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Årsredovisning

för

Saint-Gobain Distribution Nordic AB

556633-7993

Räkenskapsåret

2024

Fastställelseintyg

Undertecknad verkställande direktör i Saint-Gobain Distribution Nordic AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma 2025-05-27. Årsstämman beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Stockholm 2025-06-23

Peter Møller

ank=20250711-20250711407777

Årsredovisning

för

Saint-Gobain Distribution Nordic AB

556633-7993

Räkenskapsåret

2024

Innehållsförteckning

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Styrelsen och verkställande direktören för Saint-Gobain Distribution Nordic AB avger följande årsredovisning för räkenskapsåret 2024.

Årsredovisningen är upprättad i svenska kronor, SEK. Om inte annat särskilt anges, redovisas alla belopp i tusentals kronor (Tkr). Uppgifter inom parentes avser föregående år.

Förvaltningsberättelse

Verksamheten

Saint-Gobain Distribution Nordic AB förvärvades till 100 % under 2004 av Saint-Gobain. Saint-Gobain har sitt moderbolag i Paris och är noterat på börsen i Paris.

Saint-Gobain Distribution Nordic AB är ett holdingbolag för Dahl- och Optimerabolagen i Norden och Baltikum. Saint-Gobain koncernen bedriver verksamhet i 75 länder.

Dahl är Nordens ledande grossist- och handelsföretag på marknaden för VVS och VA-produkter samt rörprodukter till industrin. Dahl har ledande position i Danmark, Norge, Sverige och Finland.

Optimera är ett av Nordens ledande byggföretag med marknad i Norge, Sverige och Baltikum.

Företaget har sitt säte i Stockholm.

Väsentliga händelser under räkenskapsåret

Under 2024 gjordes en omstrukturering av koncernens dotterbolag i Sverige i likhet med den omstrukturering som gjordes i Norge under 2023. Dahl Sverige AB såldes till Saint-Gobain Distribution Sweden AB till bokfört värde. Saint-Gobain Distribution Sweden AB köptes av Saint-Gobain distribution Nordic AB till ett värde av 17 348 TSEK och ett ovillkorat aktieägaretillskott på 601 890 TSEK.

Under räkenskapsåret har även 2 nya ledamöter valts in till styrelsen vilket betyder att 60% av styrelsen nu utgörs av kvinnor. Bolaget uppfyller därmed Saint-Gobain koncernens mål om att minst 40% av styrelseledamöter i Saint-Gobain bolag skall vara kvinnor.

Flerårsöversikt (Tkr)	**2024**	**2023**	**2022**	**2021**	**2020**
Nettoomsättning	2 500	2 500	2 501	3 000	3 000
Balansomslutning	6 919 846	6 911 388	6 953 661	7 009 059	6 974 971
Soliditet (%)	83,44	84,62	92,77	88,42	91,84

För definitioner av nyckeltal, se Redovisnings- och värderingsprinciper.

Ägarförhållanden

Bolaget är ett helägt dotterbolag till Saint-Gobain Nordic A/S i Danmark, Organisationsnummer 34892407

Väsentliga händelser efter räkenskapsårets slut

Varken företaget eller dotterbolagen har haft någon betydande handel med Ryssland och Vitryssland. Vidare förväntas företaget inte påverkas av situationen i Ukraina på annat sätt än alla andra.

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Förändringar i eget kapital (Tkr)

	Aktie-kapital	Övrigt bundet eget kapital	Övrigt fritt eget kapital	Årets resultat	Totalt
Belopp vid årets ingång	2 160	1 781 062	2 313 689	1 751 242	**5 848 153**
Disposition enligt beslut av årsstämman:					
Utdelning till aktieägare			-1 800 000		**-1 800 000**
Balanseras i ny räkning			1 751 242	-1 751 242	**0**
Årets resultat				1 725 861	**1 725 861**
Belopp vid årets utgång	**2 160**	**1 781 062**	**2 264 932**	**1 725 861**	**5 774 015**

Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

balanserad vinst	2 264 931 510
årets vinst	1 725 861 490
	3 990 793 000

disponeras så att	
till aktieägare utdelas	1 700 000 000
i ny räkning överföres	2 290 793 000
	3 990 793 000

Förslag till beslut om vinstutdelning

Styrelsen föreslås bemyndigas att besluta om tidpunkt då utdelningen skall betalas.

Styrelsen föreslår att utbetalning av utdelningen skall ske i omedelbar anslutning till årsstämman.

Styrelsen anser att den föreslagna vinstutdelningen är försvarlig med hänsyn till de krav som verksamhetens art, omfattning och risker ställer på storleken av det egna kapitalet samt bolagets konsolideringsbehov, likviditet och ställning i övrigt.

Yttrandet ska ses mot bakgrund av den information som framgår av årsredovisningen. Företagsledningen planerar inga väsentliga förändringar av befintlig verksamhet så som väsentliga investeringar, försäljningar eller avveckling.

Beträffande bolagets resultat och ställning i övrigt hänvisas till efterföljande resultat- och balansräkning samt kassaflödesanalys med noter.

Resultaträkning
Tkr

	Not	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Nettoomsättning	2	2 500	2 500
Bruttoresultat		**2 500**	**2 500**
Administrationskostnader	3, 4, 5	-24 093	-21 605
Övriga rörelseintäkter		0	1 158
Övriga rörelsekostnader		-966	-279
		-25 059	**-20 726**
Rörelseresultat		**-22 559**	**-18 226**
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	6	1 618 823	1 634 868
Ränteintäkter		462	511
Räntekostnader och liknande resultatposter		-47	-31
Räntekostnader och liknande resultatposter till koncernföretag		-43 098	-35 718
		1 576 140	**1 599 630**
Resultat efter finansiella poster		**1 553 581**	**1 581 404**
Bokslutsdispositioner			
Erhållna koncernbidrag		200 000	200 000
Resultat före skatt		**1 753 581**	**1 781 404**
Skatt på årets resultat	7	-27 720	-30 162
Årets resultat		**1 725 861**	**1 751 242**

Balansräkning

Tkr

	Not	2024-12-31	2023-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Finansiella anläggningstillgångar			
Andelar i koncernföretag	8, 9	6 678 442	6 678 442
Andra långfristiga fordringar	10	3 407	3 407
		6 681 849	**6 681 849**
Summa anläggningstillgångar		**6 681 849**	**6 681 849**
Omsättningstillgångar			
Kortfristiga fordringar			
Fordringar hos koncernföretag		225 533	219 149
Aktuella skattefordringar		12 252	9 793
Övriga fordringar		0	353
Förutbetalda kostnader och upplupna intäkter	11	212	244
		237 997	**229 539**
Summa omsättningstillgångar		**237 997**	**229 539**
SUMMA TILLGÅNGAR		**6 919 846**	**6 911 388**

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Balansräkning

Tkr

	Not	2024-12-31	2023-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital	12		
Bundet eget kapital			
Aktiekapital		2 160	2 160
Reservfond		1 781 062	1 781 062
		1 783 222	**1 783 222**
Fritt eget kapital	13		
Balanserad vinst eller förlust		2 264 932	2 313 689
Årets resultat		1 725 861	1 751 242
		3 990 793	**4 064 931**
Summa eget kapital		**5 774 015**	**5 848 153**
Avsättningar	14, 15		
Avsättningar för pensioner och liknande förpliktelser		7 957	7 777
Summa avsättningar		**7 957**	**7 777**
Kortfristiga skulder			
Leverantörsskulder		63	0
Skulder till koncernföretag		1 134 629	1 051 068
Övriga skulder		2 251	3 067
Upplupna kostnader och förutbetalda intäkter	16	931	1 323
Summa kortfristiga skulder		**1 137 874**	**1 055 458**
SUMMA EGET KAPITAL OCH SKULDER		**6 919 846**	**6 911 388**

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Kassaflödesanalys

Tkr

	Not	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Den löpande verksamheten			
Rörelseresultat		-22 559	-18 226
Justeringar för poster som inte ingår i kassaflödet	17	180	375
Erhållen ränta m.m		462	511
Erlagd ränta		-43 145	-35 748
Betald skatt		-30 162	-35 760
Kassaflöde från den löpande verksamheten före förändring av rörelsekapital		**-95 224**	**-88 848**
Kassaflöde från förändring av rörelsekapitalet			
Minskning (+) / ökning (-) av kortfristiga fordringar		-5 999	49 354
Minskning (-) / ökning (+) av kortfristiga skulder		82 400	560 503
Kassaflöde från den löpande verksamheten		**-18 823**	**521 009**
Investeringsverksamheten			
Utdelning från koncernföretag		1 618 823	1 634 868
Kassaflöde från investeringsverksamheten		**1 618 823**	**1 634 868**
Finansieringsverksamheten			
Utbetald utdelning		-1 800 000	-2 355 877
Erhållna koncernbidrag		200 000	200 000
Kassaflöde från finansieringsverksamheten		**-1 600 000**	**-2 155 877**
Likvida medel vid årets slut	**0**		

Noter

Not 1 Redovisnings- och värderingsprinciper

Redovisningsprinciper

Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Redovisningsprinciperna är oförändrade jämfört med föregående år.

Värderingsprinciper

Fordringar
Fordringar har upptagits till de belopp varmed de beräknas inflyta.

Övriga tillgångar, avsättningar och skulder
Övriga tillgångar, avsättningar och skulder har värderats till anskaffningsvärden om inget annat anges nedan.

Intäktsredovisning
Tjänster
Intäkter från konsulttjänster intäktsredovisas när tjänsterna tillhandahålls.

Aktier och andelar i koncernföretag
Andelar i dotterföretag värderas till anskaffningsvärde eventuellt minskat med nedskrivningar. Utdelning från dotterföretag redovisas som intäkt.

Materiella anläggningstillgångar
Immateriella och materiella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar enligt plan och eventuella nedskrivningar. Tillgångarna skrivs av linjärt över tillgångarnas bedömda nyttjandeperiod förutom mark som inte skrivs av. Nyttjandeperioden omprövas per varje balansdag. Följande nyttjande perioder tillämpas:

Inventarier, verktyg och installationer	5 år

Finansiella instrument
Finansiella instrument värderas utifrån anskaffningsvärdet.
En finansiell tillgång eller finansiell skuld tas upp i balansräkningen när bolaget blir part i instrumentets avtalsmässiga villkor. Kundfordringar tas upp i balansräkningen när faktura har skickats.
Leverantörsskulder tas upp när faktura mottagits.

En finansiell tillgång tas bort från balansräkningen när rättigheterna i avtalet realiseras, förfaller eller bolaget förlorar kontrollen över dem. Detsamma gäller för del av en finansiell tillgång. En finansiell skuld tas bort från balansräkningen när förpliktelsen i avtalet fullgörs eller på annat sätt utsläcks. Detsamma gäller för del av finansiell skuld.

Finansiella instrument som redovisas i balansräkningen inkulderar på tillgångssidan likvida medel, kundfordringar, kortfristiga värdepapper, lånefordringar och obligationsfordringar samt derivat. På skuldsidan återfinns leverantörsskulder, utgivna kortfristiga värdepapper, låneskulder, obligationsskulder samt derivat.

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Leasingavtal
Samtliga leasingavtal är operationella och kostnadsförs linjärt över leasingperioden.

Inkomstskatt
Aktuell skatt
Aktuell skatt avser inkomstskatt för innevarande räkenskapsår samt den del av tidigare räkenskapsårs inkomstskatt som ännu inte redovisats. Aktuell skatt beräknas utifrån den skattesats som gäller per balansdagen.

Avsättningar
Avsättningar redovisas när det finns en legal eller informell förpliktelse till följd av en tidigare händelse, det är sannolikt att ett utflöde av resurser kommer att krävas för att reglera förpliktelsen och beloppen kan uppskattas på ett tillförlitligt sätt. Tidpunkten eller beloppet för utflödet kan fortfarande vara osäker.

En avsättning redovisas till den bästa uppskattningen av det belopp som krävs för att reglera förpliktelsen på balansdagen. Avsättningar tas endast i anspråk för de utgifter som avsättningen ursprungligen var avsedd för. Avsättningar diskonteras till sina nuvärden där pengars tidsvärde är väsentligt.

Ersättningar till anställda
Pensioner
Bolaget har utfäst förmånsbaserade pensioner till anställda som inte har säkerställts helt genom tecknade pensionsförsäkringar, så kallad "pensionering i egen regi". Bolagets förpliktelser att i framtiden utbetala pension har härvid ett kapitalvärde bestämt för varje anställd av bland annat pensionsnivån, ålder och vilken grad full pension blivit intjänad.

Förmånsbestämda pensionsplaner redovisas enligt erhållna besked från PRI.

Avgiftsbestämda pensionsplaner
Avgifter för avgiftsbestämda pensionsplaner kostnadsförs löpande.

Fordringar och skulder i utländsk valuta
Monetära fordringar och skulder i utländsk valuta har räknats om till balansdagens kurs.

Valutakursdifferenser som uppkommer vid reglering eller omräkning av monetära poster redovisas i resultaträkningen det räkenskapsåret de uppkommer, antingen som en rörelsepost eller som en finansiell post utifrån den underliggande affärshändelsen.

I den mån fordringar och skulder i utländsk valuta har terminsäkrats omräknas de till terminskursen.

Nyckeltalsdefinitioner
Soliditet (%)
Justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt) i procent av balansomslutning.

Not 2 Inköp och försäljning mellan koncernföretag

	2024	2023
Andel av försäljningen som avser koncernföretag	100 %	100 %

Försäljningen avser management fee, sourcing fee och cluster fee för dotterbolagen.

Not 3 Medelantalet anställda

Några löner eller ersättningar har ej utbetalats då bolaget inte har några anställda. Övriga tjänster hyrs in och redovisas som administrativa tjänster.

Not 4 Leasingavtal - Operationell leasing leasetagare

Framtida minimileasingavgifter för icke uppsägningsbara leasingavtal finns ej vid utgången av 2024.

Not 5 Arvode till revisorer

Med revisionsuppdrag avses granskning av årsredovisningen och bokföringen samt styrelsens och verkställande direktörens förvaltning, övriga arbetsuppgifter som det ankommer på bolagets revisor att utföra samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförandet av sådana övriga arbetsuppgifter.

	2024	2023
KPMG AB		
Revisionsuppdrag	125	120
Revisionsverksamhet utöver revisionsuppdraget	17	0
	142	**120**

Not 6 Resultat från andelar i koncernföretag

	2024	2023
Erhållna utdelningar	1 618 823	1 634 868
	1 618 823	**1 634 868**

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Not 7 Aktuell och uppskjuten skatt

	2024	2023
Skatt på årets resultat		
Aktuell skatt	27 720	30 162
Justering avseende tidigare år	0	0
Totalt redovisad skatt	**27 720**	**30 162**

Avstämning av effektiv skatt

	2024		2023	
	%		%	
Resultat före skatt		1 753 581		1 781 404
Skattekostnad	20,60	-361 238	20,60	-366 969
Ej avdragsgilla kostnader	0,00	-5	0,00	-2
Ej skattepliktiga intäkter		333 523		336 809
Justering avseende skatter för föregående år		0		
Summa	**1,58**	**-27 720**	**1,69**	**-30 162**

Not 8 Andelar i koncernföretag

	2024-12-31	2023-12-31
Ingående anskaffningsvärden	7 603 486	7 602 000
Inköp	17 348	1 486
Försäljningar	-619 238	0
Ökning andelar i db gm lämnat aktieägartillskott	601 890	2 753 876
Avyttring via aktieägartillskott	0	-2 753 876
Utgående ackumulerade anskaffningsvärden	**7 603 486**	**7 603 486**
Ingående nedskrivningar	-925 043	-925 043
Utgående ackumulerade nedskrivningar	**-925 043**	**-925 043**
Utgående redovisat värde	**6 678 442**	**6 678 442**

Not 9 Specifikation andelar i koncernföretag

Namn	Kapital-andel	Antal andelar	2024-12-31	2023-12-31
Saint Gobain Distribution Denmark A/S	100 %	50 000	1 764 620	1 764 620
Saint Gobain Distribution Norway AS	100 %	44 400	2 755 362	2 755 362
Dahl Soumi OY	100 %	7 064	964 078	964 078
Optimera Estonia AS	100 %	240 000	575 145	575 145
Saint Gobain Distribution Sweden AB	100 %	1 000	619 238	0
Dahl Sverige AB	0 %	0	0	619 238
			6 678 442	**6 678 442**

	Org.nr	Säte
Saint Gobain Distribution Denmark A/S	81822514	Bröndby
Saint Gobain Distribution Norway AS	502094-5563	Oslo
Dahl Soumi OY	9924664	Vantaa
Optimera Estonia AS	34677018	Tallinn
Saint Gobain Distribution Sweden AB	556616-6970	Bromma
Dahl Sverige AB	556287-0229	Järfälla

Not 10 Andra långfristiga fordringar

Slag av fordringar	Nom. värde
Option i fastighet	0

Not 11 Förutbetalda kostnader och upplupna intäkter

	2024-12-31	2023-12-31
Förutbetald PRI	200	239
Övriga poster	12	5
	212	**244**

Not 12 Upplysning om aktiekapital

	Antal aktier	Kvotvärde per aktie
Antal/värde vid årets ingång	2 159 504	1
Antal/värde vid årets utgång	2 159 504	1

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Not 13 Disposition av vinst eller förlust

	2024-12-31
Förslag till vinstdisposition	
Styrelsen föreslår att till förfogande stående vinstmedel (kronor):	
balanserad vinst	2 264 931 510
årets vinst	1 725 861 490
	3 990 793 000
disponeras så att	
till aktieägare utdelas	1 700 000 000
i ny räkning överföres	2 290 793 000
	3 990 793 000

Not 14 Avsättningar

	2024-12-31	2023-12-31
PRI Pensionsgaranti - pensioner	7 957	7 777
	7 957	**7 777**

Not 15 Eventualförpliktelser

	2024-12-31	2023-12-31
Ansvarsförbindelse mot PRI pension	159	156
	159	**156**

Not 16 Upplupna kostnader och förutbetalda intäkter

	2024-12-31	2023-12-31
Konsultarvode	115	160
Övriga poster	816	1 163
	931	**1 323**

Not 17 Justering för poster som inte ingår i kassaflödet

	2024-12-31	2023-12-31
Avsättningar	-180	-375
	-180	**-375**

Not 18 Koncernförhållanden

Bolaget är ett helägt dotterbolag till Saint-Gobain Nordic A/S Org. nr. 34892407.
Bolaget är moderbolag, men med stöd av ÅRL 7 kap 2 § upprättas inte någon koncernredovisning

Övergripande koncernredovisning upprättas av:
Compagnie de Saint-Gobain S.A med säte i Paris, Frankrike.

De utländska moderföretagets koncernredovisning finns att tillgå hos Compagnie de Saint-Gobain S.A
Postadress:
Tour Saint-Gobain
Place de I'lris
F-92096 La Defense Cedex
Frankrike
Telefon: + 33 147 62 30 00

Stockholm 2025 -05 - 27

Patrick Dupin
Ordförande

Stéphanie Billet

Annika Jernberg

Matilda Ohlson

Peter Møller
Verkställande direktör

Vår revisionsberättelse har lämnats 2025 -05 - 27

KPMG AB

Christina Nilsson

Christina Nilsson
Auktoriserad revisor

ank=20250711-20250711407784

Revisionsberättelse

Till bolagsstämman i Saint-Gobain Distribution Nordic AB, org. nr 556633-7993

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Saint-Gobain Distribution Nordic AB för år 2024.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Saint-Gobain Distribution Nordic ABs finansiella ställning per den 31 december 2024 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Saint-Gobain Distribution Nordic AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

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Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Saint-Gobain Distribution Nordic AB för år 2024 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Saint-Gobain Distribution Nordic AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.
Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

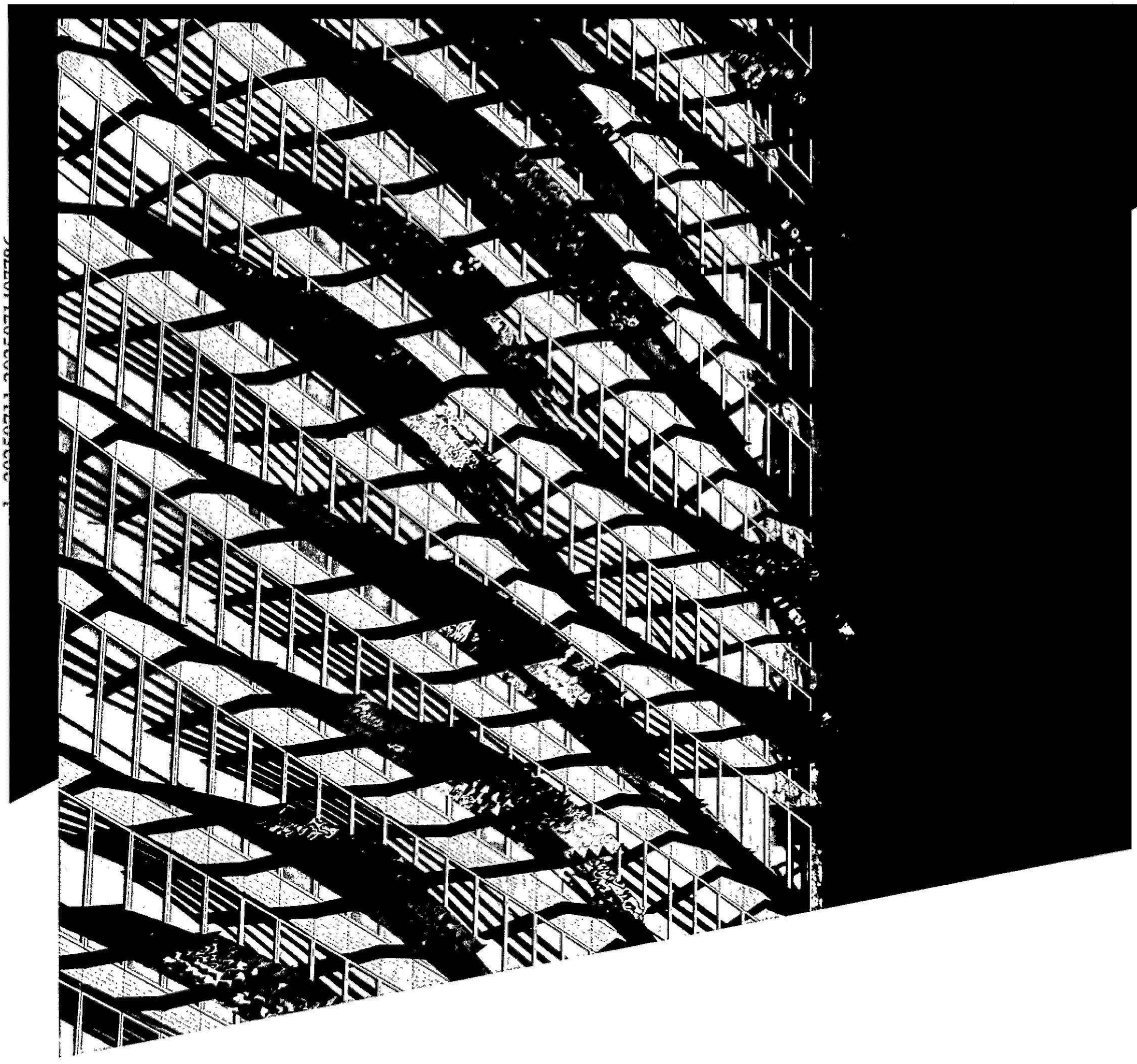
Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat styrelsens motiverade yttrande samt ett urval av underlagen för detta för att kunna bedöma om förslaget är förenligt med aktiebolagslagen.

Malmö den 27 maj 2025

KPMG AB

Christina Nilsson

Christina Nilsson
Auktoriserad revisor



CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31ST 2024

SAINT-GOBAIN

Compagnie de Saint-Gobain

Société Anonyme

Tour Saint-Gobain

12, place de l'Iris

92400 Courbevoie

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2024

This is a translation into English of the statutory auditors' report on the financial statements of the Compagnie de Saint-Gobain issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

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Compagnie de Saint-Gobain

Société Anonyme

Tour Saint-Gobain

12, place de l'Iris

92400 Courbevoie

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2024

To the annual general meeting of Compagnie de Saint-Gobain,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of the Compagnie de Saint-Gobain ("the Group") for the year ended on December 31, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2024, and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Risk Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from January 1, 2024, to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, approved in the conditions mentioned above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of goodwill, intangible assets and property, plant & equipment

Description of risk

The net carrying amounts of goodwill, others intangible assets and property, plant & equipment were material at December 31, 2024, representing €14,236 million, €4,849 million, and €14,880 million, respectively, i.e. 55% of total assets.

These assets may present a risk of impairment due to internal or external factors, including decisions to change the Group's strategy in certain markets, a decline in Group performance, the Group's commitments to carbon neutrality, changes in competition, unfavorable market conditions and changes in legislation or regulations. These

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changes are likely to have an impact on the Group's forecast cash flow and, consequently, the recoverable amount of assets.

The impairment tests performed by Management using the method described in Note 7.5 to the consolidated financial statements led to book an impairment loss of €291 million in the year ended December 31, 2024 as indicated in Note 5.1.4 to the consolidated financial statements.

The valuation of these assets is a key audit matter, particularly for the cash generating units presenting a risk of impairment, given the materiality of their amount in the consolidated balance sheet and the high level of judgment required by Management in assessing impairment losses. Judgements include multiples of a normative basis of performance and assumptions regarding future changes in revenue in volume and value, profitability, investments and other cash flows related to the operation of these assets, as well as the determination of an appropriate discount rate applied to future cash flows.

How our audit addressed this risk

We familiarized ourselves with the procedures implemented within the Group for impairment testing purposes, particularly with regard to the impacts of the Group's commitments to carbon neutrality and exercised our professional judgment to assess the position adopted by Management. We tested the effectiveness of the controls implemented by the Group to ensure the quality and reliability of these procedures and their consistency with data from the budget and the medium-term business plan prepared by Management.

We also assessed the consistency and relevance of Management's approach to determining the cash-generating units for asset impairment testing. We adapted our audit approach to the risk of impairment, which varies depending on the cash-generating unit.

Our valuation specialists performed an independent analysis of certain key assumptions used by Management for impairment testing purposes, in particular the discount rate, the average perpetual growth rate or multiples of a normative performance basis deemed appropriate to the valuation of cash-generating units, by referring to both external market data and comparable company analyses.

For the most sensitive cash-generating units presenting a risk of impairment, we analyzed the consistency of future cash flow projections with regard to past performance and our knowledge of the business, confirmed by interviews with the Heads of the relevant Businesses. We paid particularly close attention to the calculation of the normalized amount of terminal cash flows projected to perpetuity. We performed our own sensitivity analyses of certain key variables of the measurement model, particularly with regard to the inclusion of CO_2 emissions when assessing the materiality of potential impacts on the recoverable amounts of the assets.

We verified that the disclosures provided in the notes 5.1.4, 7.1, 7.2, 7.3 et 7.5 to the consolidated financial statements on the valuation of goodwill, intangible assets and property, plant & equipment, the underlying assumptions and sensitivity analyses were appropriate.

Measurement of provisions related to asbestos litigations in the United-State of America

Description of risk

As indicated in Note 9.2.2 to the consolidated financial statements, the risk of being called upon to finance the costs of the bankruptcy proceedings of DBMP, an affiliate of CertainTeed LLC which holds the historical liabilities of the former entity CertainTeed Corporation, is subject to a provision amounting to $405 million (€390 million) at December 31, 2024.

With regard to this funding risk, determining and measuring the provision recognized and assessing the appropriateness of the related disclosures in the notes to the consolidated financial statements are a key audit matter given the amounts involved and the high degree of estimation and judgment required by Management in determining this provision. Judgment is required, in particular, to assess the status and resolution of the ongoing legal proceedings (in particular the voluntary petition for relief under Chapter 11 of the US Bankruptcy Code): duration, cost, estimation of the number of current and future cases covered, definition of the damages by the judicial authority.

How our audit addressed this risk

To obtain an understanding of contingent liabilities and litigation regarding asbestos in the United States and the related judgments made, we held discussions with Management at the Group and country level as well as at the main subsidiaries concerned. We also contacted certain law firms and external experts chosen by Management to assist them with the monitoring of these risks.

We:

• examined the minutes of the Board of Directors' meetings and the Group's risk mapping prepared by Management and presented to the Audit and Risk Committee;

• familiarized ourselves with the procedures implemented by Management when measuring the provisions for asbestos-related risks in the United States and determining the disclosures thereon in the notes to the consolidated financial statements;

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• assessed the permanence of methods and performed a critical review of internal analyses relating to the evolution of the probability and possible impact of these risks by examining the new available information relating to the proceedings (correspondence, judgments, notifications, etc.). We also reviewed the responses to the confirmation letters of the law firms chosen by Management, particularly in terms of their experience at resolving comparable situations in the past. We also used our professional judgment to assess the positions adopted by Management, to see where they fell within risk assessment ranges and the consistency of those positions over time;

• verified the arithmetical accuracy of the calculations of changes in provisions and the consistency of the main items of change in relation to the underlying data, in particular the payments made during the year in respect of these risks.

We assessed the appropriateness of the disclosures provided in note 9.2.2 to the consolidated financial statements regarding these items of litigation and contingent liabilities identified.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information pertaining to the Group presented in the management report of Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Other Legal and Regulatory Verifications or Information

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the General and Managing Director, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Compagnie de Saint-Gobain by the annual general meeting held on June 10, 2004, for KPMG and on June 2, 2022, for Deloitte & Associés.

As at December 31, 2024, KPMG and Deloitte & Associés were in the 21st year and 3rd year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

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Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit and Risk Committee

We submit a report to the Audit and Risk Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Risk Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit and Risk Committee with the declaration provided for in Article 6 of Regulation (EU) N°537-2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit and Risk Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, February 27, 2025

KPMG S.A. Deloitte & Associés

The Statutory Auditors

French original signed by

Pierre-Antoine Duffaud Laurent Chillet Frédéric Gourd

8.1 2024 CONSOLIDATED FINANCIAL STATEMENTS

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CONSOLIDATED BALANCE SHEET

Assets

(in EUR millions)	Notes	Dec. 31, 2024	Dec. 31, 2023
Goodwill	(7.1)	14,236	13,111
Other intangible assets	(7.2)	4,849	4,368
Property, plant and equipment	(7.3)	14,880	12,744
Right-of-use assets	(7.4)	3,008	2,810
Investments in equity-accounted companies	(8.1)	1,005	705
Deferred tax assets	(12.2)	366	407
Pension plan surpluses	(6.3)	316	322
Other non-current assets	(8.3)	735	596
NON-CURRENT ASSETS		**39,395**	**35,063**
Inventories	(5.4)	7,031	6,813
Trade accounts receivable	(5.4)	4,948	5,096
Current tax receivable	(5.4)	149	93
Other receivables	(5.4)	1,580	1,386
Assets held for sale	(4.3)	155	246
Cash and cash equivalents	(10.3)	8,460	8,602
CURRENT ASSETS		**22,323**	**22,236**
TOTAL ASSETS		**61,718**	**57,299**

Equity and liabilities

(in EUR millions)	Notes	Dec. 31, 2024	Dec. 31, 2023
Shareholders' equity	(11.1)	25,135	23,273
Non-controlling interests		513	485
TOTAL EQUITY		**25,648**	**23,758**
Non-current portion of long-term debt	(10.3)	12,831	10,638
Non-current portion of long-term lease liabilities	(10.3)	2,501	2,354
Provisions for pensions and other employee benefits	(6.3)	1,750	1,960
Deferred tax liabilities	(12.2)	941	824
Other non-current liabilities and provisions	(9.1)	1,450	1,182
NON-CURRENT LIABILITIES		**19,473**	**16,958**
Current portion of long-term debt	(10.3)	1,604	1,820
Current portion of long-term lease liabilities	(10.3)	677	615
Current portion of other liabilities and provisions	(9.1)	836	818
Trade accounts payable	(5.4)	6,773	6,806
Current tax liabilities	(5.4)	240	249
Other payables	(5.4)	5,679	5,504
Liabilities held for sale	(4.3)	163	203
Short-term debt and bank overdrafts	(10.3)	625	568
CURRENT LIABILITIES		**16,597**	**16,583**
TOTAL EQUITY AND LIABILITIES		**61,718**	**57,299**

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

(in EUR millions)	Notes	2024	2023
Sales	(5.1)	46,571	47,944
Cost of sales	(5.1)	(33,688)	(35,109)
General expenses including research	(5.1)	(7,655)	(7,664)
Share in net income of core business equity-accounted companies	(8.1)	76	80
OPERATING INCOME		**5,304**	**5,251**
Other business income	(5.1)	107	68
Other business expense	(5.1)	(1,034)	(1,088)
BUSINESS INCOME		**4,377**	**4,231**
Borrowing costs, gross		(457)	(358)
Income from cash and cash equivalents		301	229
Borrowing costs, net, excluding lease liabilities		**(156)**	**(129)**
Interest on lease liabilities		(97)	(85)
Other financial income and expense		(202)	(210)
NET FINANCIAL EXPENSE	**(10.2)**	**(455)**	**(424)**
Share in net income of non-core business equity-accounted companies	(8.1)	6	9
Income taxes	(12)	(994)	(1,060)
NET INCOME		**2,934**	**2,756**
GROUP SHARE OF NET INCOME		**2,844**	**2,669**
Non-controlling interests		90	87

	Notes	2024	2023
EARNINGS PER SHARE, GROUP SHARE (in EUR)	(11.2)	5.69	5.26
Weighted average number of shares in issue		499,715,108	507,282,902
DILUTED EARNINGS PER SHARE, GROUP SHARE (in EUR)	**(11.2)**	**5.64**	**5.23**
Weighted average number of shares assuming full dilution		503,934,048	510,458,619

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENSE

(in EUR millions)	Notes	2024	2023
NET INCOME		**2,934**	**2,756**
Items that may be subsequently reclassified to profit or loss			
Translation adjustments and restatement for hyperinflation	(11.1)	427	(86)
Changes in fair value of financial instruments		193	(17)
Tax on items that may be subsequently reclassified to profit or loss		(32)	4
Items that will not be reclassified to profit or loss			
Changes in actuarial gains and losses	(6.3)	(7)	(519)
Tax on items that will not be reclassified to profit or loss		(4)	120
Changes in assets at fair value through equity and other items	(8.3)	1	(2)
OTHER ITEMS OF COMPREHENSIVE INCOME (EXPENSE)		**578**	**(500)**
COMPREHENSIVE INCOME (EXPENSE)		**3,512**	**2,256**
Group share		3,431	2,145
Non-controlling interests		81	111

The accompanying notes are an integral part of the consolidated financial statements.

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CONSOLIDATED STATEMENT OF CASH FLOWS

(in EUR millions)	Notes	2024	2023
NET INCOME		**2,934**	**2,756**
Share in net income of equity-accounted companies, net of dividends received	(8.1)	(23)	(69)
Depreciation, amortization and impairment of assets (including right-of-use assets)	(5.1) (7)	2,631	2,395
Gains and losses on disposals of assets	(5.3)	52	347
Unrealized gains and losses arising from changes in fair value and share-based payments		13	75
Restatement for hyperinflation		36	39
Changes in inventory		23	234
Changes in trade accounts receivable and payable, and other accounts receivable and payable		248	72
Changes in tax receivable and payable		(60)	(28)
Changes in deferred taxes and provisions for other liabilities and charges	(6.3) (9.1) (12.2)	(285)	214
NET CASH FROM OPERATING ACTIVITIES		**5,569**	**6,035**
Acquisitions of property, plant and equipment and intangible assets, and changes in amounts due to suppliers of fixed assets	(7.2) (7.3)	(2,083)	(1,971)
Acquisitions of shares in controlled companies, net of cash acquired		(3,331)	(1,046)
Increase in investment-related liabilities		198	28
Decrease in investment-related liabilities		(35)	(64)
Acquisitions of other investments	(8.3)	(219)	(233)
Investments		**(5,470)**	**(3,286)**
Disposals of property, plant and equipment and intangible assets	(7.2) (7.3)	150	69
Disposals of shares in controlled companies, net of cash divested		30	(55)
Disposals of other investments	(8.3)	18	3
(Increase) decrease in amounts receivable on sales of fixed assets		8	12
Divestments		**206**	**29**
Increase in loans and deposits	(8.3)	(74)	(63)
Decrease in loans and deposits	(8.3)	72	90
NET CASH FROM (USED IN) INVESTMENT AND DIVESTMENT ACTIVITIES		**(5,266)**	**(3,230)**
Issues of capital stock	(a)	222	213
(Increase) decrease in treasury stock	(a)	(811)	(828)
Dividends paid	(a)	(1,045)	(1,013)
Transactions with shareholders of the parent company		**(1,634)**	**(1,628)**
Capital increases in non-controlling interests	(a)	25	6
Acquisitions of minority interests without gain of control		(43)	0
Disposals of minority interests without loss of control		3	0
Changes in investment-related liabilities following the exercise of put options of minority shareholders		(68)	(2)
Dividends paid to non-controlling interests and change in dividends payable	(a)	(64)	(76)
Transactions with non-controlling interests		**(147)**	**(72)**
Increase (decrease) in bank overdrafts and other short-term debt		51	502
Increase in long-term debt	(b) (10.3)	3,674	3,322
Decrease in long-term debt	(b) (10.3)	(1,624)	(1,636)
Decrease in lease liabilities	(b)	(722)	(693)
Change in debt		**1,379**	**1,495**
NET CASH FROM (USED IN) FINANCING ACTIVITIES		**(402)**	**(205)**
Net effect of exchange rate changes on cash and cash equivalents		(58)	(91)
Net effect of changes in fair value on cash and cash equivalents		0	(2)
Cash and cash equivalents classified within assets held for sale		15	(39)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(142)**	**2,468**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**8,602**	**6,134**
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**8,460**	**8,602**

(a) *Please see the consolidated statement of changes in equity.*
(b) *Including bond premiums, prepaid interest and issue costs.*

In 2024, income tax paid represented €1,094 million (€1,124 million in 2023), total rental expenses paid €1,052 million (€968 million in 2023), including €96 million in interest paid on lease liabilities (€85 million in 2023), and interest paid net of interest received €95 million (€117 million in 2023).

The accompanying notes are an integral part of the consolidated financial statements.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in EUR millions)	Capital stock	Additional paid-in capital and legal reserve	Retained earnings and consolidated net income	Cumulative translation adjustments	Fair value reserves	Treasury stock	Share-holders' equity	Non-controlling interests	Total equity
AT JANUARY 1, 2023	**2,063**	**4,129**	**18,457**	**(1,614)**	**(1)**	**(323)**	**22,711**	**443**	**23,154**
Other items of comprehensive income			(395)	(112)	(17)		(524)	24	(500)
Net income for the period			2,669				2,669	87	2,756
Total income and expense for the period			**2,274**	**(112)**	**(17)**		**2,145**	**111**	**2,256**
Issues of capital stock									
Group Savings Plan	20	190					210		210
Stock subscription option plans and other		3					3	6	9
Dividends paid			(1,013)				(1,013)	(75)	(1,088)
Shares purchased and sold			26			(854)	(828)		(828)
Shares canceled	(57)	(701)				758	0		0
Share-based payments			62				62		62
Changes in Group structure and other			(17)				(17)		(17)
AT DECEMBER 31, 2023	**2,026**	**3,621**	**19,789**	**(1,726)**	**(18)**	**(419)**	**23,273**	**485**	**23,758**
Other items of comprehensive income			(41)	434	194		587	(9)	578
Net income for the period			2,844				2,844	90	2,934
Total income and expense for the period			**2,803**	**434**	**194**		**3,431**	**81**	**3,512**
Issues of capital stock									
Group Savings Plan	16	205					221		221
Stock subscription option plans and other		1					1	25	26
Dividends paid			(1,045)				(1,045)	(62)	(1,107)
Shares purchased and sold			20			(831)	(811)		(811)
Shares canceled	(46)	(788)				834	0		0
Share-based payments			72				72		72
Changes in Group structure and other			(7)				(7)	(16)	(23)
AT DECEMBER 31, 2024	**1,996**	**3,039**	**21,632**	**(1,292)**	**176**	**(416)**	**25,135**	**513**	**25,648**

The accompanying notes are an integral part of the consolidated financial statements.

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The consolidated financial statements reflect the accounting position of Compagnie de Saint-Gobain (the Company) and its subsidiaries ("the Group"), as well as the Group's interests in associate companies and joint ventures. They are expressed in euros rounded to the nearest million.

These consolidated financial statements were adopted on February 27, 2025 by the Board of Directors and will be submitted to the Shareholders' Meeting of June 5, 2025 for approval.

Accounting principles and policies are highlighted in a distinct color.

NOTE 1 ACCOUNTING PRINCIPLES AND POLICIES

The accounting policies applied are consistent with those used to prepare the financial statements for the year ended December 31, 2023, except for the application of the new standards and interpretations described below. The consolidated financial statements have been prepared using the historical cost convention, except for certain assets and liabilities that have been measured using the fair value model as explained in these notes.

1.1 Standards applied

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations adopted for use in the European Union at December 31, 2024. These consolidated financial statements have also been prepared in accordance with the IFRS issued by the International Accounting Standards Board (IASB).

1.1.1 Standards, interpretations and amendments to existing standards applicable for reporting periods beginning on or after January 1, 2024

The following standards and amendments, effective since January 1, 2024, were applied where necessary to the consolidated financial statements for the year ended December 31, 2024:

- Amendments to IAS 1, "Classification of Liabilities as Current or Non-current", and "Non-current Liabilities with Covenants";
- Amendments to IAS 7 and IFRS 7, "Supplier Finance Arrangements";
- Amendments to IFRS 16, "Lease Liability in a Sale and Leaseback".

The main finalized IFRIC decisions published in 2024 concern:

- IFRS 3 and IAS 27, "Merger between a Parent and Its Subsidiary in Separate Financial Statements";
- IFRS 3, "Payments Contingent on Continued Employment during Handover Periods";
- IAS 37, "Climate-related Commitments";
- IFRS 8, "Operating segments".

These amendments and decisions have no material impact on the Group's consolidated financial statements.

1.1.2 Standards, interpretations and amendments to existing standards available for early adoption in reporting periods beginning on or after January 1, 2024

The new standards, interpretations and amendments to existing standards applicable to accounting periods starting on or after January 1, 2024 were not early adopted by the Group at December 31, 2024.

Only one amendment was concerned:

- Amendment to IAS 21, "The Effects of Changes in Foreign Exchange Rates" – Lack of Exchangeability.

The impact of the amendment is currently being analyzed by the Group.

1.1.3 Standards, interpretations and amendments to existing standards published but not yet applicable

The new standards, interpretations and amendments to existing standards that have been published but are not yet applicable concern:

- Amendments to IFRS 9 and IFRS 7 concerning the classification and measurement of financial instruments;
- Amendments to IFRS 9 and IFRS 7, "Contracts Referencing Nature-dependent Electricity".
- Annual improvements to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7;
- IFRS 18, "Presentation and Disclosure in Financial Statements";
- IFRS 19, "Subsidiaries without Public Accountability: Disclosures".

Where applicable to Saint-Gobain, these amendments are currently being analyzed by the Group.

1.2 Estimates and assumptions

The preparation of consolidated financial statements in compliance with IFRS requires management to make estimates and assumptions that affect the amounts of assets and liabilities reported in the balance sheet and the disclosure of contingent assets and liabilities in the notes to the financial statements, as well as the reported amounts of income and expenses during the period. These estimates and assumptions are based on past experience and on various other factors in the prevailing economic and financial environment which makes it difficult to predict future business performance. Actual amounts may differ from those obtained through the use of these estimates and assumptions.

The main estimates and assumptions described in these notes concern the measurement of employee benefit obligations and share-based payments (see note 6, p. 27), asset impairment tests (notably the assumptions used in the tests relating to the Group's commitments to reduce its net carbon emissions) and the determination of lease terms (see note 7, p. 34), provisions for other liabilities (see note 9, p. 44), the measurement of financial instruments (see note 10, p. 48), and taxes (see note 12, p. 60).

NOTE 2 SIGNIFICANT EVENTS OF THE PERIOD AND MACROECONOMIC CONDITIONS

2.1 Significant events of the period

2.1.1 Acquisition of CSR Ltd in Australia

On February 26, 2024 Saint-Gobain announced that it had entered into a definitive agreement with CSR Limited ("CSR") to acquire all of the outstanding shares of CSR by way of an Australian scheme of arrangement for A$9.00 per share, in cash.

CSR is a leading building products company in Australia for residential and non-residential construction with A$2.6 billion (c. €1.6 billion) in total revenue for the fiscal year ended March 31, 2024, of which A$1.8 billion (c. €1.1 billion) generated by the Building Products business. It has 30 manufacturing plants and around 2,500 employees.

The Group completed the transaction on July 9, 2024 in accordance with the initial terms and conditions, at a euro-equivalent price of €2.6 billion. The acquisition was fully financed in cash.

Provisional goodwill recognized in the consolidated financial statements at December 31, 2024 in accordance with IFRS 3 amounts to €569 million (see note 4.2.1 p. 17).

2.1.2 Inaugural green bond issue

On April 8, 2024, Saint-Gobain issued its first green bond, made up of the following two tranches: €1 billion with a 6-year maturity and a 3.375% coupon, and €1 billion with a 10-year maturity and a 3.625% coupon. The funds raised by this green bond issue will be used to finance projects aligned with the European taxonomy.

2.1.3 Acquisition of Bailey in Canada

On June 3, 2024, Saint-Gobain completed the acquisition of the Bailey Group of Companies (Bailey). Founded 75 years ago, Bailey is a leading privately owned manufacturer of metal building solutions for light construction in Canada. With some 700 employees working across 12 manufacturing sites throughout the country, Bailey generated C$532 million (approximately €363 million) in sales in 2023.

In accordance with IFRS 3, a preliminary allocation of the €0.6 billion purchase price was carried out at December 31, 2024. The provisional goodwill resulting from this process amounted to €262 million (see note 4.2.1, p. 17)

This acquisition was fully financed in cash. The acquisition price includes deferred payments of C$266 million (approximately €178 million) due in 2027 and 2028.

2.1.4 Appointment of Benoit Bazin as Chairman and Chief Executive Officer of the Group

On June 6, 2024, Compagnie de Saint-Gobain's Board of Directors reiterated its unanimous decision of November 23, 2023 to combine the functions of Chairman and Chief Executive Officer and to appoint Benoit Bazin as the Group's Chairman and Chief Executive Officer with effect from that date.

2.1.5 Agreement to acquire FOSROC in Asia and emerging markets

On June 27, 2024, Saint-Gobain announced that it had entered into a definitive agreement to acquire FOSROC, a leading privately owned global construction chemicals player, for US$1,025 million (approximately €960 million) in cash.

With 20 manufacturing plants and some 3,000 employees, FOSROC's global construction chemicals business has a particularly strong geographic footprint in India, the Middle East and the Asia-Pacific region. In 2024, it generated sales of some US$490 million.

The Group completed the transaction on February 7, 2025 in accordance with the initial terms and conditions, and is now focusing on integrating this subsidiary. The acquisition was fully financed in cash.

As this transaction was completed after the reporting date, no items related to FOSROC were included in Saint-Gobain's financial statements at December 31, 2024, except for the purchase price, which was included in off-balance sheet commitments to purchase shares in an amount of €0.9 billion (see note 4.5 p. 20).

2.1.6 Bond issue

On August 9, 2024, Saint-Gobain carried out a €1.5 billion bond issue comprising two tranches:

- an €800 million 5-year tranche paying a coupon of 3.25%;
- a €700 million 12-year tranche paying a coupon of 3.625%.

With this transaction Saint-Gobain has taken advantage of favorable market conditions to anticipate its upcoming refinancing needs, while increasing the average maturity of its debt at optimized financing conditions.

2.1.7 Agreement to acquire OVNIVER in Mexico and Central America

On August 15, 2024, Saint-Gobain entered into a definitive agreement to acquire OVNIVER Group, a privately owned leading construction chemicals player in Mexico and Central America, for US$0.8 billion (c. €0.7 billion) in cash.

OVNIVER Group's business has grown by an average of around 20% per year over the last five years. In 2024, it reported sales of some US$285 million. With 16 manufacturing plants and around 1,000 employees, it offers a wide range of innovative solutions for the residential and non-residential construction markets, including façade coatings, tiling adhesives, waterproofing solutions and surface preparation mortars.

The Group completed the transaction on January 15, 2025 in accordance with the initial terms and conditions, and is now focusing on integrating this subsidiary. This acquisition was fully financed in cash.

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As this transaction was completed after the reporting date, no items related to OVNIVER Group were included in Saint-Gobain's financial statements at December 31, 2024, except for the purchase price, which was included in off-balance sheet commitments to purchase shares in an amount of €0.7 billion (see note 4.5, p. 20).

2.2 Macroeconomic conditions

Saint-Gobain is having to contend with a volatile economic environment in its main countries of operation, which over the past four years has been marked by sharply rising inflation and interest rates, economic fallout from the war in Ukraine (notably on energy prices), and growing geopolitical tensions and political instability. The construction sector has been particularly hit by unstable energy prices and the cycle of rising interest rates.

Amidst these challenges, the Group continued its rigorous management of liquidity, interest rate and foreign exchange risks (see note 10.1, p. 48), while increasing its oversight and tracking of credit risk and continuing to apply its strict gas and electricity price hedging policy.

The economic environment will remain uncertain in 2025, not least in the light of possible actions by the new US administration, but central bank interest rate cuts should support the cyclical recovery of the construction sector, in both the new building and renovation segments. In terms of market structure, housing shortages in North America (United States and Canada) and Europe (e.g. Germany, United Kingdom and Poland), as well as the need for energy retrofits and work to adapt buildings to climate change, represent sources of sustainable growth for the Group.

2.2.1 Hyperinflation in Argentina and Turkey

Argentina has been experiencing a severe recession since 2023, with GDP contracting by more than 4% in volume over the last two years despite good agricultural harvests, reflecting the austerity measures introduced by the new government. However, a rebound has been underway since the end of 2024, and economic activity looks set to grow in 2025 thanks to increased investment and consumer spending. Price growth is slowing: annualized inflation eased to 118% at the end of December 2024 after peaking at 289% in April 2024, and is expected to continue to decelerate gradually in 2025.

In Turkey, more restrictive budgetary and monetary policies led to a sharp economic slowdown in 2024, but helped improve the country's external accounts and reduce inflation, which stood at 44% (annualized) at the end of December 2024, after peaking at 75% in May 2024. Economic activity is set to grow somewhat in 2025, boosted by the expected impact of phased central bank interest rate cuts.

In accordance with IAS 29, hyperinflation in these two countries, and in particular its consequences in terms of the impairment in value of monetary items, are reflected in the Group's net financial expense for the year ended December 31, 2024.

2.2.2 Impact of the Russia-Ukraine conflict on the Group's strategy and financial performance

Information concerning the Group's operating activities

Since the outbreak of the conflict between Russia and Ukraine, in addition to the Group's application of the sanctions imposed against Russia, Saint-Gobain has decided to halt all its exports to customers in Russia and Belarus, and all its imports from these two countries.

Nevertheless, its local Russian operations, which represent around 0.8% of the Group's worldwide sales and do not involve any local partnerships, continue to operate autonomously, with locally produced solutions sold exclusively on local construction markets.

In Ukraine, Saint-Gobain finalized the construction of a plaster production plant in the west of the country, which came on stream in November 2024.

In organizational terms, Ukraine is included in a Poland-Ukraine cluster falling under the direct responsibility of the management team in Poland.

Scope of consolidation

Insofar as the Group continues to produce and sell in Russia for the local market, and to ensure its local business can continue to operate with complete autonomy of management and control of returns, Saint-Gobain still controls its Russian subsidiaries.

In accordance with IFRS 10, its Russian and Ukrainian companies have not therefore been deconsolidated and were still included in the Group's scope of consolidation for the preparation of the consolidated financial statements for the year ended December 31, 2024.

Asset impairment review

Total non-current assets in Russia represent €159 million, or 0.4% of the Group's total non-current assets at December 31, 2024 (€161 million at December 31, 2023).

No indication of impairment was identified for these companies. Consequently, no impairment losses related to the Russia-Ukraine conflict were recognized in 2024.

Financial risks

Given the Group's limited presence in Russia and Ukraine, the conflict has not generated any credit or liquidity risks, and forex exposure is also being managed effectively.

Group cash and cash equivalents held in Russia represented 1.7% of the Group's total cash and cash equivalents at December 31, 2024. The Group does not consider the cash and cash equivalents held in Russia to be restricted within the meaning of IAS 7.

Since March 2, 2022, the Group has been using the Russian ruble exchange rate published by Reuters for the translation of its consolidated financial statements.

While the Russia-Ukraine conflict has not had a direct material impact on the financial statements for the year ended December 31, 2024, the situation remains unstable and complex. The Group therefore remains vigilant in analyzing the potential future impacts of the conflict.

2.2.3 Impact of the Israel-Palestine conflict on the Group's strategy and financial performance

The Group has no operations in most of the countries directly or indirectly involved in this conflict (Israel, Palestine and Iran). The only exception is Lebanon, where its exposure is very limited with sales and total non-current assets representing less than 1 % of the Group's worldwide consolidated data.

Nevertheless, the Group is keeping a close watch on its Middle East operations, particularly on account of the risk that the conflict spreads across the rest of the region.

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NOTE 3 CLIMATE ISSUES

3.1 The "net-zero-emissions" commitment at the heart of the Group's strategy

Sustainability concerns are at the heart of the Group's strategy and are an essential element in supporting its growth. In 2019, the Group committed to achieving a 100% reduction in its direct and indirect carbon emissions by 2050. This commitment was approved in September 2022 by the Science Based Targets initiative (SBTi), which considered the Group's roadmap to be consistent with the new net-zero standard and the Paris Agreement on climate change. In order to meet this net-zero emissions target by 2050, in November 2020 Saint-Gobain defined an initial roadmap for the period to 2030. The roadmap identifies the levers and action plans that will enable the Group to meet its goal of a 33% absolute reduction in scope 1 and 2 carbon emissions compared to a 2017 baseline, and a 16% reduction in scope 3 emissions.

The Group's capital expenditure is aligned with the investment requirements identified in this 2030 CO_2 roadmap, which covers all of the Group's business activities. At the end of 2024, the Group had already reduced its scope 1 and scope 2 CO_2 emissions by 37% compared to the 2017 baseline. The reduction included the effect of changes in activity levels at all Group sites, restated for disposals carried out during the year, and excludes the recent acquisitions of CSR, Bailey and Building Products of Canada.

The innovative solutions developed by Saint-Gobain to improve the energy performance of buildings help reduce both the negative impact of buildings and construction on the environment and their occupants' energy bills, while also enhancing occupant well-being. They therefore play an important role in the fight against climate change by reducing energy use and, consequently, the amount of greenhouse gas emissions, replacing heavy materials (cement, concrete, bricks) with light materials and increasing the pace of heavy materials' decarbonization.

The Group's thermal insulation and insulating glass solutions provide benefits in terms of energy performance and greenhouse gas emissions that significantly outweigh the carbon footprint associated with their production over their life cycle.

The Group's High Performance Solutions enable it to meet growing market needs linked to the decarbonization of construction manufacturing processes, as well as those of the mobility market. Following the acquisition of Chryso and GCP Applied Technologies Inc. (GCP), the Group further strengthened, in 2024, its position in construction chemicals, whose products play a significant role in helping to decarbonize construction through the design of innovative admixtures that reduce the carbon impact of cement and concrete. In 2024, Saint-Gobain proceeded with the integration of the following companies for the first time: Izomaks (Saudi Arabia), Imptek Chova (Ecuador), R. Sol (France), Technical Finishes (South Africa), Menkol (India), Adfil (Belgium), Kilwaughter (United Kingdom and Ireland), and signed an agreement to acquire FOSROC (India, Middle East and Asia-Pacific).

In order to increase the percentage of sales represented by its sustainable solutions, Saint-Gobain has developed a method for evaluating the environmental benefits of its solutions for all stakeholders. According to this internal method, the Group generated an estimated 73% of its sales from sustainable solutions (products identified as being low-carbon) in 2024, in line with the 75% target set for 2025.

The Group's initiatives are enabling it to dissociate growth from CO_2 emissions: carbon intensity (scopes 1 and 2) per euro of sales and EBITDA fell by 43% and 58%, respectively, in 2024 compared with the 2017 baseline, reflecting the Group's objective of maximizing its positive impact on the environment while reducing its footprint.

3.2 Taking into account the "net-zero-emissions" commitment when preparing the Group's financial statements

In line with these commitments and targets, the Group has taken into account climate change and sustainable development issues in its financial statements, mainly in the areas cited below:

A Group-wide commitment

All Regions and the High Performance Solutions (HPS) activities have drawn up structured roadmaps for reducing CO_2 emissions.

These roadmaps are broken down by country and entity, plant, project, and together, will be used to justify the Group's 2030 scope 1 and scope 2 emissions reduction targets and to set objectives for 2030-2050.

The roadmaps are reviewed each year in line with the Group's main financial deadlines (strategic plan, budget) and combine a large number of potential improvements, action plans and industrial projects (energy efficiency and energy mix; application of new technologies; growth in the circular economy; product reformulation, streamlining and design, etc.). The roadmaps contain measures for each site designed to reduce scope 1 direct emissions, and take into account the growing number of new Purchase Power Agreements (PPA) and Virtual Purchase Power Agreements (VPPA) on a country-by-country basis aimed at reducing scope 2 indirect emissions.

After the world firsts achieved by the Group in recent years, notably pilots of zero-carbon production (scopes 1 and 2) of flat glass in France (at the Aniche plant) and plasterboard in Norway and very low-carbon production (scopes 1 and 2) of glass wool insulation in Finland, it pursued its carbon-reduction measures during 2024, including:

- Decarbonization of production processes:
  - Following the Fredrikstad plant in Norway in 2023, deployment of 100%-electric production at a second plasterboard plant in Montreal (Canada), using 100% renewable electricity;
  - Start-up, in March 2024, of very low-carbon production at three US siding production sites, using 100% renewable electricity;
  - Following the installation of an electric furnace at Pont-à-Mousson in 2023 to provide additional capacity alongside the blast furnace, launch of a second decarbonization phase in 2024, in the shape of a project to replace two cupola furnaces at the Foug plant with two electric furnaces, with the aim of achieving a 62% reduction in the site's carbon emissions and an 80% reduction in its water consumption;

  - Launch of a project to build a second flat glass production line in Egypt, equipped with a solar park.
- Development and marketing of innovative solutions incorporating carbon benefits and reductions in energy consumption:
  - Following the introduction of the ORAÉ® low-carbon glass offering in 2023, roll-out of the new generation of recyclable glass wool – LANAÉ® – in the European market by Isover;
  - UK launch of plasterboard made from 100% recycled plaster;
  - Ongoing work by the Construction Chemicals business on developing new additives for low-carbon cements and concretes. These low-carbon technologies open up major co-development opportunities with new partners in fast-growing markets, and are helping to accelerate Saint-Gobain's profitable growth in construction chemicals.

Measuring and tracking scope 1 and 2 emissions

The "2030 carbon" roadmap is based on several decarbonization levers to reduce scope 1 and 2 emissions:

- action on products: product optimization (lighter plasterboard or glass wool without any loss of performance) and eco-design, including more recycled materials in product composition, contributing around 15% of the 2030 target (excluding volume and scope effects);
- innovation in manufacturing process optimization, the use of low-carbon energies and product design/composition, as well as the World Class Manufacturing (WCM) program, contributing around 35% of the 2030 target (excluding volume and scope effects);
- purchasing of low-carbon energies (renewable electricity, biogas and, possibly, hydrogen), contributing around 50% of the 2030 target (excluding volume and scope effects). More than three-quarters of Saint-Gobain's total energy consumption are still directly linked to fossil fuel purchases. Action plans have been put in place to identify and secure regular, reliable sources of renewable energy supplies. Thanks to these plans, decarbonized electricity now accounts for more than half of total electricity consumption. The Group is also developing projects at its plants using new energies (wind power, biomass, biogas, solar energy, etc.), in some cases with external partners.

Almost 90% of scope 1 and 2 emissions are measured on a monthly basis using an automated reporting system that includes data on material and energy consumption, as well as the impact of Purchase Power Agreements (PPAs) and certificates. Emissions reduction is therefore an operating performance indicator in the same way as financial performance indicators.

The Group's 2024 scope 1 and 2 carbon emissions are estimated at 8.5 million tonnes (8.8 million tonnes in 2023).

Climate risks and adaptation plan

The identification, assessment and management of climate-related risks and opportunities are an integral part of Saint-Gobain's risk mapping process. The Group has identified 10 risks and 5 strategic opportunities related to climate change. The risks identified do not present any material financial impacts for Saint-Gobain.

Concerning the identified opportunities, the combined effects of rising temperatures and weather events (droughts, floods, wildfires, storms) will have a significant impact on construction market growth, while also driving regulatory changes. At the same time, construction methods will have to evolve in favor of light construction, energy-efficient building renovation and low-carbon solutions. Thanks to its portfolio of expert skills and solutions, Saint-Gobain is particularly well-equipped to adjust to evolving construction markets and the growing scarcity of resources. In this regard, the "Solutions for Growth" program includes a section on improving customer productivity.

The transformation of Saint-Gobain's manufacturing processes and changes in product formulations to include recycled or low-carbon impact raw materials in accordance with the "2030 carbon" roadmap, do not entail any major change in the organization of the Group's industrial facilities.

Measurement and tracking of value chain emissions (scope 3)

The main emissions categories (representing over 80% of total scope 3 emissions), over which the Group has real leverage and which are included in the target validated by the SBTi, are primarily purchased raw materials and trading products (category 1), purchased energy (category 3) and upstream and downstream transportation and distribution (categories 4 and 9).

The Group is making good progress in measuring scope 3 emissions and is pursuing work to automate the reporting process (the carbon impact of over 80% of purchases for manufacturing operations is measured automatically) and improve data reliability, considering that the quality of the information depends on the relevance of the materials and product emissions factors reported by suppliers.

The action plan to accelerate the reduction of scope 3 emissions is based on three main levers:

- Product reformulation and innovation, aimed at replacing raw materials with the greatest carbon impact either with recycled materials or with new low-carbon compositions, should contribute around 30% of the target;
- The decarbonization of purchases through supplier-led initiatives will contribute around 60% of the target. Saint-Gobain teams are also involved in creating joint action plans with suppliers to reduce their carbon impact;
- Innovation and supply chain efficiencies will contribute around 10% of the target.

These estimates exclude the impact of any methodological changes, changes in reporting scope, information system upgrades and improvements to the quality of information about emissions factors.

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Concerning purchases of raw materials and trading products, the Group's main suppliers (the biggest contributors to carbon emissions) are now asked to disclose their carbon footprints and related goals via a dedicated portal. The reporting system is based on independently audited life cycle assessments. A database tracks the emissions factors of materials and products purchased by the Group.

Scope 3 emissions for 2024 have been estimated at 24.5 million tonnes based on the reporting scope used to determine the 2030 target validated by the SBTi.

Renewable Power Purchase Agreements

The Group is continuing to negotiate and enter into renewable electricity supply (scope 2) contracts either with physical electricity delivery (Power Purchase Agreement – PPA), or financial contracts without physical delivery, including a cash settlement based on the difference between the contract price and the market price (Virtual Power Purchase Agreement – VPPA). Saint-Gobain analyzes the accounting treatment for such agreements before they are set up. They are accounted for in accordance with either IFRS 16 for leases, IFRS 9 for financial instruments, or IAS 37 for agreements covered by the own-use exemption provided for in IFRS 9.2.4.

The majority of the agreements signed by the Group are PPAs that are considered as agreements covered by the IFRS 9.2.4 own-use exemption.

The most material agreements (>200 GWh over the term of the contract) at December 31, 2024 are presented in the table below along with their main characteristics:

Type of contract	Location	Type of energy	Power (per year)	% of the country's electricity consumption (2024 baseline)	Start date	Contract duration	Accounting treatment
VPPA	USA (Blooming Grove)	Wind	460 GWh	> 25%	2020	12 years	IFRS 9 (derivatives)
VPPA	USA (Cotton Bayou)	Solar	452 GWh	> 25%	2024	10 years	IFRS 9 (derivatives)
VPPA	USA (Danish fields)	Solar	224 GWh	> 10%	2024	15 years	IFRS 9 (derivatives)
VPPA	Poland	Wind	180 GWh	> 25%	2025	15 years	IFRS 9 (derivatives)
PPA	Romania	Mix	160 GWh	> 75%	2026	5 years	Purchase contract
PPA	France	Wind	175 GWh	> 10%	2026	5 years	Purchase contract
PPA	Spain	Mix	150 GWh	> 25%	2024	10 years	Purchase contract
PPA	France	Mix	108 GWh	> 10%	2026	20 years	Purchase contract
PPA	USA (Chowchilla)	Solar	78 GWh	< 10%	2023	15 years	IFRS 16
PPA	France	Solar	36 GWh	< 10%	2024	15 years	Purchase contract
PPA	Italy	Wind	22 GWh	> 10%	2024	12 years	Purchase contract
PPA	Spain	Solar	18.5 GWh	< 10%	2023	12 years	Purchase contract
PPA	Romania	Solar	12 GWh	< 10%	2023	20 years	Purchase contract

In accordance with IFRS 9, VPPAs are measured at fair value through profit or loss, with the exception of one VPPA qualified as a hedge (Poland VPPA), for which changes in fair value are recognized in other comprehensive income.

Overall, the impact of changes in fair value of VPPAs on the Group's 2024 financial statements is not material.

The Group's objective is to continue to increase the share of electricity in its energy needs.

The proportion of decarbonized electricity rose to 67% of the Group's total electricity consumption in 2024 (57% in 2023) following the signature of new PPAs and green electricity contracts in various regions of the world, and is set to increase even further as from 2025 when the PPAs come into effect.

Sustainable investments, research and development expenditure, and other expenditure aimed at combating climate change and protecting the environment

Investments to reduce CO_2 emissions are tracked monthly in the Group's financial reporting.

To support the increasingly rapid transition to carbon-neutral manufacturing processes, Saint-Gobain has pledged to invest €1 billion in capital projects and R&D over the ten years 2021-2030. Of this total, €764 million has already been invested since the roadmap was first implemented in 2020.

In 2024, the Group spent €163 million on capital projects (€144 million in 2023) and €88 million on research and development (€79 million in 2023) to support its carbon emissions reduction strategy.

Management of CO_2 emissions allowances

At the end of 2024, the Saint-Gobain Group had 3.8 million tonnes of greenhouse gas emissions allowances from the European Commission. In 2024, the Group purchased 0.4 million tonnes of carbon emissions allowances on the spot market at an average price of €58 per tonne and 0.5 million tonnes of allowances on the futures market at an average price of €67, which it believes are adequate to cover its emissions for more than three years as from December 31, 2024.

Financing activities

Following on from (i) the Sustainability-Linked Bond issue carried out in 2022 featuring a 10-year €500 million tranche indexed to two 2030 sustainability performance targets (a 33% reduction in scopes 1 and 2 CO_2 emissions and an 80% reduction in non-recovered production waste), and (ii) the signing in December 2023 of a €4 billion Sustainability-Linked Loan maturing in December 2028, with interest linked to three performance indicators set out in Saint-Gobain's 2030 sustainability roadmap compared to the 2017 baseline year (a 33% reduction in scopes 1 and 2 CO_2 emissions in absolute terms, an 80% reduction in non-recovered production waste, and a frequency rate for workplace accidents at or below 1.5 per million hours worked), in March 2024, the Group carried out its first green bond issue, made up of two tranches (€1 billion with a six-year maturity and a 3.375% coupon, and €1 billion with a ten-year maturity and a 3.625% coupon). The funds raised from this issue will be used to finance projects aligned with the European taxonomy.

3.3 Corporate governance

CSR committees

A CSR Committee is in place within the Board of Directors (to ensure that CSR issues are taken into account in defining and implementing Saint-Gobain's strategy) and within the Group Executive Committee. A summary of environmental results and specific matters for consideration are included on the agenda of quarterly meetings of the Board and the Committee.

Executive compensation policy

Recognizing that climate change is a strategic issue for the Group, reducing carbon emissions has been included as one of the performance indicators in the short- and long-term compensation plans of Group executives. CSR objectives determine 20% of amounts paid out under long-term plans, and 15% of annual variable compensation, while CO_2 objectives now account for 10% of long-term plans and 5% of annual variable compensation.

Internal carbon price

In 2016, Saint-Gobain set up an internal carbon pricing system. The internal carbon price per tonne of CO_2 applicable at the end of 2024 was set at €100 for capital expenditure impact assessments and €200 for R&D project impact assessments. A specific approach has been adopted for major acquisitions, and includes the work that may be required to ensure that the carbon impact of these acquisitions is compatible with Saint-Gobain's direct and indirect emissions roadmap. Since 2023, the Group's return-on-investment measurement model uses the internal carbon price to determine the ROI on capital expenditure and acquisition projects.

3.4 Asset impairment tests and net CO_2 emissions

As stated in the section on asset impairment reviews (see note 7.5.4, p. 41), the Group includes in its impairment tests the forecast costs of CO2 emissions – net of the free emissions allowances received – projected to perpetuity. These analyses show that no impairment has been identified for any of the net assets in the groups of CGUs, given the positive headroom observed for all groups of CGUs.

3.5 Climate impact assessment on Group assets

In 2023, Saint-Gobain conducted a study with an external firm to identify its exposure to physical risks related to the impact of climate change (floods, forest fires, cyclones, storms, droughts and heat stress), as well as earthquakes, on its activities. Exposure and vulnerability to climate issues was analyzed for assets at nearly 500 major industrial and logistics sites (covering more than 80% of the Group's sales and net carrying amount of its assets), using three IPCC scenarios: SSP1-2.6, SSP2-4.5 and SSP5-8.5, and three time horizons: 2030, 2040 and 2050.

The results of this study were used to assess, for each site and for the Group as a whole, after taking into account the adaptation measures in place:

- Direct impacts: the immediate effects of climate change on sites, infrastructure and living and working conditions;
- Indirect impacts: the consequences of the effects of climate change on business activity and the financial statements, and the impact on the workforce, including the impact of business interruptions.

The study found that even in the most extreme scenario and adopting the 2050 time horizon, the overall risks identified would, at Group level, represent only insignificant amounts compared to the 2023 baseline.

Heat stress, floods and storms would represent the bulk of the estimated risks, which would mainly arise not as a result of direct damage but from business interruption. The impact would be more significant in Asia and India, while Europe would not be materially affected.

The 2024 update of this study confirmed the conclusions of the initial 2023 study.

The update included a comparative analysis of 51 CSR sites in Australia. The risks identified in this additional analysis are not considered material at the level of the CSR study as a whole and at Saint-Gobain Group level.

Saint-Gobain's knowledge of the existence of these sensitivities enables it to build physical and transition risks into its long-term vision and strategy, thereby fully integrating climate change and its impacts into its decision-making.

In parallel with this physical risk assessment for its assets, the Group has begun analyzing the growth opportunities for its solutions resulting from the impact of climate change in several regions.

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3.6 Regulatory developments - implementation of the CSRD and double materiality assessment

The Group is continuing to work on applying new regulations related to climate change and the energy transition.

The Corporate Sustainability Reporting Directive (CSRD) which came into effect in January 2024 is a European directive aimed at improving and harmonizing companies' environmental, social and governance (ESG) disclosures.

Saint-Gobain carries out double materiality assessments in accordance with the European, Sustainability Reporting Standard (ESRS) applicable by all companies that are subject to the CSRD.

The double materiality assessment, which is the cornerstone of the CSRD, acknowledges business risks and opportunities from two perspectives:

- The potential or actual positive and negative material impacts of a company's activities and value chain on society and the environment (impact materiality);
- The material positive financial effects (opportunities) and negative financial effects (risks) of sustainability issues that affect or could affect the Group's financial performance (financial materiality).

The double materiality assessment is carried out in four main stages:

- Identification of sustainability matters;
- Identification of impacts, risks and opportunities (IROs);
- Assessment of IROs;
- Assessment of impact materiality and financial materiality, based on pre-defined materiality thresholds. The process of defining materiality thresholds serves to validate a list of material IROs and, consequently, to determine the priority sustainability matters to be included in CSRD reports.

Saint-Gobain carried out an initial double materiality assessment in 2023 based on the CSRD's draft regulatory texts. The assessment was updated in 2024 to ensure alignment and consistency with the final ESRS Delegated Act published in July 2023.

The results of the double materiality assessment were approved by General Management and submitted to the Board of Directors and the CSR Committee for approval.

NOTE 4 SCOPE OF CONSOLIDATION

4.1 Accounting principles related to consolidation

The Group's consolidated financial statements include the accounts of Compagnie de Saint-Gobain and of all companies controlled by the Group, as well as those of jointly controlled companies and companies over which the Group exercises significant influence.

4.1.1 Consolidation methods

Full consolidation

Companies over which the Group exercises control, either directly or indirectly, are fully consolidated.

Joint arrangements

Joint arrangements that meet the definition of joint ventures are accounted for by the equity method. Balance sheet and income statement items relating to joint arrangements that meet the definition of joint operations are consolidated line-by-line based on the amount actually contributed by the Group.

Equity accounting

Companies over which the Group directly or indirectly exercises significant influence are accounted for by the equity method.

The Group's share of the income of equity-accounted companies is shown on two separate lines of the income statement. The income of equity-accounted companies whose main business activity is in keeping with the Group's core operational business is presented in business income under "Share in net income of core business equity-accounted companies", while the income of other equity-accounted companies is shown under "Share in net income of non-core business equity-accounted companies" in pre-tax income.

4.1.2 Business combinations

Step acquisitions and partial disposals

When the Group acquires control of an entity in which it already holds an equity interest, the transaction is treated as a step acquisition (an acquisition in stages), as follows: (i) as a disposal of all the previously-held interest, with recognition of any resulting gain or loss in the consolidated financial statements, and (ii) as an acquisition of all of the shares, with recognition of the corresponding goodwill on the entire interest (previous and new acquisitions).

In the event of a partial disposal resulting in the loss of control (but with the Group retaining a non-controlling interest), the transaction is also treated as both a disposal and an acquisition, as follows: (i) as a disposal of the entire interest, with recognition of any resulting gain or loss in the consolidated financial statements, and (ii) as an acquisition of a non-controlling interest, measured at fair value.

Potential voting rights and share purchase commitments

Potential voting rights conferred by call options on minority interests are taken into account in determining whether the Group exclusively controls an entity only when the Group has control.

When calculating its percentage interest in controlled companies, the Group considers the impact of cross put and call options on minority interests in the companies concerned. This approach gives rise to the recognition in the financial statements of an investment-related liability, included within other provisions and non-current liabilities, corresponding to the present value of the estimated exercise price of the put option, with a corresponding reduction in non-controlling interests and shareholders' equity. Any subsequent changes in the fair value of the liability are recognized by adjusting equity.

Non-controlling interests

Under IFRS 10, non-controlling interests are considered as a shareholder category (single economic entity approach). As a result, changes in minority interests with no loss of control continue to be recorded in the statement of changes in equity and have no impact on the income statement or balance sheet, except for changes in cash and cash equivalents.

4.1.3 Non-current assets and liabilities held for sale – Discontinued operations

Assets and liabilities that are immediately available for sale, and for which a sale is highly probable within the next 12 months, are classified as non-current assets and liabilities held for sale. When several assets are held for sale in a single transaction, they are accounted for as a disposal group, which also includes any liabilities directly associated with those assets. Depreciation/amortization ceases when non-current assets are classified as held for sale. Non-current assets and liabilities held for sale are presented separately on two lines of the consolidated balance sheet, and income and expenses continue to be recognized in the consolidated income statement on a line-by-line basis. The reclassified assets are carried at the lower of their fair value less costs to sell and their carrying amount. At the end of each reporting period, the value of the assets and liabilities held for sale is reviewed to determine whether any impairment reversals should be recorded due to a change in their fair value less costs to sell.

An operation is classified as discontinued when it represents a separate major line of business for the Group, and when the criteria for classification as an asset held for sale have been met, or when the Group has sold the asset. Discontinued operations are reported on a single line in the Group's income statement. This line shows the after-tax net income from discontinued operations until the date of disposal and the gains or losses net of taxes realized on the disposals of these operations. In addition, cash flows generated by the discontinued operations are reported, by type of operation, on a separate line in the consolidated statement of cash flows for the relevant periods.

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4.1.4 Intragroup transactions

All intragroup transactions in the balance sheet and income statement are eliminated in consolidation.

4.1.5 Translation of the financial statements of foreign companies

The consolidated financial statements are presented in euros, which is Compagnie de Saint-Gobain's functional and presentation currency.

Assets and liabilities of subsidiaries outside the Eurozone are translated into euros at the closing exchange rate, while income and expense items are translated using the average exchange rate for the period.

The Group's share of any translation gains or losses is included in equity under "Cumulative translation adjustments" until the assets or liabilities and all foreign operations to which they relate are sold, liquidated or deconsolidated. In this case, these translation differences are either taken to the income statement, if the transaction results in a loss of control, or recognized directly in the statement of changes in equity, if the change in minority interests does not result in a loss of control.

4.1.6 Foreign currency transactions

Expenses and income from operations in currencies other than the Company's functional currency are translated at the exchange rates prevailing at the transaction date. Assets and liabilities denominated in foreign currencies are translated at the closing rate and any exchange differences are recorded in the income statement. However, exchange differences relating to loans and borrowings between consolidated Group companies are recorded in equity, net of tax, under "Cumulative translation adjustments", as they are in substance an integral part of the net investment in a foreign subsidiary.

4.1.7 Hyperinflation

Under IAS 29, "Financial Reporting in Hyperinflationary Economies", financial statements prepared based on historical cost must be restated. This involves applying a general price index that enables the financial statements to be presented in the measuring unit in force at the reporting date. All non-monetary assets and liabilities must therefore be adjusted for inflation in order to reflect changes in purchasing power at the reporting date. Similarly, the income statement is adjusted for inflation during the period. Monetary items do not need to be restated as they already reflect purchasing power at the reporting date.

Argentina

Argentina has been classified as a hyperinflationary economy since July 1, 2018. IAS 29 therefore applies to entities using the Argentine peso as their functional currency (based on the table of indices issued by FACPCE).

Lebanon

Lebanon has been classified as a hyperinflationary economy since October 2020. As from December 31, 2020, IAS 29 is therefore applicable to entities using the Lebanese pound as their functional currency.

The Group's exposure to Lebanon is not material, as sales and total non-current assets in the country represent less than 1% of the Group's consolidated data.

Turkey

Since February 2022, Turkey has had a three-year cumulative inflation rate above 100% and was therefore included in the list of hyperinflationary economies in March 2022. IAS 29 therefore applies to entities using the Turkish lira as their functional currency.

4.2 Changes in Group structure

Significant changes in the Group's structure during 2024 and 2023 are presented below and a list of the main consolidated companies at December 31, 2024 is provided in note 15, p. 63.

4.2.1 Transactions carried out in 2024

In 2024, Saint-Gobain acquired 20 consolidated companies for a total purchase price of €3,606 million. The Group also sold 10 consolidated companies for a net sale price of €83 million.

Main acquisitions in 2024

Acquisitions represented full-year sales of €1,824 million and EBITDA of €322 million.

- On January 15, 2024, Saint-Gobain signed a definitive agreement to acquire Glass Service a.s., a leading provider of digital solutions for glass furnaces, including advanced control systems and simulation software, which enable customers to reduce their energy consumption. This acquisition will complement Saint-Gobain's range of digital services offering predictive, diagnostic, and data-driven solutions to improve energy efficiency for its customers and reduce the carbon footprint of their products and processes. These digital solutions contribute to the goals of Saint-Gobain's "Grow & Impact" strategic plan aiming to provide end-to-end solutions to its customers to help them accelerate the decarbonization of their offerings.
- On January 18, 2024, Saint-Gobain announced two acquisitions in the attractive non-residential flooring market, strengthening its presence in this segment of the construction chemicals industry:
  - R.SOL is a French manufacturer of resin-based flooring solutions. This acquisition will enlarge Saint-Gobain's portfolio thanks to R.SOL's wide range of diversified resins, differentiating technology and large customer base.
  - Technical Finishes is a leading player in resin flooring solutions in South Africa. The acquisition will reinforce Saint-Gobain's profitable growth profile in South Africa and elsewhere on the African continent.

  These two acquisitions will strengthen Saint-Gobain's leadership position in flooring solutions, perfectly complementing its existing offering under the Weber brand and creating significant synergies.

- On February 2, 2024, Saint-Gobain completed the acquisition of International Cellulose Corporation (ICC), a leading manufacturer of specialty insulation in the United States, including spray-on thermal, fireproofing and acoustic finish systems for the US non-residential market. ICC's insulation solutions are manufactured with natural, plant-based fibers (primarily cellulose) and high recycled content, containing high levels of sequestered carbon. This acquisition will enable Saint-Gobain to round out its offer for building envelope protection.
- On June 3, 2024, Saint-Gobain completed the acquisition, announced on April 3, 2024, of the Bailey Group of Companies (Bailey), a privately owned manufacturer of metal building solutions for light construction in Canada (see note 2.1.3, p. 8);
- On July 9, 2024, Saint-Gobain completed the acquisition of CSR Limited (see note 2.1.1, p. 8).

  The provisional allocation of CSR's purchase price to the assets acquired and the liabilities and debts assumed at the acquisition date is shown in the table below. In addition, transaction costs relating to the acquisition of CSR were recorded in the consolidated income statement under other operating expenses in the amount of €84 million.
- On December 2, 2024, İzocam, a leading insulation manufacturer in Turkey owned jointly by Saint-Gobain and Alghanim Industries (Kutayba Alghanim Group), completed the acquisition of 100% of His Yalıtım, a local stone wool producer. This acquisition consolidates İzocam's presence in Turkey. It has increased Saint-Gobain's share of the Turkish sustainable construction market, with leading positions in insulation, plaster and plasterboard, and construction chemicals.
- On December 3, 2024, Saint-Gobain completed the acquisition of Kilwaughter, a leading player in the construction chemicals market (façade mortars) in the United Kingdom and Ireland. The transaction has strengthened Saint-Gobain's sustainable construction offering in the United Kingdom and Ireland.

The process of identifying and measuring at fair value the assets acquired and liabilities assumed (purchase price allocation – PPA) within the scope of the acquisitions carried out in 2024 began during the year and will be finalized within 12 months of each acquisition date.

The Group completed the fair value measurement of each major category of Building Products of Canada's assets acquired and liabilities and debt assumed at the end of 2024. Based on the amounts allocated to customer relationships (€353 million), brands (€37 million) and intellectual property (€14 million), final goodwill amounted to €502 million (based on acquisition-date exchange rates).

The table below shows the fair value of each major category of assets acquired and liabilities and debt assumed:

(in EUR millions)	Bailey	CSR Limited	Other newly-consolidated companies [1]	Total at the acquisition date
Intangible assets	208	296	144	648
Property, plant and equipment, and right-of-use assets	141	1,696	108	1,945
Financial assets and other non-current assets [2]	2	212	38	252
NON-CURRENT ASSETS	**351**	**2,204**	**290**	**2,845**
Inventories	76	212	44	332
Trade accounts receivable	63	159	37	259
Other receivables	9	32	8	49
Cash and cash equivalents	11	45	28	84
CURRENT ASSETS	**159**	**448**	**117**	**724**
Non-current portion of long-term debt and lease liabilities	1	68	15	84
Non-current portion of provisions and other liabilities [3]		156	52	208
Deferred tax liabilities	87	143	42	272
NON-CURRENT LIABILITIES	**88**	**367**	**109**	**564**
Current portion of long-term debt and lease liabilities	20	23	3	46
Current portion of provisions and other liabilities [3]		37	1	38
Trade accounts payable	20	104	25	149
Other payables	36	104	28	168
Short-term debt and bank overdrafts			4	4
CURRENT LIABILITIES	**76**	**268**	**61**	**405**
TOTAL FAIR VALUE OF NET ASSETS ACQUIRED	**346**	**2,017**	**237**	**2,600**
Fair value of the consideration paid	608	2,584	319	3,511
Non controlling interests		2	3	5
GOODWILL	**262**	**569**	**85**	**916**

(1) Other additions to the scope of consolidation also include adjustments following completion of the PPA for the 2023 acquisitions (mainly Building Products of Canada);

(2) CSR Limited's financial assets and other non-current assets include investments in equity-accounted companies in an amount of 99 million euros;

(3) Provisions and other liabilities of CSR Limited include provisions for disputes relating to asbestos in an amount of 144 million euros.

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Main disposals in 2024

Disposals represent full-year sales in the amount of €292 million.

The main companies deconsolidated in 2024 are summarized below:

- On January 5, 2024, Saint-Gobain completed the sale to SOPREMA of a majority stake in its polyisocyanurate insulation (PIR) activity in the United Kingdom under the Celotex brand;
- On March 1, 2024, Saint-Gobain completed the sale of its treated timber products business in Ireland (PDM) to the Iivari Mononen group;
- On August 30, 2024, Saint-Gobain completed the sale of Freeglass GmbH & Co. KG, the Group's manufacturer of exterior plastic parts for the automotive industry, to HF Opportunities GmbH, a subsidiary of Hannover Finanz;
- On November 29, 2024, Saint-Gobain completed the sale of PAM Building, the Saint-Gobain PAM subsidiary (Pipe business) specialized in wastewater and stormwater drainage solutions for buildings, to the French institutional investment fund Aldebaran, with Bpifrance (France's public investment bank) acquiring a minority stake.

These disposals are part of Saint-Gobain's continued portfolio optimization strategy to enhance the Group's growth and profitability profile in line with the objectives of its "Grow & Impact" plan.

4.2.2 Transactions carried out in 2023

In 2023, Saint-Gobain acquired 25 consolidated companies for a total purchase price of €1,254 million. The Group also sold seven consolidated companies for a net sale price of €38 million.

The main transactions are summarized below:

- On January 30, 2023, Saint-Gobain completed the acquisition of Termica San Luis, a leader in stone wool in Argentina. Termica San Luis is a family-run business with over 70 years' experience in insulation. It is the leading producer of stone wool in Argentina, having pioneered its production in the country. The acquisition strengthens Saint-Gobain's presence in the insulation market, enhancing its range of solutions for customers thanks to the combination of its position in glass wool insulation with that of Termica San Luis in stone wool;
- On February 7, 2023, Saint-Gobain completed the acquisition of IDP Chemicals, a Chryso brand licensee since 2018. This entity is well positioned to serve the dynamic construction market in Egypt and the Group's aim is to create an admixture platform and eventually group together production facilities and storage space covering the needs of SG Weber, IDPC & GCP in Africa's largest cement market;
- On March 1, 2023, Saint-Gobain completed the sale of its merchanting brands in the United Kingdom – including the builders and timber merchant Jewson – to the Stark group, as announced on December 12, 2022. The impact of this sale on the income statement mainly reflects the reclassification of translation differences;
- On March 16, 2023, Saint-Gobain and Dalsan obtained the necessary approval from the competition authorities to merge their plaster and plasterboard activities in Turkey. Once the capital expenditure project at the new plant in Turgutlu (near Izmir) is completed, the merged entity will benefit from a leadership position, combined know-how, an enlarged production capacity and an optimized modern industrial footprint in plasterboard and plaster. Its customers, both those in Turkey and export customers with growing needs in the Eastern Mediterranean, will have access to the most innovative and complete portfolio of light and sustainable solutions for the construction and renovation of building envelopes as well as internal partitioning;
- On March 30, 2023, Saint-Gobain sold its glass processing business Glassolutions in Switzerland to the privately owned German group Aequita;
- On April 3, 2023, Saint-Gobain completed the acquisition of U.P. Twiga Fiberglass Ltd (UP Twiga), the leader in the glass wool insulation market in India, as announced on February 22, 2023. The acquisition consolidates Saint-Gobain's positioning in interior and façade solutions in India, set to benefit from higher building performance requirements and the strong need for acoustic and thermal comfort as well as energy-efficient solutions;
- On June 26, 2023, Saint-Gobain completed the acquisition of United Paints and Chemicals S.A.E. ("Drymix"), a ready-mix mortars manufacturer serving the construction industry in Egypt. This acquisition accelerates Saint-Gobain's growth in the country by enhancing the range of solutions offered across glass, gypsum and construction chemicals. It follows the recent inauguration of a Saint-Gobain plant producing technical mortars (adhesive and waterproofing) in Egypt and the acquisition of IDP Chemicals in admixtures at the beginning of 2023;
- On July 3, 2023, Saint-Gobain signed an agreement to sell COVIPOR, its glass processing business in Portugal, to PNI Portugal & Permanente SA;
- On September 1, 2023, Saint-Gobain completed the acquisition of Building Products of Canada Corp. (Building Products of Canada) following authorization by the Canadian Competition Bureau on August 21, 2023. Building Products of Canada is a privately owned manufacturer of residential roofing shingles and wood fiber insulation panels in Canada. In acquiring Building Products of Canada, Saint-Gobain is taking another step to reinforce its leadership in light and sustainable construction in the Canadian market, by completing its range of exterior solutions in the country following the addition of siding with the acquisition of Kaycan in 2022;
- Also on September 1, 2023, Saint-Gobain finalized the sale of its Glassolutions glass processing business in Slovakia to Glasora a.s;
- On November 30, 2023, Saint-Gobain completed the acquisition of Hume Cemboard Industries Sdn Bhd (HCBI). Hume Cemboard Industries is a leading manufacturer of cement boards for façades, partitions, and ceilings in Malaysia. Its lightweight board offering is a benchmark solution widely used for a broad range of applications, offering fast growth potential;
- On December 7, 2023, Saint-Gobain announced that it had acquired Menkol Industries Private Limited, a leading Indian manufacturer of high-performance waterproofing systems for foundations. This acquisition strengthens Saint-Gobain's position in added-value specialty building materials in India;

- On December 13, 2023, Saint-Gobain completed the acquisition of Adfil NV following the announcement made on September 26, 2023. The acquisition of this top international player specialized in fibers for concrete reinforcement enables Saint-Gobain to expand its portfolio in construction chemicals by offering its customers a broader range of solutions including concrete admixtures and fibers, accelerating the development of sustainable and high-performance concrete.

In 2023, acquisitions represented full-year sales of around €528 million and EBITDA of around €146 million, while disposals represented full-year sales of around €2,940 million.

4.3 Assets and liabilities held for sale

As the sale of PDM (the Group's treated timber products business in Ireland) was completed in the first half of 2024, assets and liabilities held for sale at December 31, 2024 no longer include that company.

Assets and liabilities held for sale at December 31, 2024 include:

- Calders & Grandidge in the United Kingdom;
- Distribution companies in Brazil.

These planned disposals are part of Saint-Gobain's portfolio optimization strategy, which is designed to improve the Group's growth and profitability profile.

Since the assets and liabilities held for sale meet the qualifying criteria (see note 4.1.3 p. 16), the balance sheet items of these entities were combined and measured within assets and liabilities held for sale in the consolidated balance sheet at December 31, 2024, in accordance with IFRS 5.

These entities in the process of being sold were not considered as discontinued operations within the meaning of IFRS 5 as they do not represent a major line of business for the Group.

Assets and liabilities held for sale break down as follows:

(in EUR millions)	Dec. 31, 2024	Dec. 31, 2023
Intangible assets, property, plant and equipment, right-of-use assets and other non-current assets	20	68
Inventories, trade accounts receivable and other receivables	97	125
Cash and cash equivalents	38	53
ASSETS HELD FOR SALE	**155**	**246**
Other current and non-current liabilities and provisions	20	13
Trade accounts payable, other payables and other current liabilities	84	114
Debt and bank overdrafts	59	76
LIABILITIES HELD FOR SALE	**163**	**203**
NET ASSETS (LIABILITIES) HELD FOR SALE	**(8)**	**43**

4.4 Changes in the number of consolidated companies

At December 31, 2024, the number of consolidated companies was as follows:

	France	Outside France	Total
Fully consolidated companies			
At December 31, 2023	**118**	**703**	**821**
Newly consolidated companies	6	92	98
Merged companies	(6)	(25)	(31)
Deconsolidated companies	(1)	(14)	(15)
At December 31, 2024	**117**	**756**	**873**
Equity-accounted companies and joint arrangements			
At December 31, 2023	**5**	**89**	**94**
Newly consolidated companies		10	10
Deconsolidated companies		(2)	(2)
At December 31, 2024	**5**	**97**	**102**
TOTAL AT DECEMBER 31, 2023	**123**	**792**	**915**
TOTAL AT DECEMBER 31, 2024	**122**	**853**	**975**

4.5 Off-balance sheet commitments related to companies within the scope of consolidation

Non-cancelable purchase commitments represented €1.8 billion at December 31, 2024. They include, in particular, the acquisitions of FOSROC for €914 million (see note 2.1.5 p. 8) and OVNIVER for €744 million (see note 2.1.7, p. 8).

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NOTE 5 INFORMATION CONCERNING THE GROUP'S OPERATING ACTIVITIES

5.1 Income statement items

5.1.1 Revenue recognition

Revenue generated by the sale of goods or services is recognized net of rebates, discounts and sales taxes when control of the goods or services has been transferred to the customer. Revenue generated by the sale of goods is primarily recognized at the time the goods are delivered. Revenue generated by the sale of services is recognized when the services have been rendered, or based on the stage of completion of the services, as calculated based on costs incurred. Similarly, within the Distribution entities, estimated returns are recognized as a deduction from revenue (sales) and reclassified within inventories for their net carrying amount, since there is a possibility that goods will be returned within the allotted timeframe. A liability relating to future refunds for goods returned is also recognized.

Revenue generated under construction contracts is accounted for by the Group's companies on a percentage-of-completion basis, as calculated based on costs incurred. The related costs are expensed as incurred. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent of contract costs incurred that it is probable will be recovered. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Construction contract revenues are not material in relation to total consolidated sales.

5.1.2 Operating income

Operating income is a measure of the performance of the Group's different reporting segments and has been used by the Group as its key external and internal management indicator for many years. Foreign exchange gains and losses are included in operating income, as are changes in the fair value of financial instruments that do not qualify for hedge accounting when they relate to operating items. The share of income of core business equity-accounted companies is also posted under operating income.

Supplier discounts granted to entities in the Distribution business are included in operating income as a reduction of cost of sales. Contractual supplier discounts are customary practice in the industrial goods distribution sector. These discounts are mostly calculated by applying a contractually guaranteed rate by product type to volumes purchased. The calculation is made automatically, based on the supplier invoices. Consequently, little judgment is needed when determining the amounts to be recognized in the income statement for these discounts. Other discounts are calculated based on a step mechanism linked to specified targets, whereby the percentage discount increases as the entity achieves the various targets over a given period. In this case, judgment is required based on historical data, past performance and future trends in order to determine the discount to be recognized in the income statement. Such judgment is exercised in a prudent manner and consistently from one period to the next.

5.1.3 Business income

Business income includes all income and expenses other than financial income and expense, the Group's share in net income of non-core business equity-accounted companies, and income taxes.

Business income is detailed by type below:

(in EUR millions)	2024	2023
SALES	**46,571**	**47,944**
Personnel expenses:		
Salaries and payroll taxes	(9,299)	(8,902)
Share-based payments [1]	(72)	(62)
Pensions and employee benefit obligations [1]	(100)	(142)
Depreciation and amortization of property, plant and equipment, intangible assets and right-of-use assets [2]	(2,137)	(1,986)
Share in net income of core business equity-accounted companies	76	80
Other [3]	(29,735)	(31,681)
OPERATING INCOME	**5,304**	**5,251**
Other business income	107	68
Other business expense [2]	(1,034)	(1,088)
OTHER BUSINESS INCOME AND EXPENSE	**(927)**	**(1,020)**
BUSINESS INCOME (EXPENSE)	**4,377**	**4,231**

[1] *Share-based payments (IFRS 2 expense) and changes in employee benefit expenses are detailed in note 6, p. 27;*

[2] *Total depreciation and amortization of property, plant and equipment, intangible assets and right-of-use assets, along with amortization charged against intangible assets within the scope of purchase price allocation, represented €2,370 million in 2024 versus €2,167 million in 2023;*

[3] *The "Other" operating income line relates to cost of sales, supplier discounts and selling expenses for Distribution entities, and to transport costs, raw materials costs, and other production costs for the other entities. This item also includes research and development costs recorded under operating expenses, amounting to €585 million in 2024 (€560 million in 2023).*

5.1.4 Other business income and expense

Other business income and expense mainly include changes in provisions for claims and litigation (excluding those arising in the ordinary course of business) and environmental matters, disposal gains and losses, asset impairment, amortization of intangible assets recognized as part of the purchase price allocation, restructuring costs incurred upon the disposal or discontinuation of operations, the costs of workforce reduction measures and changes in the fair value of Virtual Power Purchase Agreements (VPPA) not qualifying for hedge accounting.

Other business income and expense can be analyzed as follows:

(in EUR millions)	2024	2023
Impairment of assets [1]	(291)	(238)
Amortization of intangible assets related to PPA [2]	(233)	(181)
Other business items [3]	(274)	(433)
Gains on disposals of non-current assets	107	68
Non-operating income and expense [4]	(236)	(236)
OTHER BUSINESS INCOME AND EXPENSE	**(927)**	**(1,020)**

[1] *The "Impairment of assets" line includes the impairment of goodwill, other intangible assets, property, plant and equipment, right-of-use assets, assets held for sale and other assets.*

[2] *Amortization charged against brands and customer relationships is included on a separate line within "Other business income and expense" together with other gains and losses arising on business combinations which are not taken into account when determining the performance of the Group's operating segments.*

[3] *In 2024, as in 2023, other business items mainly includes capital losses on assets divested or scrapped, acquisition costs, contingent consideration incurred in connection with business combinations, and the impact of changes in fair value of VPPAs. In 2023, this item mainly reflected the reclassification of translation differences following the sale of the Distribution business in the United Kingdom.*

[4] *Non-operating income and expense mainly include claims-related expenses and restructuring costs.*

5.2 Segment information

In accordance with IFRS 8, segment information reflects the Group's internal organization as presented to management. The Group has chosen to present segment information in line with its internal reporting. Segment assets and liabilities include net property, plant and equipment, working capital, goodwill and net other intangible assets, after deducting deferred taxes on brands and land, and assets and liabilities held for sale. Capital expenditure corresponds to acquisitions of property, plant and equipment and does not include right-of-use assets.

The Group is organized into five reporting units: four regional businesses and a global High Performance Solutions unit. Segment information is presented for:

- High Performance Solutions (HPS), which is organized by market for global customers, i.e., Mobility, Life Sciences, Construction Industry and Industry.

And for four regions:

- Northern Europe, comprising the Nordic countries, United Kingdom, Ireland, Switzerland, Germany, Austria, Eastern Europe and Russia;
- Southern Europe – Middle East (ME) & Africa, comprising France, Benelux, Mediterranean, Middle East and Africa;
- Americas, comprising North America and Latin America;
- Asia-Pacific, comprising the Asia region as well as Australia and India;
- Other, comprising the Group's various holding companies.

Segment information for 2024 and 2023 is as follows:

2024

(in EUR millions)	High Performance Solutions [2]	Northern Europe	Southern Europe [2] - ME & Africa	Americas [2]	Asia-Pacific	Other [1]	Group Total
Sales	9,840	11,548	13,930	9,805	2,642	(1,194)	46,571
Operating income (loss)	1,189	968	1,123	1,767	333	(76)	5,304
Business income (loss)	895	798	1,059	1,470	325	(170)	4,377
Share in net income of equity-accounted companies	3	12	34	21	7	5	82
Operating depreciation and amortization	434	513	620	376	137	57	2,137
Impairment of property, plant and equipment and intangible assets	12	129	15	105	0	0	261
EBITDA	1,506	1,438	1,721	2,112	464	(36)	7,205
Acquisitions of property, plant and equipment and intangible assets [3]	410	381	423	591	157	87	2,049
Goodwill, net [4]	3,163	4,148	2,164	3,876	885	0	14,236
Brands, customer relationships and intellectual property [4]	919	1,027	560	1,637	275	0	4,418
Total segment assets and liabilities [4]	8,116	8,401	7,776	9,116	4,044	227	37,680

[1] *"Other" corresponds to the elimination of intragroup transactions for internal sales, and holding company transactions for the other captions;*

[2] *France and United States sales represent €11,040 million and €8,585 million, respectively. Segment assets for France and the United States represent €7,128 million and €7,927 million, respectively;*

[3] *Capital expenditure does not include right-of-use assets;*

[4] *"Goodwill, net" and "Brands, customer relationships and intellectual property" do not include assets relating to companies held for sale (assets and liabilities relating to companies held for sale are however included in the line "Total segment assets and liabilities").*

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2023

(in EUR millions)	High Performance Solutions [2]	Northern Europe	Southern Europe [2] – ME & Africa	Americas [2]	Asia-Pacific	Other [1]	Group Total
Sales	10,083	12,614	14,941	9,439	2,123	(1,256)	47,944
Operating income (loss)	1,207	1,039	1,208	1,586	267	(56)	5,251
Business income (loss)	871	714	1,104	1,356	245	(59)	4,231
Share in net income of equity-accounted companies	3	11	40	24	5	6	89
Operating depreciation and amortization	417	499	598	312	105	55	1,986
Impairment of property, plant and equipment and intangible assets	99	34	14	67	14	0	228
EBITDA	1,511	1,504	1,767	1,869	368	(18)	7,001
Acquisitions of property, plant and equipment and intangible assets [3]	424	416	432	514	162	81	2,029
Goodwill, net [4]	2,986	4,195	2,132	3,472	326	0	13,111
Brands, customer relationships and intellectual property [4]	910	1,054	500	1,510	1	0	3,975
Total segment assets and liabilities [4]	7,901	8,444	7,480	8,064	1,417	195	33,501

(1) *"Other" corresponds to the elimination of intragroup transactions for internal sales, and holding company transactions for the other captions;*

(2) *France and United States sales represent €12,182 million and €8,524 million, respectively. Segment assets for France and the United States represent €7,594 million and €7,251 million, respectively;*

(3) *Capital expenditure does not include right-of-use assets;*

(4) *"Goodwill, net" and "Brands, customer relationships and intellectual property" do not include assets relating to companies held for sale (assets and liabilities relating to companies held for sale are however included in the line "Total segment assets and liabilities").*

In 2024 and 2023, the breakdown of sales by segment and for the Group's main countries is as follows:

	2024	2023
High Performance Solutions	**20.8%**	**20.8%**
Of which :		
Construction and industry	13.0%	13.1%
Mobility	7.8%	7.7%
Northern Europe	**23.8%**	**25.3%**
Of which :		
Nordic countries	11.2%	11.8%
United Kingdom - Ireland	3.5%	4.4%
Germany - Austria	2.7%	2.8%
Southern Europe – ME & Africa	**29.2%**	**30.4%**
Of which :		
France	21.9%	23.6%
Spain-Italy	4.0%	3.8%
Americas	**20.7%**	**19.3%**
Of which :		
North America	15.9%	14.5%
Latin America	4.8%	4.8%
Asia-Pacific	**5.5%**	**4.2%**

No single external customer accounts for 10% or more of the Group's consolidated sales.

5.3 Performance indicators

5.3.1 EBITDA

EBITDA represents operating income plus depreciation and amortization of property, plant and equipment, intangible assets and right-of-use assets, as well as non-operating income and expense.

EBITDA amounted to €7,205 million in 2024 (2023: €7,001 million), calculated as follows:

(in EUR millions)	2024	2023
Operating income	5,304	5,251
Depreciation/amortization of property, plant and equipment and intangible assets	1,410	1,294
Depreciation of right-of-use assets	727	692
Non-operating income and expense	(236)	(236)
EBITDA	**7,205**	**7,001**

5.3.2 Free cash flow

Free cash flow (FCF) is the surplus cash generated from the entity's activities. It represents EBITDA plus net financial income/(expense) (excluding dividends received from equity interests), income tax and changes in working capital, less depreciation of right-of-use assets and investments in property, plant and equipment and intangible assets excluding additional capacity investments.

5.3.3 Operating free cash flow

Operating free cash flow (OFCF) represents the surplus cash generated from the entity's operating activities and is calculated as operating income plus non-operating income and expense and changes in working capital, less operating depreciation and amortization, investments in property, plant and equipment and intangible assets, and right-of-use assets.

5.3.4 Return on capital employed

Return on capital employed (ROCE) corresponds to annualized operating income adjusted for changes in the scope of consolidation (based on 12 months' of operating income for acquired companies and with no operating income taken into account for divested companies), expressed as a percentage of total assets at the year end. Total assets include net property, plant and equipment, working capital, net goodwill, other intangible assets and assets and liabilities held for sale, but exclude deferred tax assets arising on non-amortizable brands, customer relationships and land.

5.3.5 Recurring net income

Recurring net income corresponds to income after tax and non-controlling interests, less capital gains or losses on disposals, impairment of assets, amortization of intangible assets recognized as part of the purchase price allocation, acquisition costs on business combinations accounted for in accordance with IFRS 3, other non-recurring items (notably material non-recurring provisions and the impact of hyperinflation) and related tax and non-controlling interests.

Recurring net income totaled €3,474 million in 2024 (2023: €3,416 million after restatements). Based on the weighted average number of shares outstanding at December 31 (499,715,108 shares in 2024 and 507,282,902 shares in 2023), recurring earnings per share amounted to €6.95 in 2024 and €6.73 in 2023 (after restatements).

The difference between net income and recurring net income corresponds to the following items:

(in EUR millions)	2024	2023	Adjustments [1]	2023 Restated
GROUP SHARE OF NET INCOME	**2,844**	**2,669**		**2,669**
Less:				
Gains and losses on disposals of assets	(52)	(347)		(347)
Impairment of assets	(291)	(238)		(238)
Amortization of intangible assets related to PPA	(233)	0	(181)	(181)
IFRS 3 acquisition costs	(132)	(17)		(17)
Other non-recurring items [2]	(41)	(4)	(39)	(43)
Impact of non-controlling interests	7	4		4
Tax effects on non-recurring items	112	29	46	75
GROUP SHARE OF RECURRING NET INCOME	**3,474**	**3,242**	**(174)**	**3,416**

[1] *"Recurring net income" is restated for two non-recurring items: the impact of hyperinflation (IAS 29) and the amortization of intangible assets recognized as part of the purchase price allocation. These non-recurring items now represent material amounts and are therefore restated to permit meaningful comparisons of this indicator.*

[2] *"Other non-recurring items" notably includes the negative impact of hyperinflation for an amount of €61 million in 2024 (negative impact of €39 million in 2023).*

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5.4 Working capital

Working capital can be analyzed as follows:

(in EUR millions)	Dec. 31, 2024	Dec. 31, 2023
INVENTORIES, NET	**7,031**	**6,813**
TRADE ACCOUNTS RECEIVABLE, NET	**4,948**	**5,096**
Other operating receivables	1,327	1,314
Other non-operating receivables	253	72
OTHER RECEIVABLES, NET	**1,580**	**1,386**
CURRENT TAX RECEIVABLE	**149**	**93**
TRADE ACCOUNTS PAYABLE	**6,773**	**6,806**
Other operating payables	4,957	4,778
Other non-operating payables*	722	726
OTHER PAYABLES	**5,679**	**5,504**
CURRENT TAX LIABILITIES	**240**	**249**
Operating working capital	1,576	1,639
Non-operating working capital (including current tax receivable and liabilities)	(560)	(810)
WORKING CAPITAL	**1,016**	**829**

* *Other non-operating payables include payables to suppliers of non-current assets, grants received and miscellaneous other non-operating payables (see note 5.4.2, p. 25).*

5.4.1 Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of inventories includes purchase costs (net of supplier discounts), processing costs and other costs incurred in bringing the inventories to their present location and condition. Cost is generally determined using the weighted-average cost method, and in some cases the First-In-First-Out (FIFO) method. Inventory costs may also include the transfer from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of raw materials. Net realizable value is the selling price in the ordinary course of business, less estimated completion and selling costs. No account is taken in the inventory valuation process of the impact of below-normal capacity utilization rates.

At December 31, 2024 and 2023, inventories were as follows:

(in EUR millions)	Dec. 31, 2024	Dec. 31, 2023
Gross value		
Raw materials	2,097	2,015
Work in progress	508	475
Finished goods	5,168	5,054
GROSS INVENTORIES	**7,773**	**7,544**
Provisions for impairment		
Raw materials	(276)	(270)
Work in progress	(16)	(19)
Finished goods	(450)	(442)
TOTAL PROVISIONS FOR IMPAIRMENT	**(742)**	**(731)**
INVENTORIES, NET	**7,031**	**6,813**

The net value of inventories was €7,031 million at December 31, 2024 compared with €6,813 million at December 31, 2023. Impairment losses on inventories recorded in the 2024 income statement totaled €277 million (2023: €372 million). Reversals of impairment losses on inventories amounted to €285 million in 2024 (€260 million in 2023).

5.4.2 Operating and non-operating receivables and payables

Trade accounts receivable and payable and other receivables and payables are stated at their carrying amount, which approximates their fair value as they generally have maturities of less than three months. Provisions for impairment are booked to cover the risk of total or partial non-recovery, within the limit of expected credit losses.

The Group deems that its exposure to concentrations of credit risk is limited due to its diversified business line-up, broad customer base and global presence. Past-due trade receivables are regularly monitored and analyzed, and impairment losses recognized are adjusted where appropriate.

The Group has various securitization and factoring programs for its trade receivables. Receivables transferred under some of these programs continue to be shown on the balance sheet with a corresponding liability in short-term debt if, based on an analysis of the contracts, the risks associated with the receivables are not transferred in substance to the financing institutions (further information is provided in notes 10.3.8, p. 53 and 10.3.9, p. 53). The Group also operates reverse factoring programs, for which the factored payables continue to be shown on the balance sheet under operating payables (see note 10.3.10, p. 53)

Trade and other accounts receivable

Trade and other accounts receivable can be analyzed as follows:

(in EUR millions)	Dec. 31, 2024	Dec. 31, 2023
Gross value	5,395	5,538
Provisions for impairment	(447)	(442)
TRADE ACCOUNTS RECEIVABLE, NET	**4,948**	**5,096**
Discounts obtained from and advances granted to suppliers	485	472
Prepaid payroll taxes	30	32
Other prepaid and recoverable taxes (other than income tax)	466	477
Miscellaneous operating receivables	351	340
Other non-operating receivables	254	72
Provision for impairment of other receivables	(6)	(7)
OTHER RECEIVABLES, NET	**1,580**	**1,386**

Receivables at December 31, 2024 were stable compared to end-2023.

The impact of movements in provisions and bad debt write-offs represented an expense of €46 million in 2024, versus an expense of €90 million in 2023.

Bad debt write-offs were down slightly to €53 million from €59 million at end-2023.

Trade accounts receivable at December 31, 2024 and 2023 are analyzed below by maturity:

	Gross value		Impairment		Net value	
(in EUR millions)	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
TRADE ACCOUNTS RECEIVABLE NOT YET DUE	**4,406**	**4,587**	**(70)**	**(82)**	**4,336**	**4,505**
Less than 1 month	410	418	(44)	(46)	366	372
1-3 months	182	166	(48)	(49)	134	117
More than 3 months	397	367	(285)	(265)	112	102
TRADE ACCOUNTS RECEIVABLE PAST DUE	**989**	**951**	**(377)**	**(360)**	**612**	**591**
TRADE ACCOUNTS RECEIVABLE	**5,395**	**5,538**	**(447)**	**(442)**	**4,948**	**5,096**

Trade and other accounts payable

Trade and other accounts payable and accrued expenses can be analyzed as follows:

(in EUR millions)	Dec. 31, 2024	Dec. 31, 2023
TRADE ACCOUNTS PAYABLE	**6,773**	**6,806**
Downpayments received and rebates granted to customers	2,127	2,069
Payables to suppliers of non-current assets	508	518
Grants received	78	88
Accrued personnel expenses	1,683	1,547
Accrued taxes other than on income	407	436
Other miscellaneous operating payables	740	726
Other miscellaneous non-operating payables	136	120
OTHER PAYABLES	**5,679**	**5,504**

5.5 Off-balance sheet commitments related to operating activities

5.5.1 Non-cancelable purchase commitments

Non-cancelable purchase commitments include contractual commitments to purchase raw materials and services along with firm orders for property, plant and equipment and intangible assets.

		Payments due by period			
(in EUR millions)	Total 2024	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	Total 2023
Property, plant and equipment and intangible assets	16	8	8	0	24
Raw materials and energy	2,651	906	1,355	390	2,229
Services	453	90	352	11	261
TOTAL	**3,120**	**1,004**	**1,715**	**401**	**2,514**

5.5.2 Guarantee commitments

In some cases, the Group grants seller's warranties to the buyers of divested businesses. A provision is recognized whenever a risk is identified and the related cost can be estimated reliably. The Saint-Gobain Group was also granted guarantee commitments, amounting to €108 million in 2024 (€75 million in 2023).

5.5.3 Commercial commitments

The Group's commercial commitments are shown below:

		Commitment amounts by period			
(in EUR millions)	Total 2024	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	Total 2023
Security for borrowings	72	32	28	12	55
Other commitments given	295	63	51	181	276
TOTAL	**367**	**95**	**79**	**193**	**331**

Guarantees given to the Group in respect of receivables amounted to €70 million at December 31, 2024 (€81 million at December 31, 2023). Certain UK subsidiaries have issued guarantees to secure some of the employee benefit liabilities disclosed in note 6.3 p. 27 for a total amount of €1,188 million at December 31, 2024 (€1,076 million at December 31, 2023). Regarding the €1,188 million, €766 million has been guaranteed by access to certain UK bank accounts and €422 million by non-specific pledged assets (floating charge).

5.5.4 Other commitments

A provision for greenhouse gas emissions allowances is recorded in the consolidated financial statements to cover any difference between emissions and the allowances granted.

The Saint-Gobain Group had 3.8 million tonnes of greenhouse gas emissions allowances at December 31, 2024, which will cover its actual CO_2 emissions for 2024.

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NOTE 6 EMPLOYEES, PERSONNEL EXPENSES AND EMPLOYEE BENEFIT OBLIGATIONS

6.1 Employees of fully consolidated companies

Average headcount

	2024	2023
Managerial-grade employees	31,119	30,318
Administrative employees	62,061	62,397
Other employees	67,357	68,953
TOTAL AVERAGE NUMBER OF EMPLOYEES	**160,537**	**161,668**

Closing headcount

The total number of Group employees for fully consolidated companies was 161,482 employees at December 31, 2024 and 159,145 employees at December 31, 2023.

6.2 Management compensation

Direct and indirect compensation and benefits paid to the members of the Board of Directors and to the Group's senior management were as follows in 2024 and 2023:

(in EUR millions)	2024	2023
Directors' compensation	1.4	1.3
Direct and indirect compensation (gross)		
Fixed portion	10.6	10.6
Variable portion	7.3	7.2
Share-based payment expense (IFRS 2)	14.6	11.8
TOTAL EXCLUDING ESTIMATED COST OF PENSIONS AND OTHER EMPLOYEE BENEFIT OBLIGATIONS (IAS 19)	**33.9**	**30.9**
Estimated cost of pensions and other employee benefit obligations (IAS 19)	7.2	6.2
TOTAL	**41.1**	**37.1**

Total gross compensation and benefits paid in 2024 to Saint-Gobain management by the French and foreign companies in the Group (excluding any long-term cash settled compensation) amounted to €17.9 million (2023: €17.8 million), including €7.3 million in gross variable compensation (2023: €7.2 million).

Provisions for pensions and other post-employment benefit obligations (defined benefit obligations [DBO] in respect of length-of-service awards and pensions) accruing to Group management totaled €36.3 million at December 31, 2024 (December 31, 2023: €40.5 million).

6.3 Provisions for pensions and other employee benefits

6.3.1 Description of defined benefit plans

After retirement, some of the Group's former employees are eligible for pension benefits in accordance with the applicable laws and regulations in the respective countries in which the Group operates. There are also additional pension obligations in certain Group companies, both in France and in other countries.

The Group's obligation for the payment of pensions and length-of-service awards is determined at the end of the reporting period by independent actuaries using the projected unit credit method (taking into account changes in salaries until retirement) and the economic conditions in each country. This obligation may be financed by pension funds, with a provision recognized in the balance sheet for the unfunded portion.

When plan assets exceed the defined benefit obligation, the excess is recognized in other non-current assets under "Net pension assets". The asset ceiling corresponds to the maximum future economic benefit. Changes in the asset ceiling are recognized in equity.

Actuarial gains and losses result from changes in actuarial assumptions, experience adjustments and the difference between the funds' actual and estimated (calculated) rates of return. They are recognized against equity as and when they arise.

The interest cost of these obligations and the return on the related plan assets are measured by the Group using the discount rate applied to estimate the obligation at the beginning of the period, and are recognized as financial income or expense.

The Group's main defined benefit plans are described below.

In France, employees receive length-of-service awards on retirement based on years of service and the calculation methods prescribed in the applicable collective bargaining agreements.

Following the publication of the June 3, 2023 implementing decree 2023-435, as of September 1, 2023 the retirement age in France is being gradually raised, up to 64 by 2030. As a result, the age used to calculate pension obligations was changed. This change was considered to be a plan amendment and represented a gain of €12 million which was recognized in income in 2023.

In addition to length-of-service awards, there are three defined benefit plans, all of which are final salary plans. These plans were closed to new entrants by the companies concerned between 1969 and 1997. On October 1, 2024, the portion of the plans' commitments corresponding to retirees was outsourced to an insurance company. These plans were already partially funded and their funding was topped up by an amount of €147 million. This operation had no impact on the consolidated income statement.

The changes resulting from the adoption of France's Green Industry Act to the mortality tables used in France to value pension commitments financed by insurance companies have not been taken into account in 2024, as their impact on the Group's financial statements is not material.

Effective March 1, 2012, a defined benefit plan complying with Article L.137-11 of France's Social Security Code (*Code de la sécurité sociale*) was set up by Compagnie de Saint-Gobain. Pursuant to an order of July 4, 2019 issued in the wake of France's PACTE Law setting out an action plan for business growth and transformation, this plan was closed and any vested rights frozen at December 31, 2019. In 2021, two new plans were set up pursuant to Article L. 137-11-2 resulting from the PACTE Law, effective January 1, 2020. Under these plans, final payments are made to a third-party insurer who takes on responsibility for the liability.

In Germany, retirement plans provide pensions and death and disability benefits for employees. These plans have been closed to new entrants since 1996. Since January 1997, new employees have been offered pension plans based on contributions financed jointly by employer and employee.

In the United Kingdom, retirement plans provide pensions as well as death and permanent disability benefits. These defined benefit plans – which are based on employees' average salaries over their final years of employment – have been closed to new entrants since 2001. In 2021, the legal structure of the plans was altered, resulting in the closure of the Building Distribution section to future accrual as of January 1, 2022.

In the United States and Canada, the Group's defined benefit plans are final-salary plans. Since January 1, 2001, new employees have been offered a defined contribution plan. In 2024, the Group completed the full transfer of a portion of its pension obligations in the United States to a third party.

This transfer resulted in a US$677 million decrease in the Group's pension obligations, and a simultaneous US$641 million decrease in plan assets, corresponding to the amount paid to the insurance company. The difference between the two amounts was recognized in 2024 as a settlement gain and represented US$36 million (€34 million).

In the United States and Spain, retired employees receive benefits other than pensions, mainly concerning healthcare. The Group's obligation under these plans is determined using the actuarial method and is covered by a provision recorded in the balance sheet.

Provisions for other long-term employee benefits cover all other employee benefits. These benefits primarily include long-service awards in France, jubilee awards in Germany, deferred compensation, provisions for social security benefits in the United States, and termination benefits in different countries. The related defined benefit obligation is generally calculated on an actuarial basis using the same rules as for pension obligations. Actuarial gains and losses relating to these benefits are recognized immediately in the income statement.

6.3.2 Actuarial assumptions used to measure defined benefit obligations and plan assets

Interest rate assumptions

Assumptions related to mortality, employee turnover and future salary increases take into account the economic conditions specific to each country and Group company. The discount rates are established by region or country based on observed bond yields at December 31, 2024.

For the Eurozone (including France), two discount rates were calculated for 2024 based on the term of the plans using a yield curve model developed by consulting firm Mercer: one rate for plans with a term of 13 years or less (13 years in 2023) and one for plans with a term of over 13 years (13 years in 2023).

The rates used in 2024 for the Group's main plans were the following:

	France		Eurozone (excluding France)		United Kingdom	United States
(in %)	Short-term plans	Long-term plans	Short-term plans	Long-term plans		
Discount rate	3.41%	3.51%	3.41%	3.51%	5.55%	5.60%
Salary increases	3.30% to 7.00%		2.00% to 3.00%		2.00% *	3.00%
Inflation rate	2.00%		2.00%		CPI 2.65% RPI 3.05%	2.50%

* *A cap applies to the reference salaries used to calculate benefit entitlements.*

The rates used in 2023 for the Group's main plans were the following:

	France		Eurozone (excluding France)		United Kingdom	United States
(in %)	Short-term plans	Long-term plans	Short-term plans	Long-term plans		
Discount rate	3.16%	3.20%	3.16%	3.20%	4.60%	5.00%
Salary increases	1.90% to 5.50%		2.60% to 3.50%		2.00% *	3.00%
Inflation rate	2.10%		2.10%		CPI 2.50 % RPI 2.95 %	2.50%

* *A cap applies to the reference salaries used to calculate benefit entitlements.*

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As the above regions account for substantially all of the Group's pension obligation, the €388 million decrease in actuarial gains and losses recognized as an adjustment to the provision was primarily due to the use of revised discount and inflation rates and other actuarial assumptions.

The actual return on plan assets for almost all plans was €420 million higher than expected, leading to an increase in the provision of the same amount. In addition, a €25 million decrease in the asset ceiling, mainly affecting Switzerland, generated a decrease in the provision in the same amount.

Sensitivity to assumptions

A 0.5-point decrease (increase) in the discount rate would lead to an increase (decrease) in defined benefit obligations of around €85 million for the United States plans, €123 million for the Eurozone plans and €205 million for the United Kingdom plans.

A 0.5% increase in the inflation rate would lead to an overall increase in defined benefit obligations of around €250 million.

The same assumptions concerning mortality, employee turnover and interest rates are used to determine the Group's defined benefit obligations for other long-term employee benefits.

In the United States, the rate of growth in medical costs for employees who retired early (before the age of 65) is expected to rise to 6.00% in 2025, then decline gradually to 4.50% from 2034 onwards. For retirees aged 65 and over, the rate of growth is expected to stand at 6.75% in 2025 and 4.50% from 2034 onwards. A 1-point increase in reference rates would have the effect of raising the benefit obligation by around $13 million.

6.3.3 Breakdown of and changes in pension and other post-employment benefit obligations

Carrying amount of provisions

Provisions for pension and other employee benefit obligations consist of the following:

(in EUR millions)	Dec. 31, 2024	Dec. 31, 2023
Pension obligations	996	1,286
Length-of-service awards	370	338
Post-employment healthcare benefits	230	204
TOTAL PROVISIONS FOR PENSIONS AND OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS	**1,596**	**1,828**
Healthcare benefits	31	30
Long-term disability benefits	5	6
Other long-term benefits	118	96
PROVISIONS FOR PENSIONS AND OTHER EMPLOYEE BENEFITS	**1,750**	**1,960**

Provisions for all other long-term benefits totaled €154 million at December 31, 2024 (€132 million at December 31, 2023).

The following table shows net obligations under pensions and other post-employment benefit plans, excluding other long-term benefits:

(in EUR millions)	Dec. 31, 2024	Dec. 31, 2023
Provisions for pensions and other post-employment benefit obligations – liabilities	1,596	1,828
Pension plan surpluses – assets	(316)	(322)
NET PENSION AND OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS	**1,280**	**1,506**

Analysis of obligations

At December 31, 2024, pension obligations and provisions for other post-employment benefit obligations break down by major geographic region as follows:

(in EUR millions)	France	Eurozone (excluding France)	United Kingdom	United States	Rest of the world	Net total
AVERAGE DURATION *(in years)*	**13**	**14**	**12**	**9**	**13**	**12**
Defined benefit obligations – funded plans	437	1,159	3,177	1,746	1,087	7,606
Defined benefit obligations – unfunded plans	294	38	7	167	258	764
Fair value of plan assets	(343)	(661)	(3,406)	(1,538)	(1,240)	(7,188)
DEFICIT (SURPLUS)	**388**	**536**	**(222)**	**375**	**105**	**1,182**
Asset ceiling	0	3	0	0	95	98
NET PENSION AND OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS	**388**	**539**	**(222)**	**375**	**200**	**1,280**

At December 31, 2023, pension obligations and provisions for other post-employment benefit obligations break down by major geographic region as follows:

(in EUR millions)	France	Eurozone (excluding France)	United Kingdom	United States	Rest of the world	Net total
AVERAGE DURATION *(in years)*	**13**	**14**	**13**	**10**	**13**	**12**
Defined benefit obligations – funded plans	490	1,227	3,387	2,362	1,011	8,477
Defined benefit obligations – unfunded plans	258	42	0	150	237	687
Fair value of plan assets	(202)	(668)	(3,637)	(2,122)	(1,156)	(7,785)
DEFICIT (SURPLUS)	**546**	**601**	**(250)**	**390**	**92**	**1,379**
Asset ceiling	0	9	0	0	118	127
NET PENSION AND OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS	**546**	**610**	**(250)**	**390**	**210**	**1,506**

Changes in provisions

Changes in pensions and other post-employment benefit obligations are as follows:

(in EUR millions)	Pension obligations	Fair value of plan assets	Asset ceiling	Net pension and other post-employment benefit obligations
AT JANUARY 1, 2023	**8,762**	**(7,878)**	**130**	**1,014**
Changes during the year				
Service cost	134			134
Interest cost/return on plan assets as per calculations	397	(352)		45
Employee contributions and plan administration costs		(6)		(6)
Past service cost	(10)			(10)
Plan curtailments/settlements	(38)	38		0
Pension contributions		(118)		(118)
Benefit payments	(568)	498		(70)
Actuarial gains and losses and asset ceiling	468	60	(9)	519
Translation adjustments	6	(38)	6	(26)
Changes in Group structure	20	5		25
Assets/liabilities held for sale	(7)	6		(1)
TOTAL CHANGES	**402**	**93**	**(3)**	**492**
AT DECEMBER 31, 2023	**9,164**	**(7,785)**	**127**	**1,506**
Changes during the year				
Service cost	135			135
Interest cost/return on plan assets as per calculations	374	(324)		50
Employee contributions and plan administration costs		(5)		(5)
Past service cost	(25)			(25)
Plan curtailments/settlements	(626)	592		(34)
Pension contributions		(250)		(250)
Benefit payments	(577)	479		(98)
Actuarial gains and losses and asset ceiling	(388)	420	(25)	7
Translation adjustments	250	(242)	(4)	4
Changes in Group structure	63	(73)		(10)
Assets/liabilities held for sale				0
TOTAL CHANGES	**(794)**	**597**	**(29)**	**(226)**
AT DECEMBER 31, 2024	**8,370**	**(7,188)**	**98**	**1,280**

Actuarial gains and losses

Actuarial gains and losses on provisions result from the following items:

(in EUR millions)	2024	2023
Pension obligations	(388)	468
Fair value of plan assets	420	60
Asset ceiling	(25)	(9)
TOTAL CHANGES	**7**	**519**

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Plan assets

Plan assets have been progressively built up by contributions, primarily in the United Kingdom and the United States. Contributions paid by the Group in 2024 totaled €250 million (2023: €118 million).

A 0.5-point increase or decrease in the actual return on plan assets would have an impact of approximately €36 million on equity.

Plan assets mainly comprise:

	Dec. 31, 2024	Dec. 31, 2023
Equities	17%	18%
Bonds	57%	63%
Other	26%	19%
TOTAL	**100%**	**100%**

Contributions to pension plans for 2025 are estimated at around €44 million.

6.3.4 Defined contribution plans

Contributions to defined contribution plans are expensed as incurred.

Contributions to defined contribution plans for 2024 represented an estimated €699 million (2023: €680 million), including €476 million for government-sponsored basic pension schemes (2023: €456 million), €148 million for government-sponsored supplementary pension schemes, mainly in France (2023: €145 million), and €75 million for corporate-sponsored supplementary pension plans (2023: €79 million).

6.4 Share-based payments

6.4.1 Group Savings Plan (PEG)

The Group Savings Plan (*Plan d'Epargne Groupe* – PEG) is an employee stock purchase plan open to all Group employees in France and most other countries where the Group is present. Eligible employees must have completed a minimum of three months' service with the Group. Eligible employees are able to invest in Saint-Gobain shares at a preferential subscription price. These shares are held either directly or through the employee saving plan's mutual funds, depending on local legislation, and are subject to a mandatory five- or ten-year lock-up, except following the occurrence of certain events. The Board of Directors delegates authorization for setting the subscription price to the Chief Executive Officer of Compagnie de Saint-Gobain. The subscription price corresponds to the average of the opening prices for the Saint-Gobain share on Euronext Paris over the 20 trading days preceding the date of the decision, subject to a 20% discount, in accordance with applicable laws, the Shareholders' Meeting resolutions and the deliberations of the Board of Directors. The Group makes a matching contribution to amounts paid in by employees, which is expensed in the consolidated financial statements.

The Group recorded an IFRS 2 expense representing the benefit granted to employees, which amounted to €27.4 million in 2024 (€23.7 million in 2023).

The Saint-Gobain Group implemented a new PEG in the first half of 2024. As approved by the Chief Executive Officer on March 11, 2024, the reference price is €69.12 (€55.24 in 2023), representing a subscription price of €55.30 (€44.19 in 2023) after a 20% discount.

In 2024, 4,007,048 new shares with a par value of €4 were issued to employees under the PEG at an average subscription price of €55.30 (4,778,291 shares at an average price of €44.19 in 2023), representing a share capital increase of €221 million (€210 million in 2023), net of transaction fees.

6.4.2 Stock option plans

Until 2018, Compagnie de Saint-Gobain operated stock option plans for certain categories of employees.

Under these plans, the Board of Directors granted options allowing beneficiaries to obtain Saint-Gobain shares at a price set, at no discount, by reference to the average of the opening prices for the Saint-Gobain share over the 20 stock market trading days preceding the date of the decision by the Board of Directors.

For all of the plans, beneficiaries must wait at least four years from the grant date to exercise any options. None of the options received may be exercised until this four-year period has lapsed. Options must be exercised within 10 years of the grant date. Except in specified circumstances, grantees forfeit these options if they leave the Group.

Among the plans outstanding at December 31, 2024, the 2015, 2016 and 2017 plans offer stock purchase options. The 2018 plan was classified as a stock subscription option plan further to a decision of the Board of Directors in 2022, prior to the start of the exercise period.

A performance condition applies for all beneficiaries under current plans.

No stock option plans have been launched since 2019.

The following table presents changes in the number of outstanding options:

	€4 par value shares	Average exercise price *(in EUR)*
OPTIONS OUTSTANDING AT DECEMBER 31, 2022	**485,821**	**38.32**
Options exercised	(143,670)	35.23
Options forfeited	(4,536)	38.80
OPTIONS OUTSTANDING AT DECEMBER 31, 2023	**337,615**	**39.62**
Options exercised	(94,836)	38.99
Options forfeited	-	-
OPTIONS OUTSTANDING AT DECEMBER 31, 2024	**242,779**	**39.87**

The cost of stock option plans is calculated using the Black & Scholes option pricing model.

The following inputs were used:

- volatility assumptions that take into account the historical volatility of the share price over a rolling 10-year period, as well as implied volatility from traded share options. Periods of extreme share price volatility are disregarded;
- assumptions relating to the average holding period of options, based on observed behavior of option holders;
- expected dividends, as estimated on the basis of historical dividend information dating back to 1988;
- a risk-free interest rate corresponding to the yield on long-term government bonds;
- the effect of any stock market performance conditions, which is taken into account in the initial measurement of IFRS 2 share-based payment expense.

The cost calculated using this method is recognized in the income statement over the vesting period of the options, which is a maximum of four years.

As in 2023, no expense was recognized in accordance with IFRS 2 for the amortization of stock options granted under previous plans in 2024.

The table below summarizes information about stock options outstanding at December 31, 2024, after taking into account partial fulfillment of the performance criteria attached to certain plans:

	Exercisable options outstanding			
Grant date	Exercise price *(in EUR)*	Number of options	Weighted average contractual life *(in months)*	Type of options
2015	39.47	11,714	11	Purchase
2016	40.43	32,781	23	Purchase
2017	49.38	87,511	35	Purchase
2018	32.24	110,773	47	Subscription
TOTAL		**242,779**		

At December 31, 2024, all options were exercisable at an average exercise price of €39.87.

6.4.3 Performance share and performance unit grants

Performance share plans

Since 2009, performance share plans have also been set up for certain categories of employees. These plans are subject to eligibility criteria based on the grantee's period of service (service conditions) with the Group as well as performance criteria (performance conditions), which are described below. The IFRS 2 share-based payment expense takes into account these conditions. It is determined after deducting the present value of the dividends forfeited on the performance shares and is recognized over the vesting period, not exceeding four years.

At December 31, 2024, there were four outstanding performance share plans, approved by the Board of Directors in 2021, 2022, 2023 and on November 28, 2024.

The expense recorded for these plans in the 2024 income statement amounted to €45.0 million (2023: €38.3 million).

All plans are subject to service and performance conditions. The vesting period for the shares awarded under these plans is four years and the shares will be delivered under all plans the fourth day after the end of the vesting period for the 2021, 2022, 2023 and 2024 plans.

The table below shows changes in the number of performance share rights:

	Number of rights
NUMBER OF PERFORMANCE SHARE RIGHTS AT DECEMBER 31, 2022	**4,935,532**
Performance share rights granted in November 2023	1,268,633
Shares issued/delivered	(1,159,695)
Lapsed and canceled rights	(92,075)
NUMBER OF PERFORMANCE SHARE RIGHTS AT DECEMBER 31, 2023	**4,952,395**
Performance share rights granted in November 2024	1,314,901
Shares issued/delivered	(1,169,085)
Lapsed and canceled rights*	(99,260)
NUMBER OF PERFORMANCE SHARE RIGHTS AT DECEMBER 31, 2024	**4,998,951**

* *Including 99,260 rights that lapsed after they had been withdrawn (no rights lapsed because the performance conditions had only been partly met).*

The fair value of the performance shares corresponds to the Saint-Gobain share price on the grant date, less the value of dividends not payable on the shares during the vesting period. The expense is recognized over the vesting period, which covers a maximum of four years.

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The following table shows the expected dates when shares under the four performance share plans outstanding at December 31, 2024 will be delivered (except in the case of early release following the grantee's death or disability, along with the service and performance conditions remaining to be fulfilled):

Grant date	Number of rights granted at inception of the plan	Deliveries	Number of rights at December 31, 2024*	Delivery date	Type of shares
November 25, 2021	1,184,475	1,150	1,183,325	November 28, 2025	existing
November 24, 2022	1,232,792	400	1,232,392	November 27, 2026	existing
November 23, 2023	1,268,633	300	1,268,333	November 26, 2027	existing
November 28, 2024	1,314,901		1,314,901	December 1, 2028	existing
TOTAL	**5,000,801**	**1,850**	**4,998,951**		

* *Subject to fulfillment of the service and performance conditions applicable to each plan.*

Performance unit plans

Performance unit plans subject to service and performance conditions were set up every year between 2012 and 2015 for certain management-grade employees and senior managers of the Group in France. These plans do not give rise to the delivery of shares but entitle grantees to receive cash compensation deferred over the long-term (exercise period between four and ten years after the grant date), the amount of which will be determined by reference to Saint-Gobain's share price. These plans are also subject to service and performance conditions. The IFRS 2 share-based payment expense therefore takes into account these factors, as well as the fact that the units are cash-settled. IFRS 2 stipulates that for cash-settled share-based payment transactions, the granted instruments are initially measured at fair value at the grant date, then remeasured at the end of each reporting period, with the expense adjusted accordingly pro rata to the rights that have vested at the reporting date. The expense is recognized over the vesting period of the rights.

No long-term compensation plan in the form of performance units has been set up since 2016.

Since the vesting period of the last plan ended in 2019, there are no longer any expenses in respect of such plans.

NOTE 7 INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT, AND RIGHT-OF-USE ASSETS

7.1 Goodwill

When an entity is acquired by the Group, its identifiable assets acquired, liabilities assumed and contingent liabilities are recognized at their fair value. IFRS allows a 12-month period after the acquisition date ("measurement period") to identify the assets and liabilities of the acquired entity that were not recognized in the initial accounting for the combination, and to retroactively modify the amounts initially allocated.

The final acquisition price ("consideration transferred" in IFRS 3), including, as appropriate, the estimated fair value of any earn-out payments or other deferred consideration ("contingent consideration" in IFRS 3), is determined in the 12 months following the acquisition. Under IFRS 3, any adjustments to the acquisition price beyond this 12-month period are recorded in the income statement. Directly attributable acquisition costs are expensed as incurred.

In addition, goodwill is recognized only at the date that control is achieved. Any subsequent increase in ownership interest (without change of control) is recorded as a change in equity without adjusting goodwill.

Changes in goodwill in 2024 and 2023 are detailed below:

(in EUR millions)	Dec. 31, 2024	Dec. 31, 2023
At January 1		
Gross value	14,534	14,304
Accumulated impairment	(1,423)	(1,446)
NET VALUE	**13,111**	**12,858**
Changes during the period		
Impairment	(82)	(81)
Translation adjustments and restatement for hyperinflation	302	(162)
Changes in Group structure	905	496
TOTAL CHANGES	**1,125**	**253**
At December 31		
Gross value	15,776	14,534
Accumulated impairment	(1,540)	(1,423)
NET VALUE	**14,236**	**13,111**

In 2024, changes in Group structure correspond mainly to additions to the scope of consolidation for a total amount of €916 million, including the acquisition of CSR for €569 million and Bailey for €262 million (see note 4.2.1, p. 17).

Goodwill impairment losses were recognized for a total of €82 million, against individual assets during the period. The translation adjustments and restatements for hyperinflation primarily reflect the impacts of fluctuations in the US dollar, pound sterling, Argentine peso, Turkish lira, Brazilian real, Norwegian krone and Australian dollar.

In 2023, changes in Group structure related mainly to the first-time consolidation of companies following the acquisition of Building Products of Canada. (see note 4.2.1 p. 17) for €532 million; and to the finalization of the GCP purchase price allocation, which resulted in a €199 million reduction in goodwill.

Impairment losses were recognized for a total of €81 million, mainly against individual assets in the period. The amount recorded under "Translation adjustments and restatement for hyperinflation" primarily reflected the impacts of fluctuations in the US dollar, Turkish lira, pound sterling, Norwegian krone and Argentine peso.

Goodwill is recorded in the consolidated balance sheet as the difference between (i) the consideration transferred at the acquisition date plus the amount of any non-controlling interests in the acquiree – measured either at fair value (full goodwill method) or at the proportionate interest in the fair value of the net identifiable assets acquired (partial goodwill method) – and (ii) the net amount of assets and liabilities acquired at their fair value at the acquisition date. The Group generally applies the partial goodwill method and the amount of goodwill calculated under the full goodwill method is not therefore material.

Any excess of the cost of an acquisition over the fair value of the Group's share of the assets and liabilities of the acquired entity is recorded as goodwill. If the fair value of the net assets acquired and liabilities assumed exceeds their acquisition cost, this negative difference is recognized in the income statement in the year of acquisition.

7.2 Other intangible assets

Other intangible assets primarily include brands, customer relationships, intellectual property, software, patents and development costs. They are measured at historical cost less accumulated amortization and impairment.

Certain retail or manufacturing brands acquired are treated as intangible assets with indefinite useful lives as they have a strong national and/or international reputation. These brands are not amortized but are tested systematically for impairment on an annual basis. Other brands are amortized over their useful lives, not exceeding 40 years.

Customer relationships are amortized over the attrition period used to value these assets.

Costs incurred to develop software in-house – primarily configuration, programming and testing costs – are recognized as intangible assets. Patents and purchased computer software are amortized over their estimated useful lives, not exceeding 20 years for patents and three to five years for software.

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Research costs are expensed as incurred. Development costs meeting the recognition criteria under IAS 38 are included in intangible assets and amortized over their estimated useful lives (not exceeding five years) from the date when the products to which they relate are first marketed.

Changes in other intangible assets during 2024 and 2023 are analyzed below:

(in EUR millions)	Brands	Intellectual property and customer relationships	Software	Other	Total intangible assets
At January 1, 2023					
Gross value	2,190	1,897	1,345	492	5,924
Accumulated amortization and impairment	(226)	(238)	(1,069)	(365)	(1,898)
NET VALUE	**1,964**	**1,659**	**276**	**127**	**4,026**
Changes during the period					
Acquisitions			35	80	115
Disposals			(5)		(5)
Translation adjustments and restatement for hyperinflation	12	(47)	(2)	(4)	(41)
Amortization*	(16)	(169)	(109)	(7)	(301)
Impairment	(4)		(4)	(6)	(14)
Transfers			52	(52)	0
Changes in Group structure and other	(122)	698	3	6	585
Assets held for sale			2	1	3
TOTAL CHANGES	**(130)**	**482**	**(28)**	**18**	**342**
At December 31, 2023					
Gross value	1,982	2,540	1,389	509	6,420
Accumulated amortization and impairment	(148)	(399)	(1,141)	(364)	(2,052)
NET VALUE	**1,834**	**2,141**	**248**	**145**	**4,368**
Changes during the period					
Acquisitions			41	105	146
Disposals			(2)	(1)	(3)
Translation adjustments and restatement for hyperinflation	4	67	(2)	1	70
Amortization*	(23)	(211)	(104)	(8)	(346)
Impairment	(30)	(3)	(3)		(36)
Transfers		5	53	(58)	0
Changes in Group structure and other	195	439	9	7	650
Assets held for sale					0
TOTAL CHANGES	**146**	**297**	**(8)**	**46**	**481**
At December 31, 2024					
Gross value	2,186	3,077	1,469	559	7,291
Accumulated amortization and impairment	(206)	(639)	(1,229)	(368)	(2,442)
NET VALUE	**1,980**	**2,438**	**240**	**191**	**4,849**

* *"Amortization" includes amortization charged against intangible assets within the scope of purchase price allocation, representing €233 million in 2024 (2023: €181 million).*

The breakdown of brands, intellectual property and customer relationships by segment is provided in the segment information tables under note 5, p. 21.

In 2024, changes in Group structure mainly concern the first-time consolidation of companies following the acquisition of Bailey on customer relationships, intellectual property and brands for €156 million, €28 million and €24 million, respectively, and the acquisition of CSR on customer relationships and brands for €159 million and €130 million, respectively. The translation adjustments and restatements for hyperinflation primarily reflect the impacts of fluctuations in US dollar, in Turkish lira and in pound sterling.

In 2023, changes in Group structure mainly concerned the first-time consolidation of companies following the acquisition of Building Products of Canada for €421 million; GCP purchase price allocation adjustments on customer relationships (€247 million), intellectual property (€128 million) and brands (negative €131 million); and Kaycan purchase price allocation adjustments representing a total negative amount of €116 million. The translation adjustments and restatements for hyperinflation primarily reflected the impacts of fluctuations in the US dollar, Swiss franc and pound sterling.

7.3 Property, plant and equipment

Land, buildings and equipment are carried at historical cost less accumulated depreciation and impairment.

Cost may also include incidental expenses directly attributable to the acquisition, as well as the impact of transfers from equity of any gains/losses on qualifying cash flow hedges of property, plant and equipment purchases.

Expenses incurred in exploring and evaluating mineral resources are included in property, plant and equipment when it is probable that associated future economic benefits will flow to the Group. They include mainly the costs of topographical or geological studies, drilling costs, sampling costs and all costs incurred in assessing the technical feasibility and commercial viability of extracting the mineral resource.

Material borrowing costs incurred for the construction and acquisition of property, plant and equipment are included in the cost of the related asset if they are significant.

Property, plant and equipment are considered as having no residual value, as they chiefly consist of industrial assets that are intended to be used until the end of their useful lives.

Property, plant and equipment other than land are depreciated using the components approach on a straight-line basis over the following estimated useful lives, which are regularly reviewed:

• Major factories and offices	30-40 years
• Other buildings	15-25 years
• Production machinery and equipment	5-16 years
• Vehicles	3-5 years
• Furniture, fixtures, office and computer equipment	4-16 years

Gypsum quarries are depreciated over their estimated useful lives, based on the quantity of gypsum extracted during the year compared with extraction capacity.

Provisions for site restoration are recognized as a component of assets whenever the Group has a legal or constructive obligation to restore a site in accordance with contractually determined conditions or in the event of a sudden deterioration in site conditions. These provisions are reviewed periodically and may be discounted over the expected useful lives of the assets concerned. The component is depreciated over the same useful life as that used for mines and quarries.

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Changes in property, plant and equipment in 2024 and 2023 are analyzed below:

(in EUR millions)	Land and quarries	Buildings	Machinery and equipment	Assets under construction	Total property, plant and equipment
At January 1, 2023					
Gross value	2,329	8,085	20,896	1,841	33,151
Accumulated depreciation and impairment	(703)	(4,963)	(15,304)	(18)	(20,988)
NET VALUE	**1,626**	**3,122**	**5,592**	**1,823**	**12,163**
Changes during the period					
Acquisitions	53	57	256	1,548	1,914
Disposals	(11)	(23)	(24)	(7)	(65)
Translation adjustments and restatement for hyperinflation	(17)	(12)	(30)	(37)	(96)
Depreciation	(35)	(235)	(906)	2	(1,174)
Impairment	(1)	(23)	(91)	(10)	(125)
Transfers		232	849	(1,081)	0
Changes in Group structure and other	49	59	37	4	149
Assets held for sale		(18)	(4)		(22)
TOTAL CHANGES	**38**	**37**	**87**	**419**	**581**
At December 31, 2023					
Gross value	2,393	8,265	21,322	2,271	34,251
Accumulated depreciation and impairment	(729)	(5,106)	(15,643)	(29)	(21,507)
NET VALUE	**1,664**	**3,159**	**5,679**	**2,242**	**12,744**
Changes during the period					
Acquisitions	77	58	248	1,520	1,903
Disposals	(67)	(16)	(43)	(25)	(151)
Translation adjustments and restatement for hyperinflation	(27)	12	10	4	(1)
Depreciation	(36)	(254)	(1,010)	3	(1,297)
Impairment	(3)	(25)	(44)	(11)	(83)
Transfers		291	1,192	(1,483)	0
Changes in Group structure and other	1,164	163	313	124	1,764
Assets held for sale			1		1
TOTAL CHANGES	**1,108**	**229**	**667**	**132**	**2,136**
At December 31, 2024					
Gross value	3,539	8,713	22,879	2,397	37,528
Accumulated depreciation and impairment	(767)	(5,325)	(16,533)	(23)	(22,648)
NET VALUE	**2,772**	**3,388**	**6,346**	**2,374**	**14,880**

In 2024, changes in Group structure mainly concern the first-time consolidation of companies, in particular following the acquisition of CSR and Bailey for €1,604 million and €122 million, respectively, and purchase price allocation adjustments relating to the acquisition of Building Products of Canada for €54 million. Impairment losses recognized against property, plant and equipment amounted to €83 million. Translation adjustments and restatements for hyperinflation primarily reflect the impacts of fluctuations in the US dollar, Brazilian real, Mexican peso, Australian dollar, Argentine peso and Turkish lira.

In 2023, changes in Group structure mainly concerned the first-time consolidation of companies, in particular following the acquisition of Building Products of Canada for €56 million; and GCP and Kaycan purchase price allocation adjustments representing €33 million and €73 million, respectively. Impairment losses were recognized for a total of €125 million. The translation adjustments and restatements for hyperinflation primarily reflected the impacts of fluctuations in the US dollar, Mexican peso, Argentine peso, Polish zloty, Chinese yuan renminbi, Indian rupee, Brazilian real, Russian ruble and Turkish lira.

7.4 Right-of-use assets linked to leases

The Saint-Gobain Group applies IFRS 16 and restates all of its leases.

The following recognition exemptions proposed by IFRS 16 have been used by the Group:

- leases with a lease term of 12 months or less;
- leases where the underlying asset has a value of less than US$5,000 when new.

Property leases

The lease term corresponds to the non-cancelable period of the lease, plus any renewal (or termination) options that the Group is reasonably certain to exercise (or not to exercise). The Group determined whether or not lease renewal (or termination) options were reasonably certain to be exercised based on the location of, and any improvements inseparable from, the leased asset. The lease term at inception for "3/6/9-year" commercial leases in France is generally nine years. The Group did not identify any material leases with similar characteristics in other countries.

The discount rate used to calculate the lease liability is the incremental borrowing rate. This rate is applied at the commencement of the lease or at the date of the decision to renew the lease. The Group calculated the rate applicable to each lease contract on the basis of its duration, which reflects the payment profile of the lease liability.

The useful life of non-movable leasehold improvements cannot exceed the useful life of the right-of-use assets to which they relate.

Leases other than property leases

The main leases identified correspond to leases of vehicles, machinery and production equipment.

The lease capitalization period (lease term) represents the non-cancelable period of the lease. Where leases provide for a renewal (or termination) option, the Group determined whether or not that option was reasonably certain to be exercised based on the ease with which the leased asset could be replaced and its criticality.

The discount rate used to determine the lease liability is calculated using the same approach as for property leases.

The interest rate implicit in the lease is used as the discount rate only in the case of non-property leases and only if this is expressly stipulated in the lease contract.

Although leases can generally incorporate indexation clauses, lease liabilities are measured based solely on indexes known at the end of the reporting period.

In 2024, right-of-use assets linked to leases related mainly to land and buildings for €2,455 million (€2,343 million at December 31, 2023) and to machinery and equipment for €553 million (€467 million at December 31, 2023).

Lease payments made under low-value and/or short-term leases, along with variable lease payments or lease payments falling outside the scope of IFRS 16, totaled €247 million at December 31, 2024 (€206 million at December 31, 2023).

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The table below presents right-of-use assets for lease contracts by category:

(in EUR millions)	Land and buildings	Machinery and equipment	Total
At January 1, 2023			
Gross value	5,521	901	6,422
Accumulated depreciation and impairment	(3,185)	(485)	(3,670)
NET VALUE	**2,336**	**416**	**2,752**
Changes during the period			
New leases	565	263	828
Disposals	(8)	(2)	(10)
Translation adjustments and restatement for hyperinflation	(26)	(2)	(28)
Depreciation	(480)	(212)	(692)
Impairment	(8)		(8)
Changes in Group structure and other	13	2	15
Assets held for sale	(49)	2	(47)
TOTAL CHANGES	**7**	**51**	**58**
At December 31, 2023			
Gross value	5,552	983	6,535
Accumulated depreciation and impairment	(3,209)	(516)	(3,725)
NET VALUE	**2,343**	**467**	**2,810**
Changes during the period			
New leases*	548	300	848
Disposals	(4)	(1)	(5)
Translation adjustments	(25)	(1)	(26)
Depreciation	(497)	(230)	(727)
Impairment	(60)		(60)
Changes in Group structure and other	91	17	108
Assets held for sale	59	1	60
TOTAL CHANGES	**112**	**86**	**198**
At December 31, 2024			
Gross value	5,957	1,109	7,066
Accumulated depreciation and impairment	(3,502)	(556)	(4,058)
NET VALUE	**2,455**	**553**	**3,008**

* *Including €4 million of dismantling and site rehabilitation costs recognized in assets in 2024 (€0 million in 2023).*

7.5 Impairment review

7.5.1 Definition of groups of CGUs and goodwill values

Following the implementation of the "Transform & Grow" and "Grow & Impact" programs, the Group strategy is based on an organization of its businesses by country. The aim is to provide Saint-Gobain customers with a multi-product offering on local markets or as part of the High Performance Solutions (HPS) business.

These organizational changes led the Group to redefine the basis for managing its industrial assets: its regional businesses (Industry, Distribution) are now managed by geographic area (Region), while its global businesses within the High Performance Solutions segment are managed by Business Unit. Its CGU organization was therefore also adapted accordingly, and now corresponds to the level at which the Group's Chief Operating Decision Maker reviews operations and makes decisions about resources. The Group has gradually adapted and streamlined its groups of CGUs in order to bring their structure into line with its new organization (the Flat Glass CGU and the Construction Products groups of CGUs are now organized by Region, with no impact on the recoverable amount of these groups of CGUs given the significant headroom for each). It has also taken account of the significant changes in Group structure (disposals of Lapeyre, Distribution Germany, Distribution Netherlands, Distribution UK and Pipe in China; acquisition of CSR, leading to the creation of a High Performance Construction Chemicals group of CGUs along with acquisitions of Chryso and GCP).

In order to test for impairment, goodwill is allocated to each of the groups of CGUs, which now perfectly reflect the organization of management and internal reporting, and remain at a smaller level than the operating segments as required by IAS 36. In 2024, the Group monitored and tested 18 groups of CGUs following the acquisition of CSR.

The carrying amounts of goodwill at December 31, 2024 are as follows by operating segment:

	Goodwill, net	
(in EUR billions)	Dec. 31, 2024	Dec. 31, 2023
High Performance Solutions	3.1	3.0
Northern Europe	4.1	4.2
Southern Europe – ME & Africa	2.2	2.1
Americas	3.9	3.5
Asia-Pacific	0.9	0.3
TOTAL	**14.2**	**13.1**

7.5.2 Impairment of property, plant and equipment, intangible assets, goodwill and right-of-use assets: testing approach

In accordance with IAS 36, goodwill and non-amortizable brands are tested for impairment each year at the level of the groups of CGUs to which they relate. Impairment is tested by comparing the net carrying amount of the assets with their recoverable value.

In addition, the Group carries out impairment tests on property, plant and equipment, right-of-use assets, goodwill, assets of equity-accounted companies and other intangible assets whenever there is any indication of impairment. These tests consist of comparing the asset's carrying amount to its recoverable amount. The recoverable amount is the higher of the asset's fair value less disposal costs and its value in use.

The Group's main indicator of impairment is a downward trend in EBITDA for a group of CGUs of more than 10% year-on-year.

Actual and projected business performance within each group of CGUs is therefore monitored on a very regular basis (four "rolling forecast" phases each year, plus the budget campaign), enabling any downward trends to be identified. Each year, Saint-Gobain also verifies that budgets for the businesses within its groups of CGUs are in line with the business plans used in the most recent DCF tests.

Every three years, all groups of CGUs are tested for impairment using the DCF method (the full method). In the two intervening years, impairment tests are performed using a two-pronged approach (the simplified method):

- A first approach based on EBITDA multiples;
- A second approach that determines value in use by the DCF method and is applied only to CGUs that are classified as sensitive.

In line with this policy, the simplified method was applied in 2022 and 2023, and the full DCF method was applied to all groups of CGUs in 2024.

In the tests performed using the DCF approach, value in use is calculated using the net present value of future cash flows excluding interest but including tax. It is determined using assumptions made by management based on estimates and judgments including future changes in sales, profitability, investments and other cash flows arising from the use of the corresponding assets, as well as the discount rate applied to future cash flows. This approach projects the cash flows forecast in the last year of the three-year business plan a further two years, and then projects them to perpetuity using an annual growth rate. The test also takes into account the estimated impact over the plan period of the net cost of CO_2 emissions.

During the impairment tests performed using the DCF approach, different assumptions measuring the method's sensitivity are systematically tested using the following inputs:

- 0.5% increase in the discount rate applied to cash flows;
- 0.5% decrease in the annual average rate of growth in cash flows projected to perpetuity;
- 1-point decrease in the operating income rate for Industry activities and a 0.5-point decrease for Distribution activities.

When the annual impairment test reveals that the recoverable amount of an asset is less than its carrying amount, an impairment loss is recorded. Impairment losses on goodwill can never be reversed through income. For property, plant and equipment and other intangible assets, an impairment loss recognized in prior periods may be reversed, taking into account depreciation/amortization adjustments, if there is an indication that the impairment no longer exists and that the recoverable amount of the asset concerned exceeds its carrying amount.

Assets and liabilities held for sale are carried at the lower of their fair value less costs to sell and their net carrying amount.

With the exception of the sensitive CGUs described below, these impairment tests on the various groups of CGUs, carried out on the basis of the assumptions described above, did not lead to the impairment of any net assets, given the positive headroom.

7.5.3 Sensitive groups of CGUs

At December 31, 2023, three CGUs or groups of CGUs were identified as sensitive: Distribution Brazil, Pipe Europe and Pipe Latin America. In 2024, the discount rates used for these sensitive groups of CGUs were 8.1% for Pipe Europe, 10.6% for Pipe Latin America and 10.8% (12.3% in local currency) for Distribution Brazil. Annual perpetual growth rates in 2024 were respectively 1.5% for Pipe Europe, 1.5% for Pipe Latin America and 2.0% for Distribution Brazil.

Sales for the Pipe Europe group of CGUs in 2024 were stable compared with 2023, with an upswing at the end of the year in the main markets, and operating income was significantly higher, thanks to improved operating performance, lower steel and energy purchasing costs, and efficient management of overheads. On November 29, 2024, Saint-Gobain completed the sale of PAM Building (a Saint-Gobain PAM subsidiary specialized in wastewater and stormwater drainage solutions for buildings) to the French institutional investment fund Aldebaran, with Bpifrance (France's public investment bank) acquiring a minority stake. In light of the Pipe Europe CGU group's growth and earnings outlook following this sale, it will no longer be considered sensitive in 2025.

In 2024, sales by the Pipe Latin America group of CGUs declined significantly in local currency. In Brazil, the decline reflected delays in the release of public financing and cuts in capital spending following the privatization of water companies by the previous government, while in Argentina, it was due to the country's economic crisis. This downturn in business resulted in a partial halt in production and an operating loss, leading the Group to recognize impairment against property, plant and equipment and intangible assets for €26 million at the end of 2024.

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Against the backdrop of a sharp slowdown in the Brazilian real estate market, sales for the Distribution Brazil CGU slightly declined in 2024 at constant exchange rates. This downturn in business resulted in an operating loss, leading the Group to recognize impairment against property, plant and equipment and intangible assets for R$319 million (€55 million) at the end of 2024.

In view of the accumulated impairment losses recorded at December 31, 2024 for the Pipe Latin America and Distribution Brazil groups of CGUs and, consequently, the low net residual value of their assets at that date, these CGUs will no longer be considered sensitive from 2025.

7.5.4 Asset valuation and sensitivity to CO_2 prices

The Group now has highly structured roadmaps on which its net-zero-emissions target is based. These roadmaps consist of many different action plans and industrial projects (energy efficiency, alternative energies, electrification, etc.), detailed for each site and aimed at reducing scope 1 direct emissions, combined with a growing number of new Purchase Power Agreements (PPAs) and Virtual Purchase Power Agreements (VPPAs) on a country-by-country basis, designed to reduce scope 2 indirect emissions.

Following a major effort to improve the integrity and automated process for CO_2 data reporting, along with the implementation of an internal tool for calculating, using and communicating such data, the Group is now able to consolidate and analyze quantitative changes in its CO_2 emissions on a monthly basis, as well as the nature of these changes.

CO_2 data is now an integral part of the KPIs tracked by each local Saint-Gobain manager in the same way as financial data, and is therefore included in all of the Group's forecasting phases (budget and strategic plan).

These CO_2 roadmaps are incorporated into the annual impairment tests for groups of CGUs. Based on information on current CO_2 emissions from production sites, and factoring in projections and assumptions as regards business trends and CO_2 emissions reductions (scopes 1 and 2), validated by each of the Regions and by High Performance Solutions, a projection of future CO_2 emissions was determined for each site up to 2030.

These projections take into account planned investments to:

- Maximize energy efficiency by exploring all energy switching options (biofuel, hydrogen or synthetic fuel, green electricity);
- Make products lighter, replace them with low-carbon alternatives, increase recycled content and significantly rethink formulations and processes.

For the European Union scope, the Group has determined projected changes in CO_2 emissions up to 2030 as per the roadmaps drawn up for each Region, taking into account historical business levels, a factor reflecting exposure to the risk of carbon leakage in a carbon emissions trading system, and the stock of CO_2 emissions allowances held at the end of December 2024. As expected, the Group takes into account the gradual reduction in free CO_2 emissions allowances granted to industrial sites under the EU Emissions Trading Scheme. These CO_2 emissions were valued in 2024 on the basis of a euro price per tonne resulting from a panel of analysts (source: Carbon Market Pulse Limited, an independent private company based in London).

(in euros/tonne)	2024	2025	2026	2027	2030
Analysts average	64	75	91	109	135

For the non-European scope, forecast reductions in CO_2 emissions as per the roadmaps for each Region were also taken into account, and tonnes of CO_2 emitted were priced in the tests assuming a fixed price of €100 per tonne as from 2024 and no government support schemes such as CO_2 emissions allowances. This assumption of €100 per tonne is consistent with the application of an internal carbon price set by Saint-Gobain, and is conservative in that few countries outside Europe have so far defined a price per tonne of carbon.

The recoverable amounts of the assets of each group of CGUs, determined based on the CDF approaches, were impacted by the forecast costs of CO_2 emissions – net of the free emissions allowances received – projected to perpetuity, and compared to the net carrying amount of assets at December 31, 2024 (property, plant and equipment, intangible assets and working capital).

NOTE 8 INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES AND OTHER NON-CURRENT ASSETS

A joint venture is a joint arrangement whereby the parties have joint control of the arrangement, and decisions about the relevant activities require the unanimous consent of the parties sharing control. The parties that have joint control of the arrangement have rights to the net assets of the arrangement. By contrast, an associate is an entity over which a partner has significant influence over the power to participate in decisions, but not control.

Under IAS 28, investments in both associates and joint ventures must be recognized using the same equity-accounting consolidation method.

8.1 Changes in investments in equity-accounted companies

Changes in investments in equity-accounted companies in 2024 and 2023 can be analyzed as follows:

(in EUR millions)	2024	2023
At January 1		
Group share in:		
Associates	281	249
Joint ventures	333	350
TOTAL	**614**	**599**
Goodwill	91	40
INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES	**705**	**639**
Changes during the period		
Group share in net income of associates	44	44
Group share in net income of joint ventures	38	45
Dividends paid	(59)	(20)
Translation adjustments and restatement for hyperinflation	97	(110)
Changes in Group structure, transfers and other variations	180	107
TOTAL CHANGES	**300**	**66**
At December 31		
Group share in:		
Associates	436	281
Joint ventures	432	333
TOTAL	**868**	**614**
Goodwill	138	91
INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES	**1,005**	**705**

The €180 million increase in investments in equity-accounted companies in 2024 corresponds mainly to investments accounted for by the equity method by CSR. In 2023, changes in investments in equity-accounted companies, for an amount of €107 million, primarily concerned the acquisition of Dalsan.

The principal financial aggregates of equity-accounted companies are as follows:

	2024			2023		
(in EUR millions)	Associates	Joint ventures	Total	Associates	Joint ventures	Total
Sales	1,971	848	2,819	1,603	962	2,565
Net income	174	76	250	125	91	216
Non-current assets	1,106	639	1,745	680	482	1,162
Current assets	1,257	431	1,688	969	413	1,382
Non-current liabilities	1,698	943	2,641	1,180	745	1,925
Current liabilities	665	127	792	469	150	619
Shareholders' equity	1,336	895	2,231	942	693	1,635

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8.2 Transactions with equity-accounted companies – related parties

The consolidated financial statements include transactions conducted by the Group in the normal course of its businesses with associates and joint ventures. These transactions are carried out on an arm's length basis.

The assets and liabilities of equity-accounted companies at December 31 are as follows:

(in EUR millions)	Dec. 31, 2024	Dec. 31, 2023
Financial receivables	38	35
Inventories	0	0
Short-term receivables	8	12
Cash and cash equivalents	0	1
Short-term debt	4	5
Cash advances	0	0

Purchases and sales transactions with equity-accounted companies are as follows:

(in EUR millions)	2024	2023
Purchases	38	41
Sales	35	35

8.3 Other non-current assets

Changes in other non-current assets in 2024 and 2023 are analyzed below:

(in EUR millions)	Equity investments and other	Loans, deposits and surety	Total other non-current assets
At January 1, 2023			
Gross value	175	374	549
Provisions for impairment	(6)	(6)	(12)
NET VALUE	**169**	**368**	**537**
Changes during the period			
Increases (decreases)	127	(27)	100
Provisions for impairment	(4)	1	(3)
Translation adjustments and restatement for hyperinflation	(3)	1	(2)
Transfers and other movements		3	3
Changes in Group structure	(39)	1	(38)
Changes in fair value	(2)	2	0
Assets held for sale		(1)	(1)
TOTAL CHANGES	**79**	**(20)**	**59**
At December 31, 2023			
Gross value	258	356	614
Provisions for impairment	(10)	(8)	(18)
NET VALUE	**248**	**348**	**596**
Changes during the period			
Increases (decreases)	214	2	216
Provisions for impairment	(1)	(11)	(12)
Translation adjustments and restatement for hyperinflation	7	(12)	(5)
Transfers and other movements		35	35
Changes in Group structure	(88)	7	(81)
Changes in fair value	2	(1)	1
Assets held for sale		(15)	(15)
TOTAL CHANGES	**134**	**5**	**139**
At December 31, 2024			
Gross value	390	375	765
Provisions for impairment	(8)	(22)	(30)
NET VALUE	**382**	**353**	**735**

NOTE 9 OTHER CURRENT AND NON-CURRENT LIABILITIES AND PROVISIONS, CONTINGENT LIABILITIES AND LITIGATION

A provision is booked when (i) the Group has a present legal or constructive obligation towards a third party as a result of a past event, (ii) it is probable that an outflow of resources will be required to settle the obligation, and (iii) the amount of the obligation can be estimated reliably.

If the amount or due date of the obligation cannot be estimated reliably, it is classified as a contingent liability and reported as an off-balance sheet commitment.

Provisions for other material liabilities and charges whose timing can be estimated reliably over the long term are discounted to present value.

9.1 Provisions for other liabilities and charges

The table below provides a breakdown by type along with details of changes in other provisions and current and non-current liabilities:

(in EUR millions)	Provisions for claims, litigation and environmental risks	Provisions for restructuring costs and personnel expenses	Provisions for customer warranties	Provisions for other contingencies	Total provisions for other liabilities	Investment-related liabilities	Total provisions for other liabilities and investment-related liabilities
At January 1, 2023							
Current portion	253	65	145	179	642	51	693
Non-current portion	207	90	127	495	919	173	1,092
TOTAL PROVISIONS FOR OTHER LIABILITIES AND INVESTMENT-RELATED LIABILITIES	**460**	**155**	**272**	**674**	**1,561**	**224**	**1,785**
Changes during the period							
Additions	105	189	137	250	681		681
Reversals	(10)	(18)	(27)	(98)	(153)		(153)
Utilizations	(54)	(85)	(62)	(60)	(261)		(261)
Changes in Group structure	7	1	27	5	40		40
Translation adjustments, reclassifications and other	(13)	(6)	(5)	(45)	(69)	(12)	(81)
Liabilities held for sale	1	(1)		(11)	(11)		(11)
TOTAL CHANGES	**36**	**80**	**70**	**41**	**227**	**(12)**	**215**
At December 31, 2023							
Current portion	291	102	182	205	780	38	818
Non-current portion	205	133	160	510	1,008	174	1,182
TOTAL PROVISIONS FOR OTHER LIABILITIES AND INVESTMENT-RELATED LIABILITIES	**496**	**235**	**342**	**715**	**1,788**	**212**	**2,000**
Changes during the period							
Additions	68	144	104	122	438		438
Reversals	(23)	(34)	(26)	(50)	(133)		(133)
Utilizations	(68)	(140)	(61)	(70)	(339)		(339)
Changes in Group structure	155	7	8	15	185		185
Translation adjustments, reclassifications and other	19	1	5	6	31	107	138
Liabilities held for sale	(1)			(2)	(3)		(3)
TOTAL CHANGES	**150**	**(22)**	**30**	**21**	**179**	**107**	**286**
At December 31, 2024							
Current portion	316	90	193	211	810	26	836
Non-current portion	330	123	179	525	1,157	293	1,450
TOTAL PROVISIONS FOR OTHER LIABILITIES AND INVESTMENT-RELATED LIABILITIES	**646**	**213**	**372**	**736**	**1,967**	**319**	**2,286**

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9.1.1 Provisions for claims, litigation and environmental risks

These provisions cover costs relating to litigation, environmental protection measures, as well as site rehabilitation and clean-up costs.

They cover in particular PFOA-related proceedings, asbestos-related litigation and the antitrust lawsuit in the Distribution sector in Switzerland.

Litigation provisions amounted to €420 million at December 31, 2024. These provisions are described in further detail in note 9.2 "Contingent liabilities and litigation".

9.1.2 Provisions for restructuring costs and personnel expenses

Provisions for restructuring costs and personnel expenses amounted to €213 million at December 31, 2024 (December 31, 2023: €235 million).

These provisions cover restructuring transactions (personnel costs and other charges linked to reorganization plans), as well as provisions for personnel expenses unrelated to restructuring plans, in particular provisions for severance payments.

9.1.3 Provisions for customer warranties

These provisions cover the Group's commitments under warranties granted to customers mainly in the United States. They are determined on a statistical basis using a range of criteria and take into account contractual warranty payments made in prior years in the business and region concerned. In addition, specific provisions may be set aside for identified contingencies in the context of a specific claim.

9.1.4 Provisions for other contingencies

At December 31, 2024, provisions for other contingencies amounted to €736 million (December 31, 2023: €715 million) and mainly concern the United States (€505 million), Brazil (€80 million) and France (€72 million).

9.1.5 Investment-related liabilities

Investment-related liabilities correspond to commitments to purchase minority interests, liabilities relating to the acquisition of shares in Group companies, and minority shareholder puts.

In 2024, changes in investment-related liabilities concerned a €154 million net increase in acquisition debt, partly offset by a €47 million net decrease in non-controlling interest (NCI) puts.

9.2 Contingent liabilities and litigation

9.2.1 Antitrust law and related proceedings

Investigation by the Swiss Competition Commission in the sanitary products wholesale industry

In November 2011, the Swiss Competition Commission (Commission suisse de la concurrence) opened an investigation into anti-competitive practices in the sanitary products wholesale industry. In May 2014, the Commission Secretariat issued a notice of complaints against Sanitas Troesch and other wholesalers in the industry alleging that Sanitas Troesch and some of its competitors had, among other things, agreed in 2005 and 2012 to lower gross prices.

The total fine imposed on all companies involved is CHF 80 million. For Sanitas Troesch, the fine is CHF 28.8 million. Sanitas Troesch appealed this decision on May 2, 2016 and continues to firmly refute the claims made. The hearing took place before the Federal Administrative Court on January 21, 2020 and the date on which the Federal Administrative Court will issue its decision is not yet known. However, a provision for claims and litigation was recognized at December 31, 2015 in an amount equivalent to the fine (unchanged as at December 31, 2024).

Investigations by Competition Authorities in the additives and admixtures sector

The European Commission, the Competition and Markets Authority in the UK and the Turkish competition authority have launched investigations into anti-competitive practices in relation to the supply of chemical additives for cement and chemical admixtures for concrete and mortar. As of 31 December 2024, no statement of objections has been issued. The Competition and Markets Authority in the UK has announced on January 23, 2025 its decision to drop its investigation.

Incidentally, class actions have been instituted against the Group in the United States and Canada in connection with these investigations which remain at a preliminary stage.

9.2.2 Asbestos-related litigation

Current legal actions related to asbestos are described below.

Asbestos-related litigation in France

Inexcusable fault lawsuits

Several French companies of the Group were the subject of actions by former employees of these companies (or persons claiming through them) for recognition of inexcusable fault following diseases recognized as being of occupational origin resulting from exposure to asbestos dust.

As of December 31, 2024, 50 actions are still pending. .

Anxiety claims

Several Group's subsidiaries that have operated facilities in France classified as containing asbestos, were the subject of anxiety claims brought by current or former employees not suffering from an occupational disease due to asbestos – claiming compensation for prejudice of anxiety suffered as a result of their alleged exposure to asbestos.

As of December 31, 2024, 155 lawsuits are still in progress.

Last, the total amount of compensation paid in 2024 for asbestos-related litigations in France – inexcusable faults lawsuits and anxiety claims – by the Group companies concerned totaled approximately €3 million as of December 31, 2024 (compared to approximately € 5 million as of December 31, 2023) and the total amount registered as provision for this asbestos-related litigations amounted to around €9 million as of December 31, 2024 (compared to around €7 million as of December 31, 2023).

Situation in the United States

Measures taken to achieve an equitable and permanent resolution of the former CertainTeed Corporation's legacy asbestos liabilities in the United States

DBMP LLC, an affiliate of CertainTeed LLC based in North Carolina, that holds the legacy asbestos liabilities of the former CertainTeed Corporation, filed, on January 23, 2020, a voluntary petition for relief under Chapter 11 of the US Bankruptcy Code in the US Bankruptcy Court for the Western District of North Carolina in Charlotte. The matter remains pending. The purpose of the filing is to achieve a certain, final and equitable resolution of all current and future claims arising from asbestos-containing products manufactured and sold by the former CertainTeed Corporation.

DBMP LLC intends to seek court authority to establish a trust under section 524(g) of the US Bankruptcy Code – a specific provision that is applicable to companies that face substantial numbers of asbestos-related claims – to achieve a fair and equitable resolution of its asbestos-related liabilities. Upon establishment of the trust, current and future plaintiffs with qualifying claims will be able to receive faster payment of their claims without the delay, stress and uncertainty of litigation in the tort system; at the same time, the creation and funding of such a trust will permanently and finally resolve DBMP LLC's asbestos liability.

During the course of this bankruptcy process, which could take up to approximately eight years, all asbestos litigations have been stayed and all related costs suspended, providing DBMP LLC with the time and protection to negotiate an agreement to be approved on behalf of all claimants and by the court.

This action was taken as a result of the increasing risks presented in the US tort system. Despite the passage of time, the aging of the population and lessening opportunity for claimants to assert legitimate claims of exposure to the asbestos-containing products of the former CertainTeed Corporation, naming practices in the tort system continued to result in a steady volume of claims against DBMP LLC, with no foreseeable end in sight. In addition, there has been, in general, an escalation of settlement demands and verdicts in the tort system.

Certain adversary proceedings have been filed by representatives of current and future asbestos plaintiffs against DBMP LLC, CertainTeed LLC, Saint-Gobain Corporation, Compagnie de Saint-Gobain and various other parties. No decisions on the merits of the claims have been made and such claims do not affect the Company's financial assessment of the Chapter 11 case.

Impact on the financial statements

Following the commencement of the proceeding under Chapter 11 of the US Bankruptcy Code on January 23, 2020, the assets and liabilities of DBMP LLC and its wholly-owned subsidiary Millwork & Panel LLC, and in particular the provision for asbestos-related litigation in the United States, are no longer consolidated in the Group's financial statements.

Nonetheless, because of a funding agreement between CertainTeed LLC and DBMP LLC by which CertainTeed LLC has agreed to fund the costs of the Chapter 11 case and, ultimately, the 524(g) trust, in both cases solely to the extent DBMP LLC is unable to do so in full, the Group recorded in its consolidated financial statements a provision corresponding to the amount of the estimated debt against DBMP LLC amounting to $405 million as of December 31, 2024 ($407 million as of December 31, 2023).

The Group's consolidated income for 2024 is not impacted by the ongoing Chapter 11 proceeding described above.

As a result of this bankruptcy proceeding, all legal costs and indemnity payments related to DBMP LLC's asbestos tort claims have been suspended, and no further charges in relation to such claims have been taken in 2024 (as in 2023).

Situation in Brazil

In Brazil, former employees of Brasilit, that once manufactured fiber cement containing asbestos, suffering from asbestos-related occupational illnesses are offered, depending on the case, either financial compensation alone or lifetime medical assistance combined with financial compensation. Around 1,200 contractual instruments have accordingly been signed to date..

Two class actions were initiated against Brasilit in 2017 by two associations defending former employees exposed to asbestos at the São Caetano (São Paulo state) and Recife (Pernambuco state) plants, asking for their medical assistance and compensation to be revised. First and second instance decisions were rendered in connection with the suit related to the São Caetano plant respectively in July 2020 and July 2021, rejecting the claims of the plaintiffs. The latter have nevertheless appealed the second instance decision. First and second instance decisions were rendered in relation to Recife case, respectively in February and October 2022 rejecting the claiming party arguments. The plaintiff has appealed such second instance decision.

A third class action was initiated against Brasilit in 2019 in Capivari (State of São Paulo) by the Labor prosecutor asking for health insurance, as well as collective moral damages, in favor of employees, former employees and their respective families, as well as subcontractors who were exposed to asbestos. First and second instance decisions were rendered respectively in September 2020 and May 2023 partly in favor of the plaintiffs. In particular, collective moral damages were granted to the plaintiffs, for an amount currently estimated as of December 31, 2024 (based on the indexation) at approximately BRL 9 million (€1.4 million). Brasilit has appealed the second instance decision.

Brasilit is subject to controls by the Ministry of Labor and continues to comply with all of its legal obligations with regard to medical assistance for its current and former employees.

In November 2017, the Supreme Court of Brazil decided to ban asbestos definitively across the country. Brasilit stopped using asbestos voluntarily as early as 2002.

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Situation in Australia

On 9 July 2024, the Company finalized the acquisition of CSR Ltd a leading player in building materials in Australia.

CSR Ltd and/or certain subsidiaries (CSR) were involved in mining asbestos and manufacturing and marketing products containing asbestos in Australia and exporting asbestos to the United States. CSR's involvement in asbestos mining, and the manufacture of products containing asbestos, began in the early 1940s and ceased in 1977.

As a result of these activities, CSR has been named as a defendant in litigation in Australia and the United States. CSR has been settling claims since 1989. Default judgments have been sought and obtained against CSR in the US, without CSR being present or represented. Australian law does not recognize the jurisdiction of US courts in such matters. There have not been any US judgments enforced against CSR. Since its acquisition by the Group, CSR paid asbestos related claims of 13 million Australian dollars.

As at December 31, 2024, for the Group companies concerned, the total provision for asbestos-related litigation amounts to 225 million Australian dollars (corresponding approximately 134 million euros).

9.2.3 Environmental disputes

PFOA proceedings in the United States

Levels of PFOA (perfluorooctanoic acid) in excess of US Environmental Protection Agency (EPA) and/or state maximum contaminant levels for drinking water have been found in municipal water systems and private wells near Saint-Gobain Performance Plastics (SG PPL) : two current facilities in Hoosick Falls (New York), a former facility in Merrimack (New Hampshire), and two former facilities in North Bennington (Vermont) in the United States. PFOA and PTFE (polytetrafluorethylene) have never been manufactured by these plants. SG PPL is a processor of PTFE which it purchases from third party suppliers and which in the past contained some PFOA.

SG PPL has voluntarily provided bottled water in all three communities, installed point-of-entry treatment systems to residents and businesses in all three communities, installed carbon filtration systems on the municipal water supply in Hoosick Falls and funded the installation of a carbon filtration system on the Merrimack Valley District's municipal water supply. In addition, it has voluntarily funded construction of water line extensions in certain communities in the Merrimack and Bennington areas. The SG PPL facility in Merrimack was closed in 2024. The investigations are on-going and the scope of responsibility for SG PPL arising from environmental remediation in New Hampshire and New York and clean-up obligations at these sites has not yet been established. The scope of the remediation in Vermont is defined and largely completed; future operation and maintenance obligations remain. Without admitting liability, SG PPL has signed consent orders with the environmental regulators in New York in 2016 and 2023 in Vermont in 2017 and 2019 with respect to two different areas, and in New Hampshire in 2018, pursuant to which SG PPL has agreed to complete investigations, implement interim or final remediation measures at its current and former facilities and in the case of Vermont and New Hampshire, fund construction of water lines. Responsibility, if any, is expected to be shared with other parties as regards in particular the Hoosick Falls site.

PFOA-related lawsuits alleging both health-related and economic damages claims have been filed in civil courts in New York, New Hampshire and Vermont, some of which are in the form of class actions. It is difficult to predict the timing or outcome of any such litigation, or whether any additional litigation will be brought against SG PPL, however, both the New York and Vermont class actions are settled.

On December 31, 2024, the provision recorded by the concerned company in respect of this matter amounts to €240 million (compared to €226 million as of December 31, 2023). This provision covers both remediation and litigation related to PFOA matters.

9.2.4 Other contingent liabilities

Grenfell Tower fire in the United Kingdom

The Celotex business whose control was transferred by Saint-Gobain Construction Products UK Limited outside of the Group in January 2024, provides insulation materials for specific applications for the building and construction industry. Insulation materials from two Celotex ranges were purchased via distributors and used in refurbishing Grenfell Tower, in London in 2015/2016, including as one component of the rainscreen cladding system designed and installed (by third parties) on the tower's external facade.

Following the Grenfell Tower fire on June 14, 2017, a Public Inquiry was constituted to consider, among other things, the modifications made to the building as part of the refurbishment, the role played by the various construction professionals, and the information provided by the manufacturers of the products used. The Inquiry's work was divided into two phases. Its phase 1 report was published on October 30, 2019 and the phase 2 report was published on September 4, 2024. A criminal investigation into the circumstances of the fire is also in progress.

There are a large number of issues and circumstances that need to be explored and the full implications for Celotex Limited and Saint-Gobain Construction Products UK Limited are unlikely to be known for some time

Civil proceedings in connection with Grenfell Tower brought against Celotex Limited and/or Saint-Gobain Construction Products UK Limited and a number of other defendants were issued by bereaved, survivors and residents and emergency responders.

Following confidential alternative dispute resolution processes involving a number of parties, confidential settlements have been concluded in relation to the majority of these claims and resulted in payments to relevant claimants without admission of liability. Celotex Limited is continuing to engage with a number of other defendants in an alternative dispute resolution process to seek to resolve the remaining claims brought by the emergency responders. The principal financial implications from the concluded settlements are reflected in the financial statements as of December 31, 2024.

In October 2024, the owner of Grenfell Tower at the time of the fire has issued a claim against Celotex Limited and Saint-Gobain Construction Products UK Limited, and six other third parties, for losses arising as a result of the fire. This claim is at a preliminary stage.

The extent to which Celotex Limited and Saint-Gobain Construction Products UK Limited may incur further financial expenditure or civil or criminal liability in connection with the production, marketing, supply or use of their products is currently unclear and these companies are currently unable to make a reliable estimate of their potential liability in this respect.

9.2.5 Other proceedings and disputes

Some of the Group's companies may also be the subject of other claims made by their employees or by the tax authorities, or in the context of the enforcement of seller's warranties granted by the Group to the buyers of divested businesses (see note 5.5.2 p 26). Apart from the proceedings and litigation described above, to the best of the Company's knowledge, no other government, court or arbitration proceedings exist (including pending proceedings or proceedings where the Company and/or the Group might be threatened) which could have or have had, in the last 12 months, a significant impact on the financial position or profitability of the Company and/or Group.

NOTE 10 FINANCING AND FINANCIAL INSTRUMENTS

10.1 Financial risks

10.1.1 Liquidity risk

Liquidity risk on financing

In a crisis environment, the Group might be unable to raise the financing or refinancing needed to cover its investment plans on the credit or capital markets, or to obtain such financing or refinancing on acceptable terms.

The Group's overall exposure to liquidity risk on its net debt is managed by the Treasury and Financing Department of Compagnie de Saint-Gobain, the Group's parent company. The subsidiaries enter into short- or long-term financing arrangements as a priority with Compagnie de Saint-Gobain or with the regional cash pools.

The Group's policy is to ensure that the Group's financing will be rolled over at maturity and to optimize borrowing costs. Long-term debt therefore systematically represents a high percentage of overall debt. At the same time, the maturity schedules of long-term debt are set in such a way that replacement capital market issues are spread over time.

The Group's main source of long-term financing is constituted by bonds, which are generally issued under the Medium Term Notes program. The Group also uses lease financing, perpetual bonds, participating securities, a long-term securitization program and bank borrowings.

Short-term debt is composed of borrowings under Negotiable European Commercial Paper (NEU CP) programs, and occasionally Euro Commercial Paper and US Commercial Paper programs, but also includes receivables securitization programs and bank financing.

The Group also has various factoring and reverse factoring programs.

Financial assets comprise marketable securities and cash and cash equivalents.

Compagnie de Saint-Gobain's liquidity position is secured by a confirmed syndicated line of credit.

A breakdown of long- and short-term debt by type and maturity is provided in note 10.3, which also details the main characteristics of the Group's financing programs and confirmed credit lines.

Saint-Gobain's long-term debt issues have been rated BBB+ with a stable outlook by Standard & Poor's since April 24, 2023, and Baa1 with a stable outlook by Moody's since June 15, 2022.

There is no guarantee that the Company will be in a position to maintain its credit risk ratings at current levels. Any deterioration in the Group's credit risk rating could limit its capacity to raise funds and could lead to higher rates of interest on future borrowings.

Liquidity risk on investments

Short-term investments consist of bank deposits and mutual fund units. To reduce liquidity and high volatility risks, the Group invests in money market funds and/or bonds whenever possible.

10.1.2 Financial counterparty credit risk

The Group is exposed to the risk of default by the financial institutions that manage its cash or other financial instruments, since such default could lead to losses for the Group.

The Group limits its exposure to risk of default by its counterparties by dealing solely with reputable financial institutions and regularly monitoring their credit ratings. However, the credit quality of a financial counterparty can change rapidly, and a high credit rating cannot eliminate the risk of a rapid deterioration of its financial position. As a result, the Group's policy in relation to the selection and monitoring of its counterparties is unable to entirely eliminate exposure to a risk of default.

To limit Compagnie de Saint-Gobain's exposure to counterparty credit risk, the Treasury and Financing Department deals primarily with counterparties with a long-term rating of A- or above from Standard & Poor's or A3 or above from Moody's. Concentrations of credit risk are also closely monitored to ensure that they remain at reasonable levels, taking into account the relative CDS ("Credit Default Swap") level of each counterparty.

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10.1.3 Market risks

Energy and commodity risk

The Group is exposed to changes in the price of the energy it consumes and the raw materials used in its activities. Its energy and commodity hedging programs may be insufficient to protect the Group against significant or unforeseen price swings that could result from the prevailing financial and economic environment.

The Group may limit its exposure to energy price fluctuations by using swaps and options to hedge part of its fuel oil, natural gas and electricity purchases. The swaps and options are mainly contracted in the functional currency of the entities concerned. Hedges of fuel oil, gas and electricity purchases are contracted in accordance with the Group's purchasing policy.

These hedges (excluding fixed-price purchases negotiated directly with suppliers by the Purchasing Department) are generally arranged by the Group Treasury and Financing Department (or with regional treasury departments) in accordance with instructions received from the Purchasing Department.

From time to time, and in accordance with the same principles as those outlined above for energy, the Group may enter into contracts to hedge purchases of certain commodities or engage in the CO_2 emissions market with spot or forward purchases.

Note 10.4 provides a breakdown of instruments used to hedge energy and commodity risks.

Interest rate risk

The Group's overall exposure to interest rate risk on consolidated debt is managed by the Treasury and Financing Department of Compagnie de Saint-Gobain.

The Group's policy is aimed at fixing and optimizing its medium-term borrowing costs by hedging interest rate risk. According to Group policy, the derivative financial instruments used to hedge interest rate risk can include interest rate swaps, cross-currency swaps, options – including caps, floors and swaptions – and forward rate agreements.

The table below shows the sensitivity at December 31, 2024 of pre-tax income and pre-tax equity to fluctuations in the interest rate on the Group's net debt after hedging:

(in EUR millions)	Impact on pre-tax income	Impact on pre-tax equity
Interest rate increase of 50 basis points	35	4
Interest rate decrease of 50 basis points	(35)	(4)

Note 10.4 provides a breakdown of instruments used to hedge interest rate risk and of gross debt by type of interest (fixed or variable) after hedging.

Foreign exchange risk

The currency hedging policies described below could be insufficient to protect the Group against unexpected or sharper than expected fluctuations in exchange rates resulting from economic and financial market conditions.

Foreign exchange risks are managed by hedging virtually all transactions entered into by Group entities in currencies other than the functional currency of the particular entity. Compagnie de Saint-Gobain and its subsidiaries may use forward contracts and options to hedge exposures arising from current and forecast transactions.

The subsidiaries generally set up contracts through the Group's parent company, Compagnie de Saint-Gobain, which then carries out the corresponding forex hedging transactions on their behalf, or through the regional cash pools. Failing this, contracts are taken out with one of the subsidiary's banks.

Most forward contracts have short maturities of less than one year. However, forward contracts taken out to hedge firm orders may have longer terms.

The Group monitors its exposure to foreign exchange risk using a monthly reporting system that captures the foreign exchange positions taken by its subsidiaries. At December 31, 2024, 95% of the Group's foreign exchange exposure was hedged.

The residual net foreign exchange exposure of subsidiaries for the currencies presented below was as follows at December 31, 2024:

(in millions of euro equivalent)	Long	Short
EUR	11	7
USD	35	21
Other currencies	1	7
TOTAL	**47**	**35**

The table below gives an analysis, as of December 31, 2024, of the sensitivity of the Group's pre-tax income to a 10% increase in the exchange rates of the following currencies given the subsidiaries' residual net foreign exchange exposure:

Currency of exposure *(in millions of euro equivalent)*	Impact on pre-tax income
EUR	0.5
USD	1.3
Other currencies	(0.6)
TOTAL	**1.2**

Assuming that all other variables remained unchanged, a 10% fall in the exchange rates for these currencies at December 31, 2024 would have the opposite impact.

Note 10.4 provides a breakdown of instruments used to hedge foreign exchange risk.

Saint-Gobain share price risk

The Group is exposed to changes in the Saint-Gobain share price as a result of its performance unit incentive plans. To reduce its exposure to fluctuations in the share price, the Group uses hedging instruments such as equity swaps.

As a result, if the price of the Saint-Gobain share changes, any changes in the expense recorded in the income statement will be fully offset by the hedges in place.

Note 10.4 provides a breakdown of instruments used to hedge share price risk.

10.2 Net financial income (expense)

Net financial income (expense) includes borrowing and other financing costs, income from cash and cash equivalents, interest on lease liabilities, interest cost for pension and other post-employment benefit plans net of the return on plan assets, and other financial income and expense.

Net financial income (expense) in 2024 and 2023 comprises:

(in EUR millions)	2024	2023
Borrowing costs, gross	(457)	(358)
Income from cash and cash equivalents	301	229
BORROWING COSTS, NET, EXCLUDING LEASE LIABILITIES	**(156)**	**(129)**
Interest on lease liabilities	(97)	(85)
TOTAL BORROWING COSTS, NET	**(253)**	**(214)**
Interest cost – pension and other post-employment benefit obligations	(380)	(400)
Return on plan assets	324	352
INTEREST COST – PENSION AND OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS, NET	**(56)**	**(48)**
Other financial expense	(163)	(178)
Other financial income	17	16
OTHER FINANCIAL INCOME AND EXPENSE	**(146)**	**(162)**
NET FINANCIAL INCOME (EXPENSE)	**(455)**	**(424)**

10.3 Net debt

10.3.1 Long- and short-term debt

Long-term debt

Long-term debt includes bonds, perpetual bonds, participating securities, long-term securitization and all other types of long-term financial liabilities, including the fair value of interest rate hedging derivatives.

Under IAS 32, the distinction between financial liabilities and equity is based on the substance of the contracts concerned rather than their legal form. As a result, participating securities are classified as debt.

At the end of the reporting period, long-term debt (excluding interest rate derivatives) is measured at amortized cost. Premiums and issuance costs are amortized using the effective interest method.

Short-term debt

Besides the current portion of long-term debt described above, short-term debt includes financing programs such as commercial paper, short-term securitization, bank overdrafts and other short-term financial liabilities including the fair value of derivatives related to debt and accrued interest on borrowings.

Short-term debt, excluding derivatives related to debt, is measured at amortized cost at the end of the reporting period. Premiums and issuance costs are amortized using the effective interest rate method.

Lease liabilities

Lease liabilities represent obligations to make lease payments in accordance with IFRS 16.

Cash and cash equivalents

Cash and cash equivalents mainly consist of bank accounts and marketable securities that are short-term (i.e., generally with maturities of less than three months), highly liquid investments readily convertible into known amounts of cash and subject to an insignificant risk of changes in value.

Marketable securities are measured at fair value through profit or loss.

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Long- and short-term debt consists of the following:

(in EUR millions)	Dec. 31, 2024	Dec. 31, 2023
Bond issues	12,090	9,841
Perpetual bonds and participating securities	197	197
Long-term securitization	370	390
Other long-term financial liabilities	174	210
NON-CURRENT PORTION OF LONG-TERM DEBT	**12,831**	**10,638**
Bond issues	1,249	1,479
Long-term securitization	130	110
Other long-term financial liabilities	225	231
CURRENT PORTION OF LONG-TERM DEBT	**1,604**	**1,820**
Short-term financing programs (NEU CP, US CP, Euro CP)	0	0
Short-term securitization	217	229
Bank overdrafts and other short-term financial liabilities	408	339
SHORT-TERM DEBT	**625**	**568**
TOTAL GROSS DEBT EXCLUDING LEASE LIABILITIES	**15,060**	**13,026**
Lease liabilities	3,178	2,969
TOTAL GROSS DEBT	**18,238**	**15,995**
Cash at banks	(2,145)	(3,001)
Mutual funds and other marketable securities	(6,315)	(5,601)
CASH AND CASH EQUIVALENTS	**(8,460)**	**(8,602)**
TOTAL NET DEBT	**9,778**	**7,393**

Changes in the Group's long-term debt (excluding lease liabilities) can be analyzed as follows:

	Dec. 31, 2023	Cash impact		No cash impact			Dec. 31, 2024
(in EUR millions)		Increases	Decreases	Changes in Group structure	Translation adjustments	Other	
Non-current portion of long-term debt	10,638	3,658	(61)	11	(63)	(1,352)	12,831
Current portion of long-term debt	1,820	16	(1,563)	0	(11)	1,342	1,604
TOTAL LONG-TERM DEBT	**12,458**	**3,674**	**(1,624)**	**11**	**(74)**	**(10)**	**14,435**

The main changes with an impact on cash are described in note 10.3.3. The main change with no cash impact in the "Other" column relates to the reclassification of debt maturing within 12 months in the current portion of long-term debt.

The fair value of gross long-term debt (including the current portion), excluding lease liabilities, managed by Compagnie de Saint-Gobain amounts to €13.5 billion at December 31, 2024 (carrying amount: €13.7 billion). The fair value of bonds corresponds to the market price at the last market quotation of the year. For other borrowings, fair value is considered equal to the amount repayable.

10.3.2 Gross debt repayment schedule

The schedule of the Group's total gross debt, at amortized cost, at December 31, 2024 is as follows:

(in EUR millions)	Currency	Within 1 year	1 to 5 years	Beyond 5 years	Total
Bond issues	EUR	1,249	5,884	5,906	13,039
	GBP	0	300	0	300
Perpetual bonds and participating securities	EUR	0	0	197	197
Long-term securitization	EUR	130	370	0	500
Other long-term financial liabilities	All currencies	46	76	98	220
Accrued interest on long-term debt	All currencies	179	0	0	179
TOTAL LONG-TERM DEBT		**1,604**	**6,630**	**6,201**	**14,435**
SHORT-TERM DEBT	**All currencies**	**625**	**0**	**0**	**625**
TOTAL GROSS DEBT EXCLUDING LEASE LIABILITIES		**2,229**	**6,630**	**6,201**	**15,060**
Lease liabilities	All currencies	677	1,666	835	3,178
TOTAL GROSS DEBT		**2,906**	**8,296**	**7,036**	**18,238**

At December 31, 2024, future interest payments on gross long-term debt (including the current portion), excluding lease liabilities, managed by Compagnie de Saint-Gobain can be broken down as follows:

(in EUR millions)	Within 1 year	1 to 5 years	Beyond 5 years	Total
Future interest payments on gross long-term debt	365	1 150	682	**2,197**

Interest on perpetual bonds and on participating securities is calculated up to 2049.

10.3.3 Bonds

Compagnie de Saint-Gobain also redeemed the following instruments at maturity:

- on March 15, 2024, a bond, for a total amount of €750 million with a coupon of 0.625%;
- on June 28, 2024, two private placements, for a total of €95 million indexed to the 10-year CMS rate, swapped for a fixed rate (approximately 4.1%);
- on July 18, 2024, a €500 million floating-rate bond indexed to the 3-month Euribor;
- on November 15, 2024, the GBP 116 million outstanding balance on a GBP 300 million bond issue with a coupon of 5.625%, which has now been redeemed in full.

On April 8, 2024, Compagnie de Saint-Gobain issued a €2 billion green bond divided into two tranches:

- a €1,000 million tranche maturing April 8, 2030 and paying a coupon of 3.375%;
- a €1,000 million tranche maturing April 8, 2034 and paying a coupon of 3.625%.

On August 9, 2024, Compagnie de Saint-Gobain issued a €1,500 million bond divided into two tranches:

- an €800 million tranche maturing August 9, 2029 and paying a coupon of 3.250%;
- a €700 million tranche maturing August 9, 2036 and paying a coupon of 3.625%.

10.3.4 Perpetual bonds

In 1985, Compagnie de Saint-Gobain issued 25,000 perpetual bonds with a face value of ECU 5,000 (€5,000 today).

A total of 19,541 perpetual bonds have since been bought back and canceled.
A total of 5,459 perpetual bonds therefore remained outstanding at December 31, 2024, representing a face value of approximately €27 million.

The bonds bear interest at a variable rate (average of interbank rates offered by a panel of reference banks for six-month euro deposits).

The amount paid per bond in 2024 was €216.01, settled in two installments (€110.59 and €105.42).

The bonds are not redeemable and interest on the bonds is classified as a component of finance costs.

10.3.5 Non-voting participating securities

In June 1983, Compagnie de Saint-Gobain issued 1,288,299 non-voting participating securities with a face value of FRF 1,000. Their face value is now €152.45, following their translation into euros in 1999.

A certain number of these participating securities have been bought back over the years. At December 31, 2024, 606,883 securities are still outstanding with an aggregate face value of €92.5 million.

Interest on the securities ranges from 75% to 125% of the average corporate bond yield (TMO), based on the Group's consolidated income. The amount paid per security in 2024 was €6.20.

In April 1984, 194,633 non-voting participating securities were issued by Compagnie de Saint-Gobain with a face value of ECU 1,000 (€1,000 today).

A certain number of these participating securities has been bought back over the years. At December 31, 2024, 77,516 securities are still outstanding, with an aggregate face value of €77.5 million.

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Interest comprises (i) a fixed portion of 7.5% paid per year applicable to 60% of the nominal amount of the security, and (ii) a variable portion applicable to the remaining 40% of the nominal amount of the security, which is linked to consolidated net income of the previous year and to the reference six-month Euribor rate +7/8%. The amount paid per security in 2024 was €67.50, paid in two equal installments.

These participating securities are not redeemable and the interest paid on them is classified as a component of finance costs.

10.3.6 Financing programs

The Group has a number of medium- and long-term financing programs (Medium-Term Notes) and short-term financing programs (Commercial Paper).

The state of these programs is as follows:

(in EUR millions)	Authorized drawings	Authorized limits at Dec. 31, 2024	Balance outstanding at Dec. 31, 2024	Balance outstanding at Dec. 31, 2023
Medium Term Notes	any duration	20,000	13,400	11,417
NEU CP	up to 12 months	4,000	0	0
US Commercial Paper	up to 12 months	963 *	0	0
Euro Commercial Paper	up to 12 months	963 *	0	0

* *Equivalent of USD 1,000 million based on the exchange rate at December 31, 2024.*

In accordance with market practices, Negotiable European Commercial Paper (NEU CP), US Commercial Paper and Euro Commercial Paper are generally issued with maturities of one to six months. They are treated as variable-rate debt since they are rolled over at frequent intervals.

10.3.7 Syndicated line of credit

Compagnie de Saint-Gobain has a €4 billion syndicated line of credit that is intended to provide a secure source of financing for the Group (including as additional backing for its short-term NEU CP, US Commercial Paper and Euro Commercial Paper programs).

This syndicated line of credit is not subject to any hard covenants. It was initially due to expire in December 2028, with two one-year rollover options; the first one-year rollover option was exercised in November 2024, extending the line's expiry date to December 2029.

The facility is a "Sustainability-Linked Loan" (SLL) on which the margin is indexed to three KPIs set out in Saint-Gobain's sustainable roadmap (reduction of scope 1 and 2 CO_2 emissions, reduction in non-recovered production waste and limited work accident frequency rate).

At December 31, 2024, no drawdowns had been made on this credit facility.

10.3.8 Receivables securitization programs

The Group has set up two receivables securitization programs, one through its French subsidiary Point.P Finances GIE, and the other through its US subsidiary, Saint-Gobain Receivables Corporation. The receivables sold under the two programs are not deconsolidated.

The French program, covering an amount of up to €500 million, represented €500 million at both December 31, 2024 and December 31, 2023.

Based on observed seasonal fluctuations in receivables included in the program and on the contract's features, €370 million of this amount is classified as non-current and the remaining balance as current.

Under the US program, covering an amount of up to USD 500 million since July 2023, a total of USD 225 million had been used at December 31, 2024, representing the equivalent of €217 million compared with €229 million at December 31, 2023.

10.3.9 Factoring

The Group has set up several trade receivables factoring programs. The main countries concerned are France, Italy, Spain, China and Japan. Based on an analysis of the risks and rewards as defined by IFRS 9, the Group has deconsolidated all of the receivables sold under these programs. A total of €651 million in factored receivables was deconsolidated at December 31, 2024, compared to €646 million at December 31, 2023.

10.3.10 Reverse factoring

The Group has set up several programs for the reverse factoring of trade payables. The main countries concerned are Brazil and Mexico.

At December 31, 2024, trade payables reverse factored under these programs amounted to €106 million (€118 million at December 31, 2023). The programs enabled the Group to extend the contractual payment terms on an estimated €49 million at December 31, 2024 (€57 million at December 31, 2023).

None of the reverse factored payables have been reclassified as financial debt.

10.4 Financial instruments

The Group uses interest rate, foreign exchange, energy, commodity and equity derivatives to hedge its exposure to changes in interest rates, exchange rates, and energy, commodity and equity prices that may arise in the normal course of business.

In accordance with IAS 32 and IFRS 9, all such instruments not qualifying for the own use exemption are recognized in the balance sheet and measured at fair value, irrespective of whether or not they are part of a hedging relationship that qualifies for hedge accounting under IFRS 9.

Changes in the fair value of both derivatives that are designated and qualified as fair value hedges and derivatives that do not qualify for hedge accounting during the period are taken to the income statement (in business income and expense for operational foreign exchange derivatives and commodity derivatives not qualifying for hedge accounting, and in financial income and expense for all other derivatives). However, in the case of derivatives that qualify as cash flow hedges, the effective portion of the gain or loss arising from changes in fair value is recognized directly in equity, and only the ineffective portion is recognized in the income statement.

Fair value hedges

Fair value hedge accounting is applied by the Group mainly for derivative instruments which swap fixed rates against variable rates (fixed-for-floating interest rate swaps). These derivatives hedge fixed-rate debt exposed to a fair value risk. In accordance with hedge accounting principles, debt included in a designated fair value hedging relationship is remeasured at fair value to the extent of the risk hedged. As the loss or gain on the underlying hedged item offsets the effective portion of the gain or loss on the fair value hedge, the income statement is only impacted by the ineffective portion of the hedge.

Cash flow hedges

Cash flow hedge accounting is applied by the Group mainly for derivative instruments which fix the cost of future investments (financial assets or property, plant and equipment) and the price of future purchases, mostly gas and fuel oil (commodity swaps) or foreign currencies (foreign exchange forwards). Transactions hedged by these instruments are qualified as highly probable. The application of cash flow hedge accounting allows the Group to defer the impact on the income statement of the effective portion of changes in the fair value of these derivatives by recording them in a hedging reserve in equity. This reserve is reclassified to the income statement when the hedged transaction occurs and the hedged item itself affects income. In the same way as for fair value hedges, cash flow hedging limits the Group's exposure to changes in the fair value of these derivatives to the ineffective portion of the hedge.

Derivatives that do not qualify for hedge accounting

Changes in the fair value of derivatives that do not qualify for hedge accounting are recognized in the income statement. The instruments concerned are primarily foreign exchange swaps and foreign exchange forwards.

Fair value of financial instruments

The fair value of financial assets and financial liabilities corresponds to their quoted price on an active market (if any): this represents level 1 in the fair value hierarchy defined in IFRS 7 and IFRS 13. The fair value of instruments not quoted in an active market, such as derivatives or financial assets and liabilities, is determined by reference to commonly used valuation techniques such as the fair value of another recent and similar transaction, or discounted cash flow analysis based on observable market inputs. This represents level 2 in the fair value hierarchy defined in IFRS 7 and IFRS 13.

The fair value of short-term financial assets and liabilities is considered as being the same as their carrying amount due to their short maturities.

The following table presents a breakdown of the main derivatives used by the Group:

	Fair value				Nominal amount by maturity			
(in EUR millions)	Derivatives recorded in assets	Derivatives recorded in liabilities	Dec. 31, 2024	Dec. 31, 2023	Within 1 year	1 to 5 years	Beyond 5 years	Dec. 31, 2024
FAIR VALUE HEDGES	**0**	**0**	**0**	**0**				**0**
Cash flow hedges								
Currency	147	(59)	88	0	2,764	12	0	2,776
Interest rate	2	(37)	(35)	(39)	0	302	80	382
Energy and commodities	17	(19)	(2)	(12)	69	138	168	375
Other risks: equities	3	0	3	5	5	0	0	5
CASH FLOW HEDGES – TOTAL	**169**	**(115)**	**54**	**(46)**	**2,838**	**452**	**248**	**3,538**
Derivatives not qualifying for hedge accounting mainly contracted by Compagnie de Saint-Gobain								
Currency	39	(9)	30	1	4,737	0	0	4,737
Interest rate	0	11	11	(15)	84	0	0	84
Energy and commodities	34	(5)	29	0	59	160	175	394
DERIVATIVES NOT QUALIFYING FOR HEDGE ACCOUNTING – TOTAL	**73**	**(3)**	**70**	**(14)**	**4,880**	**160**	**175**	**5,215**
TOTAL	**242**	**(118)**	**124**	**(60)**	**7,718**	**612**	**423**	**8,753**

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10.4.1 Currency instruments

Currency swaps

The Group uses currency swaps mainly to convert euro-denominated funds into foreign currencies for cash management purposes.

Forward foreign exchange contracts and currency options

Forward foreign exchange contracts and currency options are used to hedge foreign currency transactions, particularly commercial transactions (purchases and sales) and investments.

10.4.2 Interest rate instruments

Interest rate swaps

The Group uses interest rate swaps to convert part of its fixed/variable-rate bank debt and bond debt to variable/fixed rates.

Cross currency swaps

The Group uses cross-currency swaps to convert foreign currency (euro) debt into euro (foreign currency) debt.

10.4.3 Energy and commodities

Energy and commodity swaps

Energy and commodity swaps are used to hedge the risk of changes in the price of certain purchases used in Group subsidiaries' operating activities, particularly energy (fuel oil, natural gas and electricity) purchases.

Renewable Power Purchase Agreements

As indicated in the note on climate issues (see note 3.2, p. 11), at December 31, 2024, the Group had entered into four Virtual Power Purchase Agreements, which were accounted for as derivatives under IFRS 9, of which only one qualified as a hedge.

10.4.4 Forward purchases of carbon emission allowances

Forward purchases of carbon emission allowances for the Group's own use are reported under off-balance sheet commitments, as they qualify for the own use exemption under IFRS 9. At December 31, 2024, these forward purchases represented a total of €33 million.

10.4.5 Other risks

Equity derivatives

Equity derivatives are used to hedge the risk of changes in the Saint-Gobain share price in connection with the performance units long-term incentive plan.

10.4.6 Credit value adjustments to derivative instruments

Credit value adjustments to derivative instruments are calculated in accordance with IFRS 13 based on historical probabilities of default derived from calculations performed by a leading rating agency and on the estimated loss given default. At December 31, 2024, credit value adjustments were not material.

10.4.7 Impact on equity of financial instruments qualifying for cash flow hedge accounting

At December 31, 2024, the IFRS cash flow hedge reserve carried in equity had a credit balance of €62 million, consisting mainly of:

- a debit balance of €26 million in relation to cross-currency swaps classified as cash flow hedges that are used to convert a GBP bond issue into euros;
- a debit balance of €2 million corresponding to changes in fair value of energy hedges classified as cash flow hedges;
- a credit balance of €2 million corresponding to changes in fair value of interest rate hedges classified as cash flow hedges;
- a credit balance of €88 million corresponding to changes in fair value of currency hedges classified as cash flow hedges.

The ineffective portion of cash flow hedge derivatives is not material.

10.4.8 Impact on income of financial instruments not qualifying for hedge accounting

For derivatives classified as financial assets and liabilities at fair value through profit or loss, fair value remeasurements recognized in the income statement represented a gain of €70 million at December 31, 2024 compared to a loss of €14 million at December 31, 2023.

10.4.9 Embedded derivatives

The Saint-Gobain Group regularly analyzes its contracts in order to separately identify financial instruments classified as embedded derivatives under IFRS.

At December 31, 2024, no embedded derivatives deemed to be material at Group level were identified.

10.4.10 Group debt structure (excluding lease liabilities)

The weighted average interest rate on total gross debt under IFRS and after hedging (interest rate swaps and cross-currency swaps) was 3.0% at December 31, 2024, compared with 3.0% at December 31, 2023.

The average internal rate of return for the main component of the Group's long-term debt before hedging (bonds) was 2.9% at December 31, 2024, compared with 2.5% at December 31, 2023.

The table below presents the breakdown by interest rate (fixed or variable) of the Group's gross debt at December 31, 2024, taking into account interest rate and cross-currency swaps.

	Gross debt, excluding lease liabilities		
(in EUR millions)	**Variable rate**	**Fixed rate**	**Total**
EUR	795	12,084	12,879
Other currencies	729	1,274	2,003
TOTAL	**1,524**	**13,358**	**14,882**
(in %)	10%	90%	100%
Accrued interest and other			178
TOTAL GROSS DEBT EXCLUDING LEASE LIABILITIES			**15,060**

10.5 Financial assets and liabilities

Financial assets and liabilities are classified as follows in accordance with IFRS 9:

At December 31, 2024

		Financial instruments				Financial instruments at fair value			
(in EUR millions)	**Notes**	**Fair value through profit or loss**	**Fair value through other comprehensive income**	**Amortized cost**	**Total financial instruments**	**Level 1 inputs**	**Level 2 inputs**	**Level 3 inputs**	**Total financial instruments measured at fair value**
Trade and other accounts receivable				6,327	6,327				0
Loans, deposits and surety	(8)			353	353				0
Equity investments and other	(8)		382		382			382	382
Derivatives recorded in assets		73	169		242		242		242
Cash and cash equivalents		6,315		2,145	8,460	6,315			6,315
TOTAL FINANCIAL ASSETS		**6,388**	**551**	**8,825**	**15,764**	**6,315**	**242**	**382**	**6,939**
Trade and other accounts payable				(12,369)	(12,369)				0
Long- and short-term debt				(15,066)	(15,066)				0
Long- and short-term lease liabilities				(3,178)	(3,178)				0
Derivatives recorded in liabilities		(3)	(115)		(118)		(118)		(118)
TOTAL FINANCIAL LIABILITIES		**(3)**	**(115)**	**(30,613)**	**(30,731)**	**0**	**(118)**	**0**	**(118)**
FINANCIAL ASSETS AND LIABILITIES - NET		**6,385**	**436**	**(21,788)**	**(14,967)**	**6,315**	**124**	**382**	**6,821**

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At December 31, 2023

		Financial instruments				Financial instruments at fair value			
(in EUR millions)	Notes	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total financial instruments	Level 1 inputs	Level 2 inputs	Level 3 inputs	Total financial instruments measured at fair value
Trade and other accounts receivable				6,474	6,474				0
Loans, deposits and surety	(8)			348	348				0
Equity investments and other	(8)		248		248			248	248
Derivatives recorded in assets	8	10			18		18		18
Cash and cash equivalents		5,600		3,001	8,601	5,600			5,600
TOTAL FINANCIAL ASSETS		**5,608**	**258**	**9,823**	**15,689**	**5,600**	**18**	**248**	**5,866**
Trade and other accounts payable				(12,296)	(12,296)				0
Long- and short-term debt				(12,971)	(12,971)				0
Long- and short-term lease liabilities				(2,969)	(2,969)				0
Derivatives recorded in liabilities		(22)	(56)		(78)		(78)		(78)
TOTAL FINANCIAL LIABILITIES		**(22)**	**(56)**	**(28,236)**	**(28,314)**	**0**	**(78)**	**0**	**(78)**
FINANCIAL ASSETS AND LIABILITIES – NET		**5,586**	**202**	**(18,413)**	**(12,625)**	**5,600**	**(60)**	**248**	**5,788**

IFRS 13 ranks the inputs used to determine fair value:

- Level 1: inputs resulting from quoted prices on an active market for identical instruments;
- Level 2: inputs other than level 1 inputs that can be observed directly or indirectly;
- Level 3: all other non-observable inputs.

NOTE 11 SHAREHOLDERS' EQUITY AND EARNINGS PER SHARE

11.1 Equity

11.1.1 Equity

At December 31, 2024, Saint-Gobain's capital stock was composed of 499,050,774 shares with a par value of €4 each (506,438,012 shares at December 31, 2023).

11.1.2 Additional paid-in capital and legal reserve

This item includes capital contributions in excess of the par value of capital stock as well as the legal reserve, which corresponds to a cumulative portion of the yearly net income of Compagnie de Saint-Gobain.

11.1.3 Retained earnings and consolidated net income

Retained earnings and consolidated net income correspond to the Group's share in the undistributed earnings of all consolidated companies.

11.1.4 Cumulative translation adjustments

Translation adjustments and restatements for hyperinflation recognized through other comprehensive income amounted to €427 million in 2024, of which €434 million attributable to the Group and €(7) million to non-controlling interests.

The main cumulative translation adjustments attributable to the Group at December 31, 2024 are shown below by currency:

(in EUR millions)	Dec. 31, 2024	Change	Dec. 31, 2023
Breakdown by currency			
US dollar	616	541	75
Argentine peso	75	227	(152)
Turkish lira	(45)	127	(172)
Pound sterling	(161)	38	(199)
Chinese yuan renminbi	99	36	63
Indian rupee	(190)	28	(218)
South african rand	(173)	5	(178)
Czech koruna	86	(8)	94
Swiss franc	252	(9)	261
Norwegian krone	(182)	(17)	(165)
Egyptian pound	(108)	(30)	(78)
Russian ruble	(261)	(42)	(219)
Swedish krona	(317)	(50)	(267)
Australian dollar	(84)	(84)	0
Mexican peso	(114)	(149)	35
Brazilian real	(654)	(170)	(484)
Other currencies	(131)	(9)	(122)
TOTAL	**(1,292)**	**434**	**(1,726)**

11.1.5 Treasury stock

Treasury stock is measured at cost and recorded as a deduction from equity. Gains and losses on disposals of treasury stock are recognized directly in equity and have no impact on net income for the period.

Forward purchases of treasury stock are treated in the same way. When a fixed number of shares is purchased forward at a fixed price, this amount is recorded in "Other liabilities" against a deduction from equity under "Retained earnings and net income for the year".

Saint-Gobain shares held or controlled by Compagnie de Saint-Gobain and Saint-Gobain Corporation are shown as a deduction from equity under "Treasury stock" at acquisition cost.

The liquidity agreement signed with Exane BNP Paribas on November 16, 2007 and implemented on December 3, 2007 for a period up to December 31, 2007 has been automatically renewed since that date.

At December 31, 2024, 2,171,226 shares were held in treasury (December 31, 2023: 4,376,475 shares). In 2024, the Group acquired 12,146,911 shares (2023: 17,111,277 shares) directly on the market. The number of shares sold in 2024 was 2,917,233 versus 2,935,434 in 2023. 11,434,927 shares were canceled in 2024, compared with 14,206,358 shares in 2023.

For the purposes of a compensation plan set up in January 2008 for certain employees in the United States, Compagnie de Saint-Gobain shares have been held in trust by the trustee, Principal Trust Company, since September 2022. In the consolidated financial statements, these shares are treated as being controlled by Saint-Gobain Corporation.

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11.1.6 Number of shares

	Number of shares	
	Issued	Outstanding
NUMBER OF SHARES AT DECEMBER 31, 2022	**515,769,082**	**511,362,092**
Group Savings Plan	4,778,291	4,778,291
Stock subscription option plans	96,997	96,997
Shares purchased		(17,111,277)
Shares sold		2,935,434
Shares canceled	(14,206,358)	
NUMBER OF SHARES AT DECEMBER 31, 2023	**506,438,012**	**502,061,537**
Group Savings Plan	4,007,048	4,007,048
Stock subscription option plans	40,641	40,641
Shares purchased		(12,146,911)
Shares sold		2,917,233
Shares canceled	(11,434,927)	
NUMBER OF SHARES AT DECEMBER 31, 2024	**499,050,774**	**496,879,548**

11.1.7 Dividends

The Annual Shareholders' Meeting of June 6, 2024 approved the recommended dividend payout for 2023 representing €2.10 per share (€2 per share for 2022). The ex-dividend date was June 10 and the dividend was paid on June 12, 2024.

11.2 Earnings per share

11.2.1 Basic earnings per share

Basic earnings per share are calculated by dividing net income by the weighted average number of shares of the Group outstanding during the period.

Basic earnings per share are as follows:

	2024	2023
Group share of net income (in EUR millions)	2,844	2,669
Weighted average number of shares in issue	499,715,108	507,282,902
BASIC EARNINGS PER SHARE, GROUP SHARE (in EUR)	**5.69**	**5.26**

11.2.2 Diluted earnings per share

Diluted earnings per share are calculated by adjusting earnings per share and the average number of shares outstanding for the effects of all potential dilutive common shares, such as stock options and performance shares.

Diluted earnings per share are as follows:

	2024	2023
Group share of net income (in EUR millions)	2,844	2,669
Weighted average number of shares assuming full dilution	503,934,048	510,458,619
DILUTED EARNINGS PER SHARE, GROUP SHARE (in EUR)	**5.64**	**5.23**

The weighted average number of shares assuming full dilution is calculated based on the weighted average number of shares outstanding, assuming conversion of all dilutive instruments. The Group's dilutive instruments include stock options and performance share grants, corresponding to a weighted average of 124,154 and 4,094,786 instruments, respectively, at December 31, 2024.

NOTE 12 TAX

12.1 Income taxes

Current income tax is the estimated amount of tax payable in respect of income for a given period, calculated by reference to the tax rates that have been enacted or substantively enacted at the end of the reporting period, plus any adjustments to current taxes recorded in previous financial periods.

Income tax expense breaks down as follows:

(in EUR millions)	2024	2023
CURRENT TAXES	**(1,034)**	**(1,096)**
France	(71)	(135)
Outside France	(963)	(961)
DEFERRED TAXES	**40**	**36**
France	(51)	(44)
Outside France	91	80
TOTAL INCOME TAX EXPENSE	**(994)**	**(1,060)**

Theoretical tax expense was reconciled with current tax expense using a tax rate of 25.82% in 2024 (25.82% in 2023), and can be analyzed as follows:

(in EUR millions)	2024	2023
Net income	2,934	2,756
Less:		
Share in net income of equity-accounted companies	82	89
Income taxes	(994)	(1,060)
PRE-TAX INCOME OF CONSOLIDATED COMPANIES	**3,846**	**3,727**
French tax rate	25.82 %	25.82 %
Theoretical tax expense at French tax rate	(993)	(962)
Impact of different tax rates	77	46
Asset impairment, capital gains and losses on asset disposals	(77)	(124)
Deferred tax assets not recognized and provisions for deferred tax assets	(16)	(31)
Liability method	1	6
Research tax credit and value-added contribution for businesses (CVAE)	5	2
Costs related to dividends	(33)	(41)
Other taxes and changes in provisions	42	44
TOTAL INCOME TAX EXPENSE	**(994)**	**(1,060)**

The contribution of countries with low tax rates explains the impact of the different tax rates applicable outside France.

Due to its scale, the Saint-Gobain Group is concerned by the OECD's Pillar Two rules introducing a minimum tax rate of 15%, applicable as from fiscal year 2024.

The Group therefore recognized an expense on the "income tax" line of the 2024 income statement, corresponding to the amount of top-up tax determined in application of these new rules, and in particular after taking into account the transitional safe harbors introduced by the OECD. As indicated by the previous year's projections and impact studies, this amount continued to be non-material in relation to the Group's total tax expense for 2024.

12.2 Deferred tax

Deferred tax assets and liabilities are recorded using the balance sheet method for temporary differences between the carrying amount of assets and liabilities and their tax basis. Deferred tax assets and liabilities are measured at the tax rates expected to apply to the period when the asset is realized or the liability settled, based on the tax laws that have been enacted or substantively enacted at the end of the reporting period. No deferred tax liability is recognized in respect of undistributed earnings of subsidiaries that are not intended to be distributed.

For investments in subsidiaries, deferred tax is recognized on the difference between the consolidated carrying amount of the investments and their tax basis when it is probable that the temporary difference will reverse in the foreseeable future.

Deferred taxes are recognized as income or expense in the income statement, unless they relate to items that are recognized directly in equity, in which case they are also recognized in equity. Income tax resulting from changes in tax rates is recognized in income, except where it relates to items initially recognized in equity.

Deferred tax assets are recognized only if it is considered probable that there will be sufficient future taxable income against which the temporary difference can be utilized. They are reviewed at the end of each reporting period and written down to the extent that it is no longer probable that there will be sufficient taxable income against which the temporary difference can be utilized.

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In the balance sheet, changes in net deferred tax assets and liabilities break down as follows:

(in EUR millions)	Net deferred tax asset/(liability)
NET VALUE AT JANUARY 1, 2023	**(386)**
Deferred tax (expense)/benefit	36
Changes in deferred taxes relating to actuarial gains and losses (IAS 19)	136
Translation adjustments and restatement for hyperinflation	8
Assets and liabilities held for sale	(2)
Changes in Group structure and other	(209)
NET VALUE AT DECEMBER 31, 2023	**(417)**
Deferred tax (expense)/benefit	40
Changes in deferred taxes relating to actuarial gains and losses (IAS 19)	(4)
Translation adjustments and restatement for hyperinflation	(28)
Assets and liabilities held for sale	2
Changes in Group structure and other	(168)
NET VALUE AT DECEMBER 31, 2024	**(575)**

Changes in Group structure in 2024 mainly concern the first-time consolidation of Bailey and CSR. Changes in Group structure in 2023 mainly concerned the first-time consolidation of Building Products of Canada, as well as the finalization of the GCP and Kaycan purchase price allocation.

With regard to the impact of Pillar Two rules on deferred taxes, in accordance with the temporary exemption introduced by IAS 12.4A, the Saint-Gobain Group did not recognize any deferred tax at December 31, 2024.

The table below shows the main deferred tax components:

(in EUR millions)	Dec. 31, 2024	Dec. 31, 2023
Pensions	273	340
Brands, customer relationships and intellectual property	(1,081)	(965)
Depreciation and amortization, accelerated capital allowances and tax-driven provisions	(826)	(755)
Tax loss carry-forwards	185	215
Other	873	748
NET DEFERRED TAX	**(575)**	**(417)**
Of which:		
Deferred tax assets	366	407
Deferred tax liabilities	(941)	(824)

Deferred taxes are offset at the level of each tax entity, i.e., by tax group where applicable (mainly in France, the United Kingdom, Spain, Germany and the United States).

Deferred tax assets of €366 million were recognized at December 31, 2024 (€407 million at December 31, 2023), primarily in Germany (€108 million), Brazil (€75 million), China (€39 million), Mexico (€34 million) and Poland (€24 million). Deferred tax liabilities recognized at December 31, 2024 amounted to €941 million (€824 million at December 31, 2023) and concerned various countries, including Canada (€274 million), the United Kingdom (€198 million), Switzerland (€59 million), France (€47 million), India (€47 million), Australia (€40 million) and the United States (€35 million). Deferred tax liabilities recognized in other countries represented considerably smaller amounts.

Tax loss carry-forwards

In determining whether to recognize deferred tax assets for tax loss carry-forwards, the Group applies a range of criteria that take into account the probable recovery period based on business plans and the strategy for the long-term recovery of tax losses applied in each country.

At December 31, 2024, net recognized deferred tax assets on tax loss carry-forwards amounted to €185 million (€215 million at December 31, 2023) out of a total before valuation allowances of €418 million (€431 million at December 31, 2023), and mainly concerned Germany, Australia, the United States, France and Belgium, where group relief systems generally enable the assets to be recovered. In these countries, tax losses may be carried forward indefinitely.

Nevertheless, after a specific analysis of each situation, the Group may decide not to recognize them.

At December 31, 2024, unrecognized deferred tax assets on tax loss carry-forwards totaled €233 million (€216 million at December 31, 2023). They mainly concern Germany, Australia, the United States, Belgium and France.

NOTE 13 SUBSEQUENT EVENTS

The Group has not identified any disclosable events occurring subsequent to the balance sheet date, other than as described in the above notes.

NOTE 14 FEES PAID TO THE STATUTORY AUDITORS

Total fees paid to the Statutory Auditors and recognized in the income statement in 2024 and 2023 break down as follows:

	Deloitte				KPMG			
	2024		2023		2024		2023	
(in EUR millions)	Amount before tax	%	Amount before tax	%	Amount before tax	%	Amount before tax	%
Statutory audit								
Issuer	1.1	8 %	0.9	9 %	1.1	8 %	1.0	9 %
Fully consolidated subsidiaries	9.3	69 %	8.5	83 %	10.3	75 %	9.5	81 %
SUBTOTAL	**10.4**	**77 %**	**9.4**	**92 %**	**11.4**	**83 %**	**10.5**	**90 %**
Certification of Sustainability Information (CSRD)								
Issuer	0.9	7 %	0.0	– %	0.0	– %	0.0	– %
Fully consolidated subsidiaries	0.0	– %	0.0	– %	0.0	– %	0.0	– %
SUBTOTAL	**0.9**	**7 %**	**0.0**	**– %**	**0.0**	**– %**	**0.0**	**– %**
Other services *								
Issuer	1.2	9 %	0.4	4 %	1.1	8 %	0.1	1 %
Fully consolidated subsidiaries	1.0	7 %	0.4	4 %	1.3	9 %	1.0	9 %
SUBTOTAL	**2.2**	**16 %**	**0.8**	**8 %**	**2.4**	**17 %**	**1.1**	**10 %**
TOTAL	**13.5**	**100 %**	**10.2**	**100 %**	**13.8**	**100 %**	**11.6**	**100 %**

* *The other services provided by the Statutory Auditors to the parent company and its subsidiaries mainly comprise work performed in connection with planned acquisitions or disposals, accounting, tax and regulatory advisory services, training services and, until 2023, independent third-party verification procedures performed on the consolidated social, environmental and corporate information (NFPS).*

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NOTE 15 PRINCIPAL CONSOLIDATED COMPANIES

The table below shows the Group's principal consolidated companies, typically those with annual sales of over €100 million.

High Performance Solutions	Country	Consolidation method	Percentage held directly and indirectly
Saint-Gobain Diamantwerkzeuge GmbH, Norderstedt*	Germany	Full consolidation	100.00%
Saint-Gobain Abrasives GmbH, Wesseling*	Germany	Full consolidation	100.00%
Supercut Europe GmbH, Baesweiler*	Germany	Full consolidation	100.00%
Saint-Gobain Performance Plastics Isofluor GmbH, Neuss*	Germany	Full consolidation	100.00%
Saint-Gobain Performance Plastics Pampus GmbH, Willich*	Germany	Full consolidation	100.00%
Saint-Gobain Performance Plastics L+S GmbH, Wertheim*	Germany	Full consolidation	100.00%
Saint-Gobain Performance Plastics Biolink GmbH, Waakirchen*	Germany	Full consolidation	100.00%
Saint-Gobain Adfors Deutschland GmbH, Neustadt an der Donau*	Germany	Full consolidation	100.00%
H.K.O. Isolier- und Textiltechnik GmbH, Oberhausen*	Germany	Full consolidation	100.00%
BEUHKO Fasertechnik GmbH, Leinefelde-Worbis*	Germany	Full consolidation	100.00%
Freudenberger Autoglas GmbH, München*	Germany	Full consolidation	99.99%
Saint-Gobain Sekurit Deutschland GmbH, Herzogenrath*	Germany	Full consolidation	99.99%
Saint-Gobain Sekurit Deutschland Beteiligungen GmbH, Herzogenrath*	Germany	Full consolidation	99.99%
FABA Autoglas Technik GmbH & Co. Betriebs-KG, Berlin*	Germany	Full consolidation	99.99%
Saint-Gobain Autover Deutschland GmbH, Kerpen*	Germany	Full consolidation	99.99%
SEPR Keramik GmbH & Co. KG, Aachen	Germany	Full consolidation	100.00%
Alfaref GmbH Handel Mit Feuerfesten Rohstoffen*	Germany	Full consolidation	100.00%
Saint-Gobain Innovative Materials Belgium	Belgium	Full consolidation	99.98%
Saint-Gobain Do Brasil Produtos Industriais e Para Construçao Ltda	Brazil	Full consolidation	100.00%
Saint-Gobain Canada Inc.	Canada	Full consolidation	100.00%
Saint-Gobain Performance Plastics (Shanghaï) Co., LTD	China	Full consolidation	100.00%
Saint-Gobain Abrasives (Shanghaï) Co., LTD	China	Full consolidation	100.00%
SG Hanglas Sekurit (Shanghaï) Co., LTD	China	Full consolidation	99.94%
SG Join Leader (Hangzhou) New Materials Co.,LTD.	China	Full consolidation	100.00%
Hankuk Sekurit Limited	South Korea	Full consolidation	99.88%
Saint-Gobain Cristaleria S.L	Spain	Full consolidation	99.83%
Saint-Gobain Adfors America, Inc.	United States	Full consolidation	100.00%
Saint-Gobain Performance Plastics Corporation	United States	Full consolidation	100.00%
Saint-Gobain Abrasives, Inc.	United States	Full consolidation	100.00%
Saint-Gobain Ceramics & Plastics, Inc.	United States	Full consolidation	100.00%
Saint-Gobain Corporation	United States	Full consolidation	100.00%
GCP Applied Technologies, Inc.	United States	Full consolidation	100.00%
Chryso	France	Full consolidation	100.00%
Saint-Gobain Abrasifs	France	Full consolidation	100.00%
Société Européenne des Produits Réfractaires - SEPR	France	Full consolidation	100.00%
Saint-Gobain Sekurit France	France	Full consolidation	100.00%
Grindwell Norton Ltd	India	Full consolidation	51.59%
Saint-Gobain Sekurit Italia S.R.L.	Italy	Full consolidation	100.00%
Saint-Gobain K.K.	Japan	Full consolidation	100.00%
Saint-Gobain America S.A De C.V	Mexico	Full consolidation	99.83%
Saint-Gobain Mexico	Mexico	Full consolidation	99.83%
Saint-Gobain Abrasives BV	Netherlands	Full consolidation	100.00%
Saint-Gobain HPM Polska Sp Zoo	Poland	Full consolidation	100.00%
Saint-Gobain Innovative Materials Polska Sp Zoo	Poland	Full consolidation	99.98%
Saint-Gobain Adfors CZ, S.R.O.	Czechia	Full consolidation	100.00%
Saint-Gobain Sekurit CZ, Spol S.R.O	Czechia	Full consolidation	99.99%

Northern Europe	Country	Consolidation method	Percentage held directly and indirectly
Saint-Gobain Glass Deutschland GmbH, Stolberg*	Germany	Full consolidation	99.99%
Flachglas Torgau GmbH, Torgau*	Germany	Full consolidation	99.99%
Saint-Gobain Weisswasser GmbH, Aachen*	Germany	Full consolidation	99.99%
Saint-Gobain Deutsche Glas GmbH, Stolberg*	Germany	Full consolidation	99.99%
Vetrotech Saint-Gobain Deutschland GmbH*	Germany	Full consolidation	99.99%
Saint-Gobain Glassolutions Isolierglas-Center GmbH, Bamberg*	Germany	Full consolidation	99.99%
Kaimann GmbH	Germany	Full consolidation	100.00%
Saint-Gobain Isover G+H Aktiengesellschaft*	Germany	Full consolidation	100.00%
Saint-Gobain Rigips GmbH*	Germany	Full consolidation	100.00%
Saint-Gobain Weber GmbH	Germany	Full consolidation	100.00%
Saint-Gobain PAM Deutschland GmbH	Germany	Full consolidation	100.00%
Saint-Gobain Glassolutions Augustdorf*	Germany	Full consolidation	99.99%
Saint-Gobain Brüggemann Holzbau GmbH, Neuenkirchen*	Germany	Full consolidation	80.00%
Brüggemann Effizienzhaus GmbH, Neuenkirchen*	Germany	Full consolidation	80.00%
SG Formula GmbH*	Germany	Full consolidation	100.00%
SG Beteiligungen Gmbh*	Germany	Full consolidation	100.00%
Saint-Gobain Austria GmbH	Austria	Full consolidation	100.00%
Saint-Gobain Denmark A/S	Denmark	Full consolidation	100.00%
Saint-Gobain Distribution Denmark	Denmark	Full consolidation	100.00%
Optimera Estonia A/S (currently AS Famar-Desi)	Estonia	Full consolidation	100.00%
Saint-Gobain Finland OY	Finland	Full consolidation	100.00%
Dahl Suomi OY	Finland	Full consolidation	100.00%
Saint-Gobain Construction Products (Ireland) Limited	Ireland	Full consolidation	100.00%
Glava As	Norway	Full consolidation	100.00%
Saint-Gobain Byggevarer AS	Norway	Full consolidation	100.00%
Brødrene Dahl As (Norway)	Norway	Full consolidation	100.00%
Optimera As	Norway	Full consolidation	100.00%
Saint-Gobain Polska Sp Zoo	Poland	Full consolidation	99.99%
Saint-Gobain Construction Products Polska Sp Zoo	Poland	Full consolidation	100.00%
Saint-Gobain Construction Products CZ AS	Czechia	Full consolidation	100.00%
Saint-Gobain Construction Products Romania Srl	Romania	Full consolidation	100.00%
Saint-Gobain Glass Romania Srl	Romania	Full consolidation	100.00%
Saint-Gobain Glass (United Kingdom) Limited	United Kingdom	Full consolidation	100.00%
Saint-Gobain Construction Products United Kingdom Ltd	United Kingdom	Full consolidation	100.00%
Saint-Gobain Construction Products Russia ooo	Russia	Full consolidation	100.00%
SG Construction Products S.R.O.	Slovakia	Full consolidation	100.00%
Saint-Gobain Ecophon AB	Sweden	Full consolidation	100.00%
Saint-Gobain Sweden AB	Sweden	Full consolidation	100.00%
Dahl Sverige AB	Sweden	Full consolidation	100.00%
Vetrotech Saint-Gobain International	Switzerland	Full consolidation	100.00%
Saint-Gobain Weber AG	Switzerland	Full consolidation	100.00%
Sanitas Troesch Ag	Switzerland	Full consolidation	100.00%

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Southern Europe – ME & Africa	Country	Consolidation method	Percentage held directly and indirectly
Saint-Gobain Construction Products South Africa (Pty) Ltd	South Africa	Full consolidation	100.00%
Saint-Gobain Construction Products Belgium	Belgium	Full consolidation	100.00%
SG Glass Egypte S.A.E.	Egypt	Full consolidation	70.00%
Saint-Gobain Cristaleria S.L	Spain	Full consolidation	99.83%
Saint-Gobain Placo Iberica	Spain	Full consolidation	99.83%
Saint-Gobain Idaplac, S.L.	Spain	Full consolidation	99.83%
SG PAM Espana S.A.	Spain	Full consolidation	99.83%
SG Isover Iberica S.L	Spain	Full consolidation	99.83%
SG Weber Cemarksa S.A.	Spain	Full consolidation	99.83%
Saint-Gobain Glass Solutions Menuisiers Industriels	France	Full consolidation	100.00%
Saint-Gobain Glass France	France	Full consolidation	100.00%
Eurofloat	France	Full consolidation	50.00%
Placoplatre SA	France	Full consolidation	99.80%
Saint-Gobain Isover	France	Full consolidation	100.00%
Saint-Gobain Weber	France	Full consolidation	100.00%
Saint-Gobain PAM Canalisation	France	Full consolidation	100.00%
Distribution Sanitaire Chauffage	France	Full consolidation	100.00%
Saint-Gobain Distribution Bâtiment France	France	Full consolidation	100.00%
SG Eurocoustic	France	Full consolidation	100.00%
SG Vitrage Bâtiment	France	Full consolidation	100.00%
Saint-Gobain Glass Italia S.p.a	Italy	Full consolidation	100.00%
Saint-Gobain Italia S.p.a	Italy	Full consolidation	100.00%
SG PAM Italia	Italy	Full consolidation	100.00%
Saint-Gobain Construction Products Nederland BV	Netherlands	Full consolidation	100.00%
Izocam Ticaret VE Sanayi A.S.	Turkey	Full consolidation	50.00%

Asia-Pacific	Country	Consolidation method	Percentage held directly and indirectly
CSR Limited	Australia	Full consolidation	100.00%
SG Innovation Materials (Changxing) Co., Ltd	China	Full consolidation	100.00%
Saint-Gobain India Private Limited	India	Full consolidation	99.03%
Mag-Isover K.K.	Japan	Full consolidation	100.00%
Saint-Gobain Vietnam Ltd	Vietnam	Full consolidation	100.00%

Americas	Country	Consolidation method	Percentage held directly and indirectly
Saint-Gobain Argentina S.A	Argentina	Full consolidation	100.00%
Cebrace Cristal Plano Ltda	Brazil	Full consolidation	50.00%
Saint-Gobain Do Brasil Produtos Industriais e Para Construçao Ltda	Brazil	Full consolidation	100.00%
Saint-Gobain Canalizaçao Ltda	Brazil	Full consolidation	100.00%
Saint-Gobain Distribuiçao Brasil Ltda	Brazil	Full consolidation	100.00%
Placo Do Brasil Ltda	Brazil	Full consolidation	68.62%
Bailey Hunt Limited	Canada	Full consolidation	100.00%
Building Products of Canada Corp.	Canada	Full consolidation	100.00%
CertainTeed Canada, Inc.	Canada	Full consolidation	100.00%
Kaycan Ltd	Canada	Full consolidation	100.00%
KP Building Products Ltd	Canada	Full consolidation	100.00%
Certain Teed LLC	United States	Full consolidation	100.00%
CertainTeed Ceilings Corporation	United States	Full consolidation	100.00%
GCP Applied Technologies, Inc.	United States	Full consolidation	100.00%
Saint-Gobain Gypsum USA, Inc.	United States	Full consolidation	100.00%
Saint-Gobain Mexico	Mexico	Full consolidation	99.83%

* *German consolidated subsidiary or sub-group with corporate or limited liability status and meeting the criteria under Articles 264 paragraph 3, 264b and 291 of the German Commercial Code (HGB) exempting the relevant entities and sub-groups from publishing their statutory and consolidated financial statements or notes to the financial statements and management reports (entities or sub-groups above or below the €100 million threshold).*