



DECLARATION OF NON-FINANCIAL PERFORMANCE



DESCOURS & CABAUD

SUPPLIES AND EQUIPMENT FOR INDUSTRY
AND THE CONSTRUCTION SECTOR

FOREWORD

Alongside the men and women who have been its driving force for over 240 years, DESCOURS & CABAUD has built up a long-standing leadership position in the distribution of products and services for professionals in industry, construction and the water and landscape businesses. The Group develops its business based on the values of trust, fairness and ethics.

DESCOURS & CABAUD strives to make its CSR (Corporate Social Responsibility) policy a reality on a daily basis. Its ambition is formalized in the Positive Program, created in 2013, which sets out a dedicated annual roadmap.

Its CSR policy details the priorities and commitments to create value for all its stakeholders – shareholders, employees, customers and suppliers – and to leverage everyone's skills.

A leader and a diversified expert, DESCOURS & CABAUD is now at a crossroads, supporting the CSR performance required by the markets and helping to meet the major challenges of adapting to environmental issues.

This 2024 edition of the *Declaration of Non-Financial Performance* provides an insight into the projects and initiatives implemented by the Group in support of sustainable development. It covers the social, environmental, societal and economic aspects of CSR, as well as issues surrounding governance and risk prevention.

With its focus on performance, customer satisfaction and loyalty, DESCOURS & CABAUD has many assets that enable it to stand out from the competition and win new market share, while making an active contribution to building a more sustainable future.



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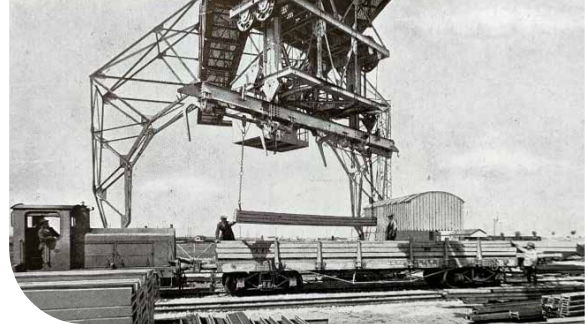
THE DESCOURS & CABAUD GROUP HISTORY



DESCOURS & CABAUD was founded in Lyon in 1782. The Group started out by trading in steel products before branching out, diversifying its activities and expanding geographically. Over the years, it has carved a commanding position as a leading distributor of professional supplies to the industrial, construction, water and landscaping sectors.

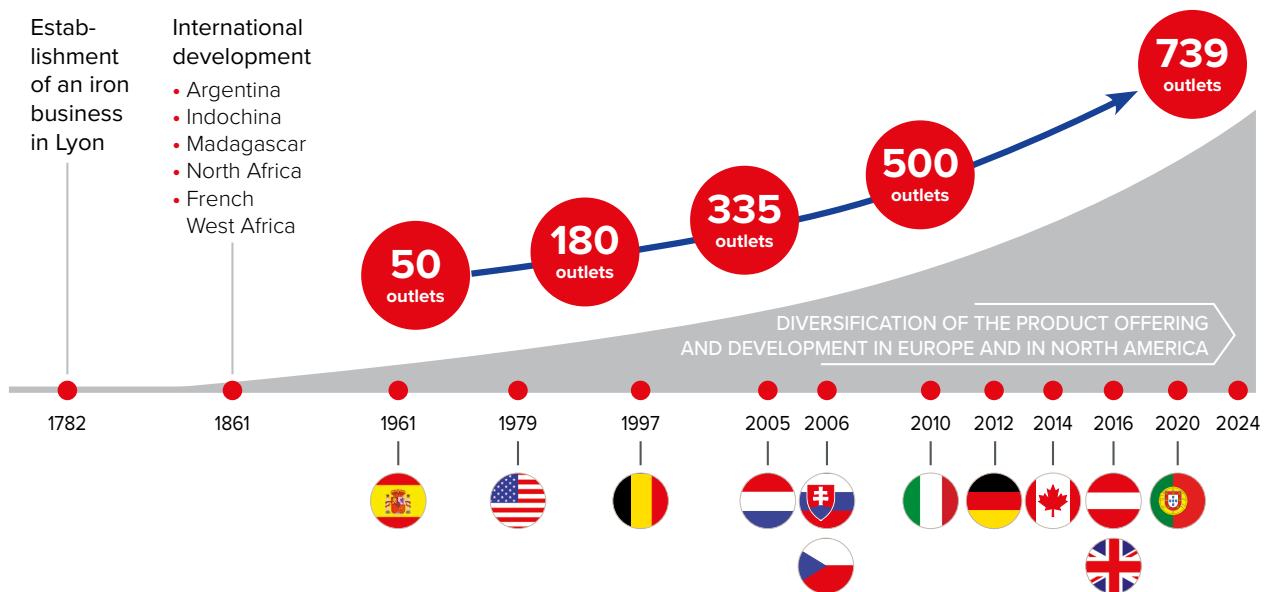
As the leading player in France and a major force in Europe with active operations also in North America, our Group is recognized for its ability to build lasting partnerships with its trade customers by helping them achieve continual gains in productivity, performance and innovation.

The independent, family-owned DESCOURS & CABAUD Group is imbued by the winning spirit of its founders, passed down from generation to generation.

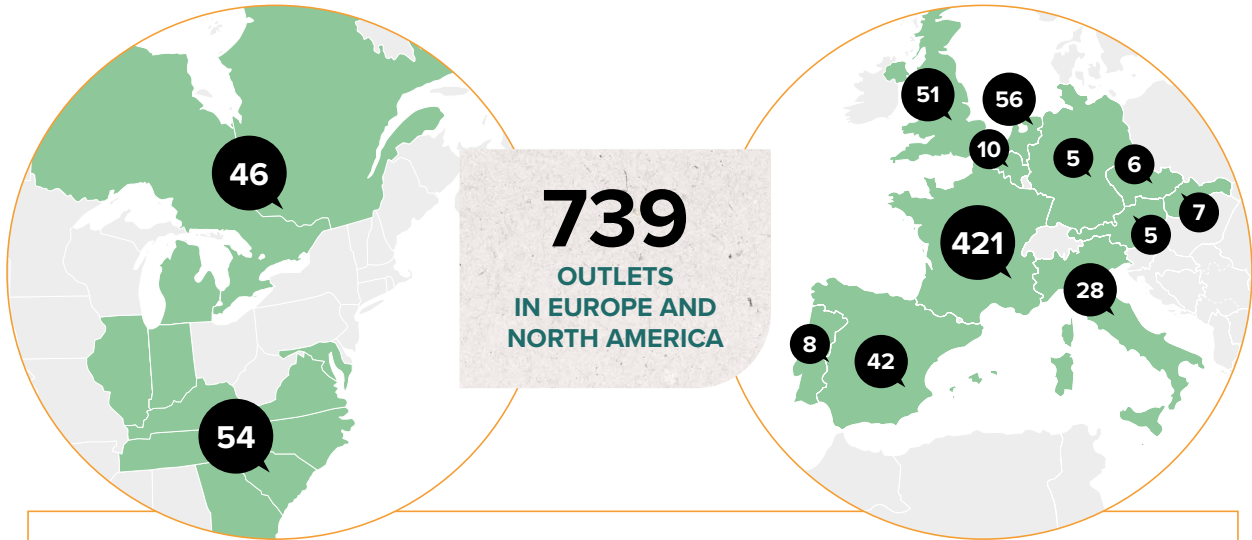


This entrepreneurial vision has shaped its history and continues to guide the company, which is firmly of the view that there can be no value creation without entrepreneurial freedom.

Since the beginning, it is this entrepreneurial freedom that has allowed the Group to anticipate major changes in the market, adapt accordingly and offer its customers the solutions of tomorrow.



THE DESCOURS & CABAUD GROUP KEY FIGURES



€4.7 BN

in turnover including
€3bn in France

14,862

employees worldwide

739

outlets

Approx.

450,000

customers

Over

1 million

product references

THE DESCOURS & CABAUD GROUP GOVERNANCE

DESCOURS & CABAUD SA has a governance structure based on a Board of Directors and on a two-person team comprising a Chairman and Chief Executive Officer and a Managing Director.

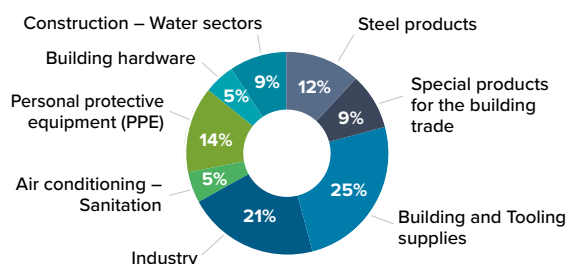
The Chairman and Chief Executive Officer is responsible for the day-to-day running and oversight of the business, while maintaining direct and permanent ties with the Group's shareholders. The Managing Director is involved in the operational side of the business.

THE BUSINESS MODEL

OUR DISTRIBUTION SECTOR

DESCOURS & CABAUD has forged its reputation as a multispecialist partner and a distributor of high value-added products and services designed to raise the performance bar for professionals in the industrial, construction, water and landscaping sectors.

Breakdown in turnover by activity



The relationship that we have built with our customers over a period of more than two centuries is based on five commitments that not only drive our performance, but also earn the enduring trust of the professionals we are focused on supporting:

- The physical and geographic proximity of our sales teams;
- The competitiveness and the breadth of the offer thanks to our purchasing power;
- Product availability reinforced by a powerful logistical organization;
- The technical excellence of our experts;
- The development of high-performance solutions and solutions that facilitate and simplify the operational activities of our trade customers.

THE BUSINESS MODEL

OUR COMMERCIAL OFFERING

► PRODUCTS

We select renowned suppliers both in France and abroad, with the aim of making their products available to our customers. The breadth of our product offering is a major asset in meeting all customer requirements, whether they are routine or specific. We therefore offer over a million product references from well-known suppliers. We also offer product ranges from our private labels:

- **OPSIAL**, for personal protective equipment (PPE);
- **FLOWDIANS**, for specialist solutions in the water industry;
- **XHANDER**, for construction professionals.

Solutions to support sustainable development initiatives

We also provide our customers with solutions to support their sustainable development initiatives, and the DESCOURS & CABAUD teams are on hand to provide assistance with the resulting changes. The Group's broad

range of products and services features solutions for improved sustainable performance.

HYDRALIANS, the brand that specializes in distributing watering and irrigation products, proposes solutions designed to reduce water use.

DEXIS supports its customers with optimization solutions to boost the energy efficiency of transmission systems.

Steel, a major product in **PROLIANS'** business, is infinitely recyclable and new "green" ranges are now being added to the brand's offering.

In 2024, with its OPSIAL private label, the Group continued developing a range of products (gloves, safety footwear, eyewear, masks, jackets and trousers) designed using recycled materials under the "GREENER TOGETHER" label and commissioned several Life Cycle Assessments (LCAs) by specialized firms to better understand the potential levers for reducing

the environmental impact of its product ranges. This approach was complemented by a pilot project on social and environmental traceability across the value chain.

We advise our customers on the choice and use of products, and inform them about innovations and new products from our suppliers.

We also offer various services and performance solutions that facilitate and simplify the operational activities of our customers. Prime examples include:

- Logistics services, such as Click & Collect or Vending Machines;
- Personal protective equipment services, such as maintenance for category III PPE (protection against risks that may cause irreversible health damage or death) and bespoke clothing;
- Technical services: the DEXIS brand offers a predictive maintenance service, which can detect faults in industrial equipment before a breakdown occurs. PROLIANS is rolling out myR'éco: a selection of refurbished professional equipment, available exclusively on prolains.fr. Similarly, HYDRALIANS boasts an extensive selection of services, such as "Hydratest" for assessing pool water quality so that the appropriate treatments can be identified;
- Financing services, such as lease with purchase option.

Finally, around the world, the Group's brands provide repair services for equipment and portable power tools, both in-store and directly on customer sites. This covers items such as power tools, welding machines, compressors, pressure washers, dust or fume extractors, generators and machine tools.

To support its customers in making sustainable purchasing choices, the Group has developed a method to qualify, identify and promote products whose manufacturers are committed to environmentally responsible practices and to ethical, fair and respectful working conditions. This initiative is called the 'Responsible Selection' and addresses several issues:

- Ensuring oversight of social performance and working conditions at every stage of the product's manufacturing process;
- Ensuring oversight of the environmental impacts associated with the manufacturing process;
- Supporting local employment and industry by promoting production in France or Europe.

Five key criteria are currently used to qualify products for "Responsible Selection", with at least two of the following criteria required for eligibility:

1. Use of "responsible" raw materials (recycled materials or those derived from organic farming);
2. Implementation of responsible manufacturing practices, validated by third parties, either through environmental performance certifications of the production site (e.g. ISO 14001, ISO 50001), or through certifications and labels ensuring decent working conditions (e.g. respect for workers' rights, safe and fair labor practices, prohibition of child or forced labor);
3. The product's ability to generate less waste, particularly its ease of disassembly for recycling;
4. Extended product durability (ease of repair and availability of spare parts, lifetime warranties, or at least two-year warranties for powered products);
5. The geographical location of production (France or the European Union).

Refurbished products can also be classified "Responsible Selection".



IN EUROPE, DISTRIBUTION IS ORGANIZED AROUND THREE TRADING BRANDS SCALED TO THE INTERNATIONAL MARKET:



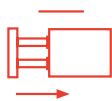
DEXIS

THE PARTNER
OF INDUSTRIAL SECTORS

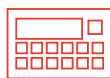
As an expert in every branch of industry, DEXIS helps its customers grow and perform thanks to an end-to-end range of industrial maintenance solutions - including mechatronics, machining and PPE.



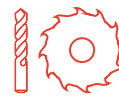
Mechanical
transmission



Pneumatic
transmission



Automated
systems



Machining



All fluids



Miscellaneous
maintenance
products



PPE



Fall protection



Waterproofing



Hydraulics



Respiratory
protection



Safety footwear



PROLIANS

THE PARTNER
OF CONSTRUCTION SECTORS

PROLIANS is an expert in all areas of construction that supports over 200 trades in the sector every day by offering the most comprehensive range of supplies on the market, backed by a wide array of services that make professionals' work easier and more efficient.



Hardware



Screw fixings



Consumables



Tooling



PPE



Workshop
equipment



Worksite equipment



Plumbing -
Domestic heating



External works



Steel



Public works
products



HYDRALIANS

THE PARTNER OF WATER AND
LANDSCAPE PROFESSIONALS

As a specialist in the water and landscaping sectors, HYDRALIANS offers its professional customers the most extensive range of specialist products on the market, along with high value-added services and personalized support for their projects.



Watering



Pumping



Lighting



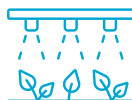
Water treatment



Swimming pools



Fountains



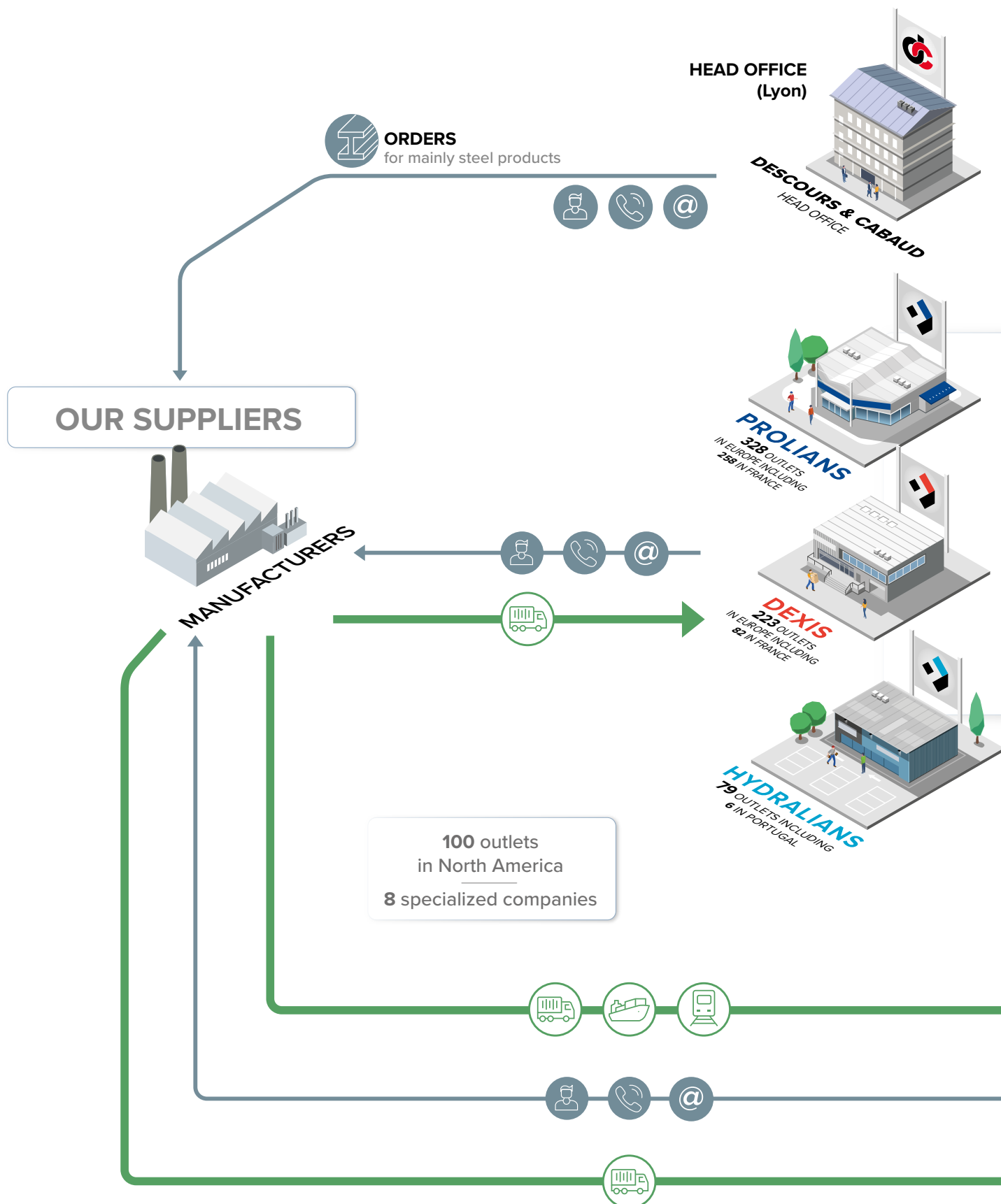
Irrigation

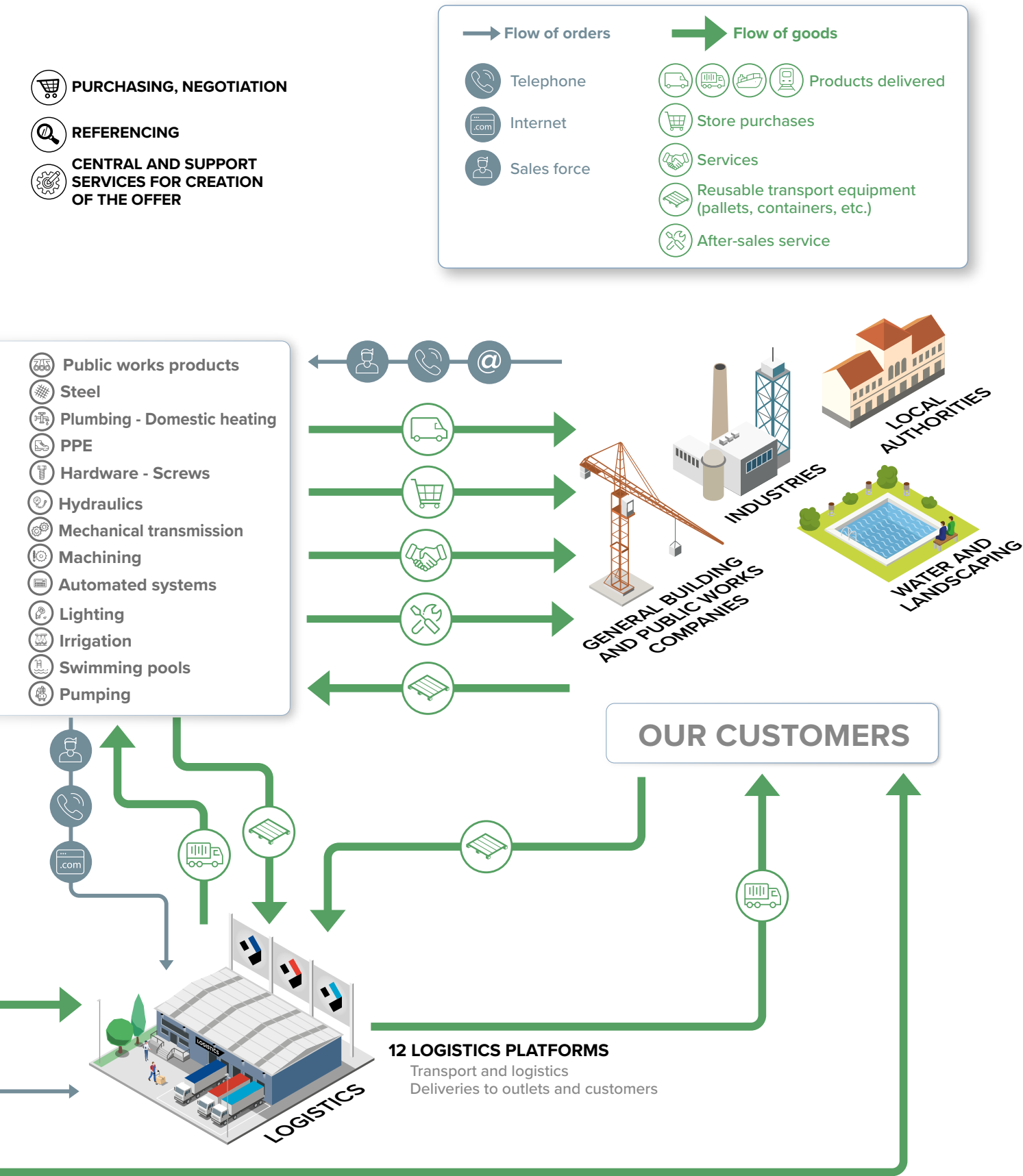


Air conditioning



THE BUSINESS MODEL PROCESS FLOWS





THE BUSINESS MODEL

OUR RESOURCES

► TEAMS CLOSE TO THE CUSTOMER

DESCOURS & CABAUD deploys a sales force of approximately 10,000 employees who combine technical expertise with the ability to adapt to technological change. All of them are committed to meeting the diversity of customer needs, in close proximity, whether on the phone or in store.

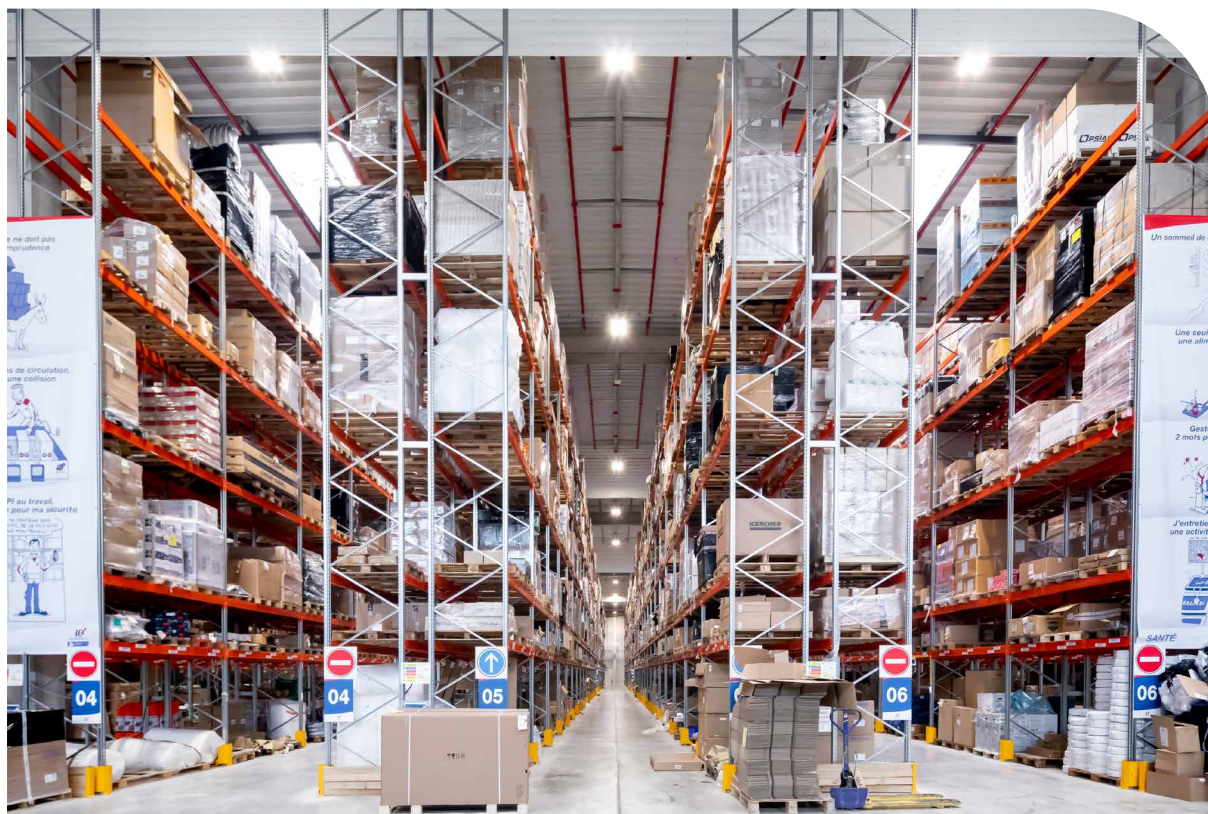
The development of their skills is ensured by continuous training, via our internal organization - Tech'up - which offers a catalogue of 170 training courses adapted to the Group's activities (sales techniques, product techniques, safety, etc.).

► A DENSE REGIONAL NETWORK

With 739 outlets, DESCOURS & CABAUD has an unrivalled regional network, which is especially dense in France with 421 outlets across the country.

► PRODUCT AVAILABILITY

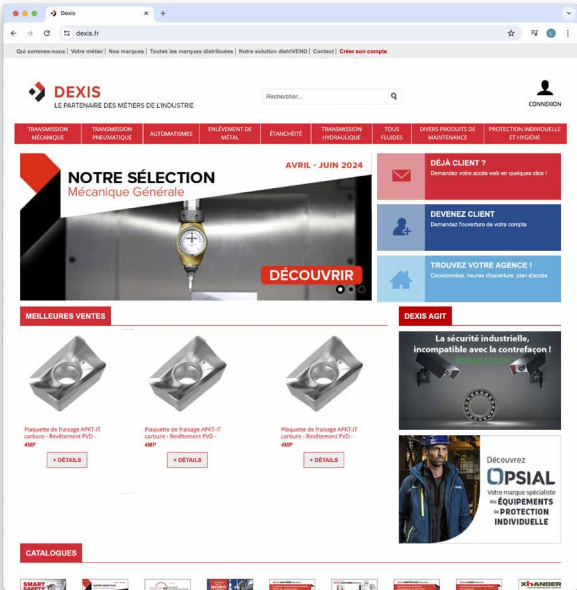
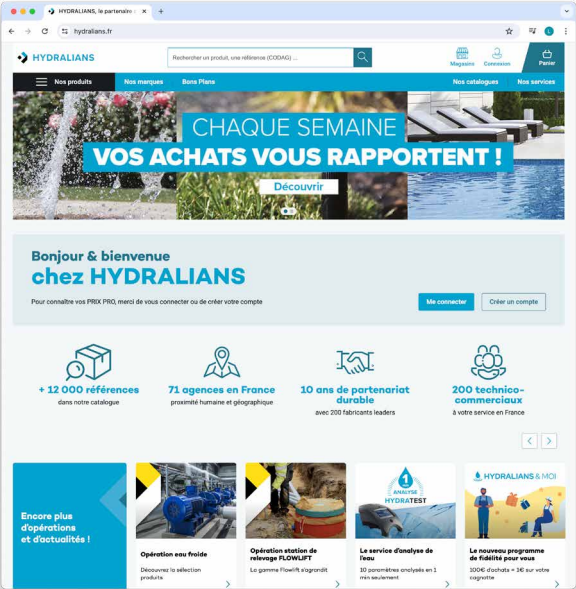
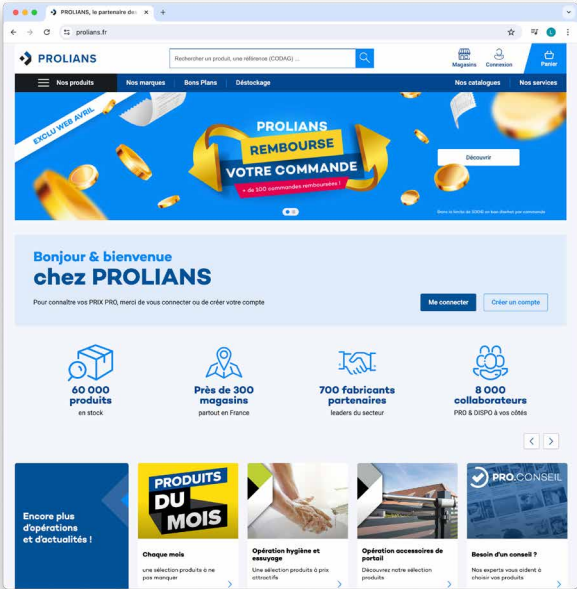
We ensure that stocks are properly sized, which involves a strict management policy for our supplies and deliveries. The challenge is to maximize product availability. In addition to the inventory in our sales outlets, the products of our logistics platforms can be delivered to our customers within one or two business days.



DA DIGITAL BASE

The Group has a number of merchant websites, which in France include **prolians.fr**, **hydralians.fr**, **dexis.fr** and **DC Clic**, the e-commerce solution dedicated to Key Account customers.

Dedicated teams are focused on enhancing the quantity and quality of our ranges, improving product descriptions and the look & feel of our web spaces, and creating intuitive product search tools.



METHODOLOGY FOR DRAFTING THE DNFP

The Declaration of Non-Financial Performance is not only an exercise in transparency, but a tool for steering the company's strategy in the right direction. Such declarations are designed to share information about the company's social, environmental, societal and ethical performance.

The DNFP shines the light on the DESCOURS & CABAUD Group's business model and provides insights into the main risks and associated KPIs.

► OUR RISK ANALYSIS METHODOLOGY

IDENTIFY THE RISKS

The Group's main divisions, owners of the risks, have been briefed to identify the risks inherent in their areas of responsibility, to assess their levels of importance and to implement action plans aimed at mitigating their effects and impacts. The risks are formalized in a matrix and contribute to the Internal Audit action plan.

The Risk Committee (CORIS) coordinates the management of the risks to which the Group is exposed, by monitoring the mapping of all the potential risks involved.

PRIORITISE AND ASSESS THE EXTENT OF THE RISKS

The various risks identified by the Group's divisions are rated in terms of their potential threat to the company's performance, the likelihood of their occurrence and the extent to which they are controlled.

The result of the analysis can be used to calculate an overall rating of the level of residual risk for our Group, which stands at between 2 and 14. This assessment helps determine which risks are addressed in the DNPF.

IDENTIFY THE KPIS FOR RISK MANAGEMENT

Key performance indicators are used to monitor and manage all of the risks identified. The KPIs bring clarity and transparency to the Group's risk management strategy.

DNPF SCOPE

The risks identified cover a number of cross-cutting CSR issues, such as compliance, environmental performance, social considerations and human capital.

The KPIs relate to either the Group as a whole (in which case they encompass 97.46% of the Group's workforce) or at least France (equivalent to 59.02% of the Group's total workforce).

The environmental indicators cover 95.60% of the Group's workforce. For waste-related indicators alone, the employee coverage rate is 90.21%.

The employee base used for the calculations is 14,825, representing the Group's workforce as of December 31, excluding entities acquired or sold in 2024.

TOPIC	KEY PERFORMANCE INDICATOR	SCOPE
Compromised information	Level of governance	Group
	Level of risk control	Group
	Level of physical and IT security	Group
Corruption	Rate of training for the anti-corruption e-learning module	Group
Compliance with the General Data Protection Regulation	% of requests to exercise rights processed within due time limits	France
	% of compliance among European subsidiaries	Europe
Due diligence	% of suppliers assessed	Suppliers Asia
Talent development	Satisfaction rate of Tech'up trainees	France
	Completion rate of mandatory modules	France
Attractiveness of the employer brand	Number of followers on LinkedIn	Group
	Rate of departure among new hires in their first year	France
	Indeed and Glassdoor reviews	France
Employee safety	Frequency rate	Group
	Severity rate	Group
Succession for key positions	% of management posts with a formal succession plan	France
Employee turnover	Voluntary turnover rate	Group
Environmental impact	% of Euro 5 or 6 heavy vehicles in the fleet	France
	Trend in vehicle fuel consumption	Group
Operational performance of the logistics platforms	Compliance with the maintenance and testing plan	Group
	Platform availability rate	Group
	Frequency rate	Group
	Severity rate	Group

The accuracy of the information disclosed in this DNFP has been certified by an independent third-party organization (Cabinet de Saint Front)

OUR VALUES

Since its origin, DESCOURS & CABAUD has been driven by strong human values and by the entrepreneurial spirit of its founders.

Given its history, its external growth strategy and its desire to remain close to its customers, the Group is characterized by a resolutely decentralized organizational

structure. Each subsidiary has significant autonomy. This entrepreneurial freedom is nevertheless exercised in a spirit of unity, respecting the Group's processes and strategy, as well as our three fundamental values: unity, transparency and daring.



UNITY

The complex and competitive environment in which we operate requires strong cohesion and unfailing team spirit to serve our customers' needs.

This cohesion is underpinned by a shared ambition, continuous collaboration between our teams, respect for decisions and commitments, and solidarity

TRANSPARENCY

Transparency regarding our aims and roadmap, transparency in our activities and results.



AUDACITY

We give every opportunity to men and women who dare question themselves, and encourage them to take the initiative and experiment, while accepting the right to make mistakes, which is inherent to any action.

OUR VALUES OUR CSR APPROACH

CSR governance is overseen by the Group's Board of Directors, its CSR Department and by local representatives in subsidiaries, particularly internationally.

The company owes its overall CSR performance to its governance and contributions from the local community, individuals and groups. This motivates all involved to reflect the Group's commitment in their professional conduct.



VISION AND COMMITMENT

DESCOURS & CABAUD's CSR policy opens opportunities for its partners and stakeholders to improve their social and environmental performance.

The Group's commitments are aligned with the standards set forth in the fundamental conventions of the International Labor Organization (ILO), the Universal Declaration of Human Rights, and the principles implemented by the UN Global Compact.

Descours & Cabaud has committed to:

- Respecting individual liberties (i.e., freedom of movement, freedom of thought and creed, and right of ownership);
- The right to freedom of association and the right to collective bargaining;

- Banning all forms of forced labor;
- Abolishing child labor;
- Respecting everyone's right of protection from harassment and discrimination;
- Occupational health and safety prevention;
- Complying with the code of ethics on anti-corruption, anti-trust and conflict of interest;
- Refusing to directly or indirectly provide supplies to conflict zones or to financially profit from intensive or unfair exploitation of natural resources that local communities rely on for their survival or way of life;
- Complying with the precautionary principle on protecting the environment and natural spaces.

A PROGRAM TO CONVEY THE GROUP'S GOALS

Launched in 2013, DESCOURS & CABAUD's CSR approach was intensified in 2023 around the Positive Program, which sets out objectives associated with a wide-ranging action plan for sustainable performance.

The Positive Program:

- Incorporates the Group's key CSR ambitions. It consolidates international performance and, as such, establishes a common framework for the Group's subsidiaries;
- Sets the objectives and strategic direction of DESCOURS & CABAUD's CSR policy and a cross-functional roadmap, developed in partnership between the CSR Department and the Group's main departments;
- Addresses the topics identified as most important by the CSR and Business Departments.

Positive Program

The Positive Program is built around four key areas:

- Acting as a responsible employer;
- Being our customers' CSR partner;
- Controlling the environmental impact of our business;
- Having committed governance, anchored in strong business ethics that cut across our actions and our value chain.

OUR VALUES

SUSTAINABLE DEVELOPMENT GOALS (SDGS)



EMPLOYEES

Acting as a responsible employer:

- strengthen the safety culture of our employees and their managers;
SDGs 3 and 8
- Support the professional development of our employees;
SDG 4
- Ensure equal treatment in our employment practices;
SDGs 5 and 10
- Enrich the CSR knowledge of our employees, particularly in terms of their professions;
SDGs 4 and 17
- Strive to improve the employee experience.
SDG 3



CUSTOMERS

Being our customers' CSR partner:

- Offer our customers "CSR efficient" services, solutions, innovations and products;
SDGs 6, 9, 11 and 12
- Make sustainability (eco-design, use, repairability, recyclability) a driver for differentiation and performance in our business relations;
SDGs 12 and 17
- Work towards a responsible supply chain, extend the scope of our commitments to our suppliers;
SDGs 1, 8, 9, 10 and 12
- Maintain and expand a regional network of operations to benefit local customer relations;
SDGs 8 and 12
- Pursue the commitment of our Group private labels to an ongoing process of improving their CSR performance and offerings;
SDGs 1, 8, 9, 12, 13, 15 and 17
- Propose innovations or engineering solutions to improve efficiency in water or energy management.
SDGs 6, 9, 12 and 13

Positive Program

ENVIRONMENT

Controlling the environmental impact of our business:

- Fight climate change, keep our carbon footprint in check, and work toward the “carbon neutral by 2050” goal;
SDG 13
- Act to limit the Group's environmental and ecological impact;
SDGs 12, 13 and 15
- Develop eco-designed ranges for our Group private labels;
SDGs 12, 13 and 15
- Better understand and measure our impact on the environment.
SDGs 12, 13 and 15



GOVERNANCE AND VALUE CHAIN

Having committed governance:

- Make CSR and sustainable development an integral part of the Group's strategy;
SDG 17
- Instill business ethics as a fundamental value of our practices;
SDG 16
- Be diligent in promoting respect for fundamental human rights in our activities and partnerships;
SDGs 1, 3, 5, 8 and 10
- Ensure responsible marketing practices.
SDG 12

Taking action at every stage of the value chain:

- Work toward social and environmental efficiencies that benefit our upstream and downstream value chain;
SDGs 8, 10 and 17
- Contribute to the economic fabric and employment;
SDGs 8 and 11
- Support initiatives in the fields of training, culture, social inclusion, the economy and health, in particular through sponsorship;
SDG 17
- Promote and stimulate responsible consumption;
SDGs 12 and 17
- Develop our interactions with the circular economy.
SDGs 8 and 12

OUR VALUES**TAKING OUR CSR CONTRIBUTION TO THE NEXT LEVEL: SPONSORING INITIATIVES**

On account of its strong roots in Lyon, DESCOURS & CABAUD has a long-standing commitment to major local associations and foundations that share its values of excellence and quality. Guided by its humanist convictions, it supports many projects in different fields, from health to education and culture.

CULTURE**SUPPORT FOR THE POLICY OF ACQUIRING WORKS OF ART**

The Museum of Fine Arts of Lyon is renowned Europe-wide for its exceptional collections – which extend from antiquity to the present day – its major exhibitions organized in partnership with museums around the world. DESCOURS & CABAUD is one of 11 corporate patrons that founded the Musée Saint-Pierre Club in 2009, with the aim of supporting the museum's acquisition policy. The Club was one of a number of contributors who helped to bring a dozen works by Pierre Soulages, Jean-Honoré Fragonard, Nicolas Poussin and Henri Matisse into the collections.

**HEALTH****PERSONALISATION OF HOSPITAL CARE**

Recognized as an association in the public interest, the Fondation des Hospices Civils de Lyon funds multiple initiatives to promote more personalized hospital care, as well as research programs. In particular, it aims to improve the reception and comfort of patients at the second largest hospital center in France.

DESCOURS & CABAUD has provided financial support to the foundation since its creation in 2013. Recent projects include research into cell and gene therapy as a new treatment option for patients suffering from incurable diseases involving the immune system.

EDUCATION

SUPPORT FOR TRANSFORMING SOCIETY



Lyon Catholic University is a multi-disciplinary institution offering more than 130 courses combining respect for humanist values and openness to society. Incorporated as an association, it receives financial sponsorship from around twenty leading local companies, including DESCOURS & CABAUD.

Today, sponsorship of the Catholic University mainly consists of financing grants for students on modest incomes.

PROMOTION OF EQUAL OPPORTUNITIES IN UNDERPRIVILEGED NEIGHBOURHOODS



Based in Lyon, Sport dans la Ville is France's leading association for social integration through sport. It helps young people in underprivileged neighborhoods find a career by promoting key values through sport and offering personalized support (careers guidance, entrepreneurship, etc.).

DESCOURS & CABAUD committed to supporting the association's actions in 2012. Since 2021, head office employees have been presenting their jobs during discovery workshops and have mentored young people in professional integration programs, while others have taken part in the Joggy charity race in the city or the intercompany football tournaments.

SOCIAL ECONOMY

BOOST THE EXPANSION OF AN ECONOMIC LANDSCAPE BASED ON SOLIDARITY AND SUSTAINABILITY



Backed by a community of 49 Lyon-based companies, the Émergences Foundation supports entrepreneurial project leaders who foster social connection and job creation. The field of action is wide: mutual aid and solidarity, education and professional integration, environmental transition, health and disability.

Through volunteering by leadership and employees, its role is to help entrepreneurs put their decisions into perspective. The projects supported boast a 92% sustainability rate after three years. DESCOURS & CABAUD has been delivering financial support to the foundation since 2015.



SOCIETAL COMMITMENTS IN SUPPORT OF SUSTAINABLE DEVELOPMENT

Several indicators are considered irrelevant given the nature of DESCOURS & CABAUD's activity, such as animal welfare and responsible, fair and sustainable food practices.

The same applies to combating food insecurity and food waste. These areas are not directly related to our business and, furthermore, fewer than 3% of our sites are affected by collective catering services.

The catering provider for the relevant sites applies a policy aligned with these concerns.

• Sports activities

DESCOURS & CABAUD is committed to promoting physical and sports activities through various initiatives.

For example, under the company banner, voluntary employees take part in sporting events such as Run in Lyon, Pink October, cycle races and soccer tournaments organized by the Sport dans la Ville association.

Many of our operating sites offer shower facilities, as well as facilities for parking bicycles, scooters and other forms of sustainable mobility.

• Actions to support national defense relations

For employees who serve as reservists, DESCOURS & CABAUD authorizes absences related to duties or training within the military operational reserve or the national police reserve, in accordance with the Labor Code.

OUR VALUES

OUR VALUE CREATION MODEL

Creating durable value for all our stakeholders is the bedrock of our corporate culture.

SUPPLIERS

DESCOURS & CABAUD handles the retail distribution of over 1,100 leading suppliers to a wide range of professionals. The Group thereby participates in their economic development.



CUSTOMERS

DESCOURS & CABAUD helps its 450,000 customers address their operating, sustainable growth and performance challenges. Thanks to the selection of recognized brands and suppliers, the Group provides the most comprehensive offering in the market. Our logistics organization ensures optimal delivery of products to customers or directly to their worksites. Customers benefit from competitive pricing thanks to the Group's buying power.

The expertise of our workforce, in the stores or directly with our customers on their sites, plays an instrumental role in guiding our customers' purchasing decisions towards the products or services offering the best fit for their needs.



JOBS

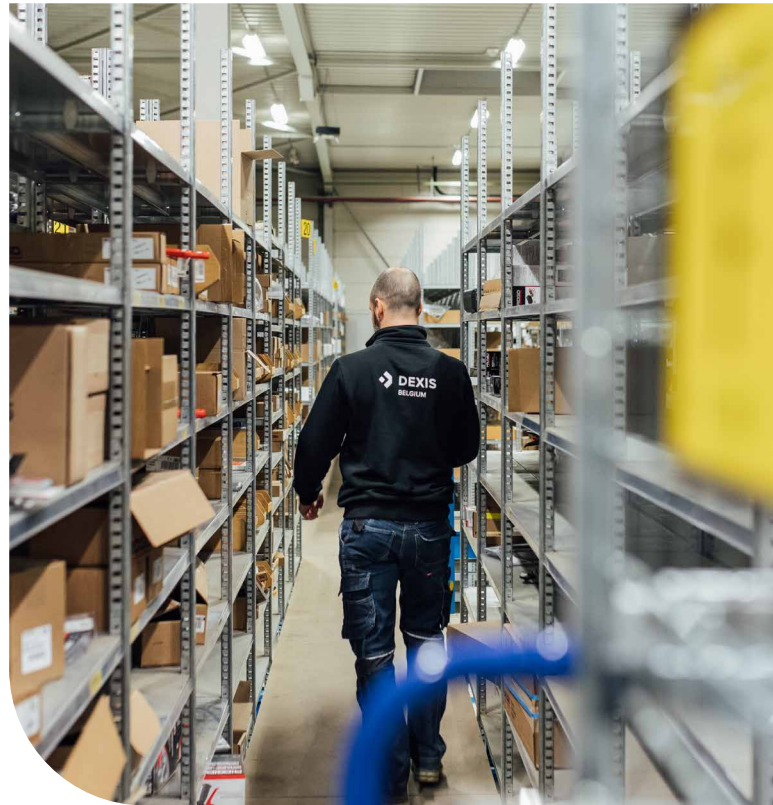
DESCOURS & CABAUD is helping grow the economy by providing NEARLY 15,000 direct jobs in France, Europe and North America, as well as offering Group employees a wealth of career prospects.

PATRONAGE

On account of its long-established roots in Lyon, the Group has a long-standing commitment to major local associations and foundations that share its values of excellence and quality. Guided by its humanist convictions, DESCOURS & CABAUD supports many projects in different fields, from health to education and culture (see pages 22 and 23).

SHAREHOLDERS

DESCOURS & CABAUD, a family business since its very beginnings, is committed to the long-term growth and development of the company. Its steady and constant track record yields profits for its shareholders, guaranteeing its financial independence and the financing of its investments.



OUR VALUES

DRIVING VALUE THROUGH OUR COMPANY CULTURE AND GROUP VALUES

We create value for our stakeholders

We provide our customers with:

- A stable and sustainable partnership
- A local network and a close-knit relationship
- A productivity plan

We provide our suppliers with:

- Our solid credit rating
- A partnership conducive to their turnover
- Resilience and ability to overcome crises

As a Group, we provide our shareholders with:

- A long-term future
- Recurring results
- Asset growth

Our value creation drivers

OUR SECTOR

Professional distribution serving manufacturers, tradespeople, local authorities, etc.

With:

- The most renowned suppliers (recognized brands)
- Quality products
- Available stock
- Fulfillment of our commitments
- Advice and technological intelligence

AN ACTIVE AND APPROPRIATE SOLUTION FOR OUR CUSTOMERS IN STORE, ON THE TELEPHONE, ON THE WEB AND IN THE FIELD

 **DEXIS**  **PROLIANS**  **HYDRALIANS**

Distribution is organized around three European trading brands: DEXIS, PROLIANS and HYDRALIANS. The Group also has two sales networks in North America.

OUR RESOURCES

- **10,000 employees** working in the salesforce
- A dense regional network comprising **739 outlets**
- A **supply chain fit for purpose**

- Tech'up, an **in-house training organization**
- A **safe environment** safeguarding **personal integrity**

**For our Group,
we endeavor to:**

- Embody our values day after day
- Support the growth and development of our employees
- Develop the company's growth and long-term prospects

**For civil society,
we provide:**

- Approx. 15,000 direct and local jobs
- Sponsorship policy and initiatives
- Strong regional presence

**For our employees,
we strive to:**

- Create opportunities for career development as well as internal mobility and promotion
- Maintain and develop employment in their local area
- Promote entrepreneurial "freedom" in their duties

OUR COMMERCIAL OFFERING

- An offer of more than **one million product references**
- **Eco-friendly ranges.**

Product categories

- Steel products
- Public works products
- Industrial maintenance
- Metal removal
- Tooling
- Nuts, bolts and screws
- Building hardware
- Sanitation, Heating & Plumbing
- Industrial supplies
- Water sector
- PPE

OUR COMMERCIAL OFFERING



Innovation

- Offer innovative services
- Select new products
- Digitize our approach



Organic growth

- Broaden the offering
- Develop business assets



External growth

- Consolidate our lead
- New geographical areas



Talent development

- Identify, attract and partner talent

COMPLIANCE COMPROMISED INFORMATION

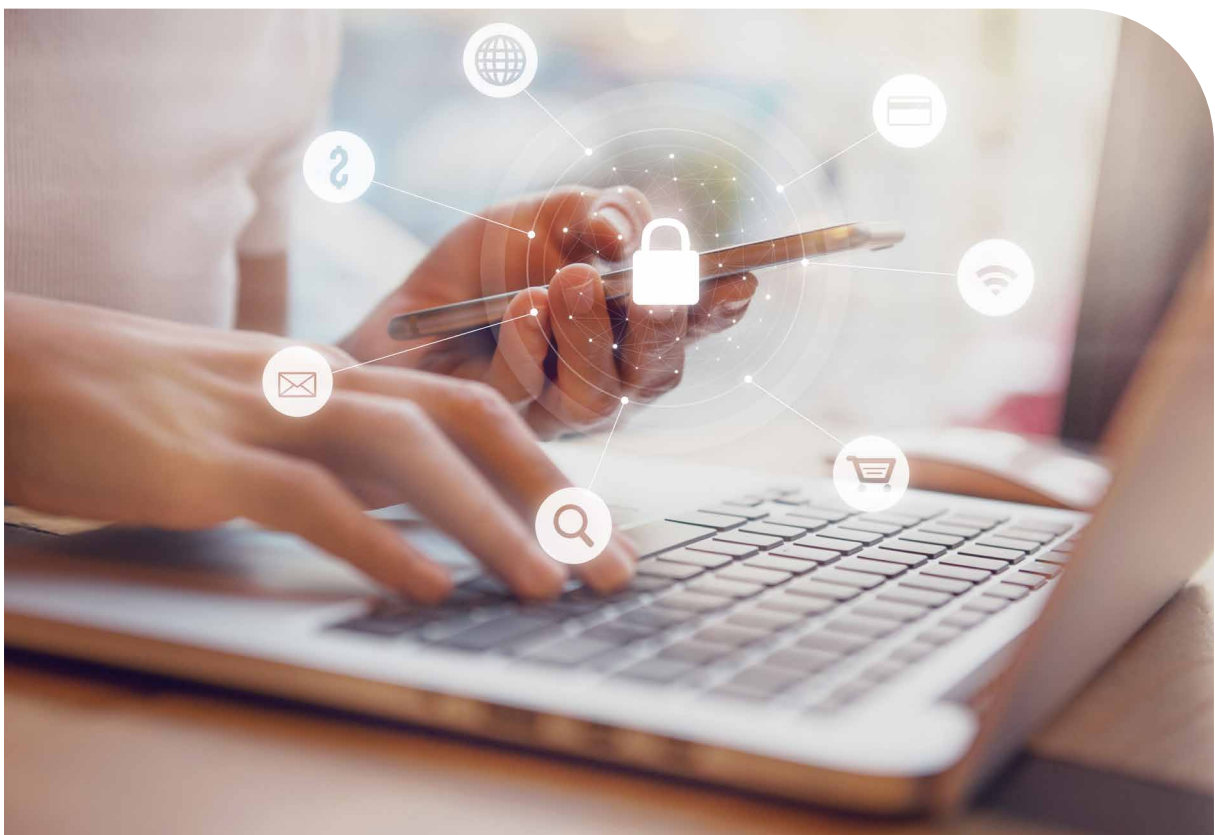
► RISKS AND CONSEQUENCES

Effective control of data and information is critical to the operations of the DESCOURS & CABAUD Group. As part of its information security strategy, the Group deploys robust organizational and technical measures to safeguard against internal or external threats and prevent any loss or compromise of information that could jeopardize its business.

► MEANS OF CONTROL

The means deployed consist in harmonizing, *all the more* within a context of external growth, the security of information practices for the French and international subsidiaries of DESCOURS & CABAUD.

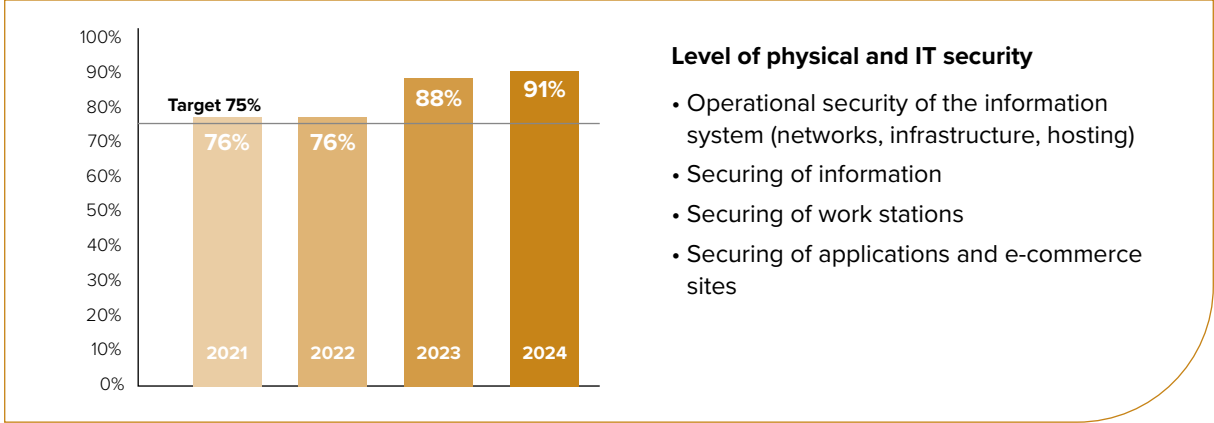
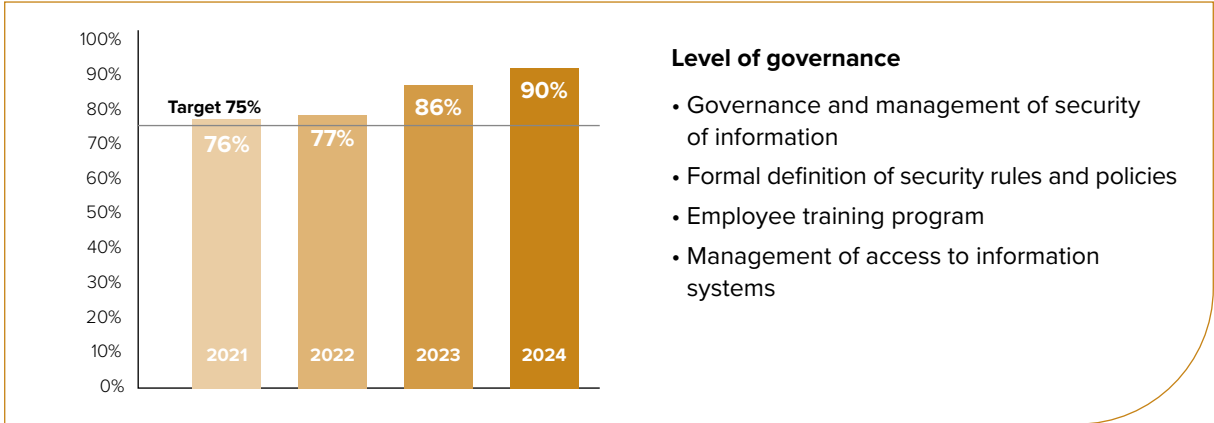
The information security strategy is implemented through protection programs approved by the Group's Executive Management and carried out in collaboration with IT teams across all international subsidiaries.



► KEY INDICATORS

Our key indicators, which cover several information security themes, provide visibility on governance, risk control and information systems security actions.

The harmonization programs created in 2023 AND 2024 have helped us to exceed our goals with indicators above 75% coverage in relation to the benchmark references generally accepted in this domain, and to keep them stable thereafter.



COMPLIANCE**COMPLIANCE WITH THE GENERAL
DATA PROTECTION REGULATION
(GDPR)****► RISKS AND CONSEQUENCES**

The risks of non-compliance with Europe's General Data Protection Regulation (GDPR) include administrative or financial penalties (up to €20 million or 4% of Group turnover), as well as a deterioration in brand image that could lead to a loss of trust that is detrimental to our business.

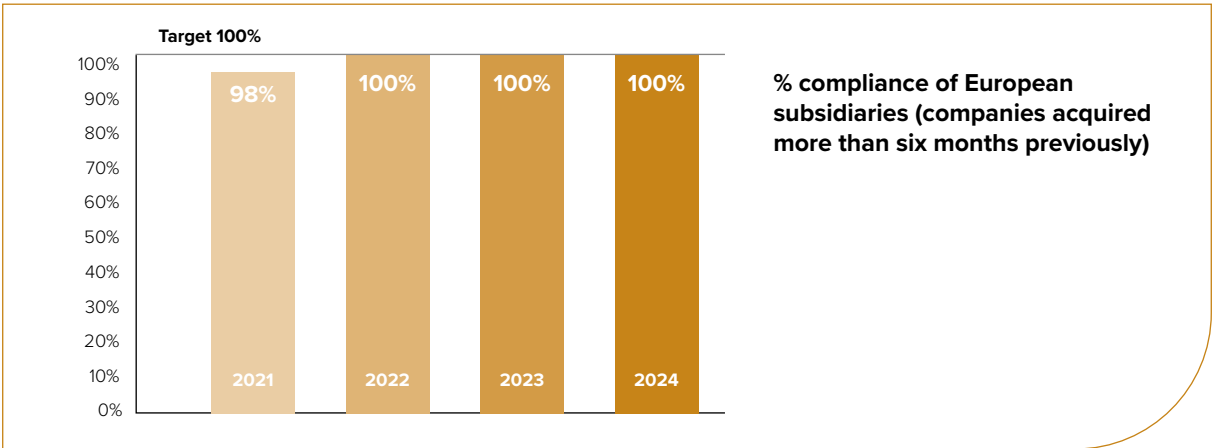
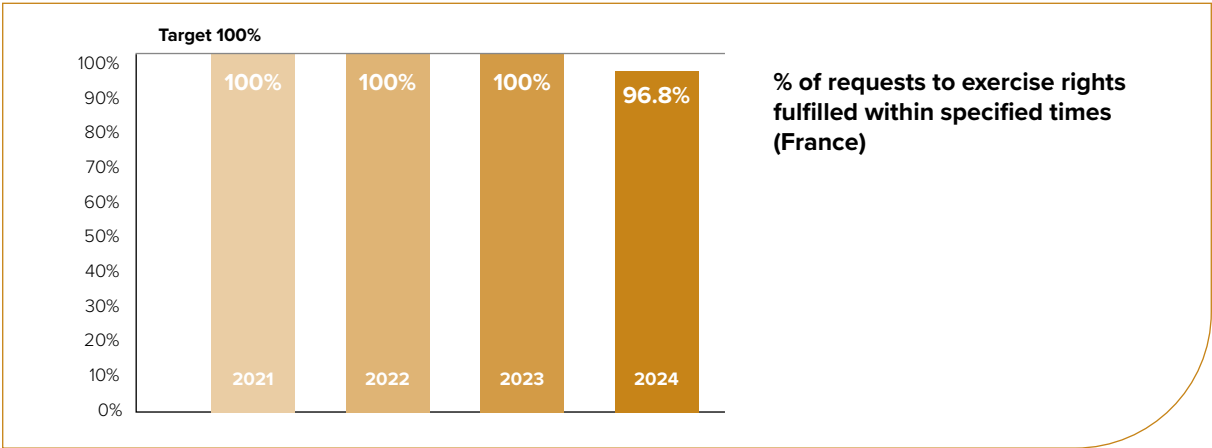
► MEANS OF CONTROL

The role of the Data Protection Officer (DPO) is to monitor the continued compliance with the GDPR, in particular for all new projects and acquisitions in Europe.

In the event of an acquisition, the subsidiary is monitored and, if necessary, supported in order to maintain or implement compliance with the GDPR.

► KEY INDICATORS

In terms of GDPR, we aim to process 100% of individuals’ requests regarding rights within the time limit and to achieve 100% compliance within six months of an acquisition.



COMPLIANCE THE RISK OF CORRUPTION

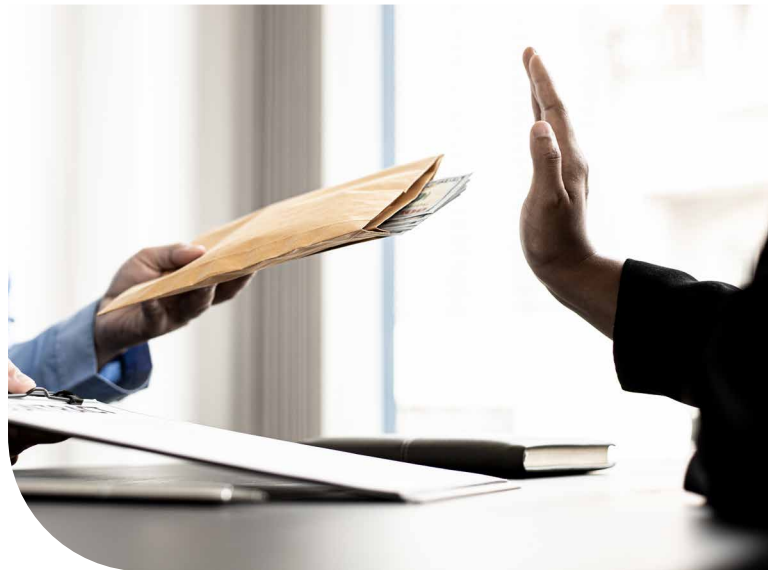
► RISKS AND CONSEQUENCES

The Sapin 2 Law sets the main objectives which consist in “reinforcing the transparency of public decision-taking procedures, better preventing corruption and punishing it as quickly and severely as possible”; and “placing France on a par with the best international standards in the fields of transparency and of the fight against corruption.” This law includes an ambitious anti-corruption mechanism and establishes new obligations for companies to prevent risks of corruption or the illegal protection of corporate self-interest. It applies to all international subsidiaries of the Group. Given its geographical reach, the Group pays constant attention to the application of this law. The risks incurred can reach €200,000 for individuals and €1m for legal entities. In addition to these financial penalties, the Group is also potentially exposed to the risk of harm to its image, whose impacts on performance may be measured in the short or medium term.

► MEANS OF CONTROL

In its ethics charter, DESCOURS & CABAUD states the common values around which it wants to unite the actions of all its employees and the conduct that each of them must adopt with the company's customers, suppliers and partners. In addition to sharing these fundamental elements, the Group has put in place the measures required by law, including:

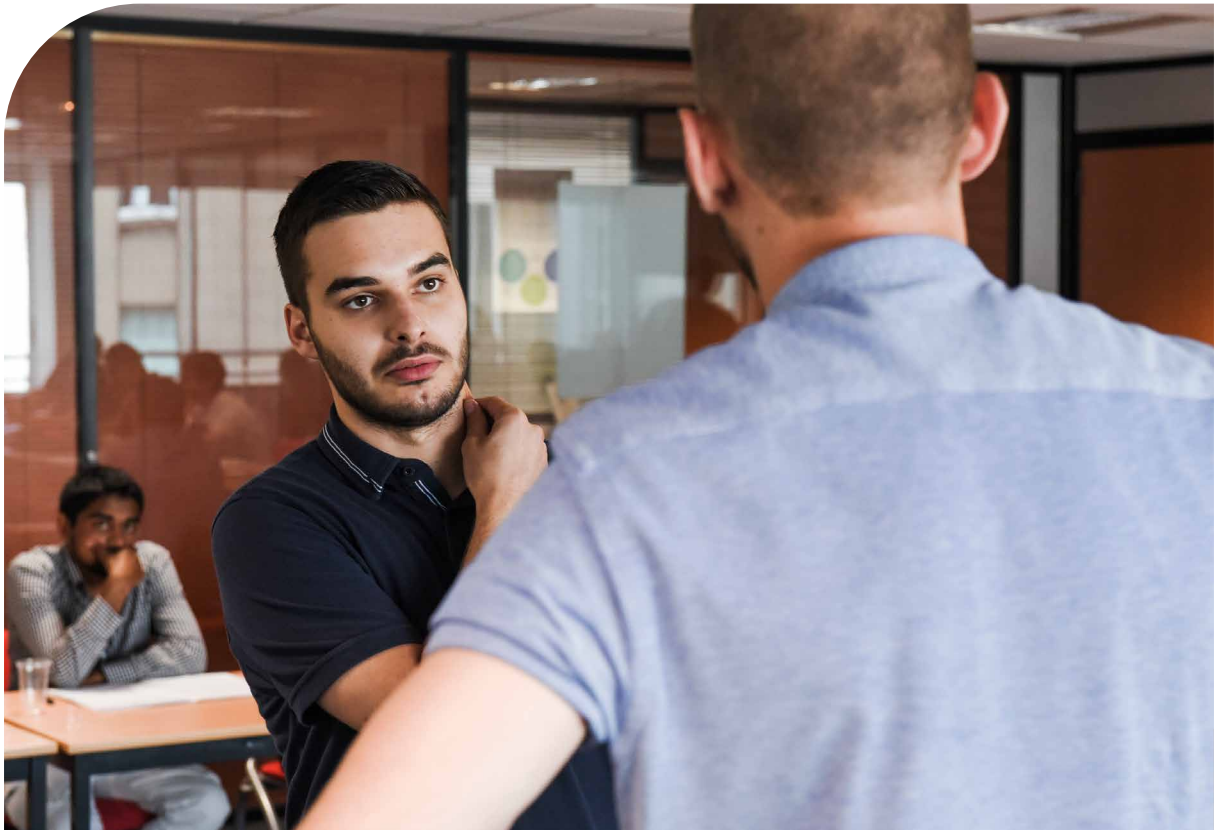
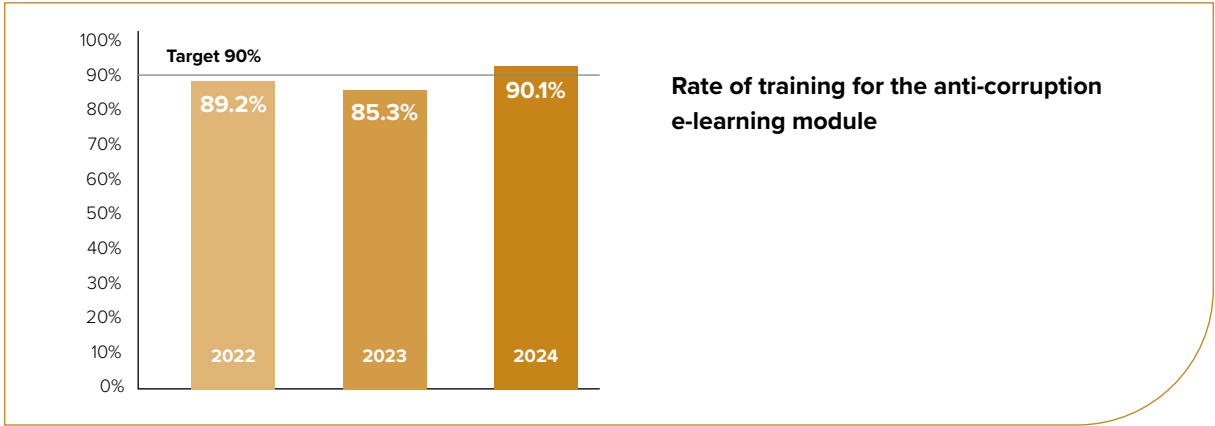
- **A whistleblowing system** that allows employees to report any breach or situation that is contrary to the code of conduct. It ensures the protection of whistleblowers as provided for by the Sapin 2 law. An Ethical Committee receives the alert, checks its validity, and, if appropriate, transmits it to one or more persons responsible for conducting an inquiry;
 - **A training course** for the sales force and its management. After the course was rolled out in France and then internationally in October 2021, efforts were stepped up in 2022 and 2023;
 - **Internal and external accounting control procedures** to ensure that the accounts do not hide corruption and influence peddling;
 - **Procedures for assessing the situation of customers, primary suppliers and consultants** in relation to the corruption risk map.
- **A corruption risk map** to identify, analyze and prioritize the company's specific exposure risks. This initial map has been produced in France following interviews with managers, both in terms of actual risks encountered and in terms of potential risks;
 - **An anti-corruption code of conduct**, translated into the languages of the countries where the Group is present and given to all employees, which recalls the Group's commitment to a zero tolerance policy, presents the behaviors to be avoided and mentions the penalties in the case of violation; this code also incorporates principles for combating fraud, money laundering and discrimination;



► KEY INDICATOR

A Risk Committee and an Ethics Committee are responsible for managing this risk and the associated issues. Our aim is to train at least 90% of the sales staff and their managers. NB: The training is considered to be “validated” on condition that a minimum rate of correct answers of 80% is obtained. If the rate of correct answers is lower, the trainee must repeat the entire course. Only employees who have completed and validated their training program are considered as trained.

Between 2023 and 2024, the training rate among the targeted workforce increased by approximately 5%, reaching the target of 90%. This improvement is the result of a follow-up campaign conducted at the end of 2023 to encourage completion of the training module.



COMPLIANCE DUE DILIGENCE

► RISK FACTORS AND CONSEQUENCES

The Act of 27 March 2017 on the duty of care of parent companies and ordering companies requires large companies to prevent any serious violation of human rights and fundamental freedoms, personal health and safety, and the environment. The scope of application includes not only the company's activity, but also its sphere of influence (subsidiaries, subcontractors and suppliers). A due diligence fault may be committed due to a nonexistent, incomplete or ineffective due diligence

plan. If a company fails to respond to a formal notice, it may be required to comply, with a penalty payment, or incur civil liability for environmental, health or human rights damage. The company executives' criminal liability may also be incurred. Finally, the company may suffer from a tarnished image in the event of an actual disaster.

► MEANS OF CONTROL

DESCOURS & CABAUD strives to work in priority with approved suppliers and service providers that respect the Group's values and commitments. Through the framework contracts put in place, suppliers undertake in particular to comply with the requirements of the Charter of CSR commitments for DESCOURS & CABAUD suppliers, which was revised in 2024. This charter sets out the minimum standards required in terms of respect for human rights, business ethics (primarily the fight against corruption) and reducing environmental impact.

All the Group's employees, as well as new arrivals, benefit from a training program on the prevention of corruption risks as soon as they join the Group.

In 2024, DESCOURS & CABAUD continued deploying its Sustainable Procurement roadmap, which was launched in 2019 after the Group had finished mapping its risks. This policy is focused on providing transparency throughout the supply chain through greater visibility of the social, environmental and ethical performance of its suppliers and business partners.

The Procurement Division is responsible for ensuring the compliance of its listed suppliers. It is committed to implementing a process for monitoring and measuring social and environmental performance, and strives to engage product and service providers with the process.

In 2022, all employees within the Procurement Division (and who had been in the company back in September 2021) received training on the issues relating to this topic from training organization ORSYS. They have also been alerted to the actions that must be implemented through the purchasing processes. In June 2024,

a dedicated event brought together all Procurement Department employees and the Group's CSR team and served as an opportunity to reaffirm the Group's CSR policy and roadmap, as well as the requirements calling for the commitment of approved suppliers to comply with upcoming regulations. To support the deployment of its approach among its registered suppliers, and in particular for a targeted scope of suppliers identified as representing the highest level of commitment and risk for the Group, a CSR evaluation by an independent third party (EcoVadis) is required. This system, already in place in previous years, has been maintained for 2024. The results collected form an integral part of the overall supplier assessments, which enhance the level achieved but also continual progress, encouraging suppliers to take the necessary corrective action.

DESCOURS & CABAUD has been based in Shanghai for almost 20 years and has appointed a team of 25 people (DC GLOBAL SOURCING ASIA) to manage its supplier qualification policy in Asia. Their efforts have resulted in a CSR code of conduct that covers respect for human rights, business ethics and the reduction of environmental impacts. On-site audits are also carried out by a dedicated team of inspectors/auditors. The general purchasing terms include CSR-related obligations as well as the full content of the Group's CSR Charter. More specifically, since 2022, a pre-qualification visit has been carried out upstream of the commercial relationship. This pre-audit addresses CSR compliance issues and helps to validate or reject the conduct of pre-contractual negotiations with the potential supplier: 100% of accounts payable opened since 2022 have been approved by this pre-qualification assessment.

At the end of this pre-qualification visit, a level of requirement is estimated and assigned to each supplier on a scale of 1 to 3, incorporating various criteria such as business volume, the industrial sector concerned or the country of production. Each level of requirement triggers its own specific controls.

The supplier qualification policy therefore provides for several types of audits and controls to be carried out and followed up when business relationships are established. All the tools deployed in this respect are based on a site-by-site approach, as close as possible to the production plants, and pave the way for corrective

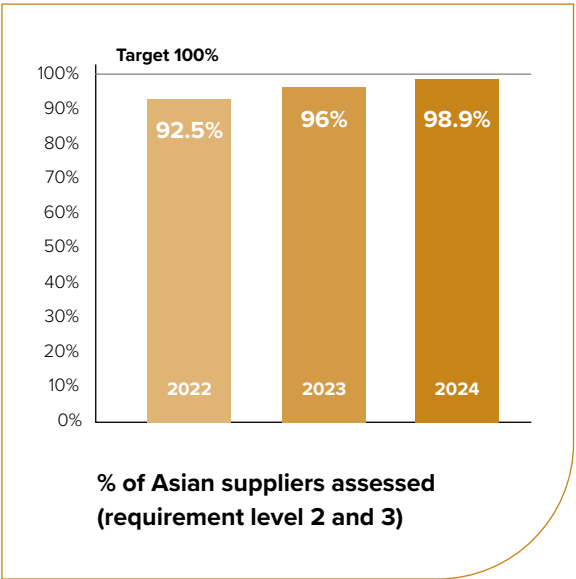
action plans when the situation requires the support of a supplier. The rollout and renewal of audits, in line with the frequency defined by the policy, are continuing in 2025, with the aim of guiding strategic purchasing policy decisions by assigning compliance scores with the pillars of CSR, quality and reliability in business.

In parallel, several initiatives were launched at the end of 2024 to update the supplier qualification policy and incorporate additional environmental and social criteria, as well as to create new reference standards where they enable a significant increase in requirements.

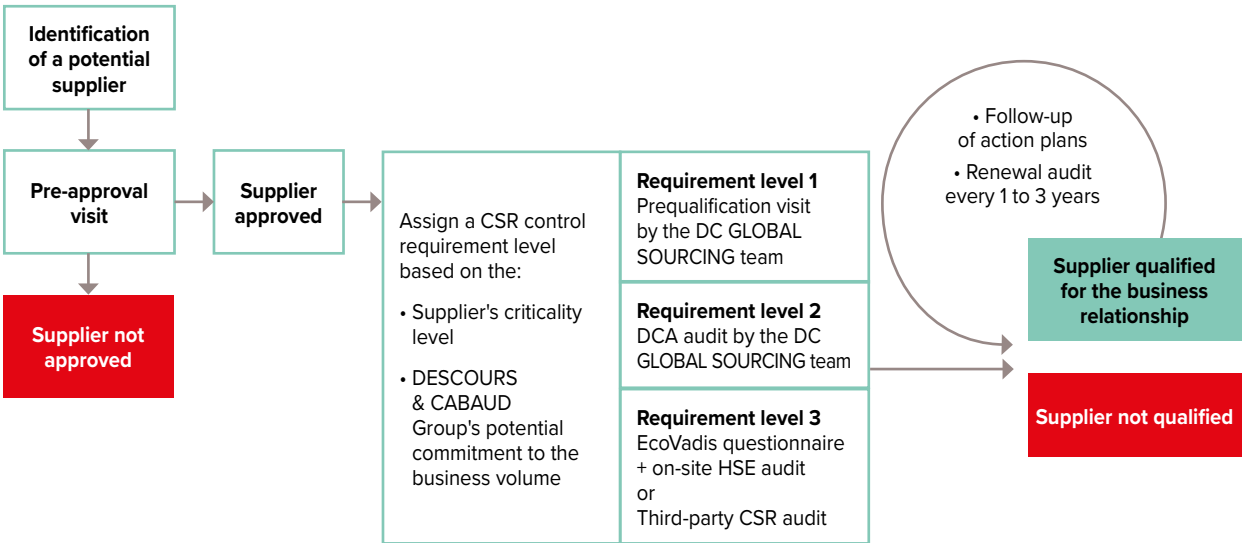
KEY INDICATOR

For 2024, the indicator covers the main suppliers based in Asia and with requirement levels 2 & 3 assigned according to DC GLOBAL SOURCING ASIA's own grid. The requirement levels vary from 1 to 3 according to the Group's level of engagement with respect to a supplier, including the volume of business done, but also taking into account the location, as well as the level of CSR maturity. Levels 2 and 3 represent the highest levels of engagement and risk for the Group. For this supplier segment, the target is to carry out a 100% evaluation of each production site involved in a business relationship monitored by DC GLOBAL SOURCING ASIA.

In 2024, achievement of this target stood at 98.9%, with the shortfall due to the integration of a new production site belonging to an approved supplier that had already been audited at its other locations.



QUALIFICATION OF ASIAN SUPPLIERS IN TERMS OF CSR MATURITY



HUMAN CAPITAL OUR SOCIAL POLICY

For more than 240 years, DESCOURS & CABAUD's employees have continually shaped and influenced the Group's history and legacy. The company's human capital is inextricably woven into its development and competitiveness.

The Group's growth plan, which features an operational performance program to enhance the services offered to its customers, is driven by the ambition of improving its employer brand and developing a more collaborative and win-oriented organizational culture.

Supported by the Human Resources Departments of the Group and its subsidiaries, DESCOURS & CABAUD's policy aims to develop the expertise of its teams, particularly through its in-house training school Tech'up, and to support career development and internal mobility projects in line with its needs and employee aspirations.

At the end of 2023, an employee barometer was conducted across several countries, including Italy, the Netherlands, Germany, France, Austria, Belgium and Portugal. In 2024, the initiative was extended to Spain, Germany, Italy, the United Kingdom, Slovakia and the Czech Republic. Based on the survey results, the Group and each of its subsidiaries drew up and introduced action plans in 2024 to address areas identified by employees as opportunities for improvement. The Group's objective is to increase employee satisfaction, strengthen engagement and loyalty, and maintain its attractiveness as an employer.

DESCOURS & CABAUD is committed to offering all its employees fair compensation. Each Group entity, within its own context, ensures equitable pay for its teams and compliance with applicable laws and agreements.

DESCOURS & CABAUD offers a range of benefits, including access to high-quality health and welfare coverage, aligned with local regulations.



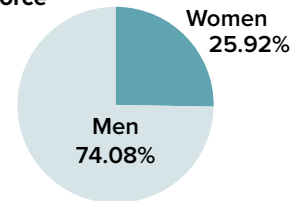
► EQUAL OPPORTUNITIES

The principles of equal treatment and diversity are inalienable values at DESCOURS & CABAUD and binding on all its employees. The Group sees diversity as a performance driver, which has led, for example, to an increase in the proportion of women in the teams, including in so-called “masculine” professions. The percentage of women in the workforce has risen by +0.5% compared to 2023, making a progression of 2% since 2021.

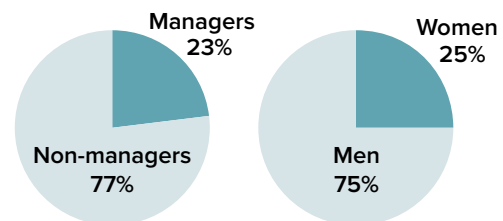
The Group is also keen to extend its “Diversity commitment” within its sphere of influence, such as by using the services of the sheltered or protected employment sectors.

2024 RESULTS

Breakdown between men and women in the workforce



Training (France)



Helping workers with disabilities

The Group is a staunch advocate of equal treatment for all and is committed to supporting employment for people with disabilities throughout their career. A charter has been drawn up in France to formalize the Group's commitments towards people with disabilities.

For example, DESCOURS & CABAUD regularly takes part in forums focusing on employment for disabled people and posts its vacancies on specialized websites.

In addition, the Group supports employees with disabilities by providing, when needed, accommodations to help them remain in their roles. These accommodations may be organizational or equipment-related.

Employees with a recognized disability currently represent 4.29% of the Group's overall workforce. In France, this figure rises to 5.24%, based on the number of employees with BOETH status.

HUMAN CAPITAL TALENT DEVELOPMENT AND MANAGEMENT

► RISKS AND CONSEQUENCES

A company is first and foremost an organization made up of human factors and material resources. In a trading activity, the human factor is key, effective management and well-trained people give their organizations a competitive advantage, helping the company rise to every challenge and adapt to its environment, thereby becoming agile and competitive.

► MEANS OF CONTROL

The Group's vocational university "Tech'up", founded 50 years ago, lies at the core of employee skill development. Its aim is to offer operational training courses adapted to the needs of the company.

Tech'Up is constantly adapting its offering to keep pace with changes in the sector. To this end, and in addition to in-person training programs, Tech'up addresses the challenges of digital development by offering:

- Training courses that include virtual classes (held remotely with a live instructor, unlike e-learning)
- Access to a language learning platform covering each of the five foreign languages spoken by all the Group's employees
- A training catalog accessible to all employees, among other resources.

Our Learning Management System platform has now been extended internationally, enabling *e-learning* courses to be rolled out in the languages of the countries in which the Group operates.

In-house trainers were again used on an occasional basis. Transferring knowledge is key to a successful learning experience and also an important sign of recognition. That explains why we were determined to step up the involvement of our in-house trainers within our three brands.

To support onboarding and skills development, our vocational university offers internal mobility training programs (for sales positions), as well as training on the Group's business processes, tools and services (e-commerce sites, loyalty program, etc.).

In fact, the performance and development of DESCOURS & CABAUD is directly dependent on that of its employees.



DESCOURS & CABAUD has launched the "Campus" program, a dedicated sales training pathway for the PROLIANS and HYDRALIANS brands.

The "Campus" is designed for new hires with commercial potential and an interest in product-related technical knowledge. This alternating training course (15 days in a branch followed by 15 days at Tech'up) takes place over approximately nine months and is based in-store, allowing participants to apply concepts directly in the field. In-store experience is considered a key and foundational step in a successful sales career.

Training supports the development of both soft and technical skills, ultimately enhancing the ability of our employees to support managers, colleagues and our customers.

For this reason, trainee satisfaction and the completion rate of mandatory training modules within six months of onboarding are key performance indicators.

In 2024, the Tech'up platform recorded 156,143 logins, totaling 210,632 hours of training.

Finally, in order to address the challenges of talent shortages, the Group also relies on its Talent Development Department, which defines and implements the talent development strategy to ensure DESCOURS & CABAUD has the necessary skilled employees to effectively deploy and futureproof its strategy.

Working closely with the HRD and the various Brand Departments, the Talent Development Director is responsible for:

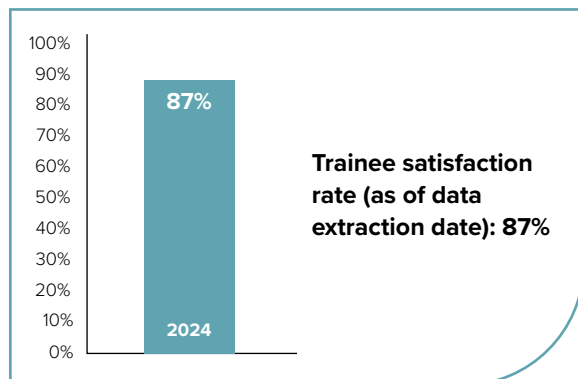
- the attractiveness and talent acquisition policy adapted to the company's strategy (recruitment, employer brand);
- the development and retention of employees moving within the organization (training, succession plans, mobility, etc.).

KEY INDICATOR

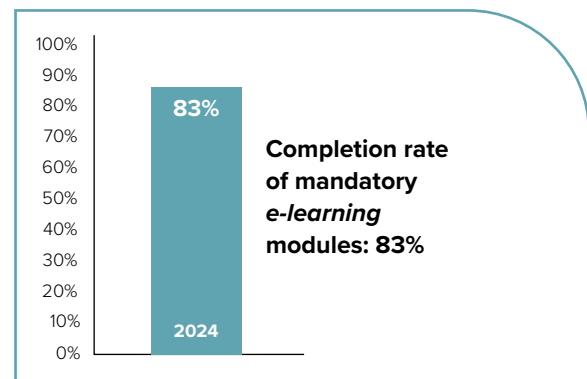
For 2024, the “Percentage of correct answers to technical quizzes” indicator, used in previous years, has been discontinued as it was not a reliable measure of training effectiveness.

Starting in 2024, the following key indicators apply:

- The “trainee satisfaction rate”, which aggregates the evaluations of the following indicators: likelihood to recommend, pre-training preparation, organization of the training, training relevance, content quality, facilitation and structure of the training. This indicator applies to continuing education programs delivered by Tech’up.
- Evaluation requests are sent to participants at the end of each training session, with a response rate of around 60%. The target for this satisfaction indicator is 85%. This target was met in 2024;



- The “completion rate of mandatory *e-learning* modules”, with this indicator being calculated based on the number of employees enrolled in mandatory modules, still employed as of December 31, 2024, with at least six months’ seniority. It reflects the proportion of enrolled employees who have completed the entire mandatory training path. The target is 90%. In 2024, the target was not met; as this is a new indicator, the Group has set a two-year horizon to progressively reach the goal.



2024 Group training results



8,741 employees trained worldwide



20.7 hours of training on average per trained employee



181,098 training hours



12.3 hours Average number of hours of training per employee

HUMAN CAPITAL THE EMPLOYER BRAND

► RISKS AND CONSEQUENCES

Human capital is essential to the smooth running of the company: the Group must replace departing employees as quickly as possible, but also acquire new skills linked to changes in the sector and market, as well as to the company's needs.

► MEANS OF CONTROL

In 2024, DESCOURS & CABAUD continued its actions to attract talent by developing a strong employer brand, i.e. one that is consistent with the company's DNA, attractive and known by potential candidates. As part of its Uniteam program (the social component of its "We are all value creators" growth plan), various measures have been implemented to strengthen the employer brand, including:

- Strengthening the attractiveness of professional social media: one candidate in two is informed by social media and makes their choice based on what they perceive;
- Working on e-reputation, by providing evidence, for example through published testimonials or ratings given by Internet users;
- Using new media geared more towards young people;
- Developing relations with schools to identify talent at the source (technical high schools, universities, business schools);

In a context of labor shortages, our employer brand has a key role to play in responding to emerging societal trends such as the "Great Resignation," *quiet quitting*, the war for talent and relative full employment.

- Developing an internship policy, particularly through work-study programs;
- Promoting the co-optation program to facilitate recruitment through the internal employee network;
- Training recruitment officers: job interviews must be conducted in a way that meets the new expectations of applicants.

The Group pays close attention to the employee experience. France, for example, has implemented an *on-boarding* tool to support new employees before and after their arrival.

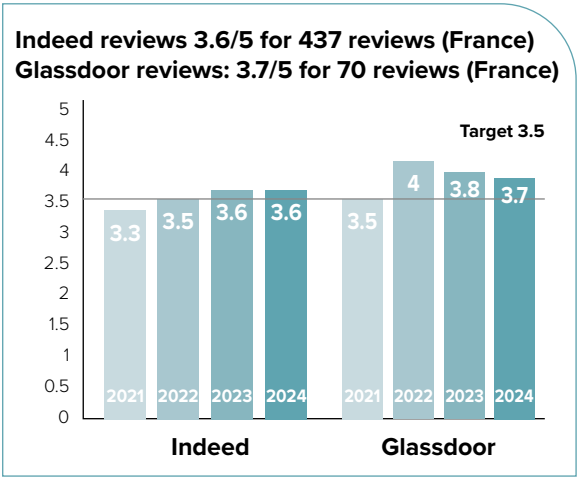
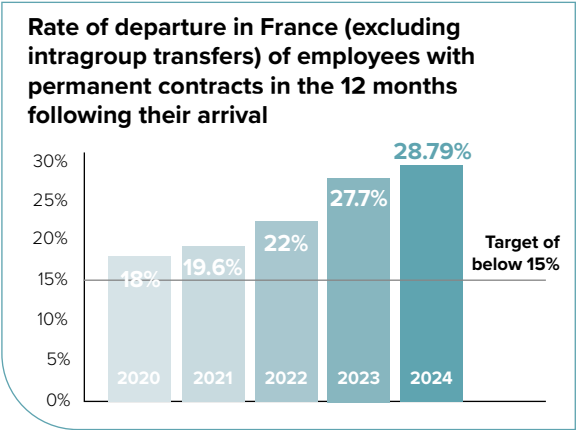
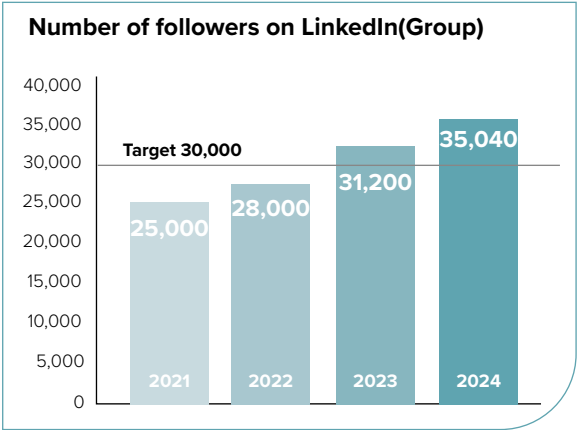
Finally, in response to the job market pressures, recruitment managers have introduced a tool to measure the candidate experience in an effort to maximize the experience, from the initial contact through to the interview stage.



KEY INDICATORS

In addition to monitoring the number of subscribers to DESCOURS & CABAUD's LinkedIn page, we also take into account reviews on Indeed and Glassdoor. These two indicators measure the **quantitative and qualitative presence** on the Internet, which is the major recruitment channel. By the end of 2024, each of these indicators had met the targets set by the Group and remained generally stable.

The second indicator is the **rate of departure of new recruits** within 12 months of joining the Group, with a target of not exceeding 15%. In 2024, this target was not met and the indicator fell by one point. This trend reflects both a resource shortage context that increases employee “volatility” and the challenges faced by our businesses operating in a difficult economic environment in 2024.



HUMAN CAPITAL SUCCESSION PLANS FOR KEY POSITIONS

► RISKS AND CONSEQUENCES

If a key position is not filled, the risks are multiple: loss of know-how leading to a potential drop in turnover or customers, delay in the implementation of strategic projects, impossibility of responding to customer requests or calls for tenders, and disorganization of teams. The succession plan must align strategic positions, talent potential and timing.

► MEANS OF CONTROL

In 2024, the HR functions, in particular the Talent Development Department and the “HR Partner DEXIS Europe” role, supported by HR teams within the subsidiaries, continued their crucial work to identify key positions within the Group and ensure proper succession planning.

Throughout 2024, DESCOURS & CABAUD focused on implementing *people reviews* across all levels of the organization, in order to identify talent, map out employees’ career and mobility aspirations and draw up individual development programs to help them achieve their goals. These phases are essential to support a proactive strategy for anticipating replacements in key roles.

Among the most representative initiatives:

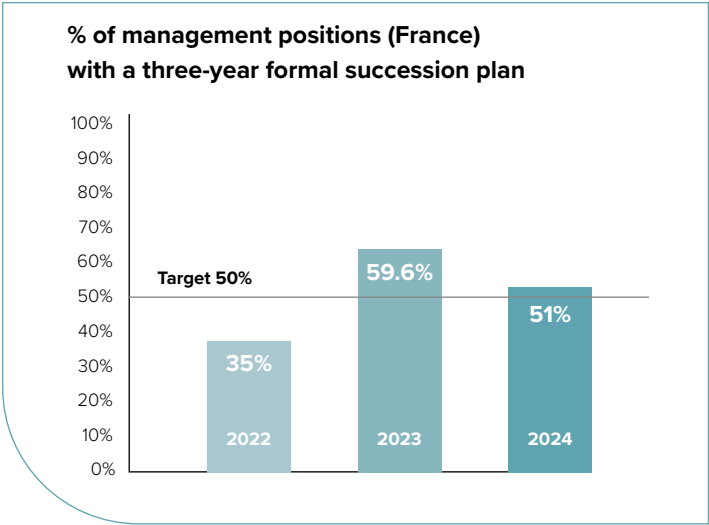
- Succession plans have been formalized over a three-to-five-year horizon for executive positions. To support this formalization and strengthen the relevance of succession plans, a pilot training program was tested with a group of managers to raise awareness on how to uncover development aspirations during annual performance reviews. In addition, a revision of the content of annual performance reviews is under consideration, with the aim of incorporating the notion of skills;



- The “Pépins” program, designed for the long-term preparation of departures by attracting new talent and equipping them for future responsibilities within the Group, continued in 2024. Originally intended to prepare future Branch Directors within 18 to 36 months, the program has been expanded to include the recruitment of Deputy Subsidiary Directors, providing a development path toward future Subsidiary Director roles.
- Two training programs in partnership with EM Lyon were relaunched in 2024:
 - The Altius program welcomed a new cohort of employees, providing them with training to lead operational units. It features a training curriculum spread over five months, focused on management, leadership, operational strategy execution and customer-centric culture;
 - The Premium program expanded internationally in 2024, bringing together participants from various European countries where the Group operates. It is designed to prepare employees for strategic leadership roles and includes 14 days of training over a 12-month period, covering leadership, multicultural management, strategy, finance and value creation levers.

► KEY PERFORMANCE INDICATOR

The key indicator is the percentage of key management positions that have a succession plan. In 2024, the target was raised from 33% to 50% and was reached (51%).



HUMAN CAPITAL EMPLOYEE SAFETY

► RISKS AND CONSEQUENCES

Our activity involves the handling, storage and transporting of products that are often heavy and bulky, and can therefore lead to dangerous situations.

As well as logistics activities, our job exposes us to other dangerous situations (road risks in particular). Therefore, the Group is fully committed to creating and maintaining safe working conditions for all its teams.

Uncontrolled risks can have potentially serious, and possibly irreversible, consequences for the physical health of employees. Moreover, the risk of criminal charges against senior management cannot be ruled out in the event of a serious accident in the workplace.

An accident that results in time off work has several consequences. It causes a shift in workload to the employees in the department concerned, which then increases the risks involved. It disorganizes the work load, which can lead to a deterioration in the quality of service provided to customers, and damage to the company's image and commercial reputation. Finally, it generates an increase in the "workplace accident" contributions rate.

► MEANS OF CONTROL

As in previous years, in 2024 a dedicated governance body was responsible for preventing hazardous situations. A Group safety and environmental officer leads the safety/environmental managers in the main subsidiaries, who implement the policy and roll out the defined action plans in their respective subsidiaries or sectors. They apply a methodology for analyzing and monitoring accidents in the workplace.

Each year, dedicated meetings bring together the main safety players and their management.

In 2024, nine face-to-face meetings were held, with some 176 participants. Throughout 2024, this community discussed related issues, shared information and worked in committees to advance safety practices within the organization (including safety operating procedures, self-inspection checklists and vertical safety signage for sites).

The golden rules for safety have been translated and communicated to all employees across the Group's international subsidiaries.

The safety and environmental welcome booklet has also been redesigned. This annotated document, provided to every new hire during their safety and environmental orientation, has been restructured to better fit each role.

The new version consists of a common core for all employees, complemented by six annexes tailored

to specific positions. The illustrations have been modernized and certain content updated.

Throughout 2024, event-driven initiatives continued to take place: an increasing number of subsidiaries organized safety days or challenges, with their feedback continuing to inspire other subsidiaries.

The Group is very committed to safety and makes numerous efforts to raise awareness, such as monthly 15-minute safety briefings for logistics teams, systematic safety briefings at Executive Committee meetings, awareness videos for managers and logistics teams, self-inspection tools (fire, steel stockpiles, etc.) and thematic posters that are renewed monthly. Several media provide information to all employees: internal guidelines available on the Group's intranet (with around one hundred publications in 2024), Web TV and the My D&C Intranet.

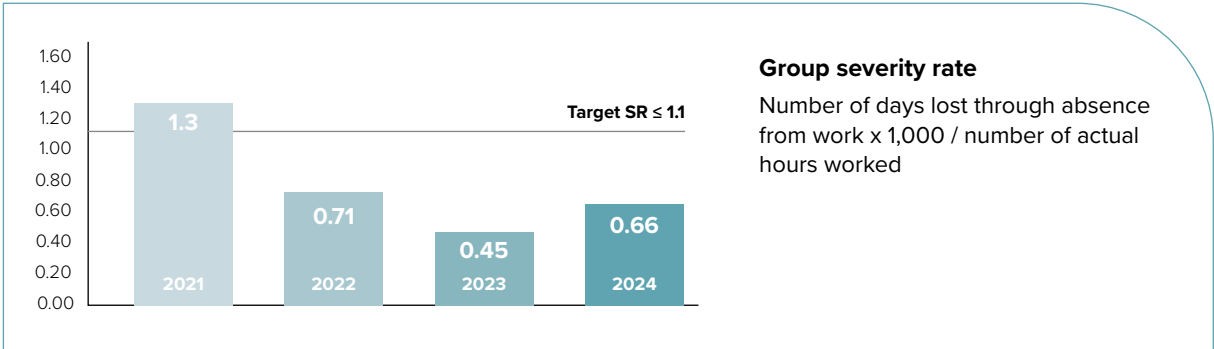
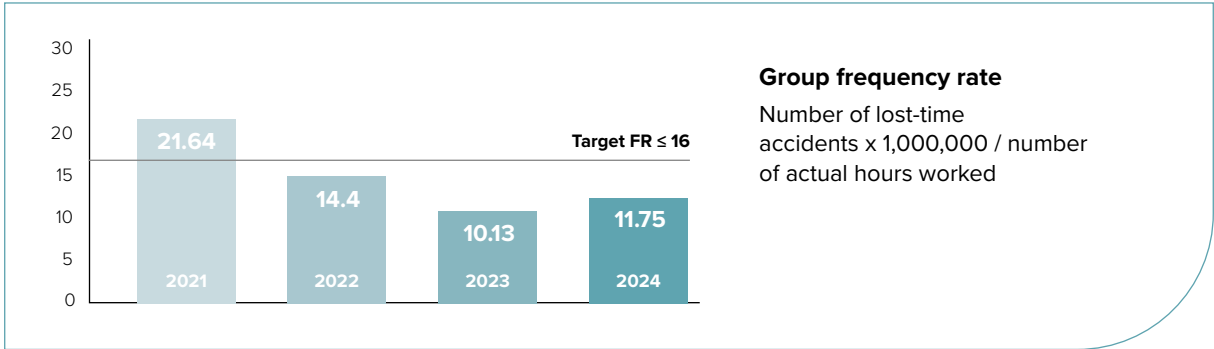
In 2024, risk awareness modules tailored to different roles were integrated into the mandatory *e-learning* curriculum for all employees in France.

Training modules are offered on a variety of subjects, such as transportation of dangerous goods, safety induction e-learning sessions for logistics operators, safety training for local managers and the "5 S" organization method. In 2024, 142 managers completed safety training sessions organized by Tech'up.

KEY INDICATORS

The Group relies on the most commonly used safety indicators, namely the frequency rate (FR) and the severity rate (SR) for work-related accidents. Compared to 2023, the frequency rate improved again in 2024, driven by a significant decrease in the number

of accidents and a relatively stable number of hours worked. The severity rate showed a slight decline. In 2024, both indicators performed better than the targeted objectives.



HUMAN CAPITAL TURNOVER

► RISKS AND CONSEQUENCES

Excessive employee turnover presents several risks for the company, such as loss of skills, disorganized teams, delays in customer service, heavier workloads for some

employees (which can affect productivity and quality of working life) and extra financial costs.

► MEANS OF CONTROL

Preventing turnover is part of the responsibilities of HR teams within subsidiaries, Group support function HR and the Talent Development department (see page 38).

Throughout 2024, the Group focused on implementing *people reviews* across all levels of the organization, in order to identify talent, map out employees' career and mobility aspirations and draw up individual development programs to help them achieve their goals. These initiatives form part of a broader action plan aimed at reducing absenteeism and lowering turnover.

Among the most representative initiatives:

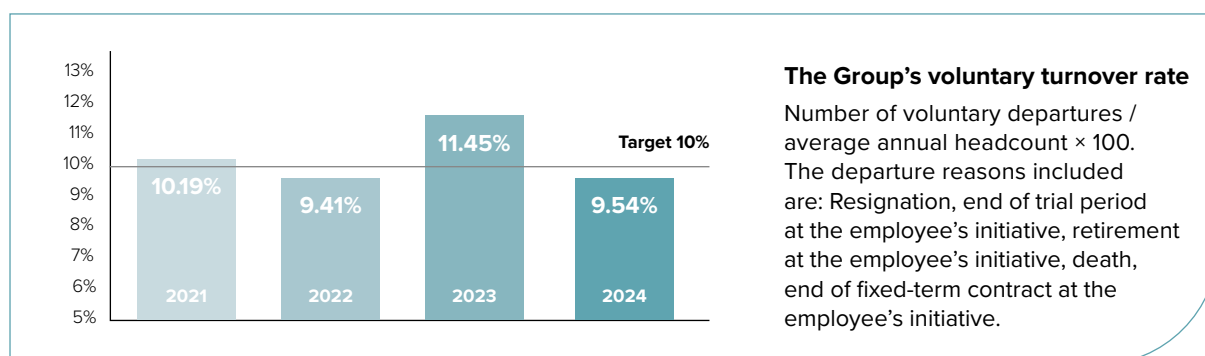
- Encouraging internal mobility, a key driver of motivation and retention. Transparency around career progression is supported, among other things, by internal job postings, the publication of all job descriptions to give employees better visibility of existing positions, sharing testimonials from employees who have progressed within DESCOURS & CABAUD and raising awareness among managers on how to identify mobility aspirations within their teams;
- Employee satisfaction barometer results, gathered through the 2023 survey, were analyzed and used in 2024 to implement targeted action plans to improve team satisfaction in identified areas.



KEY INDICATORS

The key indicator is the rate of voluntary turnover (employee-initiated termination of contract), with a target of 10%.

In 2024, the Group's employee retention efforts successfully reduced the voluntary turnover rate below the 10% threshold, achieving the target set.



THE MANDATORY SOCIAL THEMES OF THE DNFP

Article L. 225-102-1, 2°-III of the French Commercial Code requires the Declaration of Non-Financial Performance to mention the collective agreements concluded in the company and their impact on the company's economic performance as well as on the working conditions of employees.

At Group level, 187 agreements were in place as of the end of 2024.

In 2024, 10 Group entities in France signed a total of 11 agreements on various topics such as mandatory annual negotiations (NAO), working time arrangements, profit-sharing schemes and professional elections. As of December 31, 2024, 21 subsidiaries in France had fewer than 50 employees.

Since 2019, all French subsidiaries have had either a charter or an agreement in place regarding the right to disconnect.

ENVIRONMENT

ENVIRONMENTAL POLICY

With the focus on minimizing its impact on the environment, DESCOURS & CABAUD is determined to streamline its use of natural resources and align its policies with the objectives set out in the Paris Agreement (COP 21) and the European Green Deal to reduce greenhouse gas emissions and tackle climate change.

The Group's strategy is designed to raise the bar on its own environmental performance, while making a positive contribution to the environmental performance of its customers and their end users.

This strategy also aims to incorporate its environmental practices into the circular economy by promoting reuse and eco-design principles where appropriate.

DESCOURS & CABAUD's environmental policy is built upon the following key principles:

- Promote resource efficiency, reuse resources and restrict the use of disposable goods wherever practicable;
- Reduce the “carbon cost” of the Group's activities;
- Produce less waste and encourage recycling and reuse;
- Step up efforts to offer eco-designed services and products, especially for the Group's private label products;
- Include environmental performance requirements when selecting suppliers;

- Refuse any direct or indirect supplies that feed conflicts or profit from the intensive or unfair use of the natural resources that local communities need for their survival and way of life;
- Promote sustainable consumption.

In 2024, environmental data covered 95.60% of the Group's workforce. For waste-related indicators alone, the employee coverage rate was 90.21%.

► CIRCULAR ECONOMY

DESCOURS & CABAUD is committed to a circular economy approach by aiming to reduce material consumption, particularly through reduced packaging and by offering eco-efficient products within its ranges. The Group also strives, wherever possible, to direct waste toward treatment processes that promote recycling.

myR'écO PROLIANS

PROLIANS is rolling out myR'éco: a selection of refurbished professional equipment, available exclusively on prolians.fr.

HYDRALIANS offers its customers a range of refurbished pool products. These items are inspected, repaired and tested by the HYDRALIANS after-sales service team and are covered by a warranty.

The Group's main energy consumption

BUILDING



Electricity:
44,553,070 kWh
■ 7,629,231 kWh green electricity purchased
■ 1,156,608 kWh green electricity produced
■ 35,389,412 kWh low-carbon electricity



Gas (naturel, propane, butane):
36,306,340 kWh



Domestic fuel and fuel-powered generators:
134,577 liters



Heat network:
1,062,630 kWh

TRANSPORT (excluding forklifts)



Diesel: 8,883,650 liters
E85: 77,028 liters
Petrol: 7,698,606 liters
LPG: 2,447 liters

WASTE



Total volume: 10,610,619 kg
of which hazardous waste: 169,418 kg
■ 100% of waste was handled by specialized treatment facilities
■ 9,266,166 kg recovered or recycled

DESCOURS & CABAUD undertakes to optimize waste management, whether by reducing the volume or by improving the quality of treatment, in particular by giving priority to recycling channels. As part of this initiative aimed at its employees, various actions have been implemented to raise awareness of best recycling practices.

To reduce its production of production, Opsial is rolling out a packaging reduction policy for its products, along with an eco-design approach based in particular on life cycle assessments (LCAs).

The Group sends 100% of its waste to certified organizations, prioritizing recycling or recovery processes.

Across all entities worldwide, a total of 10,610 tons of waste was sent to specialized waste collection partners, of which 87.3% has been tracked as recycled or recovered. The remaining 12.7% relates to waste streams for which the traceability system did not allow identification of the treatment method.

In 2024, the Group implemented a carbon footprint assessment across all its global entities, carried out by an independent specialist consultancy.

Scope 3 accounts for 97.3% of total emissions.



Direct energy consumption
2.7%



Product trading
91.9%



Third-party transport
2.6%



Overheads
2.9%

► POLLUTION

• Light pollution

The Group operates with very few illuminated signs, and its business activities do not involve keeping signs lit outside of working hours.

• Noise pollution

The activities of DESCOURS & CABAUD do not generate noise disturbances for surrounding areas. Any noise is contained within buildings, and appropriate preventive measures are systematically applied to protect employees.

• Soil pollution

Distributed chemical products are systematically stored in containment trays to prevent any accidental leaks or spills.

• Water consumption

Water use is limited to sanitation purposes, as the trading activity does not involve any water-based industrial processes.

• Paper consumption

Although the trading business still generates significant paper usage, consumption has been steadily decreasing over time.

ENVIRONMENT

CARBON TRANSITION PLAN

The transition plan details all the measures and actions planned and/or implemented to reduce greenhouse gas (GHG) emissions. This plan is structured around Scopes 1, 2 and 3.

► SCOPES 1 AND 2

- Incorporation of CO₂ emission thresholds on selection of vehicles: these thresholds are regularly revised downwards;
- Expansion of the range available to employees to include electric, hybrid and bioethanol vehicles;
- Regular renewal of our heavy goods vehicle fleet with new vehicles (Euro 6 range) that consume less diesel, study of B100 vehicles;
- Replacement of fuel/gas-powered forklift trucks with electric forklift trucks;
- Limit business travel in favor of *video calls*. Where time and distance allow, giving priority to rail travel;
- Regular employee awareness-raising campaigns to save on heating and air-conditioning costs: Environmental Safety bulletins;
- Discussions with owners of operating sites to find energy-saving solutions;

- Integrate energy efficiency solutions (BMS, insulation, etc.) into building renovation projects;
- In geographical areas where conditions are favorable (southern Europe), promotion of self-generation of electricity by photovoltaics, for example.

► SCOPE 3

- Reduce emissions from transport purchases, for example by challenging our suppliers to offer transport using vehicles running on biofuels;
- Reduce air freight with the exception of “urgent” and long-distance shipments;
- Challenge our suppliers to increase rail and river deliveries: several Group sites are connected to rail and ports;
- Reduce emissions from packaging purchases, mainly by reducing weight and volume.





ENVIRONMENT TRANSPORT

As a distributor, our operations are driven by logistical flows, including both inbound and outbound transport. Several of our logistics sites are connected to the rail network for deliveries by train, or to ports for deliveries by ship.

In general, inbound flows involve a mix of road, sea and rail freight, and very rarely air freight. Outbound flows are mainly by road, using either our own fleet of trucks or hauliers.

The main sources of emissions related to the Group's upstream and downstream transport activities are as follows:

- Inbound transport: road, air, rail, sea;
- Internal road transport;
- Outbound road transport;
- Business travel: car, train, air;

Emissions from upstream and downstream transport are estimated at approximately 51,000 tCO_{2e}.

► RISKS AND CONSEQUENCES

Our distribution sector involves transporting goods, which inevitably leads to an environmental impact, particularly in terms of pollution and use of natural resources.

► MEANS OF CONTROL

Managing the environmental impact of transport relies on two key levers:

- The selection of vehicles with lower emissions;
- The efficiency of the Group's logistics network (see diagram).

Light vehicles are chosen with specific consideration given to carbon emission thresholds for engine types. In France, for example, the Purchasing Department submits vehicle proposals to the General Secretariat for approval. Approval procedures may vary from one country to another.

The Group regularly renews its fleet of heavy goods vehicles, selecting the latest engine standards (Euro 5 and 6). This approach also applies to the light vehicle fleet. Cars are replaced every three years on average, ensuring the use of the latest technologies and ongoing improvements in fuel efficiency.

In addition, the company vehicle policy includes models selected based on their Total Cost of Ownership (including lease cost, fuel, CO₂ tax, etc.) and gives preference to clean vehicles such as hybrids and electric models.

Eco-driving training is also offered to employees. Lastly, videoconferencing is widely used across the Group, supported by a collaborative communication platform.

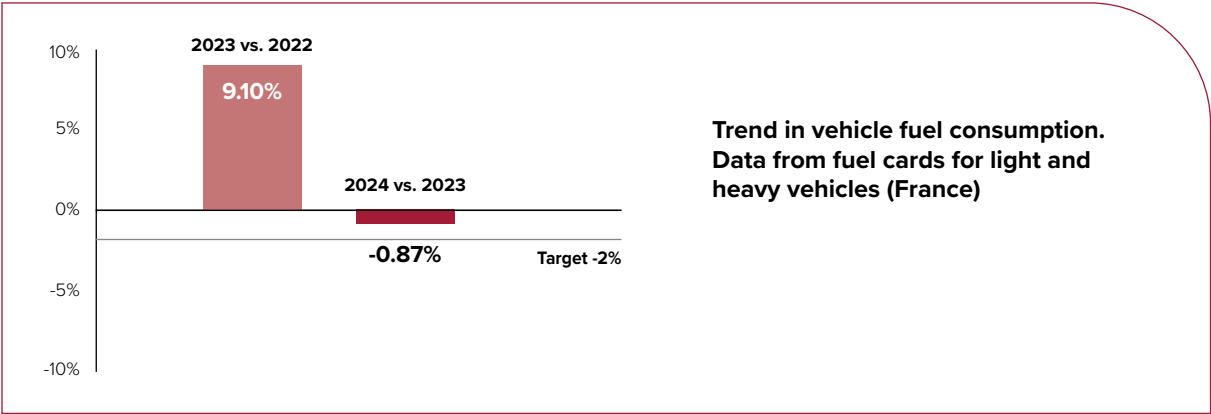
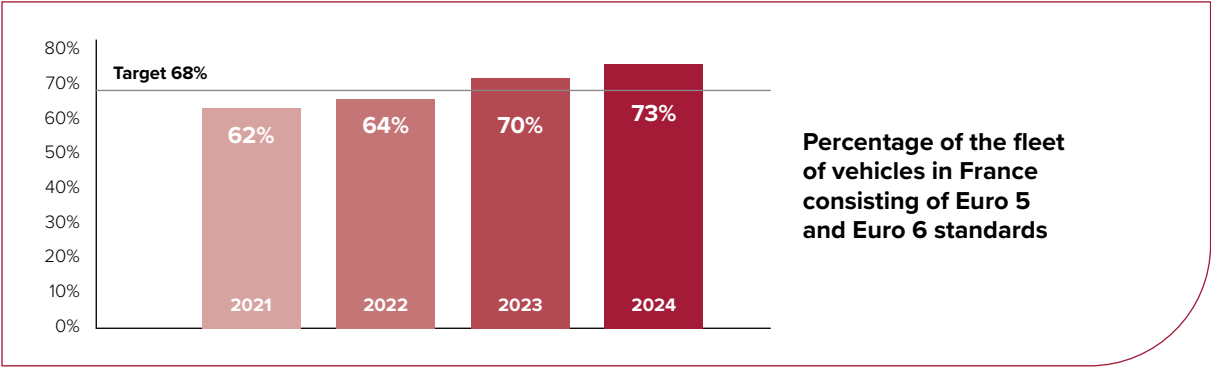
KEY INDICATORS

The first key indicator is the percentage of new vehicles in the heavy vehicle fleet that meet the least polluting standards. The target was to reach 68% of Euro 5 or 6 standards, which was exceeded in 2024 with 73%.

The second indicator tracks changes in fuel consumption (in liters) by vehicles, based on data from fuel cards for both light and heavy vehicles.

After increasing by 9.1% between 2022 and 2023, fuel consumption in France fell by 0.87% in 2024 compared to 2023.

Finally, in 2024, 1.9% of the heavy vehicle fleet in France was replaced with new vehicles offering improved environmental performance.



In addition, the French fleet vehicle catalog contained at least one electric vehicle and at least one hybrid vehicle for each category in 2024. Bioethanol-powered cars were also available alongside conventional combustion engine vehicles.

ENVIRONMENT LOGISTICAL ORGANIZATION

► RISKS AND CONSEQUENCES

The logistics of our subsidiaries are centralized in order to offer the widest range of products and guarantee product availability, while streamlining operating costs (reducing surface areas, saving energy, using less transport, and concentrating technical skills under the same roof). This concentration of supply flows is a factor in improving customer service.

However, it amplifies the fragility of direct delivery to customers and supply to subsidiaries in the event of total or partial failure of a logistics platform.

There are three risk factors for a disruption in supplies:

- The failure of a key supplier;
- General pressure in the road and marine transport sectors;
- Global or partial shortages, for example following pandemics, geopolitical tensions or unexpected weather events.

Our logistics platforms are also subject to risks from multiple origins: social, climatic and environmental, as well as damage to facilities or information systems, such as a cyberattack.

The failure of the logistics platform can have a significant impact on the company's commercial performances, earnings and image. Given our distribution sector, the most significant consequence of product unavailability is on the quality of service provided to our customers. This is essential for "critical customers" due to the nature of their business, which cannot be interrupted. In this situation, the financial consequences for our Group may stem from the failure to comply with contractual clauses with these customers. The repercussions may also affect suppliers and carriers.

Logistics platforms in France (inter-subsidiary)

4 steel platforms

1 stainless steel-aluminum platform

3 QUOFI platforms (building hardware-tools-industrial supplies)

1 industrial maintenance products platform (MRO)

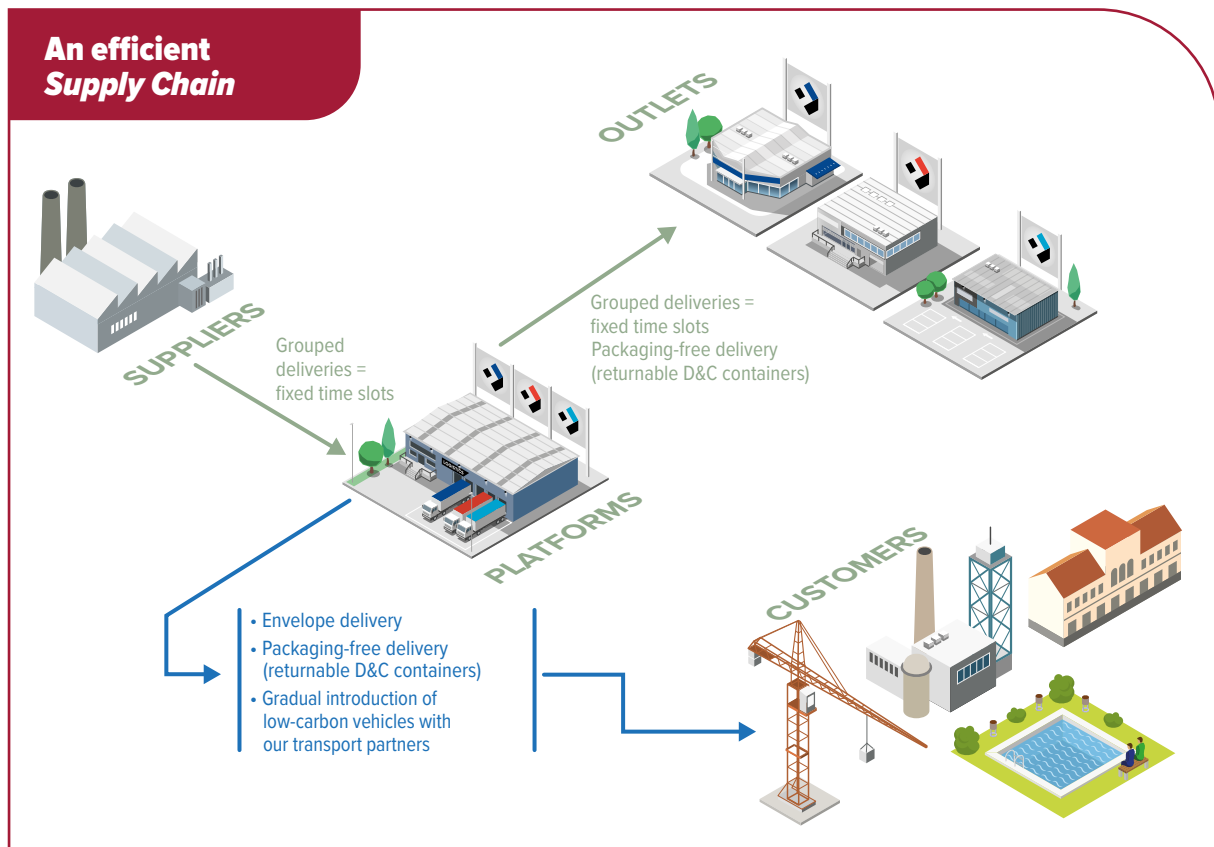
2 water sector platforms

1 nuts, bolts and screws platform

7.7 million lines handled in 2024 (QUOFI and industrial maintenance products platforms)

230 thousand tons (steel platforms)





MEANS OF CONTROL

The main means put in place by our *Supply Chain* and Purchasing teams are:

- Regularly adapting our safety stock levels to guard against delivery risks;
- Monitoring the logistics performance of suppliers, using shared contractual indicators, to detect risks and implement action plans;
- If necessary, identifying alternative *sourcing* strategies with support from the product management teams and our DS GLOBAL SOURCING organization for our Group private labels. In addition, the *supply chain* deploys means that act on potentially faulty links in the logistics chain:

1. At the level of each platform

- Maintenance and upkeep of facilities;
- Business continuity monitoring (for priority facilities, systematically take out contracts with an emergency breakdown clause);
- Monitoring social responsibility towards our employees (health and safety policies);
- Continuity of energy availability, ensured by the systematic presence of a generator;

- Weekly monitoring of inventory volumes related to ICPE (facilities classified for environmental protection).

In the event of a breakdown at the platforms, our main or secondary suppliers retain the capacity to ensure direct deliveries to DESCOURS & CABAUD sites or to those of our customers.

A Business Continuity Plan (BCP), which was strengthened in 2023, is deployed for each of our platforms. This plan makes it possible to evaluate and anticipate preventive actions so as to limit the impact in the event of breakdowns or other incidents. A test exercise was carried out in 2023 and was repeated on two occasions in 2024.

The operating loss risk is covered by an insurance policy.

2. At the level of interaction between the platforms

- Takeover by a QUOFI platform in the event of failure of one of them, as the IT tools and *processes* are common to all the platforms;
- Temporary reinforcements on the various sites thanks to the versatility of the teams.

KEY INDICATORS

The first key indicator concerns compliance with the maintenance and testing plan. As a sign that equipment and facilities are properly maintained, the aim is to achieve 100% compliance with the plan and this was achieved in 2024.

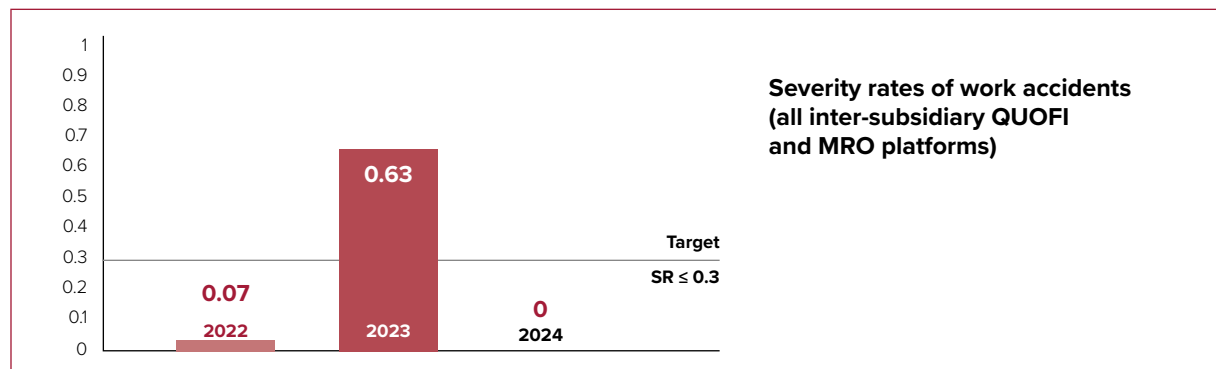
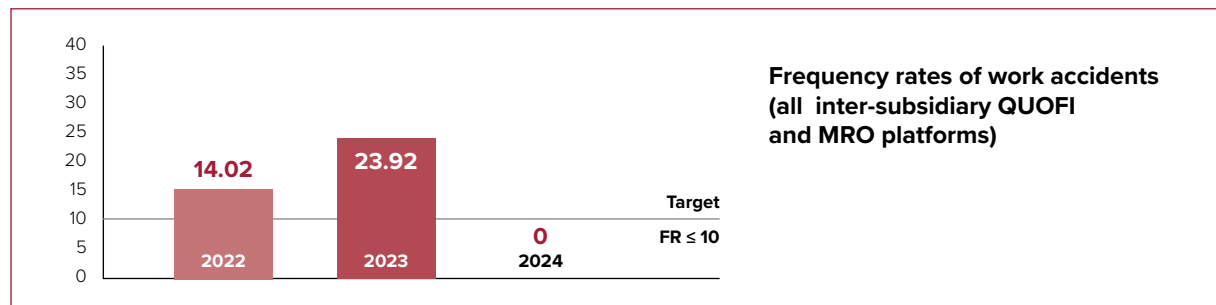
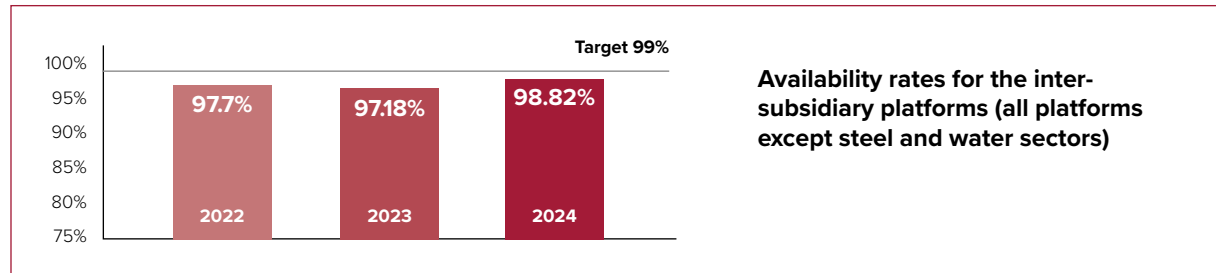
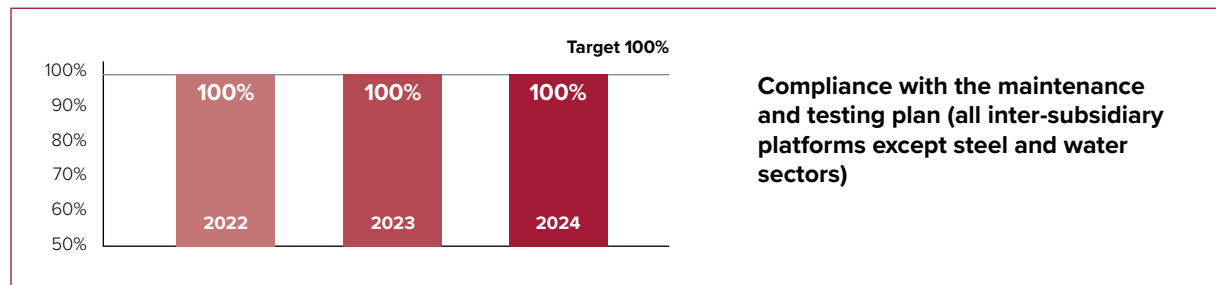
The second indicator measures the availability of the platforms in relation to their operating ranges.

The target is 99%. This indicator has not been reached, but there is improvement compared with 2023.

The last two indicators concern the frequency and severity of work-related accidents on the QUOFI and MRO platforms.

In 2024, these stand at zero, due to the absence of any lost-time accidents in the entities concerned.

The Group is pursuing a policy of workplace accident prevention. For the platforms, results are not all on target, although there has been a significant improvement on the QUOFI platforms, thanks to the action plans implemented by the QSE managers. Performance on the steel platforms remains insufficient and will be the focus of strengthened action plans in 2025.



SUMMARY TABLE OF DNFP INDICATORS

The word “Group” means that the data covers 97.46% of the Group's workforce.

For environmental indicators, the word “Group” covers 95.60% of the Group's workforce. For waste-related indicators specifically, the coverage rate is 90.21% of the workforce.

The reference to “France” is equivalent to a coverage rate of 59.02% of the Group's total workforce (100% of the workforce in France).

The workforce base used for the calculations is 14,825, representing the Group's headcount as of December 31, excluding entities acquired or sold in 2024.

INDICATOR	2022 data	2023 data	2024 data	SCOPE
NETWORK				
Number of outlets worldwide	730	716	739	Group
SCOPE				
% of workforce covered vs. Group HR	95.7%	97.27%	97.46%	Group
% workforce covered vs. HR and environment France	60.8%	59.86%	59.02%	France
% of workforce covered vs. environment	N/A	91.29%	95.60%	Group
COMPROMISED INFORMATION				
Level of governance	77%	86%	90%	Group
Level of risk control	68%	78%	84%	Group
Level of physical and IT security	76%	88%	91%	Group
GDPR				
% of requests to exercise rights processed within due time limits	100%	100%	96.8%	France
% of compliance among European subsidiaries	100%	100%	100%	Group
RISK OF CORRUPTION				
Rate of training for the anti-corruption e-learning module	89.2%	85.3%	90.1%	Group
DUE DILIGENCE				
% of Asian suppliers assessed (requirement level 2 and 3)	92.5%	96%	98.9%	Asia

INDICATOR	2022 data	2023 data	2024 data	SCOPE
SOCIAL POLICY				
Change in percentage of women in the company	+1.2%	+0.5%	+0.2%	Group
Breakdown between men and women	25.2% women	25.7%women, 74.3% men	25.92%women, 74.08% men	Group
Training accessible to all	Managers: 16.5% & Non-managers: 83.5% Women 23% and men 77%	Managers: 19.5% & Non-managers: 80.5% Women 22.6% and men 76.4%	Managers: 23% & Non-managers: 77% Women 25% and men 75%	France
Percentage of disabled worker beneficiaries (France)	5.3%	5.32%	5.24%	France
Intern satisfaction	-	-	87%	France
Completion rate of mandatory e-learning modules	-	-	83%	France
Number of employees trained	6,899	7,490	8,741	Group
Number of hours of training	169,233	154,162.08	181,098	Group
Number of hours of training per employee trained	24.5	20.58	20.70	-
Number of hours of training on average per employee	12.91	10.66	12.30	Group
Number of followers on LinkedIn 2023	28,000	31,200	35,040	Group
Indeed reviews	3.5/5	3.6/5 for 408 reviews	3.6/5 for 437 reviews	France
Glassdoor reviews	4/5	3.8/5 for 79 reviews	3.7/5 for 70 reviews	France
Rate of departure (France) of new recruits on permanent contracts in their first year	22%	27.8%	28.79%	France
% of management positions (France) with a three-year formal succession plan	35%	59.6%	51%	France
Rate of frequency	14.4	13.93	11.75	Group
Rate of severity	0.71	0.62	0.66	Group
Voluntary turnover rate on permanent contracts (or equivalent)	9.41%	11.45%	9.54%	Group
Number of Group agreements	-	-	12 agreements signed in 2024, 187 agreements in place in 2024	Group

INDICATOR	2022 data	2023 data	2024 data	SCOPE
ENVIRONMENT				
kWh electricity consumption	-	40,612,004	44,553,070	Group
kWh green electricity purchased	-	33,837,972 (83%)	7,629,231 (16.7%)	Group
kWh self-generated electricity consumed	-	340,083	1,156,608	Group
kWh low-carbon electricity (green and selfgenerated)	-	-	35,389,412	Group
kWh “green” energy purchased + selfgenerated	-	83.45%	19.22%	Group
kWh gas (naturel, propane, butane)	-	43,625,161.53	36,306,340	Group
kWh heat network	N/A	216,788	1,062,630	Group
Liters of heating oil	N/A	63,590	134,577	Group
Liters of vehicle fuel per type	N/A	Diesel: 9,349,939 liters E85: 149,072 liters Petrol: 2,087,895 liters B10: 2,737 liters LPG: 406 liters	Diesel: 8,883,650 liters E85: 77,028 liters Petrol: 7,698,606 liters LPG: 2,447 liters	Group
Volume of waste	N/A	Products: 10,490,623 kg	Products: 10,610,619 kg of which 169,418 kg hazardous	Group
Volume of waste entrusted to specialized treatment facilities	N/A	100%	100%	Group
Volume traced for recycling	N/A	Recycled & reused: 1,267,763	Recycled & reused: 9,266,166	Group
Percentage of the fleet of vehicles consisting of Euro 5 and Euro 6 standards	64%	70%	73%	France
Trend in vehicle fuel consumption in France vs. fuel card	N/A	2023 vs. 2022: 9.1%	2024 vs. 2023: -0.8%	France

INDICATOR	2022 data	2023 data	2024 data	SCOPE
LOGISTICAL ORGANIZATION				
Compliance with the maintenance and testing plan (all inter-subsiary platforms except steel and water sectors)	100%	100%	100%	France
Availability rates for the inter-subsiary platforms (all platforms except steel and water sectors)	97.7	97.18	98.82%	France
Frequency rates of work accidents (all inter-subsiary QUOFI and MRO platforms)	14.02	23.92	0	France
Severity rates of work accidents (all inter-subsiary QUOFI and MRO platforms)	0.07	0.63	0	France
Percentage of waste recycled (Group)	N/A	77.7%	87.3%	Group



CONCLUSION AND PROSPECTS

The scope of data consolidation within the Group has been expanding for several years, reaching, for this DNFP, over 97% of the Group's workforce covered in the human resources section, and over 95% for environmental data (90% for waste).

These results reflect the Group's strong commitment to CSR transparency, as well as its ambition to foster synergy between the Group and its subsidiaries in terms of sustainable development.

This Declaration of Non-Financial Performance has been approved Saint Front, an Independent Third-Party Body (ITP).

To read the full certification report, please click on the following link:

https://ecom.descours-cabaud.net/Rapport_verif_DPEF/DC_Rapport_verif_DPEF_REV09_31-12-2024.pdf





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