 of the aforementioned Regulation (EU) no. 537/2014 and ensures compliance with the conditions mentioned in Article 6 of the same Regulation ;
6. It approves, for public interest entities, the provision of the services mentioned in Article L. 821-30 ;

7. It reports regularly to the collegial body responsible for administration or to the supervisory body on the performance of its duties. He also reports on the results of the financial statements certification mission, the sustainability information certification mission and the manner in which these missions have contributed to the integrity of the financial information and sustainability information. He reports on his role in this process. He informs the Board without delay of any difficulties encountered.

The tasks mentioned in 1° to 7° concerning the monitoring of issues relating to the preparation and control of sustainability information may be carried out by a specialized committee separate from that responsible for monitoring issues relating to the preparation and control of accounting and financial information.

IN TERMS OF RISK, THE COMMITTEE'S MAIN RESPONSIBILITIES ARE AS FOLLOWS:

Risk management and internal control:

The Audit Committee examines and assesses the consistency and effectiveness of the internal control system used to guarantee the quality of financial information.

To this end, it ensures that internal control and risk management procedures are in place, and monitors their effectiveness.

It ensures that the financial reporting process is properly monitored.

The Committee must ensure that the main risks have been identified, and in this respect it is responsible for reviewing the annual status of major disputes and, at the Board's request, for examining major transactions planned by the Group.

The Committee is responsible for examining the conditions under which derivatives are used.

Internal and external audit :

The Audit Committee is kept regularly informed of audit work, and in particular examines the Statutory Auditors' reports and the annual report.

The Committee is also responsible for examining the annual work programs of our internal and external auditors.

2.3.2.3 INTERNAL AUDIT UNIT

The internal control system is managed jointly by General Management and the Finance Department.

In agreement with the Audit Committee, a schedule of visits to subsidiaries is drawn up and implemented, based on an analysis of general Group risks and risks specific to each subsidiary. Based on the findings of these assignments, recommendations are made to the audited operating entities, which are then required to implement appropriate action plans.

Occasional audits are also carried out to address specific issues.

Procedures relating to the preparation and processing of accounting and financial information for the annual and consolidated financial statements

The Finance Department is responsible for internal control procedures relating to the preparation and processing of accounting and financial information. These procedures are implemented at local level.

It monitors changes in standards and the consistency of accounting principles and, in liaison with Management Control, regularly ensures that transactions are correctly reflected in the accounts.

The Consolidation department, which reports to the Finance Division, is responsible for drawing up the half-yearly and annual consolidated financial statements in accordance with IFRS. It defines detailed closing instructions, including the closing timetable, changes in scope, the classification and flows of the main balance sheet items, and the process for reconciling transactions between Group companies.

Parent company and consolidated financial statements are prepared on a monthly basis under conditions similar to those for the half-year and full-year closings.

Management Control analyzes the relevance and consistency of the information reported by each subsidiary, and measures their performance as well as the Group's economic performance. It prepares a summary of management indicators for the attention of General Management. Analyses cover sales, margins, expenses, payroll and operating income by geographical area and/or market.

Monthly variations are analyzed, as are deviations from the budget and/or the previous year. These data are reviewed monthly by the Executive Committee.

The Group Finance Department is responsible for designing and distributing all financial communications for the financial markets:

- Half-yearly and annual financial reports;
- Financial press releases;
- Documents used at meetings with financial analysts and investors.

The design of the Universal Registration Document is shared between the Finance and Legal Departments, reviewed by the Support Services Department and approved by the Board of Directors. It is drafted by a number of contributors who are experts in their fields, contributing to the richness and quality of the information provided.

Financial information is systematically reviewed by the Support Services Department. Earnings announcements are also reviewed by the Audit Committee and the Board of Directors.

Analysis and outlook

The Group's objective is :

- Continue to improve the process for preparing and processing financial information, and for identifying and analyzing risks;
- Constantly adapt these management and control tools to the Group's development.

To achieve these objectives, the Group has set up relevant and effective internal control systems at every level of responsibility:

Based on :

- A more comprehensive set of procedures;
- The empowerment of all operational staff, who are at the heart of the processes;
- An accounting and financial platform common to all sites.

Enabling :

- Control and reinforce the application of accounting and financial methods adopted for the preparation of accounts;
- Better control and monitoring of internal procedures for collecting and controlling financial and accounting information;
- Limit risks.

This approach is actively supported by Group General Management, the Audit Committee and the Board of Directors.

2.3.2.4 EXTERNAL AUDITORS

This organization is completed by the work of the Statutory Auditors, who certify the Group's consolidated financial statements at June 30 and at December 31. The review of the financial statements of companies contributing to the preparation of the consolidated financial statements is carried out jointly by the parent company's Statutory Auditors and the local auditors. This takes the form of audit instructions, audit questionnaires, a limited review report at June 30 and an audit report at December 31, as well as a communication on specific points.

The audit work carried out by the parent company's Statutory Auditors is enhanced by annual visits to several Group sites.

2.3.2.5 THE GROUP'S INTERNAL CONTROL FRAMEWORK

The internal control system in place provides reasonable assurance that operations are under control with regard to the following objectives:

- Compliance with applicable laws and regulations;
- Compliance with instructions and guidelines set by management;
- Safeguarding assets;
- Fraud prevention and detection;
- Reliability, completeness and quality of the information produced, particularly financial information.

In essence, the internal control system cannot provide an absolute guarantee that risks have been totally eliminated. Its aim is to reduce the probability of occurrence and the potential impact of risks.

Within the Group, the parent company ensures that its subsidiaries have internal control systems in place. These systems are adapted to the specific characteristics of the subsidiaries and to the relationship between the parent company and the consolidated companies.





CHAPTER 3

SUSTAINABILITY REPORT

CHAPTER 3

SUSTAINABILITY REPORT

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INTRODUCTION

A WORD FROM THE CHAIRMAN



DELFINGEN, a free, prosperous and sustainable company

"OUR GOAL IS TO ACHIEVE QUALITATIVE, ETHICAL AND RESPONSIBLE GROWTH."

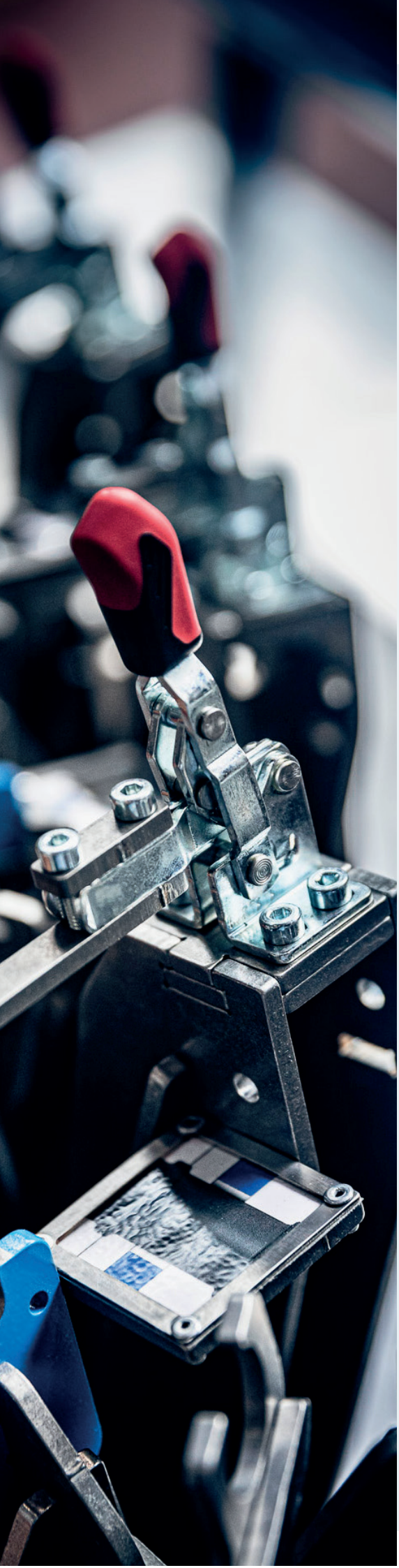
At DELFINGEN, we place ethics and responsibility at the heart of our business model. In line with our goal of achieving qualitative, ethical and responsible growth, we aim to become a reference in our sector in terms of sustainable development.

To achieve this ambition, we are committed to :

- **Significantly reduce our environmental footprint:** we prioritize the reduction of our greenhouse gas emissions and the promotion of a circular economy by optimizing the use of resources and promoting recycling.
- **Promoting a responsible corporate culture:** every employee is a key player in our sustainability approach. We encourage them to adopt responsible behavior on a daily basis and to get involved in sustainable projects.
- **Building trusting relationships with our stakeholders:** we are convinced that transparency and dialogue are essential to building lasting relationships with our customers, suppliers, employees and communities.

The Sustainability Report 2024 you will find below details our sustainability policy and the actions we are taking to achieve our goals. It is prepared for the first time in compliance with European Union requirements, and in particular in accordance with the European Sustainability Reporting Standard (ESRS) issued by the European Financial Reporting Advisory Group (EFRAG), as part of the Corporate Sustainability Reporting Directive 2022/2464/EU (CSRD), as transposed into French law by Ordinance no. 2023-1142 of December 6, 2023 and supplemented by Decree no. 2023-1394 of December 30, 2023.

GÉRALD STREIT
CEO



PREAMBLE

"DELFINGEN: A FAMILY HERITAGE FOR A SUSTAINABLE FUTURE"

Founded in 1954, DELFINGEN Industry is a family-owned company with a tradition of social commitment. Founded by the STREIT family in solidarity with an aunt suffering from poliomyelitis, DELFINGEN Industry is a committed corporate citizen with strong values in its DNA, which are reflected in the day-to-day running of its business.

For three generations, we have worked to reconcile economic growth with social responsibility, based on 3 pillars:

- **Human capital:** we value our employees and contribute to their personal and professional development.
- **Societal commitment:** we support local communities and get involved in solidarity initiatives.
- **Sustainable development:** we limit our environmental footprint and promote a circular economy.

DELFINGEN Industry s'est développé dans le monde entier en faisant le choix de s'approvisionner, produire et vendre localement, autant que faire se peut. Le Groupe est implanté ainsi essentiellement dans les grandes zones de production de câblage automobile.

DELFINGEN Industry has developed worldwide by choosing to source, produce and sell locally, wherever possible. This is why the Group is based mainly in major automotive wiring production areas.

Wherever we operate, DELFINGEN Industry actively contributes to local economic development by creating jobs and promoting training. We are convinced that globalization is an opportunity for all, as long as it is based on solidarity.

In addition to our economic performance, we therefore attach paramount importance to the development of our employees. We firmly believe that our success depends on their commitment and well-being. That's why we promote their professional development and ensure that working conditions are safe and respectful.

These actions are implemented in compliance with the Decent Work Charter in force at all Group sites since 2007, and amended in 2017 to take disability-related situations into consideration.

These strong convictions underpin the actions carried out through the values of the Group and our Foundations.

GROUP VALUES



The Group's values underpin the fundamentals of "working" and "living together" for DELFINGEN employees. Founded in Franche-Comté (France), DELFINGEN Industry has expanded internationally to 21 countries, integrating many different cultures. These shared values unite the men and women of DELFINGEN Industry throughout the world.

Values, historically present, only have meaning if they are shared by all. In the 80s, it was our employees themselves, rich in their differences and cultures, who defined DELFINGEN Industry's core values (freedom, responsibility, continuous improvement and sharing) and the behaviors that flow from them.

Over the years, the Group's footprint has grown around the world and particularly in Asia, and the Executive Committee, under the impetus of Gérald STREIT, decided to launch an in-depth reflection on the subject of values in 2019, which was completed in 2020. The challenge was to revisit the four historic values in order to adapt to our new employees. The Group's four new values are the result of these changes.

ONLY RESPECT FOR THESE VALUES GIVES THE GROUP THE LEGITIMACY TO BE DEMANDING OF ITS COWORKERS.

ENTREPRENEURSHIP

This value corresponds to the DNA and history of DELFINGEN Industry: from the outset, the company's creation was initiated by an entrepreneur, Emile STREIT. The Group then expanded thanks to other entrepreneurs, who went abroad to create new sites in countries still unknown to the DELFINGEN Group. This gives us enormous agility in today's complex world.

SOLIDARITY

En cas d'erreur, de contrainte, de crise, les collègues du Groupe font bloc, et démontrent une solidarité dans l'effort. Cela permet aussi, à travers nos Fondations, de montrer notre solidarité avec ceux qui en ont besoin.

HARMONY

Harmony is a value deeply rooted in Asian culture. It manifests itself in the constant search for balance between different perspectives, as opposed to a simplistic, binary worldview. We favor consensus and the construction of a third way, the fruit of listening to and taking into account everyone's opinions.

RESPONSIBILITY

It's important to take responsibility when making decisions. But also, if you make a mistake, to learn from it so you don't make the same mistake again. It's a never-ending learning process.

EVALUATION

DELFINGEN Industry is committed to evaluating its social responsibility with three recognized organizations: CDP, EcoVadis and EthiFinance. These assessments, which testify to our awareness of sustainability issues, are an essential lever for our continued progress.

CDP (Carbon Disclosure Project) is a non-profit organization that helps companies to make their environmental impact transparent. A CDP score is a grade awarded to companies for their environmental transparency and commitment to climate change, water security and forests. The score ranges from D- (lowest grade) to A (highest grade). Companies that do not rate themselves are graded F by default.

A grade of C indicates awareness.

DELFINGEN Industry is rated C for climate and C- for water.

EcoVadis provides sustainability assessments to companies, helping them to evaluate their environmental, social and ethical performance. The system is designed to promote transparency and accountability in corporate sustainability practices. EcoVadis assesses companies according to four key themes: Environment, Labor and Human Rights, Ethics, Responsible Purchasing. EcoVadis assessments are widely used by companies to evaluate their suppliers' sustainability performance. This helps to promote sustainable practices throughout global supply chains.

DELFINGEN Industry has been awarded the commitment badge, making it one of the top 38% of companies assessed by Ecovadis.

EthiFinance ESG ratings, the non-financial rating agency of the EthiFinance Group, evaluates companies according to a framework of around 140 criteria divided into 4 pillars: Environment, Social, Governance and External Stakeholders.

DELFINGEN Industry scored 65/100 for 2023, an 8-point improvement on the previous year and 16 points above the sector benchmark.

At the same time, DELFINGEN Industry was formally awarded the **RFAR Label** in February 2025. This "Responsible Supplier Relations and Purchasing" label distinguishes companies that maintain sustainable and balanced relationships with their suppliers, and aims to promote responsible purchasing practices.

It is the first label in this field to be awarded by the French public authorities.

3.1 GENERAL INFORMATION

3.1.1. BASIS OF REPORTING

The scope of this consolidated sustainability report covers all DELFINGEN Industry SA activities. It is identical to that of the financial statements published in the Universal Registration Document (URD). The list of companies included in the scope of consolidation is presented in section 1.3 ORGANIZATION of this URD. This Sustainability Report is an integral part of the Management Report and has been certified by the statutory auditors authorized to verify sustainability information in accordance with CSRD requirements.

The report includes information concerning the upstream and downstream value chain that has been identified as material as part of the analysis of impacts, risks and opportunities during the dual materiality analysis.

No use is made of the option allowing the company to omit particular information relating to intellectual property, know-how or the results of innovations, nor of the exemption from publication of information relating to imminent developments or business under negotiation.

However, we do not disclose in detail certain policies, actions, targets and indicators relating to cybersecurity. This confidentiality is essential to preserve the security of our information systems, as the publication of such information, particularly of our defensive systems, could be exploited by potential attackers.

In accordance with the implementation guidelines published by EFRAG, the time horizons considered for the occurrence, both in terms of assessing impact materiality and financial materiality, are as follows:

- short-term: within the next 12 months
- medium-term: 1 to 5 years
- long-term: beyond 5 years (up to 10 years).

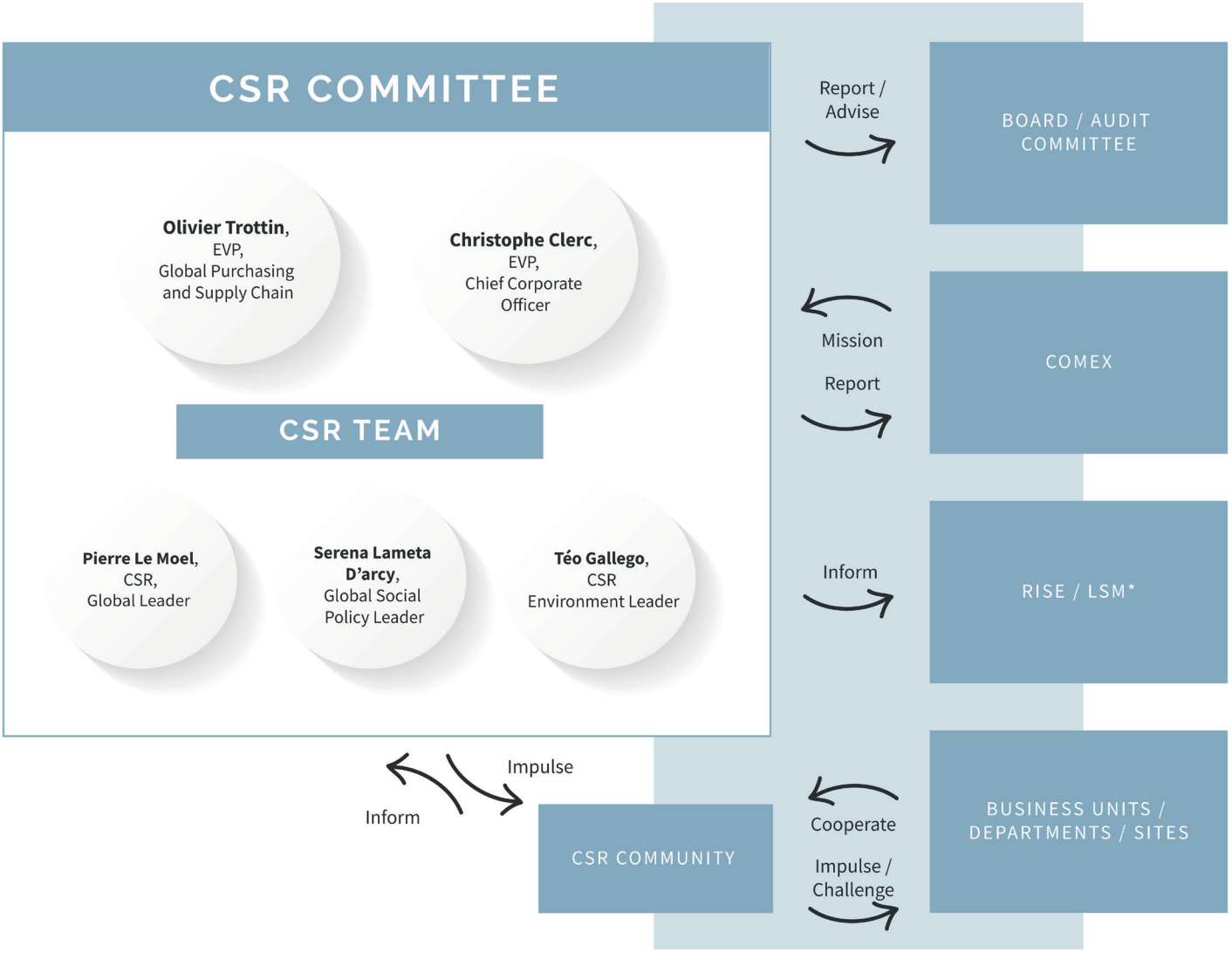
The carbon footprint methodology has been updated, and previous years' figures have been corrected accordingly. See section E1 - 4 E1-4 : Methodological change

It is worth noting a change in the collection method for services purchased by DELFINGEN, with data now derived from financial data. This makes it possible to smooth out data-related uncertainties.



3.1.2. GOVERNANCE

3.1.2.1 ROLE OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES (GOV1)



The sustainability approach is organized around a steering committee (CSR = "Corporate Sustainability and Responsibility" committee), comprising:

- The Vice-President "Corporate", member of the Executive Committee;
- The Vice-President in charge of purchasing, member of the Executive Committee;
- Global Social Policy Manager
- Decarbonation Manager (CSR Environment Leader)
- CSR Manager (CSR Global Leader)

The committee is also responsible for collecting and synthesizing information for the various reviews, such as progress on the decarbonization roadmap, relations with customers and suppliers on sustainability, and supporting internal and external communication on sustainability.

The committee is mandated by the Executive Committee, to which it reports quarterly.

Gérald STREIT, Chairman and CEO, reports to the Board of Directors (see below). The Board of Directors and the Audit Committee are informed and consulted at least twice a year on sustainability issues.

At the same time, Group managers are kept regularly informed at LSM (Leadership Meetings) and RISE (Reunion Information Share Exchange) meetings.

The sustainability approach requires collaboration between all departments. To help all those potentially involved to become better informed and share their knowledge and best practices, we have set up a wider working community with over 120 members, including department directors (Directions) and local site managers, as well as the sites' QSE and HR managers.

Board of Directors:

The Streit family holds 1 seat on the Board of Directors, which is made up of 5 other Directors, 4 of whom are considered independent as defined by the Governance Code of the Autorité des Marchés Financiers. The Executive Committee has 1 seat on the Board.

Employees and other workers are not represented on the Board.

In accordance with the criteria of the Middlenext Corporate Governance Code, to which DELFINGEN Industry refers, the Board of Directors comprises a total of four independent directors, i.e. 66.66% of the total number of directors:

- Cataldo MANGIONE: A former senior executive of the SCHNEIDER ELECTRIC Group, Cataldo MANGIONE was in charge of international business development. He brings a wealth of industrial and international experience.
- Patrick CHERRIER: Patrick Cherrier was Managing Director and Executive Director of Essilor International for the Asia-Pacific, Middle East, Russia and Africa region. He was a member of the company's Executive Committee. During his 24 years at Essilor, Patrick Cherrier spearheaded the company's market expansion through organic growth, joint ventures and acquisitions in countries in Asia, Oceania, Africa, the Middle East, the Mediterranean region and the CIS, as well as in Russia.

Two of the independent directors have specific experience of sustainability issues:

- Annie KAHN was a journalist with the newspaper "Le Monde" since 1987, in charge of Le Monde's development and diversification. Annie Kahn also wrote a column on corporate management and human relations. Annie Kahn is a member of the Advisory Board of Ateliers Entreprises et Mixité, a think- and do-tank made up of top executives from major companies and experts, which aims to identify and disseminate best practices for fostering a mixed and inclusive professional environment, as part of the Essec group.
- Dinah LOUDA joined the VEOLIA Eau group in 2006 as Communications Director and member of the Executive Committee. She has been Advisor to the Group's Chairman and CEO on international relations since 2011. She has also been President of the Institut Véolia since May 2020. This institute is an instigator of ideas and a platform for exchange on subjects at the interface between the environment and society, and corresponds to the current needs of a rapidly changing society, at a time when the challenges to be met, whether planetary or local, require innovative approaches, decisions and alliances. In particular, the institute publishes work on sobriety, the circular economy and ecological transition.

A training module on ethical issues will again be offered to directors in 2025.

At the same time, directors, Executive Committee members and the departments mentioned in GOV-5 will be offered the "Understanding the ecological crisis to reinvent the company" training module offered by the Collège des Directeurs du Développement Durable.

The gender balance of the Board of Directors is 33.33%. No other diversity criteria are taken into account in our indicators.

3.1.2.2 INFORMATION PROVIDED TO THE COMPANY'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES, AND SUSTAINABILITY ISSUES ADDRESSED BY THESE BODIES (GOV2)

As mentioned above, the CSR Steering Committee is mandated by the Executive Committee, to which it reports on a quarterly basis.

Gérald STREIT, Chairman and CEO, reports to the Board of Directors on sustainability issues. The Board of Directors and the Audit Committee are informed and consulted twice a year on sustainability issues.

The Audit Committee was informed of this procedure twice in 2024. The final results (value chain mapping, identification of potential IROs, double materiality analysis) were validated by the Board of Directors in December 2024.

Significant IROs were determined following the materiality analysis carried out during 2024. See 3.1.4. The main material IROs are listed in section 3.1.3.3.

In 2024, as a result of the procedure for drawing up the dual materiality analysis, all IROs were reviewed in 2024 by the Board of Directors, which validated the Committee's work at its meeting on December 10, 2024. The same work was submitted to the Social and Economic Committee (CSE) for consultation at the beginning of 2025.

Responsibility for the targets and metrics associated with the IROS is delegated to the department heads, as described in part 3.1.2.5 and in the various sections of this report. A dashboard listing the main sustainability-related elements is now monitored quarterly by the Executive Committee, and bi-annually by the Board of Directors.

3.1.2.3 INTEGRATING SUSTAINABILITY PERFORMANCE INTO INCENTIVE SYSTEMS (GOV3)

The remuneration of members of the Board of Directors is based on "attendance fees", so there is no incentive system linked to sustainability.

The variable portion of remuneration for members of the Executive Committee, as well as for the heads of the various departments, is essentially linked to Group financial performance targets (EBIT). There are no direct sustainability targets. However, we consider that a significant proportion of the Group's financial performance is indirectly linked to social and environmental issues. By way of illustration, the following risks identified in the dual materiality analysis are likely to have significant short- or medium-term impacts on the company's performance:

- Extreme or progressive physical hazards affecting facilities
- Environmental disasters affecting supply chain facilities unprepared for climate change
- Loss of business opportunities due to lack of commitment to reducing emissions
- Increased operating costs due to volatile energy prices
- Unsuitability of business model for low-carbon economy (electromobility market)
- Significant rise in plastic prices
- Failure or delay in delivery of raw materials or components
- Stoppage of certain operations (manufacturing, planning, delivery, invoicing)
- High employee turnover
- Deterioration in social climate and/or risk of conflicts leading to a deterioration in performance
- Refusal by customers to buy DELFINGEN Industry products in the event of ethical problems relating to the workforce in the value chain
- Loss of market share and damage to corporate image in the event of safety and quality defects.

3.1.2.4 DUE DILIGENCE STATEMENT (GOV4)

DELFINGEN Industry is not subject to Law No. 2017-399 of March 27, 2017 on the duty of care of parent companies and ordering companies and therefore does not publish a due diligence plan.

CORRESPONDENCE TABLE BETWEEN SECTIONS OF THE SINGLE REGISTRATION DOCUMENT AND DUE DILIGENCE ELEMENTS :

Essential elements of due diligence	Essential elements of due diligence Chapter and/or Sections
Integrating due diligence into corporate governance	GENERAL INFORMATION - ESRS 2 - GOV-1 GENERAL INFORMATION - ESRS 2 - GOV-2 Chapter 2 URD
Dialogue with affected stakeholders at all stages of the due diligence process	GENERAL INFORMATION - SBM-2 S1 - Company workforce - S1-2
Identify and assess negative impacts	GENERAL INFORMATION - IRO-1 Chapter 2 URD
Take steps to remedy negative impacts	E1 Climate change - E1-3 E2 - Pollution - E2-2 E3 - Aquatic and marine resources - E3-2 E5 - Resource use and circular economy - E5-2 S1 - Company workforce - S1-4 S3 - Communities affected - S3-4 S4 - Consumers and end-users S4-4
Monitor and report on the effectiveness of these efforts	E1 Climate change - E1-4 E2 - Pollution - E2-3 & 2-4 E3 - Aquatic and marine resources - E3-3 & E3-4 E5 - Resource use and circular economy - E5-3 S1 - Company workforce - S1-4 to S1-17 S3 - Communities affected S3-5 S4 - Consumers and end-users S4-5

3.1.2.5 RISK MANAGEMENT AND INTERNAL CONTROLS ON SUSTAINABILITY INFORMATION (GOV5)

To assess sustainability risks, DELFINGEN Industry has adopted a rigorous methodology based on a double materiality analysis. This approach made it possible to identify the most important issues for the company, both internally (the company's impact on the environment and society) and externally (the impact of the external context on the company). These IROs were then ranked in order of importance. See IRO-1 - Description of procedures for identifying and assessing significant IROs

This approach is part of a broader enterprise risk management framework, which identifies and addresses all the risks to which the Group is exposed (see chapter 2 of the universal registration document).

Internal control system :

To guarantee the reliability and transparency of information, including that relating to sustainability, DELFINGEN Industry has set up a robust internal control system.

In essence, the internal control system cannot provide an absolute guarantee that risks have been totally eliminated. Its aim is to reduce the probability of occurrence and the potential impact. Within the Group, the parent company ensures that its subsidiaries have internal control systems in place. These systems are adapted to the specific characteristics of the subsidiaries and to the relationship between the parent company and the consolidated companies.

Internal control comprises a set of resources, behaviors, procedures and actions tailored to the specific characteristics of each company and of the Group as a whole.

The internal control system is applied to the entire Group, the Group being defined as the parent company, DELFINGEN Industry, and its subsidiaries.

Group is defined as the parent company, DELFINGEN Industry, and all fully consolidated full consolidation method.

The internal control system contributes to the control of activities, the effectiveness of operations and the efficient use of resources.

It must enable us to take appropriate account of significant risks, be they operational, financial, legal or environmental, and therefore risks related to sustainability in general. The internal control system is built around an organization based on :

- General Management
- Operational Management, which includes all subsidiaries in the three regions (Americas,
- Europe/Africa, Asia), under the responsibility of a Regional Director.

General Management and the Regional Managers are supported by:

- The Sales Departments of the BUs and/or their regions;
- The Research and Development Department;
- Central Operational Departments (Quality, Purchasing, Supply Chain, Data Management
- and Industrial Management).
- Corporate Central Management (Finance, Human Resources, Legal Affairs, Communications)
- The Information Systems Department.
- More specifically on sustainability issues, the CSR Steering Committee supports the various departments.

For each of the above-mentioned departments, the Group has defined its mission, its organization, its contribution to critical decisions, the measurement of its performance and its exchanges with other entities.

- The Operations Department deals specifically with operational risks, notably industrial risks and risks related to raw materials, safety and the environment.
- The Legal Department manages the Group's legal risks, in particular those relating to industrial corruption, ethics and liability claims.
- The Human Resources Department ensures that local social legislation is properly applied and that our values are respected.

- The Finance Department manages the risks associated with the Group's financial activities, in particular, the compliance of financial statements with local and international accounting standards (IFRS), currency, interest rate, liquidity, tax and fraud risks.
- The Information Systems Department ensures the replicability of stored information, as well as the management of cyber risks.
- The Purchasing Department ensures compliance with the Group's purchasing policies, the evaluation of suppliers, and the observance of the code of conduct by our partners.
- The Supply Chain Department ensures that import/export legislation is properly applied at Group and local level, and that logistical efficiency is maintained.
- The Quality department is responsible for the quality system, which describes the company's processes in accordance with IATF 16949:2016, a quality management standard for the automotive industry. Procedures and instructions define everyone's responsibilities, as well as the associated operating procedures and controls. As part of this system, audits are organized to verify the application of Group standards. Qualified auditors are trained for this purpose. These internal audits are supplemented by certifications awarded by external bodies, customers and suppliers. All our production sites are IATF 16949-2016 and ISO 9001-2015 certified.

Each Director is responsible for his or her own activity and financial and operational performance, in accordance with :

- **5-year strategic plans discussed and approved by the Board of Directors,**
- **any additional plans (such as Impulse 2026)**
- **the annual action plan and budget discussed and approved by the Board of Directors,**

including from now on what concerns the IROs identified in this sustainability report where applicable.

Information and communication.

Information from management systems is analyzed and distributed to the managers concerned

managers, who are provided with dashboards to help them manage their activities.

These elements, defined at Group level, are consolidated and distributed to the Executive Committee and to the various managers. They are essential tools for steering the Group's activities and choosing its strategic orientations. They enable us to identify, analyze and deal with any deviations as early as possible.

Operational Management meets with each Site Manager to review trends in the site's results

and performance, and propose action plans for improvement. These

reviews take place monthly at local level and fortnightly at regional level.

The Finance Department, through Management Control, analyzes and validates the monthly reports integrated into the consolidation process. There is also an internal control team.

The Executive Committee meets every month to analyze trends in the Group's financial results and performance, and to propose action plans for improvement. Additional reviews are also carried out prior to each Board meeting. The Executive Committee also consults the CSR Steering Committee on specific sustainability issues on a quarterly basis.

Control bodies

Board of Directors

The Board of Directors is responsible for the company's strategy and its execution. It fully integrates social and environmental issues, in order to foster long-term value creation that takes into account the impacts, risks and opportunities associated with these dimensions.

Assisted by the Audit Committee in its oversight role, the Board of Directors also ensures the quality of internal controls and the reliability of information provided to shareholders and financial markets.

The Audit Committee

In accordance with article L. 821-67 of the French Commercial Code and the company's internal regulations, the Audit Committee is tasked to assist the Board of Directors in its supervisory role, so that it can ensure the quality of internal controls and the reliability of information provided to shareholders and the financial markets.

Without prejudice to the powers of the administrative, management and supervisory bodies, the Audit Committee is responsible in particular for the following sustainability-related tasks:

- Monitoring the process for developing sustainability information, and the process implemented to determine what information to publish in accordance with the standards for sustainability reporting;
- Monitor the effectiveness of internal control and risk management systems, as well as internal audit where appropriate, with regard to procedures relating to the preparation and processing of sustainability information;
- Monitor the auditors' performance of their assignments;
- Ensure that the auditors comply with the independence conditions applicable to them;

External auditors

This organization is supplemented by the work of the auditors in matters of non-financial information, who are also the Group's Statutory Auditors, and who verify the conformity of this sustainability report and give their opinion on:

- compliance of the "double materiality" process with the European Sustainability Reporting Standards (ESRS) ;

- compliance with the ESRS, particularly in terms of relevance, faithful representation, comparability, verifiability and comprehensibility;

- compliance with the disclosure requirements of Regulation (EU) 2020/852, which requires sustainable economic activities to be reported according to the European taxonomy (Article 8).

The table in Appendix 1 details the material IROs, the departments in charge of the associated policies, the controls in force, and the source of the quantitative data.



3.1.3 STRATEGY AND BUSINESS MODEL

3.1.3.1 STRATEGY, BUSINESS MODEL AND VALUE CHAIN (SBM-1)

DELFINGEN Industry is the world's leading manufacturer of protection systems for electrical wiring, tubes and hoses, as well as low-pressure fluid transfer hoses.

The Group and its activities are presented in greater detail in Chapter 1 of the universal registration document.

The main activities identified in our financial statements are :

AUTOMOTIVE 85,3 %

PS - Protection systems 65,6 %

FTT - Technical tubes for fluid transfer15,4 %

Autres 3,1 %

INDUSTRIAL 15,9 %

Insulating jackets 5,3 %

Drossbach – Protection systems 7,4 %

Schlemmer - Industrial 2,9 %

Other 0,2 %

In 2024, in a constantly changing economic, regulatory and geopolitical environment

DELFINGEN Industry has defined a new roadmap to guide and structure the Group's development and performance.It focuses on

three main thrusts (optimization, rationalization and acceleration) to effectively mobilize

the Group's resources, adapt to the challenges of its markets and seize every opportunities.

• Focus 1: optimize leadership positions in the Protection Systems (PS- Automotive) activities

With 41 locations worldwide in 21 countries on 4 continents, DELFINGEN Industry is

a world leader in wiring protection solutions for the automotive market. With local roots all over the world, DELFINGEN Industry offers its customers

proximity, agility and responsiveness. The only company to offer both plastic tubing and textile

and textile sheaths, DELFINGEN Industry offers the widest range of products and services

market, with best-in-class products and services, earning it Preferred Reliable Supplier status with its customers. the world's leading cable manufacturers.

In a fast-changing automotive market, DELFINGEN Industry continues to adapt in order to

the challenges facing the industry (electrification, Chinese competition, pricing pressure,

decarbonization). To achieve this, DELFINGEN Industry is implementing the following actions:

- Concentration of its Eastern European activities in Romania and closure of the Slovakian site;

- Launch of the textile business in China;

- Ramp-up of textile business in Mexico and Honduras;

- Plan to improve efficiency and operating performance at selected plants.

• Axis 2: Rationalization of Fluid Transfer Tubes (FTT) - Automotive activities

DELFINGEN Industry has decided to restructure its Fluid Transfer Tubes (FTT) business unit.

(FTT), whose underperformance is significantly affecting the Group's results.

This BU currently generates a significant proportion of its sales (90%) from sub-assemblies dedicated to internal combustion engines, involving numerous manual assembly operations. The BU will be refocused on the extrusion of technical tubes (corrugated, multilayer, composite materials, etc.). This restructuring began in the second half of 2024 and will continue in the first half of 2025, resulting in particular in the following full-year effects:

- The discontinuation of non-contributing customer contracts, representing a drop in consolidated sales of €25 million;

- A 450-strong workforce reduction;

• Axis 3: Acceleration in the industrial market

To seize opportunities and accelerate in the growth markets of robotics, renewable energies

renewable energies, railways and agricultural machinery, DELFINGEN Industry will rely on :

- Deploying its brand platform: DROSSBACH, SCHLEMMER, REIKU ;
- The densification of its distribution network;
- A new logistics hub in Germany

This “IMPULSE 2026” roadmap has opened a new chapter for DELFINGEN Industry.

achieve industry-leading profitability, and become more resilient to economic cycles.

From an environmental point of view, this roadmap proposes a rationalization of resources and a reduction of the global environmental footprint. DELFINGEN Industry is also adapting to the challenges of the automotive industry, notably decarbonization, by offering products for electric vehicles and low-carbon products, and by strengthening the relationship of trust with our customers and suppliers, which translates into ethical and responsible business practices and a constant concern for quality.

Our focus on industrial markets (robotics, renewable energies, railways, agricultural machinery) also positions DELFINGEN Industry as a facilitator of the transition in these sectors, which are less carbon-intensive than the automotive industry. Expanding into new markets creates new job opportunities and requires the development of new skills within the company.

L’orientation vers les marchés industriels (robotique, énergies renouvelables, ferroviaire, machines agricoles) positionne en parallèle DELFINGEN Industry comme un acteur facilitateur de la transition dans ces secteurs par ailleurs moins carbonés que l’industrie automobile. Le développement sur de nouveaux marchés crée de nouvelles opportunités d’emploi et nécessite le développement de nouvelles compétences au sein de l’entreprise.

VALUE CHAIN

In 2024, a dedicated CSRD working group, mainly made up of members of the CSR Steering Committee, began the analyses required to draft our sustainability report. Tennaxia assisted them in this task. This responsibility was shared with several department heads, who participated in the project at the launch of the assignment, in individual interviews, in workshops and in the final restitution.

To carry out the double materiality analysis, we followed a number of steps:

- Value chain mapping (see section 3.1.3.1)
- Stakeholder identification (see 3.1.3.2)
- Identification of issues and IROs (see 3.1.3.3)
    Benchmark
    Definition of DELFINGEN Industry’s risks, opportunities and impacts
    Identification of dependencies
- Evaluation of IROs (see 3.1.3.3 and 3.1.4) :
    Evaluation by internal referents through workshops
    List of major risks, opportunities and impacts
    Construction of materiality matrix

Value chain mapping :

Scope of activities within DELFINGEN Industry: We gave priority to the DELFINGEN Group’s “Mobility” activities, which account for 85% of its revenues. However, we did not identify any significant differences with the Industrial activities. A value chain common to both activities was drawn up in order to map the sites where sustainability issues could emerge (Impacts, Risks, Opportunities).

UPSTREAM

Stages of the value chain + Description

RAW MATERIALS

Sourced materials

- Sourced materials
  PP PE - PVC - PA - PET
  rPP - rPA - rPET
  Polyamides (bio-based)
  Copper
  Silicone / fiberglass

Components

- Mechatronic plastic components, valves, metal components

Critical materials

- Conflict minerals (purchases of additives containing these minerals)

Hazardous materials

- (PFAS, fluorine)

Technical equipment

- (machines, processes, IT equipment, etc.)

UPSTREAM LOGISTICS

Types of transport used to transport raw materials and production equipment

Train / Road / Air

Affected stakeholders
Users of sustainability reporting

Value chain workers (excluding DELFINGEN employees)

Tier 1 suppliers

Transportation providers

Tier 2 suppliers

Local communities

Nature, the environment, biodiversity (silent stakeholder)

Insurers

Associations, NGOs

Localisation

Suppliers

Selection of local suppliers closest to each production area.
Importation from other regions possible depending on material availability.

Weather risks

Logistics provider

Selection of providers across all regions of operation between suppliers and regions Asia, Americas, Europe-Africa

IN-HOUSE OPERATIONS

Stages of the value chain + Description

R&D / INNOVATION

DELFINGEN areas of expertise

- Technical textiles
- Plastics processing
- Customized design of injection-molded parts
- Assembly and forming technologies

Comprehensive and innovative solutions
Simultaneous product/process engineering
Specialized machines
New material formulations
Control of cleanliness levels

PRODUCTION AND QUALITY

Business expertise

- Technical textiles
- Plastics processing
- Customized design of injection-molded parts
- Assembly and forming technologies

SALES AND LOGISTICS

Automotive market (84.7% of sales)

- Protection systems (67.6% of sales)
- Fluid transfer (15.3% of sales)
- Interior trim fastening (2.3% of sales, only in India)
- Logistics services and assembly (0.5% of sales)

Industrial market (15.9% of sales)

- Protection systems
- Robot beam protection

Services
Optimization of customer processes and supply chains

Logistics
Storage, order preparation, and distribution

Affected stakeholders
Users of sustainability reporting

- Collaborateurs (CSE et partenaires sociaux, employés)
- Support and IT functions
- Local communities
- Nature, the environment, biodiversity (silent stakeholder)
- Financial partners: banks, investors, shareholders
- Insurers

R&D partners
External R&D centers - Competitiveness clusters - External laboratories
Schools, universities - Service providers/ consultants

- Professional federations, professional unions in the plastics industry
- Associations, NGOs

Localisation

10 R&D centers

France (Anteuil)
Germany (Aschheim, Marktrodach)
China (Hebi)
United States (Rochester Hills, Niagara Falls)
Korea (Daegu)
Philippines (Cebu)
India (Chennai)
Romania (Satu Mare)

25 factories

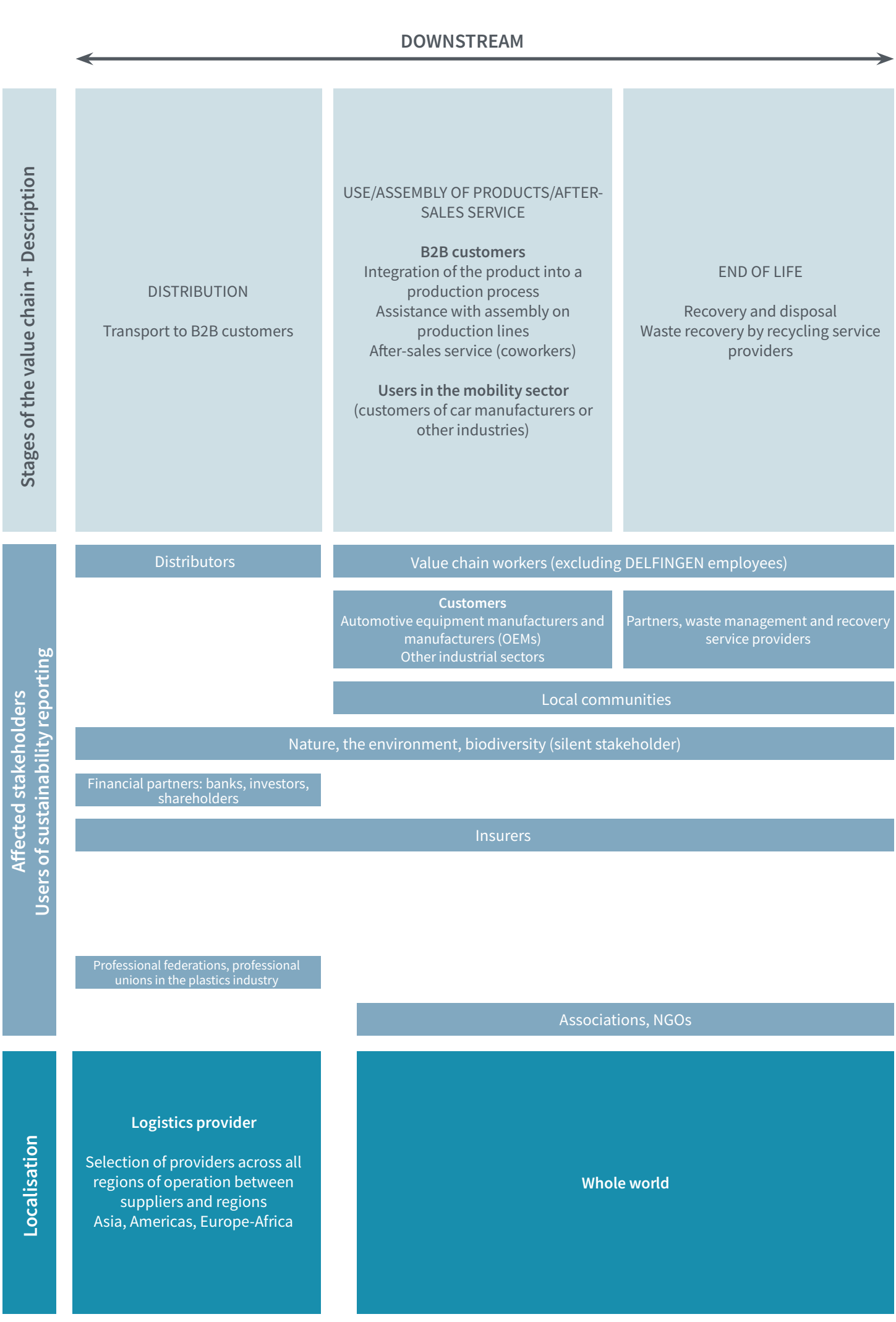
Wuhan, Hebi (China)
Cebu, Cavite (Philippines)
Pune, Chennai (India)
Gyeongsan-si (South Korea)
Arad, Satu Mare (Romania)
Nitra (Slovakia)
Anteuil (France)
Marktrodach, Hassfurt, Reiku (Germany)
Porto (Portugal)
Tangier, Casablanca (Morocco)
Fouchana (Tunisia)
Coahuila, Guanajuato (Mexico)
Cortes (Honduras)
El Paso, Niagara Falls (United States)
Sao Paulo (Brazil)
Trenton (Canada)

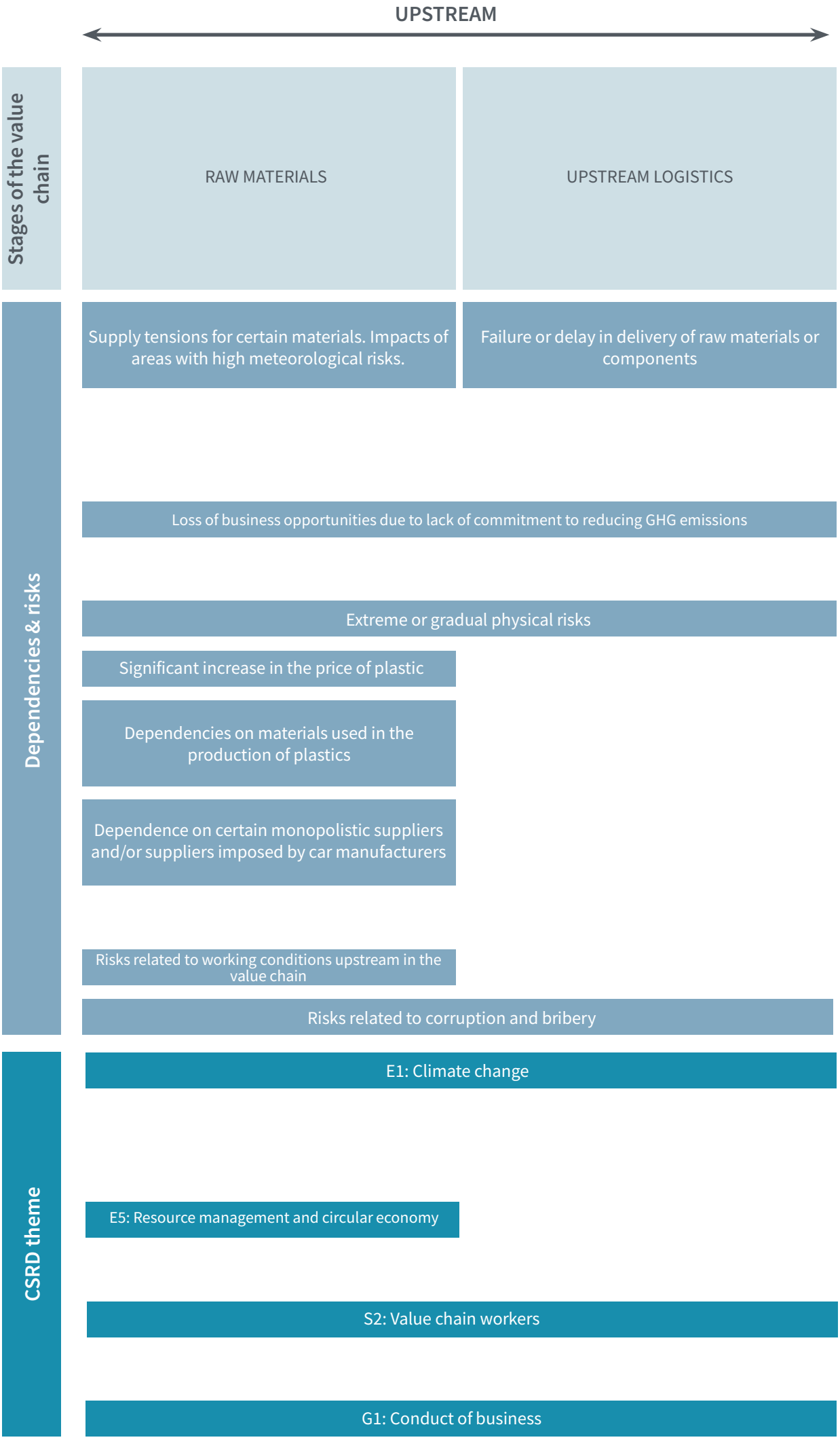
11 sales offices

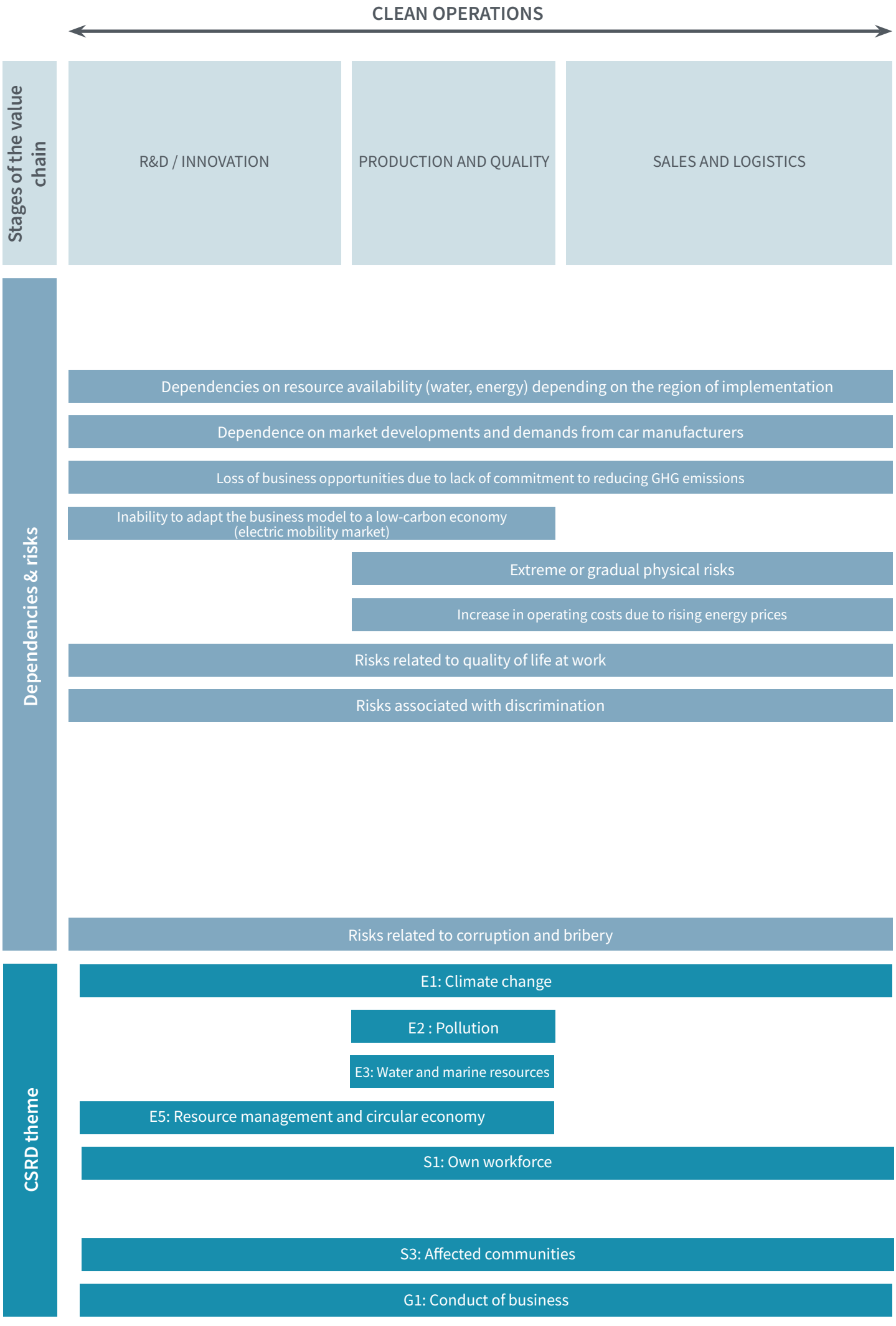
Automotive market
Europe-Africa / Americas / Asia
Industrial market

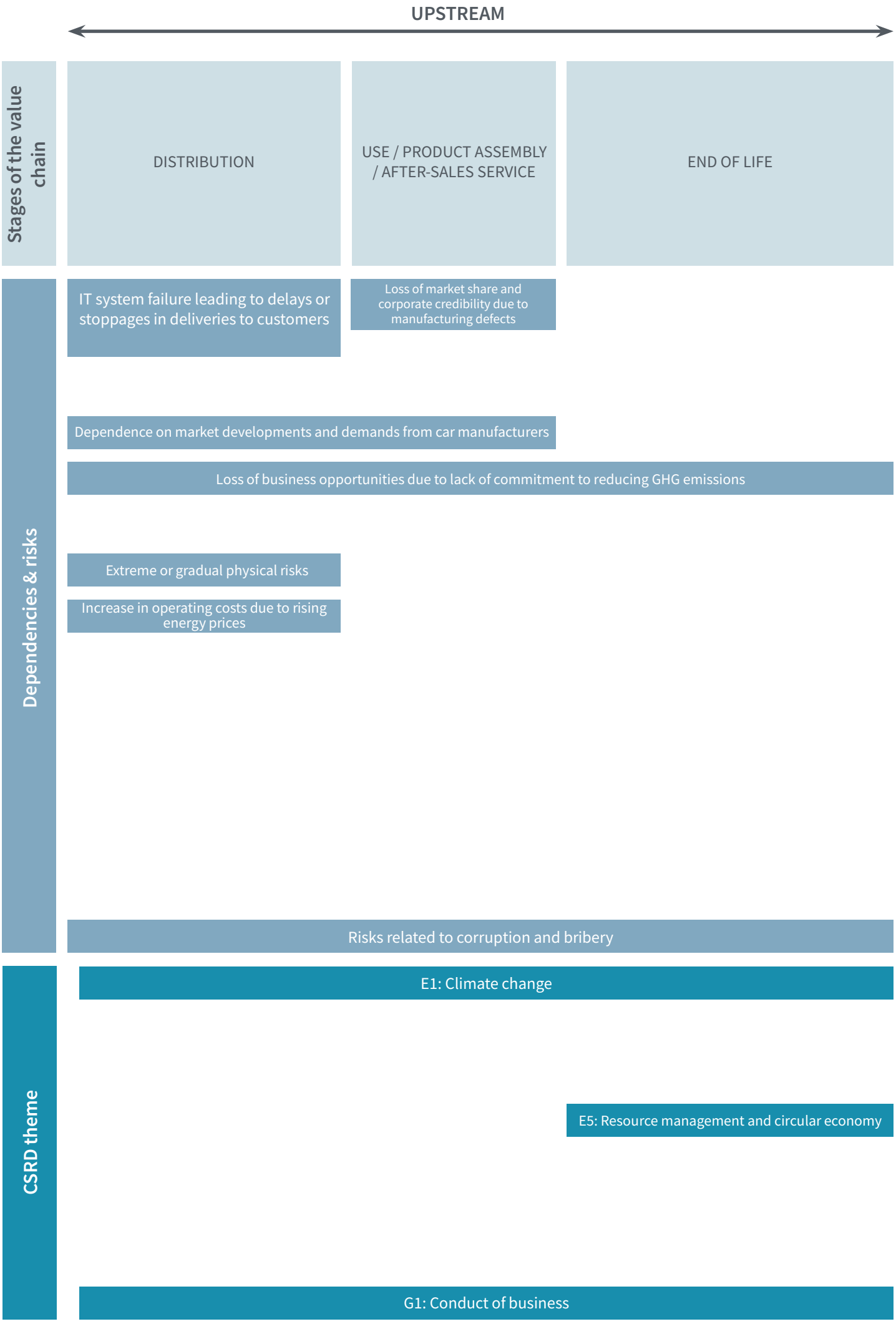
6 logistics centers

Siam (Thailand)
Verona (Italy)
Chanqchung, Chongqing (China)
Roseville, Stow (United States)


DOWNSTREAM
Stages of the value chain + Description
DISTRIBUTION
Transport to B2B customers
USE/ASSEMBLY OF PRODUCTS/AFTER-SALES SERVICE
B2B customers
Integration of the product into a production process
Assistance with assembly on production lines
After-sales service (coworkers)
Users in the mobility sector
(customers of car manufacturers or other industries)
END OF LIFE
Recovery and disposal
Waste recovery by recycling service providers
Affected stakeholders
Users of sustainability reporting
Distributors
Value chain workers (excluding DELFINGEN employees)
Customers
Automotive equipment manufacturers and manufacturers (OEMs)
Other industrial sectors
Partners, waste management and recovery service providers
Local communities
Nature, the environment, biodiversity (silent stakeholder)
Financial partners: banks, investors, shareholders
Insurers
Professional federations, professional unions in the plastics industry
Associations, NGOs
Localisation
Logistics provider
Selection of providers across all regions of operation between suppliers and regions
Asia, Americas, Europe-Africa
Whole world


UPSTREAM
Stages of the value chain
RAW MATERIALS
UPSTREAM LOGISTICS
Dependencies & risks
Supply tensions for certain materials. Impacts of areas with high meteorological risks.
Failure or delay in delivery of raw materials or components
Loss of business opportunities due to lack of commitment to reducing GHG emissions
Extreme or gradual physical risks
Significant increase in the price of plastic
Dependencies on materials used in the production of plastics
Dependence on certain monopolistic suppliers and/or suppliers imposed by car manufacturers
Risks related to working conditions upstream in the value chain
Risks related to corruption and bribery
CSRD theme
E1: Climate change
E5: Resource management and circular economy
S2: Value chain workers
G1: Conduct of business


CLEAN OPERATIONS
Stages of the value chain
R&D / INNOVATION
PRODUCTION AND QUALITY
SALES AND LOGISTICS
Dependencies & risks
Dependencies on resource availability (water, energy) depending on the region of implementation
Dependence on market developments and demands from car manufacturers
Loss of business opportunities due to lack of commitment to reducing GHG emissions
Inability to adapt the business model to a low-carbon economy (electric mobility market)
Extreme or gradual physical risks
Increase in operating costs due to rising energy prices
Risks related to quality of life at work
Risks associated with discrimination
Risks related to corruption and bribery
CSRD theme
E1: Climate change
E2 : Pollution
E3: Water and marine resources
E5: Resource management and circular economy
S1: Own workforce
S3: Affected communities
G1: Conduct of business


UPSTREAM
Stages of the value chain
DISTRIBUTION
USE / PRODUCT ASSEMBLY / AFTER-SALES SERVICE
END OF LIFE
Dependencies & risks
IT system failure leading to delays or stoppages in deliveries to customers
Loss of market share and corporate credibility due to manufacturing defects
Dependence on market developments and demands from car manufacturers
Loss of business opportunities due to lack of commitment to reducing GHG emissions
Extreme or gradual physical risks
Increase in operating costs due to rising energy prices
Risks related to corruption and bribery
CSRD theme
E1: Climate change
E5: Resource management and circular economy
G1: Conduct of business

3.1.3.2 STAKEHOLDER INTERESTS AND VIEWPOINTS (SBM-2)

Concernant l'identification des parties prenantes, elles ont été déterminées sur la base d'un travail réalisé par le prestataire externe et validé par le Comité de projet, par l'analyse des principaux flux et interactions entre le groupe et les éléments de la chaîne de valeur.

Stakeholders were identified on the basis of work carried out by Tennaxia and validated by the Project Committee, by analyzing the main flows and interactions between the Group and the elements of the value chain.

To ensure that the lack of external stakeholder input did not constitute a methodological limitation, a panel of stakeholder representatives from our various departments was selected. The people approached are recognized as internal experts in their field of competence and are representative of the issues selected. The internal referents identified represented external stakeholders according to their interest in sustainability issues and/or the way in which they are affected by these issues :

- **Upstream stakeholders:** strategic suppliers (raw materials), tier 1 and 2 suppliers (components, machines and processes), control authorities, environment (extraction of materials, etc.), design offices, research centers.
- **Stakeholders linked to internal operations:** employees, banks, financiers and investors, insurance companies, local site communities, professional federations, rating agencies, administrative authorities, associations, NGOs and public authorities.
- **Downstream stakeholders:** customers (distributors, equipment manufacturers, OEMs), the environment (emissions), local communities (if impacted by product use), non-governmental organizations, transport providers, supply chain customers.

The environment, a silent stakeholder: the environment, as a silent stakeholder, i.e. unable to express itself directly, was considered as potentially affected by DELFINGEN Industry's activities.

Finally, the Social and Economic Committee (CSE) was consulted at the beginning of 2025 on the whole process of double materiality analysis.

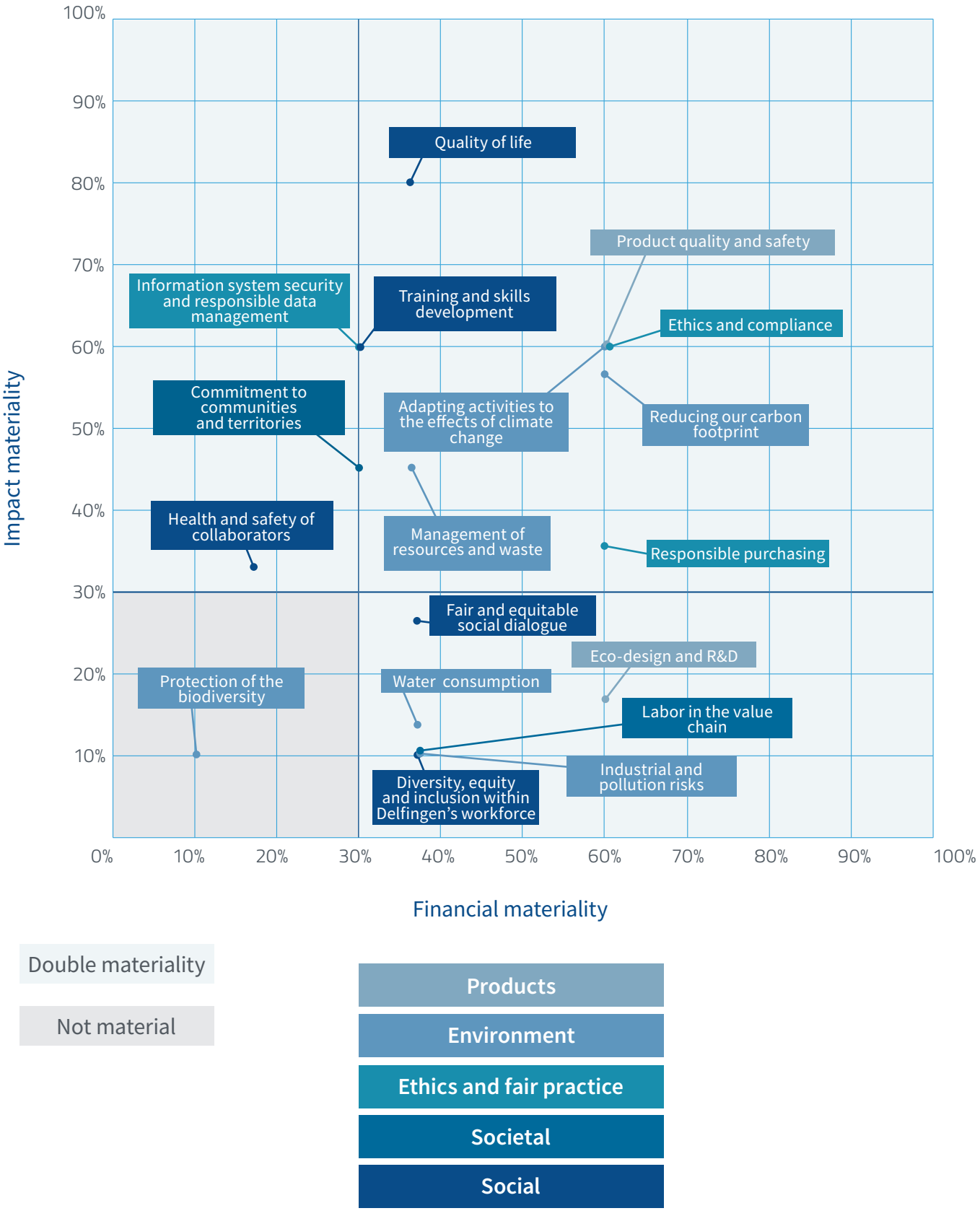
Beyond this sustainability reporting exercise, we are aware that the company contributes to an economic and social whole larger than itself. DELFINGEN Industry therefore takes into account more generally the impacts of its activity on its customers, the end-users of its products and services, its employees, its suppliers, its industrial partners, the financial community, citizens, the State and administrations.

Being the preferred partner of our customers, forging alliance strategies, promoting responsible sourcing, committing to ethical and fair business practices, developing our employees and adopting a decent work charter, co-developing the products of tomorrow, and contributing to the fight against global warming are all examples of how we take into account the interests of our stakeholders.

Furthermore, we believe that a company is not "above ground" and that its ecosystem also has a territorial reality. That's why DELFINGEN Industry invests in the vitality of the regions in which it operates, by promoting partnerships with schools and universities, business clusters, start-ups and even community initiatives.

These stakeholders have growing expectations of the company. We are convinced that we are in a position to meet these expectations, by contributing to the collective interest while ensuring the long-term viability and sustainability of DELFINGEN Industry.

3.1.3.3 MAJOR IROS AND THEIR LINK WITH STRATEGY AND BUSINESS MODEL (SBM-3)



Notes:
- The materiality threshold (30%) was set in accordance with the recommendations of our external service provider.
- Issues are ranked according to the maximum percentage of an impact, risk, or opportunity belonging to the same issues.

Summary of material IROs, time horizons, and link with the United Nations Sustainable Development Goals (SDGs) :

Negative impact = I-
Positive impact = I+
Risk = R
Oppportunity = O

ESRS	Themes	Issues	Materiality	Description	Horizon	ODD
E1	Adapting activities to the effects of climate change	I -	60 %	The consequences of climatic risks impact employees located on exposed sites and can worsen their working conditions: heat waves, drought. The company's activity (deterioration or destruction of sites) may be disrupted, leading to a reduction in jobs or orders from suppliers.	1-5 years	3, 8, 13
E1	Adapting activities to the effects of climate change	R	60 %	Extreme or progressive physical risks affecting facilities	1-5 years	9, 13
E1	Adapting activities to the effects of climate change	R	60 %	Environmental disaster affecting supply chain facilities unprepared for climate change	1-5 years	8, 13
E1	Carbon footprint reduction	R	60 %	Loss of business opportunities due to lack of commitment to reducing emissions	1-5 years	12, 13
E1	Carbon footprint reduction	R	60 %	Increase in operating costs due to volatile energy prices	1-5 years	7, 8, 13
E1	Carbon footprint reduction	O	60 %	Attract partners (customers, investors...) with an emissions reduction objective	1-5 years	8, 13
E1	Carbon footprint reduction	I -	57 %	GHG emissions throughout the supply chain contribute to climate change and impact the resilience of biodiversity and civil societies (extreme weather events: extreme heat, flooding, etc.). The use of electricity and fossil fuels in the production process results in direct and indirect emissions that can have a significant footprint.	1-5 years	13, 15
E1	Adapting activities to the effects of climate change	R	60 %	Business model not adapted to a low-carbon economy (electromobility market)	1-5 years	9, 13
E2	Industrial and pollution risks	R	36 %	Non-compliance with legal constraints on air, water and soil pollution linked to industrial activities	> 5 years	6, 14, 15

ESRS	Themes	Issues	Materiality	Description	Horizon	ODD
E3	Water consumption	R	36 %	Limitation of water consumption	1-5 years	6
E5	Resource and waste management	I +	45 %	The use of recycled materials and the reuse of post-industrial waste help reduce the use of raw materials and promote the circular economy with the development of industries that can use DELFINGEN Industry's plastic waste. The implementation of a policy aimed at limiting the volume of final waste and increasing the efficiency of each site's material consumption reduces the risk of landfilling waste that is not part of an appropriate recycling or recovery process.	1-5 years	12
E5	Resource and waste management	I -	40 %	The purchase of non-bio-sourced raw materials contributes to the depletion of natural resources. Plastic accounts for 87% of total input-related emissions. Industrial waste contributes to environmental pollution if not treated and recycled through appropriate channels (landfill).	1-5 years	12, 15
E5	Resource and waste management	R	36 %	Significant rise in plastic prices	1-5 years	12, 15
E5	Resource and waste management	O	36 %	Manufacture recyclable products that meet market requirements	1-5 years	8, 12
G1	Responsible purchasing	R	60 %	Failure or delay in delivery of raw materials or components	1-5 years	8
G1	Ethics and compliance	I +	60 %	A system applied to all Group subsidiaries enables every employee to feel protected and to denounce any dangerous situation. This is important in countries where the law does not protect whistle-blowers or employees.	< 1 year	16
G1	Ethics and compliance	O	60 %	Attractiveness of the company through a positive image (recruitment, investors, partners, etc.)	1-5 years	8
G1	Responsible purchasing	I +	36 %	Supporting suppliers and service providers in adopting a sustainability approach through a responsible purchasing policy could help them obtain labels and a better rating from rating agencies and financial partners.	1-5 years	12
G1	Ethics and compliance	R	30 %	Non-compliance with corporate and legal rules on whistleblower protection and corruption	1-5 years	16

ESRS	Thèmes	Enjeux	Matérialité	Description	Horizon	ODD
G1	Information systems security and responsible data management	R	30 %	Stopping certain operations (manufacturing, planning, delivery, invoicing)	< 1 an	9
G1	Information systems security and responsible data management	I +	60 %	Guarantee a robust information security management system, including TISAX certification	< 1 an	9
G1	Information systems security and responsible data management	I -	50 %	Uncorrected security breaches or inadequate protection measures can disrupt DELFINGEN Industry's activities (order management and tracking, late deliveries, etc.) and lead to disruptions in customers' own activities if they are not delivered.	< 1 an	9
S1	Quality of life at work	I +	80 %	Positive impact on employees' well-being at work by making workstations safer, limiting accidents and occupational illnesses, and promoting a better balance between private and family life through social policies (parenthood, teleworking, etc.).	< 1 an	3
S1	Training and skills development	I +	60 %	Deploying a career management process makes it easier to anticipate professional development needs in relation to company requirements. Employees benefit from a better projection of training courses adapted to their personal projects. It can also reduce inequalities by enabling everyone to improve their skills and enhance their employability.	1-5 ans	4, 8
S1	Quality of life at work	R	36 %	High employee turnover rate	< 1 an	3, 8
S1	Workforce diversity, equity and inclusion	O	36 %	Promotes a positive corporate image	1-5 ans	8
S1	Social dialogue	R	36 %	Deterioration in social climate and/or risk of conflict leading to deterioration in performance	1-5 ans	8
S1	Employee health and safety	I -	33 %	Impact on employees in the event of uncontrolled exposure to handling hazards, noise and dust, workstation ergonomics leading to occupational illnesses or long-term work incapacity/disability and therefore employability.	< 1 an	3

ESRS	Thèmes	Enjeux	Matérialité	Description	Horizon	ODD
S1	Training and skills development	O	30 %	Attractive employer brand to promote recruitment and employee loyalty	> 5 ans	8
S1	Quality of life at work	O	30 %	Attracting and retaining talent	> 5 ans	8, 4
S1	Workforce diversity, equity and inclusion	R	30 %	Cases of harassment and discrimination giving rise to litigation and corporate liability	1-5 ans	5, 8
S2	Value chain workers	R	36 %	Refusal of customers to buy DELFINGEN Industry products in the event of ethical problems related to labor in the value chain.	1-5 ans	8
S3	Commitment to communities and territories	I +	45 %	Through its foundations, the company improves the living conditions of its employees and their families, offering them the opportunity to be more autonomous and dignified, and helping them to take control of their lives in terms of housing, education and health.	1-5 ans	1, 3, 4, 17
S3	Commitment to communities and territories	I +	45 %	DELFINGEN Industry, through its products for the automotive and other mobility industries, enables all communities to benefit from a varied, safe and increasingly carbon-free mobility offer.	1-5 ans	9, 11
S3	Commitment to communities and territories	O	30 %	Positive image with local stakeholders linked to the DELFINGEN Foundations	1-5 ans	8, 17
S4	Product quality and safety	I +	60 %	Clear and transparent product information (e.g. environmental impact rating), enabling customers and users to make an informed choice when placing orders.	1-5 ans	12
S4	Product quality and safety	R	60 %	Loss of market share and damage to corporate image due to safety and quality defects	1-5 ans	9
S4	Product quality and safety	O	36 %	Gain market share and increase revenues by meeting sustainability expectations (customers, suppliers...)	1-5 ans	8, 12

The methodology for identifying and evaluating 38 material IROs is developed in section 3.1.4.1.

The important elements linked to each of them (governance, policies, actions, etc.) are explained in greater detail in each corresponding thematic ESRS.

Quantitative financial information on impacts, risks and opportunities (IRO) :

In our first sustainability report, we chose **not to disclose quantitative financial information** relating to the impacts, risks and opportunities (IROs) associated with sustainability issues, except in special cases.

This decision is based on the following considerations:

- **Priority to transparency and data quality:** we wish above all to present a rigorous and exhaustive analysis of our sustainability issues, with an emphasis on data quality and the transparency of our approach. Gathering and analyzing quantitative financial information requires time and resources. We favour a step-by-step approach, focusing initially on the qualitative description of our IROs.
- **Development of robust methodologies:** the financial valuation of IROs is a rapidly evolving field. Methodologies will be progressively implemented, and financial data will be integrated into our future sustainability reports.
- **Focus on actions and extra-financial performance:** this first report focuses on our concrete actions and extra-financial performance indicators in the field of sustainability. We aim to demonstrate our commitment and progress in key areas such as decarbonizing our operations.

It should be noted, however, that as part of the Group's risk management covering material financial risks (Chapter 2 of the URD), the Group does not expect any material adjustments to its financial statements as a result of these material issues.

We are committed to **strengthening the financial dimension of our sustainability reporting in** the coming years, particularly with regard to climate risk. Our aim is to provide our stakeholders with a comprehensive and transparent view of our company's sustainability performance, integrating financial, environmental and social aspects.

3.1.4. IMPACTS, RISKS AND OPPORTUNITIES

3.1.4.1 DESCRIPTION OF PROCEDURES FOR IDENTIFYING AND ASSESSING SIGNIFICANT IROS (IRO-1)

After identifying the value chain and stakeholders (see previous sections), a benchmark of potential IROs was carried out.

All the "sustainability issues" (themes, sub-themes and sub-sub-themes) of the ESRS standards were selected after an initial reading, which eliminated certain topics that were not significant for the Group, on the basis of a comparative analysis of various sources of information.

This comparative analysis, based on sector data and information from comparable companies, also enabled us to highlight sector-specific issues.

a. Characterization of sustainability issues :

Each sustainability issue was characterized according to whether it had implications for society or the environment (commonly referred to as "impacts"), or implications for DELFINGEN Industry (referred to in this case as "risks and opportunities").

These impacts, risks and opportunities were reviewed with Group management to ensure that they matched DELFINGEN Industry's context and existing risk mapping.

b. Grouping of issues :

Given the large number of sustainability issues, these were grouped into themes, with each theme representing several impacts, risks and/or opportunities. The topic "Information systems security and responsible data management", not listed in the ESRS, has also been added to the governance theme.

c. Identification of dependencies :

An initial identification of the Group's dependencies on the resources (material and immaterial) that affect it has been carried out, classified by pillar (environment, business conduct, social, societal).

This approach led to the identification of 91 IROs, which were then submitted for assessment.

d. Assessment of material IROs:

Six workshops were organized with internal referents, and with the support of Tennaxia, to assess the materiality of the Group's risks, opportunities and impacts They covered the following themes:

- Social
- Environment
- Business ethics
- Societal
- Value chain
- Information technology

Participants rated the issues they felt were relevant, then the various responses were consolidated, without weighting the answers.

e. Impact evaluation criteria :

For each impact, participants evaluated the following criteria:

- **Scale:** the level of severity/benefit of the impacts.
- **Scope:** the perimeter affected by the impacts. This may include individuals (employees, value chain employees, consumers, etc.), sites (factories, suppliers, etc.) and communities (neighboring or non-neighboring populations, including the environment, impacted by the activities).
- **Irremediability (applicable to negative impacts only):** the level of reparability of impacts (cost, time, etc.).
- **Probability:** the likelihood of impacts occurring over time.
- **Evolution and time horizon:** whether these impacts will increase, remain stable or decrease, as well as the anticipated time horizon for this evolution.

f. Risk/opportunity assessment criteria :

For each risk/opportunity, participants evaluated the following criteria:

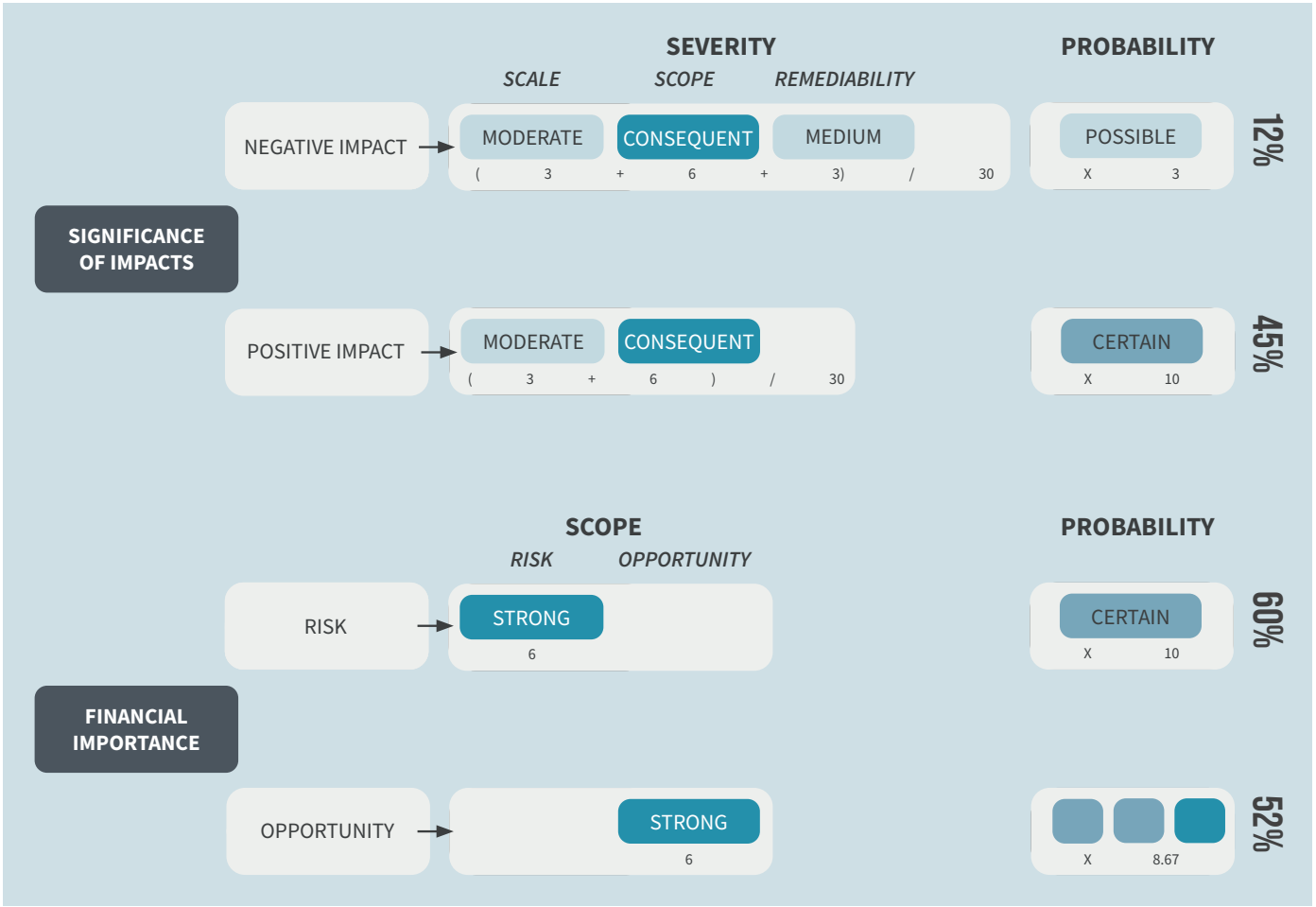
- **Level of risk or opportunity:** assessment of the risk (financial, operational, reputational or regulatory) or opportunity (same criteria) for DELFINGEN Industry.
- **Probability:** the probability of occurrence of risks has been assessed as a residual probability (i.e., taking into account the company's context and actions in place).

Impacts, risks and opportunities were assessed on a scale of 1 to 4, according to the following criteria and weightings:

RISK/OPPORTUNITY ASSESSMENT CRITERIA

IMPACTS			RISQUES & OPPORTUNITIES		
CRITERIA	**RATING SCALES**	**WEIGHTING**	**CRITERIA**	**RATING SCALES**	**WEIGHTING**
Scope of impact (severity/benefit)	• Low • Moderate • High • Critical	• 1 • 3 • 6 • 10	**Level** of risk/opportunity	• Low • Moderate • High • Critical	• 1 • 3 • 6 • 10
Scope	• Limited • Medium • Large • Widespread	• 1 • 3 • 6 • 10	**Probability** of occurrence	• Limited • Medium • Large • Widespread	• 1 • 3 • 6 • 10
Remediability (if negative impact)	• Easy • Medium • Hard • Impossible	• 1 • 3 • 6 • 10			
Probability of occurrence	• Unlikely • Possible • Probable • Certain/real • Human rights	• 1 • 3 • 6 • 10 • 10			

An example of an issue assessed:



g. Consolidation and materiality threshold:

1/ For R&O :

R/O level x Probability/100 ≥ 30% = equipment

	CONCLUSION ON FINANCIAL MATERIALITY (EQUIPMENT ≥ 30%)			
	CERTAIN/REAL	PROBABLE	POSSIBLE	IMPROBABLE
Low	1x10=10%	1x6=6%	1x3=3%	1x3=1%
Moderate	**3x10=30%**	3x6=18%	3x3=9%	3x1=3%
High	**6x10=60%**	**6x6=36%**	6x3=18%	6x1=6%
Critical	**10x10=100%**	**10x6=60%**	**10x3=30%**	10x1=10%

2/ For Impacts:

Determination of negative impacts:

To determine significant negative impacts, the following formula was used:

(Scope + Scale + Irremediability) / 30 x Probability > 30% = significant

Determination of positive impacts:

For positive impacts, the formula is identical, without the irreparability criterion (and replacing /20 with /30).

Human rights impacts :

In the event that an issue is determined to have an impact on human rights, severity (magnitude + scope + reparability) is retained as the sole criterion (without probability).

Biodiversity:

With regard to biodiversity, our materiality analysis revealed that our company's main impacts on biodiversity are linked to our greenhouse gas emissions and the potential pollution generated by our activities. Indeed:

- Our sites are located close to our customers. They are located in existing or new industrial zones, so as to benefit from local infrastructures. All sites are located away from protected environmental zones. An analysis of the environment is available in the environmental risk analysis for each site (impact on water, air, soil, wildlife and neighbors).
- Only the buildings at the Anteuil and REIKU sites and one of the buildings in the Philippines have been built by the Group, along with a few extensions. The buildings at the German sites acquired in 2014, at the Canadian site of the Drossbach North America group acquired in 2017, as well as several buildings at the Hassfurt site, Satu Mare, and one building at the Tangier site, following the acquisition of Schlemmer in 2020, are owned by the Group. All other buildings are leased and pre-existing.
- But our CO2 emissions contribute to climate change, which has a direct impact on ecosystems and biodiversity.
- Our potential discharges of wastewater and atmospheric pollutants, if not properly treated, can pollute the environment and impact aquatic fauna and flora.

This is why we have chosen to integrate biodiversity issues into our "Pollution" and "Greenhouse gas" challenges. This approach enables us to take biodiversity into account on a global scale and to implement concrete actions to preserve it, more specifically:

- We have set up an ISO 14001-certified environmental management system to reduce our ecological footprint.
- We invest in clean technologies and renewable energies to reduce our greenhouse gas emissions.
- We optimize our production processes to minimize our consumption of water and natural resources.

We are aware that our understanding of biodiversity issues is constantly evolving. We remain attentive to scientific findings, emerging impact assessment frameworks and new regulations in this area, and will adapt our materiality analysis if necessary. Our commitment to preserving biodiversity is part of a continuous improvement process.

3.1.4.2 ESRS DISCLOSURE REQUIREMENTS COVERED BY THE CORPORATE SUSTAINABILITY STATEMENT (IRO-2)

ESRS	DR and title	Section	Page
ESRS2	BP-1 – General basis for sustainability declaration	3.1.1	56
ESRS2	BP-2 – Publication of information relating to special circumstances	3.1.1	56
ESRS2	GOV-1 – The role of administrative, management and supervisory bodies	3.1.2.1	57
ESRS2	GOV-2 – Information provided to the company's administrative, management and supervisory bodies and sustainability issues addressed by these bodies	3.1.2.2	59
ESRS2	GOV-3 – Integrating sustainability performance into incentive systems	3.1.2.3	59
ESRS2	GOV-4 – Due diligence statement	3.1.2.4	60
ESRS2	GOV-5 – Risk management and internal controls of sustainability information	3.1.2.5	61
ESRS2	SBM-1 – Strategy, business model and value chain	3.1.3.1	64
ESRS2	SBM-2 – Stakeholder interests and viewpoints	3.1.3.2	72
ESRS2	SBM-3 – Important IROs and their link to strategy and business mode	3.1.3.3	73
ESRS2	IRO-1 – Description of procedures for identifying and evaluating significant IROs	3.1.4.1	78
ESRS2	IRO-2 – Publication requirements for ESRSs covered by the corporate sustainability statement	3.1.4.2	83
E1	GOV-3 – Integrating sustainability performance into incentive mechanisms in connection with ESRS 2 GOV-3	3.2.1.1	86
E1	E1-1 – Transition plan for climate change mitigation	3.2.1.2	87
E1	SBM-3 – Important IROs and their interaction with strategy and business model	3.2.1.2	87
E1	IRO-1 – Description of processes for identifying and evaluating IROs	3.2.1.3	98
E1	E1-2 – Climate change mitigation and adaptation policies	3.2.1.4	99
E1	E1-3 – Actions and resources related to climate change policies	3.2.1.5	100
E1	E1-4 – Targets for climate change mitigation and adaptation	3.2.1.6	101
E1	E1-5 – Energy consumption and mix	3.2.1.6	101
E1	E1-6 – Scope 1, 2, 3 gross GHG emissions and total GHG emissions	3.2.1.6	101
E1	E1-7 – GHG absorption and mitigation projects financed by carbon credits	3.2.1.7	110
E1	E1-8 – Internal carbon pricing	3.2.1.8	110
E1	E1-9 – Expected financial impacts of significant physical and transitional risks and potential opportunities related to climate change	3.2.1.9	110
E2	IRO-1 – Description of procedures for identifying and assessing significant pollution-related IROs	3.2.2.1	110
E2	E2-1 — Pollution policies	3.2.2.2	111

ESRS	DR and title	Section	Page
E2	E2-2 – Pollution-related actions and resources	3.2.2.3	112
E2	E2-3 — Pollution targets	3.2.2.4	112
E2	E2-4 – Air, water and soil pollution	3.2.2.5	113
E2	E2-5 Substances of concern and substances of very high concern	3.2.2.6	113
E2	E2-6 – Expected financial impact of significant pollution risks and opportunities	3.2.2.7	113
E3	E3-1 – Aquatic and marine resource policies	3.2.3.1	113
E3	E3-2 - Actions and resources relating to aquatic and marine resources	3.2.3.2	114
E3	E3-3 – Targets for aquatic and marine resources	3.2.3.3	114
E3	E3-4 – Water consumption	3.2.3.4	114
E3	E3-5 – Expected financial impact of major IROs related to aquatic and marine resources	3.2.3.5	115
E5	IRO-1 - Description of procedures for identifying and evaluating significant IROs related to resource use and the circular economy	3.2.4.1	116
E5	E5-1 - Resource utilization and circular economy policies	3.2.4.2	116
E5	E5-2 - Actions and resources relating to resource use and the circular economy	3.2.4.3	117
E5	E5-3 - Targets for resource use and the circular economy	3.2.4.4	118
E5	E5-4 - Incoming resources	3.2.4.4	118
E5	E5-5 - Outgoing resources	3.2.4.4	118
E5	E5-6 - Expected financial impact of material risks and opportunities related to resource use and the circular economy	3.2.4.4	118
S1	SBM-3 - Important IROs and their interaction with strategy and business model	3.3.1.1	120
S1	S1-1 - Policies relating to the company’s workforce	3.3.1.2	121
S1	S1-2 - Processes for interacting with the company’s workforce and their representatives about impacts	3.3.1.3	127
S1	S1-3 - Procedures for redressing negative impacts and channels for workers to raise concerns	3.3.1.4	128
S1	S1-4 - Actions on significant impacts, approaches to mitigating significant risks and seizing significant workforce opportunities	3.3.1.5	129
S1	S1-5 - Targets for managing significant negative impacts, promoting positive impacts and managing significant risks and opportunities	3.3.1.6	130
S1	S1-6 - Characteristics of company employees	3.3.1.6	130
S1	S1-7 - Characteristics of external workers forming part of the company’s workforce	3.3.1.6	130
S1	S1-8 - Collective bargaining coverage and social dialogue	3.3.1.6	130
S1	S1-9 - Diversity metrics	3.3.1.6	130
S1	S1-10 - Living wages	3.3.1.6	130
S1	S1-11 - Social protection	3.3.1.6	130
S1	S1-12 - Disabled persons	3.3.1.6	130
S1	S1-13 - Training and skills development metrics	3.3.1.6	130
S1	S1-14 - Health and safety metrics	3.3.1.6	130
S1	S1-15 - Work-life balance	3.3.1.6	130
S1	S1-16 - Compensation metrics	3.3.1.6	130

ESRS	DR and title	Section	Page
S1	S1-17 - Serious human rights cases, complaints and incidents	3.3.1.7	136
S2	SBM-3 – Significant IROs and interaction with strategy and business model	3.3.2.1	136
S2	S2-1 – Policies relating to workers in the value chain	3.3.2.2	136
S2	S2-2 – Process for interacting with value chain workers regarding impacts	3.3.2.2	136
S2	S2-3 - Procedures to remedy negative impacts and channels for value chain workers to raise concerns	3.3.2.2	136
S2	S2-4 - Actions concerning significant IROs on value chain workers and effectiveness of these actions	3.3.2.2	136
S2	S2-5 - Targets for managing significant negative impacts, promoting positive impacts and managing significant risks and opportunities	3.3.2.2	136
S3	SBM-3 - Significant IROs and interaction with strategy and business model	3.3.3.1	138
S3	S3-1 – Policies relating to affected communities	3.3.3.2	139
S3	S3-2 – Process for interacting with affected communities regarding impacts	3.3.3.3	140
S3	S3-4 - Actions concerning significant IROS on affected communities and effectiveness of these actions	3.3.3.4	140
S3	S3-5 - Targets for managing significant negative impacts, promoting positive impacts and managing significant risks and opportunities	3.3.3.5	142
S4	SBM-3 - Significant IROs and their link to strategy and business model	3.3.4.1	142
S4	S4-1 – Consumer and end-user policies	3.3.4.2	142
S4	S4-2 – Process for interacting with consumers and/or end-users regarding impacts	3.3.4.3	143
S4	S4-4 - Actions concerning significant IROS on consumers and end-users	3.3.4.4	144
S4	S4-5 - Targets for managing significant negative impacts, promoting positive impacts and managing significant risks and opportunities	3.3.4.5	144
G1	GOV-1 – The role of administrative, management and supervisory bodies	3.4.1.1	145
G1	IRO-1 – Description of procedures for identifying and evaluating significant IROs	3.4.1.2	146
G1	G1-1 – Corporate culture and business conduct policies	3.4.1.3	147
G1	G1-2 – Supplier relationship management	3.4.1.4	148
G1	G1-3 – Prevention and detection of corruption and bribery	3.4.1.5	150
G1	G1-4 – Cases of corruption or bribery	3.4.1.6	151
G1	G1-6 – Payment practices	3.4.1.7	151

3.2 ENVIRONMENT

Since its creation, the Group has been sensitive to environmental issues. It has therefore formalized an environmental policy and objectives implemented at Group sites to minimize all of the Group's environmental impacts, which are presented in sections 3.2.1 (Climate), 3.2.2 (Pollution), 3.2.3 (Aquatic resources) and 3.2.4 (Resources and circularity) below.

3.2.1 CLIMATE CHANGE

DELFINGEN Industry is aware of the climate upheaval underway and the speed of these changes.

With over 80% of its sales generated by the automotive sector, tens of thousands of tonnes of plastics processed every year, and a presence in many countries where climate change has physical consequences, DELFINGEN Industry has made the fight against global warming an essential pillar of its strategic plan.

Faced with this systemic problem, DELFINGEN Industry is implementing a strategy, based on scientific recommendations, to reduce its greenhouse gas emissions. DELFINGEN Industry is thus committed to the fight against global warming and making its contribution to the objectives of the Paris Agreements (COP21).

FOR SUSTAINABLE AND RESPONSIBLE MOBILITY

Transport accounts for almost a quarter of C02 emissions worldwide. The entire automotive industry is committed to investment and innovation programs to ensure the transition to vehicles with less polluting engines. DELFINGEN Industry is contributing to this movement by offering ever more innovative solutions to protect electrical harnesses in the increasingly demanding environments (heat, radiation, electromagnetic) induced by these new engines. DELFINGEN Industry also offers battery cooling and sensor washing solutions, which are essential to the smooth operation of these vehicles.

3.2.1.1 GOVERNANCE

The issue of climate change is addressed by the CSR Environment Leader, a member of the CSR Committee. He provides technical support to the various departments, services and the working community on the subject.

Governance of sustainability issues is described in section 3.1.2.

To date, DELFINGEN Industry's remuneration policy does not provide for any financial incentives (bonuses, premiums) directly linked to the achievement of environmental objectives for the governance, management and executive bodies. See 3.1.2.3.

3.2.1.2 STRATEGY

Transition plan for climate change mitigation

DELFINGEN Industry is committed to reducing its greenhouse gas emissions in 2029 compared with 2022 by :

- 38% in absolute terms on scope 1&2 (market based)
- 32% in value-added intensity on scope 3

DELFINGEN Industry is committed to integrating environmental issues into its global strategy. The company has set itself ambitious environmental targets for 2029, in line with the Paris Agreements, and has embarked on a SBTi (Science Based Targets initiative) to guarantee their scientific relevance.

To meet these targets, DELFINGEN Industry is mobilizing several levers:

- Energy: control of energy consumption, development of self-consumption and increased use of low-carbon energies.
- raw materials: Increased use of recycled materials, optimization of the materials mix.
- production: Localization of production and eco-design of products.
- transport: modal shift towards less CO2-emitting modes of transport.
- supply: developing sales in low-carbon sectors.

We are aware that over 10% of our sales are still linked to products used directly to fuel combustion engines, generating “locked-in” greenhouse gas emissions. However, we have implemented a diversification strategy, focusing on the development of solutions for electric mobility and hybrid vehicles, enabling us to achieve our decarbonization objectives.

DELFINGEN Industry does not invest in activities related to fossil fuels and is not excluded from the “Paris Agreement” benchmarks, in accordance with Article 12 of the European Commission’s Delegated Regulation (EU) 2020/1818, since DELFINGEN Industry does not derive its revenues from the sale of controversial weapons, tobacco, coal, oil and gas fuels, or from greenhouse-gas-intensive power generation. Similarly, DELFINGEN Industry has not violated international OECD standards or caused significant environmental damage.

Our transition plan is an essential component of the company’s overall strategy, validated by our governing bodies. A new 5-year strategic plan, which will deepen the integration of the environmental dimension into all our activities, will be drawn up during 2025.

We measure our carbon footprint annually to monitor our progress and adjust our actions if necessary. The results of this analysis are transparently communicated to our stakeholders.

Delfingen Industry analyzed its business model against the European taxonomy during 2024, with sales, OPEX and CAPEX for 2023. Currently, 0% of its sales, operating expenses (OPEX) and capital expenditure (CAPEX) are aligned with this taxonomy.

As a reminder, the criteria for alignment with the European taxonomy require that sales, OPEX and CAPEX be both :

- **Eligible:** i.e. the activities concerned must correspond to markets identified by the European Commission as making a significant contribution to the decarbonization of the economy. Delfingen Industry is present in some of these eligible markets, notably : - La fabrication de composants pour les trains

  - The manufacture of components for trains
  - The manufacture of components for household appliances
  - The manufacture of components for heat pumps
  - Other low-carbon manufacturing technologies

- **Aligned:** These activities must meet precise technical selection criteria, while respecting the principles of environmental non-harmfulness and minimum social guarantees.

  - One of the principles of environmental neutrality studied is climate risk assessment. To date, Delfingen Industry has assessed its exposure to climate risk for its own activities. The company is currently assessing its exposure and vulnerability to the main physical climate risks that could affect its development across its entire value chain.

However, this methodology has not yet been applied to all adaptation solution sites, in accordance with the steps defined in Appendix A of the Taxonomy Delegated Act relating to climate objectives, thus derogating from the principle of environmental harmlessness.

- a second principle of environmental non-harm is eco-design. Although Delfingen Industry has initiated an eco-design process for its products, this process is currently limited to assessing the carbon footprint, and is not subject to external audit, which could be improved in view of the technical selection criteria.

As a result, despite Delfingen Industry's efforts to develop a range of low-carbon products (with 95% recycled materials), the alignment of its sales, OPEX and CAPEX with the European taxonomy is currently 0%.

Standard table TAXONOMY

General information				Appendix		
Revenue						
Economic activities (1)	Code (2)	Total revenue	Proportion of revenue	Proportion of total revenue aligned with the taxonomy, year 2022	Category (enabling activity) (20)	Category (transitional activity) (21)
Text		Millions	%	%	E	T
A. ACTIVITIES ELIGIBLE FOR TAXONOMY						
A.1. Environmentally sustainable activities (aligned with taxonomy)						
Manufacture of components for trains	CCM 3.3	0.393	0.09%	/	E	
Manufacture of components for other building equipment	CCM 3.5	0.333	0.07%	/	E	
Revenue from environmentally sustainable activities (aligned with taxonomy) (A1)				/		
Of which enabling		0.726	0.16%			
Of which transitional		0				
A.2 Activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy)						
Revenue from activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy) (A2)		0				
A. Revenue from activities eligible for the taxonomy (A.1+A.2)		0.726				
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY						
Revenue from activities not eligible for the taxonomy		456.0	99.84%			
Total (A+B)		456.7	100%			

General information	Environmental reports					
Revenue						
	Substantive contribution criteria					
Economic activities (1)	Climate change mitigation (3)?	Climate change adaptation (6)?	Water (7)?	Pollution (8)?	Circular economy (9)?	Biodiversity (10)?
Text						
A. ACTIVITIES ELIGIBLE FOR TAXONOMY						
A.1. Environmentally sustainable activities (aligned with taxonomy)						
Manufacture of components for trains	O	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of components for other building equipment	O	N/EL	N/EL	N/EL	N/EL	N/EL
Revenue from environmentally sustainable activities (aligned with taxonomy) (A1)						
Of which enabling	100%	0%	0%	0%	0%	0%
Of which transitional						
A.2 Activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy)						
Revenue from activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy) (A2)						
A. Revenue from activities eligible for the taxonomy (A.1+A.2)						
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY						
Revenue from activities not eligible for the taxonomy						
Total (A+B)						

General information	Social report					
Revenue						
	DNSH criterion (Do Not Significantly Harm)					
Economic activities (1)	Climate change mitigation (3)?	Climate change adaptation (6)?	Water (7)?	Pollution (8)?	Circular economy (9)?	Biodiversity (10)?
Text		O/N	O/N	O/N	O/N	O/N
A. ACTIVITIES ELIGIBLE FOR TAXONOMY						
A.1. Environmentally sustainable activities (aligned with taxonomy)						
Manufacture of components for trains	N	N	O	O	N	O
Manufacture of components for other building equipment	N	N	O	O	N	O
Revenue from environmentally sustainable activities (aligned with taxonomy) (A1)						
Of which enabling	N	N	O	O	N	O
Of which transitional						
A.2 Activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy)						
Revenue from activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy) (A2)						
A. Revenue from activities eligible for the taxonomy (A.1+A.2)						
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY						
Revenue from activities not eligible for the taxonomy						
Total (A+B)						

General information				Appendix		
OPEX						
Economic activities (1)	Code (2)	Total revenue	Proportion of revenue	Proportion of total revenue aligned with the taxonomy, year 2022	Category (enabling activity) (20)	Category (transitional activity) (21)
Text		Millions	%	%	E	T
A. ACTIVITIES ELIGIBLE FOR TAXONOMY						
A.1. Environmentally sustainable activities (aligned with taxonomy)						
Manufacture of components for trains	CCM 3.3	0.018	4.38%	/	E	
Manufacture of components for other building equipment	CCM 3.5	/	0.00%	/	E	
Revenue from environmentally sustainable activities (aligned with taxonomy) (A1)						
Of which enabling		/	0.00%	/		
Of which transitional		0				
A.2 Activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy)						
Revenue from activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy) (A2)		0				
A. Revenue from activities eligible for the taxonomy (A.1+A.2)		/				
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY						
Revenue from activities not eligible for the taxonomy		0.4	95.80%			
Total (A+B)		0.43	100%			

General information	Environmental reports					
OPEX						
	Substantive contribution criteria					
Economic activities (1)	Climate change mitigation (3)?	Climate change adaptation (6)?	Water (7)?	Pollution (8)?	Circular economy (9)?	Biodiversity (10)?
Text						
A. ACTIVITIES ELIGIBLE FOR TAXONOMY						
A.1. Environmentally sustainable activities (aligned with taxonomy)						
Manufacture of components for trains	O	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of components for other building equipment	O	N/EL	N/EL	N/EL	N/EL	N/EL
Revenue from environmentally sustainable activities (aligned with taxonomy) (A1)						
Of which enabling	100%	0%	0%	0%	0%	0%
Of which transitional						
A.2 Activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy)						
Revenue from activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy) (A2)						
A. Revenue from activities eligible for the taxonomy (A.1+A.2)						
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY						
Revenue from activities not eligible for the taxonomy						
Total (A+B)						

General information	Social report					
OPEX						
	DNSH criterion (Do Not Significantly Harm)					
Economic activities (1)	Climate change mitigation (3)?	Climate change adaptation (6)?	Water (7)?	Pollution (8)?	Circular economy (9)?	Biodiversity (10)?
Text		O/N	O/N	O/N	O/N	O/N
A. ACTIVITIES ELIGIBLE FOR TAXONOMY						
A.1. Environmentally sustainable activities (aligned with taxonomy)						
Manufacture of components for trains	N	N	O	O	N	O
Manufacture of components for other building equipment	N	N	O	O	N	O
Revenue from environmentally sustainable activities (aligned with taxonomy) (A1)						
Of which enabling	N	N	O	O	N	O
Of which transitional						
A.2 Activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy)						
Revenue from activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy) (A2)						
A. Revenue from activities eligible for the taxonomy (A.1+A.2)						
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY						
Revenue from activities not eligible for the taxonomy						
Total (A+B)						

General information				Appendix		
CAPEX						
Economic activities (1)	Code (2)	Total revenue	Proportion of revenue	Proportion of total revenue aligned with the taxonomy, year 2022	Category (enabling activity) (20)	Category (transitional activity) (21)
Text		Millions	%	%	E	T
A. ACTIVITIES ELIGIBLE FOR TAXONOMY						
A.1. Environmentally sustainable activities (aligned with taxonomy)						
Manufacture of components for trains	CCM 3.3	/	/	/	E	
Manufacture of components for other building equipment	CCM 3.5	/	/	/	E	
Revenue from environmentally sustainable activities (aligned with taxonomy) (A1)						
Of which enabling		/	/	/		
Of which transitional		0				
A.2 Activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy)						
Revenue from activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy) (A2)		0				
A. Revenue from activities eligible for the taxonomy (A.1+A.2)		/				
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY						
Revenue from activities not eligible for the taxonomy		0.21	100 %			
Total (A+B)		0.21	100 %			

General information	Environmental reports					
CAPEX						
	Substantive contribution criteria					
Economic activities (1)	Climate change mitigation (3)?	Climate change adaptation (6)?	Water (7)?	Pollution (8)?	Circular economy (9)?	Biodiversity (10)?
Text		O/N	O/N	O/N	O/N	O/N
A. ACTIVITIES ELIGIBLE FOR TAXONOMY						
A.1. Environmentally sustainable activities (aligned with taxonomy)						
Manufacture of components for trains	O	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of components for other building equipment	O	N/EL	N/EL	N/EL	N/EL	N/EL
Revenue from environmentally sustainable activities (aligned with taxonomy) (A1)						
Of which enabling	100%	0%	0%	0%	0%	0%
Of which transitional						
A.2 Activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy)						
Revenue from activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy) (A2)						
A. Revenue from activities eligible for the taxonomy (A.1+A.2)						
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY						
Revenue from activities not eligible for the taxonomy						
Total (A+B)						

General information	Social report					
CAPEX						
	DNSH criterion (Do Not Significantly Harm)					
Economic activities (1)	Climate change mitigation (3)?	Climate change adaptation (6)?	Water (7)?	Pollution (8)?	Circular economy (9)?	Biodiversity (10)?
Text		O/N	O/N	O/N	O/N	O/N
A. ACTIVITIES ELIGIBLE FOR TAXONOMY						
A.1. Environmentally sustainable activities (aligned with taxonomy)						
Manufacture of components for trains	N	N	O	O	N	O
Manufacture of components for other building equipment	N	N	O	O	N	O
Revenue from environmentally sustainable activities (aligned with taxonomy) (A1)						
Of which enabling	N	N	O	O	N	O
Of which transitional						
A.2 Activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy)						
Revenue from activities eligible for taxonomy but not environmentally sustainable (activities not aligned with taxonomy) (A2)						
A. Revenue from activities eligible for the taxonomy (A.1+A.2)						
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY						
Revenue from activities not eligible for the taxonomy						
Total (A+B)						

Important IROs and their interaction with strategy and business model

Analysis of the risks and opportunities associated with climate change reveals significant challenges for DELFINGEN Industry, both in terms of physical risks and transition risks across its entire value chain.

Physical risks mainly concern the adaptation of activities to the effects of climate change. These risks include :

- The impact of climatic consequences (heatwaves, droughts) on the working conditions of employees located at exposed sites, and the risk of disruption to the company's business (degradation or destruction of sites), which could lead to a reduction in jobs or orders from suppliers.
- Extreme or progressive physical risks affecting facilities.
- Environmental disasters affecting supply chain facilities unprepared for climate change.

These risks underline the need to strengthen the resilience of operations and protect employees in the face of extreme climatic events.

At the same time, transition risks are linked to reducing carbon footprints and adapting operations to the effects of climate change. They result in :

- The loss of business opportunities due to a lack of commitment to reducing emissions.
- Increased operating costs due to volatile energy prices.
- Unsuitability of the business model for a low-carbon economy (electromobility market).

However, the transition to a low-carbon economy also presents opportunities, not least that of attracting partners (customers, investors, etc.) who share a common goal of reducing emissions.

It is crucial to emphasize that GHG emissions throughout the supply chain contribute to climate change and impact the resilience of biodiversity as well as civil societies (extreme weather events), which can accelerate the physical and transitional risks impacting DELFINGEN Industry.

In line with ISO14001 expectations, DELFINGEN Industry has carried out an environmental study at all its sites to identify the physical risks to its own activities. Over the next few years, this analysis will be supplemented by a study of physical risks throughout the value chain at sites considered to be representative for the Group (in terms of region and size). In the long term, these studies will be supplemented by climate impact projections and scenarios based on climate science.

3.2.1.3 IRO MATERIALS

The following IROS have been identified with regard to Climate Change:

Topics	Issues	Materiality	Impacts
Adapting activities to the effects of climate change	I -	60%	The consequences of climatic risks impact employees located on exposed sites and can worsen their working conditions: heatwaves, drought. The company's activity (deterioration or destruction of sites) may be disrupted, leading to a reduction in jobs or orders from suppliers.
Adapting activities to the effects of climate change	R	60%	Extreme or progressive physical risks affecting facilities
Adapting activities to the effects of climate change	R	60%	Environmental disaster affecting supply chain facilities unprepared for climate change
Carbon footprint reduction	R	60%	Loss of business opportunities due to lack of commitment to reducing emissions
Carbon footprint reduction	R	60%	Increased operating costs due to volatile energy prices
Carbon footprint reduction	O	60%	Attract partners (customers, investors...) with an emissions reduction objective
Carbon footprint reduction	I -	57%	GHG emissions throughout the supply chain contribute to climate change and impact the resilience of biodiversity and civil societies (extreme weather events: extreme heat, flooding, etc.). The use of electricity and fossil fuels in the production process results in direct and indirect emissions that can have a significant footprint.
Adapting activities to the effects of climate change	R	60%	Business model unsuited to a low-carbon economy (electromobility market)

The process for assessing their materiality is described in section 3.1.4.

3.2.1.4 CLIMATE CHANGE MITIGATION AND ADAPTATION POLICIES

DELFINGEN Industry does not yet have a policy dedicated to adapting to the physical risks induced by climate disruption. However, contingency plans already exist for each site, including risks of natural disasters.

In September 2024, DELFINGEN Industry commissioned its first climate resilience analysis of current physical risks in the value chain (upstream and downstream) of its head office, based on the OCARA methodology (Référentiel d'analyse de la résilience des entreprises aux impacts du changement climatique developed by Cabinet Carbone 4 in partnership with Ademe, HDI Global France, Bureau Veritas and the CCI Grand Est). In 2025, DELFINGEN Industry plans to roll out this analysis to sites considered representative for the Group (in terms of region and size), in order to provide input for contingency plan updates.

In the longer term, climate impact projections and scenarios based on climate science will be integrated.

With regard to the risk of DELFINGEN Industry's business model being ill-suited to a low-carbon economy (electromobility market), the associated policy stems from the more general process of defining and deploying the company's strategy, under the responsibility of the Executive Committee, which draws up the 5-year strategic plans, their priorities and objectives.

Already identified in the previous plan, the automotive market is evolving towards increasingly connected, autonomous and electrified vehicles. At the same time, the new 2026 roadmap has implications for the Group's environmental strategy.

- **Protection systems (PS) for the automotive industry:** DELFINGEN aims to reinforce its leading position in this market, by focusing on textile products for vehicle batteries. These textile products, which are mainly used in battery environments, have a relatively lower impact during product use.
- **Fluid transfer tubes (FTT) for internal combustion vehicles:** DELFINGEN plans to rationalize this business. This involves two things:

  - Reducing sales of products for thermal technologies, thereby lowering the carbon impact associated with the use of these products.

  - Reducing the consumption of technical raw materials, which have a higher carbon impact during production than the other polymers used by the company. This means fewer emissions linked to the purchase of raw materials.

- **Non-automotive industrial market:** DELFINGEN is keen to develop further in this sector, where the carbon impact of product use is relatively lower than in the automotive sector.

With regard to mitigation, DELFINGEN Industry is committed to significantly reducing its greenhouse gas (GHG) emissions by 2029, taking 2022 as the reference year. The targets are as follows:

- **Scope 1 and 2 (absolute value):** 38% reduction in direct and indirect emissions linked to energy consumption.
- **Scope 3 (value-added intensity):** 32% reduction in the carbon intensity of indirect emissions linked to the entire value chain.

To achieve these objectives, DELFINGEN Industry is implementing a multi-faceted strategy:

- **Energy management:** optimization of energy consumption and increased use of renewable energies.
- **Eco-design:** integrating recycled materials into products and optimizing their lifecycle.
- **Logistics:** improving supply chain management and localizing production.
- **Offer diversification:** sales development in electromobility and low-carbon markets (such as the development of our low-carbon textile range containing 95% recycled materials).

DELFINGEN Industry does not have a quantified plan for 2024 to achieve these global decarbonization objectives. One of the objectives for 2025 will be to transform the decarbonization workstreams or action levers into quantified targets integrated into the Group's overall strategy.

Scope of application of this policy

DELFINGEN Industry's GHG emissions reduction policy covers all its activities and value chain, both upstream and downstream. It applies to all sites and geographical areas where the company operates.

Stakeholder involvement is described in detail in section 3.1.3.2.

Governance

Governance of the GHG emissions reduction policy is ensured as described in paragraph GOV-1. The strategy is steered by the CSR Committee. The strategy is implemented by the heads of the various departments.

Control mechanisms

DELFINGEN Industry has set up several mechanisms to monitor and control the implementation of its climate change adaptation and mitigation policy:

- **SBTi validation:** emission reduction targets are currently being validated by the Science Based Targets (SBTi) initiative, ensuring their alignment with the Paris Agreements.
- **Performance indicators:** a carbon footprint is produced annually in-house by the CSR environmental leader. This makes it possible to measure progress in reducing GHG emissions.
- **Critical analysis of the carbon footprint:** every year, a critical analysis of the carbon footprint is carried out by an external body to certify the calculation methodology.

3.2.1.5 ACTIONS AND RESOURCES RELATED TO CLIMATE CHANGE POLICIES

Based on its climate change mitigation policy, DELFINGEN Industry has drawn up action plans for its entire value chain.

Purchasing goods and services	• Improve carbon footprint measurements of purchased materials • Steer purchasing towards materials that have less impact on the environment • Raising awareness of plastic-related environmental issues among teams and across the value chain • Improve processes by reducing material loss during production.
Business travel	• Electrification of company-operated vehicles • Reduction of intercontinental flights
Energy	• Measurement of electrical consumption • Improving the electrical performance of processes • Development of low-carbon energy contracts
Waste	• Improved management of waste-related data • Reduction of waste quantities
Use of products sold	• Development of a range of low-carbon products (95% recycled materials) for electric vehicles • Orientation of outlets towards low-carbon industrial sectors
End-of-life of products sold	• Improving product recyclability

The aim for 2025 is to prepare the transformation of these workstreams into quantified objectives to be integrated into the next strategic plan in 2026. DELFINGEN Industry is not currently in a position to communicate on the time horizons of each action, nor the type and amount of current and future financial resources linked to the action plan.

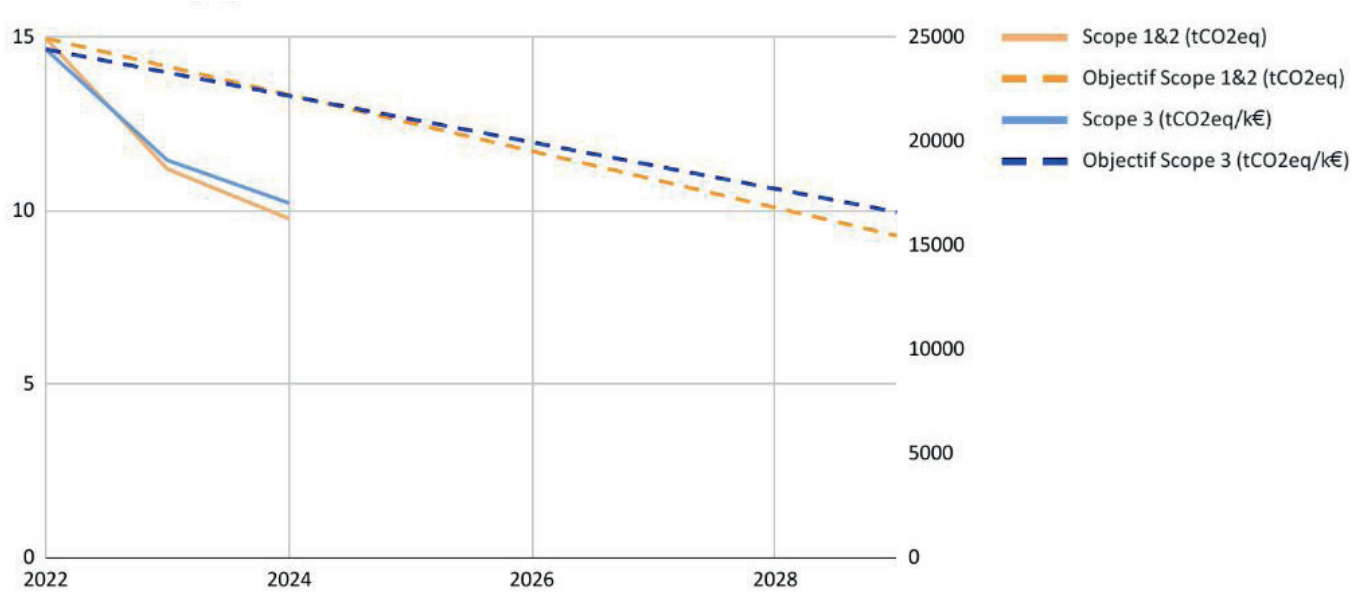
3.2.1.6 METRICS AND TARGETS

	Type of target	Unit	Reference year 2022	Target year 2029	2029 target
Scope 1&2 (market based)	Absolute	Tons CO2	24 957 tCO2	38 % reduction	15 473 tCO2
Scope 3	Value added intensity	Tons CO2/k€	14.5 tCO2/k€	32 % reduction	9.86 tCO2/k€ ou 1 922 000 tCO2*

*based on value-added scenarios

Monitoring carbon footprint reduction targets

Keeping our commitments



Target definition method and assumptions

DELFINGEN Industry has defined ambitious targets for reducing its greenhouse gas (GHG) emissions by 2029, based on a rigorous methodology:

- **SBTi methodology:** Targets were defined following a scientific methodology aligned with the Paris Agreement. DELFINGEN Industry has since transcribed these targets to a scope in line with the Science Based Targets Initiative (SBTi) methodology, and is currently engaged in the SBTI validation process.
- **GHG protocol methodology:** DELFINGEN Industry's CO2 emissions are calculated according to the GHG protocol methodology.
- **Global approach:** Targets cover DELFINGEN's entire value chain, both upstream and downstream, reflecting a global approach to the company's environmental responsibility.
- **Added value:** Added value is defined as: VA = Ebitda + personnel costs + taxes - operating subsidies.

Means of controlling results

DELFINGEN Industry has set up a rigorous monitoring and control system to ensure that its environmental targets are met:

- **Data collection and consolidation:** Data relating to DELFINGEN Industry's carbon footprint is collected and consolidated internally, from the company's various sites and activities.
- **External critical analysis:** Carbon footprint data are subject to external critical analysis, ensuring their reliability and consistency.
- **Data audit :** Financial and non-financial data, including carbon footprint data, are audited to ensure accuracy and transparency.
- **Extra-financial reporting:** The results achieved in terms of GHG emissions reduction are published transparently in DELFINGEN Industry's extra-financial report.
- **Dialogue with stakeholders:** DELFINGEN Industry's environmental targets have been discussed and supported by investors, and designed taking into account the commitments of our main customers.



Emission sources	2022** (t CO2)	2023** (t CO2)	2024 (t CO2)	Changement 2024 par rapport à 2023 tCO2 (%)		Changement 2024 par rapport à 2022 tCO2 (%)		Objectifs 2029 par rapport à 2022 (%)
Direct emissions from stationary combustion sources	1 422	1 372	975	-397	(-29%)	-447	(-31%)	
Direct emissions from mobile combustion sources	384	321	382	61	(19%)	-2	(-1%)	
Direct emissions from processes	0	0	0	0)	(0%	0	(0%)	
Direct fugitive emissions	399	981	135	-846	(-86%)	-264	(-66%)	
Total Scope 1	**2 205**	**2 673**	**1 492**	**-1 181**	**(-44%)**	**-713**	**(-32%)**	
Indirect emissions related to electricity consumption (market based)	22 751	16 005	14 806	-1 199	(-7%)	-7 945	(-35%)	
Indirect emissions related to electricity consumption (location based)	22 751	21 243	22 234	991	(5%)	-517	(-2%)	
Indirect emissions related to steam, heat, or cooling consumption	1	0	0	0	(0%)	-1 (-100%)	(-100%)	
Total Scope 2 (market based)	**22 752**	**16 005**	**14 806**	**-1 199**	**(-7%)**	**-7 946**	**(-35%)**	
Total Scope 2 (location based)	**22 752**	**21 243**	**22 234**	**1 009**	**(4%)**	**-518**	**(-2%)**	
Total Scope 1&2 (market based)	**24 957**	**18 678**	**16 298**	**-2 378**	**(-13%)**	**-8 659**	**(-35%)**	**-38%**
Purchased products and services	185 820.20	171 018.18	153 865	-17 151	(-10%)	-32 295	(-17%)	
Fixed assets	3 552	7 371	7 646	275	(4%)	4 094	(115%)	
Emissions related to fuel and energy (not included in Scope 1 or Scope 2)	3 042	1 789	1 742	-47	(-2%)	-1 300	(-42%)	
Upstream freight transport and distribution	5 327	7 153,65	7 253	99	(1%)	-1 906	(-21%)	
Waste generated	3 704	2 148	1 091	-1 057	(-49%)	-2 613	(-71%)	
Business travel	776	473	558	85	(18%)	-218	(-28%)	
Commuting	4 150	3 036	4 510	1 474	(49%)	360	(9%)	
Other upstream indirect emissions	17	0	0	0	(0%)	-17 (-100%)	(115%)	
Total Scope 3 Upstream	**206 388**	**192 987**	**176 664**	**-14 888**	**(-8%)**	**-33 896**	**(-16%)**	
Downstream freight transport and distribution	10 653	10 720.04	9 741	-979	(-9%)	-10 138	(-51%)	
Processing of products sold	0	0	0	0	(0%)	0	(0%)	
Use of products sold	1 714 979.66	1 639 301	1 406 691	-232 610	(-14%)	-385 908	(-22%)	
End of life of products sold	55 717.07	57 666	48 921	-8 745	(-15%)	-4 239	(-8%)	
Total Scope 3 Downstream	**1 781 350**	**1 675 385**	**1 465 353**	**-210 031**	**(-13%)**	**-315 997**	**(-18%)**	
Total Scope 3	**1 987 738**	**1 909 178**	**1 642 017**	**-226 355**	**(-14%)**	**-345 721**	**(-17%)**	**-3%***
Total	**2 012 695**	**1 927 857**	**1 658 315**	**-228 736**	**(-14%)**	**-354 380**	**(-17%)**	

*based on value-added scenario

**Calculations for the years 2022 and 2023 have been restated to take account of methodological changes, in order to ensure greater consistency in the results.

DELFINGEN Industry does not currently calculate its greenhouse gas emissions by product or sector of activity. DELFINGEN Industry does not consolidate its greenhouse gas emissions by subsidiary, region or site. DELFINGEN Industry does not engage in regulated emissions trading.

Table of uncertainties

Numbers	Emission items	Overall uncertainties
1-1	Direct emissions from stationary combustion sources	Low
1-2	Direct emissions from mobile combustion sources	Medium
1-3	Direct emissions from processes	/
1-4	Direct fugitive emissions	Low
2-1	Indirect emissions from electricity consumption	Low
2-2	Indirect emissions from the consumption of steam, heat or refrigeration	/
3-1	Products and services purchased	Medium
3-2	Fixed assets	Medium
3-3	Emissions from fuels and energy (not included in Scope 1 or Scope 2)	Low
3-4	Inbound freight and distribution	High
3-5	Waste generation	Medium
3-6	Business travel	Medium
3-7	Commuting to work	Medium
3-8	Upstream leasing assets	/
	Other upstream indirect emissions	/
3-9	Downstream freight transport and distribution	High
3-10	Transformation of sold products	/
3-11	Use of products sold	High
3-12	End of life of products sold	High
3-13	Downstream leasing assets	/
3-14	Franchises	/
3-15	Investments	/
	Other downstream indirect emissions	/

An analysis of DELFINGEN Industry's carbon footprint highlights the company's drive to reduce greenhouse gas emissions.

Scope 1

Although these issues represent less than 0.1% of the Group's carbon footprint, they are the emissions on which DELFINGEN Industry has the greatest capacity for action. In this respect, DELFINGEN Industry's strategy of electrifying its company car fleet is a lever we are continuing to deploy.

Scope 2 (market based)

Reducing emissions linked to electricity consumption remains a priority for DELFINGEN Industry. In addition to controlling electricity consumption, the development of renewable energy contracts for our European sites is the action lever that most explains the reduction in our greenhouse gas emissions. By 2024, renewable energy contracts will account for 45% of the total electricity consumed by DELFINGEN Industry.

Scope 3

DELFINGEN Industry's reductions in Scope 3 emissions are mainly due to two factors:

- The orientation of our markets: the reduction of our sales in the market for fluid transfer tubes (FTT), dedicated to internal combustion vehicles, which is one of our most emissive markets. A second, more passive point is the growing electrification of the existing vehicle fleet, with more and more electric vehicles compared with combustion-powered vehicles: the average emission factors for the use of our products benefit from this.

- The orientation of our materials mix towards materials that have less impact on climate change, notably the creation of our low-carbon materials range (95% recycled materials), as well as better knowledge of the emission factors of our materials through collaboration with our suppliers, imply a reduction in our emissions from purchased products and services. Currently, 13.8% of the emission factors of our raw materials come from our suppliers.

Overall, DELFINGEN Industry is committed to continuous progress to reduce its carbon footprint, and we are meeting our emission reduction targets through the actions we have taken.

Methodology

DELFINGEN Industry's carbon footprint is calculated on a calendar year basis, using the GHG protocol methodology. As the company has no upstream or downstream assets, or even investments, these categories have been excluded from the carbon footprint calculation. In addition, DELFINGEN Industry's products are assembled by hand, so the "transformation of products sold" category has no impact on the result. DELFINGEN Industry does not currently account for biogenic carbon. DELFINGEN Industry consolidates all greenhouse gas emissions with the same scope as financial consolidation.

The carbon footprint is based on the following assumptions:

	Structural assumptions	Data source / emission factor (EF)	Uncertainty assumption
Direct emissions from stationary combustion sources		Data: consolidated using DELFINGEN sites EF: ADEME	- Data uncertainty: low - FE uncertainty: low
Direct emissions from mobile combustion sources		Data: consolidated with the help of DELFINGEN sites FE: ADEME	- Data uncertainty: low - FE uncertainty: low
Direct emissions from processes		Data: consolidated with the help of DELFINGEN sites FE: ADEME	- Data uncertainty: low - FE uncertainty: low
Direct fugitive emissions		Data: consolidated with the help of DELFINGEN sites FE: ADEME	- Data uncertainty: low - FE uncertainty: low
Indirect emissions from electricity consumption	Indirect emissions from electricity consumption Electricity line losses have been considered at 10%.	Data: ERP extraction + consolidated with the help of DELFINGEN sites FE: Country energy mix: ourwolrdindata / FE renewable energy: ADEME	- Data uncertainty: low - FE uncertainty: low
Emissions indirectes liées à la consommation de vapeur, chaleur ou froid		Data: consolidated with the help of DELFINGEN sites FE: ADEME	- Data uncertainty: low - FE uncertainty: low

	Structural assumptions	Data source / emission factor (EF)	Uncertainty assumption
Purchased products and services	When supplier data was not available, polymers were approximated to major polymer families (PA, PP, PET, PVC, etc.) in order to assign them an emission factor. Where the raw material was difficult to approximate, an average plastic emission factor was assigned.	Data: ERP extraction + consolidated with the help of DELFINGEN sites EF: Base Impact (ADEME), EcoInvent, Industry data 2.0, Higg, supplier data	- Data uncertainty: low - FE uncertainty: low -> supplier data / average -> dataset / high -> dataset extrapolation / high -> average plastic dataset / high -> financial FE
Fixed assets	In the absence of precise data on the weight of machines and furniture, data have been extrapolated from the average weight of DELFINGEN Industry machines and information on similar types of furniture (tables, chairs, shelving, cupboards).	Data: ERP extraction + consolidated with the help of DELFINGEN sites. FE : ADEME	- Data uncertainty: low - FE uncertainty: high
Emissions linked to fuels and energy (not included in scope 1 or scope 2)		Data: consolidated with the help of DELFINGEN sites FE: ADEME	- Data uncertainty: low - FE uncertainty: high
Upstream and downstream freight transport	To calculate emissions linked to the transportation of our products, we have distinguished four modes of transport: road, rail, sea and air. A specific emission factor has been applied to each mode of transport, taking into account the distance covered and the type of vehicle used. For road transport, three emission factors were used to reflect the diversity of trucks (small, medium and large) and their varying environmental impact. For air transport, emission factors have been differentiated according to flight distance (short-haul or long-haul) and include emissions linked to condensation drag. The equation used to calculate GHG emissions from chartered trucks is as follows: GHG emissions = Average distance travelled x Total weight transported x Average emission factor	Data : ERP extraction EF : DEFRA	- Data uncertainty: low - FE uncertainty: dataset -> medium / financial FE -> high

	Structural assumptions	Data source / emission factor (EF)	Uncertainty assumption
Waste generated	Reuse: we have considered that no emissions are caused by reused waste.	Data: consolidated with the help of DELFINGEN sites FE: ADEME	- Data uncertainty: low - FE uncertainty: medium
Business travel	Véhicules routiers : facteur d'émission moyen des voitures	Data: consolidated with the help of DELFINGEN sites FE: ADEME	- Data uncertainty: low - FE uncertainty: medium
Commuting to work	When the modal share of transport was unknown, data from the same country/similar country was applied	Data: consolidated with the help of DELFINGEN sites FE: ADEME	- Data uncertainty: low - FE uncertainty: medium
Use of products sold	To assess the environmental impact of using our products, we calculate a specific emission factor that takes into account several parameters: the type of vehicle, its lifespan, its emission factor and the weight of the product in relation to the weight of the vehicle. This emission factor is then regionalized according to the distribution of our sales around the world. For each region, we take into account the average emission factor of vehicles, their lifespan and their average weight. Where the type of propulsion is not known, we weight these factors according to the proportion of each type of propulsion (thermal, electric, hybrid vehicles) in each region. By multiplying these specific emission factors by the quantities sold in each market, we obtain an estimate of the CO2 emissions linked to the use of our products. For the industrial market, we use the average emission factor for the automotive market.	Data: ERP extraction EF : Extrapolation, Vehicle weight : United States: world average weight of new vehicles in 2022 for internal combustion vehicles (ICEV), battery electric vehicles (BEV) and plug-in hybrid vehicles (PHEV). Europe, China, Rest of World: weight of new European vehicles in 2022 by engine type. Source: Passenger car CO2 emissions monitoring (europa.eu) Distance covered by the vehicle during its lifetime: Average lifetime data (ICEV, BEV, PHEV) by region (USA, China, India, Europe). Source: Global-Vehicle-LCA-White-Paper-A4-revised-v2.pdf (theicct.org) Vehicle market : The 2020 passenger car market share has been applied to the following geographical areas: Europe, USA, China, Rest of World. Source: Passenger car sales by key region, 2010-2020e - Graphs - Data and statistics - International Energy Agency (IEA) Share of vehicle engine type : Share of ICEV, BEV and PHEV 2022 by region (Europe, USA, China, Rest of World). Source: IHS LV PowertrainEngine Global - S&P 2024	- Data uncertainty: low - FE uncertainty: high

	Structural assumptions	Data source / emission factor (EF)	Uncertainty assumption
End-of-life of products sold	The overall share of end-of-life process types by material was obtained for to which specific emission factors have been applied - Reuse: it was assumed that no emissions are caused by a reused product. - Packaging was considered negligible - End-of-life of product sold during the calendar year	Data: ERP extraction EF: Extrapolation, The share of each type of end-of-life process by material for the French automotive industry in 2020 has been considered and applied to the European market. Source: Vehicles - 2020 data - Annual report (ademe.fr) The share of each type of plastics end-of-life process by geographical area was used to weight the French automotive industry and applied to the rest of the global market. Source: 2. Plastics flows and their impacts on the environment | Global Plastics Outlook: Economic Drivers, Environmental Impacts and Policy Options | OECD iLibrary (oecd-ilibrary.org) These «Europe» and «Rest of World» shares of each type of end-of-life process by material have been weighted by the market share of passenger cars in 2020. Source: Passenger car sales by key region, 2010-2020e - Graphs - Data and statistics - International Energy Agency (IEA)	- Data uncertainty: low - FE uncertainty: medium

Methodological change

DELFINGEN Industry is changing the way it collects information on its purchases of services. Instead of a specific collection, the data will be extracted from financial information, providing a more stable view that is less subject to variations.

Updating data sources

In order to take account of changes affecting DELFINGEN Industry's carbon footprint, the following data sources have been updated with the latest available reports.

- Assumptions for product use emission calculations have been updated with propulsion type percentages by region in 2024 (IHS LV Powertrain Engine Global - S&P 2024 data).
- Transport emission factors have been updated with DEFRA 2024 data.
- Energy mix emission factors have been updated with Ourworldindata 2023 data.

Change in scope of analysis

The following methodological changes have led DELFINGEN Industry to recalculate emissions for previous years:

ERP implementation at the Hassfurt and Satu Mare sites: these changes impact all data collected via ERP. Data for 2022 and 2023 concerning the purchase of goods and services, fixed assets, upstream and downstream transport, the use of products sold and the end-of-life of products sold have been updated.

Change of scope for 2022 and 2023 analysis

The recalculation of the 2023 and 2022 footprints takes into account the same perimeter as 2024. For the years 2022 and 2023, the carbon footprints of the REIKU and Daegu sites, acquired by DELFINGEN Industry in April 2023, have been extrapolated based on the evolution of their sales, in order to have a comparable scope in the results and to consider the year 2022, the reference year for DELFINGEN Industry's footprint reduction objectives, as a representative year for the Group's environmental impacts.

Energy consumption and mix

Total energy consumption in MWh for own operations	56.101
Total energy consumption from fossil fuels (MWh) (operations)	18.9
Total energy consumption from nuclear sources (MWh) (operations)	1.8
Share (%) of consumption from nuclear sources in total energy consumption	3%
Total energy consumption from renewable sources (MWh) (operations)	28.3
Fuel consumption (biomass - also including industrial and municipal waste of biological origin -, biofuels, hydrogen from renewable sources) (MWh) (operations)	0
Electricity, heat, steam and cooling purchased or acquired from renewable sources (MWh) (operations)	28.3
Consumption of self-produced non-combustible renewable energy (MWh) (operations)	0
Share (%) of consumption from renewable sources in total energy consumption	51%
Fuel consumption from coal and coal-based products (MWh) (operations) (mandatory for companies with high climate impact)	0
Fuel consumption from crude oil and petroleum products (MWh) (operations) (mandatory for companies with high climate impact)	0
Fuel consumption from natural gas (MWh) (operations) (mandatory for companies with high climate impact)	0
Fuel consumption from other fossil sources (MWh) (operations) (mandatory for companies with a high climate impact)	0
Consumption of electricity, heat, steam and cooling purchased or acquired from fossil sources (MWh) (operations) (mandatory for companies with a high climate impact)	17.6
Share (%) of fossil fuel consumption in total energy consumption	46%
Non-renewable energy production (MWh) (operations)	0
Renewable energy production (MWh) (operations)	0
Energy intensity for each high-climate-impact activity: total energy consumption per net product (high-climate-impact companies only)	/
Publication of total energy consumption and net income from activities in sectors with high climate impact.	/

Data on percentages of fossil, nuclear and renewable energy are taken from the Ourworldindata website.

3.2.1.7 GHG ABSORPTION AND MITIGATION PROJECTS FINANCED BY CARBON CREDITS

DELFINGEN Industry does not contribute to GHG sequestration projects.

3.2.1.8 INTERNAL CARBON PRICING

DELFINGEN Industry has not implemented any internal carbon pricing.

3.2.1.9 EXPECTED FINANCIAL IMPACT OF SIGNIFICANT PHYSICAL AND TRANSITIONAL RISKS AND POTENTIAL OPPORTUNITIES RELATED TO CLIMATE CHANGE

As described in 3.1.3.3, DELFINGEN Industry does not yet communicate on the potential financial implications of its environmental transition.

3.2.2 POLLUTION

Our operations do not cause any significant air, water or soil pollution, but the Group aims to reduce its impact on the environment as much as possible.

The impact of our sites on the ground is non-existent, since no effluent is discharged into the environment: cooling systems are closed-circuit, and domestic and sanitary water consumption is connected to a sewerage system managed by the local authorities. Regulatory controls imposed by local legislation are carried out to monitor the impact on the water network.

In this section on pollution, the data published represents only the scope of the 22 ISO 14001-certified sites. The scope of the analysis does not include the New York sites, nor the sites resulting from the acquisition of the Drossbach group (North American Industry BU). To date, all sites are compliant with regulations.

3.2.2.1 IRO MATERIALS

Description of procedures for identifying and assessing pollution-relevant IROs

Topics	Issues	Materiality	Impacts
Industrial and pollution risks	R	36%	Non-compliance with legal constraints on air, water and soil pollution linked to industrial activities

The dual materiality analysis was carried out taking into account pollution linked to DELFINGEN Industry's activities across the entire value chain. See 3.1.4.

3.2.2.2 POLLUTION POLICIES

Pollution policy

DELFINGEN Industry is committed to minimizing the impact of its activities on the environment and to complying with local and international regulations on air, water and soil pollution.

This commitment translates into:

- Preventing the risk of pollution, in particular by protecting the soil from pollutant spills.
- Monitoring air emissions and taking corrective action where necessary.
- Responsible waste management, giving priority to sorting waste at source, reducing the amount of final waste and seeking out recycling channels.

Note that in the case of the AGEC law (Anti Gaspillage et Économie Circulaire), decree no. 2021-461 of April 16, 2021 relating to the prevention of losses of industrial plastic granules into the environment requires sites producing, handling and transporting industrial plastic granules (IPG) to have their provisions for preventing losses and discharges into the environment audited. Our French site (Anteuil) received a favorable opinion in January 2023 during this audit.

DELFINGEN Industry does not record provisions for environmental risks, as no significant risks have been identified to date.

Noise impact on the immediate surroundings of the plants is virtually non-existent, and is monitored by means of periodic readings taken by approved organizations. To date, no plant has exceeded the authorized regulatory threshold.

Scope of the policy applied

DELFINGEN Industry's pollution policy applies to all its activities and sites, covering:

- All production sites have a Quality and Environment department.
- DELFINGEN Industry's own activities at its plants, including waste management and atmospheric emissions.
- The impact on the environment in general, including air quality, water resources and soil quality, as well as the potential impact on wildlife and nearby residential areas.

Governance

Pollution management is a shared responsibility within DELFINGEN Industry:

- QSE management defines the general guidelines for legal compliance in terms of pollution and implements the procedures and tools to achieve this objective.
- Site managers, in collaboration with the local QSE department, develop and implement the action plans resulting from the environmental analysis. They are responsible for ensuring compliance with regulations.
- Regional quality control monitors environmental performance, supports local QSE departments and liaises with the Group's QSE department.

Monitoring the application of this policy

DELFINGEN Industry has set up a rigorous control system to ensure compliance with its pollution policy:

- **ISO 14001 certification:** all Group sites (with the exception of BU Industrielle Nord Amériques) are ISO 14001: 2015 certified. A total of 22 sites are certified. The German site (Marktrodach) also has Oeko-Tex Standard 100 certificates (commitment to environmental respect for textile products), due to its activity.
- **REACH:** DELFINGEN Industry complies with REACH regulations by following the rules for the registration, evaluation and restriction of chemical substances.
- **Regulatory watch:** constant monitoring of legislative and regulatory developments is carried out by the local QSE department to ensure compliance.
- **Environmental impact analyses:** impact analyses are carried out for each site to identify and manage pollution risks.
- **Internal audits:** internal audits are carried out to verify compliance with procedures and regulations. Internal auditors are members of regional or site QSE departments who have been trained in auditing, and are able to conduct these audits at other sites.

3.2.2.3 POLLUTION-RELATED ACTIONS AND RESOURCES

Production processes are centralized and standardized so that all sites can benefit from the latest technological advances (lower energy consumption, reduced waste, efficient use of plastics).

All sites worldwide sort their waste and aim to reduce non-hazardous waste at source (according to the new nomenclature for non-hazardous industrial waste):

- plastics of simple composition are recycled in the extrusion manufacturing process after grinding;
- ongoing optimization actions are in place at all sites;
- a systematic search for new reprocessing channels is carried out (extension to new sites and new materials);
- Diagnostics are regularly carried out with local environmental agencies.

In compliance with ISO 14001, DELFINGEN Industry has set up an environmental FMEA (Analysis of Failure Modes, Their Effects, and Criticality) at local level, overseen by local management.

At each of the Group's sites, a regulatory monitoring tool is used to keep abreast of all new HSE (Health, Safety and Environment) regulations. Employee training and information campaigns on environmental protection are carried out regularly at all sites. These mitigation actions are carried out systematically by site QSE managers, in line with the significant environmental impacts identified (accidental spills, waste management, selective sorting, chemical product handling, etc.). Sites are audited for compliance with local environmental regulations via ISO 14001. Actions and their expected impact are monitored at local level, by site managers and local QSE officers. The same applies to current and future resources allocated to compliance with constraints on air, water and soil pollution.

3.2.2.4 METRICS AND TARGETS

Pollution targets

As part of its responsible waste management policy, DELFINGEN Industry aims to minimize production waste by optimizing raw material consumption. The target is a maximum consumption of 1.31%* above theoretical consumption. In 2024, DELFINGEN Industry met and exceeded this target, with actual consumption only 0.91%* above the theoretical value. This performance is audited internally and validated by ISO 14001 certification.

This work on raw material efficiency is intrinsically linked to the reduction of pollution. By reducing the quantity of materials used, DELFINGEN Industry mechanically reduces the amount of waste generated at the end of production. This reduction in waste contributes directly to limiting soil pollution and can reduce the need for incineration, thus cutting air pollution emissions. What's more, more efficient consumption can mean less resource extraction, which reduces the environmental impact upstream of the supply chain (water and soil pollution due to mining, greenhouse gas emissions linked to transport, etc.).

At the same time, DELFINGEN Industry is firmly committed to complying with local regulations on air, water and soil pollution. A structured process, compliant with ISO 14001, guarantees rigorous environmental analysis, constant regulatory monitoring and the implementation of action plans tailored to the specific features of each site. These actions are subject to regular internal controls, ensuring ongoing compliance and continuous improvement in environmental performance. Because the company's processes are not known to be a source of air, soil or water pollution, and because it has a standardized control process linked to pollution issues, Delfingen Industry does not make it a priority to set pollution targets.

*Data do not include sites in : Hassfurt, Satu Mare, the New York sites, nor the sites resulting from the acquisition of the Drossbach group (North American Industry BU), as well as sites that are not production sites.

3.2.2.5 AIR, WATER AND SOIL POLLUTION

DELFINGEN Industry does not publish consolidated figures by pollutant, by geographical area or by trend over time. Depending on local regulations, pollutants, thresholds and the timing of controls vary, making consolidated monitoring complex. Governance of this policy is delegated to the local level, and is monitored by a regulatory watch, an update of the environmental FMEA followed by a compliance action plan, and an annual audit system linked to the ISO14001 standard.

3.2.2.6 SUBSTANCES OF CONCERN AND SUBSTANCES OF VERY HIGH CONCERN

DELFINGEN Industry is fully committed to complying with current regulations concerning Substances of Very High Concern (SVHC) and Substances of Very High Concern (SVHC). We maintain a constant watch to identify and progressively eliminate these substances from our products and processes, in accordance with regulatory requirements such as REACH. Our aim is to minimize the environmental impact of our activities and guarantee the safety of our products for our customers and end-users. This is part of our overall commitment to a responsible and sustainable approach.

3.2.2.7 EXPECTED FINANCIAL IMPACT OF SIGNIFICANT POLLUTION RISKS AND OPPORTUNITIES

DELFINGEN Industry does not publish financial information on the financial implications of pollution or transition risks related to substances of concern. The most significant impact would be linked to a request by local authorities to halt production, which by definition would only affect one production site at a time.

3.2.3 AQUATIC AND MARINE RESOURCES

DELFINGEN Industry is aware of the growing pressure on aquatic and marine resources. Our processes favor the use of closed circuits. This approach considerably reduces water consumption, by limiting withdrawals and discharges.

3.2.3.1 IRO MATERIALS

Description of procedures for identifying and assessing significant IROs related to aquatic and marine resources

Topics	Issues	Materiality	Impacts
Water consumption	R	36%	Limitation of water consumption

The process for assessing their materiality is described in section 3.1.4.

DELFINGEN Industry has taken into account the scope of its own operations to identify its impacts related to aquatic and marine resources. Water consumption in DELFINGEN Industry's processes is generally in closed circuits and used mainly for cooling, not as a raw material.

No stakeholder consultation was carried out. We have used IPCC scenarios or other public data on water availability in the regions where our plants are located.

3.2.3.2 AQUATIC AND RESOURCE POLICIES MARINE

DELFINGEN Industry is committed to controlling and reducing its consumption of water, an essential resource. This policy, whose implementation is supervised by site managers and local QSE officers, is reflected in rigorous control procedures. The company ensures strict compliance with local regulations on water use and discharge, and these controls are integrated into the ISO 14001-certified environmental management system, which includes specific requirements for water resource management.

3.2.3.3 ACTIONS AND RESOURCES RELATING TO AQUATIC AND MARINE RESOURCES

As with pollution issues, DELFINGEN Industry has set up an environmental analysis at each site, taking into account water-related issues and the water situation in the areas where DELFINGEN Industry plants are located. An action plan based on this analysis is piloted by the site's QSE manager in collaboration with the site director. These actions are audited internally and externally via ISO14001. The Group QSE Director is responsible for monitoring these objectives. These plans, which are specific to each site depending on changes in production and local regulations, generally aim to monitor consumption in the light of the use of water in DELFINGEN Industry's processes.

3.2.3.4 METRICS AND TARGETS

Targets for aquatic and marine resources

Delfingen Industry publishes its targets and objectives for the management of aquatic and marine resources. The company sets annual targets for reducing its water consumption. These targets are defined following discussions between site managers and the Group's Quality, Safety and Environment (QSE) Director. They take into account anticipated variations in production capacity over the coming years.

For the year 2024, Delfingen Industry had set itself the target of not exceeding a water consumption of 60,630 m^3. It should be noted that this commitment was met, since the company's actual consumption in 2024 reached 98% of this limit.

Actual consumption in 2024 (m3)	59 392
Total water consumption in m3 in areas exposed to water risks, including areas subject to high water stress in 2024 (m3)	51 477
Total quantity of water recycled and reused, in m3	/
Total water stored, in m3	/
Changes in water storage, in m3	/
Share of measurements obtained from direct measurements	100%
The company provides information on its water intensity: total water consumption in m3 resulting from its own operations, per million EUR of sales	139

The figures presented in this table relate exclusively to water consumption directly linked to the activities of Delfingen Industry's production sites. They do not include water consumption linked to upstream activities (e.g. at suppliers) or downstream activities (e.g. at customers).

In addition, these data exclude the Hassfurt and Satu Mare sites, as well as the sites recently acquired from the Drossbach Group (within the North American Industry Business Unit) and sites that are not production sites. Data from these sites will be integrated at a later date, once they have been included in our integrated management system. The figures come from monthly consumption records, consolidated by local Quality, Safety and Environment (QSE) managers.

The water used in production processes is mainly used to cool Delfingen Industry products. Some of this water is stored for reuse. However, at this stage, Delfingen Industry is not in a position to quantify precisely the quantity of water stored or reused.

The methodology used to identify sites at risk of water stress is based on data from the World Resources Institute (WRI) interactive map. Sites classified as having a "high" or "very high" water risk are considered to be exposed to water stress.

The implementation of the action plan linked to these objectives is supervised by QSE and site managers.

3.2.3.5 EXPECTED FINANCIAL IMPACT OF MAJOR IROS RELATED TO AQUATIC AND RESOURCES MARINE

As described in 3.1.3.3, DELFINGEN Industry does not yet communicate on the potential financial implications of IROs related to aquatic and marine resources. However, given the closed-loop processes used, the short-term financial impact of water use in Delfingen's own operations is very limited.

3.2.4 USE OF RESOURCES AND CIRCULAR ECONOMY

In a globalized economy, DELFINGEN Industry has focused since the 1990s on sourcing, producing and selling locally, which largely explains why its industrial facilities are deployed in over 20 countries. In recent years, DELFINGEN Industry has accelerated the regionalization of most of its activities, to limit transcontinental flows.

To ensure the implementation of concrete actions with measurable and tangible effects, DELFINGEN Industry launched a study of its carbon footprint in accordance with GHG Protocol standards, with the support of EcoAct. As a result of this study, clear and ambitious objectives were defined for reducing greenhouse gas emissions across the company's entire activity by 2029.

Demonstrating the company's keen interest in climate risks and their strategic implications, DELFINGEN Industry has made them a key pillar of its Performance 2025 plan. The use of recycled raw materials is an important lever in the decarbonization of DELFINGEN Industry's business, and one of the solutions is to increase the proportion of recycled materials in DELFINGEN Industry's material mix.

3.2.4.1 IRO MATERIALS

Description of procedures for identifying and assessing significant IROs:

Topics	Issues	Materiality	Impacts
Resource and waste management	I +	45%	The use of recycled materials and the reuse of post-industrial waste help reduce the use of raw materials and promote the circular economy with the development of industries that can use DELFINGEN's plastic waste. The implementation of a policy aimed at limiting the volume of final waste and increasing the efficiency of each site's material consumption reduces the risk of landfilling waste that is not part of an appropriate recycling or recovery process.
Resource and waste management	I -	40%	The purchase of non-bio-sourced raw materials contributes to the scarcity of natural resources. Plastics account for 87% of total input-related emissions. Industrial waste contributes to environmental pollution if not treated and recycled through appropriate channels (landfill).
Resource and waste management	R	36%	Significant rise in plastic prices
Resource and waste management	O	36%	Manufacture recyclable products that meet market requirements

The process for assessing their materiality is described in section 3.1.4.

3.2.4.2 RESOURCE UTILIZATION AND ECONOMY POLICIES CIRCULAR

Policy

DELFINGEN Industry's policy on the use of resources and the circular economy is integrated with that on reducing the Group's carbon footprint, operating under the same governance.

DELFINGEN Industry's commitment in this area focuses on three main areas:

- Waste reduction
- Product recyclability
- Increasing the proportion of recycled materials in the incoming material mix.

Worldwide, only 9% of plastics are recycled. Reducing the quantity of these materials and improving their recovery capacity not only meets an environmental challenge, but is also a source of economic benefits. For this reason, DELFINGEN Industry conducts product life-cycle analyses for each new development.

DELFINGEN Industry would like to deploy more indicators, such as those in the CTI reference system, to identify the company's "circularity". The CTI standard is based on three key indicators: the percentage of recycled material on incoming materials, the percentage of recyclable products, and the percentage of products actually recycled.

Scope of application of this policy

DELFINGEN Industry's GHG emissions reduction policy covers all its activities and value chain, both upstream and downstream. It applies to all sites and geographical areas where the company operates.

The consideration given to stakeholders is detailed in paragraph 3.1.3.2.

Governance

The governance of the resource use and circular economy policy is the same as that of the GHG emissions reduction policy, as described in paragraph GOV-1. The strategy is steered by the CSR Committee. The strategy is implemented by the heads of the various departments.

Control mechanisms

DELFINGEN Industry has set up a number of mechanisms to monitor and control the implementation of its climate change adaptation and mitigation policy, which includes the use of resources and the circular economy:

- **SBTi validation:** Emissions reduction targets are currently being validated by the Science Based Targets (SBTi) initiative, ensuring their alignment with the Paris Agreements.
- **Performance indicators:** A carbon footprint is produced annually in-house by the CSR environmental leader. This enables us to measure our progress in reducing GHG emissions.
- **Critical analysis of the carbon footprint:** Each year, a critical analysis of the carbon footprint is carried out by an external body to certify the calculation methodology.

The use of resources and the challenges of the circular economy are taken into account in carbon footprint calculations via emission factors for upstream recycled raw materials, and downstream via emission factors linked to waste treatment methods (incineration, landfill and recycling).

3.2.4.3 ACTIONS AND RESOURCES RELATING TO RESOURCE USE AND THE CIRCULAR ECONOMY

DELFINGEN Industry has global objectives that include increasing sustainability (by increasing the circularity of our materials).

DELFINGEN Industry already has a number of initiatives aimed at improving circularity, but has not yet defined specific targets. These areas of work take into account the company's entire value chain, upstream in particular with the proportion of virgin materials, and downstream with the management of waste, end-of-life products and their processing methods.

3.2.4.4 METRICS AND TARGETS, INCOMING RESOURCES, OUTGOING RESOURCES, EXPECTED FINANCIAL IMPACT

	2024
a) the total weight of technical and biological products and materials used during the reference period (kg)	59,704,282.00
b) the percentage of biological materials (including biofuels used for non-energy purposes) used to produce the company's products and services (including packaging) that are derived from sustainable sources, specifying the certification system used and how the cascade principle has been applied	/
c) the absolute weight of reused or recycled secondary components and intermediate secondary products and materials used to produce the company's products and services (including packaging). (kg)	876 771
c) the percentage weight of reused or recycled secondary components and intermediate secondary products and materials used to produce the company's products and services (including packaging). (%)	1.47

DELFINGEN Industry is able to provide information on the amount of recycled material used in its polymer purchases. For more details on the methodology used to collect the data, please refer to the methodological table on carbon footprint calculation assumptions.

For the moment, DELFINGEN Industry has no specific target linked to its rate of recycled material in incoming materials or to the optimization of its consumption of incoming materials. These two factors are important levers for reducing the Group's carbon footprint. As with the other decarbonization levers, the quantification of these objectives will form part of the Group's next strategic plan.

At this stage, Delfingen Industry is not in a position to provide information on the percentage of biomass used to produce our products or present in their packaging.

Outgoing resources

The main outgoing resources resulting from DELFINGEN Industry's activity are plastic products, cardboard and pallets linked to the packaging of our products and raw materials. At this stage, DELFINGEN Industry does not publish information on the durability of its products compared with other technologies, although ageing studies are part of the specifications expected by our customers. DELFINGEN Industry does not publish information on the repairability of its products.

The proportion of recycled material in DELFINGEN Industry's products is an important lever for reducing its carbon footprint. Currently not consolidated, this data will be an indicator to be taken into account in the company's next strategic plan.

Plastics, cardboard and pallets are the main types of waste generated by DELFINGEN Industry's activities. Although DELFINGEN Industry does not currently have a precise overview of the different ways in which all its waste is processed, this is currently being identified through the collection of information from our local service providers.

	2024
a) total quantity of waste produced (kg)	1 820 536[1]
b) the total quantity (kg) of hazardous waste not disposed of, broken down by type of recovery operation, i.e. :	
i. preparation for re-use	/
ii. recycling,	/
iii. other recovery operations	/
b) the total quantity (kg) of non-hazardous waste not disposed of, broken down by type of recovery operation, i.e. :	
i. preparation for re-use	/
ii. le recyclage	/
iii. other recovery operations	/
c) the quantity (kg) of hazardous waste disposed of, by type of waste treatment and in total, for the three types of treatment. The types of waste treatment on which information must be published are:	
i. incineration	
ii. landfilling	
iii. other disposal operations	
c) the quantity (kg) of non-hazardous waste disposed of, by type of waste treatment and in total, for the three types of treatment. The types of waste treatment on which information must be published are:	
i. incineration	/
ii. landfilling	/
iii. other disposal operations	/
d) total quantity of non-recycled waste	
d) percentage of waste not recycled	

[1]Data do not include sites in : Hassfurt, Satu Mare, sites resulting from the acquisition of the Drossbach Group (North American Industry BU) and sites that are not production sites.

DELFINGEN Industry is ISO14001 certified, and we are currently gathering information on the various end-of-life stages of our waste.

DELFINGEN Industry is not in a position to consolidate the percentage of recyclable material, but this is one of the results expected from the deployment of the CTI standard.

3.2.4.5 EXPECTED FINANCIAL IMPACT OF MATERIAL RISKS AND OPPORTUNITIES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

Recycled plastics are generally more expensive than their virgin counterparts, limiting their acceptance by customers. In-depth work is underway to reduce our material references, in order to gain better purchasing/volume negotiating power, and thus eventually eliminate the cost differential with virgin materials.

3.3 SOCIAL

3.3.1 COMPANY WORKFORCE

3.3.1.1 IRO MATERIALS

DELFINGEN Industry has identified 9 "social" material IROs listed in the table below with their detailed descriptions.

Topics	Issues	Materiality	Impacts
Quality of working life	I +	80%	Positive impact on employees' well-being at work by making workstations safer, limiting accidents and occupational illnesses, and promoting a better balance between private and family life through social policies (parenthood, teleworking, etc.)
Training and skills development	I +	60%	Deploying a career management process makes it easier to anticipate professional development needs in relation to company requirements. Employees benefit from a better projection of training courses adapted to their personal projects. It can also reduce inequalities by enabling everyone to improve their skills and enhance their employability
Quality of life at work	R	36%	High employee turnover rate
Workforce diversity, equity and inclusion	O	36%	Promotes a positive corporate image
Social dialogue	R	36%	Deterioration of social climate and/or risk of conflict leading to deterioration in performance
Employee health and safety	I -	33%	Impact on employees in the event of uncontrolled exposure to handling hazards, noise and dust, workstation ergonomics leading to occupational illnesses or long-term incapacity/disability to work and therefore employability
Training and skills development	O	30%	Attractive employer brand to encourage recruitment and employee loyalty
Quality of working life	O	30%	Attracting and retaining talent
Workforce diversity, equity and inclusion	R	30%	Cases of harassment and discrimination giving rise to litigation and corporate liability

The process for assessing their materiality is described in section 3.1.4.

Stakeholder interests and views are taken into account in sections 3.1.3.2 and 3.3.13.

3.3.1.2 POLICIES RELATING TO THE 'S WORKFORCE COMPANY

A wonderful human adventure

The men and women of DELFINGEN Industry are the Group's most important asset worldwide, and the Group attaches great importance to human resources management. Fostering commitment by offering a pleasant and motivating working environment in which human relations play a key role is a daily challenge. Our employees benefit from opportunities to express themselves, in particular the annual interview with their manager and the annual satisfaction survey. They can advance, train and develop within a secure framework.

« It is the boldness, courage and determination of the women and men of DELFINGEN Industry that have enabled us to transform a small family business producing plastic bags into a global automotive supplier and market leader ».

DELFINGEN Industry's social policies are listed in our quality management system. They are designed to provide guidance to all employees on human resources issues.

1. Resources policy and associated roadmap document
2. Recruitment instructions for HR and managers
3. Motivation and empowerment of staff with associated satisfaction survey
4. Training
5. Integration of a new colleague
6. Talent review
7. Performance appraisal

In addition to these, we have the following programs and documents:

- Decent Work Charter
- Code of conduct
- Manager's Charter
- Compensation and benefits program
- Classroom and digital training program
- Parenthood Charter
- Telecommuting agreements (France, Rochester, Houston, Ascheim)

Deployment of our social policies

Responsibility for human resources policy lies with the Executive Vice President - Chief Corporate Officer, a member of the Executive Management Committee, and the Group Human Resources Director who reports directly to him.

It is managed on a cross-functional basis with the regional human resources managers.

It is deployed in subsidiaries and managed by local human resources departments.

In addition, a Group Social Policy function is responsible for :

more specifically, deploying HR sustainability actions and priorities;

acting as the functional link with the Sustainability Department;

acting as a single point of contact for all subsidiary HR Departments on issues relating to DELFINGEN Industry's sustainability commitments in this area.

The introduction in 2023 of a Human Resources Information System (HRIS, Workday) for the entire Group now enables finer data consolidation, and at the same time strengthens our ability to widely disseminate training on specific subjects (e.g. ethics, cybersecurity, etc.).

Main policies implemented and links to IROs :

Issues	Impacts	Policies and actions	Key indicators
IRO 1: Quality of life at work (QWL) - improving working conditions and employee well-being. a high QWL is essential to attracting and retaining talent, and creating a high-performance, innovative work environment			
Major positive impact (I+) on employee well-being, motivation, commitment and overall company performance	Safer workstations Fewer accidents and work-related illnesses Improved work-life balance.	Creation of collaborative, user-friendly workspaces. Flexible working hours (flexibility, telecommuting). Support for parenthood (company nursery in France). Organization of events and activities for employees. Annual satisfaction survey to identify areas for improvement	Employee satisfaction rate Absenteeism rate Staff turnover rate
IRO 2: Training and skills development - investing in human capital to keep pace with changes in the Mobility and Industry sectors skills development is crucial to innovation, transformation and DELFINGEN's competitiveness			
Positive impact (I+) on employee employability, adaptation to new technologies and company performance.	Better anticipation of professional development needs Skills development Reduced inequalities Enhanced attractiveness of the company.	Implementation of an annual training plan tailored to the needs of employees and the company. Access to online training platforms and management programs Encouraging internal mobility and the assumption of responsibilities Regular assessment of skills and training needs	Number of training hours per employee Training budget Rate of employees trained in at least one course

Issues	Impacts	Policies and actions	Key indicators
IRO 3: Quality of life at work - Risk (R) of deterioration in QWL due to organizational, managerial or environmental factors Managing the risk of staff turnover is essential to DELFINGEN's stability and performance			
High turnover can lead to a loss of skills, reduced motivation and higher recruitment costs	Difficulties in attracting and retaining talent Lower productivity Degradation of social climate	Analyze the causes of turnover (e.g. exit interviews) and implement corrective measures. Improve working conditions and internal communication. Promote employee recognition and appreciation Set up a system of listening and social dialogue	Turnover rate Average length of service Reasons for employee departures
IRO 4: Diversity, equity and inclusion (DEI) - promoting an inclusive work environment that respects differences DEI is a performance and innovation lever for DELFINGEN, and contributes to its commitment to a fairer, more inclusive society			
Opportunity (O) to foster innovation, creativity and collective performance	Enhanced employer brand image Attract diverse talent Strengthening social cohesion	Promoting equal opportunity and non-discrimination at all stages of working life Creating an inclusive work environment that respects differences	Representation of women in company management Equal pay
IRO 5: Social dialogue - building trust and cooperation with social partners Constructive social dialogue is essential to guarantee social peace, employee motivation and DELFINGEN Industry's performance			
Risk (R) of a deterioration in the social climate and of social conflicts that could have an impact on the company's performance	Business disruption Loss of productivity Damage to the company's image	Establishment of employee representative bodies and employee consultation mechanisms (certain countries) Negotiation of collective agreements on working conditions, compensation and benefits (certain countries) Transparent and regular communication with social partners Promotion of a culture of listening and dialogue at all levels of the company	Coverage rate of employee representatives Number of social conflicts

Issues	Impacts	Policies and actions	Key indicators
IRO 6: Employee health and safety - prevention of work-related accidents and illnesses Employee health and safety is a top priority for DELFINGEN Industry, which is committed to ensuring a safe and healthy working environment			
Potential negative impact (I-) on employee health and safety, with significant human, social and economic consequences	Potential negative impact (I-) on employee health and safety, with significant human, social and economic consequences. Risks of occupational illness, work incapacity and even disability, which may affect employees' employability	Implementation of an Occupational Health and Safety Management System (OHSMS) Assessment of occupational risks and implementation of appropriate preventive measures Training employees in safety and risk prevention Medical surveillance and monitoring of workplace accidents and occupational illnesses	Frequency and severity of workplace accidents
IRO 7: Training and skills development - opportunity (O) to enhance the company's attractiveness and build employee loyalty Investment in training and skills development is a lever for attracting and retaining talent, and contributes to DELFINGEN's performance			
In an increasingly competitive environment, an attractive employer brand is essential to attracting and retaining talent	Improved employer brand image Attraction of qualified profiles Strengthening employee loyalty	Communication on training and development opportunities offered by the company Implementation of skills development and career management programs Valuing employees' career paths and successes	Number of applications received Employee satisfaction rate Retention rate
IRO 8: Quality of working life (QWL) - opportunity (O) to attract and retain talent by offering an attractive working environment QWL is a key factor in performance and innovation, and contributes to DELFINGEN Industry's attractiveness on the job market			
QWL is an increasingly important criterion for candidates and employees, and can influence their decision to join or stay with the company	Improved attractiveness of the company Strengthening talent retention Creation of a positive and stimulating work environment	Improved working conditions and work-life balance Promoting a caring and empowering management style Creation of a friendly, collaborative working environment	Employee satisfaction rate Absenteeism rate Staff turnover rate Absenteeism rate

Issues	Impacts	Policies and actions	Key indicators
IRO 9: Diversity, equity and inclusion (DEI) - risk (R) of harassment and discrimination, which can lead to litigation and damage the company's reputation Preventing harassment and discrimination is essential to ensure a respectful and inclusive working environment, and to protect DELFINGEN Industry's reputation			
Harassment and discrimination are unacceptable behaviors that can have serious consequences for both the victims and the company	Damage to the company's reputation Loss of employee confidence Legal and financial risks	Implementation of a zero-tolerance policy towards harassment and discrimination Communication on the reporting procedure Disciplinary sanctions for inappropriate behavior	Number of cases of harassment and discrimination reported Number of disciplinary measures taken

In practical terms, each new recruit benefits from a comprehensive induction program tailored to local needs. One of the most important aspects of our corporate culture is that the newcomers meet a number of key internal contacts right from the start. DELFINGEN Industry attaches particular importance to building relationships, which are an important foundation for integrating and retaining talent.

The Manager's Charter, based on the Group's values, is a fundamental guide for our managers in their supervisory role. Depending on their experience and needs, they can also benefit from management training courses designed according to a dedicated in-house program (including a specific digital course).

More generally, a budget is allocated each year at all sites for the establishment and implementation of an internal and external training plan. This policy is supported by digital workday licenses giving access to a wide range of digital content.

DELFINGEN Industry's success depends on the development and fulfillment of its coworkers.

To this end, the Group, in keeping with its values, has for many years been implementing a performance appraisal system to enable a real, formalized exchange between the line manager and the coworker. This process has been integrated into our recent Workday HRIS tool, enabling greater harmonization and implementation worldwide.

DELFINGEN Industry offers fulfilling career paths from the moment employees are hired and throughout their careers. Particular attention is paid to talent development, with a wide range of appropriate training opportunities. This policy of training, promotion and skills development aims to ensure that our skills match our markets and to develop our coworkers' employability.

For over 10 years, DELFINGEN Industry has conducted an annual coworker survey to measure motivation and the social climate within the Group.

Remuneration schemes such as the long-term profit-sharing plan (Group), health insurance and supplementary pension schemes (certain countries) complete the range of measures that have an impact on motivation, attractiveness and loyalty. Our approach to social dialogue aims to share Group projects that could have an impact on employees' jobs and working conditions. It offers everyone the opportunity to express their point of view, thus encouraging the co-construction of major changes within the company.

Through its Decent Work Charter and Code of Conduct, DELFINGEN Industry has established human resources management principles designed to control the impact of its activities on its stakeholders. The "Decent Work Charter" has its origins in the principles of human rights, labor law and respect for the environment. It is now reinforced by the "Society and Social Standards" section of the Code of Conduct.

Both follow the United Nations Guiding Principles on Business and Human Rights.

The Group has set up an ethics committee and a whistle-blowing procedure at Group level to deal with any reports of harassment or discrimination.

At DELFINGEN, in line with the "Decent Work Charter", all employees have access to a safe working environment, which is the focus of considerable attention from the Quality, Safety and Environment (QSE) Department and the management of each site.

Our safety policy aims to :

- inform and train all staff in safety, in accordance with local regulations;

- harmonize our safety practices in terms of incident/accident management and through a risk analysis approach and the deployment of tools and methodologies common to all our sites.

Safety risks are analyzed for all workstations, and all employees are provided with appropriate personal protective equipment. In 2024, 47 workplace accidents occurred within the Group. Thanks to these measures, we are able to protect our employees from the risk of accident or occupational illness.

Strengthening social policies for 2025-2026

DELFINGEN Industry is determined to take its social policies further in the coming years.

In 2025, the aim is to update our global Decent Work Charter in line with developments in the UN Global Compact. DELFINGEN Industry wishes to reinforce its commitments by comparing itself with the best recent international standards, while continuing to promote locally adapted actions. Two themes in particular will be the subject of detailed analysis: the concept of a living wage according to the 2025 standards, and the study of death benefits for all countries.

DELFINGEN Industry intends to step up its training and awareness-raising on the subject of diversity, equity and inclusion.

Our code of conduct, which has just been validated in 2024, will be the subject of communication and awareness-raising among our partners and internal employees alike.

The Group satisfaction survey conducted over the past 10 years is currently being overhauled, and the new version will be rolled out in May 2025. The satisfaction survey includes the internationally recognized e-NPS (Employee Net Promoter Score).

Finally, as mentioned in section 3.2.1, the Group also wishes to formalize a transition plan to accompany its future strategic plan.

3.3.1.3 PROCESSES FOR INTERACTING WITH THE COMPANY'S WORKFORCE AND THEIR REPRESENTATIVES REGARDING IMPACTS

Satisfaction survey

Making DELFINGEN Industry a great place to work is one of the main missions of Human Resources. Fostering commitment by offering a pleasant and motivating working environment in which human relations play a key role is a daily challenge.

To ensure that the actions we take are in line with how they are perceived by our colleagues, we carry out an annual barometer of the social climate and employee satisfaction. We're proud of the results. DELFINGEN Industry really is a great place to work.

For over 10 years, DELFINGEN Industry has conducted an annual employee survey to measure motivation and the social climate within the Group. Action plans are then drawn up at each site to respond to the wishes expressed. The social climate barometer at the end of 2023 achieved a participation rate of 84% (+4 points compared with 2022). The satisfaction level of 84% is stable and more or less identical to previous years.

93% of respondents think that DELFINGEN Industry is a great place to work.

The quality of relations with colleagues is recognized as a strong point. The main area for improvement remains recognition, despite steady progress.

At each site, action plans resulting from the 2023 satisfaction survey were implemented in 2024. Thanks in particular to this field-oriented approach, social dialogue within the Group is fluid. The coherence and feasibility of actions are studied when they are defined.

The next updated survey will be published in May 2025.

Social dialogue

Social dialogue is formalized through employee representative bodies in the following countries: France, Germany, Italy, Romania, Morocco, Tunisia, India, Mexico and Korea.

The fundamentals of our culture strongly favor direct, friendly, day-to-day dialogue, enabling strong human interaction and the efficient handling of needs, difficulties and other issues. Oral communication, although not formalized and less traceable, is very much present and relevant.

In France, for example, all departments meet at the same time to take their break, encouraging informal inter-departmental exchanges.

Annual performance review

The annual appraisal interview between manager and employee is also an important opportunity for exchange and individual social dialogue.

DELFINGEN Industry clearly states the objectives of this individual interview as follows:

For the coworker:

- to measure their results and better direct their efforts to progress,
- take stock of their missions and how they are evolving, their skills and areas for improvement,
- express themselves and their career aspirations,
- receive feedback from their line manager.

For the line manager :

- clarify responsibilities and objectives,
- evaluate results in relation to objectives set over the past period,
- get the employee involved in the company's projects and challenges,
- provide a basis for individual progress decisions.

For the company :

- identify individual skills and aspirations,
- identify development needs (training, etc.) and wishes for advancement,
- prepare for desirable changes,
- adapt the organization,
- ensure that everyone understands and contributes to strategic objectives.

3.3.1.4 PROCEDURES FOR REDRESSING NEGATIVE IMPACTS AND CHANNELS FOR EMPLOYEES TO RAISE THEIR CONCERNS

Our material negative impact has been identified in terms of employee health and safety, particularly the risk of work-related accidents or illnesses.

DELFINGEN Industry has had a formalized procedure for managing personal safety risks since 2020, applied at all sites worldwide.

This procedure provides for an assessment of personal safety risks (accident or occupational illness) at each site, in order to implement the necessary preventive or corrective actions to eliminate or reduce the identified risk.

In the event of an accident, the procedure provides for a formal declaration and investigation. The investigation then determines the action to be taken.

The Quality, Health, Environment and Safety Department monitors and reports on all the following situations at site, regional and Group level:

- Risk situation
- Near accident
- Internal care
- External care
- Workplace accidents

Their follow-up includes analysis and risk reduction actions implemented. Improvements are shared and implemented across sites.

DELFINGEN Industry set itself a Group-wide frequency rate of 13.5 and a severity rate of 0.9 by 2024, both of which have been achieved. The frequency rate is also one of the loan criteria monitored by our banks.

At present, there is no consolidated monitoring of occupational illnesses. This additional information has been collected since January 1, 2025.

Nevertheless, it should be emphasized that systematic risk assessment can also reduce the risk of occupational disease.

Similarly, although ergonomics is not mentioned as such in the procedure, it is also regularly worked on in parallel to adapt workstations.

Consolidated group budget and safety data are not available.

Finally, we draw your attention to the Ethics Committee alert procedure described below (section 3.4.1.3).

3.3.1.5 ACTIONS ADDRESSING SIGNIFICANT IMPACTS, APPROACHES TO MITIGATE SIGNIFICANT RISKS AND SEIZE SIGNIFICANT OPPORTUNITIES RELATING TO THE WORKFORCE

Quality of working life

The action plans resulting from the satisfaction survey (known as motivation plans) are mainly focused on actions related to quality of working life and employee commitment at each site. These include award ceremonies, cultural celebrations, presentations of the company and workplace to employees' families, improvements to uniforms, intra- or inter-company sporting events, etc.

At the same time, our Foundation is also very active in initiatives that can have a direct impact on the health and well-being of our employees, such as campaigns to teach employees how to screen for breast or prostate cancer, psychological assistance, etc. (see 3.3.3.).

Some actions have become definitive over time: we might mention the introduction of a teleworking agreement in France as early as 2017 on the basis of one day a week, subsequently extended to 3 days and still in force.

Absenteeism rates at Group level are rather low compared with other similar industries and tend to show that all these actions, supported by our global culture and operation are bearing fruit.

The turnover rate has also been on the low side in recent years, apart from the exceptional case of 2024, a year in which the Group had to reduce its workforce in line with its Impulse 2026 plan developed above.

Training and skills development

In 2024, each site collected the training needs expressed by managers, which were then validated and consolidated in a site training plan.

DELFINGEN Industry had defined a budget representing 2% of payroll to be allocated to training initiatives, which each site can use according to its needs.

The focus for 2024 was on training in critical internal skills such as production, in the various modules of our ERP SOLAR, in English and in the google workspace environment.

The goal is for our colleagues to have all the necessary skills for their position and to be proficient in using the tools.

Beyond the job itself, DELFINGEN Industry attaches great importance to developing the employability of its employees and encouraging professional mobility and promotion.

These 2 themes of quality of life at work and training are real opportunities for developing and retaining talent. The redesign of the satisfaction survey in 2025 and the expansion of the training module and digital training in our HRIS should enable us to strengthen our capabilities in this area.

Diversity, equity, inclusion

As mentioned above, DELFINGEN Industry has not formalized a specific DfE policy, even though our history, culture, values and professional relations have always been geared towards taking this type of aspect into account.

We would like to remind once again of the existence of the Ethics Committee and the alert system, should there be any cases of harassment, discrimination or the like.

Social dialogue

Our coverage of social dialogue and collective bargaining will be developed below. Nevertheless, whether formalized or not, oral or written, the spirit of dialogue between management and employees is strongly present in DELFINGEN's culture and history.

3.3.1.6 METRICS AND TARGETS

Targets for managing significant negative impacts, promoting positive impacts and managing significant risks and opportunities

The following IROs in social section S1 relate to existing targets in HR or safety indicators, which are themselves monitored and audited as part of IATF certification.

Training and skills development

Implementation of the training plan at each site must reach 85% by December 31 of the year, and is monitored on a quarterly basis.

The training satisfaction rate must also reach 85% by the end of the year.

Lastly, the skills level coverage rate per employee, team or department must be 85%.

Employee health and safety

As previously stated for workplace accidents, DELFINGEN Industry has set itself a Group-wide frequency rate of 13.5 and a severity rate of 0.9 by 2024.

Quality of working life

The consolidated target rate for motivation plans is 75%, with 82% achieved by 2024.

Their target score is defined annually at site level and monitored at Group level, with a local target of 7.5.

The absenteeism rate is set at 3% and the turnover rate at 1.25% monthly (1.25x12 =15% annual) at Group level, with a breakdown by site.

The 2 IROs of social dialogue and diversity, equity and inclusion have not yet been set targets.

The new iteration of the satisfaction survey in May 2025 will begin to cover the SIE in terms of employee sentiment via questions dedicated to sustainability issues.

Characteristics of the company's employees

DELFINGEN Industry has had an HRIS (Human Resources Information System) in place since April 2023. This database is therefore the source of the data presented below.

DELFINGEN Industry is able to provide a breakdown of the number of permanent employees by gender (physical persons):

- Women represent 39% of the total permanent workforce.
- The total number of permanent employees (equivalent to permanent contracts "CDI" in France) at December 31, 2024 is 3256.

Permanent employees by gender (PP)	
Gender	Number
Women	1 280
Men	1 976
Grand total	3 256

The average number of permanent employees in 2024 is 3260 (physical persons).

The average number of employees in 2024 (excluding temporary staff) is 3641 (physical persons).

The countries with a total number of permanent employees representing more than 10% of the Group's total workforce (threshold at 326) are as follows (in physical persons):

- Germany: 147 women and 272 men for a total of 419
- Mexico: 247 women and 213 men (460 total)
- Romania: 285 women and 296 men for a total of 581

Including apprentices and employees on fixed-term contracts, the countries with a total number of employees representing more than 10% of the Group's total workforce (threshold at 375) are the same:

- Germany: 150 women and 287 men for a total of 437
- Mexico: 247 women and 213 men for a total of 460
- Romania: 285 women and 296 men, 581 in all

DELFINGEN Industry is able to provide a breakdown of the workforce by contract and gender at December 31, 2024 for all permanent employees and fixed-term contracts excluding temporary staff. As the temporary workforce is by nature temporary and has limited social data, it is excluded from the headcount taken into account in the data below.

There are no employees with non-guaranteed hours at DELFINGEN Industry.

Workforce by type of contract and gender (PP)

Type of contract	Women	Men	Grand total
Apprenticeship	5	24	29
FIXED-TERM CONTRACTS	164	162	326
CDI	1 280	1 976	3 256
Grand total	1 449	2 162	3 611

Workforce by contract type and gender (FTE)

Type of contract	Women	Men	Grand total
Apprenticeship	5	23	28
FIXED-TERM CONTRACTS	159	157	316
CDI	1 257	1 970	3 227
Grand total	1 421	2 150	3 571

891 people left DELFINGEN Industry during 2024.

In a constantly changing economic, regulatory and geopolitical environment, in mid-2024 DELFINGEN Industry defined a new roadmap (“Impulse 2026” plan) to guide and structure the development of the company and its financial performance. See 3.1.3.1.

As part of axis 2: rationalization of the Fluid Transfer Tubes (FTT) - Automotive activities, DELFINGEN Industry has decided to restructure its Fluid Transfer Tubes (FTT) business unit (BU), whose underperformance is significantly affecting the Group’s results. This restructuring began in the second half of 2024 and will continue into the first half of 2025. It is expected to result in:

- The discontinuation of certain non-contributing customer contracts, representing sales of around €25 million;
- Downsizing measures that will continue into 2025 involving a total of 450 positions.

The implementation of this plan explains a large part of the high turnover rate in 2024.

DELFINGEN Industry has adopted two methods for calculating the turnover rate for permanent staff in 2024.

Method 1 consists of calculating the total number of departures divided by the total workforce in physical persons at December 31, 2024. This gives an annual turnover rate of 27.3%, or a monthly average of 2.27%.

Method 2 involves calculating the turnover rate month by month (departures divided by headcount at month-end), adding up the 12 results for the 12 months and dividing by 12. This gives an average annual turnover rate of 26.8%, or a monthly average of 2.23%.

Characteristics of external workers who are part of the company’s workforce

The number of external workers (trainees or temps) represents barely 10% of the total workforce. As this proportion is not significant, it is not necessary to provide more information than is already available.

Collective bargaining coverage and social dialogue

Around 27% of the workforce is covered by an industry-wide collective agreement. In Pune (India) and Guanajato (Mexico), which account for 14% of the Group’s workforce, part of the workforce is covered by a collective bargaining agreement, in addition to the 27% fully covered.

Around 29% of the workforce is covered by a local company agreement, and 21% is partially covered.

EEA countries exceeding the threshold of 10% of our global workforce are not covered by collective bargaining agreements, but partially by company agreements.

Outside the EEA, around 20% of our workforce is covered by either a collective agreement or a company agreement.

Around 58% of our workforce have employee representatives on site, who do not belong to a trade union.

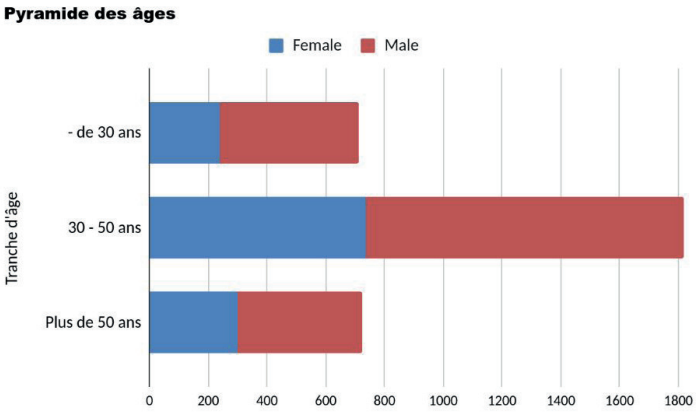
Diversity metrics

DELFINGEN Industry's Executive Committee meets the definition of management bodies in this report. It comprises 9 men.

Extending this view to include management positions, department heads and other Group executives, we can see that 27% of DELFINGEN Industry's management are women and 73% men.

DELFINGEN Industry's age pyramid of permanent employees is as follows, and is relatively balanced:

- Under 30: 711 employees, including 238 women and 473 men, i.e. 22% of the total
- 30 - 50 years: 1819 employees including 738 women and 1081 men, i.e. 56% of the total
- Over 50s: 726 employees including 300 women and 426 men, i.e. 22% of the total



Living wages

DELFINGEN Industry is able to guarantee that all its employees receive the legal minimum wage applicable to each site, as well as the point mentioned in its decent work charter "Equivalent pay for equivalent work per site without discrimination".

On the other hand, the recently-developed concept of living wages, notably in the UN Global Compact, has not been sufficiently analyzed to guarantee this point.

DELFINGEN Industry has therefore set itself the goal of continuing this analysis work in 2025, starting by choosing the methodology best suited to the geographical locations of its sites.

Social protection

DELFINGEN Industry does not currently have consolidated data on social protection. This information is managed and monitored autonomously by our local sites, each complying at a minimum with national legal requirements.

This decentralized approach makes it difficult to obtain a consistent overview of social protection practices across the Group.

An analysis of national social security systems, based in particular on information provided by the Centre des Liaisons Européennes et Internationales de Sécurité Sociale (CLEISS), reveals that all countries where DELFINGEN Industry operates provide legal coverage for sickness, work-related accidents/disability and retirement. Unemployment cover, on the other hand, varies from country to country: it is provided in all countries except Mexico and Honduras.

However, the extent of this protection varies considerably from one country to another, ranging from minimal compensation to substantial coverage of social risks.

With regard to parental leave, legislation provides for compensation in 9 of the 20 countries where DELFINGEN Industry operates. However, in 2 of these 9 countries, such compensation is reserved exclusively for mothers.

In order to better understand and harmonize our practices in terms of social protection, DELFINGEN Industry is committed to reinforcing the collection of information from its local sites. The aim is to consolidate this data at Group level and establish a common reference framework.

Disabled coworkers

DELFINGEN Industry has not set up a system for monitoring indicators for people with disabilities, except in France, and is therefore unable to provide this data.

It should be noted, however, that disability is one of the areas of action of the corporate foundation.

Also, in accordance with our decent work charter, DELFINGEN Industry undertakes to do everything in its power to continue to offer employment to any person who has been working at DELFINGEN Industry for more than a year and who becomes disabled as a result of an accident or illness. DELFINGEN Industry will do its utmost to adapt the working hours of any employee with a disabled spouse and/or child(ren).

Training and skills development metrics

DELFINGEN Industry launches an annual performance appraisal campaign at all sites. In 2024, this campaign was held from January 1 to February 15. An average of 72% of permanent colleagues present during the period completed their annual appraisal.

It should be noted that line managers may optionally conduct an interview with an employee on a temporary contract (apprentice, fixed-term contract, etc.).

The tables below show the breakdown by gender of the average number of annual appraisals for permanent staff.

Gender	Percentage of annual reviews carried out
Female	71 %
Male	72 %
Total	**72 %**

Table summarizing the average number of hours of training per employee and by gender :

Category	Average number of training hours out of total training hours by gender	Average number of training hours out of total workforce
Coworker	15,60	12,35
Female	13,56	9,86
Male	16,41	13,67

Health and safety metrics

The entire workforce is covered by a health and safety management system. External contractors are covered by specific prevention plans.

In 2024, there were no fatalities as a result of work-related accidents or illnesses among either our internal employees or external workers on our sites.

The total number of workplace accidents was 47 in 2024. The number of days lost to work-related accidents and health problems was 463, 28% fewer than in 2023. Information is not available for non-salaried employees.

The 2025 objective is to reduce the number of accidents by 25% by 2025.

The rate of recordable workplace accidents is 5.97, an improvement on last year. This rate is also one of the criteria monitored by our funders as part of a positive impact loan (target 7.43 by the end of 2024 and 6.83 by the end of 2025).



Indicators	2024 Full year results	2024 Full year target	Evaluat°	2023 Full year results
Accidents	47	0	✗	65
Severity rate	0,06	0,9	✓	0,09
Freq rate	5,97	13,5	✓	8,11

However, the number of occupational illnesses is not consolidated at Group level. DELFINGEN Industry will therefore endeavour to provide a common definition for all its sites and consolidate this data for its employees by 2025. External workers are not included in this monitoring.

The percentage of employees covered by a health and safety management system based on legal requirements and/or recognized standards or guidelines, and which has been audited internally and/or audited or certified by a third party, is not available.

Nevertheless, DELFINGEN Industry follows the guidelines of ISO 45001 and OSHA 18001 without being officially certified.

Work-life balance

DELFINGEN Industry has always striven to achieve this balance, and addresses this factor in its annual satisfaction survey. However, there is no consolidated data at group level on family-related leave.

Compensation metrics

DELFINGEN Industry has adopted the methodology used to calculate the pay gap in France's gender equality index, with regard to the validity of comparison groups.

Thus, it has been decided that at least 3 women and 3 men in the same management level are required for the latter to be comparable. If this is not the case, it is deemed invalid.

The only data used is the hourly base salary.

In addition, salary data are compared in local currency and as a proportion of the total valid workforce in each country. They are not consolidated at global level.

A positive difference is in favor of men, a negative difference is in favor of women.

COUNTRY	Management level	Gender pay gap (%)
CANADA	Technician	-1,88%
CANADA	Operator / coworker	-0,73%
CANADA	TOTAL	-2,61%
CHINA	Technician	11,22%
CHINA	Operator / coworker	4,97%
CHINA	TOTAL	16,19%
FRANCE	Department manager	2,18%
FRANCE	Executive / Expert	2,51%
FRANCE	Supervisor / Assimilated executive	0,79%
FRANCE	Technician	-0,27%
FRANCE	Operator / coworker	1,39%
FRANCE	TOTAL	6,60%
GERMANY	Department manager	0,79%
GERMANY	Executive / Expert	1,85%
GERMANY	Supervisor / Assimilated executive	1,14%
GERMANY	Technician	-1,30%
GERMANY	Operator / coworker	0,72%
GERMANY	TOTAL	3,21%
HONDURAS	Supervisor / Assimilated executive	-5,74%
HONDURAS	Operator / coworker	3,77%
HONDURAS	TOTAL	-1,96%
INDIA	Supervisor / Assimilated executive	-1,63%
INDIA	Operator / coworker	2,59%
INDIA	TOTAL	0,96%
MEXICO	Supervisor / Assimilated executive	-0,75%
MEXICO	Technician	-0,20%
MEXICO	Operator / coworker	2,28%
MEXICO	TOTAL	1,33%
MOROCCO	Executive / Expert	3,80%
MOROCCO	Executive / Expert	1,63%
MOROCCO	Technicien	-7,72%
MOROCCO	TOTAL	-2,28%

COUNTRY	Management level	Gender pay gap (%)
PHILIPPINES	Executive / Expert	0,90%
PHILIPPINES	Supervisor / Assimilated executive	-1,83%
PHILIPPINES	Technician	-1,84%
PHILIPPINES	Operator / coworker	1,73%
PHILIPPINES	TOTAL	-1,04%
PORTUGAL	Supervisor / Assimilated executive	0,38%
PORTUGAL	Technician	2,71%
PORTUGAL	Operator / coworker	12,94%
PORTUGAL	TOTAL	16,03%
ROMANIA	Responsable de service	0,67%
ROMANIA	Executive / Expert	3,17%
ROMANIA	Supervisor / Assimilated executive	0,06%
ROMANIA	Technician	-0,94%
ROMANIA	Operator / coworker	8,26%
ROMANIA	TOTAL	11,22%
SLOVAKIA	Technician	1,37%
SLOVAKIA	Operator / coworker	5,15%
SLOVAKIA	TOTAL	6,52%
THAILANDE		42,88%
TUNISIA		3,69%
USA	Director	0,39%
USA	Executive / Expert	0,66%
USA	Supervisor / Assimilated executive	0,88%
USA	Technician	-15,98%
USA	Operator / coworker	6,21%
USA	TOTAL	-7,84%
SPAIN		Non valide
UAE		Non valide
ITALIA		Non valide
JAPAN		Non valide
KOREA		Non valide
LUXEMBOURG		Non valide
BRAZIL		Non valide

In 2024, the ratio of total annual compensation of the highest-paid person to the median total annual compensation of all employees (excluding the highest-paid person) in France is 8.88.

Complete payroll data are not available at Group level for 2024, making it impossible to calculate this ratio for this year.

3.3.1.7 CASES, COMPLAINTS, AND SERIOUS HUMAN RIGHTS INCIDENTS

DELFINGEN Industry has set up a whistle-blowing system via an e-mail address, followed by a dedicated external system called Integrity Line. See 3.4.1.3

This system is accessible to all, including employees, free of charge, on the www.delfingen.com website.

Internally, regular communication is carried out, notably via the “Compliance Minute” in the “DNN” (world-class company newspaper) and via a flashcode available on all screens at all Group sites. So there’s plenty of communication. It should also be pointed out that the number of alerts does not prejudge the number of sanctionable situations. In fact, only the absolute number of alerts is taken into account here.

In 2024, no complaints or serious incidents were reported in the area of human rights (harassment, discrimination, forced labor, child labor, treatment of human beings, etc.).

Consequently, no fines, sanctions or compensation are to be reported.

3.3.2 WORKERS IN THE VALUE CHAIN

3.3.2.1 MATERIAL IROS

The following risk has been identified with regard to value chain workers:

Topics	Issues	Materiality	Impacts
Value chain workers	R	36%	Refusal of customers to buy DELFINGEN Industry products in the event of ethical problems relating to the workforce in the value chain.

The process for assessing their materiality is described in section 3.1.4.

This risk does not concern a specific category of workers, but all types of workers attached to one of our suppliers.

3.3.2.2 POLICIES, METRICS, AND TARGETS RELATED TO VALUE CHAIN WORKERS

The role of administrative, management and supervisory bodies is described in sections 3.1.2.1 to 3.1.2.5.

With particular reference to workers in the value chain :

- the Legal Department manages the Group’s legal risks, in particular those relating to industrial and liability claims.
- The Purchasing Department ensures compliance with the Group’s purchasing policies, the evaluation of suppliers, and the observance of the code of conduct by our partners.

The Group's purchasing policy is described in section 3.4.1.4.

In particular, we follow a rigorous supplier selection process that includes ethical and sustainable practices in the evaluation process. We also carry out in-depth on-site audits for new suppliers, high-risk products or those with an impact on safety and regulations.

Our suppliers must also complete a Corporate Social and Environmental Responsibility survey: This criterion assesses the supplier's commitment to sustainability, covering both social and environmental aspects.

Our Supplier Requirement Agreement also requires that all subcontractors and suppliers respect decent working conditions and employ only employees aged 16 or over, in compliance with our Decent Work Charter.

Finally, a code of conduct was formalized in 2024. It will be rolled out to all our subcontractors and suppliers in 2025.

This Code of Conduct describes the values and principles of conduct expected of all Partners, their employees and their supply chain.

These values and principles of conduct form a binding basis for DELFINGEN Industry's collaboration with its Business Partners and employees.

From now on, they will be required to comply with the same social standards as DELFINGEN Industry:

- Employee rights: For DELFINGEN, observing and respecting internationally recognized human rights is the basis of all business relationships. We comply with the principles and rules set out below, as well as with the labor laws of the various countries in which we operate.
- Respect for human rights: Wherever we do business, DELFINGEN Industry complies with applicable human rights laws, in particular those relating to slavery, human trafficking and due diligence in the supply chain.
- DELFINGEN Industry will not use or tolerate slavery, human trafficking, slavery-like practices or any other form of oppression in the workplace.
- No forced or compulsory labor: DELFINGEN Industry rejects any deliberate use of forced or compulsory labor.
- No child labor: Child labor is prohibited at DELFINGEN. The minimum age for employment is respected in accordance with the legal provisions in force in the various countries. DELFINGEN Industry respects the minimum age for admission to employment, i.e. at least 16 years in accordance with ILO Convention 138 on minimum age. Under no circumstances do we tolerate pressure or coercion.
- Protection and safety at work: At DELFINGEN Industry, we are aware of our responsibility to protect and ensure the safety of our employees on a daily basis.
- The health, lives and safety of our colleagues are our top priority. DELFINGEN Industry is committed to ensuring the same level of safety at all its sites.
- Respecting working hours, granting time off and paying fair remuneration: DELFINGEN Industry respects local laws on minimum wages, working hours and working conditions, and grants its employees reasonable rest periods and time off in case of illness or emergency. We ensure that legal working hours are respected and that minimum legal vacations are granted.
- DELFINGEN Industry is committed to applying equivalent wages and benefits for equivalent work at each site, without discrimination.
- Anti-harassment policy: DELFINGEN Industry applies zero tolerance to all forms of harassment (moral, sexual, etc.), threats or physical abuse, and to behavior that violates human dignity.
- Freedom of association: DELFINGEN Industry respects employees' right to freedom of association and assembly, and grants them the right to collective bargaining for the purpose of regulating working conditions.
- Preservation of equal treatment and equal opportunities: DELFINGEN Industry is committed to fighting discrimination and promoting equal opportunities.

- Equality & Diversity: DELFINGEN Industry promotes equal treatment, equal opportunities, diversity, fairness and inclusion at all levels for its employees and its supply chain. DELFINGEN Industry undertakes not to discriminate on the grounds of physical appearance, religion or belief, political opinion, gender, age, social or national origin, sexual orientation, gender identity, marital status, state of health or disability, or any other characteristic protected by law and provided they are based on tolerance and democratic principles.
- Hiring & career: DELFINGEN Industry's policy is to select, hire and promote employees on the basis of their abilities, experience and skills, and to pursue their development accordingly by providing appropriate training.
- Disability: DELFINGEN Industry makes every effort to retain an employee with more than one year's seniority who is disabled. DELFINGEN Industry makes every effort to arrange working hours for a caregiver with a disability.
- Training and personal development: DELFINGEN Industry is committed to providing its employees with appropriate training, and to supporting the personal development of all its employees so that they become more autonomous in their day-to-day work.

The dissemination of this new code of conduct to our suppliers and subcontractors forms the core of our 2025 action plan on the subject, with the aim of making it available to everyone.

There are no metrics specifically associated with the identified risk. However, a supplier selection criterion assesses the supplier's commitment to sustainability, covering social and environmental aspects (3.4.1.4).

23 supplier audits are already scheduled for 2025, covering these supplier selection criteria.

3.3.3 COMMUNITIES AFFECTED

3.3.3.1 MATERIAL IROS

The following IROs have been identified for the communities affected by our activities.

The process for assessing their materiality is described in section 3.1.4.

Topics	Issues	Materiality	Impacts
Commitment to communities and territories	I +	45%	With the DELFINGEN Foundations, the company improves the living conditions of its employees and their families, offering them the opportunity to be more autonomous and dignified, and supporting them in taking control of their lives in terms of housing, education and health.
Commitment to communities and territories	I +	45%	DELFINGEN, through its products for the automotive and other mobility industries, enables all communities to benefit from a varied, safe and increasingly carbon-free mobility offer.
Commitment to communities and territories	O	30%	Positive image with local stakeholders linked to the DELFINGEN Foundations

The communities affected by our dual materiality analysis are of 2 types:

- Communities living or working in the vicinity of the company's operating sites, particularly in low- and middle-income countries (close family of employees, distant family, schools, communities, etc.). Policies and actions aimed at these communities are those of the Corporate Foundation and are described below.
- Communities at the end of the downstream value chain, i.e. indirect users of our products worldwide, who can benefit from a varied, safe and increasingly carbon-free mobility offer. This aspect is not described further here, and is covered by the policies and actions carried out under the headings of climate change (E1), the circular economy (E5), and product quality and safety for end-users (S4).

3.3.3.2 POLITIQUES RELATIVES AUX COMMUNAUTÉS TOUCHÉES

DELFINGEN Industry's Corporate Foundations.

"Globalization is an opportunity for humanity, as long as it is based on solidarity".

The DELFINGEN Corporate Foundations were set up in 2007 as part of the Group's commitment to local communities. As a genuine link between the Group, its employees and the local communities, they aim to develop lasting solutions that will enable people to become more independent and dignified, and help them to take their own destiny into their own hands. At sites where there is no specific legal entity of the foundation type, ad hoc committees act as such.

Their areas of intervention are: health, education, housing, disability and, since 2022, the environment. Thanks to this new pillar, DELFINGEN Industry helps raise awareness among colleagues, their families and their communities of various environmental issues (CO2, plastic pollution).

Entities and governance :

The SWISS DELFINGEN Foundation is chaired by the CEO of DELFINGEN Industry. It defines the main lines of intervention of the other foundations and local committees, and the annual campaigns recommended, and validates the major expenditures of the other local foundations or production sites on the above-mentioned perimeters of intervention.

In France, the DELFINGEN Corporate Foundation is particularly active in the Europe/Africa zone, in conjunction with the production sites in the region. It collects donations from employees and finances activities in the region or outside, with the help of the DELFINGEN Endowment Fund (which collects donations from third parties).

In the United States, the DELFINGEN US Foundation does the same for the Americas region, collecting donations and financing regional initiatives.

There is also a specific entity for the Philippines, which has been very active since its creation in 2007.

On sites where there is no specific legal entity, ad hoc committees carry out actions on behalf of the foundations.

In this way, a hundred or so volunteers around the world are working in the areas of health, education, housing, disability and the environment, on behalf of the families of DELFINGEN Group employees and local communities.

Foundation resources :

THE DELFINGEN GROUP

In 2024, DELFINGEN Industry donated 1% of its 2023 net income to the DELFINGEN Corporate Foundation (French entity). From 2025, DELFINGEN Industry will pay 1% of its 2024 net income to the SWISS DELFINGEN Foundation, which has become the main entity.

DONATIONS

Donations from colleagues, in particular, help to increase resources, as do external donations from partners, friends, suppliers and customers. An online donation form is available on the Foundation's website. Local entities also organize various fund-raising activities (e.g. sale of obsolete PCs at various DELFINGEN Industry sites, dedicated events, etc.).

FOUNDATION OUTLOOK

Over the past 3 years, the DELFINGEN Industry Foundation has reorganized itself in order to revitalize the local foundations.

New people have joined the foundation, and new actions have been initiated by the teams to bring the foundation to life and make it visible, particularly to new employees.

The foundation will continue its partnerships with other foundations, organizations and other local players, in order to broaden its influence and scope for action.

3.3.3.3 PROCESS OF INTERACTION WITH AFFECTED COMMUNITIES ON THE SUBJECT OF IMPACT

Interaction with local communities takes place mainly through the hundred or so volunteers around the world, located as close as possible to the specific needs identified.

These interactions take place in particular when specific projects are being set up, and sometimes with other specialized local players.

3.3.3.4 ACTIONS CONCERNING SIGNIFICANT IROS IN AFFECTED COMMUNITIES AND THEIR EFFECTIVENESS

EXPENSES (€)		PILLAR						
2024	REGION	HANDICAP	EDUCATION	ENVIRONNEMENT	HEALTH	HOUSING	OTHER	TOTAL
	AMERICAS	625€	25 422€		3 515€		392€	29 954€
	ASIA	1 732€	24 689 €	160 995€	55 868€	1 839€	1 481€	246 604€
	ENA	175€	9 017€	40 000€	12 123€	641€	1 981€	63 936€
TOTAL		2 532€	59 127€	200 995€	71 507€	2 480€	3 854€	340 495€

NOTABLE COMMITMENTS IN 2024 :

Education :

All in all, the three regions will be contributing €59,127 to the education pillar in 2024. This mainly concerns school supplies and scholarships or assistance for the schooling of colleagues' children.

Health :

The health pillar also remained a major focus in 2024, with €71,507 committed across the 3 regions.

In particular, as in previous years, eye tests were carried out in China at our Hebi site, as well as in Chennai (India).

The remainder of the expenditure is mainly made up of one-off assistance for surgical operations, supplies of medicines, laboratory procedures for members of employees' families, and vaccination campaigns. In addition, prevention and awareness campaigns were conducted on various topics.

Handicap :

Only a few one-off actions were carried out in 2024 on the Disability pillar, for a total amount of €2,532 across the regions.

Housing :

Similarly, only a few one-off operations were carried out on the Habitat pillar, for a total of €2,480.

Environnement :

With regard to the environmental pillar, most of the 2024 expenditure (€200,995) was incurred within the framework of the partnership with Plastic Odyssey detailed below.

Focus on Plastic Odyssey PH - 2024

After two years of partnership, our foundations have taken a new step in their environmental commitment by joining forces with the NGO Plastic Odyssey to deploy an innovative and sustainable plastic waste management solution in the Philippines. Aware of the urgency of plastic pollution, with 19 tonnes of waste dumped into the ocean every minute, the two organizations have joined forces to create two recycling micro-factories in Manila and Cebu.

This ambitious project is part of Plastic Odyssey's global vision, which aims to reduce plastic pollution at source by implementing simple, effective recovery systems. Only 9% of the plastic produced since 1950 has been recycled, and by recycling every second piece of waste in the 30 most affected coastal countries, it would be possible to avoid 40% of global pollution.

The Plastic Odyssey microfactories, installed in containers fitted with solar panels, are veritable waste transformation tools. They convert over 500 tonnes of plastic a year into high value-added products, offering an economical and ecological alternative to landfill or incineration. These products find applications in a variety of fields, such as furniture and construction, creating a local circular economy.

The inauguration of these micro-factories financed by our foundations took place at the end of 2024 in the Philippines, with events organized in Manila and Cebu in collaboration with the CCI France-Philippines. These events raised public awareness of the problem of plastic pollution and presented the concrete solutions implemented by our foundation in the Philippines and Plastic Odyssey.



In Manila, from right to left, Gérald STREIT (CEO of DELFINGEN), Simon BERNARD (CEO of Plastic Odyssey), Marie FONTANEL (French Ambassador to the Philippines), Santhosh PARAMEL (Director of Operations in Asia Pacific and Vice President of the DELFINGEN SWISS Foundation), Benoit BLANCHER (Director of Development at Plastic Odyssey) and Ludwig O Daza (Division Head at the Philippine Economic Zone Authority (PEZA)) proudly cut the ribbon to mark the inauguration of this successful partnership.

As well as transforming waste, this project has a significant social and environmental impact:

- Creation of sustainable jobs through the development of local supply chains.
- Generating know-how and training future generations in recycling techniques.
- Improved living conditions for communities by giving them the means to clean up their environment.
- Adding value to plastic waste to encourage collection.
- Offset collection costs in remote and protected areas with plastic credits.
- Set up small processing units in rural or isolated areas.
- Accompanying local entrepreneurs through training, technical and commercial support, and access to a self-help network.

By supporting this initiative, the DELFINGEN Foundation in the Philippines is reaffirming its commitment to a more sustainable future.

The collaboration will continue in 2025, with the hiring of an engineer to develop the 2 micro-factories in the Philippines.

3.3.3.5 METRICS AND TARGETS

Targets for managing significant negative impacts, promoting positive impacts and managing significant risks and opportunities

The Group donates 1% of its consolidated net income to the Corporate Foundation for its activities.

The Foundation does not set measurable targets for its various areas of intervention - health, education, housing, disability and the environment - and has no plans to do so in the future.

Indeed, a large proportion of the actions potentially undertaken are in response to potential emergency situations, which by definition are unforeseen (e.g. climatic event, accident, health problem, etc.) or dependent on the demographics of our sites (school scholarships, vaccination, etc.).

However, as specified in S3-4, a precise report on actions and associated budgets is drawn up at least quarterly, enabling us to monitor the effectiveness of our local commitments.

3.3.4 CONSUMERS AND END-USERS

3.3.4.1 IRO EQUIPMENT

The following IROs have been identified for Consumers and end-users.

The process for assessing their materiality is described in section 3.1.4.

The end consumers taken into account in the analysis are all those likely to buy or use vehicles (personal vehicles, commercial vehicles) on which DELFINGEN products are installed.

Themes	Issues	Materiality	Impacts
Product quality and safety	I +	60%	Clear and transparent product information (e.g. environmental impact rating), enabling customers and users to make an informed choice when placing an order.
Product quality and safety	R	60%	Loss of market share and damage to corporate image in the event of safety and quality defects.
Product quality and safety	O	36%	Gain market share and increase revenues by meeting sustainability expectations (customers, suppliers...)

3.3.4.2 POLICIES RELATING TO CONSUMERS AND END USERS

QSE Policy and Management System: a commitment to quality, safety and the environment

DELFINGEN Industry has placed customer satisfaction, personal safety and environmental protection at the heart of its concerns. This commitment is reflected in a formal QSE policy and a management system certified to IATF 16949 and ISO 14001, covering all its sites and activities, from design to the supply of products and services.

DELFINGEN Industry's policy focuses on:

- Customer satisfaction: By delivering top-quality products on time, thanks to a robust organization and dedicated processes. Quality is managed at every stage, from design to shipment.
- Safety: By complying with laws and regulations, continuously improving safety through corrective action, and integrating safety into product and process design.
- Environment: By considering environmental impact throughout the product life cycle, from supplier relations to delivery, and extending its sphere of influence to first-tier suppliers and customers. **Environmental aspects (I+ and opportunity) are dealt with mainly in sections 3.2.1 to 3.2.4.**

A structured approach

DELFINGEN Industry has adopted a process approach for its QSE management system.

12 key processes have been defined, covering management, implementation and support, with responsibilities clearly assigned at different levels of the organization (plant, region, group). This approach guarantees structured, consistent management of activities.

In line with the requirements of ISO 9001:2015, DELFINGEN Industry's management system is based on a risk management approach. Risk analyses are carried out at each level (process, plant, group), taking into account the internal and external context, as well as the needs of stakeholders. Where necessary, these analyses are updated annually during the management review.

DELFINGEN Industry is committed to the continuous improvement of its QSE management system. Management reviews, internal and external audits by certification bodies and/or customers, and the monitoring of performance indicators help to identify areas for improvement and to implement corrective and preventive actions.

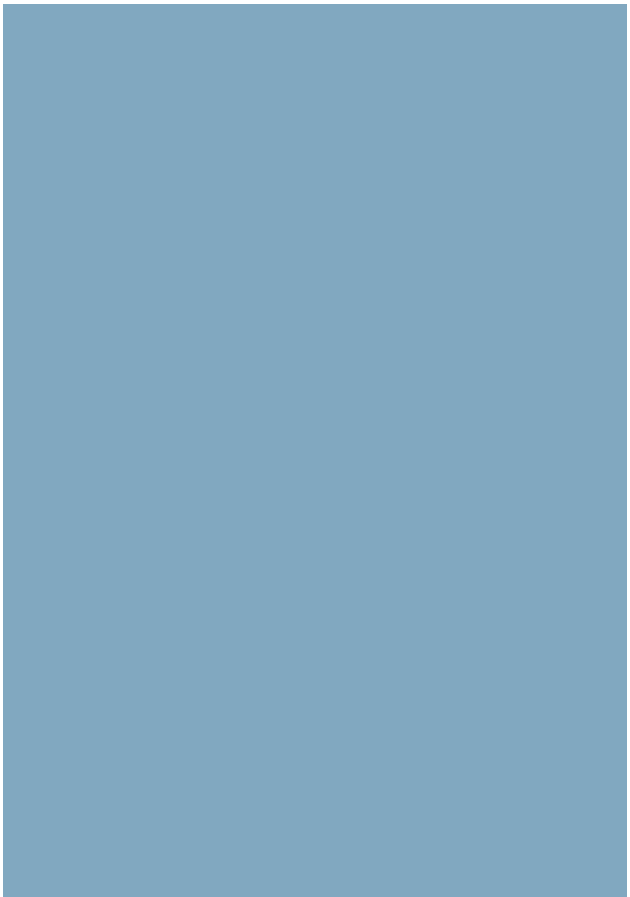
The company also keeps abreast of changes in standards and regulations, as well as industry best practices, in order to adapt its system and reinforce its performance in terms of quality, safety and the environment.

With regard more specifically to the identified risk linked to product quality and safety, DELFINGEN's QSE management system, with its process approach, risk management and commitment to quality and safety, aims to prevent defects and non-conformities. Quality control procedures at every stage of the process, internal and external audits, and corrective and preventive actions all contribute to minimizing the risk of quality/safety problems that could damage the company's image and lead to loss of market share.

3.3.4.3 PROCESSES FOR INTERACTING WITH CONSUMERS AND/OR END-USERS REGARDING IMPACTS

There is no direct, formal interaction between DELFINGEN Industry and end consumers. This interaction mainly takes place via our customers, OEMs and/or suppliers, when they request existing or new products (e.g. a new reference for the customer, such as a new vehicle or platform).

Some new products are also developed without initial customer requests by our innovation departments, based on our knowledge of the market and its trends. (benchmarks, teardowns, technical studies, market surveys, etc.).



3.3.4.4 ACTIONS CONCERNING IROS THAT HAVE A SIGNIFICANT IMPACT ON CONSUMERS AND END USERS

Actions relating to IROS concerning end consumers include:

- For the issue of product quality and safety: the quality policy implemented to meet our contractual obligations to our tier-1 suppliers and OEMs.
- For expectations in terms of sustainability and transparency, sections 3.2.1 to 3.2.4.

In 2024, the results of the main quality indicators are as follows:

- Formal complaints: 236, vs. 281 in 2023
- Informative claims: 432, vs. 557 in 2023
- PPM (parts per million): 1.39, vs 1.44 in 2023

Note: these indicators may include problems related to delivery times, which do not impact product quality or safety.

In 2024, 29.52% of the Group's training initiatives were devoted to QSE, demonstrating the importance of this subject within the Group.

Internal and external audits at all sites were organized in 2024 to verify the application of Group standards, in line with the procedure dictated by the Quality System. These audits were supplemented by customer audits and the renewal of site quality certifications.

3.3.4.5 METRICS AND TARGETS

Targets related to managing significant negative impacts, promoting positive impacts and managing significant risks and opportunities:

The targets set for 2025 are shown below:

- Official claims: -10
- Informative claim: -10
- PPM <9

These targets are set on the basis of previous years (see above) and generally accepted automotive standards.

3.4 GOVERNANCE

3.4.1 BUSINESS CONDUCT

Ethical commitment

We attach the utmost importance to acting in an irreproachable manner with our stakeholders.

DELFINGEN Industry is committed to acting responsibly and ethically towards its customers, suppliers, governments and public authorities, and its employees. Business integrity also contributes to the Group's good reputation.

3.4.1.1 CORPORATE GOVERNANCE

The role of the Group's administrative, management and supervisory bodies is described in sections 3.1.2.1 to 3.1.2.5.

In particular, the :

- the Legal Department manages the Group's legal risks, in particular those relating to industrial
- and liability claims.
- The Human Resources Department ensures that local social legislation is properly applied.
- The Finance Department manages the risks associated with the Group's financial activities, in particular, the
- compliance of financial statements with local and international accounting standards (IFRS), foreign exchange
- liquidity, tax and fraud risks.
- The Information Systems Department ensures the replicability of stored information, as well as the management of cyber risks.
- The Purchasing Department ensures compliance with the Group's purchasing policies, the evaluation of suppliers, and the observance of the code of conduct by our partners.
- The Supply Chain Department ensures compliance with customs and import/export legislation at Group and local level.

An Ethics Committee is in charge of dealing with the various alerts submitted via the different possible channels. The members of the Ethics Committee are appointed by the Board of Directors and sign a Charter committing them to confidentiality and to respecting the rules governing the management of investigations. Both the composition and the commitment of the members of the Ethics Committee and the management body to the Charter are renewed each year.

At the same time, a Compliance Committee meets every two months to steer actions relating to compliance as a whole. The role of this committee is to coordinate compliance actions with the departments, business lines concerned and managers who report problems or issues. At the same time, cyber risk is discussed and presented to the Executive Committee every 15 days by the Group CIO.

3.4.1.2 IRO EQUIPMENT

The following IROs have been identified with regard to business conduct:

Topics	Issues	Materiality	Impacts
Responsible purchasing	R	60%	Failure or delay in delivery of raw materials or components
Ethics and compliance	I +	60%	A system applied to all Group subsidiaries enables every employee to feel protected and to denounce any dangerous situation. This is important in countries where the law does not protect whistle-blowers or employees.
Ethics and compliance	O	60%	Attractiveness of the company through a positive image (recruitment, investors, partners, etc.).
Responsible purchasing	I +	36%	36% Accompanying suppliers and service providers in adopting a committed sustainability approach through a responsible purchasing policy could help them obtain labels and a better rating from rating agencies and financial partners.
Ethics and compliance	R	30%	Non-compliance with corporate and legal rules on whistleblower protection and corruption

The process for assessing materiality is described in section 3.1.4.

3.4.1.3 CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES

DELFINGEN Industry is committed to acting responsibly and ethically towards its customers, suppliers, governments and employees. Business integrity also contributes to the Group's good reputation. This is reflected in :

- Our values, stated early on, amended in 1984 to make them international (freedom, sharing, continuous improvement and responsibility) and updated in 2020: Entrepreneurship, Solidarity, Harmony and Responsibility;
- Our responsible purchasing policy. See 3.4.1.4.
- Our anti-corruption policy. See 3.4.1.5 and 3.4.1.6.
- Group ethics committee
- A general spirit of responsibility in the business world, also illustrated by the Group's Corporate Foundation, whose aim is to act in favor of the most disadvantaged populations, in France and worldwide. See 3.3.3.
- An alert system described below.

Historically, an e-mail address compliance@DELFINGEN.com was created and set up to collect alerts at Group level.

Since 2022, DELFINGEN Industry has had an alert system for both internal and external parties (customers, suppliers, authorities, partners, etc.) through a dedicated application, IntegrityLine. This system is accessible to all (i.e. employees, customers, suppliers, public authorities, partners, etc.) free of charge, on the www.delfingen.com website, and in all the Group's languages.

The Ethics Committee is responsible for handling the various alerts submitted via the various channels: IntegrityLine, escalation, letters, etc. The members of the Ethics Committee are appointed by the Board of Directors and sign a Charter committing them to confidentiality and to respecting the rules governing the management of investigations. Both the composition and the commitment of the members of the Ethics Committee and of the governing body to the Charter are renewed each year.

The Ethics Committee reports to the Audit Committee at least twice a year on its tasks and progress.

Whistleblowers are protected by the Whistleblowing Policy, which stipulates that all reports, including references to the whistleblower, are treated confidentially and in accordance with applicable laws.

Internally, regular communication is carried out, notably via the "Compliance Minute" in the DNN (world-class company newspaper) and via a flashcode available on all screens at all Group sites. So there's plenty of communication. It should also be pointed out that the number of alerts does not prejudge the number of sanctionable situations. In fact, only the absolute number of alerts is taken into account here: 7 alerts were received in 2024.

In addition to communication and awareness-raising channels, specific training is provided for particular audiences: sales staff, buyers, HR, management bodies, etc. With regard to the risks of corruption, payment of bribes and/or gifts, DELFINGEN Industry has set up a Gift Policy, available on the www.delfingen.com website, to specify the rules and conduct to be adopted in different situations. The Gift Policy complements the Industry Group's Anti-Corruption Code of Conduct and enables employees in particular to make the right decisions, depending on the context, regarding gifts and hospitality received or offered in the course of business activities. The prevailing rule is compliance with the law and regulations in force. In specific situations not specifically described, it is up to each employee to make the best decision, using his or her own common sense and experience, in accordance with the criteria set out in the Gift Policy.

3.4.1.4 SUPPLIER RELATIONS MANAGEMENT

RESPONSIBLE PURCHASING AS AN ESSENTIAL LINK IN BUILDING TRUST WITH OUR CUSTOMERS

Given the scale of our purchases, supply chain issues are fundamental. The quality of our finished products for our customers is intrinsically linked to the quality of our raw materials. The choice of suppliers is therefore based on quality requirements, which must be maintained throughout the product life cycle, as well as on sustainability.

DELFINGEN Industry's commitment to product quality and sustainable development is deeply rooted in our sourcing process for products purchased **from the bill of materials (BOM).**

A rigorous procedure ensures responsible sourcing and compliance with best practices throughout our supply chain.

A rigorous procedure ensures responsible sourcing and compliance with best practices throughout our supply chain.

1. **Precise definition of requirements:** we meticulously define our needs, including technical specifications, drawings and anticipated volumes, ensuring clarity and transparency for our suppliers.
2. **Rigorous supplier selection:** we follow a rigorous supplier selection process that prioritizes ethical and sustainable practices. This includes a thorough risk assessment to evaluate potential social, environmental and economic impacts.
3. **On-site audits and assessments:** we carry out in-depth on-site audits for new suppliers, high-risk products or those that have an impact on safety and regulations. This ensures compliance with our sustainability standards and those of our customers.
4. **Process qualification:** we validate suppliers' processes through rigorous audits and assessments, ensuring that they meet our quality and sustainability criteria.
5. **Continuous improvement:** we work with suppliers to draw up and implement action plans, thereby promoting continuous improvement in their sustainability performance.
6. **Traceability and transparency:** we maintain a comprehensive coding system for all purchased components and raw materials, ensuring complete traceability and transparency in our supply chain.
7. **Sample validation:** we require initial samples to meet strict quality and compliance standards (e.g. PPAP 4th edition or VDA 2 PPA), guaranteeing product safety and performance.
8. **Material compliance:** we meticulously check material declarations and certifications (Reach and Rohs) for all raw materials, guaranteeing compliance with environmental regulations.
9. **Customs compliance:** we work with our GSC-Customs referent to validate customs codes (HS codes), guaranteeing legal compliance and ethical sourcing.
10. **Effective procurement planning:** we use efficient procurement methodologies (Kanban, Just-in-time, etc.) to optimize inventory management and minimize waste.
11. **Receiving inspection and non-conformity management:** we carry out thorough receiving inspections and have a robust supplier non-conformity management process.
12. **Supplier quality assessment:** we continuously evaluate suppliers' quality performance to ensure our sustainability standards are met on an ongoing basis.

Supplier selection follows a rigorous procedure, in line with our corporate objectives and the requirements of IATF 16949. For suppliers not imposed by our end customers, DELFINGEN Industry's supplier evaluation procedure is a comprehensive process designed to minimize risk and maximize supply chain performance. It is structured around several key criteria, including **sustainability** and **risk management.**

Key sustainability criteria:

- **ISO 14001 certification:** giving preference to ISO 14001-certified suppliers demonstrates a commitment to environmental management.
- **Product carbon footprint:** a supplier's ability to provide data on the carbon footprint of its products helps to better understand and manage the environmental impact of the supply chain.
- **Responses to corporate social and environmental responsibility survey:** this criterion assesses the supplier's commitment to sustainability, covering both social and environmental aspects.

Critères clés liés à la gestion des risques :

- **Product criticality:** identifying critical products enables risk management efforts to be focused on the most sensitive elements.
- **Supplier's position in the automotive market:** the supplier's experience in the automotive sector and its dependence on this market are indicators of stability and resilience.
- **Supplier's technology:** suppliers with proven technologies present less innovation and development risk.
- **Plant and manufacturing facilities:** the stability and capacity of production facilities are essential to guarantee continuity of supply.
- **Production line/tooling capacity:** sufficient production capacity helps avoid supply disruptions and delays.
- **Supplier evaluation:** a supplier's track record in terms of quality, costs and lead times is an important indicator of its overall performance.
- **Contingency plan:** the presence of a contingency plan reflects the supplier's ability to manage crisis situations.
- **Financial health:** the supplier's financial stability is crucial to guaranteeing a long-term business relationship.
- **Supplier history:** the supplier's experience with DELFINGEN Industry and its history of force majeure are indicators of reliability.
- **Distance between supplier and end customer:** geographical proximity can reduce logistical risks and delivery times.
- **Risk of shortages:** assessing the risk of shortages helps to anticipate potential supply chain disruptions.

In conclusion:

DELFINGEN Industry's supplier evaluation procedure is an essential tool for identifying and managing supply chain risks while integrating sustainability criteria. This approach enables us to select high-performing, responsible suppliers, thus contributing to DELFINGEN Industry's overall performance and reputation.

We maintain the visualization of our supplier mapping to make it easier and more readable to follow them, and to be more reactive in the event of any drift.

We closely monitor all technological developments enabling us to improve the energy consumption of our industrial processes, with a strong commitment to promoting contracts for the supply of energy from renewable sources. See 3.2.1 Climate change.

A paragraph on "compliance" has been added to our general purchasing conditions, and our ethics charter is available on our website.

In 2024, DELFINGEN Industry also introduced a Code of Conduct for its business partners (customers, suppliers, etc.) to contractually commit them to various environmental, social, ethical and other issues. Distribution of this code of conduct is scheduled for 2025.

In addition, Industry Industry Purchasing signed the RFAR "Responsible Supplier Relations and Purchasing" Charter at the beginning of 2024. This is a concrete expression of working methods and ethics that have already been in place for many years.

Created in 2010, the Responsible Supplier Relations Charter aims to encourage companies, public and private organizations to adopt responsible practices towards their suppliers. It is currently steered by the Médiateur des Entreprises and the CNA (Conseil National des Achats).

DELFINGEN Industry was audited in France in November 2024 on this subject, with a view to obtaining the Label Relations fournisseurs et achats responsables. This is the first and only label awarded by the public authorities in this field. It is awarded for a period of 3 years, subject to annual verification on major criteria by one of the organizations approved by the Médiateur des Entreprises and the CNA.

DELFINGEN Industry was formally awarded the RFAR label in February 2025.

3.4.1.5 PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

DELFINGEN Industry is committed to a system for preventing the risk of corruption and to a policy of combating corruption in all its forms, and strives to ensure that this policy is applied at all its sites. It should be noted that the coverage of actions relating to ethics and compliance extends to all DELFINGEN Industry entities and covers the entire perimeter.

DELFINGEN Industry has put in place several overlapping procedures to prevent, detect and deter potential cases of corruption, bribery or gift-giving, as well as to deal with related cases:

- Anti-corruption code of conduct drawn up with Middlenext and its member companies, intended primarily for Group employees,
- Code of conduct for business partners (customers, suppliers, third parties, etc.),
- Gift policy
- Reliable and effective whistle-blowing system (see 3.4.1.1)
- Group Ethics Committee
- Compliance Committee, which meets every month to steer actions relating in particular to personal data protection, the fight against corruption and insider trading.

Anti-corruption code of conduct

In 2018, particularly under the impetus of the so-called “Sapin 2” law, DELFINGEN Industry drafted an Anti-Corruption Code of Conduct, in co-construction with MIDDLENEXT and its member companies. This Code of Conduct :

- Defines the standards of behavior applicable to our activities and sets out guidelines for the decisions that Group employees may be required to make on various ethical issues;
- Describes the fundamental rules concerning, in particular, the following subjects: gifts (through our “gifts” policy), signs of courtesy, entertainment, donations to charitable or political organizations, facilitation payments, etc ;
- Supplements the rules, procedures and standards defined in each country, to which employees must continue to refer;
- Is addressed to all employees, members of the Executive and Management Committees, and corporate officers of DELFINGEN Industry and its subsidiaries worldwide;
- It is also addressed to DELFINGEN Industry’s partners, customers and suppliers, who must share the same values.

In France, adherence to the Code of Conduct is a condition of employment for all employees of our Group, who will not tolerate any breach of it.

In recent years, 100% of our employees identified as being at risk and 100% of our senior management have received anti-corruption training.

In 2025, we will be stepping up our training programs, using our online training platform in particular for managers and key people. The resources required for governance training are included in the 2% of personnel costs allocated to training each year by the Group.

3.4.1.6 CASES OF CORRUPTION OR BRIBERY

Following the investigation procedure, no conclusions or recommendations were issued by the Committee to the departments or sites concerned.

To date, DELFINGEN Industry is not and has not been the subject of any complaint relating to corruption and/or the payment of bribes. DELFINGEN Industry has never been convicted of any offence relating to or resembling corruption.

3.4.1.7 PAYMENT PRACTICES

The average time (in number of days, all suppliers regardless of size) it takes the Group to pay an invoice from the date on which the contractual or statutory payment period begins to run is 47 days in 2024.

The Group has set up a system for monitoring late payments to suppliers. The ratio of compliance with payment deadlines is between 80% and 95%. The vast majority of late payments are due to quality problems.

There are no legal proceedings in progress concerning non-payment.

3.4.2 INFORMATION SYSTEMS SECURITY AND RESPONSIBLE DATA MANAGEMENT

3.4.2.1 IRO MATERIALS

The following IROs have been identified with regard to information systems security and responsible data management:

Topics	Issues	Materiality	Impacts
Information systems security and responsible data management	R	30%	Stoppage of certain operations (manufacturing, planning, delivery, invoicing)
Information systems security and responsible data management	I +	60%	Guarantee a robust information security management system, including TISAX certification
Information systems security and responsible data management	I -	50%	Uncorrected security breaches or inadequate protection measures can disrupt DELFINGEN Industry's activities (order management and tracking, late deliveries, etc.) and lead to disruptions in customers' own activities if they are not delivered.

The process for assessing their materiality is described in section 3.1.4.

We do not disclose in detail certain policies, actions, targets and indicators relating to cybersecurity. This confidentiality is essential to preserve the security of our information systems, as the disclosure of such information, particularly of our defensive systems, could be exploited by potential attackers.

3.4.2.2 INFORMATION SECURITY MANAGEMENT SYSTEM

New technologies are essential to a company's operations, and thus to its long-term survival. They are used in all areas of activity: production, distribution, management and so on. Employees process and store a vast amount of information, which must be protected by moral, contractual or regulatory obligations. These IT resources can become the target of constantly evolving malicious activities.

The security of our information systems and our responsible management of data are therefore a major challenge, both individually and collectively. Policies, procedures and documents (Information Security Management System) describe all these aspects in detail:

Strategic level :

These documents define security orientations and guidelines, in line with business needs and stakeholder requirements. They include :

- The General Information Systems Security Policy (PGSSI): the founding strategic document structuring the Information Security Management System (ISMS).
- The ISMS risk treatment plan: This plan identifies and evaluates risk treatment options, and selects the ISMS security objectives and measures.
- The Declaration of Applicability (DoA) and the VDA ISA: This document describes the security objectives and measures appropriate and applicable to the ISMS (document combining the Declaration of Applicability and the VDA ISA requirements). VDA ISA is the "'Information Security Assessment of the Verband der Automobilindustrie", a security standard specifically designed for the automotive industry.

Tactical level :

These documents describe all the security requirements to be implemented, in line with the guidelines defined in the Information Security Policy. They formalize the security objectives to be achieved and specify the means to achieve them. They are made up of thematic policies, charters for IS administrators and users, or the Security Assurance Plan (SAP).

Operational level:

These documents provide recommendations and best practices for implementing security in line with the requirements defined by DELFINGEN Industry. They are made up of operational processes (management of a specific security topic), guides (documents to help classify or implement a security topic), procedures and forms.

Governance

The **Information Systems Security Manager (ISSM)** is responsible for managing information systems security issues. He assists management in defining information systems security objectives and priorities.

In collaboration with the Information Systems Department (ISD), he draws up, formalizes and disseminates security policies (PGSSI, operational standards, procedures, etc.) to achieve these objectives. Working alongside operational staff, he helps define the concrete security measures to be implemented, and validates these measures. He/she oversees the implementation of these measures, and plans and coordinates all actions relating to information systems security.

In collaboration with the internal audit team, he/she organizes and manages the control and evaluation of information systems security. It participates in the management of security incidents and crises that may arise. It reports to the CIO on the achievement of security objectives, and communicates on the general state of security and the progress of major projects at an annual review.

Executive Committee (COMEX): COMEX oversees the organization's overall information security program and approves the information security policy. COMEX assigns responsibility, accountability and authority for the various security functions to the organization's relevant personnel, and appoints a CISO. The COMEX manages all risks concerning information services, including security objectives for developing information security standards.

Chief Information Officer (CIO): the CIO is part of the COMEX and is directly responsible for cybersecurity strategy. The CIO is responsible for defining high-level strategy, managing the budget for cybersecurity initiatives and defining a sponsor for each project. The CIO, in coordination with the CISO, can approve any deviation from security standards.

IT Managers: IT Managers are responsible for applying information security standards throughout the service delivery process. All new information systems must comply with the provisions of the standards, and existing systems must also be brought into line.

Data Protection Officer (DPO): the DPO informs and advises DELFINGEN Industry and its employees on the rules applicable to personal data. The DPO monitors compliance with national data protection regulations and legislation. The DPO advises DELFINGEN Industry on carrying out data protection impact assessments and verifies their execution. The DPO can be contacted by DELFINGEN Industry employees for any questions relating to the protection of personal data. The DPO cooperates with local authorities in matters of personal data protection.

Legal Department: the Legal Department monitors business risks and compliance. The Legal Department examines and measures the risk for all contracts to be signed by a DELFINGEN Group company. The Legal Department ensures that, in the contractual package to be signed, external partners comply with the Group's minimum requirements in terms of security and personal data protection.

Industrial IS Operations Manager: the Industrial IS Operations Manager is responsible for implementing security standards for ICS (industrial control systems), while taking into account their specific requirements in terms of performance, reliability and security.

Regional Managers: Regional Managers are responsible for implementing information security standards in their region, to ensure that regional staff comply with DELFINGEN Industry information security standards.

Users must be familiar with DELFINGEN Industry's information security standards and participate in training programs. They undertake to respect all the principles, rules and obligations set out in the user charter.

Every month, the Information Systems Director reports to the Executive Committee on cybersecurity issues.

An IS Security Steering Committee meets every three months. It ensures the applicability of security policies within the operating units of the various subsidiaries, communicates the policies in force within the organization, and identifies the various needs and/or points for improvement in terms of security.

The Strategic IS Security Committee meets once a year. It is made up of members of the Executive Committee, the Information Systems Department, the Risk Manager and the IT Managers. An **annual security report** is presented, and DELFINGEN Industry's annual security action plan is proposed and approved.



Security principles :

The General Information Systems Security Policy is broken down by the CISO into various security principles:

- Establish a management framework to control information security.
- Identify and control the security risks to which DELFINGEN Industry is exposed.
- Identify the organization's information assets and define appropriate protection responsibilities.
- Raise awareness and train staff.
- Protect systems and infrastructures.
- Secure network communications.
- Ensure correct and effective use of cryptography.
- Manage staff identities and physical and logical access.
- Control access to data, particularly personal, confidential, financial or sensitive data.
- Secure access to information in mobile situations.
- Detect and analyze security events.
- Manage incidents and crises, and ensure the continuity of DELFINGEN Industry's activities.
- Monitor security levels, compliance with PGSSI and regulations.
- Integrate security into projects at all stages, from scoping to production launch.
- Manage external partners with access to the information system.
- Manage mergers and acquisitions.
- Manage deviations from security policies and rules.

Each of these principles is detailed in specific procedures forming part of the Group's quality management system.

3.4.2.3 ACTIONS, TARGETS AND METRICS

For security reasons, we do not disclose details of all actions, targets and metrics, with the exception of the following:

TISAX :

To date, 3 DELFINGEN Industry sites have been "TISAX" assessed, including Group headquarters. These assessments are based on VDA ISA recommendations. The Group's other sites, although not assessed, share the same rules, procedures and tools, and therefore the same general level of security, due to the very high degree of centralization of our systems.

Chromebooks :

DELFINGEN Industry began using Google Workspace (formerly G Suite) back in 2012. The next logical step was to gradually roll out Chromebooks to its users. Migration to Chromebooks represents a strategic choice, and in particular enables us to improve security. Indeed, their full integration with Google Workspace enables administrators to manage and deploy security policies, applications and settings to all users via the Google Administration Console.

Chromebooks also stand out for :

- **Ease of use:** Their user-friendly interface facilitates adoption by users and reduces the need for training.
- **Day-to-day performance:** Ultra-fast start-up and high responsiveness for office and collaborative tasks.
- **Integrated collaboration:** native Google Workspace integration facilitates collaborative working and communication.
- **Simplified, cost-effective IT management:** The centralized management of Chromebooks, with automatic updates and one-click initial configuration, significantly reduces the workload for IT staff, compared with the complexity of managing traditional PCs.
- **And their enhanced security:** Chromebooks incorporate robust security mechanisms that effectively protect them against viruses and malware. To date, no successful cyberattack has been reported on a Chromebook, offering a higher level of security than Windows PCs, which remain vulnerable to major threats (such as the Crowstrike bug that impacted 8.5 million devices).

Chromebook deployment accelerated in 2023 and 2024. Today, **80% of users use Chromebooks**. The final phase of the project aims to adapt Chromebooks to the few use cases that still present challenges.

Role and Responsibilities of Users in IS Security at DELFINGEN

Users of DELFINGEN Industry's information systems have a crucial role to play in data protection and overall company security. They are required to comply with a set of rules and best practices defined in the IT charter. This charter was revised in 2024 to incorporate issues relating to artificial intelligence, and will be distributed to all users in 2025.

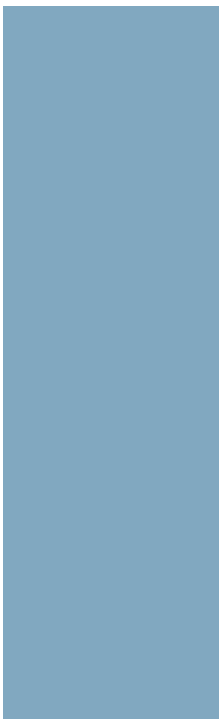
Key user commitments :

- Compliance with the IT charter: Users undertake to comply with all the rules and obligations set out in the charter. Failure to comply with these rules engages their personal responsibility or that of their employer (service provider, consultant, etc.) and may result in sanctions (warnings, access restrictions, disciplinary action, even civil and criminal prosecution).
- Responsible use of resources: Users must use the IT resources (hardware, software, Internet access, etc.) made available to them responsibly and in accordance with their professional needs, while respecting intellectual property rights.
- Protection of personal data: They must comply with the GDPR (General Data Protection Regulation) and local laws concerning the processing of personal data. Users have the right to access, rectify and object to their own personal data.
- Confidentiality and discretion: Users, in particular those with access to monitoring tools, must exercise discretion and respect the confidentiality of information, in particular that concerning other users.
- Separation of professional and personal data: Users must clearly distinguish their professional data from their personal data. Only professional data is accessible to DELFINGEN Industry (with legal exceptions).
- Human supervision of AI: Users who generate results with Artificial Intelligence tools are responsible for verifying them.

DELFINGEN Industry rights and controls:

- DELFINGEN Industry may access all business data stored on its information system, in compliance with applicable laws (including privacy and RGPD/IA Act). This includes the analysis of event logs and the monitoring of business data.
- On the other hand, access to personal data is strictly controlled, and is only possible in the presence of the user (or after informing him or her), except in exceptional cases (legal request, imminent danger to the company).

Information systems security at DELFINGEN Industry is a shared responsibility. The company implements security tools and procedures, but the vigilance and responsible behavior of each user are essential to guarantee the protection of information and compliance with the law. DELFINGEN Industry uses its HRIS to disseminate best practices on the subject of cybersecurity via online training courses. **In 2024, 570 different users attended 650 training sessions on the subject.**



Other security indicators :

Information systems security governance is based on a security dashboard presenting a set of (confidential) indicators, which enable us to assess :

- **The level of exposure of information systems** (is the level of risk high? Are the incidents encountered serious and/or frequent?)
- **The level of protection of information systems** (what is the state of protection in place? What proportion of attacks fail? What is the impact of successful attacks? How effective are the measures taken to ensure business continuity and recovery?)
- **Security efforts** (how much effort is devoted to anticipation, protection, incident preparedness and disaster recovery? Is it high or low? Is it sufficient?)

The list of indicators is proposed by the CISO and validated by the IS Security Steering Committee. These indicators may be supplemented, at regular intervals, by formal assessments of the level of information systems security and the level of maturity of security practices in relation to ISO 27001 and 27002 standards.



APPENDICES

APPENDIX 1: IROS MATERIALS, INDICATORS AND ASSOCIATED CONTROLS

Topics	Impacts	Direction (s)	Control by	indicator(s)	Source of quantitative data
Notation ESG		Corporate (CSR) Achats	notation ESG annuelle : CDP Ecovadis Ethifiance + certification Label RFAR	notes : CDP Ecovadis Ethifiance	NA
Adapting activities to the effects of climate change	The consequences of climatic risks have an impact on employees working on exposed sites, and can worsen their working conditions: heat waves, drought. The company's activity (deterioration or destruction of sites) may be disrupted, leading to a reduction in jobs or orders from suppliers.	CSR Operations QSE	IATF internal and external audits, including contingency plans	Number of days of business disruption Number of extreme events affecting our sites of sites with updated contingency plans	ad-hoc
	Extreme or progressive physical hazards affecting facilities				
	Environmental disasters affecting supply chain facilities not prepared for climate change	SCM and Purchasing Department	NA	Number of suppliers disrupted	ad-hoc
	Business model not adapted to a low-carbon economy (electromobility market)	Sales, R&D departments	audit of financial statements External IATF audits («listening to customers» process)	% NEVs (new energy vehicles) market share worldwide % of sales dedicated to NEVS, % of low-carbon products sold	financial statements, ERP

Topics	Impacts	Direction (s)	Control by	indicator(s)	Source of quantitative data
Reduction in carbon footprint	Increase in operating expenses due to volatile energy prices	Purchasing	Financial performance / audit financial statements	% energy/sales (P&L)	états financiers, ERP
	Loss of business opportunities due to lack of commitment to reducing emissions	Sales, R&D	Financial performance / audit financial statements (long term)	Number of PCFs and LCAs requested, alignment of targets with those of customers (benchmark), signing of commitments with customers for recycled / decarbonized products	ad-hoc financial statements
	Attract partners (customers, investors...) with an emissions reduction target	Commercial, Corporate	Financial performance / audit financial statements (long term)		
	GHG emissions throughout the supply chain contribute to climate change and impact the resilience of biodiversity and civil societies (extreme weather events: extreme heat, flooding, etc.). The use of electricity and fossil fuels in the production process results in direct and indirect emissions that can have a significant footprint.	Corporate (CSR) Purchasing (scope 2)	annual carbon footprint, methodology reviewed by EcoAct, audited data	Electricity consumption KwH Electricity consumption per Kg: KwH manufactured/Kg Number of sites with green electricity contracts Scope 2 - TCO2eq Fuel consumption in M3 & Scope 1 in TCO2eq Scope 3 - TCO2eq Carbon intensity / VA Premium freight indicator	ERP, D365, QSE data

Topics	Impacts	Direction (s)	Control by	indicator(s)	Source of quantitative data
Industrial and pollution risks	Non-compliance with legal constraints on air, water and soil pollution linked to industrial activities	QSE	annual internal audits external IATF audits	Number of non-compliances found	ad-hoc
Water consumption	Limitation of water consumption	QSE	annual internal audits external audits IATF / ISO14001	water consumption in M3	QSE data
Resource and waste management	The use of recycled materials and the reuse of post-industrial waste help to reduce the use of raw materials and promote the circular economy with the development of industries that can use DELFINGEN INDUSTRY's plastic waste. The implementation of a policy aimed at limiting the volume of final waste and increasing the efficiency of each site's material consumption reduces the risk of landfilling waste that is not part of an appropriate recycling or recovery process.	Purchasing, QSE, operations	annual internal audits and external IATF audits on indicators of material consumption, production waste, etc.	Waste (%) Chemical waste (liters) Paper and cardboard waste (kg) Recyclable waste (kg) Non-recyclable waste (kg) Technical waste (kg) Reusable waste (internal) Reusable waste (external) % low-carbon products sold / tota	ERP, QSE data
	The purchase of non-bio-sourced raw materials contributes to the depletion of natural resources. Plastic accounts for 87% of total input-related emissions. Industrial waste contributes to environmental pollution if it is not treated and recycled through appropriate channels (landfill).				
	Manufacturing recyclable products that meet market requirements	Sales departments, R&D	Financial performance / audit financial statements (long term)		financial statements, ERP
	Significant rise in plastic prices	Purchasing	NA	NA in ESG section	financial statements

Topics	Impacts	Direction (s)	Control by	indicator(s)	Source of quantitative data
Workforce diversity, equity and inclusion	Promotes a positive corporate image	HR	annual survey	E-NPS (employee net promoting score) e-reputation rating % Women / total in management (cat. A1 to D2)	ad-hoc
	Cases of harassment and discrimination giving rise to litigation and corporate liability	HR & Legal	compliance comittee	Number of cases reported directly or via the dedicated line	ad-hoc
Formation et développement des compétences	Déployer un processus de gestion de carrière permet d'anticiper plus facilement les besoins d'évolution professionnelle par rapport aux besoins de l'entreprise. Les salariés bénéficient d'une meilleure projection des formations adaptées à leurs projets personnels. Cela peut également réduire les inégalités en permettant à chacun d'améliorer ses compétences et de favoriser son employabilité.	HR	annual internal audits external IATF audits	% completion of training plan hours of training per employee	HRIS
	Marque employeur attractive pour favoriser le recrutement et la fidélisation des collaborateurs	HR	annual survey	E-NPS (employee net promoting score) e-reputation rating	ad-hoc
Quality of life at work	Positive impact on employees' well-being at work by making workstations safer, limiting accidents and occupational illnesses, and promoting a better balance between private and family life through social policies (parenthood, teleworking, etc.).	HR, QSE, Operations	annual internal audits external IATF audits	Staff turnover rate Absenteeism rate	HRIS & consolidation software data
	High employee turnover rate	HR	audits internes annuels audits externes IATF	Taux de rotation des permanents	SIRH
	Attracting and retaining talent	HR	on staff turnover: annual internal audits & external external audits IAT	Permanent staff turnover rate E-NPS (employee net promoting score) e-reputation rating	HRIS ad-hoc

Topics	Impacts	Direction (s)	Control by	indicator(s)	Source of quantitative data
Social dialogue	Deterioration in social climate and/or risk of conflicts leading to deterioration in performance	HR	annual survey	Number of potential conflicts	ad-hoc
Employee health and safety	Impact on employees in the event of uncontrolled exposure to handling hazards, noise and dust, workstation ergonomics leading to occupational illnesses or long-term work incapacity/disability, and hence employability.	QSE	QSE annual internal audits external IATF audits	Workplace incidents workplace accident rate compared to industry benchmark	QSE data
Workers in the value chain	Refusal of customers to buy DELFINGEN INDUSTRY products in the event of ethical problems linked to the workforce in the value chain.	Juridique Achats	comité d'éthique, comité conformité	Nombre de non conformité	ad-hoc
Commitment to communities and territories	Through its foundations, the company improves the living conditions of its employees and their families, offering them the opportunity to be more autonomous and dignified, and helping them to take control of their lives in terms of housing, education and health.	Foundation Board	audit annuel des actions de la fondation française	rapport des activités des fondations et budgets	ad-hoc report
	Positive image among local players linked to foundation activities.				
	DELFINGEN INDUSTRY, through its products for the automotive and other mobility industries, enables all communities to benefit from a varied, safe and increasingly low-carbon mobility offer.	cf E1 GHG reduction			NA

Topics	Impacts	Direction (s)	Control by	indicator(s)	Source of quantitative data
Product quality and safety	Clear and transparent product information (e.g. environmental impact rating), enabling customers and users to make an informed choice when placing an order.	cf E1; E5			NA
	Loss of market share and damage to corporate image in the event of safety and quality defects.	Sales management, QSE	Financial performance / audit of financial statements (long-term)	Number of non-conformities, PPM	financial statements QSE data
	Gain market share and increase revenues by meeting sustainability expectations (customers, suppliers...)	Sales, R&D	Financial performance / audit financial statements (long term)	NA (cf E1; E5)	NA
Responsible purchasing	Failure or delay in delivery of raw materials or components	Purchasing	supplier audits ISO / IATF certifications	PPM & IPM, claims, service rates	QSE data
	Supporting suppliers and service providers in adopting a committed CSR approach through a responsible purchasing policy could help them obtain labels and a better rating from rating agencies and financial partners.	Purchasing	PPM & IPM, claims, service rates	RFAR label	NA

Topics	Impacts	Direction (s)	Control by	indicator(s)	Source of quantitative data
Ethics and compliance	A system applied to all Group subsidiaries enables every employee to feel protected and to denounce any dangerous situation. This is important in countries where the law does not protect whistle-blowers or employees.	Legal	whistle-blowing line, ethics committee, compliance committee	number of cases reported directly or via the dedicated hotline Number of criminal complaints Number of convictions	Ad-hoc
	Non-compliance with corporate and legal rules on whistleblower protection and corruption				
	Attractiveness of the company through a positive image (recruitment, investors, partners, etc.)	Corporate	Financial performance/ audit of financial statements (long term)		financial statements
Security of information systems and responsible data management	Stopping certain operations (manufacturing, planning, delivery, invoicing)	ISD	NA	% exposure to attacks: network and application anomalies, account anomalies, malware, system anomalies, security policy violations, social engineering	Ad-hoc
	Uncorrected security flaws or insufficient protection measures can disrupt DELFINGEN INDUSTRY Industry's activities (order management and tracking, late deliveries, etc.) and lead to disruptions in customers' own activities if they are not delivered.				
	Guarantee a robust information security management system, including TISAX certification.	DSI	TISAX assessment	Number of certified sites	Ad-hoc

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DELFINGEN INDUSTRY

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CERTIFICATION REPORT ON SUSTAINABILITY INFORMATION AND VERIFICATION OF DISCLOSURE REQUIREMENTS UNDER ARTICLE 8 OF REGULATION (EU) 2020/852

FISCAL YEAR ENDED DECEMBER 31, 2024

To the General Meeting of DELFINGEN INDUSTRY,,

This report is issued in our capacity as statutory auditors of DELFINGEN INDUSTRY. It covers sustainability information and the information required by Article 8 of Regulation (EU) 2020/852 for the financial year ended December 31, 2024, included in sections 3.1 to 3.4 of Chapter 3 of the Universal Registration Document.

Pursuant to Article L.233-28-4 of the French Commercial Code, DELFINGEN INDUSTRY is required to include the above information in a separate section of the group's management report. This information has been prepared in the context of the first-time application of the aforementioned articles, which is characterized by uncertainties regarding the interpretation of the texts, the use of significant estimates, the absence of established practices and frameworks, particularly for double materiality analysis, and an evolving internal control system. It provides an understanding of the impact of the Group's activities on sustainability issues and how these issues affect the Group's business development. Sustainability issues include environmental, social, and corporate governance issues.

Pursuant to II of Article L.822-24 of the aforementioned code, our mission is to carry out the work necessary to issue an opinion, expressing limited assurance, on:
- Compliance with sustainability reporting standards adopted pursuant to Article 29b of Directive (EU) 2013/34 of the European Parliament and of the Council of December 14, 2022 (hereinafter ESRS for European Sustainability Reporting Standards) of the process implemented by DELFINGEN INDUSTRY to determine the information published, and compliance with the obligation to consult the social and economic committee provided for in the sixth paragraph of Article L.2312-17 of the Labor Code;
- The compliance of the sustainability information included in sections 3.1 to 3.4 of chapter 3 of the universal registration document with the requirements of Article L.233-28-4 of the Commercial Code, including the ESRS; and
- Compliance with the information disclosure requirements set out in Article 8 of Regulation (EU) 2020/852.

This task is carried out in accordance with the rules of professional conduct, including independence, and the quality rules prescribed by the Commercial Code.

It is also governed by the guidelines of the High Authority for Audit "Certification of sustainability information and control of the disclosure requirements set out in Article 8 of Regulation (EU) 2020/852."

In the three separate parts of the report that follow, we present, for each of the areas of our mission, the nature of the verifications we have carried out, the conclusions we have drawn, and, in support of these conclusions, the elements to which we have paid particular attention and the procedures we have implemented in relation to these elements. We draw your attention to the fact that we do not express any conclusions on these elements taken in isolation and that the procedures described should be considered in the overall context of the conclusions reached on each of the three areas of our assignment.

Finally, when we believe it is necessary to draw your attention to one or more items of sustainability information provided by DELFINGEN INDUSTRY in the group management report, we include a paragraph of observations.

Limitations of our engagement

As our engagement is designed to provide limited assurance, the nature (choice of audit procedures), scope, and timing of the work performed are less extensive than those required to obtain reasonable assurance.

Furthermore, this engagement does not consist of guaranteeing the viability or quality of the group's management, in particular by making an assessment that would go beyond compliance with ESRS disclosure requirements on the relevance of the choices made by DELFINGEN INDUSTRY in terms of action plans, targets, policies, scenario analyses, and transition plans.

However, it does allow conclusions to be drawn regarding the process of determining the sustainability information published, the information itself, and the information published pursuant to Article 8 of Regulation (EU) 2020/852, with regard to the absence of identification or, conversely, the identification, errors, omissions, or inconsistencies of such significance that they could influence the decisions that readers of the information subject to our verification might make.

Our mission does not cover any comparative data.

1°) Compliance with ESRS of the process implemented by DELFINGEN INDUSTRY to determine the information published, and compliance with the obligation to consult the social and economic committee provided for in the sixth paragraph of Article L.2312-17 of the Labor Code

Nature of the verifications performed

Our work consisted of verifying that:

- The process defined and implemented by DELFINGEN INDUSTRY enabled it, in accordance with ESRS, to identify and assess its impacts, risks, and opportunities related to sustainability issues, and to identify those material impacts, risks, and opportunities that led to the publication of sustainability information in sections 3.1 to 3.4 of chapter 3 of the universal registration document, and
- The information provided on this process also complies with the ESRS.

In addition, we have verified compliance with the obligation to consult the Social and Economic Committee.

Conclusion of the checks carried out

Based on the checks we have carried out, we have not identified any significant errors, omissions, or inconsistencies regarding the compliance of the process implemented by DELFINGEN INDUSTRY with ESRS.

With regard to the consultation of the social and economic committee provided for in the sixth paragraph of Article L.2312-17 of the Labor Code, we hereby inform you that this obligation has been fulfilled.

Items that received particular attention

Below we present the items that received particular attention from us regarding the compliance of the process implemented by DELFINGEN INDUSTRY to determine the information published with ESRS.

- **Regarding stakeholder identification:**

Information relating to stakeholder identification is included in the Group's management report and presented in section 3.1.3.2 "Stakeholder interests and perspectives" of chapter 3 of the universal registration document.

- We reviewed the analysis performed by the Group to identify:
  - o Stakeholders who may affect the entities within the scope of the information or who may be affected by them, through their activities and direct or indirect business relationships in the value chain;
  - o The main users of the sustainability statements (including the main users of the financial statements);
- We interviewed the individuals we deemed appropriate and analyzed the available documentation;
- Our due diligence included:
  - o Assessing the consistency of the main stakeholders identified by DELFINGEN INDUSTRY with the nature of its activities and its geographical location, taking into account its business relationships and value chain;
  - o Assessing the appropriateness of the description given in section 3.1.3.2 "Stakeholder interests and views" of chapter 3 of the universal registration document, in particular with regard to the methods used by DELFINGEN INDUSTRY to gather stakeholder interests and views.

- **Regarding the identification of impacts, risks, and opportunities:**
  - Information relating to the identification of impacts, risks, and opportunities is provided in section 3.1.4.1, “Description of procedures for identifying and assessing significant IROs,” in chapter 3 of the universal registration document. •We have reviewed the process implemented by DELFINGEN INDUSTRY for identifying actual or potential impacts (negative or positive), risks, and opportunities (“IROs”) related to the sustainability issues, strategy, and business model mentioned in section 3.1.3.3, “Material IROs and their link to the strategy and business model.”
  - In particular, we appreciated the approach implemented by DELFINGEN INDUSTRY to determine its impacts and dependencies, which may be sources of risks or opportunities;
  - We reviewed the Group’s mapping of identified IROs, including a description of their distribution across its own activities and the value chain, and appreciated the consistency of this mapping with our knowledge of the Group; We:

    o Appreciated the consistency of the actual and potential impacts, risks, and opportunities identified by the Group;

    o Assessed the consistency of the actual and potential impacts, risks, and opportunities identified by the Group, particularly those specific to it;

    o Assessed whether DELFINGEN INDUSTRY has taken into account the risks and opportunities that may arise from both past and future events as a result of its own activities or business relationships, including the actions taken to manage certain impacts or risks;

    o Assessed whether DELFINGEN INDUSTRY has taken into account its dependencies on natural, human, and social resources in identifying risks and opportunities.

- **Regarding the assessment of materiality of impact and financial materiality:**
  - Information relating to the assessment of materiality of impact and financial materiality is provided in 3.1.4.1 “Description of procedures for identifying and assessing significant IROs” paragraphs D to G of Chapter 3 of the universal registration document;
  - Through interviews with management and inspection of the available documentation, we have reviewed the process used by DELFINGEN INDUSTRY to assess materiality of impact and financial materiality, and have assessed its compliance with the criteria defined by ESRS 1;
  - In particular, we assessed how the Group established and applied the materiality criteria for information defined by ESRS 1, including those relating to the setting of thresholds, to determine the material information published:

    o In terms of indicators relating to material ESG indicators identified in accordance with the relevant ESRS thematic standards;

    o In terms of information specific to DELFINGEN INDUSTRY.

2) Compliance of the sustainability information included in the group management report and presented in sections 3.1 to 3.4 of chapter 3 of the universal registration document with the requirements of Article L.233-28-4 of the French Commercial Code, including ESRS

Nature of the checks carried out

- Our work consisted of verifying that, in accordance with legal and regulatory requirements, including ESRS:

  o The information provided enables an understanding of the methods used to prepare and govern the sustainability information included in the group management report and presented in sections 3.1 to 3.4 of chapter 3 of the universal registration document, including the methods used to determine information relating to the value chain and the disclosure exemptions selected;

  o The presentation of this information ensures its readability and comprehensibility;

  o The scope selected by DELFINGEN INDUSTRY for this information is appropriate; and

  o Based on a selection process founded on our analysis of the risks of non-compliance of the information provided and the expectations of its users, this information does not contain any errors, omissions, or material inconsistencies that could influence the judgment or decisions.

Conclusion of the verifications carried out

Based on the verifications we carried out, we did not identify any errors, omissions, or significant inconsistencies concerning the compliance of the sustainability information included in the group management report and presented in sections 3.1 to 3.4 of chapter 3 of the universal registration document with the requirements of Article L. 233-28-4 of the French Commercial Code, including ESRS.

Observation

Without calling into question the conclusion expressed above, we draw your attention to the information contained in sections 3.1.1 "Basis for preparing statements" and 3.1.3.3 relating to Quantitative Financial Information on Impacts, Risks, and Opportunities (IRO) in the Universal Registration Document, which specify the context in which the sustainability information was prepared and the methodological principles applied.

Elements that have been given particular attention

- Regarding information on greenhouse gas emissions:

Information published on climate change, particularly greenhouse gas emissions, is provided in section 3.2.1 "Climate Change" of chapter 3 of the universal registration document, and information on pollution is provided in section 3.2.2 "Pollution."

- Our procedures consisted in particular of:
  - o Assessing, on the basis of interviews with management and the persons concerned, in particular the Decarbonization Manager (CSR Environment Leader), a member of the CSR Committee, whether the description of the policies, actions, and targets implemented by DELFINGEN INDUSTRY covers the following issues: climate change mitigation and adaptation;
  - o Assessing the appropriateness of the information presented in section 3.2.1.2 "Strategy" of the environmental section of the sustainability information included in the group's management report and its overall consistency with our knowledge of DELFINGEN INDUSTRY.

With regard to the information published in the greenhouse gas emissions report, our work consisted in particular of:

- o Assessing the consistency of the scope considered for the assessment of greenhouse gas emissions with the scope of the consolidated financial statements and the upstream and downstream value chain;
- o Reviewing the protocol and greenhouse gas emissions inventory used by DELFINGEN INDUSTRY to prepare its greenhouse gas emissions report and assessing its application methods for a selection of emissions categories;
- o Assess the appropriateness of the emission factors used and the calculation of the related conversions, as well as the calculation and extrapolation assumptions, taking into account the uncertainty inherent in the state of scientific or economic knowledge and the quality of the external data used;

Through discussions with management, we reviewed the methodology used to calculate the estimated data and the sources of information on which these estimates are based.

- We assessed whether the methods were applied consistently.
- We verified the consistency of the calculation processes used to establish this information.

- Regarding the verifications under the Climate Change Mitigation Transition Plan:
- The information published under the Climate Change Mitigation Transition Plan is mentioned in section 3.2.1.2 "Strategy" of chapter 3 of the universal registration document;
  - We have reviewed the group's environmental objectives to reduce its greenhouse gas emissions in 2029 compared to 2022. The group wishes to formalize a transition plan to accompany its future strategic plan;
  - Our due diligence consisted in particular of:
    - o Assessing the appropriateness of the information presented in sections 3.2.1. "Climate Change";
    - o Assessing whether the information published in the transition plan meets the requirements of ESRS E1 and appropriately describes the group's context, which is based on an exception: postponement of the development of the transition plan, which will be included in its future strategic plan.

3°) Compliance with the information disclosure requirements set out in Article 8 of Regulation (EU) 2020/852

Nature of the checks carried out

Our work consisted of verifying the process implemented by DELFINGEN INDUSTRY to determine the eligibility and alignment of the activities of the entities included in the consolidation. It also consisted of verifying the information published in accordance with Article 8 of Regulation (EU) 2020/852, which involves verifying:

- Compliance with the rules for presenting this information, which ensure its readability and comprehensibility;
- On the basis of a selection, the absence of errors, omissions, or significant inconsistencies in the information provided, i.e., those that could influence the judgment or decisions of users of this information.

Conclusion of the checks carried out

Based on the checks we have carried out, we have not identified any significant errors, omissions, or inconsistencies with regard to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Observation

Without calling into question the conclusion expressed above, we draw your attention to the information in section 3.2.1.2 "Strategy" in the universal registration document, which states that DELFINGEN INDUSTRY has analyzed its business model against the European taxonomy for 2024 using 2023 revenue, OPEX, and CAPEX figures.

Elements that received particular attention

- Regarding the alignment of eligible activities:
  - Information concerning the alignment of activities is provided in section 3.2.1.2 "Strategy" of the universal registration document.
  - As part of our verification, we:

    o Assessed the analyses conducted by DELFINGEN INDUSTRY on which management based its judgment when assessing whether the eligible economic activities met the cumulative conditions set out in the Taxonomy Reference Framework required to be considered aligned;

    o Assessed the analysis carried out with regard to compliance with minimum guarantees, mainly in light of the information gathered during the review of the entity and its environment.

- Regarding key performance indicators and accompanying information:
  - The key performance indicators and accompanying information are included in section 3.2.1.2 "Strategy" of the universal registration document.
  - As part of our verification, we have, in particular:

    o With regard to the denominators (total revenue, CapEx, and OpEx): verified the reconciliations made by the entity with the accounting data used as the basis for preparing the financial statements;

    o With regard to the numerators (share of revenue, sustainable CapEx, and OpEx): assessed these amounts for consistency.

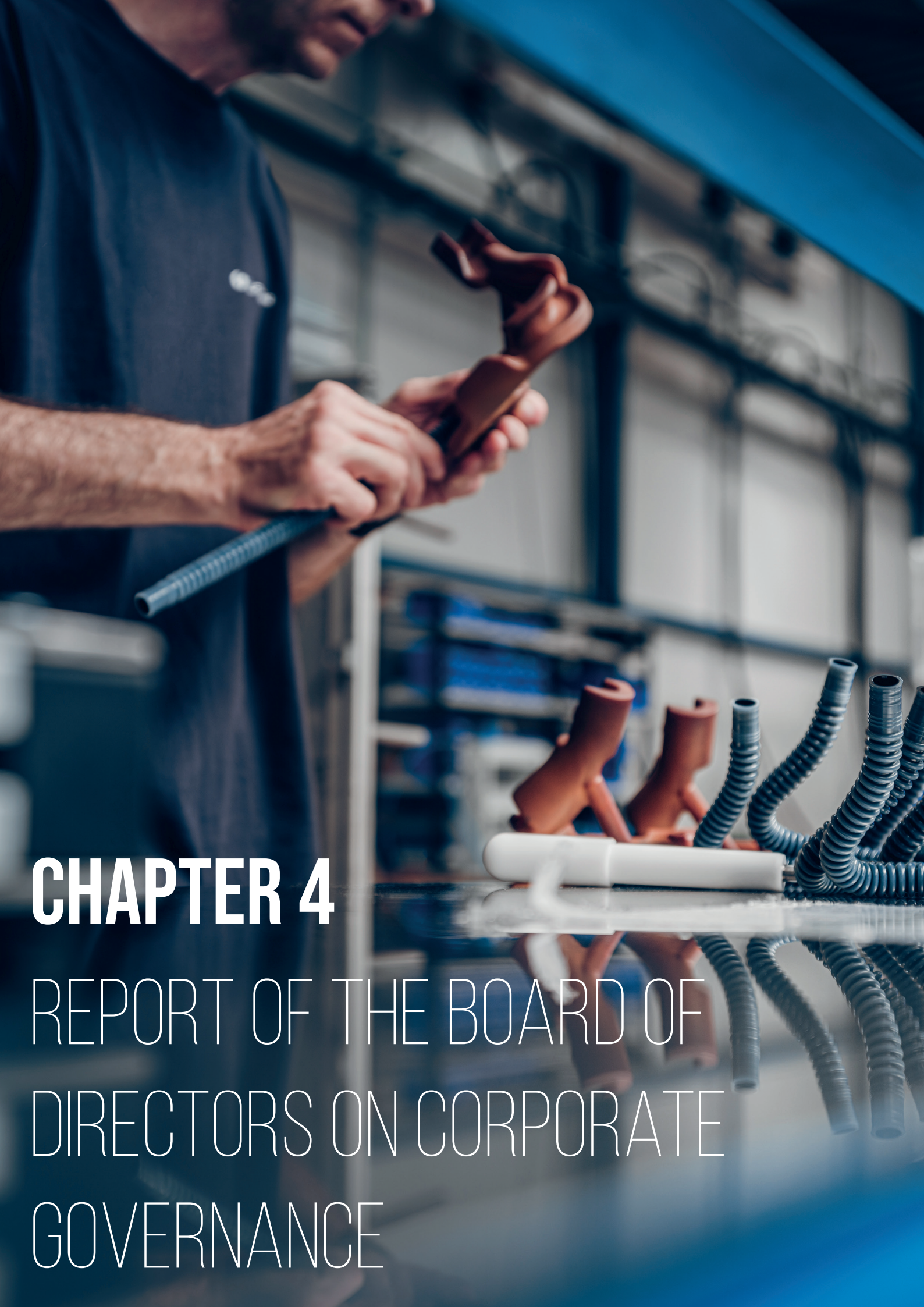
The Statutory Auditor

Dijon, April 29, 2025

AUDITIS

Yamna BENHADDA

Associate



CHAPTER 4

REPORT OF THE BOARD OF DIRECTORS ON CORPORATE GOVERNANCE

CHAPTER 4

REPORT OF THE BOARD OF DIRECTORS ON CORPORATE GOVERNANCE

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4.1 GOVERNANCE OVERVIEW

4.1.1 CODE OF CORPORATE GOVERNANCE

4.1.1.1 LIST OF DEPARTMENTS CONCERNED BY THE PREPARATION OF THIS REPORT

In order to comply with the recommendations of the Autorité des Marchés Financiers as set out in paragraph 1 of the AMF's "2009 report on corporate governance and internal control", the Chairman specifies the departments which contributed to the preparation of this report, namely:

- General Management ;
- Finance Department ;
- Legal Department;
- Human Resources Department ;
- Communication Department;
- Operational Departments.

(Article L.225-37 of the French Commercial Code)

In accordance with French law, we are required to report to you on the preparation and organization of the Board's work, and on the principles and rules adopted to determine the compensation and benefits of any kind granted to corporate officers.

The Company has endeavored to comply with the spirit of the reference framework and the application guide drawn up by the "Groupe de Place" set up by the Autorité des Marchés Financiers, in order to develop and improve the organization and implementation of its internal control system, while ensuring that this organization is in line with its operating processes and the size of the Group.

This report was approved by the Board of Directors at its meeting on April 23, 2025.

4.1.1.2 PRINCIPLES AND RULES FOR DETERMINING THE COMPENSATION OF CORPORATE OFFICERS

Since March 5, 2010, the MIDDLENEXT Corporate Governance Code for small and mid-cap companies has been applicable to the Company. It should be noted that, at its meeting on February 10, 2017, the Board of Directors analyzed the points of vigilance and recommendations laid down by this Code. Following this analysis, the Board decided to adopt the amended MIDDLENEXT Corporate Governance Code, and to apply it in its entirety. This annual commitment was reiterated at its meeting on December 4, 2020. At the Board meeting on December 3, 2021, the Board analyzed the new version of the Code of Corporate Governance drawn up by Middlenext and decided to adopt this amended Code and apply it in its entirety. At the Board meeting of December 10, 2024, the directors renewed their commitment to this Code. With regard to sustainability auditors, in deviation from the Middlenext recommendations, the Annual General Meeting of June 14, 2024, on the proposal of the Board of Directors, decided to appoint the current Joint Statutory Auditors as auditors for the purpose of certifying sustainability information.

As a consequence of this decision, DELFINGEN Industry declares that it will refer in particular to the stipulations of the recommendations of the aforementioned code concerning the information on remuneration paid to senior executives (and in particular the remuneration of directors, as stipulated in article 14 of the Board of Directors' Internal Rules, which establishes the following rule of attribution: attendance at meetings of the Board of Directors and any related committees or commissions, particular technical contribution during specific operations).

In addition, and in order to comply with the 2010 corporate governance recommendations of the Association Française de la Gestion Financière (AFM), information concerning remuneration is now presented in a table incorporating data for three financial years.

Gérald STREIT is not bound to DELFINGEN Industry (or to any other company in the DELFINGEN Industry Group, i.e. DELFINGEN Group S.A, DELFINGEN Industry S.A and its foreign and French subsidiaries) by any employment contract whatsoever.

No executive or non-executive corporate officer has received any remuneration from DELFINGEN Industry since July 1, 2007, the date on which DELFINGEN Group was incorporated. The persons concerned are remunerated by DELFINGEN Group in their capacity as corporate officers or as employees.

4.1.2 GOVERNANCE AND BOARD OF DIRECTORS

As a family-owned company, DELFINGEN Industry has adopted a corporate governance structure designed to ensure continuity of ownership, to share decision-making in the best interests of the company, its shareholders and employees, and to manage the business efficiently and effectively.

4.1.2.1 THE REFERENCE SHAREHOLDER

The STREIT family, founders of the DELFINGEN Group, is the reference shareholder, directly or indirectly holding more than two-thirds of voting rights. The continuity of the family shareholding has been organized since 2007. Today, Gérald STREIT, grandson of founder Emile STREIT, and son of Bernard STREIT, is Chairman and CEO.

It is important for the reference shareholder to ensure that the interests of minority shareholders in the capital of DELFINGEN Industry S.A. are protected. The results of voting on resolutions at General Meetings are analyzed. This shows that, for all proposed resolutions, the majority of minority shareholders vote in the same way as the reference shareholder.

4.1.2.2 CHAIRMAN AND CHIEF EXECUTIVE OFFICER

GÉRALD STREIT

PRESIDENT AND CHIEF EXECUTIVE OFFICER



NATIONALITY : French

BIOGRAPHY:

- Born on October 3, 1976
- Former rheumatologist
- Chief Executive Officer and Chairman of the Board of Directors
- Director of DELFINGEN Industry
- Chief Executive Officer of the company since April 3, 2015

Limitation of the powers of the Chief Executive Officer

The Company's Articles of Incorporation and the Board of Directors have not set any limitations on the powers of the Chief Executive Officer.

4.1.2.3 BOARD OF DIRECTORS, COMPOSITION AND WORK

When DELFINGEN Industry was floated on the stock market in 1996, the STREIT family decided to enlarge the Board of Directors to include independent members. The diversity of backgrounds and experience contributes to the richness of the Board's discussions and exchanges.

The Board of Directors comprises 6 members, including 1 representative of the STREIT family, 1 representative of ASCOM Participation (see box on page 111) and 4 independent directors as defined by the MIDDLENEXT Corporate Governance Code.

In accordance with the company's bylaws, the Board of Directors comprises a minimum of three and a maximum of eighteen members.

The director belonging to the STREIT family is Gérald STREIT. In order to benefit from an outside viewpoint and independent opinions, the Board of Directors is open to persons from outside the Group. Since 2001, the Board has included members from a wide range of backgrounds and experience, bringing their know-how, skills and expertise in managerial practices from international automotive business.

The independence criterion applied within the company complies with the MIDDLENEXT Code of Corporate Governance. The independent directors on the basis of this criterion are :

- Mrs Annie KAHN ;
- Mrs Dinah LOUDA ;
- Mr Cataldo MANGIONE ;
- Mr Patrick CHERRIER.

At December 31, 2024, the composition of the Board is as follows:

GÉRALD STREIT

PRESIDENT AND CHIEF EXECUTIVE OFFICER



NATIONALITY: French

BIOGRAPHY:
○ Born on October 3, 1976
○ Former rheumatologist & Chief Executive Officer and Chairman of the Board of Directors.
○ Director appointed until the Ordinary General
○ Meeting to approve the financial statements for the fiscal year ending December 31, 2025.

The DELFINGEN Group is the parent company of DELFINGEN Industry.

NUMBER OF SHARES HELD: 61 shares in its own name, and 1,483,182 shares via DELFINGEN Group S.A.

ADDITIONAL STATEMENT:
The DELFINGEN Group company and Mr. Gérald STREIT have not been subject, over the past 5 years, to any conviction for fraud, any collective or sequestration proceedings, any official public incrimination or sanction, or a ban on managing any legal entity.

NAME	TERMS OF OFFICE & FUNCTIONS PERFORMED
FRENCH COMPANIES	
Chief Executive Officer	DELFINGEN GROUP
Administrator	DELFINGEN GROUP
Administrator	DELFINGEN INDUSTRY
President and Chief Executive Officer	DELFINGEN INDUSTRY
President	DELFINGEN FR-ANTEUIL S.A.S Effective January 1, 2023
FOREIGN COMPANIES	
Administrator	DELFINGEN PT-PORTO SA
Administrator	DELFINGEN RO-TRANSILVANIA Srl
Administrator	DELFINGEN US-HOLDING Inc.
Administrator	DELFINGEN US TEXAS Inc.
Administrator	DELFINGEN US-NEW YORK Inc.
Administrator	DELFINGEN US Inc.
Administrator	DELFINGEN US-CENTRAL AMERICA Inc.
Administrator	DELFINGEN US-MEXICO Inc.
Administrator	DELFINGEN MX-COAHUILA SrL
Administrator	DELFINGEN HN-CORTES
Administrator	DELFINGEN INDIA Pvt. Ltd.
Administrator	DELFINGEN (Hebi) Automotive Parts Co., Ltd.
Administrator	DELFINGEN SIAM Co.
Administrator	DELFINGEN ROH Co.
Administrator	DELFINGEN ASIA PACIFIC HOLDING Pte. Ltd.
Administrator	DELFINGEN SG-FILIPINAS Pte. Ltd.
Administrator	DELFINGEN PH-CAVITE Inc.
Administrator	DELFINGEN PH-FILIPINAS Inc.
Administrator	DELFINGEN JP-TOKYO KK
Administrator	DELFINGEN Korea Co., Ltd.
Administrator	PAKEM SA

ANNIE KAHN

ADMINISTRATOR



NATIONALITY: French

BIOGRAPHY:
○ Born on May 4, 1950

○ Annie Kahn had been a journalist at Le Monde since 1987 and was responsible for the newspaper's development and diversification. Annie Kahn also wrote a column on management and human relations in business. She was previously responsible for the multimedia pages, deputy head of the science department, and co-head of Le Monde Affaires.

○ Before joining Le Monde newspaper, Annie Kahn ran the media engineering company Annie Kahn Communication, after serving as editor-in-chief of a magazine specializing in IT.

○ Director appointed until the Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2025.

NUMBER OF SHARES HELD: 10 shares

ADDITIONAL STATEMENT:
Over the past five years, Ms. Annie KAHN has not been convicted of fraud, been subject to any collective proceedings or receivership, been officially charged or sanctioned, or been prohibited from managing any legal entity.

TERMS OF OFFICE & FUNCTIONS PERFORMED	
FRENCH COMPANIES	
Administrator	DELFINGEN INDUSTRY
FOREIGN COMPANIES	
Nothing	

DINAH LOUDA

ADMINISTRATRICE



NATIONALITÉ : Franco-américaine

BIOGRAPHIE :

○ Née le 16 avril 1955

○ Politologue de formation, Dinah LOUDA est diplômée de l'Institut d'Etudes Politiques de Paris (DEA d'Histoire Contemporaine), ainsi que l'université Harvard (Master of Arts en relations internationales).

○ Après un parcours de journaliste (notamment en tant que correspondante de Business International, repris par le groupe The Economist), Dinah LOUDA a exercé des fonctions de Directrice de la communication au sein de groupes de premier plan tels que Abeille Assurances (devenu AVIVA), Crédit Agricole Indosuez (devenu Calyon) et Areva T&D (membre du Comité exécutif)

○ Depuis 2006, Dinah LOUDA a rejoint le groupe VEOLIA Eau en tant que Directrice de la communication, membre du Comité exécutif

○ En 2011, Dinah LOUDA devient Conseillère auprès du Président-Directeur Général pour les relations internationales du groupe VEOLIA. Elle est depuis mai 2020 Présidente de l'Institut Veolia. Elle est par ailleurs membre du Comité d'éthique du Groupe et a été directrice exécutive de l'Institut Veolia de 2015 à mai 2020

○ Administratrice nommée jusqu'à l'Assemblée Générale Ordinaire qui sera appelée à statuer sur les comptes de l'exercice clos le 31 décembre 2025

NOMBRE D'ACTIONS DÉTENUES : 150 actions

DÉCLARATION COMPLÉMENTAIRE :

Madame LOUDA n'a fait l'objet, au cours des 5 dernières années, d'aucune condamnation pour fraude, d'aucune procédure collective ou de séquestre, d'aucune incrimination ou sanction publique officielle, ou d'interdiction de gérer toute personne morale

MANDATS & FONCTIONS EXERCÉS

SOCIÉTÉS FRANÇAISES

Administratrice	DELFINGEN Industry SA
Administratrice	French-American Foundation
Administratrice	Fondation Veolia

SOCIÉTÉS ÉTRANGÈRES

Néant

CATALDO MANGIONE

ADMINISTRATOR



NATIONALITY: French

BIOGRAPHY:

○ Born on April 19, 1953

○ Former executive at SCHNEIDER ELECTRIC Group, Cataldo MANGIONE was responsible for international business development

○ Director appointed until the Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2025.

NUMBER OF SHARES HELD: 10 shares

ADDITIONAL STATEMENT:

Over the past five years, Mr. Cataldo MANGIONE has not been convicted of fraud, been subject to any collective proceedings or receivership, been officially charged or sanctioned, or been prohibited from managing any legal entity.

TERMS OF OFFICE & FUNCTIONS PERFORMED

FRENCH COMPANIES

Administrator	DELFINGEN INDUSTRY

FOREIGN COMPANIES

None

PATRICK CHERRIER

ADMINISTRATOR



NATIONALITY: French

BIOGRAPHY:

○ Born on March 30, 1949

○ Global executive with over 45 years of experience, including 40 years in Asia.

○ Before retiring in April 2017, Patrick Cherrier was CEO and Executive Director of Essilor International, a leading optical company, for the Asia-Pacific, Middle East, Russia, and Africa region. He was a member of the company's Executive Committee. As CEO of the Asia-Pacific, Middle East, Russia, and Africa region, he was responsible for the strategic management and leadership of 135 subsidiaries in this vast region.

○ Patrick Cherrier gained extensive experience in global management and strategy, first as president of SCOA Taiwan, then as president of Sommer-Allibert's Asia-Pacific operations for five years. He was also president of the Givenchy unit of the LVMH group in Japan for four years before joining Essilor International.

○ During his 24 years at Essilor, Patrick Cherrier spearheaded the company's expansion in the market through organic growth, joint ventures, and acquisitions in countries in Asia, Oceania, Africa, the Middle East, the Mediterranean region, and the CIS, as well as in Russia.

○ Director appointed until the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2028

ADDITIONAL STATEMENT:

Over the past five years, Mr. CHERRIER has not been convicted of fraud, been subject to any collective proceedings or receivership, been officially charged or sanctioned, or been prohibited from managing any legal entity.

NUMBER OF SHARES HELD: None

TERMS OF OFFICE & FUNCTIONS PERFORMED

FOREIGN COMPANIES

Administrator	DELFINGEN INDUSTRY

FOREIGN COMPANIES

Administrator	DELFINGEN Korea Co., Ltd.

AWARDS

2007: French national honor awarded by the President of the French Republic

ASCOM PARTICIPATION

ASCOM PARTICIPATION :

ASCOM PARTICIPATION, a simplified joint stock company with capital of €420,000, whose registered office is located at Rue Emile Streit 25340 ANTEUIL, registered in the BESANCON Trade and Companies Register under number 890 517 915, has been appointed as a new director until the end of the Ordinary General Meeting of Shareholders called to approve the financial statements for the financial year ending December 31, 2026.

○ The company was founded on October 29, 2020
○ Represented by Christophe CLERC, President

NUMBER OF SHARES HELD: 154,324 shares

PREPARATION AND ORGANIZATION OF WORK

Functioning of the Board of Directors and its committees

At the end of each year, the Chairman draws up the schedule of Board meetings for the following year. He prepares the agenda, circulates it to Board members approximately one week before each meeting, and convenes the Board meeting within the same timeframe. He chairs discussions at meetings.

During fiscal year 2024, the Board of Directors met at the following times:

MARCH 29

- Approval of the minutes of the Board of Directors' meeting dated December 14, 2023;
- Report of the Chairman of the Audit Committee on the annual and consolidated financial statements for the fiscal year ended December 31, 2023;
- Review and approval of the annual and consolidated financial statements for the fiscal year ended December 31, 2023;
- Proposed allocation and distribution of profits for the financial year ended December 31, 2023;
- Remuneration of the members of the Board of Directors;
- Approval of the reimbursement of all expenses incurred by the Directors in connection with the working meetings of the Board of Directors and any other related committees;
- Approval of new agreements, as well as previous agreements, entered into pursuant to Article L.225-38 of the French Commercial Code;
- Proposal to delegate authority to the Chief Executive Officer to grant bank and corporate guarantees; setting of authorization limits;

APRIL 25

- Approval of the minutes of the previous Board of Directors meeting;
- Approval of the notes to the annual financial statements;
- Approval of the notes to the consolidated financial statements;
- Review of management forecasts;
- Adoption of the draft Universal Registration Document containing the Management Report and the Annual Financial Report, and review of the Non-Financial Performance Statement;
- Proposal to appoint EXCO P2B AUDIT as auditor for the purpose of certifying sustainability information;
- Proposal to appoint AUDITIS SAS as auditor for the purpose of certifying sustainability information;
- Adoption of the Board's reports and draft resolutions presented to the Shareholders' Meeting;
- Convocation of the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2023;

JULY 26

- Approval by the Board of Directors on April 25, 2024;
- Consolidated revenue figures for the first half of 2024;
- Status report as of June 30, 2024 (preliminary accounts);
- Any other business.

SEPT. 6

- Approval by the Board of Directors on July 26, 2024;
- Approval of the consolidated financial statements for the first half of 2024;
- Approval of the half-yearly activity report;
- Audit Committee report;
- Statutory Auditors' report;
- Review of the projected income statement for DELFINGEN Industry S.A.;
- Establishment of the realizable and available assets and liabilities for the first half of the year of DELFINGEN Industry S.A.;
- Advance payment of directors' remuneration;
- Validation of sustainability information within the framework of the CSRD;
- Annual payment to the Foundation;
- Any other business.

DEC 10.

- Approval by the Board of Directors on September 6, 2024;
- Vote on the 2025 budget;
- Amendment to the credit agreement (bank pool);
- Proposed schedule of meetings for the 2025 financial year;
- CSRD: validation of the value chain, double materiality analysis, and gap analysis;
- Compliance update and renewal of the Ethics Committee's commitment;
- Review and revision of the Middlenext Corporate Governance Code;
- Self-assessment of the Board of Directors' work;
- Any other business.

The Board of Directors takes all decisions required by law and implements the strategy defined by the Executive Committee, which is housed within DELFINGEN Group S.A., contributes to its expression, and keeps abreast of the company's activities and future prospects. The Chairman of the Board of Directors is responsible for presenting the company's proposals, while the Chief Executive Officer, in his capacity as a corporate officer, is responsible for implementing them.

Major decisions arising from the strategic orientations defined by the Executive Committee are the outcome of meetings, interviews or discussions between the Board of Directors, General Management and operational managers.

Directors' information

Board members are kept regularly informed of current affairs. They are specifically informed of major events in the life of the company and the Group.

In fiscal year 2024, the Board of Directors met 5 times. Prior to the meeting, each member receives detailed information on the agenda.

The internal rules require the Chairman to provide Board members with the relevant information within a reasonable timeframe.

Meetings of the Board of Directors

In accordance with Article 19 of the Articles of Association, the Board meets as often as required in the interests of the company. It meets at least four times a year, to approve the half-yearly and annual parent company and consolidated financial statements.

In accordance with Article 19 of the Articles of Association, Board meetings are convened by any means, including verbally. Under the terms of article 19-I of the bylaws, Board meetings may be held at the registered office or at any other location with the agreement of the majority of directors. As a general rule, Board meetings are held at the company's registered office.

Minutes are drawn up at the end of each meeting, sent to the directors and approved by the Board at the following meeting.

Of the 5 Board meetings held during the year, all were chaired by Gérald STREIT.

The average attendance rate at Board meetings was 97%.

Work sessions of the Board of Directors

All members of the Board of Directors are invited to attend Board working sessions. These meetings are devoted to analysis and reflection on developments in the Group's situation, or on more specific events or issues, at the Chairman's instigation.

Joint meetings

Joint meetings are held periodically between directors and members of the Executive Committee.

At these meetings, the Chairman and members of the Executive Committee present a report on the Group's business and general situation, including human resources, finance and commercial matters. They present the points on which the Board is called upon to debate, take a position and decide on the measures to be implemented.

These meetings also examine questions and issues raised by the Board of Directors. Experts from within or outside the Group may also be invited to contribute their expertise, depending on the subject under discussion.

The Audit Committee

A/ Missions and composition

The Board of Directors has set up an Audit Committee. The main missions of the Audit Committee are to :

- Monitor issues relating to the preparation and control of accounting and financial information. As such, the Audit Committee monitors the process of preparing financial and non-financial information and, where necessary, makes recommendations to guarantee its integrity. The Audit Committee examines the Group's draft interim and annual financial statements, as well as management's presentation of the Group's exposure to significant risks and off-balance sheet commitments, and the accounting options adopted;
- Ensure the existence and effectiveness of internal control and internal audit systems, as well as the management of more significant risks to which the Group may be exposed in the course of its business;
- Monitor the statutory audit of the Group's annual and interim financial statements, the independence of the Statutory Auditors and, more generally, the performance of their duties.

As part of the transposition of the Corporate Sustainability Reporting Directive (CSRD), the Audit Committee's duties in this area have been confirmed.

The members of the Audit Committee are

- Cataldo MANGIONE, Chairman ;
- Annie KAHN ;
- Dinah LOUDA.

The Statutory Auditors attend all meetings, except those which concern them.

B/ Audit Committee meetings

Since the start of the 2021 financial year, the Audit Committee has adopted an operating charter.

Finally, during fiscal year 2024, the Audit Committee met three times, with an attendance rate of 100%.



March 2024

- Approval of the minutes of the last audit committee meeting;
- Presentation of the results and the parent company and consolidated financial statements as of December 31, 2023, and financial presentation;
- Financing and bank covenants;
- Review of general risks and risks identified in the URD;
- Report on the Statutory Auditors' assignments on the 2023 financial statements;
- Report by the auditors Exco P2B Audit and Auditis on the interim controls on procedures and the latest site visits;
- Review of delegations of authority;
- Progress report on the compliance process (anti-corruption and personal data protection);
- Progress report on decarbonization and CSRD roadmap
- Export Management & Compliance Program (EMCP) process and progress report;
- Progress report on the deployment of D365;
- Miscellaneous questions.

April 2024

- Approval of the minutes of the previous Audit Committee meeting;
- Review of the draft Universal Registration Document containing the Non-Financial Performance Statement, the attestation of the independent third-party organization, the Management Report, and the Annual Financial Report (annual accounts and consolidated accounts).

Sept. 2024

- Approval of the minutes of the last audit committee meeting;
- Presentation of the results for the first half of 2024, review of the SFAF presentation draft, to be published on the DELFINGEN website, and review of the press release draft;
- Review of general risks and risks identified in the 2023 URD;
- Report by the Statutory Auditors on their limited review of the financial statements for the period ended June 30, 2024;
- Update on decarbonization, CSRD roadmap, and validation of sustainability information within the framework of the CSRD;
- Review of delegations of authority;
- Update on the compliance process (anti-corruption and personal data protection);
- Progress report on the deployment of D365 (Charly project);
- Any other business.

4.1.2.4 THE EXECUTIVE COMMITTEE

The Executive Committee

The Executive Committee is made up of a tightly-knit team (Executive Vice-Presidents) around the Chairman and CEO, Gérald STREIT. It steers strategic projects, sets financial and operational objectives, decides on priorities and allocates the necessary resources.



Christophe BELLICAM
Executive Vice President, Industrial Performance Director



Christophe CLERC
Executive Vice President, Chief Corporate Officer



Emmanuel KLINKLIN
Executive Vice President, Chief Operating Officer & Europe/Africa Director



Marc LEMKE
Executive Vice President, Chief Information Officer



Damien PERSONENI
Executive Vice President, Global Business Development & Asia Director



Jean-François REMOND
Executive Vice President - Americas Director



Sébastien ROUX
Executive Vice President, Fluid Transfer Tubing Director



Gérald STREIT
CEO, Chief Executive Officer



Olivier TROTTIN
Executive Vice President, Global Purchasing and Supply Chain Director

4.1.3 CONFLICTS OF INTEREST

DECLARATION OF ABSENCE OF CONFLICT OF INTEREST

There is no conflict of interest between, on the one hand, any member of the Board of Directors, Executive Board or General Management and his or her private interests or any other duties incumbent on him or her in the exercise of this function, and, on the other hand, the company.

4.2 COMPENSATION AND BENEFITS

4.2.1 REMUNERATION OF EXECUTIVE DIRECTORS

SUMMARY OF COMPENSATION PAID TO THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Name	2024	2023	2022
Gérald Streit			
Remuneration for directorship	15 250 €	15 250 €	15 250 €
Remuneration from an employment contract	-	-	-
Total	15 250 €	15 250 €	15 250 €

EMPLOYMENT CONTRACTS, COMPENSATION AND SUPPLEMENTARY PENSION PLANS FOR EXECUTIVE DIRECTORS

Executive directors	Employment contracts	Supplementary pension plan	Indemnities/ benefits payable on termination/ change of functions	Indemnities relating to a non-competition clause
Gérald STREIT, Chief Executive Officer Appointed by the Board of Directors 03/04/2015, and Chairman and Chief Executive Officer since June 6, 2018	No	No	No	No

4.2.2 COMPENSATION PAID TO NON-EXECUTIVE CORPORATE OFFICERS

TABLE SHOWING DIRECTORS' FEES AND OTHER REMUNERATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS AT DECEMBER 31, 2024

	2024	2023	2022
Cataldo MANGIONE			
Remuneration for directorship	15 250 €	15 250 €	15 250 €
Other remuneration	-	-	-
Variable compensation	-	-	-
Total	**15 250 €**	**15 250 €**	**15 250 €**
Annie KAHN			
Director's fees	15 250 €	15 250 €	15 250 €
Other remuneration	-	-	-
Variable compensation	-	-	-
Total	**15 250 €**	**15 250 €**	**15 250 €**
Dinah LOUDA			
Director's fees	15 250 €	12 200 €	9 150 €
Other remuneration	-	-	-
Variable compensation	-	-	-
Total	**15 250 €**	**12 200 €**	**9 150 €**
Patrick CHERRIER			
Director's fees	10 675 €	10 675 €	13 725 €
Other compensation	-	-	-
Variable compensation	-	-	-
Total	**10 675 €**	**10 675 €**	**13 725 €**
ASCOM Participation			
Director's fees	10 675 €	10 675 €	10 675 €
Other remuneration	-	-	-
Variable compensation	-	-	-
Total	**10 675 €**	**10 675 €**	**10 675 €**

4.2.3 OTHER COMPENSATION

Stock options granted to each executive director during the year - History of grants in previous years

None

Performance shares granted to executive and non-executive corporate officers

None

Special report on the stock option plan

None

Stock options granted to corporate officers

The executive directors of Delfingen Industry do not hold any stock options of any kind and were not granted any stock options during the year ended December 31, 2024.

4.2.4 RELATED-PARTY AGREEMENTS

Parties concerned	Name	Summary of contents	Person(s) concerned	Date of Board meeting
2024				
DELFINGEN Industry S.A. /Administrators	Reimbursement of expenses	Reimbursement of travel expenses for fiscal year 2023	Directors	29/03/2024 (Authorization)
DELFINGEN Industry S.A. /Administrators	Directors' remuneration	Interim remuneration second half 2023	Directors	29/03/2024 (Authorization)
DELFINGEN Industry S.A.	Agreements L 225-38 Commercial Code	Review of agreements entered into and authorized in prior years and continuing in the current year	Directors	29/03/2024 (Authorization)
DELFINGEN Industry S.A. /Administrators	Directors' remuneration	Interim remuneration first half of 2024	Directors	06/09/2024 (Authorization)

These four agreements are considered normal and customary.

AUDITIS	EXCO P2B AUDIT
5 Rue René Char	16 rue Frédéric Japy
21000 DIJON	25200 MONTBELIARD

DELFINGEN INDUSTRY

Société Anonyme au capital de 4 027 765,28 €
Siège social : Rue Emile STREIT
25340 ANTEUIL

SPECIAL REPORT BY THE AUDITORS ON REGULATED AGREEMENTS

General Meeting to approve the financial statements for the fiscal year ending December 31, 2024

DELFINGEN INDUSTRY S.A

Rue Emile Streit
25340 ANTEUIL

SPECIAL REPORT BY THE STATUTORY AUDITORS ON REGULATED AGREEMENTS

General Meeting to approve the financial statements for the fiscal year ended December 31, 2024

To the General Meeting of DELFINGEN INDUSTRY,

In our capacity as Statutory Auditors of your company, we hereby present our report on regulated agreements.

It is our responsibility to inform you, based on the information provided to us, of the characteristics, essential terms and conditions, and reasons justifying the interest to the company of the agreements of which we have been notified or which we have discovered in the course of our assignment, without having to express an opinion on their usefulness and validity or to investigate the existence of other agreements. It is your responsibility, in accordance with the terms of Article R.225-31 of the French Commercial Code, to assess the benefits of entering into these agreements with a view to their approval.

Furthermore, it is our responsibility, where applicable, to provide you with the information specified in Article R.225-31 of the French Commercial Code relating to the execution, during the past financial year, of agreements already approved by the general meeting.

We have performed the procedures we deemed necessary in accordance with the professional standards of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this assignment. These procedures consisted of verifying that the information provided to us was consistent with the underlying documents from which it was derived.

AGREEMENTS SUBJECT TO APPROVAL BY THE GENERAL MEETING

Agreements authorized during the past fiscal year

We hereby inform you that we have not been notified of any agreements authorized and entered into during the past fiscal year that are subject to approval by the general meeting in accordance with the provisions of Article L.225-38 of the French Commercial Code.

AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETING

Agreements approved during previous financial years and continued during the past financial year

Pursuant to Article R.225-30 of the French Commercial Code, we have been informed that the following agreements, already approved by the general meeting in previous financial years, continued to be performed during the past financial year.

Granting of a renewable annual donation to the DELFINGEN Corporate Foundation

Your Board of Directors has authorized the granting of a renewable annual donation to the DELFINGEN Corporate Foundation corresponding to 1% of consolidated net income, less expenses incurred by subsidiaries in connection with actions undertaken by the DELFINGEN Foundation. This renewable annual donation to the DELFINGEN Corporate Foundation was effective until December 31, 2024, as the Board of Directors, on September 6, 2024, reallocated this renewable donation to the Swiss Foundation, effective January 1, 2025. The amount recorded for the 2024 financial year is €0.

The benefit for your company is the financing of its Foundation, created to help the most disadvantaged.

Pledging of shares

Your company has pledged 771,900 shares in DELFINGEN FR-Anteuil SAS to the banking pool comprising CIC EST, CREDIT AGRICOLE FRANCHE COMTE, BECM, BANQUE POPULAIRE BOURGOGNE FRANCHE COMTE, SOCIETE GENERALE, BGL, HSBC, CAISSE D'EPARGNE ET DE PREVOYANCE DE BOURGOGNE FRANCHE-COMTE, and CREDIT LYONNAIS, until the end of the agreement on December 31, 2032.

The benefit to your company is the guarantee of loans taken out to finance its expansion.

Surety bonds, guarantees, letters of comfort and letters of guarantee

Your Company has given commitments for surety bonds, guarantees and/or support in connection with transactions between third parties and companies with which it has common management.

The nature of these commitments, their amounts, and the parties involved are presented in the summary table below:

Nature of the commitment	Companies with common officers	Third-party beneficiaries	Amount of the commitment
Bank guarantee	DELFINGEN PT -PORTO	BPI	Maximum 200 K€
Letter of guarantee	DELFINGEN DE-Hassfurt DELFINGEN RO-Satu Mare	Lehmann & Voss & Co	200 K€
Letter of guarantee	DELFINGEN TN-Fouchana	Avient Colorants Italy Srl	30 K€
Letter of guarantee	DELFINGEN MA-Tanger 2	A. Raymond GmbH & Co.KG	200 K€
Letter of guarantee	DELFINGEN RO-Transilvania	CTPARK BETA S.R.L	550 K€
Letter of guarantee	DELFINGEN PT-PORTO ; DELFINGEN RO-Satu Mare SA ; DELFINGEN TN-Fouchana ; DELFINGEN MA-Tanger 2	AURORA Kunststoffe GmbH	800 K€
Letter of guarantee	DELFINGEN TN - Fouchana	Sirmax SpA	50 K€
Letter of guarantee	DELFINGEN DE-Aschheim GmbH	Linn Präzision Automotive Vertriebs GmbHa	60 K€
Letter of guarantee	DELFINGEN FR Anteuil SAS	Electricité de France	4 K€
Letter of guarantee	RO-Transilvania	CIC Est	1 125 K€
Bank guarantee	RO-Transilvania	BPBFC	273 K€
Letter of guarantee	RO-Transilvania	Hailide Fibers Europe A/S	120 K€

The Auditors

Dijon, le 29 avril 2025	Montbéliard, le 29 avril 2025
AUDITIS	EXCO P2B AUDIT
Philippe DANDON	Pierre BURNEL
Partner	Partner



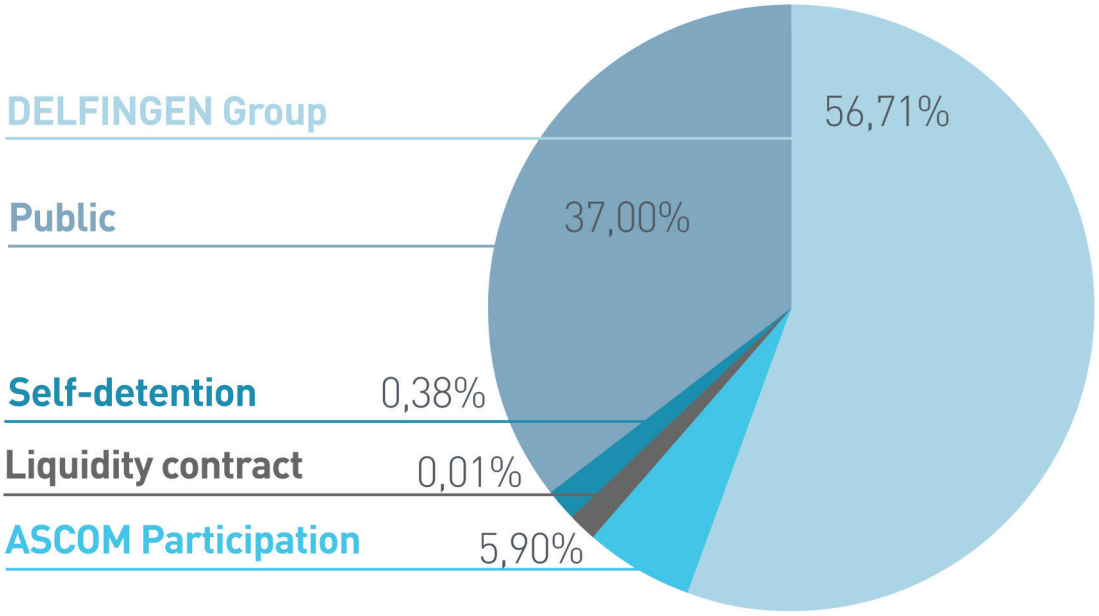
CHAPITRE 5
CAPITAL AND SHAREHOLDERS

CHAPITRE 5

CAPITAL AND SHAREHOLDERS

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5.1 SHARE OWNERSHIP



5.1.1 OWNERSHIP STRUCTURE AND VOTING RIGHTS

SITUATION AT DECEMBER 31, 2024

Shareholders	No. of shares	of capital	Double voting rights	Actual number of voting rights	of voting rights
DELFINGEN Group (1)	1 483 182	56,71 %	1 483 182	2 966 364	70,13 %
ASCOM Participation (2)	154 324	5,90 %	140 575	294 899	6,97 %
Treasury stock (3)	10 000	0,38 %	Néant	0	0,00 %
Liquidity contract	369	0,01 %	Néant	369	0,01 %
Public (4)	967 557	37,00 %	573	968 130	22,89 %
TOTAL	**2 615 432** (4)	**100,00 %**	**1 624 330**	**4 229 762**	**100,00 %**

(1) Company mainly owned by Gérald STREIT and PAKEM SA

(2) ASCOM Participation, a société par actions simplifiée with share capital of €420,000, whose shareholders are the members of the Group's Executive Committee, held a total of 154,324 shares at December 31, 2024 (including 140,575 registered shares).

(3) Following the buyback of 10,000 treasury shares held by DELFINGEN Industry S.A. in May 2024.

(4) Including bearer and registered shares.

SITUATION AT DECEMBER 31, 2023

Shareholders	No. of shares	of capital	Double voting rights	Actual number of voting rights	of voting rights
DELFINGEN Group [1] [2]	1 483 182	56,71 %	1 473 182	2 956 364	72,30 %
ASCOM Participation [3]	154 324	5,90 %	0	154 324	3,77 %
Treasury stock [3]	0	0 %	Néant	0	0 %
Liquidity contract	1 765	0,07 %	Néant	1 765	0,04 %
Other Public [5]	976 161	37,32 %	623	976 784	23,89 %
TOTAL	**2 615 432** [4]	**100,00 %**	**1 473 805**	**4 089 237**	**100,00 %**

(1) Two undertakings to retain shares in DELFINGEN Industry were signed by Mr Bernard STREIT, his wife and their two children, and DELFINGEN Group on January 6, 2010; these undertakings were the subject of a press release issued on February 24, 2010 via the professional distributor Hugin.

(2) The company is wholly owned by members of the STREIT family, principally Mr Gérald STREIT, who holds full ownership of 12,317,041 shares, and Mr and Mrs Bernard STREIT, who hold the usufruct attached to 12,037,942 shares held in bare ownership by Mr Gérald STREIT.

(3) ASCOM Participation, a société par actions simplifiée with share capital of €420,000, whose shareholders are the members of the Group's Executive Committee, held a total of 154,324 shares at December 31, 2023 (including 140,575 registered shares).

(4) Following the cancellation of 50,688 treasury shares held by DELFINGEN Industry SA, resulting in a capital reduction effective November 9, 2023.

(5) Including bearer and registered shares.

SITUATION AT DECEMBER 31, 2022

Shareholders	No. of shares	of capital	Double voting rights	Actual number of voting rights	of voting rights
DELFINGEN Group [1] [2]	1 483 182	55,63 %	1 473 182	2 956 364	71,41 %
ASCOM Participation [4]	154 324	5,79 %	0	154 324	3,73 %
Treasury stock [3]	50 688	1,90 %	None	50 688	1,22 %
Liquidity contract	752	0,03 %	None	752	0,02 %
Other Public	977 174	36,65 %	623	977 797	23,60 %
TOTAL	**2 666 120** [3]	**100,00 %**	**1 473 805**	**4 139 925**	**100,00 %**

(1) Two undertakings to retain shares in DELFINGEN Industry were signed by Mr Bernard STREIT, his wife and their two children, and DELFINGEN Group on January 6, 2010; these undertakings were the subject of a press release issued on February 24, 2010 via the professional distributor Hugin.

(2) The company is wholly owned by members of the STREIT family, principally Mr Gérald STREIT, who holds full legal title to 12,317,041 shares, and Mr and Mrs Bernard STREIT, who hold the usufruct attached to 12,037,942 shares held in bare ownership by Mr Gérald STREIT.

(3) Following the capital increase recorded on November 27, 2020 (see press release).

(4) ASCOM Participation, a simplified joint stock company with share capital of 420,000 euros, whose shareholders are the members of the Group's Executive Committee, held 154,324 shares at December 31, 2022.

(5) Following the repurchase of 9,415 shares by DELFINGEN Industry SA during 2022.

5.1.2 DECLARATIONS OF MAJOR SHAREHOLDINGS RECEIVED BY THE COMPANY



VOTING RIGHTS THRESHOLD

In a letter dated May 30, 2024, the company named Ofi Invest declared to the Company that it had exceeded the 1% capital holding threshold.

In a letter dated December 4, 2024, the company named TIEPOLO declared to the Company that it had fallen below the statutory 2% capital threshold.

5.1.3 VOTING RIGHTS

Voting rights attached to shares are proportional to the capital they represent. At equal par value, each share carries one vote.

Pursuant to a resolution of the Extraordinary General Meeting of December 19, 1995, Article 15 of the Articles of Association provides that shares held in registered form for at least two years carry double voting rights, provided the shareholder submits a request to this effect to the company by registered letter.

5.2 STOCK MARKET DATA

5.2.1 SHARE CAPITAL

Share capital amounts to €4,027,765.28 (Four million twenty-seven thousand seven hundred and sixty-five euros and twenty-eight cents). It is divided into 2,615,432 fully paid-up shares, each with a par value of one euro fifty-four (€1.54).

The shares were listed on the Second Marché of the Paris Stock Exchange (now Euronext) on February 8, 1996. On September 19, 2013, it was transferred to Euronext Growth (formerly Alternext). It is traded on a continuous basis under ISIN code: FR 0000054132, mnemonic ALDEL.

The stock is listed in the ICB classification: Industrie 3000, Consumer Goods

SupSector 3300, Automobiles & Parts Sector 3350, Automobiles & Parts SubSector 3355, Auto Parts

5.2.2 STOCK LIQUIDITY

DELFINGEN INDUSTRY SHARES AT DECEMBER 31, 2024

Earnings per share [1]	Share price	Market capitalization [2]
-0,05 €	14,70 €	38,3 m€

(1) Diluted net income, Group share per share
(2) On number of shares at December 31, 2024: 2,615,432



2024						
Month	Closing price	Highest price	Lowest price	Average per session	Trading volume	Securities traded during the month
January	48,30	50,60	47,00	48,57	319	5977
February	35,20	48,40	33,10	41,31	1007	32443
March	37,70	41,40	35,00	38,04	512	26781
April	36,50	40,00	36,30	38,08	545	17423
May	41,50	41,50	35,80	37,90	750	38912
June	31,60	46,80	31,40	37,17	1148	43437
July	29,40	33,70	28,60	31,34	903	27157
August	29,30	29,80	26,10	28,18	463	16484
September	19,85	29,90	19,65	24,07	1230	68541
October	15,45	20,00	15,45	17,72	720	46911
November	11,55	15,55	11,00	13,82	1090	52255
December	14,70	15,20	11,15	13,20	963	55395

2023						
Month	Closing price	Highest price	Lowest price	Average per session	Trading volume	Securities traded during the month
January	50,00	55,40	44,40	50,73	425	10 273
February	52,00	55,40	47,80	52,58	573	15 422
March	48,40	52,60	45,90	49,25	376	10 996
April	45,40	48,50	43,70	46,60	373	16 489
May	48,60	53,80	44,80	49,88	571	20 625
June	53,00	53,60	48,20	51,65	423	17 258
July	52,80	53,20	49,30	51,78	619	29 336
August	53,00	53,20	47,80	51,93	531	10 481
September	51,60	59,00	48,00	52,86	844	19 648
October	49,80	55,60	49,10	52,08	560	12 548
November	51,60	52,80	49,40	51,86	551	11 423
December	49,30	51,40	48,50	49,82	346	6 413

2022						
Month	Closing price	Highest price	Lowest price	Average per session	Trading volume	Securities traded during the month
January	51,60	57,80	56,00	56,90	1468	34 193
February	53,80	61,80	59,60	60,70	1055	23 020
March	49,20	53,80	53,00	53,40	900	18 463
April	52,00	53,80	53,00	53,40	600	19 722
May	53,40	53,40	52,60	53,00	484	9 370
June	48,20	56,20	55,20	55,70	372	7 835
July	46,20	48,40	48,20	48,30	241	11 886
August	49,00	49,00	48,80	48,90	302	11 194
Sep-tember	36,00	49,60	48,60	49,10	411	16 088
October	38,30	39,30	38,50	38,90	200	6 919
November	46,90	47,50	46,90	47,20	308	9 201
December	44,50	47,10	47,00	47,05	277	11 565

5.2.3 LIQUIDITY CONTRACT

DELFINGEN Industry has entered into a liquidity contract with Crédit Industriel et Commercial (CIC) with effect from May 1, 2019.

This contract has been drawn up following changes in the regulations governing liquidity contracts, and in particular AMF Decision No. 2018-01 of July 2, 2018, and complies with the ethics charter of the Association Française des Marchés Financiers (AMAFI).

The trading platform on which transactions under the liquidity contract are carried out is Euronext Growth.

The resources allocated to the implementation of this liquidity contract are 100,000 euros in cash.

Pursuant to the contract, the situations or conditions leading to its suspension or termination are as follows:

"Performance of the contract is suspended under the conditions set out in Article 5 of the AMF Decision. It may also be suspended at the request of the Issuer for the period it specifies.

The contract may also be suspended by the Promoter if information brought to its attention makes it impossible for it to continue to meet its obligations".

The contract may also be terminated at any time by DELFINGEN Industry or with 30 days' notice by CIC, in accordance with the closing conditions set out in the contract.

5.3 COMMUNICATION WITH SHAREHOLDERS

DELFINGEN Industry shareholders have a single point of entry, through the e-mail address "actionnaires@delfingen.com ". E-mails sent to this address are then relayed to the various departments (General Management, Finance Department, Legal Department, etc.) in order to provide the most accurate response possible.

Shareholders have access to a dedicated area on the Company's website (www.delfingen.com), under the "Finance" -> "Shareholders' Area" tab. This tab contains all documents relating to the Annual General Meeting, including this Universal Registration Document.

Institutional investors

- Specific presentations are organized with institutional investors, in the form of "road-shows";
- Twice a year, a presentation of the annual/semi-annual financial statements is organized at the offices of the Société Française des Analystes Financiers, in PARIS. These meetings provide an opportunity for management to discuss Group strategy.

Individual investors

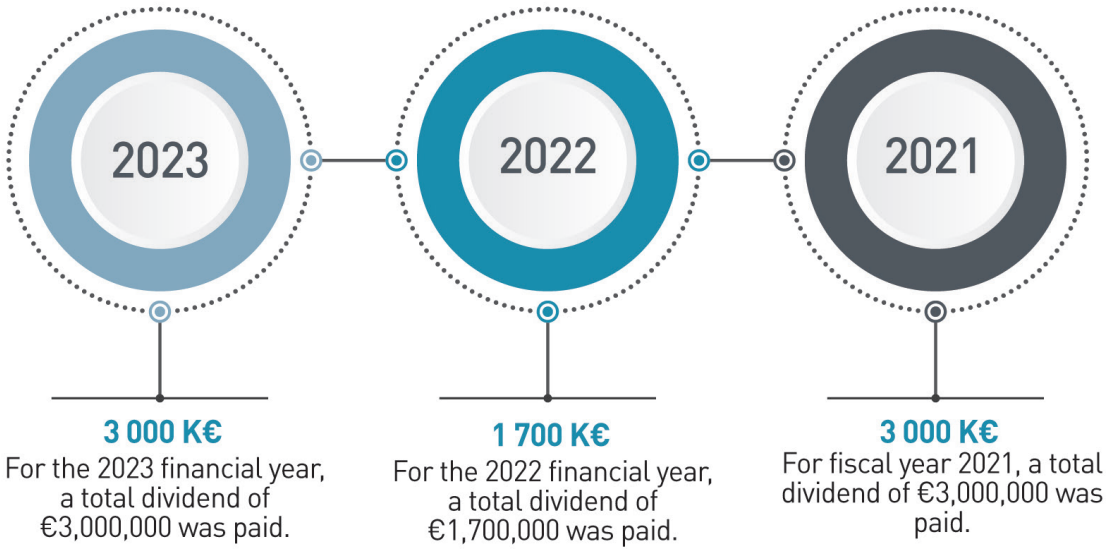
- DELFINGEN Industry has a long tradition of inviting all bearer shareholders to its Annual General Meeting by personal letter. Management sees this as an opportunity to meet its shareholders and present its activities, strategy, development priorities and local initiatives;
- DELFINGEN Industry has around 1,000 individual shareholders.

5.4 DIVIDENDS

5.4.1 DIVIDEND DISTRIBUTION POLICY

The Annual General Meeting may offer each shareholder the option of cash payment or payment in shares. The company does not generally pay interim dividends; dividends are paid annually after the Annual General Meeting. Dividends not claimed within five years of their payment are forfeited to the French State.

5.4.2 LAST THREE DIVIDENDS



5.5 SHARE BUYBACK PROGRAM

SHARE BUYBACK PROGRAM

In accordance with article L. 225-209 of the French Commercial Code, the Combined General Meeting of June 14, 2024 authorized the Board of Directors to buy back its own shares, up to a limit of 10% of the share capital at the time of purchase.

CANCELLATION

At December 31, 2024, the Combined General Meeting of June 14, 2024 authorized the Board of Directors to cancel the Company's shares. To date, this authorization has not been used.

5.6 SHARE CAPITAL INFORMATION

5.6.1 LATEST CHANGES IN CAPITAL

Date	Type of capital transaction	Increase or Reduction	Share premium	Capital amount	Number of shares	Nominal
20/12/13	Capital increase with shareholders' preferential subscription rights	621 951,12 €	4 378 048,08 €	3 739 234,60 €	2 443 944	1,53 €
20/12/13	Capital increase by raising the par value of shares, by drawing on reserves	24 439,16 €	-	3 763 673,76 €	2 443 944	1,54 €
25/11/20	Capital increase	342 151,04 €	2 990 488,96 €	4 105 824,80 €	2 666 120	1,54 €
09/11/23	Capital reduction	78 059,52 €	-	4 027 765,28 €	2 615 432	1,54 €

5.6.2 UNISSUED AUTHORIZED CAPITAL

At the Ordinary and Extraordinary Shareholders' Meeting of June 2, 2023, the Board of Directors was delegated the authority to issue shares in the Company to members of a company savings plan, without pre-emptive subscription rights, in accordance with Article L.225-129-6 paragraph 2 of the French Commercial Code, up to a maximum aggregate par value of €40,000, for a period of 26 months from June 2, 2023.

However, this authorization was withdrawn by the Combined General Meeting of June 14, 2024.

5.6.3 OTHER INFORMATION ON SHARE CAPITAL

EXISTENCE OF STATUTORY THRESHOLDS TO BE DECLARED TO THE COMPANY (ARTICLE 8 OF THE BYLAWS)

Pursuant to Article 8 of the Articles of Association, any individual or legal entity, acting alone or in concert, who comes to own a number of the Company's shares or voting rights equal to or greater than 1% of the total number of shares or voting rights must, within fifteen days of crossing this threshold, inform the Company of the total number of shares or voting rights he or she owns by registered letter with acknowledgement of receipt. This declaration is renewed under the same conditions each time a 1% threshold is crossed upwards or downwards.

To determine the thresholds, indirectly held shares and voting rights and shares and voting rights assimilated to owned shares and voting rights as defined by the provisions of Articles L.233-7 et seq. of the French Commercial Code will also be taken into account.

In each declaration referred to above, the declarant must certify that the declaration made includes all the shares and voting rights held or owned within the meaning of the preceding paragraph. The declarant must also indicate the date(s) of acquisition.

In the event of failure to comply with the above provisions, the shareholder will be stripped of voting rights in respect of the shares or voting rights exceeding the thresholds subject to declaration, at the request, in accordance with the provisions of paragraph 6 of Article L. 233-7 of the French Commercial Code, recorded in the minutes of the Annual General Meeting of one or more shareholders holding a fraction of the capital at least equal to 1%.

IDENTIFICATION OF BEARER SHARES

DELFINGEN Industry's bylaws authorize it to seek the information necessary to identify bearer shareholders, in accordance with the conditions laid down by current legislation.

REGISTERED SHARES

Since March 2021, the share register and registered shareholder accounts have been managed by :

Crédit Industriel et Commercial (CIC)
6 avenue de Provence
75009 Paris

Registered shareholders can access their account by contacting the Service Nominatif on Tel: 01.53.48.80.10, or by e-mail: . 34318@cic.fr

A shareholder website is available: https:// www.actionnaire.cic-marketsolutions.eu



CHAPITRE 6

COMMENTS ON THE EXERCISE

CHAPITRE 6

COMMENTS ON THE YEAR

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6.1 GROUP MANAGEMENT REPORT

6.1.1 BUSINESS ACTIVITY AND INCOME STATEMENT

SIGNIFICANT EVENTS OF THE YEAR

Implementation of the "IMPULSE 2026" roadmap

In an economic environment marked by reduced visibility and a slowdown in investment decisions by its major customers, DELFINGEN Industry defined a new strategic roadmap in the second half of 2024 , the IMPULSE 2026 plan. This plan aims to guide and structure the company's development and financial performance.

Structured around 3 main axes (optimization, rationalization and acceleration), the IMPULSE 2026 plan is designed to enable DELFINGEN Industry to mobilize its resources more effectively, adapt to the challenges of its markets and seize every opportunity.

In line with its commitments, DELFINGEN Industry made significant progress in implementing this roadmap in the second half of 2024, with the first measures already beginning to bear fruit.

In the first area, optimizing its leadership positions in the Protection Systems (PS) - Automotive business, DELFINGEN Industry has successfully :

- Concentration of its Eastern European activities in Romania and closure of the Slovakian site;
- Launch of the textile business in China;
- Ramp-up of textile business in Mexico and Honduras;
- Improving the efficiency and operating performance of a number of target plants;
- Migration of ex-Schlemmer sites to Group information systems.

On the second front, concerning the rationalization of the Fluid Transfer Tubes (FTT) business unit (BU), whose underperformance was significantly deteriorating its results, DELFINGEN Industry has, as planned, proceeded with :

- The termination of certain non-contributing customer contracts, representing full-year sales of around €25 million, enabling a strategic refocusing on the extrusion of technical tubes (corrugated, multilayer, composite materials, etc.), with higher added value;
- Initial measures to reduce headcount, which will continue into 2025, affecting some 450 positions;
- Improvement in operating margin of over €3 million;
- Working capital reduced by €4 million;
- A €2 million reduction in annual capital expenditure.

The costs associated with this restructuring are of the order of €8.0 M (of which €4 M in cash impact), including personnel, commercial, plant closure and asset depreciation costs. These costs were already provisioned under non-current operating expenses at June 30, 2024.

In the third area, aimed at accelerating growth in the non-automotive industrial market, DELFINGEN Industry set up an organization specifically dedicated to this strategic market in the second half of 2024. This structure will allocate specific resources to this segment in order to accelerate diversification, seize growth opportunities in buoyant markets such as robotics, industrial automation and electrical equipment, and strengthen commercial and operational synergies.

The implementation of the IMPULSE 2026 strategic plan will be actively pursued in the first half of 2025, enabling DELFINGEN Industry to enter a new cycle of qualitative operational and financial growth.

Global automotive production

In 2024, global automotive production reached 89.4 million cars, down 1.1% on 2023.

On the other hand, worldwide registrations rose by 1.5% to 88.3 million, closing in on its pre-covid level (90 million units in 2019).

Raw materials price trends

Over 2024, the average price of oil (Brent) stood at $80.8/b, down 2% on 2023 ($82.6/b).

SALES FIGURES

Comments on sales

In m€	2024	2023	Published	Organic	Currency effect	Change in scope of consolidation
Sales	423,7	456,7	-7,2 %	-8,0 %	-0,2 %	1,0 %

In m€	2024	2023	Published	Organic	Currency effect	Change in scope of consolidation
Automotive market	356,4	389,1	-8,4 %	-8,5 %	-0,2 %	0,3 %
Industrial market	67,4	67,7	-0,4 %	-5,3 %	0,0 %	4,9 %

Activity

2024 sales of €423.7 million, down 7.2%

In 2024, sales totaled €423.7 million, down 7.2% on 2023, including a currency effect of -0.2% and a scope effect of +1.0%. On a like-for-like basis, sales were down 8.0%.

This annual trend should be viewed in the light of the following factors:

- Continued market share gains in European textile activities;
- The end of ex-Schlemmer contracts in the injected parts sector (€11 million);
- End-of-life contracts in the technical tubes for fluids business (€7 million), restructured as part of the IMPULSE 2026 plan;
- The overall trend in the automotive market in fiscal 2024, marked by a decline in vehicle sales, particularly in Europe.

Breakdown of sales by quarter

In m€	2024	2023	Variation 2024 vs 2023 in %	
			Published	Pcc [1]
First quarter	113,6	116,6	-2,5 %	-5,4 %
Second quarter	111,1	117,3	-5,3 %	-5,7 %
Third quarter	100,2	115,0	-12,9 %	-12,3 %
Fourth quarter	98,8	107,8	-8,4 %	-8,8 %
TOTAL	**423,7**	**456,7**	**-7,2 %**	**-8,0 %**

[1] At constant scope of consolidation and exchange rates.

Sales by market and region

In m€	2024	2023	Variation 2024 vs 2023 in %	
			Published	Pcc [1]
AUTOMOTIVE				
Europe – Africa	177,7	189,2	-6,0 %	-6,2 %
Americas	121,6	143,8	-15,4 %	-15,1 %
Asia	57,1	56,1	1,6 %	0,7 %
TOTAL AUTOMOTIVE	**356,4**	**389,1**	**-8,4 %**	**-8,5 %**
INDUSTRIAL MARKET	**67,4**	**67,7**	**-0,4 %**	**-5,3 %**
TOTAL	**423,7**	**456,7**	**-7,2 %**	**-8,0 %**

[1] At constant scope of consolidation and exchange rates.

Sales by market and activity

In m€	2024	%	2023	%
AUTOMOTIVE	**356,4**	**84,1 %**	**389,1**	**85,2 %**
PS - Protection systems	277,9	65,6 %	304,8	66,7 %
FTT - Technical tubes for fluid transfers	65,5	15,4 %	71,6	15,7 %
Other	13,0	3,1 %	12,7	2,8 %
INDUSTRIAL	**67,4**	**15,9 %**	**67,7**	**14,8 %**
Insulation sleeves	22,4	5,3 %	19,6	4,3 %
Drossbach - Protection systems	31,5	7,4 %	31,2	6,8 %
Schlemmer - Industrial	12,4	2,9 %	15,0	3,4 %
Other	1,1	0,2 %	1,1	0,2 %
TOTAL	**423,7**	**100 %**	**456,7**	**100 %**

Results

In m€	2024	2023	2022
Sales	423,7	456,7	417,1
Operating income - current	23,8	28,1	21,1
Operating income recurring as % of sales	5,6 %	6,2 %	5,0 %
OPERATING INCOME	**16,2**	**23,8**	**17,7**
Operating income as % of sales	3,8 %	5,2 %	4,3 %
Net cost of debt	(9,2)	(8,0)	(3,5)
Other financial income and expenses	(0,2)	(1,6)	(0,1)
Income tax expense	(6,9)	(7,2)	(5,9)
NET INCOME BEFORE INCOME FROM DISCONTINUED OPERATIONS	**(0,1)**	**7,0**	**8,3**
Net income from discontinued operations	-	-	-
Consolidated net income	**(0,1)**	**7,0**	**8,3**
NET INCOME, GROUP SHARE	**(0,1)**	**6,9**	**8,1**

Gross margin is 52.0% of sales, compared with 50.2% in 2023, an increase of 1.8 points. This is mainly due to lower prices for the main raw materials used by the Group, a better product mix following the repositioning of the FTT business, and improved operating performance at certain sites.

Despite the improvement in the gross margin ratio, operating income recurring fell by 15.6% to €23.8m, mainly due to lower sales, which prevented the absorption of fixed costs.

Operating margin before non-recurring items (MOC) came out at 5.6% of sales, confirming the target of over 5% communicated at the time of publication of fourth-quarter 2024 sales.

After accounting for non-current operating income and expenses of €7.6 million, mainly related to the internal restructuring project, operating income came to €16.2 million, down -32.2%.

After a net financial expense of €9.4 million, of which €9.2 million related to the cost of net financial debt, and a tax charge of €6.9 million (with an effective tax rate of 100.1% compared with 50.8% in 2023), net income (Group share) came to €0.1 million, down 101.7%.

6.1.2 CASH FLOW AND FINANCIAL STRUCTURE

EBITDA stands at €46.2m, or 10.9% of sales, compared with 10.7% in 2023. After tax payments (€8.5 m) and favorable changes in working capital (€3.6 m), cash flow from operating activities is €41.3 m, compared with €51.2 m in 2023, a decrease of 19%.

Net cash used in investing activities amounted to €18.6m. This mainly concerns operating investments.

The Group's net financial debt stood at 146.6 m€ at December 31, 2024 (including 31.5 m€ of IFRS 16 debt), compared with 147.4 m€ at December 31, 2023 (including 28.4 m€ of IFRS 16 debt), and the Gearing was 98.46% compared with 99.97% in 2023.

During 2024, the following financing arrangements were put in place:

- A €20m capex loan maturing in 2030;
- With Huntington National Bank (USA):
    - An equipment loan of $0.7m released in June 2024, maturing in 2029;
    - A $0.8m equipment loan disbursed in December 2024, maturing in 2029.

Shareholders' equity increased by €1.5m to €148.9m, compared with €147.4m at December 31, 2023, due in particular to :

- the loss for the year of -0.1 m€ ;
- The positive impact of translation adjustments on shareholders' equity of 4.9 m€;
- Dividend payout of 3.0 m€.

6.1.3 CAPITAL EXPENDITURE

In m€	2024	2023	2022
Investments	18,7	20,2	19,6
As % of sales	4,4 %	4,4 %	4,6 %

The 2023 investment effort focused on production capacity for new business related to the plastic & textile protection activities, as well as the renewal of equipment and machinery.

Capital expenditure in 2024 is focused on :

- Production capacity for new textile protection business in Asia;
- Construction of a new building for the REIKU plant in Germany.

For 2025, the situation is as follows:

- Investments already made at end-February: €3.0m;
- Scheduled investments already committed: €6.4m

6.2 POST-BALANCE SHEET EVENTS

- In April 2025, DELFINGEN Industry will cancel the 10,000 shares held in treasury and consequently reduce the share capital, bringing the total number of shares to 2,605,432.
- Following the renegotiation of Delfingen Korea's Earn Out clause, an early payment of 3.360 billion Korean won (approx. €2.2m) was recorded in January 2025.

6.3 DEVELOPMENT AND OUTLOOK

According to S&P Global Mobility's February 2025 study, global automotive production should remain stable in 2025 at around 89.5 million vehicles produced worldwide.

In 2025, the Group will continue to implement its IMPULSE 2026 roadmap, with the ambition of initiating a cycle of qualitative growth by prioritizing value over volume, achieving profitability among the best in the sector, and becoming more resilient to economic cycles. As a reminder, the DELFINGEN Group has set itself the following objectives for 2026:

- Sales of around €430 million, after termination of over €25 million of FTT commercial contracts;
- An operating margin before non-recurring items of over 7.5%, with the expected impact of the FTT restructuring plan of +1.2 points, a gain in operating efficiency of +1 point, and a €5 million annual savings and simplification plan for support services, despite a still inflationary wage environment;
- A gearing ratio of less than 2.25x, following improved profitability, a targeted reduction in the capital expenditure plan of €5 million in 2025 and 2026, and the reduction in WCR on discontinued FTT activities.

6.4 COMPANY MANAGEMENT REPORT

MANAGEMENT REPORT ON THE PARENT COMPANY FINANCIAL STATEMENTS DELFINGEN INDUSTRY S.A.

Key events of the year

At December 31, 2024, DELFINGEN Industry held 10,000 treasury shares acquired in May 2024 for €387k.

As part of the review of the value in use of equity investments and the recoverability of current account advances and trade receivables, a net provision of 781 k€ was recorded in 2024 for equity investments, current accounts and trade receivables:

- A provision of 476 k€ was booked for DELFINGEN BR-Sao Paulo shares;
- A provision of 115 k€ was booked for DELFINGEN PT-Porto shares;
- Wuhan DELFINGEN Automotive Tubing's trade receivables were the subject of a net provision of 238 k€, and provision reversals were recorded for DELFINGEN TH-Siam for 48 k€.

DELFINGEN Industry received 25,691 k€ in dividends over the period from DELFINGEN US-Holding, DELFINGEN RO-Satu Mare, DELFINGEN IT-Verona and DELFINGEN Iberica.

DELFINGEN Industry posted a profit of €6,272 k.

DELFINGEN Industry pursued its policy of improving its liquidity position, while strengthening its financial structure, notably through a €20m capex loan maturing in 2030.

In view of these measures, DELFINGEN Industry considers that its ability to continue as a going concern is not called into question.

Activity and results 2024

The Group's contractor function is performed by DELFINGEN Industry, which concentrates all the costs of the Group's shared services. This function is remunerated using the net transaction margin method, one of the methods recognized by the OECD for transfer pricing.

DELFINGEN Industry's operating income is therefore dependent on the transfer of margins to its subsidiaries, whose profitability in 2024 is mainly affected by the fall in sales. The profit achieved does not cover the company's structural costs. The resulting operating loss is offset by the financial result, leading to a positive net income for 2024.

The summarized income statement is as follows:

In m€	2024	2023	2022
Operating income	59 566	63 088	48 586
Operating expenses	(63 964)	(65 628)	(53 481)
Operating income	**(4 398)**	**(2 541)**	**(4 895)**
Net financial expense	17 435	4 868	3 938
Net income before non-recurring items	13 037	2 328	(957)
Non-recurring income	(6 562)	(78)	(701)
Taxes	(203)	224	182
Net income	**6 272**	**2 474**	**(1 476)**

The operating loss of 4,398 k€ was mainly due to the margin transfer, which fell short of expectations and was directly influenced by the profitability of subsidiaries.

Net financial income of 17,435 k€ mainly comprises:

- Dividends received for 25,691 k€ ;
- Net interest and financial expenses of -7,338 k€ ;
- 591 k€ of net financial reversals (investments in subsidiaries).

The exceptional loss of -6,562 k€€ corresponds to the provision for the internal restructuring project.

The corporate income tax saving resulting from the tax consolidation of DELFINGEN Industry and DELFINGEN FR-Anteuil SAS is 90 k€ for the 2024 financial year.

DELFINGEN Industry generated a profit of €6,272k.

The summarized balance sheet is as follows

In k€	2024	2023	2022
Intangible fixed assets	7 036	6 559	3 312
Property, plant and equipment	3 833	4 207	2 401
Long-term investments	173 807	169 442	134 112
TOTAL NON-CURRENT ASSETS	**184 676**	**180 208**	**139 825**
Current assets and accruals	28 085	29 754	30 694
TOTAL ASSETS	**212 761**	**209 962**	**170 519**
Shareholders' equity	56 074	53 163	53 420
Provisions for liabilities and charges	745	1 179	667
Payables and accruals	155 942	155 620	116 432
TOTAL LIABILITIES	**212 761**	**209 962**	**170 519**

Exceptional events and litigation

Provisions for contingencies and charges mainly relate to litigation in progress at December 31, 2024. These provisions recognize risks at their estimated maximum value. The amount of provisions for liabilities and charges is shown in section F of the notes on the financial statements.

There are no exceptional events or disputes likely to have a material impact on the business, results, financial position or assets of the Group's parent company that have not been taken into account in the financial statements.

Expenses not deductible for tax purposes

In accordance with the provisions of article 223 quater of the French General Tax Code, we draw your attention to the fact that income for the year includes an amount of €125,466 corresponding to expenses that are not deductible from taxable income in accordance with the provisions of article 39-4 of the same code.

Change in accounting method

None.



MATURITIES OF TRADE PAYABLES AND RECEIVABLES

Supplier payment terms

Invoices received but not yet paid at year-end for which the due date has passed

		Overdue excluding VAT					
	Total Purchases	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total excluding VAT due (1 day or more)
Amount (k€)	46 111	2	367	4	14	168	553
% Total purchases excl.		ns	0,8 %	ns	ns	0,4 %	1,2 %

Of the total of 553 k€ overdue by more than one day, 428 k€ concern DELFINGEN Industry subsidiaries.

Customer payment terms

Invoices issued but not paid by the end of the financial year when due

		Past due					
	Total Sales	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total excluding VAT due (1 day or more)
Amount (k€)	58 393	-	433	181	48	6 194	6 855
% Total sales excluding VAT		-	0,7 %	0,3 %	0,1 %	10,6 %	11,7 %

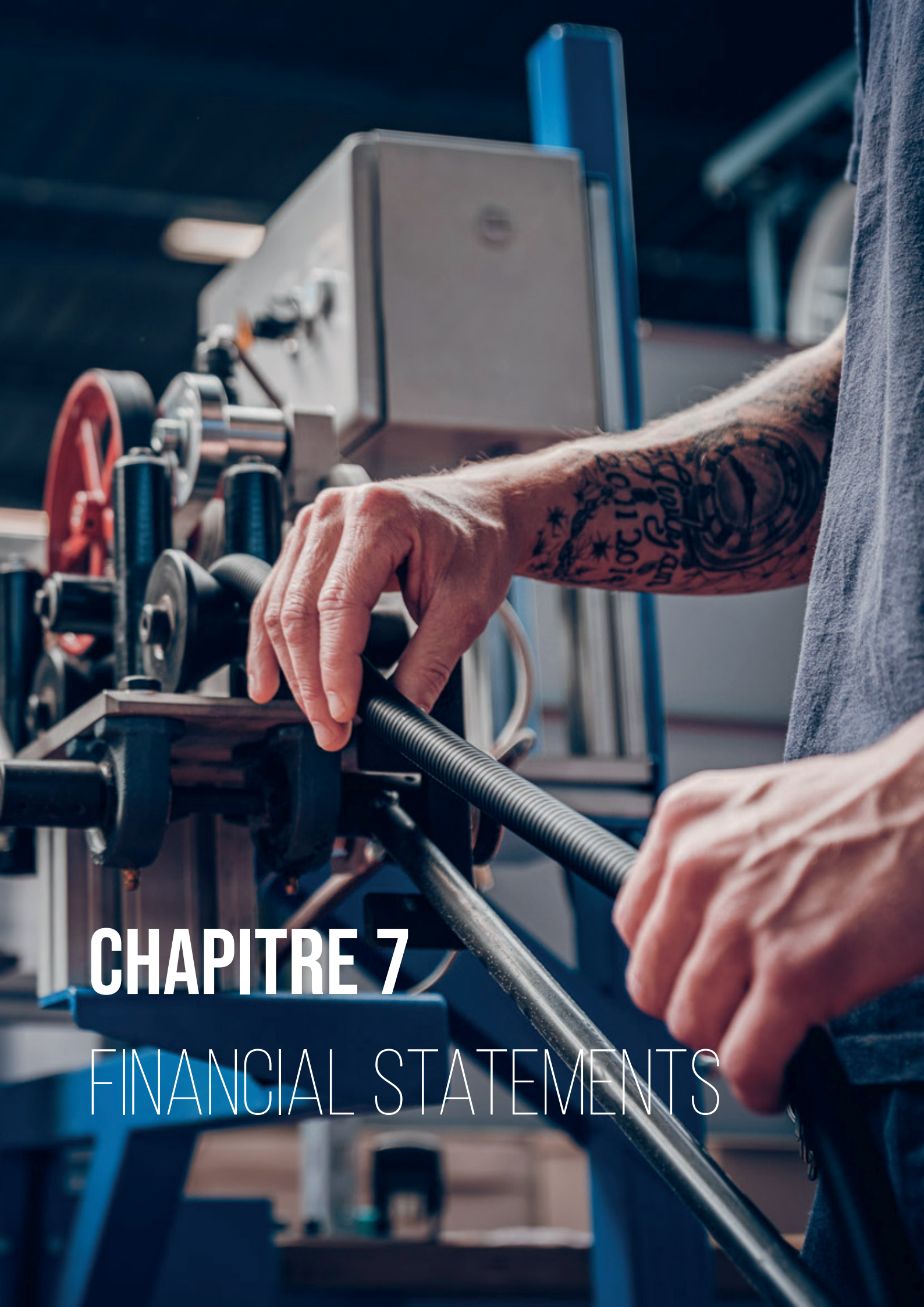
Almost all amounts (99.7%) concern DELFINGEN Industry subsidiaries.

EVENTS AFTER THE YEAR-END

In April 2025, DELFINGEN Industry will cancel 10,000 of its own shares, and consequently reduce its share capital to 2,605,432 shares.

6.5 RESULTS AND OTHER INFORMATION FOR THE LAST 5 YEARS

	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020
Capital at year-end					
Share capital (k€)	4 028	4 028	4 106	4 106	4 106
Number of common shares outstanding	2 615 432	2 615 432	2 666 120	2 666 120	2 666 120
Number of warrants (BSA)	-	-	-	-	-
Operations and results for the year					
Sales excluding tax (k€)	58 393	59 189	47 717	47 707	37 593
Profit before tax, employee profit-sharing, depreciation and provisions (k€)	6 038	142	(1 701)	8 008	2 468
Income tax (k€)	203	(224)	(182)	25	(220)
Employee profit-sharing for the year	-	-	-	-	-
Income after tax, employee profit-sharing, depreciation and provisions (k€)	6 272	2 474	(1 476)	9 115	1 631
Net income for the year	2 000	3 000	1 700	3 000	1 000
Earnings per share (including share warrants)					
Income after tax, employee profit-sharing, but before depreciation, amortization and provisions	2,23	0,14	(0,57)	2,99	1,01
Income after tax, employee profit-sharing, depreciation, amortization and provisions	2,40	0,05	(0,55)	3,00	0,92
Dividend per share	0,77	1,15	0,64	1,13	0,38
Coworkers					
Average number of employees	188,6	194,5	91,2	86,7	74,9
Total payroll for the year	10 134	10 105	5 070	4 742	4 241
Coworker benefits paid during the year	4 264	4 184	2 285	1 998	1 929



CHAPITRE 7

FINANCIAL STATEMENTS

CHAPITRE 7

FINANCIAL STATEMENTS

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7.1 CONSOLIDATED FINANCIAL STATEMENTS

Unless otherwise indicated, figures are presented in thousands of euros.

7.1.1 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2024	2023	2022	Notes explicatives
Net sales	423 722	456 744	417 143	10
Other income from activity	193	394	499	
Other operating income	3 287	2 909	1 738	13
Total operating income	**427 202**	**460 047**	**419 380**	
Purchases	(206 701)	(225 507)	(230 156)	11
Production in inventory, capitalized	3 140	(2 065)	7 481	
Other purchases and external expenses	(60 635)	(63 071)	(57 165)	12
Taxes	(1 377)	(1 578)	(1 277)	
Personnel expenses	(113 576)	(116 386)	(96 483)	18
Net depreciation and amortization	(22 797)	(21 131)	(19 575)	23
Net provisions and impairment losses	368	228	610	15-3 ; 23 ; 25 - 2
Other operating expenses	(1 866)	2 909	(1 751)	13
Total operating expenses	**(403 444)**	**(431 913)**	**(398 316)**	
Operating income recurring	**23 759**	**28 134**	**21 065**	
Other operating income (non current)	2 282	188	369	14
Other operating expenses (non current)	(9 868)	(4 477)	(3 686)	14
Operating income	**16 173**	**23 846**	**17 748**	
Income from cash and cash equivalents	17	33	11	
Gross cost of debt	(9 197)	(8 018)	(3 515)	36 - 2
Net cost of debt	(9 180)	(7 986)	(3 504)	
Other financial income	7 182	5 352	2 818	36 - 1
Other financial expenses	(7 375)	(6 935)	(2 888)	36 - 1
Pre-tax income	**6 800**	**14 276**	**14 174**	
Income tax expense	(6 857)	(7 250)	(5 906)	38
Net income from continuing operations	(56)	7 026	8 268	
Net income from discontinued operations	-	-	-	7
Consolidated net income	**(56)**	**7 026**	**8 268**	
Minority interests	62	122	122	
Net income, Group share	**(118)**	**6 904**	**8 145**	
Earnings per share (in €)	(0,05)	2,64	3,11	31
Diluted earnings per share (in €)	(0,05)	2,64	3,11	31
Earnings per share from continuing operations (in €)	(0,05)	2,64	3,11	31
Average rate for the year (€/USD)	1,0821	1,0815	1,0537	

Statement of net income and gains and losses recognized directly in equity	2024	2023	2022
Net income	(56)	7 026	8 268
Other items of comprehensive income recyclable in the income statement	**4 938**	**(3 912)**	**1 802**
Currency translation adjustments	4 938	(3 912)	1 802
Revaluation of hedging instruments	-	-	-
Revaluation of available-for-sale financial assets	-	-	-
Revaluation of fixed assets	-	-	-
Other comprehensive income not recyclable in the income statement	**(9)**	**25**	**(358)**
Net actuarial gains and losses on defined-benefit plans	(9)	25	(358)
Share of gains and losses recognized directly in equity of companies accounted for by the equity method	-	-	-
Total gains and losses recognized directly in equity	**4 929**	**(3 887)**	**1 444**
Net income and gains and losses recognized directly in equity	**4 873**	**3 139**	**9 712**
Group share	4 779	3 090	9 693
Minority interests	94	49	19

7.1.2 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets	2024	2023	2022	Explanatory notes
Non-current assets				
Goodwill	85 499	83 029	60 662	21
Intangible fixed assets	11 707	12 055	11 429	21
Property, plant and equipment	120 765	116 418	106 564	22
Available-for-sale assets	-	-	-	
Other non-current financial assets	3 320	2 637	2 020	32
Deferred tax assets	1 939	1 656	1 586	39
TOTAL NON-CURRENT ASSETS	**223 230**	**215 794**	**182 262**	
Current assets				
Inventories	45 513	48 499	58 587	15-1
Trade accounts receivable	75 351	85 006	78 582	15-2
Other net receivables	12 661	13 449	15 864	15-2
Current income taxes	3 356	2 684	2 598	15-2
Cash and cash equivalents	23 425	21 009	14 925	33
Assets held for sale	-	-	-	
TOTAL CURRENT ASSETS	**160 306**	**170 647**	**170 555**	
TOTAL ASSETS	**383 536**	**386 441**	**352 817**	
Exchange rate €/USD	1,0389	1,1050	1,0666	

Liabilities	2024	2023	2022	Explanatory notes
Group shareholders' equity				
Parent company capital	4 028	4 028	4 106	28
Capital reserves	15 763	15 763	15 687	28
Treasury shares	(521)	(110)	(1 465)	27
Retained earnings	126 314	122 439	116 701	
Cumulative currency translation adjustment	2 509	(2 439)	1 793	
Consolidated net income	(118)	6 904	8 145	
TOTAL GROUP SHAREHOLDERS' EQUITY	**147 974**	**146 585**	**144 968**	
Minority interests				
Minority interests in reserves	828	709	638	
Minority interests on income	62	122	122	
Total minority interests	890	831	761	
TOTAL SHAREHOLDERS' EQUITY	**148 865**	**147 416**	**145 729**	
Non-current liabilities				
Long- and medium-term debt	117 849	119 113	99 588	34
Other financial liabilities	661	202	113	32
Employee benefits	2 127	1 808	1 746	17
Non-current provisions	3 675	866	1 427	25
Deferred tax liabilities	4 692	4 747	5 230	39
TOTAL NON-CURRENT LIABILITIES	129 003	**126 736**	**108 104**	
Current liabilities				
Financial debts due in less than 1 year [(1)]	51 487	49 073	43 494	34
Trade payables	32 445	37 383	35 722	
Other current liabilities	20 098	23 600	16 519	15-4
Current provisions	-	-	-	
Current taxes	1 638	2 233	3 248	
Liabilities held for sale	-	-	-	
TOTAL CURRENT LIABILITIES	**105 668**	**112 289**	**98 983**	
TOTAL LIABILITIES AND EQUITY	**383 536**	**386 441**	**352 817**	
[(1)] Of which bank overdrafts	*19 481*	*10 012*	*20 481*	
Of which accrued interest	*29*	*86*	*20*	
Exchange rate €/USD	*1,0389*	*1,1050*	*1,0666*	

7.1.3 CONSOLIDATED CASH FLOW STATEMENT

	2024	2023	2022	Explanatory notes
RÉSNET INCOME OF CONSOLIDATED COMPANIES	**(56)**	**7 026**	**8 268**	
Elimination of non-cash and non-operating items				
Depreciation, amortization and provisions	**23 987**	21 751	20 528	
Amortization and provisions: reversals	(780)	(1 157)	(1 070)	
Capital gains and losses on disposals	356	917	3 256	
IFRS 16 end of contracts	(151)	-	(11)	
Internal restructuring project	7 332	-	-	
Transactions with no cash impact	(545)	1 681	(82)	
Cash flow after cost of debt and tax	**30 142**	**30 219**	**30 889**	
Cost of debt	9 197	8 018	3 515	
Current tax charge	7 262	8 239	6 771	38
Change in deferred taxes	(405)	(989)	(865)	39
Cash flow before cost of debt and tax	**46 195**	**45 487**	**40 310**	**41**
Taxes paid	(8 472)	(9 600)	(6 728)	
Change in working capital	3 585	15 358	(27 474)	15-5
Net cash used in investing activities	**41 309**	**51 245**	**6 107**	
Cash flow from investing activities				
Purchases of property, plant and equipment	(16 147)	(17 534)	(15 822)	22
Acquisitions of intangible assets	(2 569)	(2 720)	(2 623)	21-2
Disposal of property, plant and equipment and intangible assets	590	462	192	
Change in long-term investments	(451)	(544)	124	
Changes in scope of consolidation	-	(24 105)	(360)	6
Net cash used in investing activities	**(18 578)**	**(44 441)**	**(18 488)**	
Net cash used in financing activities				
Dividends paid to parent company shareholders	(2 994)	(1 673)	(2 952)	29
Dividends paid to minority shareholders of consolidated companies	(34)	-	-	
Loan subscriptions	21 360	120 596	27 837	
Repayment of borrowings	(39 157)	(99 970)	(29 907)	
Interest paid	(9 197)	(8 018)	(3 515)	
Derivative financial instruments	16	90	113	
Treasury shares	(411)	(57)	(493)	
Deferred charges	-	(736)	-	
Other movements	-	-(174)	(2)	
Net cash flow from financing activities	**(30 417)**	**10 056**	**(8 920)**	
Theoretical change in cash and cash equivalents	(7 685)	16 860	(21 301)	
Actual opening cash position	**10 997**	**(5 556)**	**15 254**	
Effect of exchange rate changes	633	(307)	437	
Reclassification of cash and cash equivalents	-	-	55	
Closing cash position	3 945	10 997	(5 556)	33-2
Actual change in cash and cash equivalents	**(7 685)**	**16 860**	**(21 302)**	

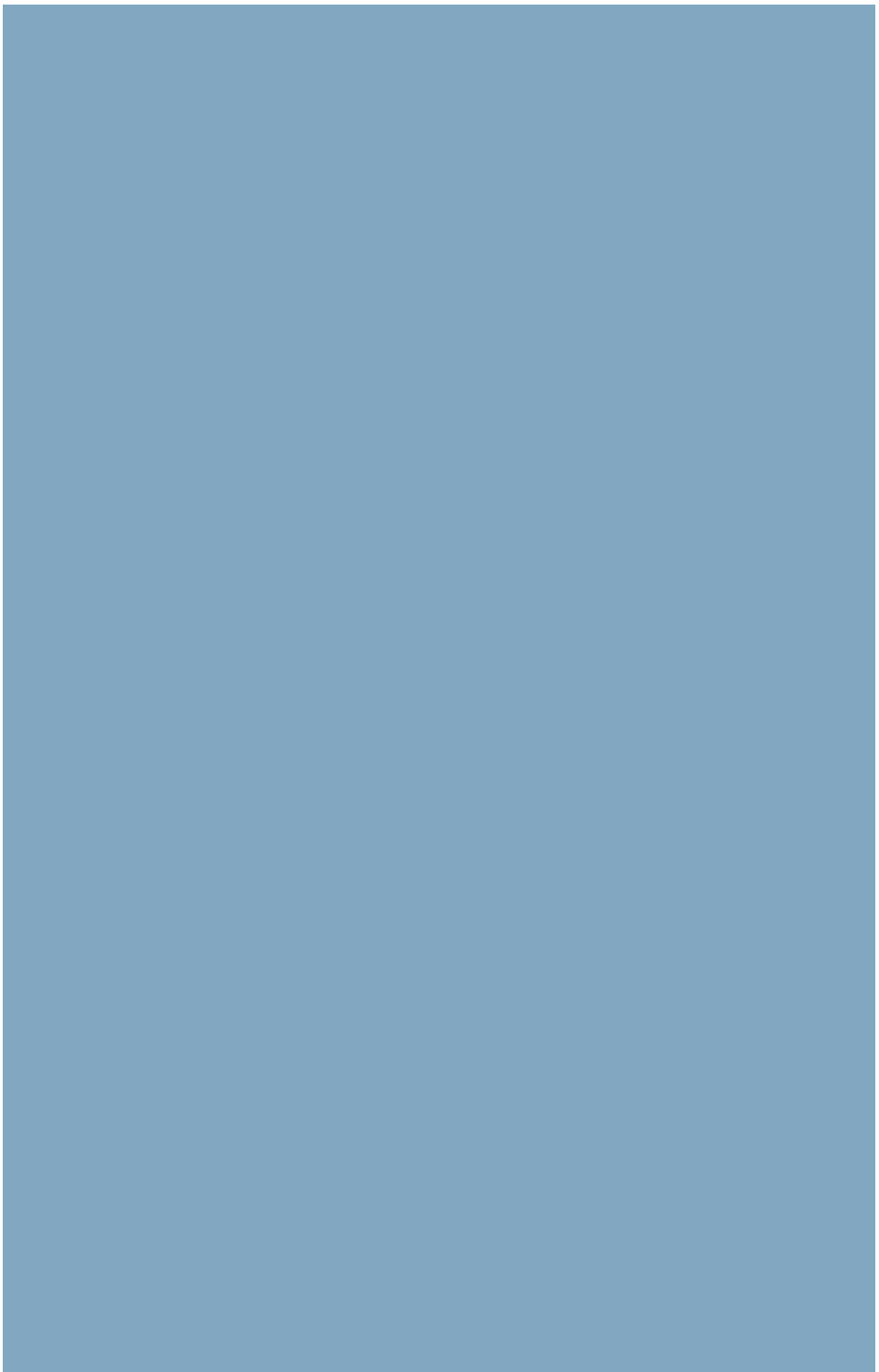
7.1.4 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Capital reserves	Treasury shares	Consolidated reserves and income	CUMULATIVE CURRENCY TRANSLATION ADJUSTMENT	Shareholders' equity - Group share	Equity attributable to minority interests	Total shareholders' equity
At 12/31/2022	**4 106**	**15 687**	**(1 465)**	**124 846**	**1 793**	**144 968**	**761**	**145 729**
Capital increase/ Capital reduction	(78)	-	-	-	-	(78)	-	(78)
Net income for the year	-	-	-	6 904	-	6 904	122	7 026
Dividends paid	-	-	-	(1 673)	-	(1 673)	-	(1 673)
Currency translation adjustments	-	-	-	320	(4 232)	(3 912)	(49)	(3 961)
Fair value of hedging instruments	-	-	-	-	-	-	-	-
Change in scope of consolidation	-	-	-	-	-	-	-	-
Net actuarial gains/ losses on defined benefit plans	-	-	-	(25)	-	(25)	-	(25)
Treasury shares	-	-	1 355	(1 334)	-	21	-	21
Other movements	-	75	-	306	-	380	(3)	377
At 12/31/2023	**4 028**	**15 762**	**(110)**	**129 344**	**(2 439)**	**146 585**	**831**	**147 416**
Capital increase/ Capital reduction	-	-	-	-	-	-	-	-
Net income for the year	-	-	-	(118)	-	(118)	62	(56)
Dividends paid	-	-	-	(2 994)	-	(2 994)	(34)	(3 028)
Currency translation adjustments	-	-	-	-	5 390	5 390	32	5 422
Fair value of hedging instruments	-	-	-	-	(442)	(442)	-	(442)
Change in scope of consolidation	-	-	-	-	-	-	-	-
Net actuarial gains/ losses on defined benefit plans	-	-	-	(9)	-	(9)	-	(9)
Treasury shares	-	-	(411)	-	-	(411)	-	(411)
Other movements	-	-	-	(28)	-	(28)	-	(28)
Au 31/12/2024	**4 028**	**15 762**	**(520)**	**126 195**	**2 509**	**147 974**	**890**	**148 864**

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7.1.5 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A. STANDARDS AND VALUATION METHODS

NOTE N° 1 APPLICABLE STANDARDS AND NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

1.1 Basis of preparation

The financial statements are presented in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union at December 31, 2024 and available for consultation on the European Commission website.

The financial statements are presented in euros, rounded to the nearest thousand. They have been prepared in accordance with the general principles of IFRS:

- True and fair view ;
- Going concern;
- Commitment accounting;
- Consistency of presentation;
- Materiality and aggregation.

The Group has decided not to early adopt, where permitted by law, standards, updates and interpretations that have been published but whose application is not mandatory for the financial year beginning January 1,2024. The Group does not expect any significant changes.

The accounting principles used to prepare the Group's financial statements are described in the following notes. Unless otherwise stated, they have been applied consistently to all the years presented.

1.2 Standards, amendments and interpretations adopted by the European Union and mandatory or not for accounting periods beginning on or after January 1, 2024

Standards, amendments and interpretations adopted by the European Union and mandatory for accounting periods beginning on or after January 1,2024

The following standards and amendments to standards have no impact on the Group's consolidated financial statements at December 31, 2024:

- Amendment to IFRS 16 "Lease liabilities under sale and leaseback contracts".

This amendment confirms that no gain or loss should be recognized on the share of rights retained by the seller-lessee, and that lease liabilities should not be remeasured.

- Amendment to IAS 1 "Covenant liabilities".

The classification of a liability as current or non-current will now be determined solely by reference to the covenants that the company must comply with at the balance sheet date.

- Amendments to IAS 7 and IFRS 7 "Supplier financing arrangements".

These amendments require companies to provide detailed information on payment terms, the amounts involved and the specific conditions of supplier financing agreements.

Standards, amendments and interpretations adopted by the European Union whose application is not mandatory for financial years beginning or after January 1 2024

DELFINGEN Industry has not early adopted the following accounting principles adopted by the European Union but whose application is not mandatory:

- IFRS 18 - Presentation and Disclosure in Financial Statements (published by the IASB on April 9, 2024)
- IFRS 19 - Disclosures by subsidiaries not required to be publicly disclosed (published by the IASB on May 9, 2024).

NOTE N° 2 USE OF ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses at the balance sheet date. These estimates and assumptions reflect the reasonable and prudent judgment of Management, which reviews them on an ongoing basis, drawing on past experience and all available information. However, actual results could differ significantly from these estimates.

The significant estimates and assumptions used in preparing the financial statements for the period ended December 31, 2024 concern in particular the following items:

- Deferred tax assets ;
- Provisions;
- Impairment losses on goodwill.

The sensitivities identified and monitored by management relate mainly to the data and assumptions involved in carrying out value tests. These assumptions are consolidated through a process of gathering forward-looking information from major players in the automotive sector (market assumptions) and actuary (discount rates).

B. INFORMATION ON THE SCOPE OF CONSOLIDATION

NOTE N° 3 CONSOLIDATION PRINCIPLES

3.1 Consolidation methods

The financial statements of companies over which DELFINGEN Industry exercises direct or indirect control are fully consolidated.

Control exists when the Group:

- Has power over the company ;
- Is exposed to or entitled to variable returns from its relationship with the company;
- Has the ability to exercise its power over the company's relevant activities in such a way as to influence the amount of returns it obtains.

There are no companies covered by a partnership agreement.

All material transactions between consolidated companies are eliminated, as are intra-Group profits (capital gains, profits on inventories, dividends).

3.2 Foreign currency translation

3.2.1 Foreign currency transactions

Transactions in foreign currencies are recorded in the functional currency at the exchange rate prevailing on the transaction date or, in practice, at the average exchange rate for the period, as long as this rate is not affected by significant changes in exchange rates. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the balance sheet date. Exchange differences arising on translation are recognized in the income statement, with the exception of those relating to loans and borrowings, which in substance form an integral part of the net investment in a foreign subsidiary.

These are recognized in other comprehensive income, in translation reserves included in consolidated shareholders' equity, at their net-of-tax amount until the date of disposal of the net investment, when they will be recognized in income.

3.2.2 Translation of financial statements of consolidated subsidiaries

The financial statements of foreign subsidiaries are translated into euros at the December 31, 2024 exchange rate for balance sheet items, and at the average exchange rate for the year for income statement items. Translation differences are recognized in other comprehensive income and are recycled to the income statement.

The main currencies used for consolidation purposes are as follows:

	Opening rate			Average rate			Closing rate		
	2024	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**
Euro	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000
Tunisian Dinar	3,3863	3,3107	3,2623	3,3637	3,3476	3,2417	3,3156	3,3863	3,3107
Moroccan dirham	10,9572	11,1699	10,4930	10,7520	10,9499	10,6750	10,4831	10,9572	11,1699
Romanian leu	4,9756	4,9495	4,9490	4,9747	4,9471	4,9315	4,9743	4,9756	4,9495
Brazilian real	5,3618	5,6386	6,3101	5,8284	5,4018	5,4406	6,4253	5,3618	5,6386
US dollar	1,1050	1,0666	1,1326	1,0822	1,0815	1,0537	1,0389	1,1050	1,0666
Chinese yuan	7,8509	7,3582	7,1947	7,7863	7,6587	7,0782	7,5833	7,8509	7,3582
Philippine peso	61,2830	59,3200	57,7630	61,9808	60,1440	57,3092	60,3010	61,2830	59,3200
Japanese yen	156,3300	140,6600	130,3800	163,8565	151,9021	137,9546	163,0600	156,3300	140,6600
Indian rupee	91,9045	88,1710	84,2292	90,5448	89,3040	82,7066	88,9335	91,9045	88,1710
Thai Baht	37,9730	36,8350	37,6530	38,1683	37,6218	36,8502	35,6760	37,9730	36,8350
Russian ruble	n/a	n/a	85,3004	n/a	n/a	73,4376	n/a	n/a	76,7952
UAE dirham	4,0581	3,9171	4,1595	3,9742	3,9717	3,8695	3,8154	4,0581	3,9171
South Korean won	1433,66	n/a	n/a	1475,56	1427,7487	n/a	1532,15	1433,66	n/a

NOTE N° 4 CLOSING DATES

With the exception of DELFINGEN India Private Limited, whose financial year ends on March 31, 2025, all the companies included in the scope of consolidation have a financial year ending on December 31, 2024.

In the case of DELFINGEN India Private Limited, an audited 12-month interim statement has been prepared as at December 31, 2024.

NOTE N° 5 SCOPE OF CONSOLIDATION

The Group's consolidated financial statements include all DELFINGEN Industry subsidiaries, sub-subsidiaries and affiliates.

The following companies are included in the Group's scope of consolidation:

Company name	Country	% interest			Method[9]
			2023	2022	
DELFINGEN Industry	France	Mère	Mère	Mère	IG
SCHLEMMER Industry (1)	France	100,00	100,00		IG
DELFINGEN FR-Anteuil (2)	France	-	-	100,00	IG
DELFINGEN FR-Anteuil SAS	France	100,00	100,00	100,00	IG
DELFINGEN DE-Marktrodach (3)	Germany	100,00	100,00	100,00	IG
DELFINGEN DE-Aschheim	Germany	100,00	100,00	100,00	IG
DELFINGEN DE-Hassfurt	Germany	100,00	100,00	100,00	IG
REIKU GmbH (4)	Germany	100,00	100,00	-	IG
DELFINGEN PT-Porto	Portugal	100,00	100,00	100,00	IG
DELFINGEN SK-Nitra	Slovakia	100,00	100,00	100,00	IG
DELFINGEN RO-Transilvania	Romania	100,00	100,00	100,00	IG
DELFINGEN RO-Satu Mare	Romania	100,00	100,00	100,00	IG
DELFINGEN TN-Tunis	Tunisia	100,00	100,00	100,00	IG
DELFINGEN MA-Casablanca	Morocco	100,00	100,00	100,00	IG
DELFINGEN IT-Verona	Italy	100,00	100,00	100,00	IG
DELFINGEN MA-Tanger 2	Morocco	100,00	100,00	100,00	IG
DELFINGEN TN-Fouchana	Tunisia	100,00	100,00	100,00	IG
DELFINGEN BR-Sao Paulo	Brazil	99,99	99,99	99,99	IG
DELFINGEN Iberica	Spain	100,00	100,00	100,00	IG
DELFINGEN LU-Luxembourg	Luxembourg	100,00	100,00	100,00	IG
DELFINGEN US-Holding	United States	100,00	100,00	100,00	IG
DELFINGEN US	United States	100,00	100,00	100,00	IG
DELFINGEN US-New York	United States	100,00	100,00	100,00	IG
DELFINGEN US-Texas	United States	100,00	100,00	100,00	IG
DELFINGEN US-Mexico	United States	100,00	100,00	100,00	IG
Sofanou of Mexico	United States	100,00	100,00	100,00	IG
DELFINGEN MX-Coahuila	Mexico	100,00	100,00	100,00	IG
Compañeros en Excelencia en Extrusión (5)	Mexico	-	-	100,00	IG
DELFINGEN US-Nicaragua (6)	United States	-	-	100,00	IG
DELFINGEN NI-Leon (6)	Nicaragua	-	-	100,00	IG
DELFINGEN US-Central America	United States	100,00	100,00	100,00	IG
DELFINGEN HN-Cortes	Honduras	100,00	100,00	100,00	IG
DROSSBACH CN-Ontario	Canada	100,00	100,00	100,00	IG
DROSSBACH US-Ohio	États-Unis	100,00	100,00	100,00	IG
DELFINGEN Asia Pacific Holding	United States	100,00	100,00	100,00	IG
DELFINGEN (Hebi) Automotive Parts Company	China	86,67	86,67	86,67	IG

Company name	Country	% interest			Method[9]
		2024	2023	2022	
DELFINGEN (Hebi) Automotive parts company, Shanghai Branch (7)	China	100,00	100,00	100,00	IG
Wuhan DELFINGEN Automotive Tubing	China	100,00	100,00	100,00	IG
DELFINGEN SG-Filipinas	Singapore	100,00	100,00	100,00	IG
DELFINGEN PH-Filipinas Inc.	Philippines	99,99	99,99	99,99	IG
DELFINGEN PH-Cavite Inc.	Philippines	99,99	99,99	99,99	IG
DELFINGEN Japan	Japan	100,00	100,00	100,00	IG
DELFINGEN INDIA	India	100,00	100,00	100,00	IG
DELFINGEN Siam	Thaïland	99,99	99,99	99,99	IG
DELFINGEN ROH ASIA	Thaïland	99,99	99,99	99,99	IG
DELFINGEN PH-ROHQ	Philippines	100,00	100,00	100,00	IG
DELFINGEN Middle East	United Arab Emirates	100,00	100,00	100,00	IG
DELFINGEN Korea (8)	South Korea	100,00	100,00	-	IG

(1) company created in March 2023 *(2)the company partially contributed its assets to DELFINGEN FR-Anteuil SAS, then transferred its assets to DELFINGEN Industry*
(3) In Germany, DELFINGEN DE-Marktrodach GmbH & Co KG was merged into DELFINGEN DE-Deutschland Holding by means of a merger takeover with effect from December 31, 2022. Immediately thereafter, DELFINGEN DE VERWALTUNGS GmbH was merged into DELFINGEN DE-Deutschland Holding. Finally, DELFINGEN DE-Deutschland Holding changed its name to DELFINGEN DE-Marktrodach GmbH. *(4) company acquired in March 2023*
(5) company liquidated on 18/04/2023
(6) DELFINGEN NI-Leon was absorbed by DELFINGEN US-Nicaragua followed by a merger with DELFINGEN US Inc. on 28/02/2023
(7) company created in January 2022 *(8) company acquired in March 2023 and previously named AHN Chem*
(9) fully consolidated

NOTE N° 6 BUSINESS ACQUISITIONS AND DISPOSALS

There were no changes in the scope of consolidation in fiscal 2024.

NOTE N°7 DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

None.

NOTE N° 8 INFORMATION CONCERNING SPECIAL-PURPOSE ENTITIES

Not applicable.

C. SEGMENT REPORTING

NOTE N° 9 SEGMENT REPORTING

Under IFRS 8, an operating segment is a component of an entity:

- Is engaged in activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- Whose operating results are regularly reviewed by the entity's chief operating decision-maker with a view to making decisions on the resources to be allocated to the segment and assessing its performance;
- For which isolated financial information is available.

Accordingly, the Group has defined the segments to be reported based on the internal reporting used by management to assess performance and allocate resources to the various segments.

In 2024, the 4 segments selected by the Group are as follows:

- Automobile - EA: this covers products linked to the automobile market in Europe and Africa;
- Automotive - Americas: this segment covers revenues generated by the automotive market in North, Central and South America;
- Automotive - Asia: this segment covers products related to the Automotive market in Asia;
- Industrial Market: this segment comprises all products outside the Automotive market, corresponding essentially to the activities of the Drossbach Group and REIKU.

These 4 segments are supplemented by holding companies and eliminations.

The indicators used to measure segment performance, and notably operating income, are reconciled with the consolidated financial statements. The key indicators are as follows:

- Sales ;
- Operating income recurring;
- Capital expenditure;
- Segment assets comprising property, plant and equipment, intangible assets, goodwill and inventories.

Financial debt, other income and expenses, financial results and taxes are tracked at Group level and are not allocated to segments.



9.1 Income statement items by segment

Year 2024	Automotive EA	Automotive Americas	Automotive Asia	Industrial Market	Holding company and eliminations	Consolidated
Total sales	189 047	123 446	59 305	67 351	(15 427)	423 722
Operating income recurring	6 492	750	3 119	15 954	(4 155)	22 160
Of which intra-group billings	(13 998)	(13 104)	(3 887)	-	30 989	-
Operating income	6 514	855	3 214	15 954	(11 963)	14 574

Year 2023	Automotive EA	Automotive Americas	Automotive Asia	Industrial Market	Holding company and eliminations	Consolidated
Total sales	202 374	146 530	60 260	69 796	(22 215)	456 744
Operating income recurring	6 064	6 704	4 053	14 955	(3 642)	28 134
Of which intra-group billings	(19 695)	(17 122)	(4 665)	-	41 482	-
Operating income	6 048	6 678	3 921	14 955	(7 757)	23 846

Year 2022	Automotive EA	Automotive Americas	Automotive Asia	Industrial Market	Holding company and eliminations	Consolidated
Total sales	195 558	135 048	53 491	59 937	(26 891)	417 143
Operating income recurring	4 479	9 068	4 824	11 972	(9 445)	20 897
Of which intra-group billings	(16 674)	(19 169)	(3 146)	-	38 989	-
Operating income	4 412	9 068	4 772	11 972	(12 643)	17 580

9.2 Statement of financial position items by segment

Year 2024	Automobile EA	Automotive Americas	Automotive Asia	Industrial Market	Holding company and eliminations	Consolidated
Segment assets	103 060	45 339	42 203	24 206	52 934	268 743
Acquisition of non-current assets	8 343	1 334	4 627	630	3 783	18 717

Year 2023	Automobile EA	Automotive Americas	Automotive Asia	Industrial Market	Holding company and eliminations	Consolidated
Segment assets	101 135	48 844	37 455	23 538	49 028	260 000
Acquisition of non-current assets	7 320	4 754	5 286	1 851	1 042	20 254

Year 2022	Automobile EA	Automotive Americas	Automotive Asia	Industrial Market	Holding company and eliminations	Consolidated
Segment assets	115 763	52 442	31 704	24 716	12 618	237 243
Acquisition of non-current assets	7 085	15 539	4 510	1 076	(8 899)	19 311

D. OPERATING DATA

NOTE N° 10 SALES REVENUE

Sales are measured at the fair value of the consideration received or receivable, after deduction of any rebates or actions correlated with sales.

Revenue is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.

In view of the nature of the products, general sales conditions, commercial transport terms and insurance policies, revenue is generally recognized on the invoice date.

Breakdown of sales by geographical area

	2024	2023	2022
Europe – Africa	204 303	215 419	193 603
Americas	162 058	184 682	174 118
Asia	57 361	56 638	49 422
Total	**423 722**	**456 739**	**417 143**

It should be noted that all the companies included in the scope of consolidation invoice their customers according to rates indexed to the euro parity, with the exception of the American, Canadian, Philippine, Mexican, Honduran, Chinese, Indian and Korean companies.

The American, Philippine, Mexican and Honduran companies invoice their customers directly in US dollars, the Canadian company in Canadian dollars, the Chinese companies mainly in Chinese yuan, the Indian company mainly in Indian rupees and the Korean company mainly in Korean won.

At constant parity, Group consolidated sales would have amounted to €424.6m, impacted mainly by sales in USD.

NOTE N° 11 PURCHASES CONSUMED

	2024	2023	2022
Purchases of merchandise	39 618	47 280	53 638
Change in merchandise inventories	2 779	(3 477)	(798)
Purchases of raw materials	150 678	159 312	187 210
Change in raw materials inventory	(787)	8 892	(11 217)
Transport	12 106	11 709	-
Other supplies	2 306	1 790	1 323
Total	**206 701**	**225 507**	**230 156**

The ratio of purchases consumed (net of changes in inventoried and capitalized production) will fall by 1.8 points in 2024 to 48.0% of sales, compared with 49.8% in 2023 and 53.4% in 2022. This is due partly to the lower prices of the main raw materials used by the Group compared with 2023, and partly to a favorable product mix and activities.

NOTE N° 12 OTHER PURCHASES AND EXTERNAL EXPENSES

	2024	% SALES	2023	% SALES	2022	% SALES
Water, electricity, gas	8 933	2,1 %	8 882	1,9 %	8 430	2,0 %
Rent and service charges	5 163	1,2 %	5 391	1,2 %	4 365	1,0 %
Maintenance and repairs	7 334	1,7 %	8 142	1,8 %	6 677	1,6 %
Remuneration of intermediaries and fees	5 472	1,3 %	5 227	1,1 %	5 921	1,4 %
Transport on sales and miscellaneous transport	9 460	2,2 %	11 368	2,5 %	12 040	2,9 %
Travel, missions, receptions	3 547	0,8 %	4 154	0,9 %	3 496	0,8 %
Other purchases and external expenses	20 726	4,9 %	19 907	4,2 %	16 237	3,9 %
Total	**60 635**	**14,3 %**	**63 071**	**13,8 %**	**57 165**	**13,7 %**

The external cost ratio is 14.3% of sales, compared with 13.8% in 2023, a slight increase of 0.5 points. This represents an absolute decrease of €2.4m, demonstrating the Group's ability to control costs, despite a persistently unfavorable environment marked by falling sales.

The impact of the application of IFRS 16 in the 2024 financial year resulted in an 8.3 m€ reduction in rental expenses.

NOTE N° 13 OTHER OPERATING INCOME AND EXPENSES

	2024	2023	2022
Other operating income	1 044	2 416	1 496
Services capitalized	1 598	-	-
Income from management operations	55	31	50
Proceeds from disposals of property, plant and equipment and intangible assets	590	462	192
Proceeds from disposal of financial assets	-	-	-
TOTAL OTHER OPERATING INCOME	**3 287**	**2 909**	**1 739**
Other operating expenses	(794)	(1 024)	(1 199)
Operating expenses	126)	2	(8)
Net book value of intangible assets	(945)	(1 211)	(544)
and property, plant and equipment	-	(168)	-
TOTAL OTHER OPERATING EXPENSES	**(1 866)**	**(2 402)**	**(1 751)**

DELFINGEN Industry decided in 2024 to isolate the capitalization of R&D and IT costs in a specific account (capitalized services).

NOTE N° 14 OTHER OPERATING INCOME AND EXPENSES

	2024	2023	2022
Non-current income from prior years	8	-	-
Other non-current income	2 274	188	369
TOTAL OTHER OPERATING INCOME	**2 282**	**188**	**369**
Impairment of goodwill	-	-	-
Non-current expenses on prior years	(59)	(3)	(14)
Other non-current expenses	(9 810)	(4 474)	(3 672)
TOTAL OTHER OPERATING EXPENSES	**(9 868)**	**(4 477)**	**686)**

“Other non-current income” mainly comprises :

- The revaluation of the earn-out debt by the DELFINGEN Asia Pacific Holding entity relating to the acquisition of DELFINGEN Korea in April 2023 (€1.9m).

“Other non-current expenses” mainly concern :

- A €7.9m provision for an internal restructuring project (see significant events);
- A provision of €0.6m for other known or pending disputes and proceedings in which the Group or Group companies are involved;
- Fees of €0.7m relating to reorganization projects;
- The cancellation of the effects of the remeasurement at fair value of REIKU’s inventories consumed at December 31, 2024 in the amount of €0.4m.

NOTE N° 15 WORKING CAPITAL REQUIREMENT

15.1 Inventories and work-in-progress

Inventories are stated at the lower of cost and net realizable value.

Finished goods and work-in-progress are valued at production cost, which incorporates direct and indirect production expenses based on a normal level of activity. Inventories of goods, raw materials and other supplies are valued at weighted average cost or last purchase price. Financial costs are not included in the cost of inventories.

A provision for depreciation of inventories is recognized when their realizable value is lower than cost, if they are damaged or obsolete, and whenever there is a risk that they may not be sold under normal conditions.

Inventories

Inventories are broken down as follows:

	2024	2023	2022
Raw materials and other supplies	23 719	25 321	35 256
Work-in-progress	1 759	2 404	1 595
Finished goods	15 364	13 013	16 645
Goods	8 977	11 693	8 831
GROSS STOCKS	**49 819**	**52 431**	**62 327**
Provisions	(4 306)	(3 932)	(3 740)
NET INVENTORIES	**45 513**	**48 499**	**58 587**

Change in inventories

Opening gross inventories	**52 431**
Exchange rates differences	1 312
Change in inventories	(1 566)
Other movements	(2 358)
Changes in scope of consolidation	-
Closing gross inventories	**49 819**
Opening provisions	**3 932**
Allowances	1 550
Reversals	(1 942)
Other movements	675
Currency translation adjustments	91
Changes in scope of consolidation	-
Closing provisions	**4 306**
Closing net inventories	**45 513**

Other movements correspond to :

- Cancellation of the effects of remeasurement at fair value of REIKU inventories consumed at December 31, 2024 in the amount of €0.4m;
- The reclassification between inventories and fixed assets of machines developed internally but intended to be capitalized for €0.9m ;
- €1.5m write-off of design inventories for projects affected by internal restructuring.

Provisions for depreciation of inventories at December 31, 2024 are as follows:

- Raw materials and other supplies: €1.3m ;
- Finished goods and work in progress: €1.5m ;
- Goods: €1.4m.

15.2 Trade and other receivables

These receivables are recognized at their fair value, revalued at amortized cost using the effective interest rate method, after deduction of any impairment losses. Where payment terms are less than one year, the initial fair value and subsequent amortized cost are equal to the nominal amount.

Where there is a risk of non-recovery, impairment is recognized on a case-by-case basis, based on probable cash flows.

The table of receivables and other current assets is as follows :

	2024			2023	2022
	Gross	Provisions	Net	Net	Net
Trade accounts receivable	**76 050**	**700**	**75 351**	**85 006**	**78 582**
Tax and social security receivables	5 648	-	5 648	5 652	5 985
Sundry debtors	1 597	-	1 597	1 422	801
Advance payments	1 737	-	1 737	2 145	3 125
Prepaid expenses	3 678	-	3 678	4 230	5 953
Sub-total other receivables, net	**12 661**	**-**	**12 661**	**13 449**	**15 864**
Current taxes	3 356	-	3 356	2 684	2 598
TOTAL	**92 067**	**700**	**91 367**	**101 139**	**97 043**

Trade accounts receivable decreased by €9.7m, mainly due to the drop in business in the fourth quarter of 2024 compared with the same period in 2023 (-8.4%).

Given the quality of our customers, late payments do not represent a significant risk. They generally result from administrative problems.

At December 31, 2024, overdue payments of more than one month represented €0.8m, and the provision for doubtful customers amounted to €0.7m.

The majority of prepaid expenses correspond to the capitalization of costs associated with tooling sales under IFRS 15, as well as other operating expenses.

Factoring agreements

No factoring agreements.

15.3 Allowances and reversals of provisions for current assets

	2024	2023	2022
Dotations aux provisions sur stocks	(1 443)	(1 919)	(1 712)
Dotations aux provisions sur autres actifs circulants	(530)	(605)	(313)
Reprises sur provisions sur stocks	1 834	1 795	2 057
Reprises sur provisions sur autres actifs circulants	658	402	462
TOTAL DOTATIONS NETTES AUX PROVISIONS	**519**	**(328)**	**494**

15.4 Other current liabilities

	2024	2023	2022
Tax and social security liabilities	16 661	19 088	12 008
Advances and deposits received on orders	171	1 764	1 340
Deferred income	1 743	1 318	2 459
Associates' current account	-	-	-
Sundry liabilities	1 524	1 429	714
TOTAL	**20 098**	**23 600**	**16 519**

Employee-related liabilities fell by €1.5m in 2024, mainly due to a reduction in the amount of the variable portion granted to certain managers, in view of the performance partially achieved in 2024.

15.5 Change in working capital

	2024	2023	2022
Change in net inventories	(1 174)	(10 235)	15 994
Net change in trade receivables	(12 755)	5 432	12 156
Change in trade payables	5 744	(1 557)	(5 094)
Other movements	4 600	(8 998)	4 417
INCREASE (DECREASE) IN WORKING CAPITAL REQUIREMENTS	**(3 585)**	**(15 358)**	**27 474**

Working capital requirements fell by €3.6m , mainly due to lower sales in the fourth quarter of 2024 compared with the same period in 2023 (-8.4%).

Other changes correspond mainly to decreases in social security liabilities and advance payments.

E. EMPLOYEE BENEFITS

NOTE N° 16 BREAKDOWN OF WORKFORCE

The breakdown of the workforce at December 31 (including temporary staff) is as follows:

	2024	2023	2022
Officer	1	1	1
Executives	630	635	593
Employees	3 383	3 575	3 340
GROUP TOTAL	**4 014**	**4 211**	**3 934**

NOTE N° 17 EMPLOYEE BENEFITS

The amount recognized for employee benefits corresponds solely to pension commitments. The Group has no other employee benefit obligations.

The Group’s commitments in respect of pensions and similar benefits mainly concern defined-benefit plans relating to termination benefits. The countries concerned by these provisions are France, India, the Philippines and Italy.

The amount of pension and similar benefit obligations is not material (€2.1m) given the Group’s financial position and assets.

Pension commitments for France, India and the Philippines are valued by an actuary using the actuarial principle of projected credit units with final salary in accordance with the revised IAS19. They are recorded as liabilities on the balance sheet, with a deferred tax asset recognized. In the United States, our subsidiaries match their employees' voluntary contributions to a private pension fund (401 K plan). In France, as from fiscal 2020, the French entities have outsourced the management of these commitments and paid a portion of the provision. Payments made by the US and French companies are recorded under personnel expenses.

For Italy, the amount is not material and has not been calculated by an actuary.

The assumptions used to calculate provisions for retirement indemnities by country are as follows:

France	2024	2023	2022
Average retirement age	60 à 67 ans	60 à 67 ans	62 à 67 ans
Turnover rate Executives	0,23 % à 4,79 %	0,33 % à 3,97 %	0,49 % à 3,75 %
Non-managerial turnover rate	0,51 % à 3,95 %	0,43 % à 4,80 %	0,38 % à 3,90 %
Discount rate	3,14 %	3,71 %	3,26 %
Rate of salary increase	1,00 à 2,25 %	1,00 à 2,25 %	1,00 à 2,25 %
Philippines			
Average retirement age	60 ans	60 ans	60 ans
Turnover rate Executives	0 à 5 %	0 à 5 %	0 à 5 %
Non-managerial turnover	0 à 5 %	0 à 5 %	0 à 5 %
Discount rate	6,04 %	6,11 %	7,19 %
Rate of salary increase	4,00 %	5,00 %	5,00 %
Inde			
Average retirement age	58 ans	58 ans	58 ans
Turnover rate Executives	12,00 %	12,00 %	12,00 %
Non-managerial turnover	12,00 %	12,00 %	12,00 %
Discount rate	6,92 %	6,38 %	7,43 %
Rate of salary increase	10,00 %	10,00 %	10,00 %

Change in provision for employee benefits

At beginning of year	**1 808**
Increase in existing provisions	401
New provisions	-
Unused reversals	-
Reversals used	(117)
Currency translation adjustments	20
Other movements	15
Change in scope of consolidation	-
At end of period	**2 127**

NOTE N° 18 PAYROLL COSTS

	2024	% CA	2023	% CA	2022	% CA
Salaries	87 949	20,8%	88 686	19,4%	72 550	17,4%
Social security charges	21 583	5,1%	21 476	4,7%	17 814	4,3%
Temporary workers	4 044	1,0%	6 224	1,4%	6 118	1,5%
TOTAL	**113 576**	**26,8%**	**116 386**	**25,5%**	**96 483**	**23,1%**

Personnel costs fell by €2.8m, demonstrating the Group's ability to adapt to the downturn. Average headcount for the year was down slightly (-85 people).

NOTE N° 19 STOCK OPTION PLAN

Special report on the stock option plan

Not applicable.

Stock options granted to corporate officers

The executive directors of Delfingen Industry do not hold any stock options of any kind and were not granted any stock options during the year ended December 31, 2024.

NOTE N° 20 MANAGEMENT COMPENSATION

The remuneration paid by DELFINGEN Industry to its management bodies concerns only the members of the Board of Directors and amounts to €82k. Corporate officers also receive their remuneration from the DELFINGEN Group.

F. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

NOTE N° 21 GOODWILL AND OTHER INTANGIBLE ASSETS

21.1 Goodwill

Business combinations are accounted for using the purchase method (revised IFRS 3).

Goodwill represents the difference between the acquisition cost of shares in consolidated companies and the Group's share in the fair value of their assets and liabilities at the date of acquisition.

Goodwill is not amortized, in accordance with IFRS 3 revised "Business combinations". Goodwill is tested for impairment whenever there is an indication that it may be impaired, and at least once a year.

For the purposes of this test, goodwill is broken down by Cash-Generating Unit (CGU), which corresponds to a homogeneous group of assets generating independent cash flows. In accordance with IFRS 8, the CGUs defined by the Group do not exceed the size of an operating segment. In the event of an estimated loss of value at the end of a given year, the impairment is recognized in the income statement for that year.

Details of impairment tests are provided in note 21.4.

21.2 Intangible fixed assets

Research and development costs

In accordance with IAS 38, research costs are expensed and development costs arising from the application of research results are capitalized, to the extent that the Group can demonstrate :

- Its intention and its financial and technical capacity to complete the development project; and
- That the asset will generate future economic benefits; and
- That the cost of the intangible asset can be measured reliably.

Development costs meeting the above criteria are capitalized and amortized over a maximum period of 5 years.

Other intangible assets

Other intangible assets include development and acquisition costs for computer software, patents and licenses. These costs are amortized on a straight-line basis over their estimated useful lives.

It should be noted that the Group has no intangible assets with an indefinite useful life.

Amortization

	Duration	Method
Development costs	5 ans	Linéaire
Fungible rights (patents)	20 ans	Linéaire
Software and other intangible assets	3 ans	Linéaire

21.3 Change in goodwill and other intangible assets

	Goodwill on acquisition	Development costs (internally generated)	Fungible rights	Other intangible assets	TOTAL
Gross value					
At beginning of year	**105 953**	**7 983**	**1 481**	**19 774**	**135 190**
Increases	-	830	-	1 730	2 560
Decreases	-	-	(6)	(335)	(341)
Exchange rate fluctuations	3 749	96	(10)	443	4 279
Other movements	-	(3)	8 190	(8 434)	(247)
Changes in scope of consolidation	-	-	-	-	-
At year-end	**109 702**	**8 906**	**9 655**	**13 178**	**141 441**
Amortization and impairment					
At beginning of year	**22 924**	**6 431**	**549**	**10 203**	**40 107**
Increases	-	829	45	1 783	2 551
Decreases	-	-	(3)	(245)	(248)
Exchange rate fluctuations	1 280	60	2	238	1 580
Other movements	-	136	6 859	(6 856)	139
Changes in scope of consolidation	-	-	-	-	-
At year-end	**24 204**	**7 456**	**7 452**	**5 123**	**44 235**
Net value at year-end	**85 499**	**1 450**	**2 203**	**8 054**	**97 206**

Development costs relate to internally-generated expenditure on eligible projects.

Fungible rights represent international patents and product models developed by Group companies.

Other intangible assets correspond mainly to customer portfolios, software and intangible assets in progress (project activation and software).

21.4 Impairment of goodwill

Principles

At least once a year, or whenever there is an indication that the recoverable amount of an asset may be less than its carrying amount, the recoverable amount of the asset is assessed, and an impairment loss is recognized where appropriate.

Recoverable value is defined as the higher of fair value (less costs to sell) and value in use, determined by discounting expected future cash flows. In practice, given that there is rarely a reliable basis for determining the fair value of the Group's CGUs, DELFINGEN Industry uses value-in-use to determine the recoverable amount of a CGU.

For this test, assets are grouped into Cash Generating Units (CGUs). In accordance with IFRS 8, the CGUs defined by the Group do not exceed the size of an operating segment.

For the purposes of defining CGUs, the Group has adopted the strategic grouping of Business Units (BUs) within its four operating segments: Automobile Americas (North, Central and South America), EA (Europe and Africa), Asia (Asia) and Industrial Market.

The Automotive EA operating segment comprises the following BUs:

- Beam Protection and Fluid Transfer BU EA (CGU 1) ;
- Assembly/Mechanics BU (CGU 2) ;
- Bundle Assembly BU (CGU 3) ;
- Textile Protection Germany BU (UGT 10) ;
- Schlemmer BU (CGU 13).

The Automotive Americas operating segment comprises the following BUs:

- Beam Protection BU Americas (CGU 4) ;
- Fluid Transfer BU Americas (CGU 5).

The Automotive Asia operating segment comprises the following BUs:

- BU Beam Protection and Fluid Transfer Filipinas (CGU 6) ;
- BU China (CGU 7) ;
- BU India (CGU 8) ;
- BU South Korea (CGU 14).

The Industrial Market operating segment comprises the following BUs:

- BU Electrical Machinery and Equipment (CGU 9) ;
- BU Technical Textiles Germany (UGT 11) ;
- BU Protective Tubes DROSSBACH (CGU 12);
- BU Industrial REIKU (CGU 15).

Impairment tests were carried out in accordance with the following rules:

- Goodwill has been allocated to the various CGUs;
- Goodwill is tested for impairment whenever there is an indication that it may be impaired, and at least once a year;
- Value in use is determined by reference to discounted after-tax net cash flows, based on a 4-year business plan drawn up by Group management;
- The discount rates are provided by an external service provider.

Impairment losses recognized in respect of goodwill are irreversible.

Impairment tests at December 31, 2024

Impairment tests carried out at December 31, 2024, at the level of each CGU, did not result in any impairment.

The recoverable amount of each CGU has been determined by discounting the after-tax cash flows derived from the budget and medium-term plans for each CGU, as approved by the Board of Directors, including a shareholder return on investment component and an external financing cost component. Cash flows are projected over 4 years.

This plan complies with IAS 36.44. The value-in-use calculation excludes :

- Future cash inflows or outflows expected to result from future restructuring to which the company is not yet committed - for example, reductions in personnel costs. With regard to restructurings, only those to which the entity is committed within the meaning of IAS 37 are included in cash flows;
- Future capital expenditure that will improve or enhance the asset's performance.

The main assumptions affecting value in use are the level of operating margin used in future cash flows, and the weighted average cost of capital.

The volume assumptions included in the medium-term plan are adjusted with the latest assumptions from external sources. Cash flow forecasts also include the impact on costs of the operational excellence plan.

The extrapolation of cash flow forecasts beyond the last year of the medium-term plan (2028) is determined by applying a growth rate for the geographical area concerned.

The weighted average cost of capital used to discount future cash flows is based on an analysis carried out by an independent expert. For 2024, the average cost used to discount future cash flows has been set at 8.93% for the Automotive market and 9.92% for the Industrial market (9.35% and 10.38% respectively in 2023), incorporating a market risk premium of around 5.95%, an unlevered debt beta (1) of 0,84% for the Automotive market and 1.02% for the Industrial market, and an additional rate linked to the size effect of 3.16% (compared with a market risk premium of 5.73% in 2023, a "beta (1)" without debt leverage of 0.85% and an additional rate linked to the size effect of 3.16%).

The business risk premium includes the following spreads linked to the specific financial situation of each country:

- India: 2,08 %
- Italy: 2,08 %
- Morocco: 2,45 %
- Tunisia: 4,89 %
- Germany: -0,60 %
- Philippines: 1,72 %
- United States : -0,60 %
- South Korea: 0,00 %

(1)Beta is a measure of non-diversifiable risk, which expresses the volatility of the shares of listed companies working in the same "Auto-parts" business sector.

	Automotive market (1/2)				
	EASA	**Germany**	**Italy**	**Morocco**	**Tunisia**
	Protection and Transfer	**Protection**	**Protection and Transfer**	**Protection**	**Protection**
Gross carrying amount of goodwill	3 075	2 045	4 923	14 678	3 594
Net book value of goodwill	1 570	2 045	4 923	14 678	3 594
Method used	value in use				
Model parameters :					
4-year growth rate	according to Budget 2025 and Medium-term plan 2026/2028				
Growth rate on terminal value	3,26 %	0,95 %	0,95 %	3,40 %	1,2 %
Discount rate	10,11 %	8,61 %	10,02 %	10,21 %	11,49 %
Impairment losses recognized during the year	0	0	0	0	0
Change in discount rate lead-ing to impairment	+38,2 points	+14,4 points	+29,9 points	+19,0 points	+1,9 points
Change in EBIT rate leading to impair-ment	-11,9 points	-9,9 points	-18,6 points	-14,7 points	-1,3 points
Change in annual investments leading to impairment	29,9 m€	6,3 m€	7,0 m€	24,3 m€	0,4 m€

	Automotive market (2/2)			
	Philippines	**Americas**	**India**	**South Korea**
	Protection and Transfer	**Protection**	**Protection**	**Protection**
Gross carrying amount of goodwill	252	39 701	3 498	3 782
Net book value of goodwill	252	18 485	3 498	3 782
Method used	valeur d'utilité			
Model parameters :				
4-year growth rate	according to Budget 2025 and Medium-term plan 2026/2028			
Growth rate on terminal value	6,30 %	2,10 %	6,65 %	1,75 %
Discount rate	9,83 %	8,61 %	10,02 %	8,93 %
Impairment losses recognized during the year	0	0	0	0
Change in discount rate lead-ing to impairment	+24,2 points	+29,8 points	+24,3 points	+5,3 points
Change in EBIT rate leading to impairment	-18,2 points	-12,1 points	-15,1 points	-7,5 points
Change in annual capital ex-penditure leading to impair-ment	34,7 m€	65,4 m€	36,0 m€	3,0 m€

	Industrial market		
	United States		**Germany**
	Electrical Equip-ment	**Protection tubes - Drossbach**	**Industrial - REIKU**
Gross book value of goodwill	6 583	6 918	19 267
Net book value of goodwill	6 413	6 918	19 267
Method used	value in use		
Model parameters :			
4-year growth rate	according to Budget 2025 and Medium-term plan 2026/2028		
Growth rate on terminal value	2,10 %	2,10 %	0,95 %
Discount rate	9,92 %	9,92 %	9,92 %
Impairment losses recognized during the year	0	0	0
Change in discount rate lead-ing to impairment	+8,9 points	+20,9 points	+0,7 point
Change in EBIT rate leading to im-pairment	-7,2 points	-19,6 points	-2,2 points
Change in annual capital ex-pendi-ture leading to impair-ment	3,4 m€	28,4 m€	0,9 m€

It should be noted that the following CGUs: Fluid transfer Americas (CGU 5) and China (CGU 7), have no associated goodwill and do not appear in the above table.

Also, the Beam Assembling (CGU 3) and Technical Textiles Germany (CGU 11) BUs are not presented due to the total impairment of the associated goodwill.

NOTE N° 22 PROPERTY, PLANT AND EQUIPMENT

Gross value

The gross value of property, plant and equipment corresponds to their acquisition or production cost. They are not revalued. Borrowing costs are excluded from the cost of property, plant and equipment.

As soon as components of an item of property, plant and equipment are identifiable, they are capitalized as a separate item of property, plant and equipment.

This gross value includes assets eligible under IFRS 16.

Subsequent costs

The cost of replacing a component or of an expense that significantly extends the useful life of the asset is capitalized.

In the case of ongoing maintenance, servicing and repairs that contribute to the proper use of the asset, the cost is expensed.

Depreciation

Depreciation is calculated on the basis of acquisition or production cost, less any residual value. Residual values are zero.

The depreciation period is based on the estimated useful life of the various asset categories, of which the main ones are as follows:

		Duration	Method
Fixtures and fittings, land and buildings		8 to 10 years	Linear
Buildings	Structural work	30 years	Linear
	Technical lots	20 years	Linear
	Finishing work	15 years	Linear
Equipment and tools		5 to 12 years	Linear
Transport equipment		5 years	Linear
Furniture/office equipment/computers		10 years/3 years	Linear

Change in property, plant and equipment

	Land	Buildings	Plant, machinery and equipment	Other property, plant and equipment	Property, plant and equipment in progress	Advances and deposits paid on orders	TOTAL
Gross value							
At beginning of year	**7 486**	**72 561**	**123 790**	**16 597**	**10 879**	**1 167**	**232 479**
Increases	14	459	(60)	930	11 088	678	13 108
Decreases	-	-	(327)	(484)	(206)	-	(1 017)
Changes in exchange rates	(100)	1 326	3 486	509	117	(1)	5 338
Other movements	-	5 316	11 920	1 642	(9 368)	(1 233)	8 277
Changes in scope of con-solidation	-	-	-	-	-	-	-
At year-end	**7 399**	**79 662**	**138 810**	**19 194**	**12 511**	**611**	**258 187**
Amortization and im-pairment							
At beginning of year	**398**	**31 468**	**74 830**	**9 260**	**114**	**-**	**116 071**
Increases	98	8 269	9 350	2 932	1	-	20 650
Decreases	-	-	170	(353)	106	-	(77)
Changes in exchange rates	-	898	2 018	438	-	-	3 354
Other movements	-	(4 160)	2 224	(626)	(14)	-	(2 577)
Changes in scope of con-solidation	-	-	-	-	-	-	-
At year-end	**496**	**36 475**	**88 592**	**11 650**	**208**	**-**	**137 422**
Net value at year-end	**6 903**	**43 187**	**50 217**	**7 544**	**12 303**	**611**	**120 765**

Property, plant and equipment in progress mainly concern the new building under construction at the REIKU site (€5.6m) and machines developed internally by DELFINGEN Industry (€1.5m).

Other movements correspond mainly to the reclassification of fixed assets in progress, changes in IFRS 16 contracts and the reclassification between inventories and fixed assets of machines developed internally but intended to be capitalized.

The impact of the application of IFRS 16 in fiscal 2024 is as follows:

- Gross value of fixed assets: €54.7m ;
- Accumulated depreciation: €24.3m;
- Net value of fixed assets : €30,5m.

NOTE N° 23 ALLOWANCES AND REVERSALS OF DEPRECIATION, AMORTIZATION AND PROVISIONS ON INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

	2024	2023	2022
Provisions for intangible assets	-	-	-
Provisions for tangible fixed assets	(108)	(63)	-
Reversals of impairment of intangible assets	-	-	89
Reversals for impairment of property, plant and equipment	20	134	290
Total net allowances to provisions and impairment losses	**(89)**	**71**	**379**
Amortization of intangible assets	(2 656)	(2 583)	(2 966)
Depreciation of property, plant and equipment	(20 141)	(18 548)	(16 663)
Reversals of amortization of intangible assets	-	-	-
Reversals of depreciation on property, plant and equipment	-	-	54
Total depreciation and amortization	**(22 797)**	**(21 131)**	**(19 575)**

G. OFF-BALANCE SHEET COMMITMENTS RELATING TO OPERATING ACTIVITIES

NOTE N° 24 OPERATING LEASES

The amount of non-cancellable future minimum lease payments under operating leases provides an indication of the annual cost of property leases, without taking into account a discount rate and not restated in accordance with IFRS 16.

Breakdown of non-cancellable future minimum lease payments - under operating leases

The amount of non-cancellable future minimum lease payments under operating leases is broken down as follows:

	< 1 year	> 1 year and < 5 years	> 5 years	Total
Future minimum lease payments	59	0	0	59

Breakdown of future minimum lease payments under finance leases

	< 1 year	> 1 year and < 5 years	> 5 years	Total
Future minimum lease payments	127	25	0	151

H. OTHER PROVISIONS AND CONTINGENT LIABILITIES

NOTE N° 25 PROVISIONS

A provision is recognized when the Group has an obligation to a third party at the balance sheet date, and it is probable or certain that the obligation will result in an outflow of resources to the third party, without at least equivalent consideration expected from the latter.

Provisions for liabilities and charges are measured at the amount corresponding to the best estimate of the future outflow of resources required to settle the obligation. The risks and charges provided for in the consolidated balance sheet are all clearly specified in terms of their purpose and made probable by events that have occurred or are in progress.

Provisions are not discounted.

25.1 Changes in provisions for other liabilities

	Litigation	Other risks and charges	Total non-current provisions
At beginning of year	**0**	**866**	**866**
Increase in existing provisions	107	946	1 054
New provisions	-	-	-
Unused reversals		(125)	(125)
Utilized reversals	-	(518)	(518)
Currency translation adjustments	(10)	22	12
Other movements	-	2 386	2 386
Change in scope of consolidation	-	-	-
At closing	**97**	**3 577**	**3 674**

Provisions for other contingencies and charges mainly concern costs to be incurred in the 2025 financial year in connection with an internal restructuring project (€1.9m), a provision for other known or pending litigation and proceedings in which the Group or Group companies are involved (€0.6m) and tax risks (€0.4m).

In view of the Group's international presence, significant intra-Group flows and its organization, with so-called «group services» concentrated on French entities, DELFINGEN Industry being identified as the Group's contractor, the main areas of risk identified during the tax audits concern:

- Transfer pricing policy;
- The deductibility from taxable income of services provided by the parent company;
- Withholding tax and VAT on services provided by non-resident entities, particularly on transfer price adjustments. As these are not subject to either VAT or withholding tax due to their nature as price adjustments, several rulings* have been requested from the tax authorities of the countries concerned;
- Customs transactions.

The sensitivity of these risk areas has led the Group to seek assistance in identifying and reducing its exposure.

25.2 Allowances and reversals of provisions for liabilities and charges

	2024	2023	2022
Allowances for liabilities and charges	(823)	(371)	(713)
Reversals for liabilities and charges	761	856	797
TOTAL NET ALLOWANCES TO PROVISIONS FOR LIABILITIES AND CHARGES[1]	**(62)**	**484**	**84**

[1] Including net allocations to provisions for employee benefits (see note 17).

NOTE N° 26 CONTINGENT LIABILITIES

The Group has contingent liabilities relating to disputes arising in the normal course of business. A review of all known litigation in which the Group is involved was carried out at the balance sheet date. Provisions deemed necessary have been set aside to cover the estimated risks (see note 25.1).

DELFINGEN TN-Fouchana has the customs status of a fully exporting company. This status allows raw materials and components to be imported into Tunisia tax-free, as long as the manufacturing and/or transformation process is carried out locally.

Products purchased in Europe (mainly injected parts) have been considered as processed in Tunisia, with the added value being provided locally (mainly logistics organization and repackaging).

The Group considers that this situation may be subject to interpretation by the Tunisian customs authorities, and could therefore give rise to a significant financial risk. However, to date, the risk has not been established and its amount cannot be reliably estimated. For this reason, no provision has been recorded in this respect.

To limit risks, DELFINGEN TN-Fouchana's customers are no longer served directly by the Fouchana site as of fiscal 2024. The products in question are now served by DELFINGEN sites in Italy and Germany.

I. SHAREHOLDERS' EQUITY AND EARNINGS PER SHARE

NOTE N° 27 TREASURY STOCK

At December 31, 2024, DELFINGEN Industry held 10,000 treasury shares, acquired in May 2024 for €387k.

The remaining -134 k€ in treasury shares corresponds to the liquidity contract.

NOTE N° 28 SHARE CAPITAL AND ADDITIONAL PAID-IN CAPITAL

The share capital is made up of 2,615,432 shares with a par value of €1.54 each. At December 31, 2024, DELFINGEN Industry held 369 shares under its liquidity contract and 10,000 shares in treasury. In 2025, DELFINGEN Industry will cancel its 10,000 treasury shares in return for a capital reduction.

In €	Number of shares	Share capital	Additional paid-in capital	Legal reserve	Total
Shares at year-end 2022	2 666 120	4 105 825	15 276 868	410 582	19 793 221
Shares at year-end 2023	2 615 432	4 027 765	15 276 868	410 582	19 715 186
Shares at year-end 2024	2 615 432	4 027 765	15 276 868	410 582	19 715 186

DELFINGEN Industry share capital at December 31, 2024

DELFINGEN Group	56,71 %
ASCOM Participation	5,90 %
Treasury stock	0,38 %
Liquidity contract	0,01 %
Other public	37,00 %
Total	100,00 %

ASCOM Participation, a simplified joint stock company with share capital of 420,000 euros, whose shareholders are the members of the Group's Executive Committee, held 154,324 shares in DELFINGEN Industry at December 31, 2024.

NOTE N° 29 DIVIDENDS PAID

Dividends paid to the parent company's shareholders in respect of the last three financial years amounted to :

- 2021 : 3,0 m€ ;
- 2022 : 1,7 m€ ;
- 2023 : 3,0 m€.

The Board of Directors proposes to distribute dividends of €2.0m in respect of the 2024 financial year.

NOTE N° 30 MINORITY INTERESTS

The rationalization of minority interests calls for no particular comment.

NOTE N° 31 EARNINGS PER SHARE

Earnings per share (before dilution) are calculated by dividing net income for the year by the weighted average number of shares outstanding (excluding treasury shares) during the year

Diluted 2024 earnings per share are identical to those before dilution.

En €	2024	2023	2022
Net income, Group share	(118 180)	6 904 138	8 145 264
Weighted average number of shares outstanding	2 615 432	2 615 432	2 615 432
Weighted average number of shares issued	2 609 154	2 658 798	2 666 120
Diluted weighted average number of shares outstanding	2 615 432	2 615 432	2 615 432
Earnings per share attributable to shareholders			
Basic	(0,05)	2,64	3,11
Diluted	(0,05)	2,64	3,11

J. FINANCING AND FINANCIAL INSTRUMENTS

NOTE N° 32 FINANCIAL ASSETS AND LIABILITIES

32.1 Non-current financial assets

This category mainly comprises deposits and guarantees paid in connection with leases for premises not owned by the Group, non-consolidated investments, and guarantees paid to secure bank loans.

32.2 Financial liabilities

Borrowings and other financial liabilities were measured at amortized cost, calculated using the effective interest rate (EIR) and adjusted for attributable transaction costs. The difference between cost and redemption value is recognized in the income statement and spread over the term of the financial liabilities.

In view of the insignificant impact on the consolidated financial statements, the Group has decided not to apply this standard.

32.3 Breakdown of assets and liabilities by category of financial instrument

	Breakdown by category of financial instrument					
	Total at end of year	Fair value through profit or loss	Available-for-sale financial assets	Loans, receivables and other payables	Liabilities at amortized cost	Derivative instruments
Other non-current financial assets	3 320	-	-	3 320	-	-
Customers	75 351	-	-	75 351	-	-
Other receivables (excluding current taxes)	12 661	-	-	12 661	-	-
Cash equivalents	-	-	-	-	-	-
Cash and cash equivalents	23 425	23 425	-	-	-	-
ASSETS	**114 757**	**23 425**	**-**	**91 332**	**-**	**-**
Financial liabilities	169 997	-	-	-	169 997	-
Other non-current financial liabilities	-	-	-	-	-	-
Suppliers	32 445	-	-	32 445	-	-
Other current liabilities	20 098	-	-	20 098	-	-
LIABILITIES	**222 540**	**-**	**-**	**52 543**	**169 997**	**-**

NOTE N° 33 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, bank current accounts and money-market mutual funds and negotiable debt securities that can be invested or sold in the very short term. All these items are measured at fair value, with any adjustments recognized in the income statement.

33.1 Breakdown of cash and cash equivalents

	2024	2023	2022
Marketable securities	-	-	-
Cash and cash equivalents	23 425	21 009	14 925
GROSS TOTAL	**23 425**	**21 009**	**14 925**
Provisions	-	-	-
NET TOTAL	**23 425**	**21 009**	**14 925**

33.2 Cash shown in the statement of changes in cash flows

	2024	2023	2022
Cash and cash equivalents	**23 425**	21 009	14 925
Bank overdrafts	(19 481)	(10 012)	(20 481)
CASH SHOWN IN THE STATEMENT OF CHANGES IN CASH FLOWS	**3 945**	**10 997**	**(5 556)**

NOTE N° 34 FINANCIAL DEBT

Cash and cash equivalents include cash on hand, bank accounts, and money market funds and negotiable debt securities that are readily convertible to cash or transferable in the very short term. All of these items are measured at fair value, with any adjustments recognized in income.

34.1 Current and non-current borrowings

Bank financing contracts contain covenants relating to the consolidated financial position of the DELFINGEN Group, or of the Americas region in the case of DELFINGEN US-Holding loans. These financial covenants are set in consultation with the lenders. Compliance with them is assessed at each annual and/or half-yearly closing for loans in France, and quarterly for loans in the United States.

Failure to comply with these ratios entitles the lender to declare the loan (or part of it) due and payable.

At the balance sheet date, DELFINGEN Industry complied with all covenants.

34.2 Net financial debt

Net financial debt is defined as long-term debt, short-term credit facilities and bank overdrafts, less loans and other long-term financial assets, and cash and cash equivalents.

Short-term debt includes bank overdrafts and revolving bank overdrafts amounting to €19,481k.

34.3 Gearing ratio

	2024	2023	2022
Net financial debt	**146 572**	147 378	128 270
Total shareholders' equity	148 865	147 416	145 729
Gearing ratio	**98,46 %**	**99,97 %**	**88,0 %**

34.4 Breakdown by nature

	2024	2023	2022
Non-current portion			
Bond issues	16 000	16 000	26 000
Borrowings from credit institutions	74 903	74 689	48 335
Derivative financial instruments (PNC)	661	202	113
Liabilities associated with participating interests (PNC)	3 318	6 849	-
Restatement of finance leases	29	152	387
IFRS 16 restatement	23 598	21 423	24 864
Borrowings and other liabilities	-	-	1
Sub-total non-current borrowings	**118 509**	**119 315**	**99 701**
Current portion			
Bond issues	-	10 000	-
Borrowings from credit institutions	21 784	21 780	16 463
Bank overdrafts	19 481	10 012	20 481
Accrued interest on borrowings	29	86	20
Payables to subsidiaries and affiliates	2 193	-	-
Restatement of finance leases	123	261	346
IFRS 16 restatement	7 878	6 932	6 184
Borrowings and other liabilities	-	-	-
Sub-total current financial liabilities	**51 488**	**49 073**	**43 494**
Total borrowings	**169 997**	**168 388**	**143 195**

Bank credit balances correspond to the drawn portion of short-term bank credit lines.

The impact of the application of IFRS 16 in 2024 is a balance of €31.5m, up €3.1m on 2023.

Liabilities associated with participating interests correspond to the 5-year discounted debt of REIKU GmbH, acquired in 2023, amounting to 3.3 m€, and the earn-out debt of 2.1 m€ relating to DELFINGEN Korea, also acquired in 2023.

The change in liabilities included in financing activities is explained as follows:

Opening balance	**168 388**
Bond issues	21 360
Repayment of borrowings (excluding IFRS 16 and leases)	(31 245)
Change resulting from obtaining or losing control of subsidiaries or other companies	-
Payables to subsidiaries and affiliates	(1 503)
Effect of changes in foreign exchange rates	847
Change in fair value	459
Change in IFRS 16 debt	2 545
Change in leasing debt	(262)
Change in bank overdrafts	9 468
Other	(60)
Closing balance	**169 997**

34.5 Breakdown by maturity (excluding IFRS 16)

Breakdown by maturity of non-current debt

	Total	2026	2027	2028	2029	> 5 ans
Borrowings[(1)]	94 911	18 857	23 787	21 872	26 721	3 675
[(1)] including leasing debts and other financial debts						

Breakdown by maturity of financial debt due in more than one year at inception, subscribed with credit institutions

Subscription date	Total	2025	2026	2027	2028	2029	Beyond
Before 2024	92 047	18 279	14 675	20 269	15 049	23 300	475
2024	20 641	3 505	3 505	3 505	3 505	3 421	3 200
TOTAL	**112 688**	**21 784**	**18 180**	**23 774**	**18 554**	**26 721**	**3 675**

Debt maturity will fall from 2.84 to 2.69 after new financing is obtained in 2024:

- A €20m capex loan maturing in 2030;
- With Huntington National Bank (USA):
    - o A $0.7m equipment loan disbursed in June 2024, maturing in 2029;
    - o A $0.8m equipment loan disbursed in December 2024, maturing in 2029.

34.6 Breakdown by currency

All borrowings from credit institutions are denominated in euros (€105.0m), South Korean won (€2.7m) for the Korean company and dollars (€5.0m) for the US companies.

34.7 Breakdown by type of interest rate

The table below shows the most significant outstanding medium-term loans, broken down into fixed and variable rates (in millions of euros).

Type of loan	Fixed rate	Variable rate	Total amount of lines	Principal outstanding at 31/12/24	Maturities	Whether hedged
Conventional loan		E3M + margin	10,0	2,0	2025	
		E3M + margin	78,0	60,0	2029	E3M hedging
		E3M + margin	20,0	19,2	2030	
		E3M + margin	0,3	0,2	2027	
	Fixed rate		8,0	0,5	2025	
	Fixed rate		1,4	0,2	2026	
	Fixed rate		7,1	6,7	2030	Cash collateral
Bond issue		E6M + margin	10,0	10,0	2029	
Bond issue		Variable according to ratio	6,0	6,0	2027	
Innovation Loan Con-tract	0,00%		0,7	0,2	2026	
Recoverable Loan assis-tance contract	0,00%		0,1	0,1	2026	
Conventional credit		Libor USD 1 month + margin	0,6	0,3	2026	
Conventional loan		Libor USD 1 month + margin	2,0	1,2	2027	
Conventional loan		Libor USD 1 month + margin	2,6	2,1	2028	
Conventional loan		Libor USD 1 month + margin	1,5	1,4	2029	
Conventional loan		Korea Libor + margin	1,1	1,1	2025	
Conventional credit		Korea Libor + margin	1,4	1,4	2028	
Conventional loan	2,90%		0,2	0,1	2027	
		TOTAL	**151,1**	**112,7**		

NOTE N° 35 FINANCIAL RISK MANAGEMENT

35.1 Cash and cash equivalents

Liquidity positions

At December 31, 2024, DELFINGEN Industry had positive net cash of €3,945k, compared with positive net cash of €10,997k at December 31, 2023.

Additional sources of liquidity in 2024 are as follows:

- A short-term bank credit line for a total of €30 m maturing in 2027, of which €19 m has been drawn down;
- Traditional short-term bank credit lines for a total of 0.5 m€, of which 0.4 m€ has been drawn down;
- A medium-term bank credit line for a total of 4.8 m€, unused.

Factoring agreements

No factoring agreements.

Loans to DELFINGEN US-Holding

Huntington National Bank has confirmed its support for DELFINGEN US-Holding, by granting two equipment loans maturing in 2029 for a total of $1.5m.

DELFINGEN US-Holding's exposure to liquidity risk is limited by DELFINGEN Industry's support of the Group's liquidity management policy (cash centralization).

Covenants

	2024
Financial debt linked to covenants A	79 200
Financial debt linked to covenants B	16 000
Financial debt linked to covenants C	4 996
Financial debt not linked to covenants D	12 492
TOTAL GROSS FINANCIAL DEBT	112 688

All loans and credit lines subject to covenants are subject to an early repayment clause:

For covenants A (calculated on Group consolidated data) :

- The NFF* / recurring EBITDA* ratio, which must be less than 3.5;
- The ratio of NFF* to shareholders' equity, which must be less than 1.1.

For covenants B (calculated on Group consolidated data) :

- The ratio of net debt* to recurring EBITDA*, which must be less than 3.5;
- The ratio of NFF* to shareholders' equity, which must be less than 1.

For covenants C (calculated on consolidated data at DELFINGEN US-Holding level):

- EBITDA* (adjusted for dividends)/(debt servicing + corporate income tax paid + unfunded capital expenditure), which must be greater than 1 at December 31 202 4 ;
- The Debt (adjusted for subordinated debt)/EBITDA* ratio, which must not exceed 2.5.

At the balance sheet date, DELFINGEN Industry complied with all these ratios.

35.2 Foreign exchange risk management

On October 18, 2024, DELFINGEN Industry set up a series of forward purchases of USD for an initial global amount of 10.8 m$, of which 1.5 m$ matured before December 31, 2024 (9.3 m$ remaining in force with a maturity date of October 2025 at the latest).

These forward purchases, carried by the parent company, whose functional currency is the euro, effectively hedge the USD net worth of Group subsidiaries. In effect, when the dollar strengthens against the euro, the net assets of these subsidiaries increase on consolidation, generating a positive translation adjustment in Group shareholders' equity, but the fair value (MTM) of the forwards is negative, generating a loss in net income, and hence a decline in the net assets of the entity carrying these instruments. Conversely, when the dollar falls, the net assets of these subsidiaries also fall, but the value of the derivatives rises, partly offsetting the fall in shareholders' equity.

Furthermore, the notional amount of the derivatives was 10.8 m$ at inception (October 2024), while the net assets of the US subsidiary were 74.6 m$ at December 31, 2024. Derivative instruments effectively hedge a portion of net assets, without ever exceeding them.

The conditions for hedge accounting are therefore met in general, and for NIH (Net Investment Hedging) in particular.

The entire change in fair value of forward purchases of USD (to the nearest discount/discount component where applicable) has been recognized in “Translation reserves” (OCI) by the entity holding the hedging instruments, in the amount of €442k.

At December 31, 2024, currency hedges had been taken out for :

Total $m	Average rate	Total m€	Maturity
9,3	1,0821	8,6	2025

Sensitivity to changes in the dollar

Impact of changes in the dollar based on 2024 financial statements :

	USD
Assumed variation against the euro	10 %
Impact on pre-tax income	1 291 k€
Impact on shareholders' equity	7 654 k€

35.3 Financial interest-rate risk management

Following the granting of the new capex loan in 2024, the Group has taken out an interest-rate hedge for an amount of €10m.

Subscription	Hedging	Total m€	Maturity
2023	3-month Euribor hedge	36	2026
2024	3-month Euribor hedge	10	2027

It should also be noted that a +/- 0.5 point change in interest rates would have an impact of +/- 800 k€ on financial interest expense for the year.

35.4 Counterparties

DELFINGEN Industry is exposed to counterparty risk in its financing operations. However, this risk is limited by the fact that these financing operations are carried out with around ten counterparties:

- In France: Banque Populaire de Franche-Comté, Crédit Agricole de Franche-Comté, BECM, CIC-Est, Société Générale, Le crédit lyonnais, Bpifrance/OSEO, Caisse d’Epargne Bourgogne Franche-Comté, and Tikehau Investment Management;
- In the United States: Huntington National Bank;
- In Germany: Kulmbacher Bank;
- Portugal: Banco BPI;
- In Korea: Daegu Bank, Industrial Bank of Korea and KOSME Bank.

NOTE N° 36 FINANCIAL INCOME AND EXPENSE

36.1 Other financial income and expense

	2024	2023	2022
Foreign exchange gains	7 071	5 445	2 617
Other financial income	111	(93)	201
Reversals of provisions and financial amortization	-	-	-
TOTAL OTHER FINANCIAL INCOME	**7 182**	**5 352**	**2 818**
Provisions and amortization	-	-	-
Foreign exchange losses	(6 870)	(6 808)	(2 755)
Other financial expenses	(505)	(128)	(133)
TOTAL OTHER FINANCIAL EXPENSES	**(7 375)**	**(6 935)**	**(2 888)**

At December 31, 2024, the balance of currency translation adjustments was positive by €0.1m.

36.2 Gross cost of debt

	2024	2023	2022
Interest expense	9 197	8 018	3 515
Gross cost of debt	**9 197**	**8 018**	**3 515**

The average cost of gross debt (excluding interest-rate hedges) is 5.75% in 2024, compared with 4.80% in 2023.

NOTE N° 37 OFF-BALANCE SHEET COMMITMENTS RELATING TO GROUP FINANCING

Off-balance sheet commitments (covenants) relating to Group financing are detailed in note 35.1 on liquidity risk management.

37.1 Guarantees and commitments given

This item breaks down as follows:

	2024	2023	2022
Pledges	13 331	14 100	6 598
Deposits	600	1 151	-
Bank guarantees	1 599	1 599	-
Supplier guarantees	1 675	1 064	-
TOTAL	**17 205**	**17 913**	**6 598**

Pledges mainly comprise :

• 5.6 m€: pledges on equipment, receivables and inventories, related to loans contracted by the DELFINGEN US Holding subsidiary;

• 7.7 m€: pledge on DELFINGEN FR-Anteuil shares in connection with the Senior Credit Agreement signed in September 2023.

37.2 Guarantees and commitments received

This item breaks down as follows:

	2024	2023	2022
Undrawn credit facility	4 813	4 525	4 688
Unused cash facility authorizations	11 051	20 505	409
Bank guarantees	454	100	-
Guarantees and other	-	-	-
TOTAL	**16 318**	**25 131**	**5 097**

K. CURRENT AND DEFERRED TAXES

The income tax charge corresponds to the current tax of each consolidated tax entity, adjusted for deferred taxes.

Current tax is based on the profits of Group companies. It is calculated in accordance with local rules, and includes any adjustments in respect of previous years.

Deferred taxes are calculated using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements, based on the applicable tax rates.

Deferred tax liabilities are systematically recognized. The prospects of recovering deferred taxes are reviewed periodically by tax entity. Deferred tax assets are recognized only to the extent that deferred tax liabilities exist for at least the same amount, or when future taxable profit is probable in the short to medium term.

Deferred tax assets and liabilities are not discounted.

NOTE N° 38 INCOME TAX EXPENSE

38.1 Breakdown of income tax expense

The tax charge for the period is as follows :

	2024	2023	2022
Income tax	7 262	8 239	6 771
Deferred taxes	(405)	(989)	(865)
TOTAL	**6 857**	**7 250**	**5 906**

38.2 Analysis of tax expense

	Total	Pourcentage
Income before tax	6 798	-
Theoretical tax	**1 700**	**25,00%**
Corporate tax on permanent differences	1 293	19,02%
Corporate tax on unrecognized temporary differences	245	3,61%
Change in tax rates	-	n/a
Difference between local rate and French rate	(408)	(6,00%)
Tax credit, tax adjustment and/or flat-rate tax	-	n/a
Non-capitalization of tax loss carryforwards	4 235	62,29%
Allocation of prior losses and regul s/activation of losses	(98)	(1,44%)
Miscellaneous	(111)	(1,63%)
Effective corporate income tax	**6 857**	**100,86%**

The non-activation of tax loss carryforwards of €4.2m concerns the DELFINGEN Industry tax entity.

The “other” line corresponds mainly to the reversal of part of the tax provision set aside in 2022 for the DELFINGEN IT-Verona entity, in the amount of 197 k€.

NOTE N° 39 DEFERRED TAXES

	2024		2023		Change in deferred taxes	Of which OCI (1)	Of which change in scope of consol-idation	Of which foreign ex-change impact	Of which impact on income
	Base	Tax	Base	Tax					
Capital gain on internal disposal	1 884	471	1 738	435	36	-	-	-	36
Inventory margins	1 875	435	2 871	617	(182)	-	-	8	(190)
Restatement of depreciation	(301)	7	125	57	(50)	107	-	(18)	(139)
Tax loss carryforwards	2 670	668	2 524	631	37	-	-	0	37
Retirement provision	1 827	300	1 400	243	57	24	-	2	32
IFRS 16 Leases	899	171	853	165	6	-	-	5	1
Social adjustments	-	-	-	-	-	-	-	-	-
Other tax assets	9 753	2 136	8 280	1 786	350	-	-	95	255
Deferred tax assets	**18 607**	**4 188**	17 792	3 934	**254**	131	-	**92**	**32**
Restatement of depreciation	3 788	763	3 979	806	(42)	-	-	44	(86)
Leasing	327	91	375	104	(13)	-	-	-	(13)
Financial instruments (restatement of interest on borrowings)	(661)	(165)	(202)	(51)	(115)	(111)	-	-	(4)
Impairment of goodwill	15 742	3 343	14 430	3 062	281	-	-	194	87
R&D activation and research stock	884	211	1 271	272	(61)	32	-	3	(97)
Revaluation of fixed assets	4 721	1 003	4 557	973	30	-	-	30	-
Social adjustments	1 769	371	1 776	373	(1)	-	-	22	(24)
Intragroup provision	2 670	668	2 524	631	37	-	-	-	37
Change in scope	-	-	1 999	638	(638)	-	-	-	(638)
Other tax liability bases	3 091	662	1 671	218	444	-	-	44	400
Deferred tax liabilities	**32 331**	**6 947**	32 378	7 027	**(80)**	**(78)**	-	**336**	**(337)**
Net deferred taxes	**13 725**	**2 759**	14 586	3 093	**(334)**	(209)	-	**245**	**(369)**

(1) OCI: Other comprehensive income

Tax loss carryforwards for all Group companies totaled €31.0m at December 31, 2024, of which €2.7m had been capitalized. These capitalized losses relate to the DELFINGEN Industry and DELFINGEN FR-Anteuil SAS tax consolidation groups, and correspond in their entirety to intra-group provisions (excluding tax consolidation groups) deductible for tax purposes at December 31, 2024.

The provision for goodwill corresponds to the tax amortization of goodwill recorded on DELFINGEN US-Holding (€15.7m).

The increase in other deferred tax bases is mainly due to the internal restructuring project (€1.0m).

Other deferred tax liabilities mainly concern the amount reported in 2017 under change of scope following the acquisition of the Drossbach Group for €3.3 m.

NOTE N° 40 TAX CONSOLIDATION SCOPE

A tax consolidation agreement has been signed between DELFINGEN Industry, the parent company, and DELFINGEN FR-Anteuil SAS.

DELFINGEN Industry, the parent company, benefits from the tax deferral resulting from application of the tax consolidation agreement.

L. OTHER INFORMATION RELATING TO THE STATEMENT OF CHANGES IN CASH FLOWS

NOTE N° 41 CASH FLOW FROM OPERATIONS BEFORE TAX AND COST OF NET FINANCIAL DEBT

	2024	2023	2022
Cash flow from operations before tax and cost of net financial debt	**46 195**	**45 487**	**40 310**
of which : Net income	(56)	7 026	8 268
Depreciation, amortization and provisions	23 206	20 594	19 458
Capital gains (losses) on disposal of fixed assets	356	917	3 256
IFRS 16 contract termination	(151)	-	(11)
Provision for internal restructuring	7 332	-	-
Other calculated income and expenses	(545)	1 681	(82)
Interest paid	9 197	8 018	3 515
Taxes	6 857	7 250	5 906

NOTE N° 42 FREE CASH FLOW

	2024	2023	2022
Cash flow from operations before tax and cost of net financial debt	46 195	45 487	40 310
Change in WCR	3 585	15 358	(27 474)
Taxes paid	(8 472)	(9 600)	(6 728)
Free cash flow (before investments)	**41 309**	**51 245**	**6 107**
Capital expenditure (net of fixed asset disposals)	(18 578)	(20 336)	(18 128)
Net free cash flow (after investments)	**22 731**	**30 909**	**(12 021)**

M. OTHER INFORMATION

NOTE N° 43 AUDITORS' FEES

The fees paid in fiscal 2024 to the two Statutory Auditors of the parent company DELFINGEN Industry for auditing the annual financial statements and the consolidated financial statements were as follows:

	EXCO P2B AUDIT				AUDITIS			
	Amount (HT)		%		Amount (HT)		%	
	2024	2023	2024	2023	2024	2023	2024	2023
Audit								
Statutory audit, certification, review of individual and consolidated financial statements								
Transmitter	93,0	88,5	79 %	79 %	93,0	96,0	79 %	81 %
Fully consolidated subsidiaries	24,2	23,0	21 %	21 %	24,2	23,0	21 %	19 %
Services other than certification of financial statements								
Issuer								
Fully consolidated subsidiaries								
Sub-total	*117,2*	*111,5*	*100 %*	*100 %*	*117,2*	*119,0*	*100 %*	*100 %*
Other services provided by networks to fully consolidated subsidiaries								
Legal, tax, labor								
Other (please specify if >10% of audit fees)								
Sub-total								
TOTAL	**117,2**	**111,5**	**100 %**	**100 %**	**117,2**	**119,0**	**100 %**	**100 %**

The auditing of the financial statements of the Group's various subsidiaries by local or international audit firms generated the payment of fees amounting to €603 k .

N. TRANSACTIONS WITH RELATED PARTIES

In accordance with IAS 24 (revised), transactions with DELFINGEN Group, the Group's parent company, and other DELFINGEN Industry subsidiaries are treated as related-party transactions.

Total related parties	2024	2023	2022
Trade accounts receivable	51	43	408
Current accounts receivable	-	-	-
Sundry financial debts	-	-	-
Accounts payable	1 270	1 016	418
Current accounts in credit	-	-	-
Operating income (Rebilling)	219	192	172
Operating expenses (Management Fees and others)	(4 600)	(4 203)	(3 490)
Financial income and expenses	-	-	-

DELFINGEN Group hosts the members of the Executive Committee, whose services are billed to DELFINGEN Industry on a "Cost +" basis, including a 7% margin on payroll.

O. POST-BALANCE SHEET EVENTS

- In April 2025, DELFINGEN Industry will cancel the 10,000 shares held in treasury and consequently reduce the share capital, bringing the total number of shares to 2,605,432.
- Following the renegotiation of Delfingen Korea's Earn Out clause, an advance payment of 3.360 billion Korean won (around €2.2m) was recorded in January 2025.

7.1.6 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

AUDITIS 5 Rue René Char 21000 DIJON	EXCO P2B AUDIT 16 rue Frédéric Japy 25200 MONTBELIARD

DELFINGEN INDUSTRY

Société Anonyme with a capital of 4 027 765,28 €
Registered office: Rue Emile STREIT
25340 ANTEUIL

STATUTORY AUDITORS' REPORT

ON THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDING DECEMBER 31, 2024

To the Annual General Meeting of DELFINGEN INDUSTRY,

Opinion

In compliance with the assignment entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of DELFINGEN INDUSTRY for the year ended December 31, 2024.

We certify that the consolidated accounts are, in accordance with IFRS as adopted in the European Union, regular and fair and give a true and fair view of the results of operations for the past financial year as well as the financial position and assets, at the end of the financial year, of the group constituted by the persons and entities included in the consolidation.

Basis of opinion

Audit standards

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities in accordance with these standards are set out in the section of this report entitled "Statutory Auditors' Responsibilities Relating to the Audit of the Consolidated Financial Statements".

Independence

We conducted our audit in accordance with the rules of independence set out in the French Commercial Code (Code de commerce) and in the Auditors' Code of Ethics, for the period from January 1,2024 to the date of issue of our report.

Observation

Without qualifying the opinion expressed above, we draw your attention to the matter set out in note 26 "Contingent liabilities" to the consolidated financial statements concerning tax and customs risks in Tunisia.

Justification of our assessments

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we hereby inform you that the most significant assessments we have made, in our professional judgment, concern the appropriateness of the accounting policies used, the reasonableness of the significant estimates made and the overall presentation of the financial statements.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and of the formation of our audit opinion expressed above. We do not express an opinion on the individual components of these consolidated financial statements.

Our assessments concerned the appropriateness of the accounting policies used and the reasonableness of the significant estimates made, in particular as regards the judgments and estimates made by DELFINGEN INDUSTRY's management, and the formulation of the assumptions concerning, in particular, asset impairment, provisions and deferred taxes, set out in notes 21, 25 and K to the consolidated financial statements.

For all these estimates, we have assessed the data and assumptions on which these judgments and estimates are based, reviewed, on a test basis, the calculations made by the Group, examined the available documentation and verified that the notes to the consolidated financial statements provide appropriate information on the assumptions used by the Group.

At each balance sheet date, the Group systematically tests goodwill and assets with indefinite useful lives for impairment, and also assesses whether there is any indication of impairment of long-lived assets, as described in note 21 to the financial statements.

With regard to the methods used to perform this impairment test, we :

- examined, on a test basis, the future cash flows based on budget data approved by the Board of Directors, historical results and the Group's economic and financial environment ;
- verified, on a test basis, the arithmetical accuracy of the impairment tests performed by management;
- assessed whether the information provided in Note 21 to the consolidated financial statements, in particular concerning key assumptions and sensitivity analyses, is adequately presented.

Specific verifications

In accordance with professional standards applicable in France, we have also verified the information given on the Group in the Board of Directors' management report, as required by law.

We have no matters to report as to its fair presentation and consistency with the consolidated financial statements.

Responsibilities of management and those charged with corporate governance in relation to the consolidated financial statements

It is the responsibility of management to prepare consolidated financial statements that give a true and fair view in accordance with IFRS as adopted by the European Union, and to implement such internal control procedures as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, it is the responsibility of management to assess the company's ability to continue as a going concern, to present in these financial statements, where appropriate, the necessary information relating to going concern and to apply the going concern accounting policy, unless the company is to be wound up or cease trading.

The consolidated financial statements have been approved by the Board of Directors.

Statutory auditors' responsibility for the audit of the consolidated financial statements

Our responsibility is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements, taken as a whole, are free from material misstatement. Reasonable assurance refers to a high level of assurance, without however guaranteeing that an audit performed in accordance with professional standards would systematically detect any material misstatement.

Misstatements may be the result of fraud or error, and are considered material when it is reasonable to expect that they could, individually or in aggregate, influence the economic decisions made by users of the financial statements.

As stipulated in article L.821-55 of the French Commercial Code, our role in auditing the financial statements is not to guarantee the viability or quality of your Group's management.

In the context of an audit performed in accordance with professional standards applicable in France, the statutory auditor exercises his professional judgment throughout the audit.

In addition :

- He identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, defines and implements audit procedures to address these risks, and obtains audit evidence that he believes to be sufficient and appropriate to provide a basis for his audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that of a material misstatement resulting from error, as fraud may involve collusion, falsification, deliberate omission, misrepresentation or circumvention of internal control;
- The auditor obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control;
- It assesses the appropriateness of the accounting methods used and the reasonableness of accounting estimates made by management, as well as the related disclosures in the consolidated financial statements;
- It assesses the appropriateness of management's application of the going concern accounting policy and, based on the information gathered, the existence or otherwise of any material uncertainties related to events or circumstances that may call into question the Group's ability to continue as a going concern. This assessment is based on information gathered up to the date of the report, bearing in mind that subsequent events or circumstances could call into question the Group's ability to continue as a going concern. If it concludes that there is a material uncertainty, it draws the attention of the readers of its report to the information provided in the consolidated financial statements concerning this uncertainty or, if this information is not provided or is not relevant, it issues a qualified opinion or a refusal to certify;
- It assesses the overall presentation of the consolidated financial statements, and whether they give a true and fair view of the underlying transactions and events;
- With regard to the financial information of persons or entities included in the scope of consolidation, it gathers information that it considers sufficient and appropriate to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for directing, supervising and performing the audit of the consolidated financial statements, and for expressing an opinion on these financial statements.

The Statutory Auditors

Dijon, le 29 avril 2025	Montbéliard, le 29 avril 2025
AUDITIS	EXCO P2B AUDIT
Philippe DANDON	Pierre BURNEL
Partner	Partner

7.2 PARENT COMPANY FINANCIAL STATEMENTS

General information

DELFINGEN Industry is a limited company incorporated under French law, with its registered office at : Rue Emile Streit - 25340 Anteuil, France.

The financial statements at December 31, 2024 were approved by the Boards of Directors on March 28, 2025 and April 23, 2025, and will be submitted for approval at the next Annual General Meeting.

The company is listed on Euronext Growth Paris.

Unless otherwise indicated, all amounts are expressed in thousands of euros.
Terms followed by an * are defined in the glossary.

7.2.1 INCOME STATEMENT

	2024	2023	2022	Notes
Operating income				
Sales of merchandise	955	1 201		
Production sold services France	2 802	1 536	1 684	
Export	54 636	56 452	46 033	
Net sales	**58 393**	**59 189**	**47 717**	C
Operating subsidies	-	78	-	
Inventory production	(1 070)	(363)	-	
Capitalized production	1 223	671	294	
Write-backs of depreciation and provisions, expense transfers	566	2 839	276	
Other income	452	674	299	
Total operating income (I)	**59 566**	**63 088**	**48 586**	
Operating expenses				
Purchase of merchandise	928	1 126	-	
Change in merchandise inventories	48	57	-	
Purchases of raw materials and other supplies	3 257	4 637	-	
Other purchases and external charges (1)	41 926	42 376	39 487	
Taxes and similar payments	405	446	284	
Depreciation of fixed assets	2 055	1 640	1 170	
Depreciation of current assets	388	380	4 779	
Provisions for contingencies and charges	113	63	-	
Personnel expenses	14 398	14 288	7 355	
Other expenses	448	614	406	
Total operating expenses (II)	**63 964**	**65 628**	**53 481**	
Operating income (I-II)	**(4 399)**	**(2 541)**	**(4 895)**	
Financial income				
Financial income from investments (2)	25 691	3 988	5 163	
Other interest and similar income (2)	1 562	8 782	1 252	
Reversals of provisions and expense transfers	409	950	1 116	
Foreign exchange gains	1 121	1 023	561	
Net proceeds from disposals of marketable securities	-	-	-	
Total financial income (III)	**28 783**	**14 743**	**8 092**	
Financial expenses				
Depreciation, amortization and provisions	681	1 746	278	
Interest expense (3)	8 900	7 283	2 807	
Foreign exchange losses	1 768	846	1 069	
Total financial expenses (IV)	**11 348**	**9 874**	**4 154**	
Net financial expense (III-IV)	**17 435**	**4 868**	**3 938**	
Profit before tax and exceptional items (I-II+III-IV)	**13 036**	**2 328**	**(957)**	
Extraordinary income (V)	104	141	466	C
Exceptional expenses (VI)	6 665	218	1 167	C
Exceptional items (V-VI)	**(6 562)**	**(78)**	**(701)**	
Income tax (VII)	203	(224)	(182)	H
Total income (I+III+V)	88 453	77 971	57 144	
Total expenses (II+IV+VI+VII)	82 180	75 497	58 621	
Profit or loss	**6 272**	**2 474**	**(1 476)**	
(1) Of which property leasing	-	-	-	
(2) Of which income from affiliates	*27 232*	*5 850*	*6 222*	*K*
(3) Of which interest on related companies	*1 039*	*518*	*200*	

7.2.2 BALANCE SHEET

ASSETS	Gross value	Depreciation and provisions	2024 Net assets	2023 Net amounts	2022 Net amounts	Notes
Fixed assets						
Uncalled subscribed capital (O)						
Intangible fixed assets						
Development costs	2 138	1 602	536	338	-	E
Concessions, patents and similar rights	9 302	7 269	2 033	728	-	E
Other intangible assets	4 467	-	4 467	5 493	3 312	E
Property, plant and equipment						
Land		71	170	163	168	E
Buildings	6 944	5 164	1 780	1 870	1 637	E
Industrial plant and equipment	2 660	1 852	807	655	-	E
Other property, plant and equipment	2 947	2 187	760	692	587	E
Assets in progress	316	-	316	827	10	E
Advances and deposits paid on property, plant and equipment	-	-	-	-	-	
Long-term investments						
Treasury shares	-	-	-	-	1 412	G
Other investments	155 243	12 933	142 310	142 901	110 358	G
Receivables from investments	30 596	-	30 596	26 042	22 104	G
Other long-term investments	952	51	901	498	238	G
TOTAL (I)	**215 805**	**31 129**	**184 676**	**180 208**	**139 825**	
Current assets						
Inventories	2 157	318	1 839	4 043	-	
Advances and deposits paid on orders	162	-	162	80	38	
Receivables						
Trade accounts receivable	22 228	2 642	19 586	18 823	13 648	C
Other receivables	2 001	-	2 001	2 080	13 871	C
Miscellaneous						
Marketable securities	150	98	52	127	131	
Cash and cash equivalents	2 229	-	2 229	2 113	1 219	
Prepaid expenses	1 202	-	1 202	1 025	1 085	
TOTAL (II)	**30 129**	**3 058**	**27 071**	**28 291**	**29 991**	
Accruals and deferred income						
Deferred debt issuance costs (IV)	988	-	988	1 247	696	
Bond redemption premiums (V)	-	-	-	-	-	
Cumulative translation adjustment (VI)	26	-	26	217	7	
TOTAL ASSETS (O TO VI)	**246 948**	**34 187**	**212 761**	**209 962**	**170 519**	

LIABILITIES	2024	2023	2022	Notes
Shareholders' equity				
Share capital	4 028	4 028	4 106	I
Additional paid-in capital	15 277	15 277	15 277	I
Legal reserve	411	411	411	I
Statutory or contractual reserves	-	-	-	
Regulated reserves	-	-	-	
Other reserves	30 086	30 607	35 091	I
Regulated provisions	-	-	-	
Investment grants	-	368	12	
Net income for the year	6 272	2 474	(1 476)	I
TOTAL (I)	56 074	53 163	53 420	
Other shareholders' equity				
Proceeds from issues of redeemable shares	-	-	-	
Conditional advances	-	-	-	
TOTAL (II)				
Provisions for contingencies and charges				
Provisions for contingencies	40	559	91	F
Provisions for charges	705	619	576	F
TOTAL (III)	745	1 179	667	F
Liabilities [1]				
Convertible bonds	-	-	-	
Other bonds	16 000	26 000	26 000	G
Borrowings from credit institutions [2]	107 710	96 604	77 568	G
Other borrowings	12 122	14 965	235	G
Advances and deposits received on contracts in progress	-	-	-	
Trade payables	14 667	7 424	5 654	C
Tax and social security liabilities	3 771	3 865	1 880	C
Payables on fixed assets and related accounts	27	2 520	3 351	C
Other payables	1 433	4 169	1 443	C
Deferred income (accruals)	-	-	-	
TOTAL (IV)	155 730	155 547	116 131	
Translation adjustment liabilities (V)	212	73	302	
TOTAL LIABILITIES (I TO V)	212 761	209 962	170 519	
(1) Amounts payable and deferred income due in less than one year	69 965	70 058	46 514	
(2) Of which bank overdrafts and bank credit balances	19 010	10 005	20 020	

7.2.3 CASH FLOW STATEMENT

	2024	2023	2022
Net income	**6 272**	**2 474**	**(1 476)**
Elimination of non-cash and non-operating income and expenses			
Depreciation, amortization and provisions	2 773	3 706	1 450
Reversals , Amortization and provisions	(578)	(3 715)	(1 553)
Internal restructuring project	2 390	-	-
Capital gains on disposals	(4)	166	535
Other	8	298	144
Cash flow after net cost of debt and tax	**10 861**	**2 929**	**(900)**
Net cost of debt	8 900	7 283	2 807
Current income tax expense	376	52	-
Cash flow before net cost of debt and tax	**20 137**	**10 264**	**1 907**
Taxes paid	(600)	(224)	(182)
Change in working capital	(1 217)	20 824	(4 990)
Net cash flow from operating activities	**18 320**	**30 864**	**(3 265)**
Cash flow from investing activities			
Purchases of property, plant and equipment	(539)	(1 138)	(512)
Purchase of intangible assets	(1 680)	(2 496)	(1 925)
Change in long-term investments	(4 614)	(4 199)	(3 007)
Disposal of property, plant and equipment and intangible assets	79	50	-
Investment grants	(350)	-	-
Receivables from investments	-	-	-
Cash outflows from companies acquired	-	(31 642)	(1 342)
Net cash used in investing activities	**(7 104)**	**(39 426)**	**(6 786)**
Net cash used in financing activities			
Dividends paid to parent company shareholders	(2 994)	(1 673)	(2 953)
Cash capital increase	-	-	-
Loan subscriptions	20 000	119 487	25 000
Repayment of borrowings	(27 845)	(91 060)	(21 185)
Interest paid	(8 900)	(7 283)	(2 807)
Treasury shares	(387)	-	-
Change in other borrowings	(53)	-	-
Net cash flow from financing activities	**(20 179)**	**19 470**	**(1 945)**
Theoretical change in cash and cash equivalents	(8 963)	(10 907)	(11 996)
Actual opening cash position	(7 772)	(18 679)	(6 805)
Reclassification of cash and cash equivalents			
Closing cash and cash equivalents	(16 735)	(7 772)	(18 801)
Actual change in cash and cash equivalents	(8 963)	(10 907)	(11 996)

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A. SIGNIFICANT EVENTS OF THE YEAR

At December 31, 2024, DELFINGEN Industry held 10,000 treasury shares acquired in May 2024 for €387,000.

As part of the review of the value in use of equity investments and the recoverability of current account advances and trade receivables, a net provision of 781 k€ was recorded in 2024 for equity investments, current accounts and trade receivables:

- A provision of 476 k€ was booked for DELFINGEN BR-Sao Paulo shares;
- A provision of 115 k€ was booked for DELFINGEN PT-Porto shares;
- A net provision of 238 k€ was set aside for Wuhan DELFINGEN Automotive Tubing's trade receivables, and 48 k€ was reversed for DELFINGEN TH-Siam.

DELFINGEN Industry received 25,691 k€ in dividends over the period from DELFINGEN US-Holding, DELFINGEN RO-Satu Mare, DELFINGEN IT-Verona and DELFINGEN Iberica.

DELFINGEN Industry posted a profit of €6,272 k.

DELFINGEN Industry pursued its policy of improving its liquidity position, while strengthening its financial structure, notably through a €20m capex loan maturing in 2030.

In view of these measures, DELFINGEN Industry considers that its ability to continue as a going concern is not called into question.

B. ACCOUNTING PRINCIPLES AND TRANSLATION METHODS

NOTE N° 1 ACCOUNTING PRINCIPLES AND METHODS

DELFINGEN Industry presents its parent company financial statements in accordance with the accounting principles and methods defined by regulation no. 2014-03 of the French Accounting Standards Authority (Autorité des Normes Comptables - ANC) of June 5, 2014 relating to the General Chart of Accounts in force at that date.

The general accounting conventions have been applied in compliance with the principle of prudence, in accordance with the basic assumptions intended to provide a true and fair view of the company: going concern, consistency of accounting methods from one year to the next, independence of financial years.

In addition, DELFINGEN Industry has not opted for early application of ANC regulation no. 2022-06 on the presentation of financial statements as at December 31, 2024.

NOTE N° 2 CHANGE IN ACCOUNTING METHOD

Not applicable.

NOTE N° 3 CONVERSION OF FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are translated at the exchange rate prevailing at the time of the transaction. Assets and liabilities denominated in foreign currencies are translated at the closing rate.

The exchange rates used are as follows	Opening rate			Closing rate		
	2024	2023	2022	2024	2023	2022
Euro	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000
Tunisian Dinar	3,3863	3,3107	3,2623	3,3156	3,3863	3,3107
Moroccan dirham	10,9572	11,1699	10,4930	10,48306	10,9572	11,1699
Romanian leu	4,9756	4,9495	4,9490	4,9743	4,9756	4,9495
Brazilian real	5,3618	5,6386	6,3101	6,4253	5,3618	5,6386
US dollar	1,1050	1,0666	1,1326	1,0389	1,1050	1,0666
Chinese yuan	7,8509	7,3582	7,1947	7,5833	7,8509	7,3582
Philippine peso	61,2830	59,3200	57,7630	60,301	61,2830	59,3200
Japanese yen	156,3300	140,6600	130,3800	163,06	156,3300	140,6600
Indian rupee	91,9045	88,1710	84,2292	88,9335	91,9045	88,1710
Thai Baht	37,9730	36,8350	37,6530	35,676	37,9730	36,8350
Russian ruble	n/a	n/a	85,3004	n/a	n/a	76,7952
UAE dirham	4,0581	3,9171	4,1595	3,81536	4,0581	3,9171
South Korean won	1433,66	n/a	n/a	1532,15	1433,66	n/a

C. OPERATING DATA

NOTE N° 4 BREAKDOWN OF SALES BY ACTIVITY

	2024	2023	2022
Rental	411	266	388
Other activities (services, IT licenses)	22 845	16 423	6 680
Transfer price adjustment	35 137	42 500	40 649
TOTAL	**58 393**	**59 189**	**47 717**

Sales mainly comprise billings to Group subsidiaries.

NOTE N° 5 TRADE AND OTHER RECEIVABLES

These receivables are recognized at their face value. Where payment terms are less than one year, the initial fair value and subsequent amortized cost are equal to the nominal amount.

Where there is a risk of non-recovery, impairment is recognized on a case-by-case basis, based on probable cash flows.

“Other receivables” break down as follows:

	Gross amounts	Within 1 year	Over 1 year
STATE AND LOCAL AUTHORITIES	1 760	1 760	-
Group and associates (related companies)	135	135	-
Sundry debtors	104	104	-
TOTAL	**1 999**	**1 999**	**-**

NOTE N° 6 CHANGES IN PROVISIONS FOR IMPAIRMENT

	Cumulative amounts 2023	Additions	Reversals	Cumulative amounts 2024	Of which related companies
Trade accounts receivable	2 443	247	48	2 642	2 633
Current accounts in debit	-	-	-	-	-
Total	**2 443**	**247**	**48**	**2 642**	**2 633**

Impairment charges of €238,000 relate to Wuhan DELFINGEN Automotive Tubing. Reversals of 48 k€ concern DELFINGEN TH-Siam.

NOTE N° 7 CURRENT LIABILITIES

This item breaks down as follows:

		Total as of 12/31/24	Within 1 year	Than 1 year
Trade payables		14 667	14 667	-
Advances and deposits on con-tracts in progress		-	-	-
Personnel and related accounts		2 479	2 479	-
Social security		1 122	1 122	-
State	Income tax	-	-	-
	Value added tax	-	-	-
	Other	170	170	-
Payables on fixed assets		27	27	-
Group and associates		12 122	12 122	-
Other liabilities		1 433	1 433	-
TOTAL		**32 020**	**32 020**	**-**

NOTE N° 8 ACCRUED LIABILITIES

Accrued expenses included in balance sheet items :

	2024	2023	2022
Bank borrowings	5	58	6
Trade payables	7 772	3 869	4 318
Tax and social security liabilities	2 657	2 659	1 171
TOTAL	**10 434**	**6 586**	**5 495**

NOTE N° 9 EXTRAORDINARY INCOME

This item breaks down as follows:

	2024	2023	2022
Extraordinary income from management operations	7	-	-
Exceptional provision reversal	-	-	161
Miscellaneous extraordinary income	97	141	306
TOTAL	**104**	**141**	**466**

NOTE N° 10 EXTRAORDINARY EXPENSES

This item breaks down as follows:

	2024	2023	2022
Exceptional expenses on management transactions	85	-	327
Net book value of property, plant and equipment sold	-	-	-
Net book value of financial assets sold	75	216	840
Exceptional provisions		-	-
Miscellaneous exceptional expenses	6 505	2	2
TOTAL	**6 665**	**218**	**1 167**

Non-recurring expenses correspond mainly to provisions relating to the internal restructuring project.

D. EMPLOYEE BENEFITS

NOTE N° 11 BREAKDOWN OF PERSONNEL

	2024	2023	2022
Officer	1	1	1
Executives	127	129	85
Employees	58	71	24
Total	**186**	**201**	**110**

These figures include staff re-invoiced by DELFINGEN Group.

The significant increase in personnel in 2023 is due to the transfer of DELFINGEN FR Anteuil SA staff following the reorganization of the French entities in 2023.

NOTE N° 12 EMPLOYEE BENEFITS

The amount recognized for employee benefits corresponds solely to pension commitments, which are subject to external valuation by a specialized firm.

The amount of pension and similar benefit obligations is not material (€705,000) given the company's financial position and assets.

In France, as from the 2020 financial year, the French entities have outsourced the management of these commitments and paid part of the provision. These payments are recorded under personnel costs.

The assumptions used to calculate provisions for retirement indemnities are as follows:

France	2024	2023	2022
Average retirement age	Age 60 to 67	Age 60 to 67	62 to 67 years
Turnover rate Executives	0,23 % à 4,79 %	0,33 % à 3,97 %	0,49 % à 3,75 %
Non-managerial turnover rate	0,51 % à 3,95 %	0,43 % à 4,80 %	0,38 % à 3,90 %
Discount rate	3,14 %	3,71 %	3,26 %
Rate of salary increase	1,00 à 2,25 %	1,00 à 2,25 %	1,00 à 2,25 %

NOTE N° 13 MANAGEMENT COMPENSATION

The remuneration paid by DELFINGEN Industry to its management bodies concerns only the members of the Board of Directors and amounts to €82k. Corporate officers also receive their remuneration from the DELFINGEN Group.

E. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

NOTE N° 14 INTANGIBLE ASSETS

Research and development costs

Research costs are expensed and development costs arising from the application of research results are capitalized to the extent that the company can demonstrate :

- Its intention as well as its financial and technical capacity to bring the development project to a successful conclusion ;
- That the asset will generate future economic benefits;
- And that the cost of the intangible asset can be measured reliably.

Development costs meeting the above criteria are capitalized and amortized over a maximum period of 5 years.

Other intangible assets

Other intangible assets include development and acquisition costs for computer software, patents and licenses. These costs are amortized on a linear basis over their estimated useful lives.

It should be noted that the company has no intangible assets with an indefinite useful life

Amortization

	Duration	Method
Development costs	5 years	Linear
Fungible rights (patents)	20 years	Linear
Software and other intangible assets	3 years	Linear

Changes in “Intangible assets” are as follows:

Intangible fixed assets

	2023	Increase	Decrease	Other changes	2024
Gross amounts	14 226	1 680	-	-	15 906
Accumulated depreciation	7 667	1 203	-	-	8 871
NET TOTAL	**6 559**	**477**	**-**	**-**	**7 035**

NOTE N° 15 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are valued at acquisition cost. They are depreciated on a straight-line or reducing-balance basis over the following average useful lives:

		Duration	Method
Fixtures and fittings, land and buildings		8 to 10 years	Linear
Buildings	Structural work	30 years	Linear
	Technical lots	20 years	Linear
	Finishing work	15 years	Linear
Equipment and tools		5 to 12 years	Linear
Transport equipment		5 years	Linear
Furniture/office equipment/computers		10 years/3 years	Linear

Movements in “Property, plant and equipment” are as follows:

Property, plant and equipment

Gross amount	2023	Increase	Decrease	Other changes	2024
Land	229	11	-	-	240
Buildings	6 772	172	-	-	6 944
Other property, plant and equipment	5 062	50	(92)	588	5 608
Assets in progress	904	-	-	(588)	316
Advance payments	-	-	-	-	-
TOTAL	**12 967**	**233**	**(92)**	**-**	**13 108**

Accumulated amortization	2023	Increase	Decrease	Other Mvts	2024
Land	66	5	-	-	71
Constructions	4 902	262	-	-	5 164
Other property, plant and equipment	3 715	330	(17)	12	4 040
TOTAL	**8 683**	**597**	**(17)**	**12**	**9 275**
TOTAL NET	**4 284**	**(364)**	**(75)**	**(12)**	**3 833**

F. PROVISIONS FOR LIABILITIES AND CHARGES

Movements in “Provisions for liabilities and charges” are as follows:

	2023	Increase	Reversal used	Unused reversals	Other changes	2024
Provisions for foreign exchange losses	560	41	-	(560)	-	41
Provisions for contin-gencies and charges	619	85	-	-	-	705
TOTAL	**1 179**	**126**	**-**	**(560)**	**-**	**745**

Provisions for liabilities and charges correspond to the provision for retirement indemnities.

G. FINANCING AND FINANCIAL INSTRUMENTS

NOTE N° 16 LONG-TERM INVESTMENTS

Investments in subsidiaries and affiliates are carried at historical cost, using the “1 in - 1 out” method.

A provision is recorded when the value in use of the shares in the companies concerned is less than the acquisition cost. This value in use is based primarily on the net worth of the company concerned, taking into account its development prospects. Where a company corresponds to a CGU for which a goodwill impairment test has been carried out, the value in use used is identical to that calculated in the context of these tests.

Provisions are booked for receivables and loans to companies in which DELFINGEN Industry has a stake, when the debtor’s financial situation indicates a probability of non-repayment.

Changes in “Long-term investments” were as follows:

	2023	Increase	Decrease	Other changes	2024
Treasury shares	-	387	-	-	387
Investments in subsidiaries and affiliates	155 243	-	-	-	155 243
Receivables from investments	26 042	4 554	-	-	30 596
Loans and other long-term in-vest-ments	549	16	-	-	565
TOTAL	**181 834**	**4 957**	**-**	**-**	**186 791**

The change in receivables from equity interests is mainly due to net changes in the following loans:

- DELFINGEN RO-Transilvania : + 2 787 k€
- DELFINGEN FR-Anteuil SAS : + 1 060 k€
- DELFINGEN RO-Satu Mare : + 775 k€
- DELFINGEN MA-Tanger : + 382 k€
- DELFINGEN TN-Fouchana : + 333 k€
- DELFINGEN PT-Porto : - 318 k€

NOTE N° 17 CHANGES IN PROVISIONS FOR IMPAIRMENT IN VALUE

Montants cumulés

	2023	Additions	Reversals	2024	Of which related companies
Investments securities	12 342	591	-	12 933	12 933
Property, plant and equipment	77	1	(78)	-	-
Inventories	424	141	(247)	318	-
Treasury shares	-	-	-	-	-
Accounts receivable	2 443	247	(48)	2 642	2 633
Other	74	75	-	149	-
TOTAL	**15 359**	**1 055**	**(373)**	**16 042**	**15 566**

Provisions for investments in subsidiaries and affiliates mainly concern :

- DELFINGEN BR-Sao Paulo : 476 k€
- DELFINGEN PT-Porto : 115 k€

Provisions for trade receivables concern Wuhan DELFINGEN Automotive Tubing (238 k€) and external customers (9 k€). Reversals of provisions for trade receivables concern DELFINGEN TH-Siam (48 k€).

NOTE N° 18 MARKETABLE SECURITIES

The company's marketable securities are carried on the balance sheet at purchase price. When the market price at year-end is lower than the purchase price, a provision for depreciation is recorded.

NOTE N° 19 BORROWINGS

Financial liabilities break down as follows:

		Total at 12/31/24	Due within 1 year	Between 1 and 5 years	More than 5 years
Other bonds		16 000	-	16 000	-
Credit institutions	within 1 year at inception	19 016	19 016	-	-
	due in more than 1 year at inception	88 694	18 929	66 090	3 675
Other borrowings		-	-	-	-
TOTAL		**123 710**	**37 945**	**82 090**	**3 675**

NOTE N°20 OFF-BALANCE SHEET COMMITMENTS

Commitments, endorsements and guarantees given

At December 31, 2024, commitments, endorsements and guarantees given amounted to €3.3m, granted by the parent company for the needs of certain subsidiaries and break down as follows:

	2024	2023	2022
Pledges	-	-	-
Deposits	-	551	-
Bank guarantees	1 599	1 599	-
Supplier guarantees	1 675	1 064	-
TOTAL	**3 274**	**3 214**	**-**

Commitments, endorsements and guarantees received

	2024	2023	2022
Unused credit and overdraft facilities	11 000	20 000	-
Bank and individual guarantees	-	-	-
TOTAL	**11 000**	**20 000**	**-**

Financial instruments: ANC regulation 2015-05 on forward financial instruments and hedging transactions

ANC regulation 2015-05, which came into force on 01/01/2017, applies to forward financial instruments, and requires symmetrical recognition in the income statement of the hedged risk and the effects of the hedge, and the recognition of the fair value of derivatives not recognized in the balance sheet, except where this is necessary to ensure symmetry of transactions or to reflect a risk taken by the company. The rules governing symmetrical recognition in the income statement of the effects of hedging and the hedged risk remain unchanged for simple non-speculative transactions.

Under French accounting rules, there is a presumption that derivatives are entered into for hedging purposes. It is therefore not necessary to recognize the fair value of derivatives, except to enable symmetrical recognition of the impacts of the hedged risk and the effects of the hedge, or to reflect the negative impact of the risks taken by the company.

In terms of DELFINGEN Industry's financial statements, this regulation has no impact, as DELFINGEN Industry does not enter into speculative instruments and does not have any hedging contracts with symmetry in the income statement.

H. CORPORATE INCOME TAX

DELFINGEN Industry and DELFINGEN FR-Anteuil SAS have entered into a tax consolidation agreement (Art. 223 A of the French General Tax Code).

The subsidiary records as an expense the tax it would have paid if it had not been included in the tax group, and pays it to the parent company, which is the only party liable to pay it to the French Treasury.

If a subsidiary is loss-making, it retains the right to use its tax loss carryforwards. The parent company benefits from the tax deferral and pays the tax on behalf of the subsidiary when the latter returns to profit. The parent company recognizes in the income statement the tax payable or tax credit arising from its own taxable income, as well as that arising from the restatements generated by the tax consolidation (irrespective of the company concerned).

The corporate income tax saving resulting from the tax consolidation of DELFINGEN Industry and DELFINGEN FR-Anteuil SAS is €90,000 for the 2024 financial year.

Increase and reduction in future tax liabilities

Nature of temporary differences	Amount (in €)
Increase	0
Relief - miscellaneous provisions	0
Deferred depreciation	0
Tax loss carryforwards	30 340 271
Long-term capital losses	0

I. SHARE CAPITAL AND SECURITIES (SHARES)

In €	Number	Par value	Total
Shares at beginning of year	2 615 432	1,54	4 027 765
Securities repaid or cancelled	-	-	-
Capital increase	-	-	-
Shares at year-end	2 615 432	1,54	4 027 765
Reserves, additional paid-in capital, retained earn-ings...	-	-	45 774 364
Net income for the year	-	-	6 271 789
Investment grants	-	-	-
Regulated provisions	-	-	-
TOTAL SHAREHOLDERS' EQUITY	**-**	**-**	**56 073 918**

J. OTHER INFORMATION

NOTE N°21 AUDITORS' FEES

The fees booked in fiscal 2024 for the two Statutory Auditors of the parent company DELFINGEN Industry and the time spent auditing the annual financial statements and consolidated financial statements are as follows:

	Time spent (in hours)	Fees (in €)
EXCO P2B AUDIT	703	93 350
AUDITIS	703	93 350
Subtotal	1 406	186 700
Other due diligence and services		
EXCO P2B AUDIT	-	-
AUDITIS	-	-
Subtotal	-	-
TOTAL	**1 406**	**186 700**

K. SUBSIDIARIES AND AFFILIATES

NOTE N°22 INFORMATION CONCERNING RELATED COMPANIES

	2024
Receivables from investments	30 596
Other receivables	4 404
Trade receivables	17 876
Current accounts receivable	135
Trade payables	5 800
Credit notes to be issued	1 249
Invoices not yet received	6 042
Current accounts in credit	11 808
Total expenses	34 074
Total income	86 724

Total expenses mainly include :

- 16,555 k€ of personnel costs re-invoiced by subsidiaries;
- Services and management fees invoiced by the DELFINGEN Group holding company for 4,524 k€;
- Provisions for costs incurred by the subsidiaries DELFINGEN SK-Nitra and DELFINGEN US-Mexico in connection with an internal restructuring project amounting to €4,011k;
- 4,838k of services re-invoiced by subsidiaries;
- Transfer price adjustments invoiced by Group subsidiaries to DELFINGEN Industry under the transfer pricing policy introduced in 2020 for €2,460 k.

Total income mainly comprises:

- €35,137 k in transfer pricing adjustments invoiced to Group subsidiaries under the transfer pricing policy effective in 2020;
- Dividends received of €25,631k;
- €13,780 k in rebilled IT licenses;
- Other services invoiced to Group subsidiaries for a total of €2,877 k.

NOTE N° 23 CONSOLIDATION

DELFINGEN Industry has prepared consolidated financial statements with the companies it controls at December 31, 2024.

The company and its subsidiaries are themselves consolidated by the family holding company: DELFINGEN Group - Rue Emile Streit - 25340 Anteuil (Siret B 425 123 437).

NOTE N° 24 TABLE OF SUBSIDIARIES

Detailed information on subsidiaries and affiliates

Financial information on sub-sidiaries and affiliates (capital over 50% owned)	Country	Capital (in k)	Cur-rency	Reserves and retained earnings before appropria-tion of profits (k€)	Percen-tage of capital held	Book value of shares held (k€)		
						Gross value	Provisions	Net book value
DELFINGEN FR ANTEUIL SAS	France	7 719	EUR	300	100,00 %	7 719		7 719
DELFINGEN PT PORTO SA	Portugal	804	EUR	419	100,00 %	8 115	7 076	1 039
DELFINGEN US HOLDING	United States	48 986	USD	22 592	100,00 %	46 451		46 451
DELFINGEN TN TUNIS	Tunisia	1 850	TND	43	100,00 %	1 431	1 431	0
DELFINGEN MA CASABLANCA	Morocco	10 000	MAD	703	100,00 %	897		897
DELFINGEN SK NITRA	Slovakia	7	EUR	1 558	100,00 %	5		5
DELFINGEN RO TRANSILVANIA	Romania	7 476	RON	4 365	100,00 %	1 505		1 505
DELFINGEN BR SAO PAULO	Brazil	12 004	BRL	49	99,99 %	6 607	4 193	2 414
DELFINGEN ASIA PACIFIC HOLDING PTE USD	Singapore	22 990	USD	1 358	100,00 %	21 591		21 591
DELFINGEN DE-MARKTRODACH	Germany	5 025	EUR	(3 005)	100,00 %	5 025	233	4 792
DELFINGEN DE ASCHHEIM	Germany	4 000	EUR	566	100,00 %	4 000		4 000
DELFINGEN RO SATU MARE	Romania	3 101	RON	15 441	100,00 %	1 701		1 701
DELFINGEN Ibérica	Spain	60	EUR	43	100,00 %			0
DELFINGEN IT VERONA	Italy	260	EUR	249	100,00 %	21 210		21 210
DELFINGEN MA TANGER 2	Morocco	6 245	MAD	13 408	100,00 %	4 221		4 221
DELFINGEN TN FOUCHANA	Tunisia	900	TND	1 353	100,00 %	120		120
DELFINGEN LU LUXEMBOURG	Luxembourg	30	EUR	13	100,00 %	30		30
REIKU GmbH	Germany	26	EUR	8 255	100,00 %	23 824		23 824
SCHLEMMER Industry	France	10	EUR	(3)	100,00 %	10		10

Financial information (k€)

Financial information on subsidi-aries and affiliates (capital direct-ly or indi-rectly over 50% owned)	Country	Loans granted by Delfingen Industry and not yet repaid	Gua-ran-tees given by Delfingen Industry	Sales exclu-ding tax for the last fis-cal year	Last year's profit or loss	Dividends received by the company during the year	Comments
DELFINGEN FR ANTEUIL SAS	France	1 460		16 304	166	-	
DELFINGEN PT PORTO SA	Portugal	3 484		9 497	(32)	-	
DELFINGEN US HOLDING	United States	-		156 688	7 076	13 931	Figures
DELFINGEN TN TUNIS	Tunisia	-		-	(4)	-	consolidated
DELFINGEN MA CASABLANCA	Morocco	-		9 136	103	-	
DELFINGEN SK NITRA	Slovakia	1 062		11 444	(271)	-	
DELFINGEN RO TRANSILVANIA	Romania	4 133		31 267	580	-	
DELFINGEN BR SAO PAULO	Brazil	-		5 169	626	-	
DELFINGEN ASIA PACIFIC HOLDING PTE USD	Singapore	-		66 395	3 080	-	Consolidated figures
DELFINGEN IN PUNE	India	787		15 502	(388)	-	
DELFINGEN SG FILIPINAS	Singapore	8 379		20 215	17	-	
DELFINGEN DE MARKTRODACH	Germany	2 838		17 644	316	-	
DELFINGEN DE ASCHHEIM	Germany	-		-	198	-	
DELFINGEN DE HASSFURT	Germany	4 202		50 190	1 186	-	
DELFINGEN RO SATU MARE	Romania	2 946		32 719	1 081	7 000	
DELFINGEN Ibérica	Spain	-		-	14	200	
DELFINGEN IT VERONA	Italy	-		10 598	604	4 500	
DELFINGEN MA TANGER 2	Morocco	653		27 739	275	-	
DELFINGEN TN FOUCHANA	Tunisia	653		8 818	273	-	
DELFINGEN LU LUXEMBOURG	Luxembourg	-		-	(38)	-	
REIKU GmbH	Germany	-		11 625	2 382	-	
SCHLEMMER Industry	France	-		-	2	-	

7.2.5 AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

AUDITIS 5 Rue René Char 21000 DIJON	EXCO P2B AUDIT 16 rue Frédéric Japy 25200 MONTBELIARD

DELFINGEN INDUSTRY

Public limited company with capital of €4,027,765.28
Head office: Rue Emile STREIT
25340 ANTEUIL

AUDITORS' REPORT

ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

At the General Meeting of DELFINGEN INDUSTRY,

Opinion

In accordance with the assignment entrusted to us by your General Meeting, we have audited the annual financial statements of DELFINGEN INDUSTRY for the fiscal year ended December 31, 2024, as attached to this report.

We certify that the annual financial statements are, in accordance with French accounting rules and principles, regular and sincere and give a true and fair view of the results of operations for the past financial year as well as the financial position and assets of the company at the end of that financial year.

Basis for the opinion

Audit standards

We conducted our audit in accordance with professional standards applicable in France. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are described in the section entitled "Responsibilities of the Statutory Auditors in connection with the audit of the financial statements" in this report.

Independence

We conducted our audit in accordance with the independence rules set forth in the French Commercial Code and the code of ethics for the profession of statutory auditor, covering the period from January 1, 2024, to the date of issuance of our report.

Basis for opinions

In accordance with the provisions of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the basis for our opinions, we bring to your attention the following opinions which, in our professional judgment, were the most significant for the audit of the annual financial statements for the year.

These assessments were made in the context of our audit of the annual financial statements as a whole and the formation of our opinion expressed above. We do not express an opinion on individual items in these annual financial statements.

Basis for opinionsOur assessments focused on the appropriateness of the accounting principles applied and the reasonableness of the significant estimates used, particularly with regard to the valuation of equity securities and receivables related to equity securities. Note 16 to the financial statements, "Financial fixed assets," sets out the accounting rules and methods relating to the method used to assess the value in use of equity securities and related receivables.

Based on the information provided to us, our work consisted of:

- Analyze whether the estimates of these values determined by management are based on an appropriate justification of the valuation method and the figures used;
- Compare the data used in performing impairment tests with the source data by entity and the results of the audit work on these subsidiaries;
- Analyzing the consistency of the assumptions used by management to determine the recoverability of receivables related to these investments with the level of impairment recognized based on the risks incurred;
- Verifying the arithmetic accuracy of the calculations.

Specific verifications

We also carried out, in accordance with professional standards applicable in France, the specific verifications required by law and regulations.

Information provided in the management report and other documents on the financial position and annual financial statements addressed to shareholders

We have no comments to make on the fairness and consistency with the annual financial statements of the information provided in the Board of Directors' management report and other documents on the financial position and annual financial statements addressed to shareholders.

We certify that the information relating to payment terms mentioned in Article D.441-6 of the Commercial Code is accurate and consistent with the annual financial statements.

Corporate governance report

We certify that the Board of Directors' report on corporate governance contains the information required by Article L.225-37-4 of the French Commercial Code.

Other information

In accordance with the law, we have ensured that the various items of information relating to the acquisition of shareholdings and control and the identity of the holders of capital or voting rights have been disclosed to you in the management report.

Responsabilités de la direction et des personnes constituant le gouvernement d'entreprise relatives aux comptes annuels

Responsibilities of management and persons constituting corporate governance with regard to the annual financial statementsIt is the responsibility of management to prepare annual financial statements that present a true and fair view in accordance with French accounting rules and principles, and to implement the internal controls it deems necessary to prepare annual financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the annual financial statements, management is responsible for assessing the company's ability to continue as a going concern, presenting in these statements, where applicable, the necessary information relating to going concern, and applying the going concern accounting policy, unless the company is expected to be liquidated or to cease trading.

The annual financial statements have been approved by the Board of Directors.

Responsibilities of the auditors in connection with the audit of the annual financial statements

Our responsibility is to issue an auditor's report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists.

Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsque l'on peut raisonnablement s'attendre à ce qu'elles puissent, prises individuellement ou en cumulé, influencer les décisions économiques que les utilisateurs des comptes prennent en se fondant sur ceux-ci.

Responsibilities of the auditors in connection with the audit of the annual financial statementsOur responsibility is to issue an auditor's report on the annual financial statements.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit.

In addition:

- He identifies and assesses the risks that the financial statements contain material misstatements, whether due to fraud or error, defines and implements audit procedures to address these risks, and collects evidence that he considers sufficient and appropriate to form his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that of a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- He or she becomes familiar with internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.
- He or she evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the related disclosures in the financial statements.
- He or she assesses the appropriateness of management's application of the going concern accounting convention and, based on the information collected, the existence or absence of significant uncertainty related to events or circumstances that could call into question the company's ability to continue as a going concern. This assessment is based on the information collected up to the date of its report, bearing in mind, however, that subsequent circumstances or events could call into question the going concern assumption. If he concludes that there is significant uncertainty, he draws the attention of readers of his report to the information provided in the annual financial statements regarding this uncertainty or, if this information is not provided or is not relevant, he issues a qualified opinion or a refusal to certify;
- He or she assesses the overall presentation of the annual financial statements and evaluates whether the annual financial statements reflect the underlying transactions and events in such a way as to give a true and fair view.

The Auditors

Dijon, April 29, 2025	Montbéliard, April 29, 2025
AUDITIS	EXCO P2B AUDIT
Philippe DANDON	Pierre BURNEL
Partner	Partner



CHAPITRE 8
GENERAL MEETING

CHAPITRE 8

ASSEMBLÉE GÉNÉRALE

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8.1 ORDRE DU JOUR

ORDRE DU JOUR DE L'ASSEMBLÉE GÉNÉRALE MIXTE RÉUNIE LE 5 JUIN 2025

RÉSOLUTIONS RELEVANT DE LA COMPETENCE DE L'ASSEMBLEE GENERALE ORDINAIRE

- Rapport de gestion du Conseil d'administration sur les comptes de l'exercice clos le 31 décembre 2024 et rapport sur le gouvernement d'entreprise ;
- Rapport annuel du Conseil d'administration sur la gestion du groupe au titre de l'exercice clos le 31 décembre 2024 ;
- Rapport spécial du Conseil d'administration afférent aux opérations réalisées par la Société au titre des options d'achat ou de souscription d'actions réservées au personnel salarié ainsi qu'aux dirigeants ;
- Rapport du Conseil d'administration concernant le plan de rachat d'actions ;
- Rapport des Commissaires aux comptes sur les comptes sociaux et consolidés de l'exercice clos le 31 décembre 2024 ;
- Examen et approbation des comptes annuels de l'exercice clos le 31 décembre 2024 ;
- Examen et approbation des comptes consolidés de l'exercice clos le 31 décembre 2024 ;
- Quitus aux Administrateurs ;
- Affectation du résultat ;
- Approbation des charges non déductibles ;
- Rapport spécial des Commissaires aux comptes sur les conventions réglementées visées à l'article L 225-38 du Code de commerce et décisions à cet égard ;
- Fixation du montant global annuel des rémunérations à allouer aux Administrateurs ;
- Renouvellement du mandat de la société dénommée EXCO P2B AUDIT en tant que Commissaire aux comptes titulaire et de son suppléant ;
- Renouvellement de la société dénommée EXCO P2B AUDIT en qualité d'auditeur aux fins de certifier les informations en matière de durabilité ;
- Nomination de deux nouveaux administrateurs ;
- Autorisation au Conseil d'administration avec faculté de subdélégation d'acheter ou faire acheter des actions de la Société en conformité avec les dispositions de l'article L 22-10-62 du Code de commerce ;
- Pouvoirs pour l'accomplissement des formalités légales.

RÉSOLUTIONS RELEVANT DE LA COMPETENCE DE L'ASSEMBLEE GENERALE EXTRAORDINAIRE

- Modification de la dénomination sociale de la Société et modification corrélative des statuts ;
- Mise en harmonie des statuts avec les dispositions de la Loi n° 2024-537 du 13 juin 2024 relatives à la participation aux réunions des Conseils d'administration des Sociétés Anonymes par des moyens de télécommunication, de consultation écrite ou de vote par correspondance ;
- Autorisation au Conseil d'administration pour réduire le capital social par annulation des actions qui auraient été acquises dans le cadre du programme de rachat d'actions ;
- Pouvoirs pour l'accomplissement des formalités légales.

8.2 TEXTE DES RÉSOLUTIONS

PROJET DE RÉSOLUTIONS SOUMISES A L'ASSEMBLÉE GÉNÉRALE MIXTE RÉUNIE LE 5 JUIN 2025

Résolutions soumises à l'Assemblée Générale Ordinaire

Première résolution (Approbation des comptes annuels de l'exercice 2024) - L'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Ordinaires, après avoir entendu la lecture des rapports du Conseil d'administration, ainsi que du rapport des Commissaires aux comptes, approuve les comptes annuels de l'exercice clos le 31 décembre 2024, comprenant le bilan, le compte de résultat et son annexe, tels qu'ils sont présentés, ainsi que les opérations traduites dans ces comptes ou résumées dans ces rapports.

L'Assemblée Générale approuve les dépenses et charges non déductibles fiscalement, visées à l'article 39-4 du Code général des impôts qui s'élèvent à 125 466 €, et qui, compte tenu du résultat fiscal déficitaire, ont réduit le déficit reportable à due concurrence.

En conséquence, l'Assemblée Générale donne quitus aux Administrateurs de l'exécution de leurs mandats pour l'exercice écoulé.

Deuxième résolution (Approbation des comptes consolidés de l'exercice 2024) - L'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Ordinaires, après avoir entendu la lecture du rapport du Conseil d'administration sur la gestion du Groupe au cours de l'exercice clos le 31 décembre 2024 et du rapport des Commissaires aux comptes, approuve les comptes consolidés dudit exercice, comprenant le bilan consolidé, le compte de résultat consolidé et son annexe, tels qu'ils sont présentés, ainsi que les opérations traduites dans ces comptes ou résumées dans ces rapports.

Troisième résolution (Affectation du résultat de l'exercice 2024) - L'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Ordinaires, sur proposition du Conseil d'administration, décide d'affecter le résultat de l'exercice comme suit :

• Bénéfice de l'exercice : Auquel s'ajoute le Report à nouveau antérieur créditeur d'un montant, de :	6 271 789,26 euros 15 792 196,76 euros
• **Soit un bénéfice distribuable s'élevant à**	**22 063 986,02 euros**
• À titre de dividende, la somme de : Soit 0,77 euros par action	2 006 182,64 euros
• Le solde, soit la somme de : correspondant au "Report à nouveau" créditeur	20 057 803,38 euros

Ce droit à dividende sera détaché de l'action le 26 juin 2025 et sera payable entre le 27 juin 2025 et le 1er juillet 2025.

Afin de satisfaire aux dispositions de l'article 243 bis du Code général des impôts, il est précisé que ce dividende est éligible, pour les personnes physiques fiscalement domiciliées en France optant pour une imposition globale au barème progressif, à l'abattement de 40 % de l'article 158-3, 2° du CGI.

L'Assemblée Générale prend ainsi acte qu'il a été rappelé aux Actionnaires que :
- L'imposition du dividende versé aux personnes physiques fiscalement domiciliées en France se fera au taux global de 30% (IR au taux de 12,8% et prélèvements sociaux au taux global de 17,2%) ;
- Qu'une option est possible pour le barème progressif de l'IR après un abattement de 40% et aux prélèvements sociaux à 17,2% sans abattement. Cette option concerne tous les dividendes reçus et les plus-values sur ventes de titres de sociétés réalisées par les membres du foyer fiscal pour l'année concernée.

Les sommes correspondantes aux dividendes non versés à raison des actions auto-détenues lors de la mise en paiement seront affectées au « report à nouveau ».

Conformément aux dispositions légales, l'Assemblée Générale rappelle en outre qu'au titre des trois derniers exercices, il a été distribué les dividendes suivants :

Exercices	**Revenus éligibles à l'abattement**		**Revenus non éligibles à l'abattement**
	Dividende	**Autres revenus distribués**	
31 décembre 2021	1,13 € par action [(1)]		
31 décembre 2022	0,64 € par action [(1)]		
31 décembre 2023	1,15 € par action [(1)]		

[(1)]Montants éligibles, pour les personnes physiques fiscalement domiciliées en France optant pour une imposition globale au barème progressif à l'abattement de 40 % de l'article 158-3, 2° du CGI.

Quatrième résolution (Conventions visées à l'article L. 225-38 du Code de commerce) - L'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Ordinaires, après avoir entendu la lecture du rapport du Conseil d'administration ainsi que du rapport spécial des Commissaires aux comptes sur les conventions visées aux articles L.225-38 et suivants du Code de commerce, prend acte purement et simplement de l'absence de toute convention de cette nature mentionnée dans ledit rapport et en tant que de besoin de la continuation, au cours de l'exercice, des conventions antérieurement autorisées.

Cinquième résolution (Fixation du montant global des rémunérations à allouer aux Administrateurs) - Après lecture du rapport du Conseil d'administration, et sur proposition de ce dernier, l'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Ordinaires, fixe à la somme de cent cinquante mille euros (150 000 €) le montant global annuel maximal des rémunérations que le Conseil d'administration est autorisé à répartir entre ses membres, au titre de l'exercice 2025 et pour les exercices ultérieurs jusqu'à nouvelle décision de l'Assemblée.

Sixième résolution (Renouvellement du mandat de la société dénommée EXCO P2B AUDIT en tant que Commissaire aux comptes titulaire et de son suppléant) - L'Assemblée Générale, sur proposition du Conseil d'administration, et statuant aux conditions de quorum et de majorités requises pour les Assemblée Générales ordinaires, prend acte de l'expiration, à l'issue de la présente Assemblée Générale, du mandat de :
- la société EXCO P2B AUDIT, domiciliée à Montbéliard, 16 rue Frédéric Japy, représentée par Monsieur Pierre BURNEL, Commissaires aux comptes titulaire, et
- Monsieur François VERDIER, domicilié à Clermont-Ferrand, 9 avenue Léonard de Vinci, Commissaire aux comptes suppléant,

et décide de les renouveler dans leurs fonctions pour une durée de six (6) exercices, soit jusqu'à l'Assemblée Générale qui sera appelée à statuer sur les comptes de l'exercice clos le 31 décembre 2030.

Les Commissaires aux comptes ont fait savoir par avance qu'ils acceptaient le renouvellement de leur mandat et que rien ne s'opposait à ce renouvellement.

Septième résolution (Proposition de renouvellement du mandat de la société dénommée EXCO P2B AUDIT aux fins de certifier les informations en matière de durabilité) - L'Assemblée Générale, sur proposition du Conseil d'administration, et statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Ordinaires, constate que le mandat de la société EXCO P2B AUDIT viendra à expiration à l'issue de la présente Assemblée Générale et décide sur proposition du Conseil d'administration, de renouveler la société EXCO P2B AUDIT, représentée par Pierre BURNEL, en qualité d'auditeur aux fins de certifier les informations en matière de durabilité, pour une période de six (6) exercices venant à expiration à l'issue de la réunion de l'Assemblée générale statuant sur les comptes de l'exercice clos le 31 décembre 2030.

Huitième résolution (Proposition de nomination Monsieur Victor STREIT en qualité de nouvel administrateur) - L'Assemblée Générale, sur proposition du Conseil d'administration, et statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Ordinaires, décide de nommer Monsieur Victor STREIT, né le 10 juin 2004 à Besançon (25), en qualité de nouvel administrateur, en adjonction aux membres du Conseil d'Administration actuellement en fonction, pour une période de six (6) années expirant à l'issue de l'Assemblée Générale qui sera appelée à statuer sur les comptes de l'exercice clos le 31 décembre 2030.

Neuvième résolution (Proposition de nomination de Monsieur Benoit STREIT en qualité de nouvel administrateur) - L'Assemblée Générale, sur proposition du Conseil d'administration, et statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Ordinaires, décide de nommer Monsieur Benoit STREIT, né le 4 juin 2006 à Besançon (25), en qualité de nouvel administrateur, en adjonction aux membres du Conseil d'Administration actuellement en fonction, pour une période de six (6) années expirant à l'issue de l'Assemblée Générale qui sera appelée à statuer sur les comptes de l'exercice clos le 31 décembre 2030.

Dixième résolution (Autorisation d'opérer en bourse sur ses propres actions) - L'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Ordinaires, connaissance prise du rapport du Conseil d'administration, autorise le Conseil d'administration avec faculté de subdélégation, conformément aux dispositions des articles L.22-10-62 et suivants du Code de commerce, L. 225-210 et suivants du Code de commerce et des articles 241-1 et suivants du Règlement Général de l'Autorité des Marchés Financiers, à acheter ou faire acheter des actions de la Société en vue :

- De la mise en œuvre de tout plan d'option d'achat d'actions de la Société dans le cadre des dispositions des articles L.225-177 et suivants du Code de commerce ; ou

- De l'attribution ou de la cession d'actions aux salariés au titre de leur participation aux fruits de l'expansion de l'entreprise et de la mise en œuvre de tout plan d'épargne d'entreprise dans les conditions définies par la loi ; ou

- De la remise d'actions lors de l'exercice de droits attachés à des valeurs mobilières donnant accès au capital par remboursement, conversion, échange, présentation d'un bon ou de toute autre manière ; ou

- De l'annulation de tout ou partie des titres ainsi rachetés conformément à l'autorisation pouvant être conférée par l'Assemblée Générale Extraordinaire ; ou

- De la remise d'actions à titre d'échange, de paiement ou autre dans le cadre d'opérations de croissance externe, de fusion, de scission ou d'apport ; ou

- De l'animation du marché secondaire ou de la liquidité de l'action par un prestataire de services d'investissement dans le cadre d'un contrat de liquidité conforme à la charte de déontologie reconnue par l'Autorité des Marchés Financiers ; ou

- De la réalisation d'opérations d'achats, ventes ou transferts par tous moyens par un prestataire de services d'investissement, notamment dans le cadre de transactions hors marché.

Cette autorisation permettrait également à la Société d'opérer dans tout autre but autorisé ou qui viendrait à être autorisé par la loi ou la réglementation en vigueur. Dans une telle hypothèse, la Société informerait ses Actionnaires par voie de communiqué.

Les achats d'actions de la Société pourront porter sur un nombre d'actions tel que :

- Le nombre d'actions que la Société achète pendant la durée de cette autorisation n'excède pas dix pour cent (10 %) des actions composant le capital de la Société à quelque moment que ce soit, ce pourcentage s'appliquant à un capital ajusté en fonction des opérations l'affectant postérieurement à la présente Assemblée Générale, étant précisé que le nombre d'actions acquises en vue de leur conservation et de leur remise ultérieure dans le cadre d'une opération de fusion, de scission ou d'apport ne pourra excéder cinq pour cent (5 %) de son capital ;

- Le nombre d'actions que la Société détiendra à quelque moment que ce soit ne dépasse pas dix pour cent (10 %) des actions composant le capital social de la Société à la date considérée.

L'acquisition, la cession ou le transfert des actions pourront être réalisés à tout moment (y compris en période d'offre publique dans les limites permises par la réglementation applicable) et par tous moyens, sur le marché de gré à gré, y compris par acquisition ou cession de blocs (sans limiter la part du programme de rachat pouvant être réalisée par ce moyen), par offre publique ou par utilisation d'options ou autres instruments financiers à terme négociés sur un marché organisé ou de gré à gré ou par remise d'actions par suite de l'émission de valeurs mobilières donnant accès au capital de la Société par conversion, échange, remboursement, exercice d'un bon ou de toute autre manière, soit directement, soit indirectement par l'intermédiaire d'un prestataire de services d'investissement.

Le prix maximum d'achat des actions dans le cadre de la présente résolution sera de soixante euros (60,00 €) par action (ou la contre-valeur de ce montant à la même date dans toute autre monnaie), ce prix maximum étant applicable tant aux acquisitions décidées à compter de la date de la présente Assemblée qu'aux opérations à terme conclues en vertu d'une autorisation donnée par une précédente Assemblée Générale et prévoyant des acquisitions d'actions postérieures à la date de la présente Assemblée.

Cette autorisation est donnée pour une durée maximum de dix-huit (18) mois. Elle annule et remplace la précédente autorisation donnée lors de l'Assemblée Générale Mixte du 14 juin 2024 dans sa huitième résolution.

Conformément aux dispositions de l'article L.22-10-62 alinéa 1 du Code de commerce, le Comité Social et Économique sera informé de la présente résolution.

L'Assemblée Générale confère tous pouvoirs au Conseil d'administration, avec faculté de subdélégation dans les conditions légales, pour décider et effectuer la mise en œuvre de la présente autorisation, pour en préciser, si nécessaire, les termes et en arrêter les modalités, effectuer toute publication requise par la loi ou les règlements, réaliser le programme d'achat et notamment pour passer tout ordre de bourse, conclure tout accord, en vue de la tenue des registres d'achats et de ventes d'actions, effectuer toute déclaration auprès de l'Autorité des Marchés Financiers et de toute autre autorité qui s'y substituerait, remplir toutes formalités et, d'une manière générale, faire le nécessaire.

Onzième résolution (Pouvoirs pour l'accomplissement des formalités légales) - L'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Ordinaires, confère tous pouvoirs au Président du Conseil d'administration et au Directeur Général ou toute autre personne qu'ils auront entendu se substituer, et porteur d'un original ou d'une copie des présentes, à l'effet de procéder à toutes formalités légales nécessaires.

Résolutions soumises à l'Assemblée Générale Ordinaire

Douzième résolution (Modification de la dénomination sociale et modification corrélative des statuts) - L'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Extraordinaires, décide de modifier la dénomination sociale de la société qui sera désormais "DELFINGEN" à compter du 1er juillet 2025.

En conséquence, "l'ARTICLE 3 - DÉNOMINATION" des statuts de la société est modifié comme suit :

« La société prend la dénomination de "DELFINGEN"»

Le reste de l'article reste inchangé.

Treizième résolution (Mise en harmonie des statuts avec la Loi n° 2024-537 du 13 juin 2024) - L'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Extraordinaires, connaissance prise du rapport du Conseil d'administration et suite aux assouplissements apportés aux règles de participation aux réunions des Conseils d'administration de Sociétés Anonymes par la Loi n° 2024-537 du 13 juin 2024 visant à accroître le financement des entreprises et l'attractivité de la France, décide d'adapter les statuts de la Société afin :

- De prévoir, pour tout type de décisions du Conseil, la faculté de recourir à la consultation écrite, y compris par voie électronique, en précisant les modalités,
- De prévoir la faculté pour les administrateurs de voter par correspondance.

En conséquence, l'Assemblée Générale décide de modifier l'article 19 des statuts comme suit :

"ARTICLE 19 - DÉLIBÉRATIONS DU CONSEIL

I – Réunions du Conseil

(...)

II – Quorum, majorité

Le Conseil d'Administration ne délibère valablement que si la moitié au moins de ses membres est présente.

Sauf pour ce qui est du choix d'exercice de la Direction Générale, les décisions sont prises à la majorité des membres présents ou représentés.

En cas de partage, la voix du Président est prépondérante.

Seront réputés présents pour le calcul du quorum et de la majorité, les administrateurs qui participeront aux réunions du Conseil par des moyens de visioconférence. Ces dispositions devront être rappelées dans le règlement intérieur cité au paragraphe I – Réunions du Conseil ci-dessus.

En cas de vote par correspondance, il ne sera tenu compte, pour le calcul du quorum, que des formulaires dûment complétés et reçus par la Société au plus tard le jour précédant la réunion du Conseil.

III – Représentation / Vote par correspondance

Les administrateurs peuvent se faire représenter par un autre administrateur au conseil d'administration ; toutefois, un administrateur ne peut être porteur que d'un mandat de représentation.

Un administrateur peut voter par correspondance, au moyen d'un formulaire établi dans les conditions prévues par les dispositions réglementaires applicables et, le cas échéant, par le règlement intérieur cité au paragraphe I – Réunions du Conseil ci-dessus.

Les formulaires de vote par correspondance devront parvenir à la Société au plus tard le jour précédant la réunion du Conseil pour être pris en compte.

Ces dispositions sont applicables au représentant permanent d'une personne morale administrateur.

IV – Consultation écrite

Les décisions du Conseil d'Administration peuvent également être prises par consultation écrite des administrateurs, y compris par voie électronique, conformément aux dispositions légales et réglementaires en vigueur et le cas échéant, dans les conditions prévues par le règlement intérieur cité au paragraphe I - Réunions du Conseil ci-dessus.

Le Président du Conseil d'Administration appelle les administrateurs à se prononcer par tous moyens écrits, y compris par voie électronique, sur la ou les décisions qui leur sont adressées et précise le délai imparti aux administrateurs pour répondre, ce délai étant déterminé par le Président en fonction de la décision à prendre, de l'urgence ou du temps nécessaire à la réflexion.

À cet effet, le Président du Conseil adresse à chaque administrateur, par tout moyen écrit, y compris par voie électronique, le texte du ou des projets de décision proposée et tout document ou information nécessaire à leur prise de décision.

Tout administrateur peut, dans un délai de trois jours ouvrés à compter de l'envoi de la consultation et sans qu'il soit besoin de justifier d'un motif, s'opposer à ce mode de délibération.

En cas d'opposition, le Président informe sans délai les autres administrateurs et convoque une réunion du Conseil pour statuer sur la ou les décisions concernées.

Les administrateurs expriment leur vote par tout moyen écrit, y compris par voie électronique.

S'ils ne répondent pas dans le délai indiqué dans la consultation, ils sont réputés ne pas avoir participé à la consultation.

Les décisions ne peuvent être adoptées que si la moitié au moins des administrateurs a participé à la consultation et, sauf pour ce qui est du choix d'exercice de la Direction Générale, les décisions doivent être adoptées à la majorité des membres participant à cette consultation.

Chaque administrateur peut poser toute question nécessaire à sa réflexion ou adresser tout commentaire.

En cas d'absence de réponse dans le délai imparti, l'administrateur est réputé ne pas participer à la consultation.

Les résultats de la consultation sont communiqués à l'ensemble des administrateurs.

Les décisions prises par consultation écrite font l'objet d'un procès-verbal établi dans les mêmes conditions que les délibérations adoptées en réunion."

Quatorzième résolution (Autorisation à donner au Conseil d'administration pour réduire le capital social par annulation des actions qui auraient été acquises dans le cadre du programme de rachat d'actions) - L'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Extraordinaires, connaissance prise du rapport du Conseil d'administration ainsi que du rapport spécial des Commissaires aux comptes :
- Autorise le Conseil d'administration à annuler, sur ses seules décisions, en une ou plusieurs fois, tout ou partie des actions que la Société détient ou pourra détenir par suite des rachats réalisés dans le cadre de l'article L.22-10-62 du Code de commerce et dans le cadre des programmes autorisés dans le cadre de la neuvième résolution ci-dessus soumise à la présente Assemblée Générale ou des programmes d'achat autorisés antérieurement, dans la limite de dix pour cent (10 %) du nombre total d'actions, par périodes de vingt-quatre (24) mois, en imputant la différence entre la valeur d'achat des titres annulés et leur valeur nominale sur les primes et réserves disponibles y compris, en partie, sur la réserve légale à concurrence de dix pour cent (10 %) du capital annulé ;
- Autorise le Conseil d'administration à constater la réalisation de la ou des réductions de capital dans les proportions et aux époques qu'il décidera, modifier en conséquence les statuts et accomplir toutes formalités nécessaires ;
- Autorise le Conseil d'administration à déléguer tous pouvoirs nécessaires à la mise en œuvre de ses décisions, le tout conformément aux dispositions légales en vigueur lors de l'utilisation de la présente autorisation ;
- Décide que cette autorisation annule et remplace à compter de la présente décision, toute résolution précédente ayant le même objet ;
- Fixe à dix-huit (18) mois à compter de la présente Assemblée Générale, soit jusqu'au 4 décembre 2026, la durée de validité de la présente autorisation, et ce, en application des dispositions de l'article L.225-209 alinéa 1 du Code de commerce.

L'Assemblée Générale prend acte que la présente délégation prive d'effet toute délégation antérieure ayant le même objet.

L'Assemblée Générale prend acte du fait que dans l'hypothèse où le Conseil d'administration viendrait à utiliser la présente délégation, celui-ci rendrait compte à l'Assemblée Générale Ordinaire suivante, conformément à l'article L.225-129-5 du Code de commerce, de l'utilisation faite des délégations conférées dans la présente résolution.

Quinzième résolution (Pouvoirs pour l'accomplissement des formalités légales) - L'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Extraordinaires, confère tous pouvoirs au Président du Conseil d'administration et au Directeur Général ou toute autre personne qu'ils auront entendus se substituer, et porteurs d'un original ou d'une copie des présentes, à l'effet de procéder à toutes formalités légales nécessaires.



CHAPITRE 9

INFORMATIONS COMPLÉMENTAIRES

CHAPITRE 9

INFORMATIONS COMPLÉMENTAIRES

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9.1 RENSEIGNEMENTS SUR LA SOCIÉTÉ

RENSEIGNEMENTS

Dénomination sociale	DELFINGEN Industry
Siège social	Rue Emile Streit 25340 Anteuil
Coordonnées du siège	Tel : 03 81 90 73 00 Fax : 03 81 90 73 19 delfingen@delfingen.com
Forme juridique et législation applicable	DELFINGEN Industry est une société anonyme à Conseil d'administration de droit français, régie par le Code de commerce et par ses statuts.
Registre du commerce et des sociétés	La société est immatriculée au Registre du Commerce et des Sociétés de BELFORT sous le numéro : B 354 013 575. Son code d'activité principale, selon la nomenclature d'activité française, est : 7010Z – Activités des sièges sociaux.
Date de constitution	28 mars 1990
Durée de vie	99 ans

OBJET SOCIAL

L'article 2 des statuts à jour au 9 novembre 2023 stipule que la société a pour objet directement ou indirectement en tous pays :

- L'acquisition, la détention, la gestion et la cession de toute participation, quelle qu'en soit la forme, dans toutes sociétés, groupements ou entités juridiques de droit français ou étranger.
- Tous travaux d'études, de conseils, de formation et d'assistance de nature pluridisciplinaire au profit des entreprises avec lesquelles elle est en relation d'affaires ou dans lesquelles elle détient une participation en capital.
- L'administration et la gestion, directement ou indirectement, par location ou sous toutes autres formes, de tous immeubles et droits immobiliers dont elle pourrait devenir propriétaire par voie d'apport, d'acquisition, d'échange ou autrement, destinés à faciliter le fonctionnement de la société ou de toutes filiales ou sociétés apparentées.
- L'assistance en matière de gestion technique, industrielle, financière, informatique, documentaire et administrative et, plus généralement, toutes actions financières, de direction, de gestion, d'études et de recherches, d'accords commerciaux en vue de favoriser et d'accroître le rendement du capital, la politique d'investissements et les opérations du groupe.
- Tous services opérationnels liés à l'activité industrielle de ses filiales ou sociétés apparentées, notamment dans le domaine de la stratégie, des investissements, de la gestion des achats , de la logistique et de la qualité.
- La gestion des activités commerciales du Groupe, y compris notamment la négociation des accords commerciaux, la gestion de la relation client et les opérations de marketing.
- Toutes activités liées à la recherche et au développement dans le domaine industriel, notamment l'étude, la réalisation et la vente de prototypes et de préséries, de process et de produits industriels innovants.
- Toutes activités liées à la mise au point, l'amélioration, l'entretien, la protection, l'exploitation et la défense de la propriété intellectuelle du Groupe.
- La sélection, le développement et la mise à disposition de logiciels au profit de ses filiales ou sociétés apparentées.
- Toutes activités liées à l'acquisition, l'amélioration, la mise en service et la vente de machines au profit de ses filiales ou sociétés apparentées ; la gestion et la maintenance industrielle du parc machines du Groupe, incluant le négoce de pièces détachées.
- Et plus généralement, toutes opérations financières, immobilières ou mobilières, civiles, commerciales, industrielles pouvant se rattacher à l'objet social ou à tout objet similaire ou connexe, qui seraient de nature à favoriser ou développer l'activité sociale

9.2 CONTRÔLEURS LÉGAUX DES COMPTES

Les Commissaires aux comptes titulaires et suppléants sont actuellement les suivants (au 31 décembre 2024) :

Co-Commissaires aux comptes titulaires :

- La société EXCO P2B AUDIT, représentée par Monsieur Pierre BURNEL, domiciliée à MONTBÉLIARD (25), 16 rue Frédéric Japy ;
- La société AUDITIS, représentée par Monsieur Philippe DANDON, domiciliée à DIJON (21), 5 rue René Char.

Co-Commissaires aux comptes suppléants :

- VERDIER François, domicilié à CLERMONT-FERRAND (63), 9 avenue Léonard de Vinci ;

Il est précisé que :

- La société EXCO P2B AUDIT, ainsi que Monsieur François VERDIER, respectivement Commissaire aux comptes titulaire et Commissaire aux comptes suppléant, sont en fonction jusqu'à l'Assemblée Générale qui statuera sur les comptes de l'exercice clos le 31 décembre 2024 ;
- Le mandat de la société AUDITIS, Commissaire aux comptes titulaire a été renouvelé lors de l'Assemblée Générale du 14 juin 2021, pour une période de six (6) exercices, soit jusqu'à l'Assemblée Générale Ordinaire qui sera appelée à statuer sur les comptes de l'exercice clos le 31 décembre 2026.

9.3 DOCUMENTS ACCESSIBLES AU PUBLIC

Monsieur Gérald STREIT, agissant en qualité de Président du Conseil d'administration de la société DELFINGEN Industry, atteste que, pendant la durée de validité du présent document, les documents suivants ou leur copie peuvent être consultés :

- l'acte constitutif et les statuts de la société DELFINGEN Industry ;
- Tous rapports, courriers et autres documents et informations financières historiques, évaluations et déclarations établis par un expert à la demande de l'émetteur, dont une partie est incluse ou visée dans le présent document ;
- Les informations financières historiques de l'émetteur et de ses filiales pour chacun des deux exercices précédant la publication du document d'enregistrement.

Ces consultations peuvent être réalisées sur support physique et/ou électronique au siège social de la société situé à ANTEUIL (25340), Rue Emile Streit.

9.4 PERSONNES RESPONSABLES

Responsable du Document d'Enregistrement Universel contenant le Rapport Financier Annuel
M. Gérald STREIT – Président-Directeur Général

9.5 ATTESTATION DU RESPONSABLE

Attestation du responsable du Document d'Enregistrement Universel contenant le Rapport Financier Annuel

J'atteste, que les informations contenues dans le présent Document d'Enregistrement Universel sont, à ma connaissance, conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée. J'atteste, à ma connaissance, que les comptes annuels et les comptes consolidés sont établis conformément au corps de normes comptables applicable et donnent une image fidèle et honnête des éléments d'actif et de passif, de la situation financière et des profits ou pertes de l'émetteur et de l'ensemble des entreprises comprises dans la consolidation, et que le rapport de gestion figurant en page 203 présente un tableau fidèle de l'évolution et des résultats de l'entreprise et de la situation financière de l'émetteur et de l'ensemble des entreprises comprises dans la consolidation, ainsi qu'une description des principaux risques et incertitudes auxquels ils sont confrontés et qu'il a été établi conformément aux normes d'information en matière de durabilité applicables.

À Anteuil, le 29 avril 2025, Gérald STREIT, Président-Directeur Général

En application de l'article 19 du règlement (UE) 2017/1129 les éléments suivants sont inclus par référence dans le présent document de référence :
- Les comptes consolidés établis en normes IFRS et les comptes annuels résumés établis en normes françaises au titre de l'exercice clos le 31 décembre 2023 ainsi que les rapports des Commissaires aux Comptes y afférents sont contenus dans le Document de référence n° D.24-0350 déposé auprès de l'AMF le 29 avril 2024 ;
- Les comptes consolidés établis en normes IFRS et les comptes annuels résumés établis en normes françaises au titre de l'exercice clos le 31 décembre 2022 ainsi que les rapports des Commissaires aux Comptes y afférents sont contenus dans le Document de référence n° D.23-0373 déposé auprès de l'AMF le 28 avril 2023 ;
- Les comptes consolidés établis en normes IFRS et les comptes annuels résumés établis en normes françaises au titre de l'exercice clos le 31 décembre 2021 ainsi que les rapports des Commissaires aux Comptes y afférents sont contenus dans le Document de référence n° D.22-0378 déposé auprès de l'AMF le 28 avril 2022.

9.6 GLOSSAIRE

BFR : Besoin en Fonds de Roulement.

BOM : La nomenclature ou BOM (Bill of materials) est la liste exhaustive des pièces, articles, assemblages et autres matériaux nécessaires à la création d'un produit.

CAFICE : Capacité d'Autofinancement avant Impôts et Coût de l'Endettement Financier Net.

Cash-flow libre : CAFICE (Capacité d'Autofinancement avant Impôts et Coût de l'Endettement Financier Net) diminué de la variation du BFR, des impôts versés et des investissements nets.

Dette subordonnée : Dette due par DELFINGEN US-Holding à DELFINGEN Industry considérée comme un quasi fond propre dans le cadre des covenants.

E/A ou EA : Europe Afrique.

EBITDA : Excédent brut avant intérêts, impôts et dotation nette aux amortissements.

EBE (Excédent Brut d'Exploitation) : Résultat opérationnel courant + dotation nette aux amortissements, provisions et dépréciations.

EFN : Endettement Financier Net.

IRO : Les Impacts, Risques et Opportunités, appelés IRO, sont au cœur de la construction du rapport de durabilité pour les entreprises.

Loyers : Loyers des bâtiments et leasing.

LSM (Leadership Meating) : Une réunion de direction est un rassemblement désigné de cadres supérieurs, de dirigeants et d'acteurs clés au sein d'une organisation.

Marge Brute : Chiffre d'affaires diminué des achats consommés et augmenté de la production stockée et immobilisée

Waiver : Renonciation des banques à l'exigibilité anticipée de la dette en cas de bris de covenant.

RISE : Reunion to Inform, Suggest and Exchange = réunion pour informer, proposer et échanger.

Ruling : Rescrit fiscal, accord conduit avec l'administration fiscale.

DELFINGEN est désignée de plusieurs manières tout au long de l'URD : DELFINGEN Industry, ou le Groupe, ou le Groupe DELFINGEN ou encore La Société.



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