

Novacap 2015 Communication of Progress

as active member of United Nations Global Compact

Draft

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Enhancing energies with an entrepreneurial spirit to satisfy customers needs with daily life products

“As chemical industrialists, we build our success on a solid industrial base, fast responsiveness and an exceptional level of customer service.

In addition, we are convinced our economic performance will be sustainably successful if, and only if, we also integrate in our ambitious strategy a social responsibility and Environmental respect and protection. These core values are shared by the whole Novacap team and embed in our entrepreneurial spirit.

We have therefore made of Sustainable Development a key priority focusing on these 3 mains axis as confirmed by our active Global Compact membership, our adhesion to Charter of “Responsible care” and successful ExFI-Partners ESG assessment.

Through this report, we would like to share our vision and demonstrate our participation to the Sustainable Development”.

Pierre Luzeau

Chief Executive Officer

**Economic
performance**



**Environmental
protection**



**Social
responsibility**





Section 1

Key facts and figures

Sustainable Development within Novacap

Key steps since Novacap creation

2004	Major investment for the reduction of gas effluents (VOCs) - (Novapex)
2008	Major investment in the reduction of gas effluents - (Novacarb) Novacarb becomes member of UN Global compact
2009	Novacap is recognized as an active member of UN Global Compact
2010	Creation of Sustainable Development framework integrating the 3 axis : economic performance, social responsibility and Environmental protection
2011	First assessment by ExFi Partners with their Environment standards
2012	Second assessment by ExFi Partners Novacyl integration in Novacap perimeter
2013	Update of Novacap Sustainable Development Framework with 11 initiatives and 40 identified levers First Novacap seminar on Sustainable Development in September 2013
2014	Ardian awarded "Firm of the Year" in Juin for its ESG Practices by Magazine des Affaires, Exfi Partners and OFI with a recognized contribution of Novacap First Novacap Sustainable Development Trophies ceremony in September Integration of safety behavior actions on most of our sites.
2015	Publication of First Novacap Sustainable development report Creation of a Corporate coordination of Innovation Green chemistry initiatives implementation First Novacap worldwide Safety week Second Novacap Sustainable Development Trophies celebration in September Review of SD framework introducing explicit levers on Compliance and creation of compliance committee

11 committed initiatives

■ Environmental

1. Integrate Environmental protection in all our tasks
2. Continue the reduction of the impact of our activities on the Environment
3. Ensure the industrial safety of our installations and means of transport
4. Preserve natural resources

■ Social

1. Guarantee health and safety of all our employees and partners
2. Respect the labor rights and ensure we practice a social dialogue of high quality
3. Better integrate our sites into their communities
4. Promote and respect the protection of Human rights and fight against corruption

■ Economic

1. Seek long-term satisfaction of our clients
2. Support our clients with an in depth knowledge of our products, and encourage those who make efforts to improve the Environment
3. Extract a sustainable and robust value from our activities

Note: Above initiatives are based on the **10 principles of UN Global Compact** and the **9 elements of Responsible Care Global Charter**

Novacap, a world level actor of sustainable chemistry with strong commitments and references

• Our activities:

- **Novacap develops, produces, sells and distributes daily life chemical products** such as sodium bicarbonate, acetylsalicylic acid, para-aminophenol, paracetamol, isopropanol, ferric chloride and hydrochloric acid.
- Through our **subsidiary companies Novacarb, Novapex, Novacid, Novacyl, Yangzi and the 2 last acquisitions, Puyuan and Uetikon**, our group is a supplier of reference to the most demanding markets & segments such as pharmaceuticals & health, food & feed, glass, Environment, Personal care, cosmetics and fragrances.

• Our commitments for sustainable development:



- The **United Nations Global Compact**, also known as **Compact** or **UNGC**, is a **United Nations** initiative to encourage businesses worldwide to adopt sustainable and **socially responsible** policies, and to report on their implementation. The Global Compact is a principle-based framework for businesses, stating ten principles in the areas of **human rights, labors rights, the Environment and anti-corruption**.
- Since January 2008 Novacap has signed the declaration of the United Nations Global Compact, committing itself in supporting the basic principles of human rights, labour laws, environment and to fight against corruption. Adherence to this pact implies each year an assessment of best practices is carried out



- **Responsible Care** is a global, voluntary initiative **developed autonomously by the chemical industry for the chemical industry**. The signatory chemical companies agree to commit themselves to improve their performances in the fields of **Environmental protection, occupational safety and health protection, plant safety, product stewardship and logistics**, as well as to continuously improve dialog with their neighbors and the public, independent from legal requirements.
- In line with the Union of Chemical industries, Novacap adheres to the Charter of "Responsible Care" for all of its activities.
- By virtue of this, the group is engaged to drive its operations with the permanent commitment to improve safety, health and environment.

• Our references:



For the 4th consecutive year, **ExFi Partners**, a ESG consulting firm, considers Novacap has still improved its performance on a large number of ESG criteria, and among them: Corporate Social Responsibility, Risk Management, Health and Safety, Responsibility towards clients and Relations with Communities, 11 of the 14 themes assessed by ExFi Partners are considered as managed with good practices.



ARDIAN, the principal shareholder of Novacap is member of the **Sustainable Development club of the AFIC** (French Association of Investment in Capital).

Other interactions with chemical industry



- **UNION DES INDUSTRIES CHIMIQUES (Union of Chemical Industries):** this professional organization pools all French players from the chemical industry and fosters meetings and experience sharing. The involvement of managers from Novacap in the governance bodies of the UIC creates opportunities to share and discuss with other players in the industry, especially on themes associated with sustainable development.
- **AXELERA:** this cluster in the Rhône-Alpes region has 4 main objectives to **ease and fasten the creation of an industrial and scientific international branch which combines chemicals and Environment**. To be more specific, AXELERA strives to become by 2012 the European leader for chemistry on industrial and scientific dimensions. In order to do so, a 5-axis strategy was implemented:
 - Chemistry-Environment serving application markets;
 - Preservation of natural spaces;
 - Recycling and recyclability of materials;
 - Chemicals from plant materials;
 - The facilitation/ plant of the future.
- **PLATEFORME CHIMIQUE DE ROUSSILLON (Chemical platform of Roussillon):** Novapex's main facility is located in this chemical platform which pools numerous chemical factories. Within this organization, players benefit from common services (security, water treatment, etc.), cooperation opportunities (energy valorization of Novapex's waste by Teris), but they can also share on various themes linked to sustainable development. The platform has implemented a HSE Charter signed by all players and a Sustainable Committee was created. It is chaired by Alain Authier, Novapex' Industrial Manager.

Responsibilities

- **Mr. Alain Authier is in charge of HSE issues at the “Union des Industries Chimiques (UIC) Rhône Alpes”** (Chemical Industries Union of the Rhone-Alpes region) and responsible for the chemical platform for sustainable development of Roussillon.
- **François Borca seats on the General Board of UIC of the Lorraine region.**
- **Mr. Jean Louis Martin is President of the UIC Rhône Alpes and he participates in the National Board of the UIC.** These global actions are duplicated in each of the Group's facilities by participating in the regional chemical platforms.
- **Pierre Luzeau is president of “UIC-France” competitiveness committee**

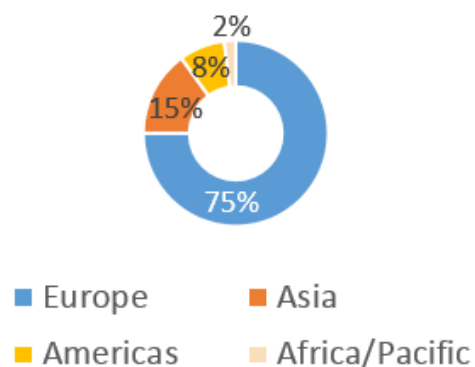
Novacap key figures

Overall Group details

- **2014 Turnover : 667m€***
- **Number of employees : 1,1420 (2014 dec)**
- **Number of production units (2015 july): 13 across the world**
France (8), China (3) Thailand (1) and Germany (1) through 3 business divisions

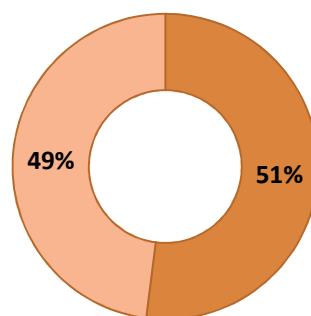
■ EBITDA by area (2014)

2014 proforma
with Uetikon integration



■ Staff by area (2015 july)

■ Asia & Americas
■ France & others of Europe



Main Sustainable Development achievements

- **With more than 15m€ invested in QHSE since 2010 and continuous efforts towards Excellence, we have succeeded over the last 5 years period:**
 - **93% reduction of coal dusts (mainly due to carb Novacarb)**
 - **70% reduction of VOC (Novapex)**
 - **65% of water consumption in Novacid between 2011 and 2013**
 - **> 30% reduction of Novapex energy consumption in the last decade and -7% in the last 4 years.**
 - **A new biomass supplier for Novapex and Novacyl on Osiris platform to contribution reduction of CO2 emission**
 - **13% reduction at Novacap level for hazardous solids wastes with clear action plan in progress for better results in the next years**
- **It was also achieved:**
 - **0,7 accident Cat1 frequency rate with working time losses by 1 million of worked hours in 2013 → divided by 10 in 5 years**
 - **36481 hours for people training in 2014** in all our entities i.e., ~ 26 h/person
 - **29% of our managers are women and 25% of our non managers**

Novacap released its first Sustainability Report



- Novacap first SD report is framed around its CSR strategy. It addresses each one of the 11 initiatives identified by Novacap in its CSR framework.
–For each initiatives, achievements in 2013 and medium-term aims are presented.
- “At the core of our structured program is the **safety of people** and property, a priority that we will never compromise. For years, we have been striving to make our manufacturing activities ever safer, to implement processes and standards that are clear to all, to raise aware. (...) Throughout the Group, the founding and universal **principles of human rights, rights at work, environmental protection and the fight against corruption are guaranteed by all**. Building good relationships with local communities and making the company a pleasant place to work are essential conditions for the long-term success of the business”.

Pierre Luzeau, CEO

Our code of conduct communication and employees commitment for its application ... a clear reinforcement of Global Compact Framework compliance

Respect, care for individuals and nature, are values directly embedded in Novacap's identity. The Group always aims to offer employees working conditions that are propitious to their professional development and the realization of their goals. Attentive to its territorial base, Novacap is committed to local development that respects communities and environment.

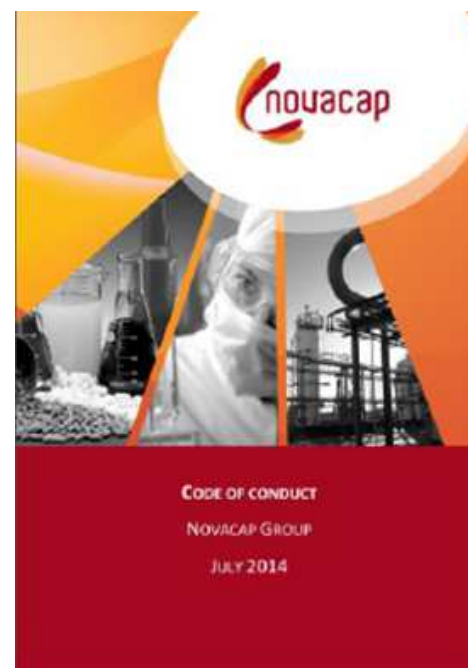
Endly, Novacap and all its affiliates are committed to complying with the laws and regulations (in particular anti-corruption laws) which govern their activities, throughout the world, by following a strict line of conduct. The objective of the Company's code of conduct is to ensure that all persons involved in the Company's business relations (employees, suppliers, customers) and in particular those who are hired or act in our name, undertake in the same conditions to comply, within the framework of their activities, with the legal provisions and rules defined by the Company through this Code of Conduct.

Novacap's Code of conduct addressed relevant issues:

- Corruption and bribery
- Conflicts of interest
- Selection of suppliers and sub-contractors
- Gifts, services and meals
- Payment of administrative acts
- Sponsorship
- Payments made to intermediaries
- Fight against discrimination and promotion of ILO fundamental conventions
- Respect for the environment
- Health, safety and confidentiality rules

This policy discloses a whistleblowing procedures enabling employees to report complaints without any risk of retaliation

All managers and targeted mainly concerned people have been trained ie 213 people in the world



In order to facilitate its communication to all our stakeholders, we published it in our four languages (Chinese, Thai, French and English)

To read it, please access to Novacap Website :

<http://www.novacap.eu/page-daccueil/le-groupe/valeurs>

and open the document corresponding to the desired language.

A compliance committee to supervise and master regulation complexity and its evolution ... a clear reinforcement to comply with Global Compact principles

Due to its strong and recent growth, Novacap executive committee has decided to create an effective Compliance Department and a specific committee to supervise and master regulation complexity and its evolution aiming:

- People and values respect
- Laws respect and application, fighting against breaches and avoiding them with a whistleblowing system.
- Sustainable relationship with our partners based on confidence
- Appropriate use and protection of enterprise assets or data

For Novacap executive team, Excellence must be accompanied by a shared commitment to act with integrity. That's why, through this organization and in addition to all what has been implemented already based on its code of conduct and its SD framework (Social responsibility, Environmental protection and economical performance), Novacap is reinforcing its activities management on:

- Fair competition and anti trust law, corruption law
- Sponsoring
- Anti money laundering
- Trade controls.
- Records and Financial Integrity
- Confidentiality
- Data Protection
- Insider Rules

In order to facilitate its implementation, Novacap is working on the development and deployment communication to all our stakeholders on :

- Compliance charter
- Governance and compliance organization
- Compliance risk management
- Policies and procedure (ex: Whistleblowing system)
- Advice and support





Section 2

Sustainable Development Policy deployment

Sustainable Development policy at the core of our business

- **As a key player in the Chemical industry, we consider a sustainable chemistry will necessarily integrate:**
 - responsible supplies
 - responsible productions
 - responsible sales
- **To support this vision, we focus our efforts on :**
 - our economic performance,
 - our social and societal responsibility
 - our respect of the Environment
- **Beyond these 3 commitments, Novacap and its Subsidiaries deploy a roadmap based on defined framework and generate action plans by entities on a yearly basis with performance indicators management.**
- *« Contributing to Sustainable Development means implementing concrete actions: assessing our processes and our operations, defining ambitious projects to be followed-up on a daily basis, committing ourselves with respect to the local communities. An organized ambition followed by actions »*

Pierre Luzeau



Sustainable Development Policy

At the core of our business

As a **key player** in Chemistry industry, we, members of Novacap Committee, consider the **chemistry of tomorrow** will necessarily pass by **responsible supplies, responsible productions and responsible sales** aiming to our business sustainability. In order to support this vision, we focus our energy on the **3 mains commitments, the economic performance, the social and societal responsibility and the respect of the Environment.**

To play an active role in Sustainable Development, all our **Novacap teams are committed** to work on it continuously and embed it, the most deeply possible, in their own activities.

By communicating actively on our sustainable development commitments, our policy and our principles, we share this vision with all our stakeholders, that they are our employees, our shareholders our customers, our suppliers or Community members.

We put in place a **structured approach** which engages all of us in a shared roadmap with defined initiatives:

Economic performance:

For us and our stakeholders, it is fundamental and central to extract a sustainable value of all our activities searching for and guarantying sustainable satisfaction of our customers offering a high quality level of products and services corresponding to, or better, going beyond their expectations. In addition, we continuously inform them on ours products, promoting those which contribute to better environment. To Foster this economic axis, we decide to deploy our Operational Excellence program

Social responsibility:

As a recognized Chemist, it is essential for us acting first on ensuring health and safety of our colleagues and those of our business partners, but also establishing a high-quality social dialogue, promoting and respecting the human rights and integrating better our factories into their territories

Environmental respect:

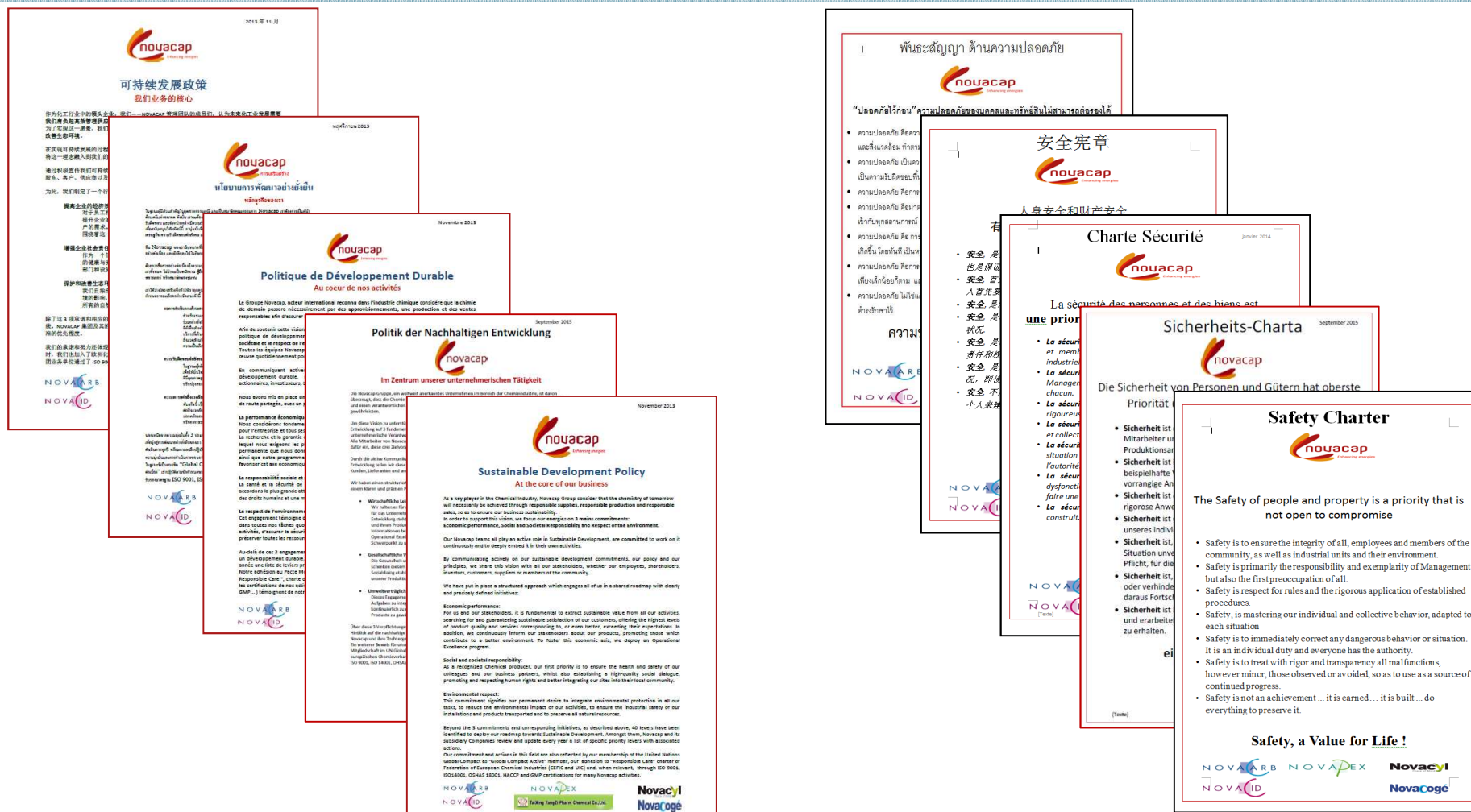
By this commitment, we signify our permanent will to integrate environmental protection in all our tasks, to reduce the environmental impact of our activities, to ensure the industrial safety of our installations and products transports and to preserve natural resources.

Beyond our 3 commitments and corresponding initiatives, as described above, 40 levers have been identified to deploy our roadmap towards the Sustainable Development. Among them, Novacap and its subsidiary Companies review and update every year a list of common and specific priority levers with associated actions.

Our real commitment and actions in this field reflect themselves in our membership of the Union Nations Global Compact as "Global Compact Active" member, in our adhesion to "responsible Care" charter of Federation of European Chemical Industries (CEFIC and UIC), but also through ISO 9001, ISO14001, OSHAS 18001, HACCP and GMP certifications for concerned Novacap activities.



Communication, a key success factor for Sustainable Development culture

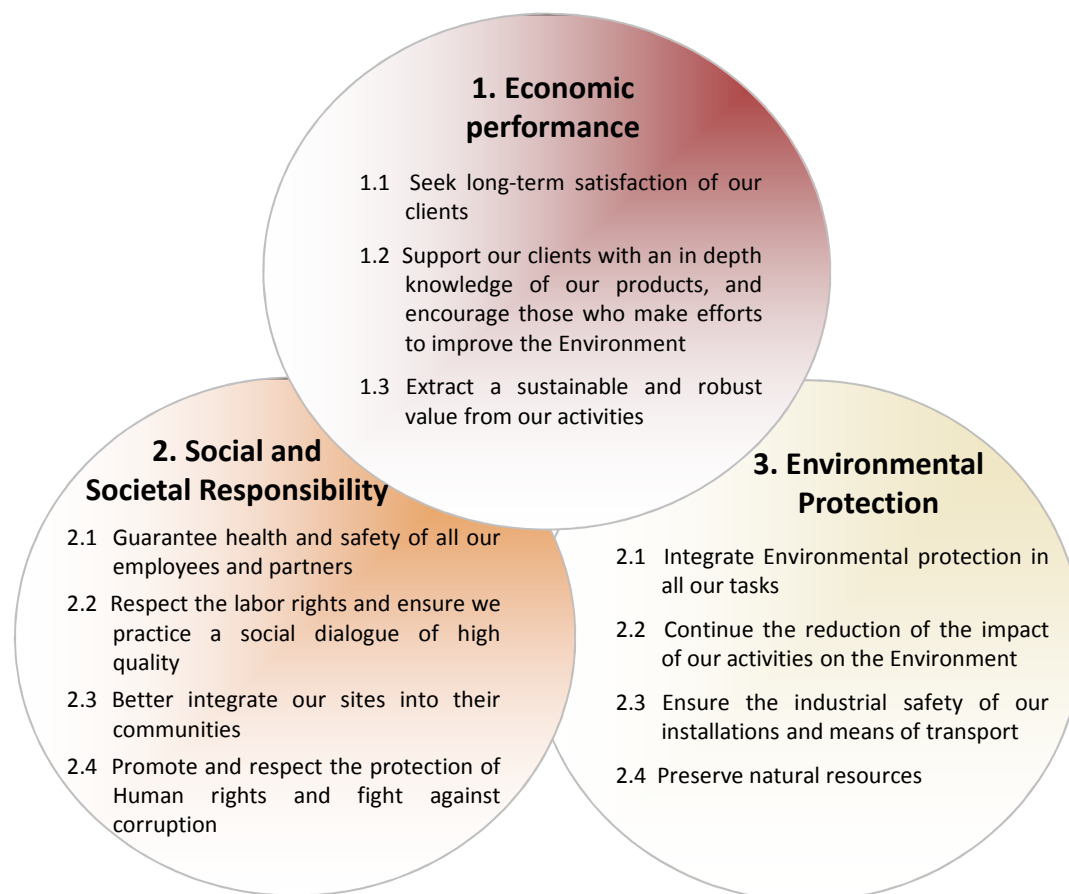


- For both Safety charter and Sustainable Development policy, a unique communication to all employees in Chinese, Thai, German and English

Responsibility is integrated in our processes

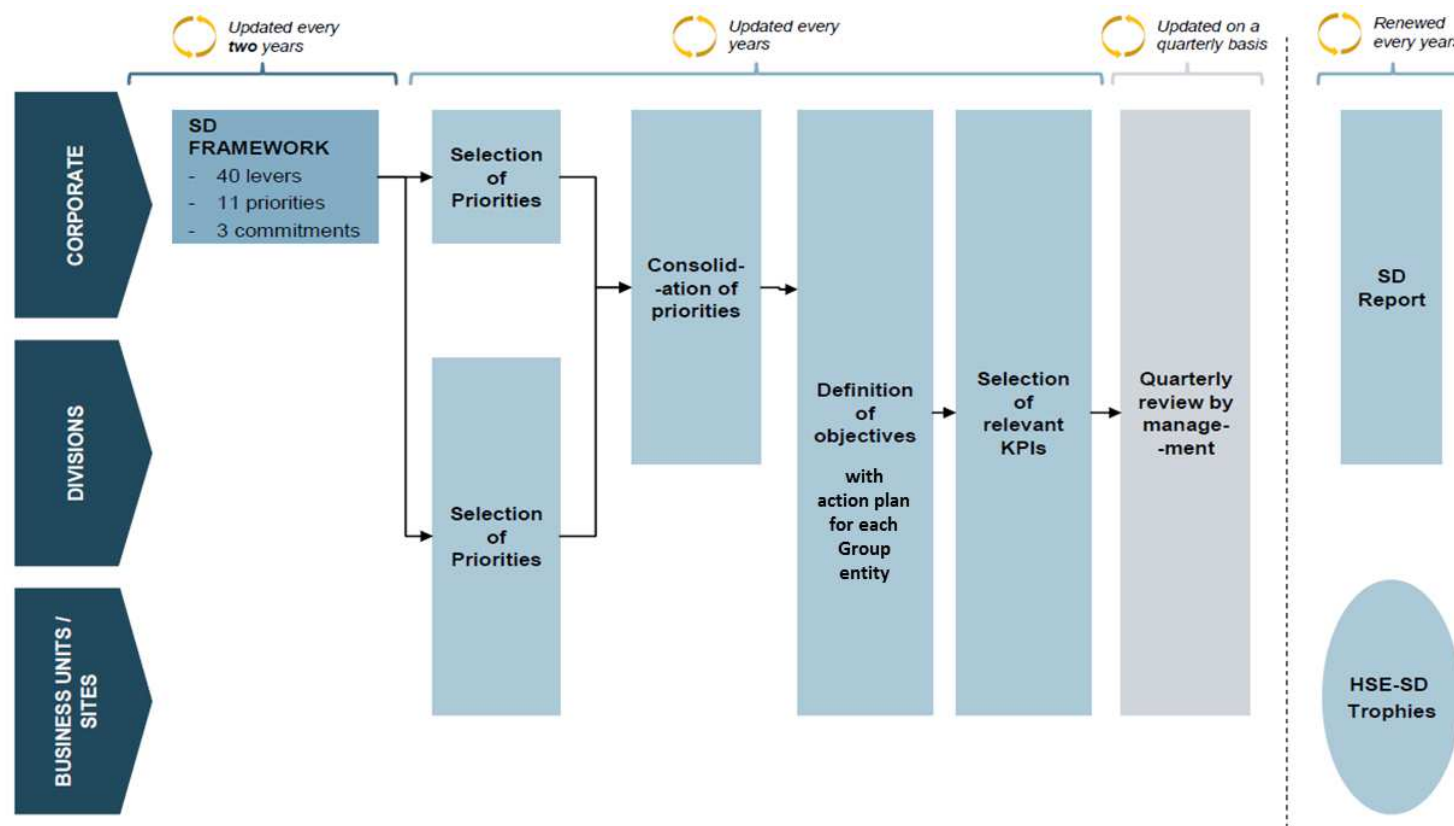
Safety	Based on its historical culture legacy, Novacap pursues its improvement in this field reducing its Accident of category 1 per millions of worked hours ("TF1 cat 1") from 2,7 in 2012 to 1,4 in October 2014.
Management system	To succeed in its Sustainable Development program deployment, Novacap (i) manages its business adopting ISO 9001, ISO 14001 and OSHAS 18001 frameworks and (ii) has been obtaining for several years certifications for all its entities when and where relevant.
Regulation Compliance	Novacap was heavily involved in drawing up Reach Regulations and its subsidiaries have been certified cGMP and HACCEP when relevant and, up to now 21 products have been registered under REACH. Note: FDA certification of Novacyl site at Roussillon-France in Q3 2014
Material consumption Waste Generation and Emissions	Novacap is fully committed and continuously acts with success to reduce impacts to Environment through its subsidiaries, in particular on steam consumption (Novapex), dust generation (Novacarb), water consumption (Novacid), chemical oxygen demand reduction (Yanzi), etc. and is strongly focused on energy consumption reduction.
Operational Excellence	Initially started within Novapex, the Group is deploying its Operational Excellence program based on assessment and benchmarking using among several, Lean Six Sigma approach and corresponding tools box to fully support the value creation. Operationally, the teams are performing prioritized projects through its projects portfolio management. <i>Example of such projects: 5s , Visual management, standard application and optimization energy, yields, productivity, product quality, flow and processes efficiency</i>

A clear framework and process to deploy our policy



A living process: an update of our Framework is in progress and will be implemented for 2016 and 2017 period integrating better compliance topics.

Novacap's CSR strategy is decided at top level and irrigates all management layers, thanks to a top-down & bottom-up approach



A bottom-up approach

- A common framework of 40 levers (indicators) has been set up, gathered in 11 objectives and 3 commitments (economic performance, social responsibility and protection of the environment). This framework is updated every two years. A new version of the framework is expected to be implemented in late 2015.
- According to this framework, each Business unit and Entity has to define every year their own priorities and set up an action plan and specific KPIs.

Av top down-approach

- Priorities of each entity and business units are collected at group level and, once consolidated, enable Novacap management to establish every year a list of common priorities and objectives. The latter represent the core axis of Novacap ESG

Novacap SD Framework : 3 Commitments, 11 Initiatives, 40 Levers whom 16 priorities

3 engagements	N°	11 initiatives	N°	40 leviers	Les priorités 2014 par entités					
					Holding	Carb	Cid	Cyl	Pex	Yan
Social / Sociétal	D1	Garantir la santé et la sécurité à nos collaborateurs et nos partenaires	L01	Prévenir les accidents du travail, identifier les risques, les maîtriser et les réduire. Exploiter le retour d'expérience: <i>former, encourager le comportement sécurité et le respect des consignes, prévenir en analysant les risques avant toute opération, se protéger par le port des équipements de protection adéquats déterminer puis réduire les activités à risques (ou "tâches critiques") analyser efficacement nos accidents et incidents pour éviter leur réapparition, contrôler, vérifier par des visites sécurité cette bonne application,</i>	1	1	1	1	1	1
			L02	Encourager le leadership et l'exemplarité des managers et développer le comportement sécurité de nos collaborateurs	1	1	1	1		1
			L03	Réaliser les études d'exposition et protéger les salariés contre les agents impactant la santé (document unique)						
	D2	Respecter le droit du travail et assurer un dialogue social de qualité	L04	Gérer en prévisionnel les emplois et les compétences	1	1				
			L05	Former, sensibiliser le personnel au Développement Durable selon le référentiel Novacap, l'engagement au Global Compact et les normes internationales.	1					
			L06	Garantir les droits sociaux de nos collaborateurs	1		1	1		1
	D3	Promouvoir et respecter la protection des droits de l'homme et lutter contre la corruption	L07	Garantir le non travail des enfants et l'absence de tout travail forcé (interne, fournisseurs et clients)				1		1
			L08	Veiller à l'élimination de toute discrimination en matière d'emploi et de profession	1		1	1		1
			L09	Agir contre la corruption sous toutes ses formes, y compris l'extorsion de fonds et les pots-de-vin	1			1		1
	D4	Intégrer mieux nos activités à leurs territoires	L10	Mettre en place un dialogue constructif accru avec riverains, collectivités locales, associations (portes-ouvertes, partenariat d' écoles...)		1	1		1	
			L11	Contribuer à l'économie locale: emplois (directs et indirects), taxes, formation professionnelle,...	1					
			L12	Promouvoir la pérennité de nos activités auprès des responsables politiques et administratifs	1	1		1		
Environnemental	D5	Intégrer la protection de l'environnement dans toutes nos tâches	L13	Exploiter les ressources naturelles dans les règles de l'art, en veillant à la réhabilitation des paysages.						
			L14	Manager les activités selon le référentiel de gestion environnemental ISO 14001					1	
			L15	Préserver la biodiversité et connaître les écosystèmes dans et autour de nos sites		1			1	
	D6	Poursuivre la réduction des impacts de nos activités sur l'environnement	L16	Diversifier nos ressources énergétiques en privilégiant la réduction des gaz à effet de serre et assurer la transition énergétique	1	1			1	
			L17	Réduire les émissions dans l'air et dans l'eau: <i>Prévention à la source, amélioration des procédés, optimisation des traitements des effluents, mise en place de moyens d'analyse</i>			1	1	1	1
			L18	Développer une logistique contribuant à l'amélioration de l'environnement (train , fluvial , pipe ...)	1		1	1		
	D7	Assurer la sécurité industrielle de nos installations et de nos transports	L19	Prendre en compte du Développement Durable dans la sélection des fournisseurs	1					
			L20	Gérer globalement les risques selon le référentiel OHSAS 18001						
			L21	Privilégier la prévention par l'identification, la gestion et la maîtrise des risques industriels: <i>POI , Seveso , PPRT , systèmes et méthodologies etc...</i>			1		1	1
	D8	Préserver les ressources naturelles	L22	Maîtriser les risques liés aux transports des produits	1				1	
			L23	Améliorer l'efficacité énergétique des activités énergies intensives selon le référentiel ISO 50001		1			1	
			L24	Réduire les consommations de matières et des emballages				1		
			L25	Maîtriser la consommation d'eau					1	
			L26	Assurer une gestion rigoureuse des déchets et des effluents et favoriser l'utilisation de matières recyclables			1			1
Economique	D9	Rechercher une satisfaction durable de nos clients	L27	Développer l'écoute clients, le service, les relations et la confiance mutuelle afin de mieux répondre à leurs attentes (gestion des réclamations, Appuis techniques...)	1	1		1		
			L28	Optimiser, planifier la démarche qualité et mesurer l'efficacité des processus et nos performances selon l'ISO 9001						1
			L29	Améliorer de façon permanente la qualité de nos produits et services pour être à la "pointe" de nos marchés		1		1	1	1
	D10	Accompagner nos clients dans la connaissance de nos produits et promouvoir ceux qui contribuent à un meilleur environnement	L30	Mettre en œuvre les mesures garantissant la "Sécurité" de nos produits sur les marchés réglementés concernés (grades pharmaceutiques, alimentaires, animales,...) selon			1	1		
			L31	Assurer la veille et la conformité de nos produits à la réglementation internationale (REACH, FDS, des données techniques ...)				1	1	
			L32	Développer les produits contribuant à l'amélioration de l'environnement			1			
			L33	Proposer des solutions (produites et procédés) innovantes et durables à nos clients			1			
			L34	Promouvoir l'intérêt de nos activités auprès des parties prenantes (Grand public/ Administration et Politiques/...)	1	1	1			
	D11	Tirer une valeur durable de nos activités	L35	Améliorer la fiabilité des ateliers dans le respect de nos budgets			1	1		1
			L36	Améliorer nos rendements et nos coûts de production		1		1		
			L37	Etre un acteur engagé sur les plateformes industrielles (mutualisation des services/ Impact et influence...)						
			L38	Valoriser les coproduits de nos activités			1	1		
			L39	Optimiser les coûts et développer les synergies de nos chaînes logistiques	1	1	1	1		1
			L40	Développer la démarche d'Excellence Opérationnelle: 5S _ Management visuel _ Management des processus _ Amélioration continue terrain _ Gestion projets...	1	1	1	1	1	1

Total des priorités BU's

17 15 17 19 13 14

Novacap entities SD action plan followed-up quarterly...

Novacyl France Sites **Wuxi site** **Bangpoo site** **Novabion site** **Novcarb sites** **Novacid site** **Novapex Sites** **Puyuan site** **Yangzi site**

With 3 new comers(Yangzi, Novabion and puyuan), we've got 9 running specific action plans focused on entities priorities covering all our sites excepted Uetikon last acquisition (June 2015)

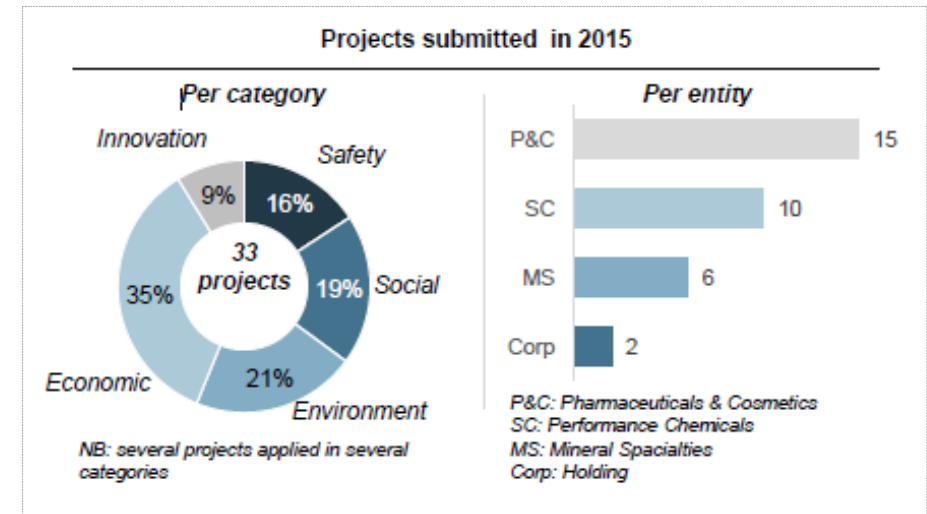
... with key performance indicators managed at BUs or sites levels

Novacyl France sites									
Novacyl Wuxi site									
Novacyl Bangpoo Site									
Novabion site									
Novacarb site									
Novacid site									
Novapex sites									
Puyuan site									
Yangzi site									
Indicateurs clés de performance - Développement Durable									
ROUSSILLON									
Objectif	Indicateur	Type	Indicateur	Type	Indicateur	Type	Indicateur	Type	Indicateur
Baisser les émissions	Emissions des COV totaux ROR Poussières totales Gaz à effet de serre Emissions d'Ind. phénol carbo. COO Roussillon MEST ROR carbo.	System 3R/SE ISO 14001 Waste management Liquid effluents BOD and COD Solid waste Total water consumption Environmental impact	WUXI	Liquid Effluents Monthly waste water COD Volume out COD volume in Solid Wastes Waste solid total Environmental impact Total water consumption Monthly safety visits Non compliance Hazardous waste Number of visitor	Emissions dans l'air Emissions dans l'eau Déchets solides Déchets liquides Consommation d'eau Consommation eau Consommation énergie Taux de rendement	Unité	Valeurs	Unité	Valeurs
Baisser les consommations	Consommation d'énergie Consommation d'eau Consommation	Improve safety at work Improve process safety of assets Better integration of our plants in territory Improve economic performance Satisfy and Inform our customers	WUXI	Liquid Effluents Monthly waste water COD Volume out COD volume in Solid Wastes Waste solid total Environmental impact Total water consumption Monthly safety visits Non compliance Hazardous waste Number of visitor	Emissions dans l'air Emissions dans l'eau Déchets solides Déchets liquides Consommation d'eau Consommation eau Consommation énergie Taux de rendement	Unité	Valeurs	Unité	Valeurs
Augmenter les rendements	Productivité Qualité Sécurité Environnement Santé Satisfaction client	Improve safety at work Improve process safety of assets Better integration of our plants in territory Improve economic performance Satisfy and Inform our customers	WUXI	Liquid Effluents Monthly waste water COD Volume out COD volume in Solid Wastes Waste solid total Environmental impact Total water consumption Monthly safety visits Non compliance Hazardous waste Number of visitor	Emissions dans l'air Emissions dans l'eau Déchets solides Déchets liquides Consommation d'eau Consommation eau Consommation énergie Taux de rendement	Unité	Valeurs	Unité	Valeurs
Améliorer la sécurité des personnes	Sécurité Environnement Santé Satisfaction client	Improve safety at work Improve process safety of assets Better integration of our plants in territory Improve economic performance Satisfy and Inform our customers	WUXI	Liquid Effluents Monthly waste water COD Volume out COD volume in Solid Wastes Waste solid total Environmental impact Total water consumption Monthly safety visits Non compliance Hazardous waste Number of visitor	Emissions dans l'air Emissions dans l'eau Déchets solides Déchets liquides Consommation d'eau Consommation eau Consommation énergie Taux de rendement	Unité	Valeurs	Unité	Valeurs
Améliorer la sécurité des installations industrielles	Sécurité Environnement Santé Satisfaction client	Improve safety at work Improve process safety of assets Better integration of our plants in territory Improve economic performance Satisfy and Inform our customers	WUXI	Liquid Effluents Monthly waste water COD Volume out COD volume in Solid Wastes Waste solid total Environmental impact Total water consumption Monthly safety visits Non compliance Hazardous waste Number of visitor	Emissions dans l'air Emissions dans l'eau Déchets solides Déchets liquides Consommation d'eau Consommation eau Consommation énergie Taux de rendement	Unité	Valeurs	Unité	Valeurs
Sensibiliser les personnes au développement durable	Sécurité Environnement Santé Satisfaction client	Improve safety at work Improve process safety of assets Better integration of our plants in territory Improve economic performance Satisfy and Inform our customers	WUXI	Liquid Effluents Monthly waste water COD Volume out COD volume in Solid Wastes Waste solid total Environmental impact Total water consumption Monthly safety visits Non compliance Hazardous waste Number of visitor	Emissions dans l'air Emissions dans l'eau Déchets solides Déchets liquides Consommation d'eau Consommation eau Consommation énergie Taux de rendement	Unité	Valeurs	Unité	Valeurs
Satisfaire et informer nos clients	Sécurité Environnement Santé Satisfaction client	Improve safety at work Improve process safety of assets Better integration of our plants in territory Improve economic performance Satisfy and Inform our customers	WUXI	Liquid Effluents Monthly waste water COD Volume out COD volume in Solid Wastes Waste solid total Environmental impact Total water consumption Monthly safety visits Non compliance Hazardous waste Number of visitor	Emissions dans l'air Emissions dans l'eau Déchets solides Déchets liquides Consommation d'eau Consommation eau Consommation énergie Taux de rendement	Unité	Valeurs	Unité	Valeurs
Intégrer mieux nos usines à leur territoire	Sécurité Environnement Santé Satisfaction client	Improve safety at work Improve process safety of assets Better integration of our plants in territory Improve economic performance Satisfy and Inform our customers	WUXI	Liquid Effluents Monthly waste water COD Volume out COD volume in Solid Wastes Waste solid total Environmental impact Total water consumption Monthly safety visits Non compliance Hazardous waste Number of visitor	Emissions dans l'air Emissions dans l'eau Déchets solides Déchets liquides Consommation d'eau Consommation eau Consommation énergie Taux de rendement	Unité	Valeurs	Unité	Valeurs

- According to Novacap governance principles, each BU director, with his management team implements Novacap SD Strategy in their perimeter. To succeed they defined their own balanced scored cards with specific KPIs in accordance to their own history, issues and targets.
- These are more than 50 indicators to ensure regulatory compliance, from the measurement of our water consumption to the number of contacts with the communes. Selected indicators are of various types and show a complete cartography of entities progress.

HSE-SD trophies are organized every year to promote good CSR initiatives and strengthen employees' sense of belonging to Novacap

- In September 2014, Novacap organized its first HSE-SD Trophies at Group level. This event, renewed in 2015, is to be reiterated for the following years.
- This event aims at awarding relevant projects regarding their sustainability impacts:
 - Projects were initially eligible in three categories: economic, environment, social. Two new categories were added in 2015: safety, innovation.
 - 3 projects are awarded in each category.
 - Each site was enabled to submit 2 projects in each category.
- A jury of 10 members from various Divisions and functions has been established. It is chaired by Jean-Paul Vettier, Chairman of the Supervisory Board.
- Selection criteria relied on the 3 commitments, 11 initiatives, 40 levers defined in Novacap SD Strategy. Moreover, “implementation criteria” were also considered:
 - Method used and implementation quality
 - Commitment of stakeholders and employees participation
 - Ability to be transposed within the Group
 - Clarity of the communication / documentation
- HSE-SD trophies participation show a successful involvement of Novacap employees
 - In 2014, 37 projects were submitted by 260 employees with 3, 25 M€ of estimated savings.
 - In 2015, 33 projects were submitted by 218 employees. 4,25M€ estimated savings were registered in all projects.



Novacap HSE- SD trophies – winning projects 2014 & 2015

	CATEGORY	ENTITY	PROJECT
2014	Social	Novapex	Improve Safety behavior
	Environment	Novacarb	Upgrade of the Limestone Pagny's Quarry
	Economic (ex-aequo)	Yangzi	PAP recovery
	Economic (ex-aequo)	Novacyl	Wuxi-Energy savings
2015	Safety	Puyuan	Puyuan 5S deployment
	Social / Societal	Novacyl	SOCT tolling process development with PCAS
	Environment	Novacyl	Decrease of waste water
	Economic	Novapex	IPA yield and debottlenecking
	Innovation	Novapex	Phenol line de-risking



Section 3

Novacap overview

A leader of essential chemicals for everyday products

Essential ingredients produced by Novacap are used in everyday products such as aspirin, paracetamol, sodium bicarbonate, soda ash, hydrochloric acid, ferric chloride, phenol and oxygenated solvents.



Mineral Specialties

2 in Europe in sodium bicarbonate

3 in Europe in soda ash



Pharmaceutical & Cosmetics

1 worldwide : Aspirin , Salicylic acid , methyl salicylate

2 worldwide : Para-aminophenol

2 in Europe : Paracetamol



Performance Chemicals

#1 in Southern Europe

Phenol + Oxygenated Solvents

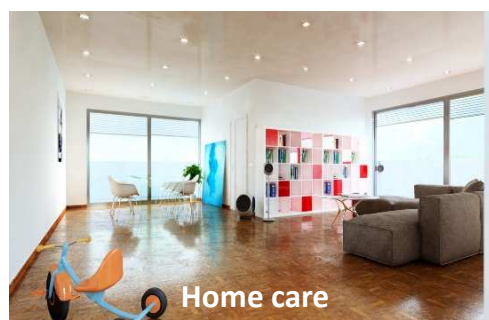
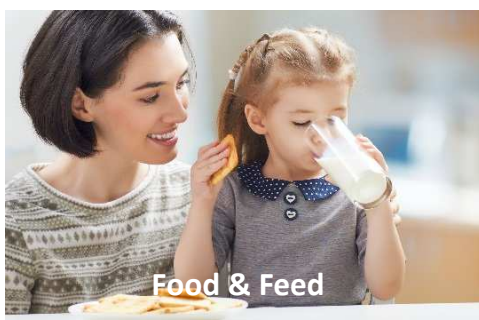
Hydrochloric acid

Ferric Chloride



Strongly positioned in highly demanding end-markets

Key supplier to more than 750 clients in 80 countries, Novacap holds a leading position in its target markets such as **Pharmaceutical & Healthcare, Food & Feed, Cosmetics & Fragrances, Home Care, Environment.**



Overview of Selected Products & End-Markets

Novacap products are used in a wide range of everyday applications

Pharma
& healthcare



Aspirin, Salicylic acid
Paracetamol
Para aminophenol
Other Anesthetics,
Analgesics and Sedatives

Cosmetics
& Fragrances



Oxy Salicylate
Homosalate

Food
& Feed



Sodium Bicarbonate
Isopropanol

Home care



Sodium Bicarbonate
Soda Ash

Environment



Ferric Chloride
Water Treatment

Automotive
& Construction



Phenol & Acetone
(as resins/polymers)

Chemical
intermediates



Phenol
Acetone



Sodium Bicarbonate
Excipients
Methyl Salicylate



Salicylic Acid
Allyl Alcohol
Methyl Salicylate



Hydrochloric acid
Phenol
(synthetic vanilla)



Sodium Sulphate,
Sodium silicate
Isopropanol



Sodium bicarbonate
Flue Gas Treatment



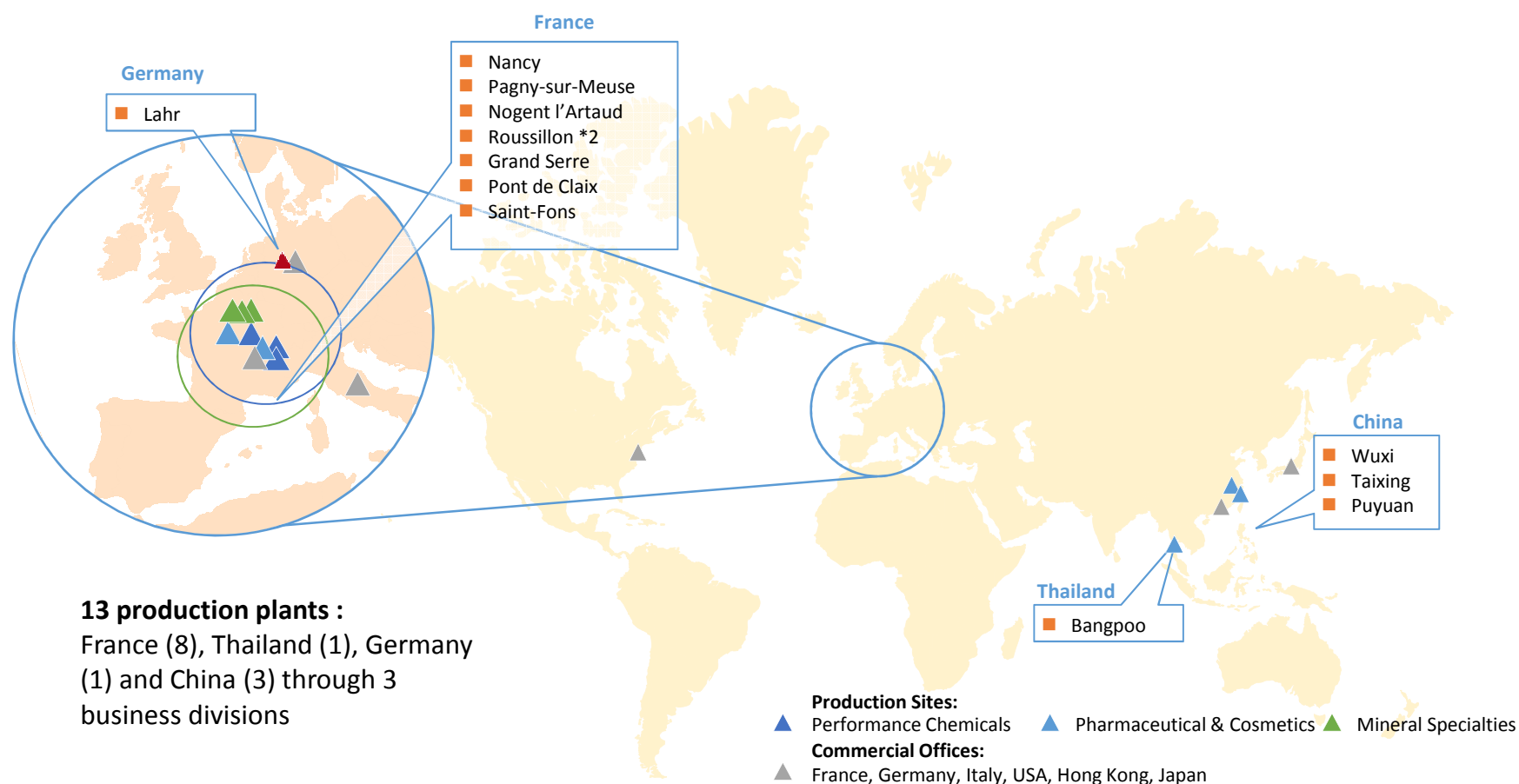
Soda ash
Flat Glass

A global diversified Group

- Headquarters: Lyon (Global HQ - Europe), Hong-Kong (Asia), New-Jersey (Americas)
- **3 business Divisions : Mineral Specialties, Pharmaceutical & Cosmetics, Performance Chemicals**
- **14 industrial units worldwide**
- Net revenue: € 666.7 million in 2014
- Consecutive year-on-year EBITDA growth since 2008
- 1,550 employees
- Main shareholder since 2011 : Ardian (previously Axa Private Equity), a premium independent private investment company



A worldwide presence

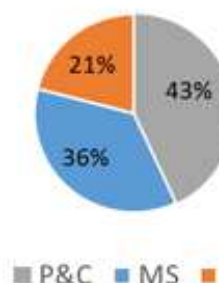


From a strong and solid industrial base in France, Germany, China and Thailand, the Novacap group fosters its international development through a dynamic policy of organic growth coupled with complimentary robust acquisitions.

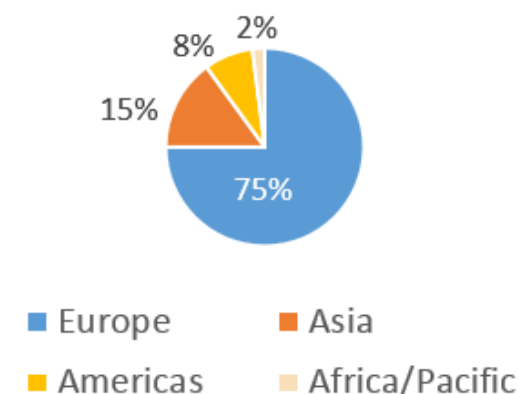
3 business divisions organization

	MINERAL SPECIALTIES France 334 people	PHARMA & COSMETICS France, Thailand, Germany, China 1,007 people	PERFORMANCE CHEMICALS France 144 people
Products	Soda Ash Sodium Bicarbonate Sodium Sulphate Sodium Silicate	Acetylsalicylic acid (aspirin) Salicylic acid Methyl Salicylate Octyl Salicylate & Homosalate Acetaminophen (Paracetamol) Para-aminophenol Allyl Alcohol APIs and Fine Chemicals	Phenol Oxygenated solvents (Isopropanol/ acetone) Alpha methyl styrene Hydrochloric acid Ferric chloride (through JV) Calcium chloride
Markets	Food & Feed (including container glass for beverages) Environment Pharma & healthcare Home care	Pharma & Healthcare Cosmetics & Fragrances Food & Feed Chemical Intermediates	Cosmetics & Fragrances Pharma & Healthcare Environment Food Automotive Construction Chemical Intermediates

EBITA by business division
2014 proforma
with Uetikon integration



EBITA by geographical zones
2014 proforma
with Uetikon integration



Mineral Specialties

A leading chemical player specialized in sodium carbonate products

MINERAL SPECIALTIES		
France (4 sites) – 334 people		
Products	<ul style="list-style-type: none"> Direct on-site access to key raw materials: salt mine and limestone quarry with 30 year mining concession Competitive access to diversified energy sources (Coal boilers and gas cogeneration) Upstream integration High quality, cost-competitive production assets In-house technology for sodium bicarbonate, allowing targeting of the product grade with the most attractive end-markets (e.g. dialysis) Certifications: ISO9001, ISO14001, OHSAS 18001, GMP Feed and HACCP compliant 	
	<ul style="list-style-type: none"> Soda Ash 560 kt Sodium Bicarbonate 140 kt Sodium Sulphate 90 kt Sodium Silicate 30 kt 	
Markets	<ul style="list-style-type: none"> Food & feed (including glass) Environment Pharma & Healthcare Home care 	



Pharmaceutical & Cosmetics

An integrated global supplier, the world-wide leader in salicylic acid and aspirin

PHARMACEUTICAL & COSMETICS

France (2 sites), Germany, Thailand, China (3 sites) – 1,007 people

Products

Acetylsalicylic acid (aspirin)	11 kt
Salicylic acid	29 kt
PAP/ APAP (paracetamol)	43 kt
Methyl salicylate	14 kt
Octyl salicylate & Homosalate	
APIs and Fine Chemicals	

Markets

Pharma & Healthcare
Cosmetics & Fragrances

- ☐ Global supply of API, F&F ingredients and Intermediates
- ☐ World-wide leader in Salicylic Acid, Aspirin, Methyl Salicylate, ketamine, methimazole, sodium butyrate
- ☐ Key player in Paracetamol (acetaminophen), Para-aminophenol, UV Filters
- ☐ A global network composed of 5 GMP manufacturing plants, a fully integrated supply-chain and a world-wide sales & regulatory support organization
- ☐ A unique dual sourcing capability
- ☐ Certifications & Quality : CGMP Certified, FDA and AFSSAPS inspected , CEP Certificate, ISO 9001, ISO 14001, HACCP



Performance Chemicals

- A leading organic intermediate producer with a unique quality asset

PERFORMANCE CHEMICALS

France (3 sites) - 144 people

Products

Phenol	185kt
Oxygenated solvents (Isopropanol/ acetone)	115kt
Niche products	20kt
Hydrochloric acid	NA
Ferric chloride (through JV)	50kt
Calcium chloride	15kt

Markets

























Automotive
Pharma & Healthcare
Environment
Food
Fragrances
Chemical intermediates

- An integrated Cumene, Phenol, Acetone and niche product process
- On-site upstream Cumene integration
- High quality products , focused on demanding markets
- Secure access to feedstocks and energy
- Only player in Europe with a Propylene storage cavern
- Certifications ISO 9001, ISO 14001, OHSAS 18001, HACCP



Leadership in Highly Consolidated Markets

Novacap is among the top 3 players most of its major markets, most of which are characterized by a high level of consolidation

Select Business Division	Product	Market Position ¹	Geography	Key Competitors
Mineral Specialties	Sodium Bicarbonate	#2	Europe	  
	Soda Ash	Co-#1 / #3	France / Europe	
Pharmaceutical & Cosmetics	Salicylic Acid	#1	Global	         
	Aspirin	#1	Global	
	Para-aminophenol	#2	Global	
	Paracetamol (acetaminophen)	#2 ²	Europe ²	
	Ketamine	#1	Global	
	Methimazole	#1	Global	
	Sodium Butyrate	#1	Global	
Performance Chemicals	IPA	#3	Europe	          
	Phenol	#4	Europe	
	Acetone	#4	Europe	
	Ferric Chloride	Leading producer	Southern Europe	
	Hydrochloric Acid	Leading distributor	Southern Europe	

¹ Based on annual production capacity except for paracetamol.

² Paracetamol is a global market, however, on a global basis, this includes lower regulated producers which Novacap does not compete in the highly regulated markets. Market position is based on 2014 sales volumes.

A strategy based on resilient markets and fast internationalization

Our ambition is to keep reinforcing our world business of essential chemicals for use in everyday life products with a resilient profile and attractive growth prospects

1

Develop further in resilient, high value and fast growing end-markets

2

Increase geographical footprint in fast growing regions

3

Further diversify the business mix and product portfolio through downstream development (acquisitions or manufacture of new products)

Solid business fundamentals

A privileged and long-standing relationships with clients and suppliers, market leaders in their field

A global commercial network and regulatory infrastructure



High quality competitive positions

- **Cost leading assets** ie best in class processes, operations, upstream integration, scale
- **Significant market shares** in local/niche markets
- **High barriers to entry;** due to highly local, regional and consolidated markets/high quality requirements/high transportation costs
- **Attractive growth outlook** driven by end-market dynamics

A platform to deliver value

Key to our success :

- Experienced, reactive and committed management team
- Very lean organizational structure, favoring flexibility, speed, agility
- Successful experience of complex carve-outs as well as integration of acquisitions

“Who are we : a highly responsive team, at the service of our customers, united by a common entrepreneurial and responsible spirit” - Pierre Luzeau

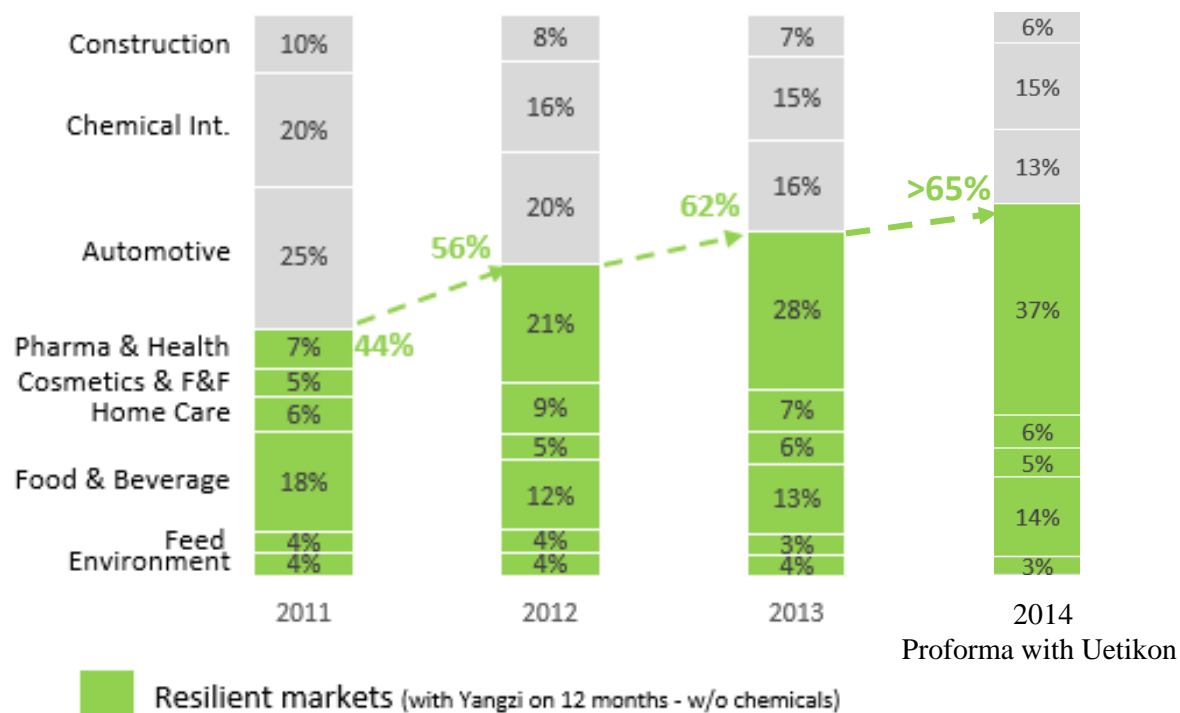


Operational excellence – the Pillars

- Proven technology
- Consistent high quality products
- Pricing/contribution optimization, cost improvement, sourcing, energy management, process efficiency
- Responsiveness and flexibility

A growth strategy on resilient markets

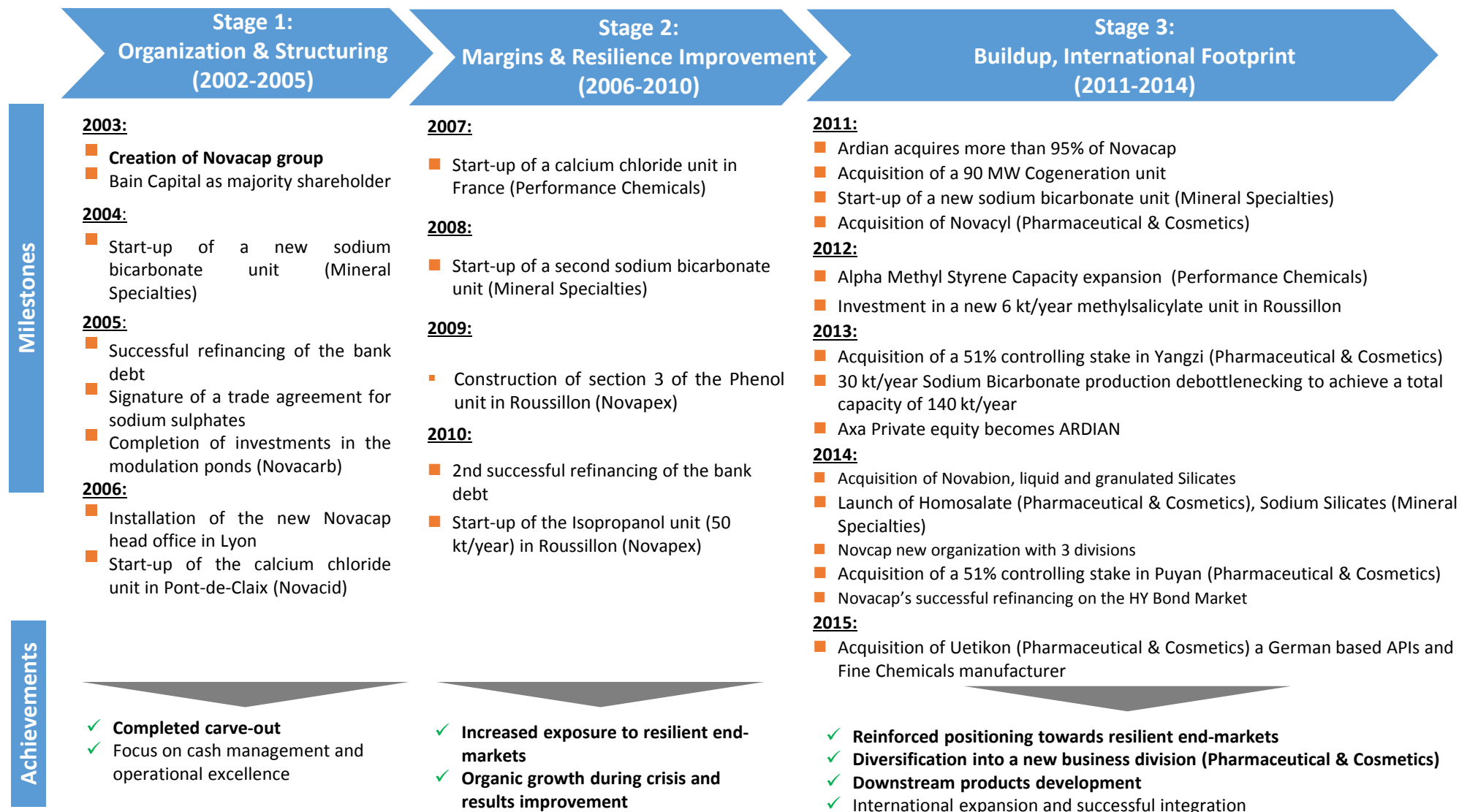
NOVACP GROUP - Contribution margin by end markets



- Novacap Group continues its profitable growth by focusing on resilient and attractive markets such as pharmaceuticals and health, cosmetics & Flavors & fragrances, water & flue gases treatments, food, feed and detergents.



Novacap's History at a Glance



A governance to boost its sustainable development policy

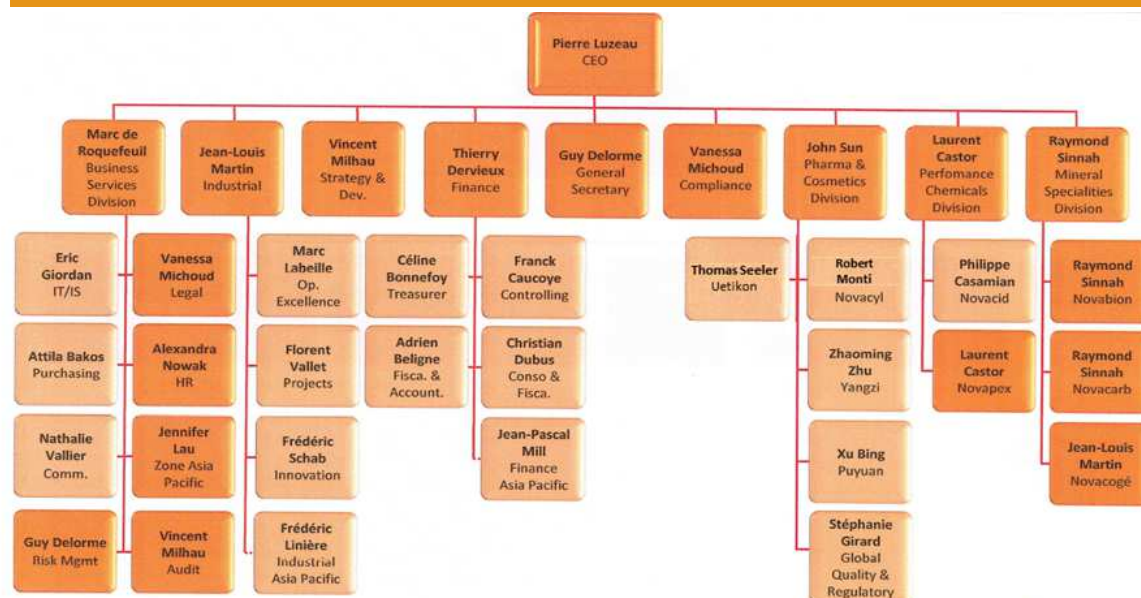
Novacap Governance structure

- The company has a dual Board structure consisting of a Supervisory Board and an Executive Board + Executive Committee. The dual corporate governance structure is a good practice to guarantee an effective control and supervision of the operations management .
- The supervisory board consists of 6 members:
 - 33% of members are external
 - The supervisory board has established 3 specialized committees: audit, human resources (nominations & remunerations) and strategy.
- The Executive Board (“Directoire”) consists of 4 members:
 - Pierre Luzeau (Chairman), Guy Delorme (General secretary), Marc de Roquefeuil (VP business Services) and Thierry Dervieux(Chief Financial officer).
- The Executive Committee is composed of 12 members:
 - 4 members of the Executive Board + 4 Vice-presidents (3 divisions + Asia zone) VPs, 4 directors of functions (Industrial, Human resources, Merges & Acquisition and legal)

SD Indicators and Reporting

- **The balanced scorecard “SD Priorities 2014-2015”, implemented in all subsidiaries, is steered by the Group Industrial Director. It shows quantitative indicators and targets, as well as specific tools.**

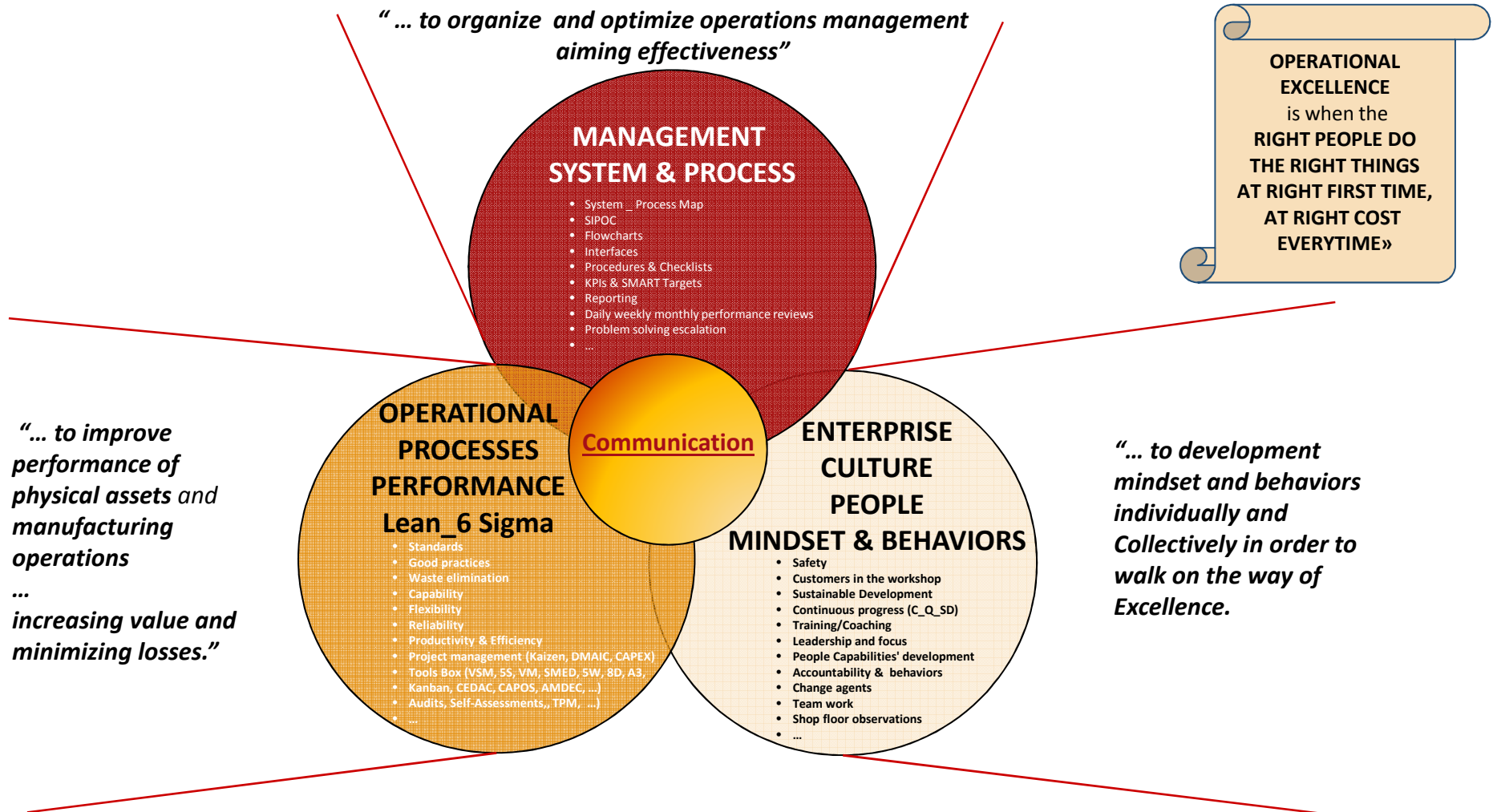
Novacap Key Department Organization



Sustainable Development Responsibilities

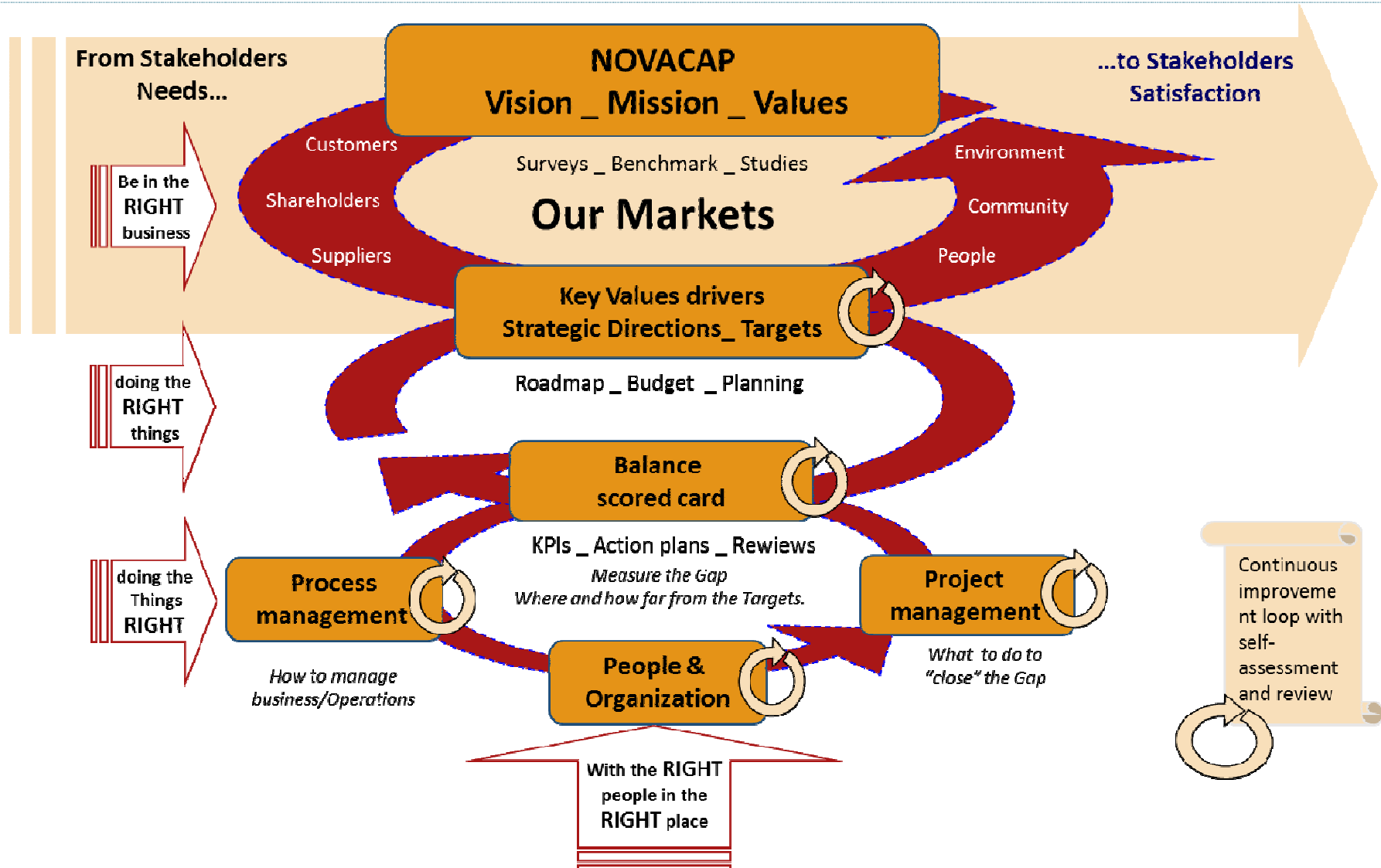
- At Group level, a SD strategic thinking is undertaken by the Supervisory Board on a yearly basis.
- The President, with the help of the Industrial Director, is responsible for the implementation of the SD policy within the group ,
- Plants Directors and Managers are in charge of the implementation of the SD strategy in the subsidiaries through specific action plans with the support and coordination of Operational Excellence Director.
- A code of conduct has been defined and communicate to all the organization

Develop Operational Excellence as a pillar of growth and sustainable development



- 3 work axis and a lot of communication well aligned with Sustainable Development Policy aiming to achieve economic performance within a social responsibility and protection of our Environment

Moon view: From Vision to Performance Management aiming Excellence



Novacap, a culture of excellence

Quality and Continuous improvement

- Excellence in Quality Management, a high level of compliance and certification, the application of rigorous procedures and controlled processes with equipment's adapted to the needs of our customers and regulatory requirements are key for Novacap strategy deployment..
- Novacap has implemented quality management systems which are certified in one or more of international standards as ISO 9001, ISO 14001 or OH SAS 18001. For its Pharmaceutical activities, management systems are in place to monitor product safety and comply with GMP and HACCP Standards. FDA or ANSM inspections are periodically performed.
- Several Programs of continuous improvement have been launched (5S, Lean Six Sigma, TPM,...) aiming Operational Excellence to support Novacap strategy

Research, proposal and creation of solutions

- Technical assistance by our experts, researchers and engineers together with our complementary associated services to help our customers find the best solutions to their specific needs.
- Novacap has set an innovation corporate coordination whose mission are:
 - to boost its internal Innovation developing and applying an Innovation process standard
 - to develop partnerships with companies specialized in R&D including green chemistry.

Reactivity

- Well known in the industry for its reactivity, Novacap organization benefits from privileged locations at the heart of its core markets.
- Reactive and multilingual customer service team, close to the production units, product storage and loading activities.
- Deadlines in place for replies and guaranteed deliveries.

Logistic effectiveness and reliability of deliveries

- Selection of a limited number of approved haulers having subscribed to a common quality charter.
- Implementation of complete safety protocols.
- Assistance and advice regarding safety regulations, for all aspects related to the transportation of our products.

- **Novacap managed to build partnerships of great quality with its customers, the major names of the industry.**
- **The strong and long-lasting relationships with our main customers contribute to our culture of excellence.**
- **We continue to develop and strive to embed these values in business relationships with our new customers.**



Section 4

Mains achievements in 2013 -2014 within our framework

Novacap actions in favor of Environmental protection

Commitments	N°	Initiatives	Initiatives
Environmental	15	Integrate Environmental protection in all our tasks	All scheduled ISO 14001 Audits have been successful . Novacap has got 61% of the Sites and will achieve 77% in the middle of 2016 Installation of Beehouse at Novapex
	16	Continue the reduction of the impact of our activities on the Environment	Contribution to Robin biomass unit started at Roussillon Reduction of COV release of RTO (thermal oxydation) at Novapex MES reduction at Novacid Optimization of PNP gas emission treatment and implementation of gas and effluents emissions measurements at Yanzi, Wuxi and Puyuan sites . Water pollution mastered with benchmark on Q4 2015 at Novacyl Roussillon Bangpoo increased WWTP capability in order to reduce High COD effluents external treatment Study of cogeneration Biomass investment at Novacarb to reduce CO2 impact FECL3 & CaCl2 Muds valorisation
	17	Ensure the industrial safety of our installations and means of transport	Preparation of OSHAS 18001 certification for Novacyl France Despite lack of monitored data, Yangzi invested in scrubber in PNP workshop to reduce VOC emission and succeed to comply with local regulation. Participation to beehouses installation with Osiris platform. Rationalization of flows between our sites (Ex by increasing the number of Isocontainers use at Novacid) Integration of Sustainable development within our suppliers management is in progress Emergency drills training performed in all our plants. Analysis of regulations for transportation of heavy chemical products to know who as to be responsible of good truck loading.
	18	Preserve natural resources	Our 2 main energy consumption contributors (Novacarb & Novapex) will be audited to be certified ISO 50001 at the end of 2015. Several projects are in progress to reduce raw materials consumption (Yangzi, Cyl France,...) Valorisation of Salted effluents (Projet Salty) Incinerator investment is launched. Puyuan assesses and improves periodically its WWTP

Novacap actions in favor of social responsibility

Commitments	N°	Initiatives	Initiatives
Social / Societal	I1	Guarantee health and safety of all our employees and partners	<p>Safety behaviors deployment at Novapex</p> <p>Training on consignment procedures on several sites.</p> <p>Golden rules implemented in all Group entities</p> <p>Implementation of a QHSE Visit on the shop floor by hierarchy to demonstrate a visible commitment of all managers and leaders.</p> <p>Near misses measurement in place on a basis of around 500 nearmisses identified in a year.</p> <p>Penibility plan in progress and chemical exposure analysis in progress at Novapex</p> <p>Critical task analysis and risks analysis performed at Yangzi in addition to annual medical examination implementation</p> <p>Puyuan Safety awareness training</p> <p>5S program launched at Novacarb and under control at Novapex, Novacid, Wuxi Bangpoo . In stand</p> <p>HSE Flash communication in place</p> <p>A safety challenge is on going for outside contractor at Novapex</p> <p>Coordination and animation of an HSE Network sharing good practices</p> <p>OSHAS certifications has been obtained for 61% of the Novacap sites and will achieve 77% in the middle of 2016</p>
	I2	Respect the labor rights and ensure we practice a social dialogue of high quality	<p>Periodical meetings with unions representatives</p> <p>At group level , 9 agreements have signed with all unions representatives.</p> <p>After Novabion acquisition, Novacap and Novabion management decided to adapt social model to the new size of the company.</p> <ul style="list-style-type: none"> - 18 meetings were held to review existing agreements and negotiate new ones with new elect representatives - Reduction from 18 to 9 agreements, all signed by unions representatives (CGT and FO) and respect convention, French law and HR Group policy - No strike or social event occurred <p>Furthermore, managers benefit from a variable remuneration system which can include ESG criteria (health and safety performances for instance).</p>
	I3	Promote and respect the protection of Human rights and fight against corruption	<p>Implementation of the code of conduct in all Group entities</p> <p>Training of 213 people all over the world (all group Managers and the main concerned people) Training performed in French , english and chinese)</p> <p>Creation of a Compliance committee to supervise and master regulation complexity evolution as well as guaranty our values and ethic behavior.</p> <p>Improvement of SAP access for confidentiality issues.</p>
	I4	Better integrate our sites into the local communities	<p>Novacap develops a direct dialogue with its neighbours through open days or school visits.</p> <p>Participation of Sustainable development day " at roussillon (Novapex /Novacyl) with administration representatives</p> <p>Maintain our good relationship with yangzi administration being in the top 10 of Tax provider.</p> <p>100 year birthday of Roussillon platform with French minister of work.</p> <p>Novacap organize a Signature between Roussillon chemicals platform and Taixing chemical Park</p> <p>Participation of Novacap at "Mondial des Métiers" of Rhône-Alpes and Lorraine</p> <p>Participation of "Call of 30" committing to the renewal of Rhone alpes chemical valley while driving an increase of its urban value.</p> <p>Donations to charities is an existing practice. The Group is in the process of finalizing its policy regarding donations and sponsorships. Several initiatives have already been implemented:</p> <p>Novacap has become a member of The Franco Chinese Institute.</p>

Novacap in actions in favor of Economic performance

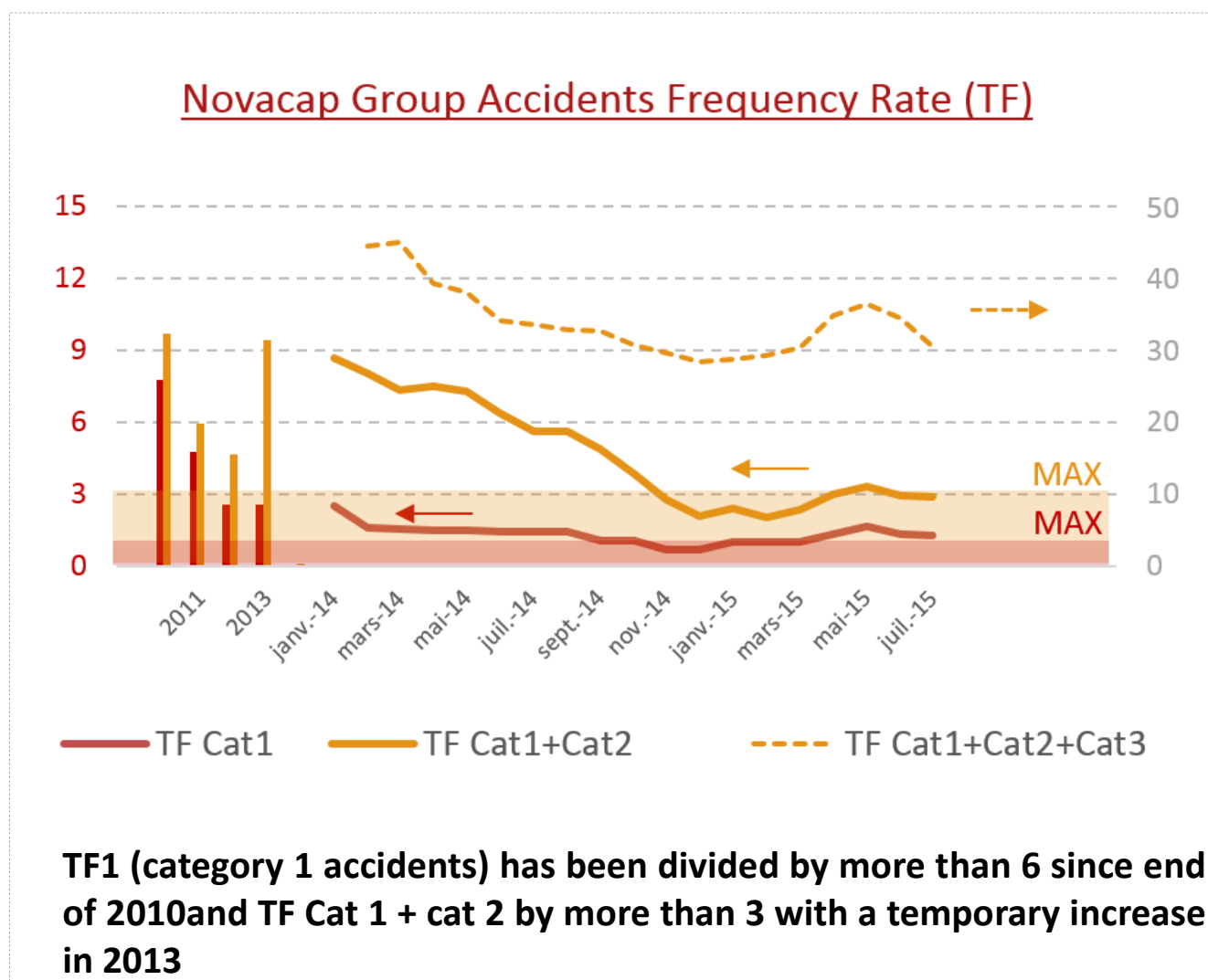
Commitments	N°	Initiatives	Initiatives
Economic	I9	Seek long-term satisfaction of our clients	<p>Reduction of water consumption in all sites where monitoring consumption is in place.</p> <p>Development of cosmetics .</p> <p>BSC management in place to better pilot its activities</p> <p>Process optimization to secure and increase quality an consequently reduce raw materials (RM) CUS</p> <p>As asked customers , Novacarb has been certified GMP excipient</p> <p>Under Pharma customers pressures , Novacyl sites were constraint to introduce AMDEC process and to manage contamination (AMDEC type PCCE) as well as to implement action plans for Chinses sites to secure FDA requirements.</p> <p>Preparation of ISO 9001 audit for Novacyl France</p>
	I10	Support our clients with an in depth knowledge of our products, and encourage those who make efforts to improve Environment	<p>Creation of corporate coordinaiton of Innovation</p> <p>Deployment of Innovation process standards to be applied for all R&D project management</p> <p>Several initiatives launched aiming green chemistry development</p> <p>Sustainable development report has been published</p> <p>Particiaption to public meeting as PPRT, JDD, ...</p> <p>All Novacap divisions are aware to develop sales of portfolio products which contribute to environmental protection</p>
	I11	Extract a sustainable and robust value from our activities	<p>Publication of Operational Excellence Principles and deployment of OP EX Roadmap as:</p> <ul style="list-style-type: none"> - Assessments: performed for all our French sites as a source of improvement projects on 3 axis (Management, Process and People performance) - Dashboard and Balance Score Cards implementation (BSC) with mandatory focus first on 8 KPIs for main sites - Improvements projects pipe management performed for our main sites to secure Budget and P&L: Global FY estimated savings in M€/year in 2014 ~1,8 / In 2015 >2,5 - Use of methods & tools templates for project management - Preparation of a "Performance Management" tool at each organization level - Lean Six Sigma training performed in France (75 sponsors / 4 BB/ 34 GB / 69 YB), <p>Implementaion in most of the sites of Operational excellence committee to pilot and manage entity project pipe</p> <p>Launching of a collaborative project on Osiris plateforme to reduce energie consumption .</p> <p>OEE measurment deployment on all sites</p> <p>AMDEC use to improve reliability of Salsa process at Roussillon</p> <p>Yield improvement for many RM (PAP, Phénol, CO2, N2, Vapor,) in all our prodction sites</p> <p>Recycling projects (3080 at Novacyl Saint Fons, Salty at Yangzi site, ...)</p> <p>Deployment of 5S program</p>



Section 5

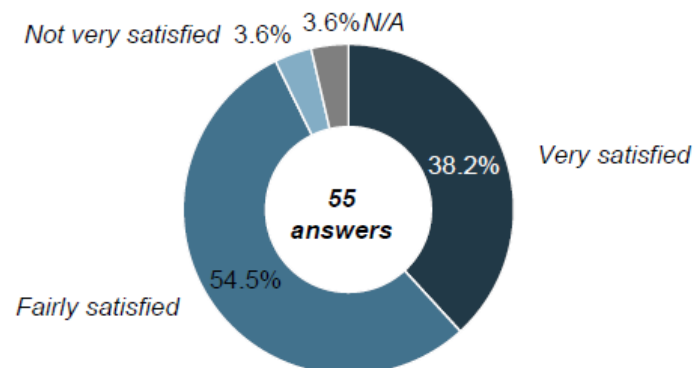
Evolution of key indicators

Safety performance, a Novacap first priority



Customers satisfaction is a priority too : last Novapex satisfaction survey showed good results

Novapex satisfaction survey (2014) – level of satisfaction

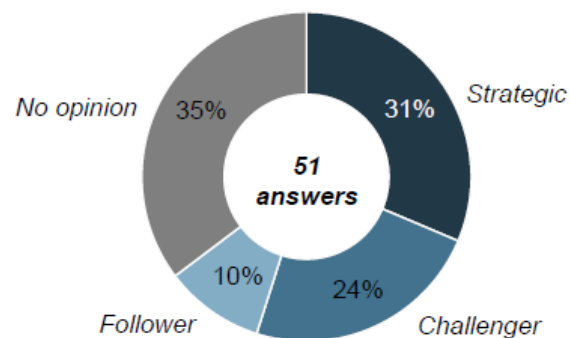


Comments

- More than 90% of clients questioned are satisfied by Novapex services and products

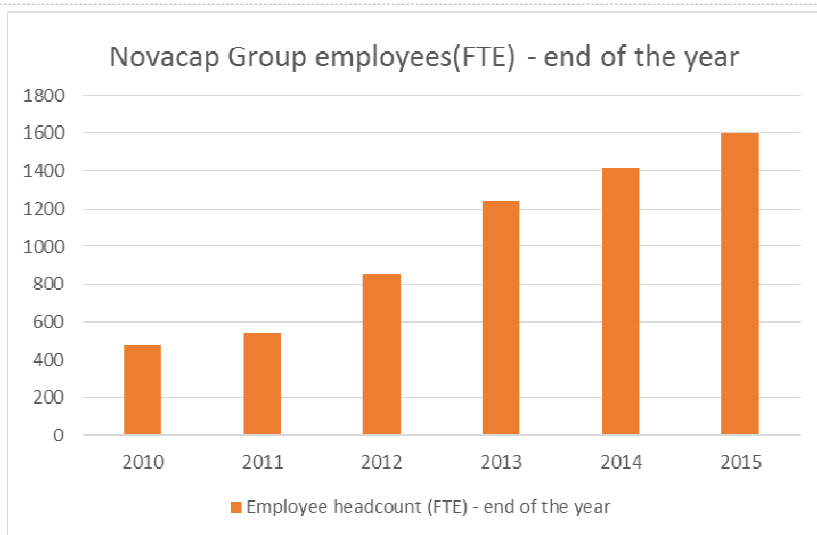
Novapex satisfaction survey (2014) – competitive position

Question asked:
Regarding your relationship with Novapex, would you say that , as a supplier, Novapex is:



- About a third of clients questioned perceived Novapex as a strategic supplier.

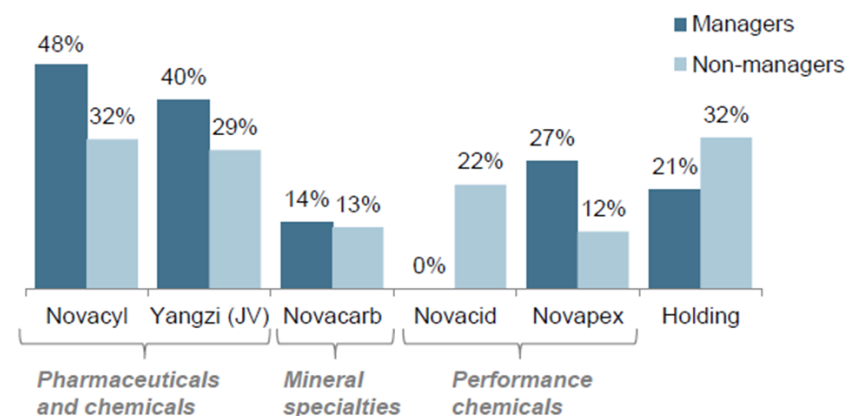
Social and diversity indicators



■ **The number of employees has increased by 27% on average per year between 2009-2014.**

- The integration of Novacyl in 2011 induced a significant increase of the number of employee (+58%) in 2012.
- The integration of Yangzi Pharma Chemical in 2013 induced an other increase of +43% in 2013.
- The integration of Novabion induced an increase of 33 people in July 2014 and Puyuan at the end of 2104
- The integration of Uetikon induced another 10% of the headcount

Women among managers and non-manager (2014)

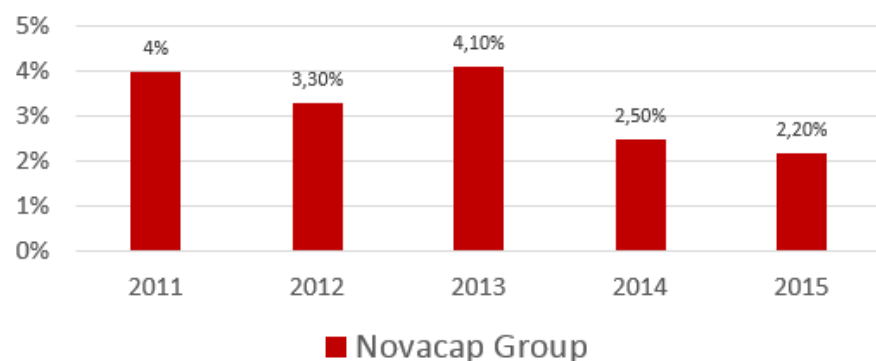


■ **Policy assessment:**

- The Equal opportunities management is in line with French regulation (in France).
- the share of women in total staff and among managers in the Company is similar to chemical industry average ratios (UIC data : Rhône-Alpes: 29% / France: 38%)
- In term of people development, the Novacap group-France spent in 2014 more than 14 500 h for trainings representing 3 % of French salaries . A group level , trainings represent 36480 hours.

Social and diversity indicators: Absenteeism

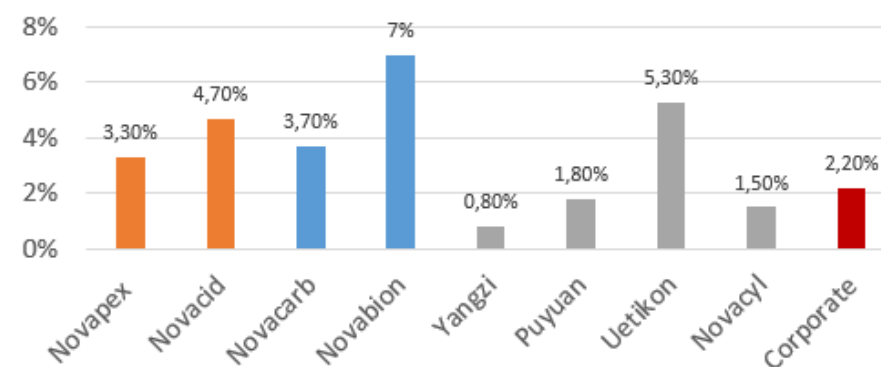
Absenteeism in % of worked hours per year



■ A good trend for absenteeism :

- Absenteeism rate decreased between 2011 and September 2015, from 4.0% to 2,2%.
- The drop between 2013 and 2014 is the consequence of the integration of Yangzi which displayed a low absenteeism rate in 2014 (1.6%) and accounted for 29% of Novacap global workforce.
- The good trend in 2015 is mainly due to Asian sites regarding integration effect of subsidiaries with relatively high absenteeism rates: Uetikon (5,3% in 2015), Novabion (6.6% in 2014).

Absenteeism in % of worked hours per Business Units in 2014

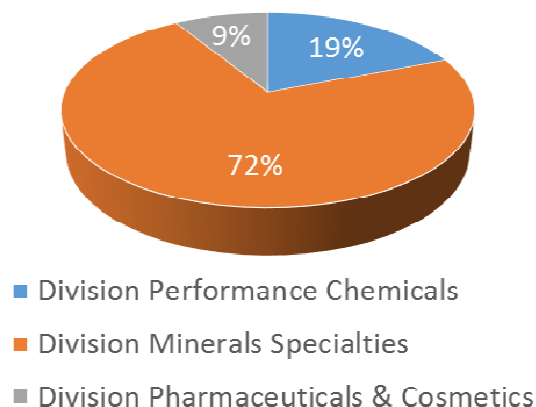


■ Mainly due to cultural impact of Asia zone:

- Novacyl, Puyuan and Yangzi (Pharmaceuticals & Cosmetics Division) absenteeism rates are below YTD Group average, 2,2% .
- Note : as well as for Novacap, Novacyl Asian Sites impact positively the results of Novacyl Business Unit

Energy consumption

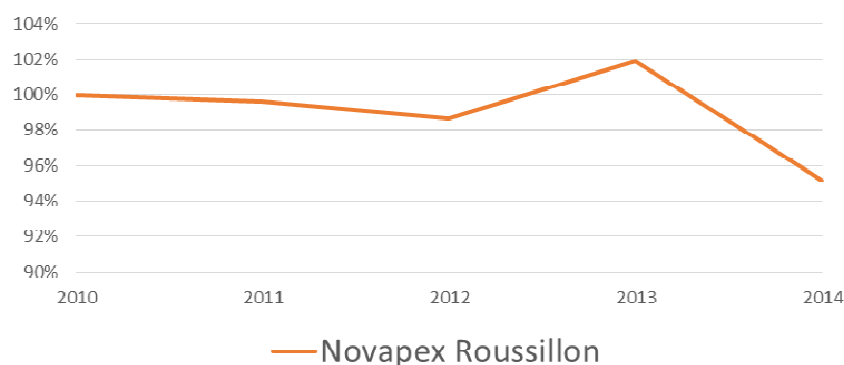
Energy consumption in kWh by division



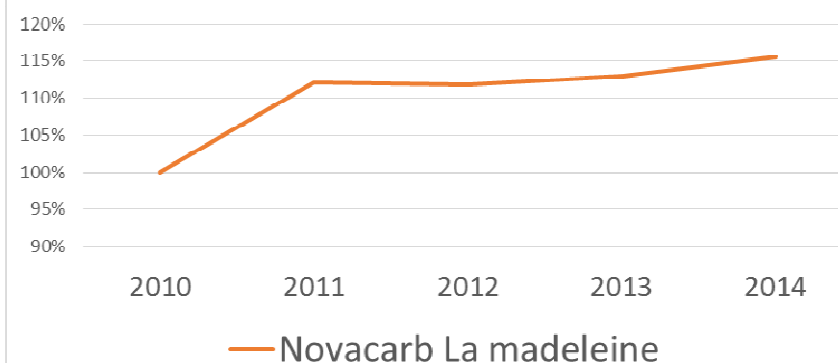
- The main contributors in energy consumption are Mineral Specialties' and Performance chemicals divisions and specifically Novacarb and Novapex Business Units.

- Novapex: After a huge reduction (more than 30% in ton/ton) in the last decade, Novapex is continuously working to reduce energy consumption (-7% in 4 years)
- Novacarb has got an increase of energy consumption due to strong production increase of Bicarbonates at the beginning of the decade which is now stabilized and some continuous improvement initiatives are in progress to contain the evolution and reduce the impact

Energy consumption in kWh per year
base 100 in 2011

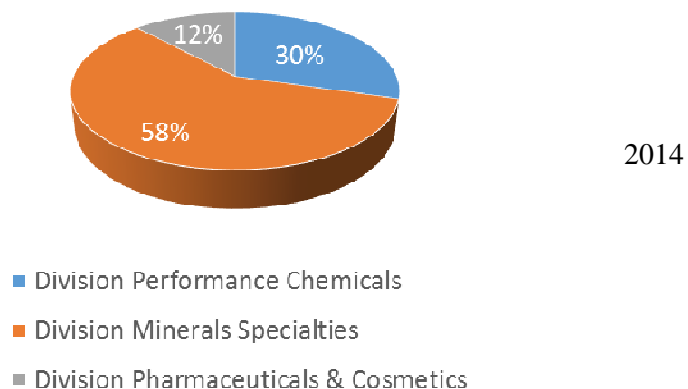


Energy consumption in kWh per year
base 100 in 2011



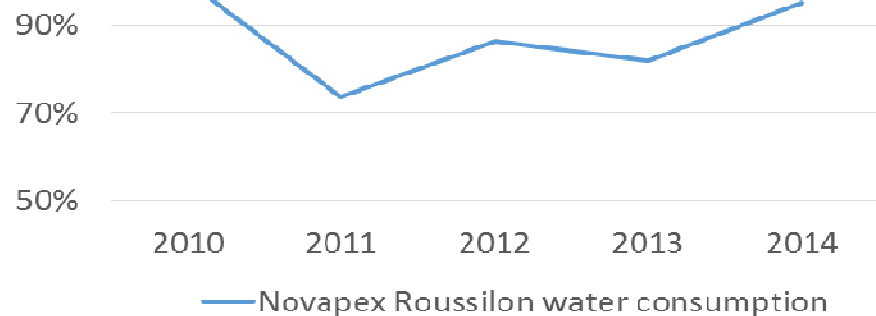
Water consumption

Water consumption in M3 per year by division

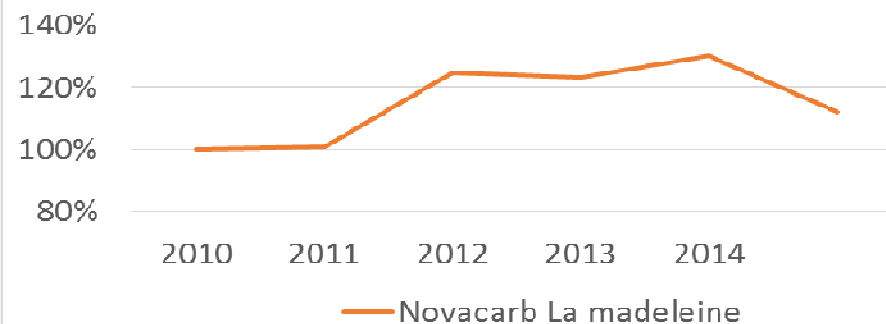


- The main contributors in Water consumption are Mineral Specialties' (58%) and Performance chemicals (30%) divisions and specifically Novacarb and Novapex Business Units.
 - After a huge reduction (ton/ton) in the last decade , Novapex is continuously working to contain increase of water consumption
 - Novacarb has got an increase of water consumption which is now stabilized and some continuous improvement initiatives are in progress to reduce the impact.

Novapex Roussilon water consumption

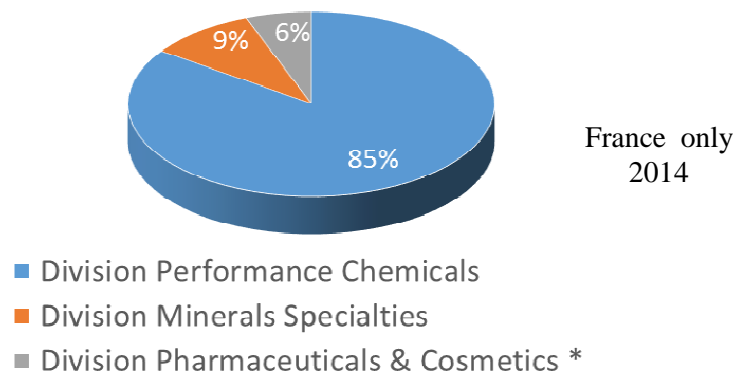


Novacarb La madeleine water consumption

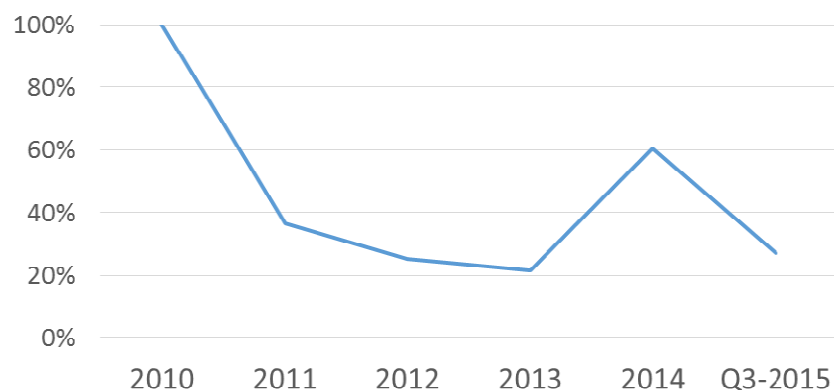


Volatile organic Compounds (gas emission)

VOC (Volatile Organic Compounds)
by divisions



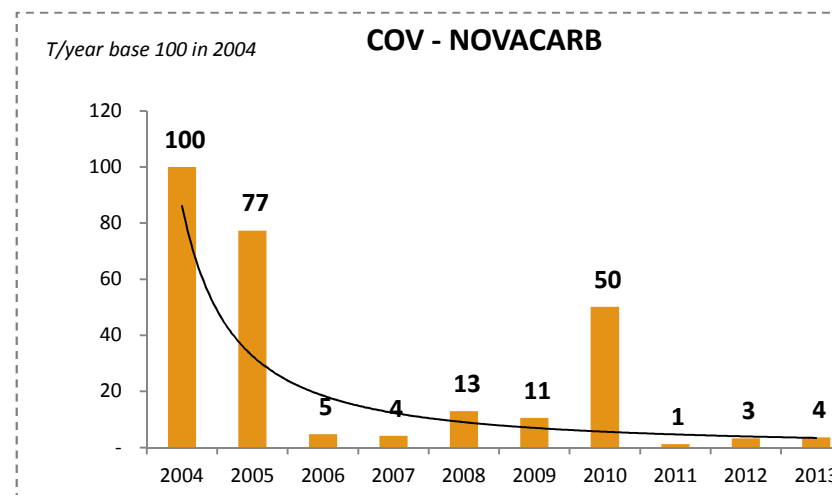
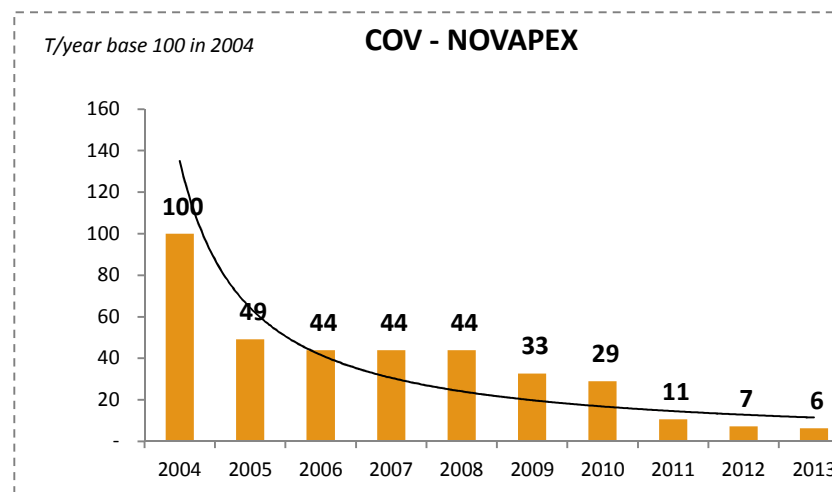
VOC (Volatile Organic Compounds) in tons per
year Novapex Roussillon base 100 in 2010



- VOC is actually measured on French sites only. The main contributors in energy consumption Performance chemicals divisions and specifically Novapex Business Units.
- Novapex unit has undertaken to reduce its ecological footprint by permanently improving its processes. The site has been equipped with a destruction system for volatile organic components (VOC) from the plant synthesis reactor.
- All the flows and vents generated by the production activity are connected to an incinerator handling these emissions to make them odorless, color free and non-toxic. The VOC destruction rate is 98%.
- During the same period, Novcarb which was a significant contributor with more than 15% in 2010 succeed to reduce its impact.
- Despite lack of data, Ynagzi invested in Scrubber in PNP workshop to reduce VOC emission and to finally comply with local regulation.

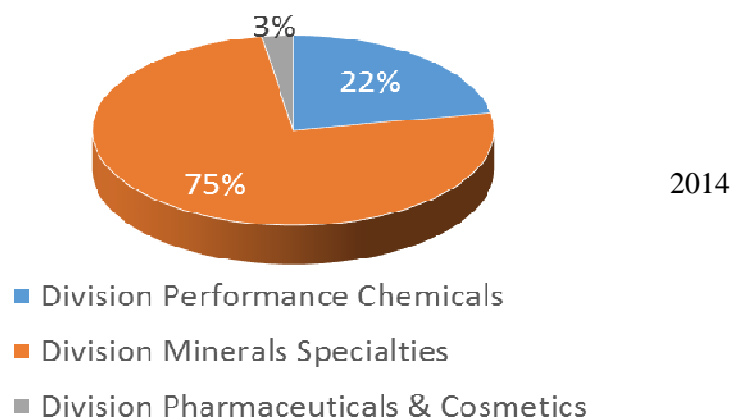
Atmospheric emissions : reminder of the last decade results

- Reducing atmospheric emissions: volatile organic compound destruction system in Roussillon
- Novapex unit has undertaken to reduce its ecological footprint by permanently improving its processes. The site has been equipped with a destruction system for volatile organic components (VOC) from the plant synthesis reactor.
- All the flows and vents generated by the production activity are connected to an incinerator handling these emissions to make them odorless, color free and non-toxic. The VOC destruction rate is 98%.



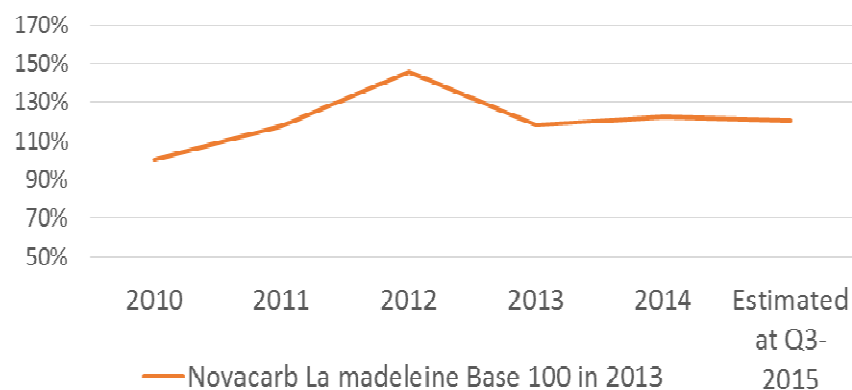
CO2 emission

CO2 Emission in tons by division

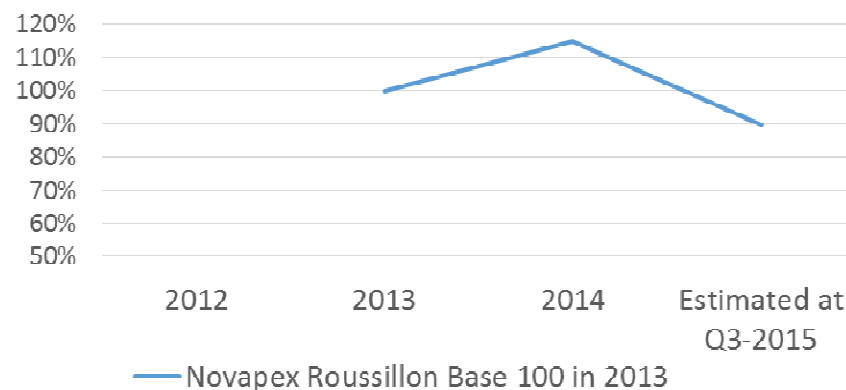


- The main contributors in CO2 emission are Mineral Specialties' and Performance chemicals divisions and specifically Novacarb and Novapex Business Units. Novacap is now monitoring at group level its CO2 emissions
- Since 2013 (PNAQ3), Novapex has been monitoring its CO2 impact, through its suppliers. It participated to the implementation of several initiatives to reduce CO2 as Biomass investment in Roussillon (2014), continuous projects on Energy consumption reduction,...
- Novacarb has got an increase of CO2 emission consumption due to strong production increase of Bicarbonates at the beginning of the decade which is now stabilized and some continuous improvement initiatives are in progress to contain the evolution and reduce the impact

CO2 Emission in tons per year

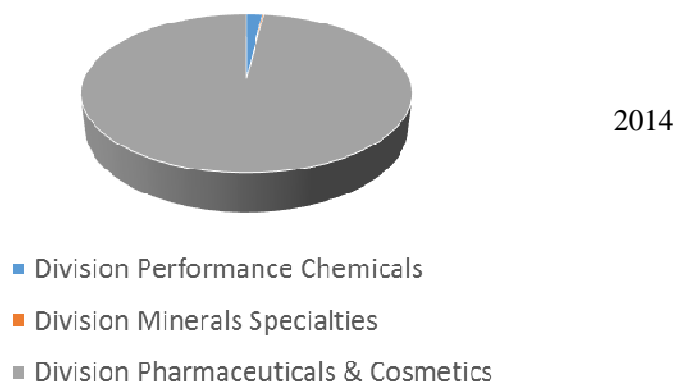


CO2 Emission in tons per year



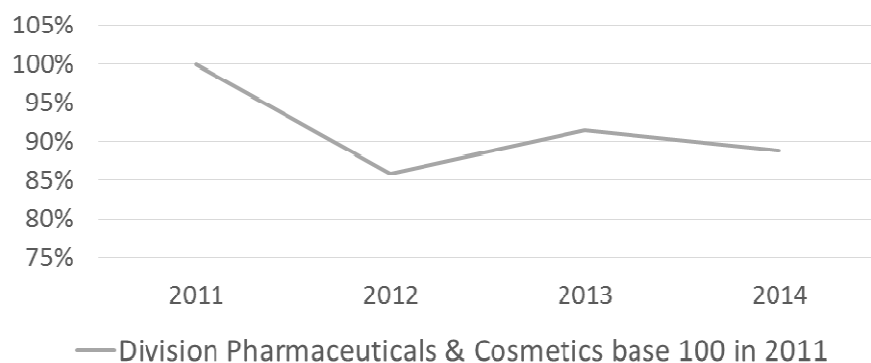
Global Oxygen Chemical Demand for effluents

OCD (Oxygen Chemical Demand) in tons eq O₂ per year by division

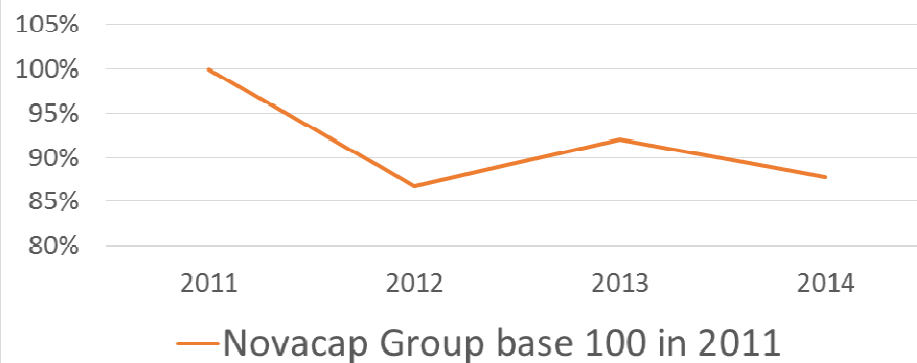


- The main contributors in OCD is pharmaceuticals & cosmetics divisions. Nevertheless, all our sites have got waste water treatment units to comply with local regulations.
- All our continuous improvement project are contributing to reduce this environmental impact as for example an investment in Roussillon to reduce the specific unitary consumption of a raw materials reducing the waste effluents generation and consequently the quantity to be treated in WWTU.
- Novapex unit has undertaken to reduce its ecological footprint by permanently improving its processes. The site has been equipped with a destruction system for volatile organic components (VOC) from the plant synthesis reactor. All the flows and vents generated by the production activity are connected to an incinerator handling these emissions to make them odorless, color free and non-toxic. The VOC destruction rate is 98%.
- During the same period, Novcarb which was a significant contributor with more than 15% in 2010 succeed to reduce its impact.
- Note the project Salty in Yangzi to better manage/ recycle effluents

OCD (Oxygen Chemical Demand) in tons eq O₂ per year

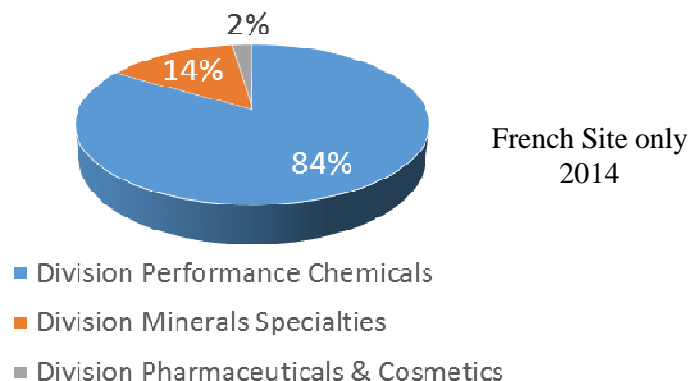


OCD (Oxygen Chemical Demand) in tons eq O₂ per year



Suspended solid in aqueous effluents (MES)

Suspended solids waste in water in tons by division

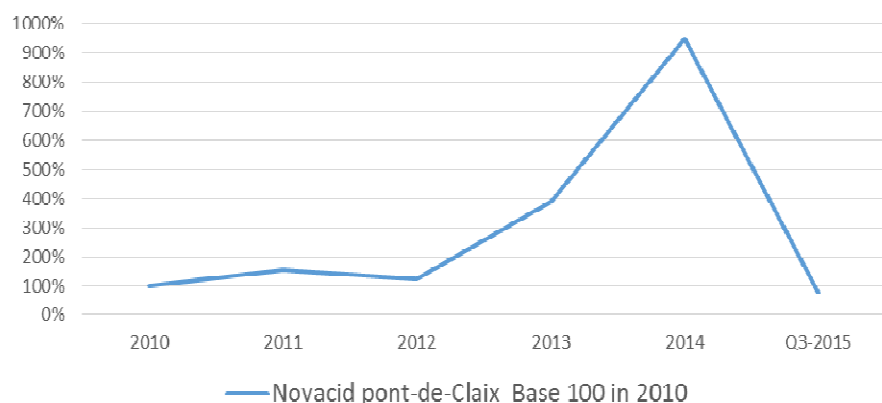


■ MES are mainly measured in France. The main contributors in suspended solid emissions (2014) are performance chemicals (84%) and Mineral specialties' (14%) and specifically Novacid (Pont-de-Claix) and Novacarb (La Madeleine) Business Units. In 5 years, MES has been divided by 2

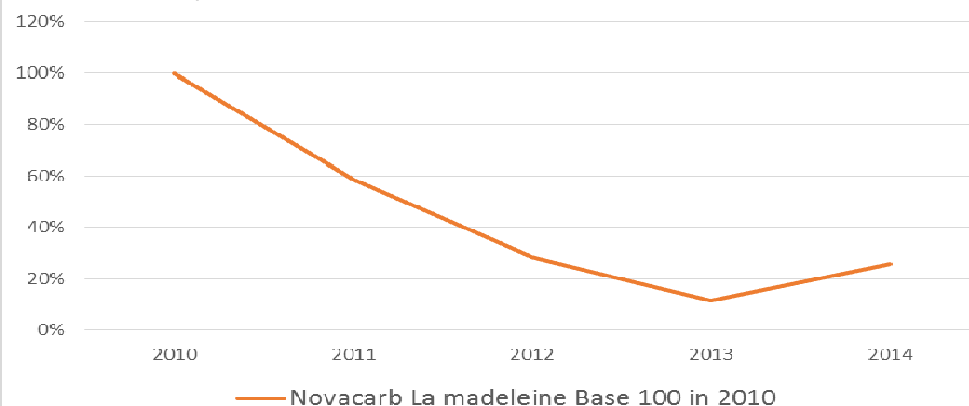
— Since 2010 Suspended solids was increasing s=due to CaCl_2 production. In order to contain this Environmental impact it has been decided to invest in 2014 in a sustainable technical solution reducing drastically (-95%) the suspended solids emissions.

— During the same Novacarb has got an increase of CO_2 emission consumption due to strong production increase of Bicarbonates at the beginning of the decade which is now stabilized and some continuous improvement initiatives are in progress to contain the evolution and reduce the impact

Suspended solids waste in water in tons

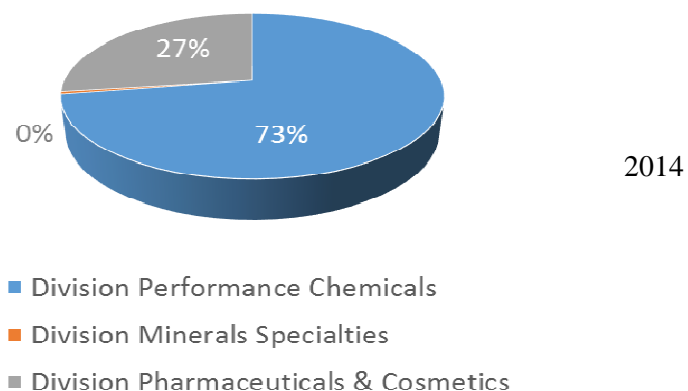


Suspended solids waste in water in tons



Hazardous solids wastes

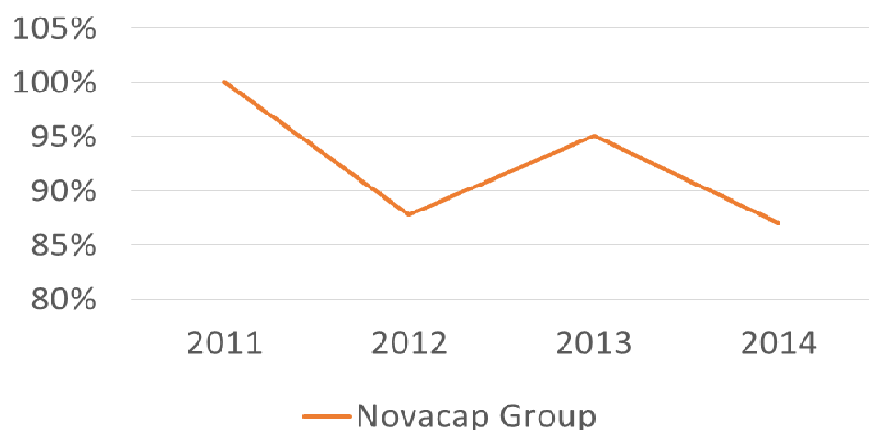
Hazardous Solid Waste in tons per year



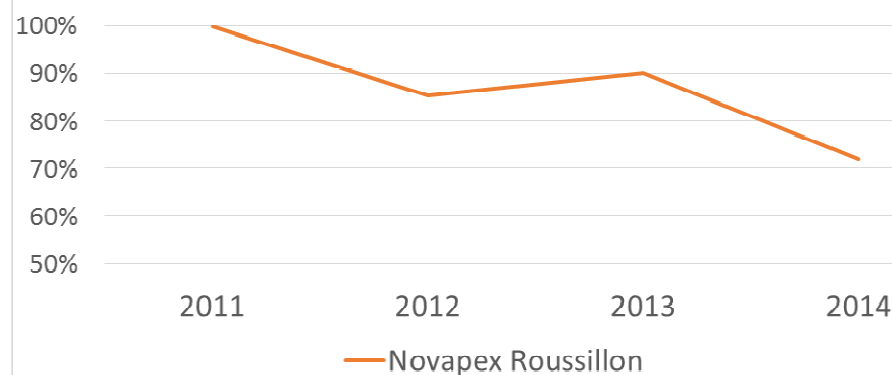
■ The main contributors in hazardous waste (2014) are performance chemicals (73%) and Pharmaceuticals & Cosmetics (27%) and specifically Novapex (Roussillon) and China sites. During the last 4 years, the Hazardous solid wastes has been reduced by -13%

- Since 2011 Novapex effort are significant (reduction of nearly -30%)
- For China sites, all Wuxi and Zhenjian hazardous wastes are collected, treated and disposed by a licenced hazardous waste treatment contractor.
- Yangzi has decided to invest in an incinerator to treat on site hazardous waste. Until Incinerator commissioning, the site stores its tars on site.

Hazardous Solid Waste in tons per year



Hazardous Solid Waste in tons per year
Base 100 in 2011





Appendix 1

Examples of SD indicators by Business Unit

Novacarb and Novapex Indicators

KPIs_Sustainable Development _NOVACARB		
Objectif	Indicateur	Unité
Baisser les émissions	Emissions dans l'air	
co2	Dioxyde de carbone (CO2) chaufferie (quotas)	t
Sox	Oxydes de soufre (chaufferie)	t
Nox	Oxydes d'azote (chaufferie + TAG + FSD)	t
	Poussières chaufferie	t
Baisser les émissions	Emissions dans l'eau	
	MES (matières en suspension : rejets salins + égouts + petites e	t
Baisser les consommations augmenter les rendements	Consommations et rendements	
NH3	Consommation d'ammoniac rendement fours à chaux en thermies / TCT	t thermies/TCT
Améliorer la sécurité des personnels	Sécurité / Santé	
	TF1 interne	
	TF1 sous-traitants	
	TF2 interne	
	TF2 sous-traitants	
	nombre d'accident mortel	/a
	nombre d'audits sécurité de chantiers	/a
	# de VSH (Visite Sécurité de la Hiérarchie)	/a
	Exercices collectifs de sécurité (en nombre par an)	/a
Sensibiliser les personnels au DD	Formations	
	# heures de formation HSQE	heures
	% de l'effectif impliqué en une formation/sensibilisation au développement du	
Satisfaire et informer nos clients	Clients & Produits	
	Certifications ISO 9001	%
	Certification ISO 14001	%
	Certification OHSAS 18001	%
	Certification GMP	%
	Nombre de réclamations clients	/a
	Nombre de dysfonctionnements qualité et logistique	/a
	FDS + fiches techniques produits à jour + enregistrement REAC	%
Intégrer mieux nos usines à leur territoire	Communautés - Ecofiscalité	
	# de contacts avec les communautés	/a
	nombre de plaintes externes environnement	/a
	Taxes Environnement = TGAP + VNF + AERM	k€
	Investissement et coûts SE (en M€)	M€

KPIs_Sustainable Development _NOVAPEX	
Objectif	Indicateur
Baisser les émissions	Emissions dans l'air
	Composés organiques volatils COV (en T) - cf add 1
	Substances concourant à l'acidification (en T. éq. SO2) - cf add 2
	Tonnes de vapeurs/an
	Gaz à effet de serre (T éq. CO2 non renouvelables / T de vapeur) - cf add 3
	CO2/t Phénol
	Poussières (en T)
	Métaux Zn + Cu + Ni (en T)
	Métaux As + Cd + Cr + Hg + Pb + Sb (en T)
Baisser les émissions	Emissions dans l'eau
	DCO (en T de O2) sur 42S
	Phénol t/an
	MES (en T)
	Métaux Zn + Cu + Ni (en T)
	Métaux As + Cd + Cr + Hg + Pb + Sb (en T)
Valoriser les co-produits , produire moins de déchets	Déchets solides et liquides
	Déchets dangereux hors valorisation matière (en T/ an)
	Déchets non dangereux (en T/ an)
	Ventes de co-produits (en T/ an)
Baisser les consommations , augmenter les rendements	Consommations et rendements
	Consommation d'eau (en m3/ T produites par an)
	Consommation énergétique (en kWh/ T produites par an)
	Rendements des principaux produits (en %)
	Consommation d'emballages (en unité/ T produites par an)
	Gain rendements % 2003
Améliorer la sécurité des installations industrielles	Sécurité industrielle
	Exercices POI (en nombre par an)
	Investissement et coûts QHSE (en M€)
	Provisions Environnement (en M€)
Réduire les transports routiers au profit du train , du fluvial et du pipe C3	Transports
Route = Appro MP + Ventes PF	Route (en kT transportées/ an)
	Route %
Fluvial = Appro benzene	Fluvial (en kT transportées/ an)
Train = Ventes PF + appro benzene	Train (en kT transportées/ an)
Pipe = Appro C3 + Appro soude + Ventes Phenol Novacyl	Pipe C3 (en kT/ an)
Améliorer la sécurité des personnels	Sécurité
	TF1 interne
	TF1 sous-traitants
	TF2 interne
	TF2 sous-traitants
	TF3 interne
	# de VSH (Visite Sécurité de la Hiérarchie)
	# heures de formation sécurité
	Chantiers 5S
Sensibiliser les personnels au DD	Formation, sensibilisation au Développement Durable
	% de l'effectif impliqué
Satisfaire et informer nos clients	Clients & Produits
	Certifications (% de renouvellement des certifications ISO , autres)
	Enquête clients (% de réalisation d'une enquête annuelle)
	FDS (% de mise à jour triennale)
	Substances CMR (% de traitement)
Intégrer mieux nos usines à leur territoire	Communautés
	# de contacts avec les communautés
	Taxes Locales (en k€)

Novacid and Novacyl France Indicators

KPIs Sustainable Development _ NOVACID		
Objectif	Indicateur	Unité
Baisser les émissions	Emissions dans l'eau MES FER Volume journalier ESA2	nb de jour de dépassement m3
Valoriser les co-produits , produire moins de déchets	Déchets solides et liquides Déchets gateaux de filtration/ FeCl3 fabriqué x1000	T/T x1000
Baisser les consommation	Consommations Consommation d'eau indus Consommation d'eau potable	m3 m3
Améliorer la sécurité des personnels	Sécurité TF1 interne TF1 sous-traitants TF2 interne TF2 sous-traitants TF3 interne TF3 sous-traitants	
Améliorer la sécurité des installations industrielles	Sécurité industrielle Exercices POI Simulation des situations d'urgence interne (nombre par an) Veille réglementaire : conformité Transports KPI	(nombre par an) (nombre par an) % %
Tracabilité et satisfaction Client	Qualité Certifications (% de renouvellement des certifications ISO , autres) Certification intégrée des 3 Systèmes de Management	
Intégrer mieux nos usines à leur territoire	Communautés/ecofiscabilité Nombre de communication à chaud avec l'extérieur Nombre Comité HSE plate-forme	(nombre par an) (nombre par an)

KPIs Sustainable Development _ NOVACYL _ ROUSSILLON - SAINT FONTS		
Objectif	Indicateur	Unité
Baisser les émissions	Emissions dans l'air COV totaux RON Poussières totales RON Tonnes de vapeur RON Gaz à effet de serre SFC (teq CO2 /an) Gaz à effet de serre RON (teq CO2 /an)	t en C/an kg/an t/an
	Emissions dans l'eau Ind. phénol canal 3-2 RON DCO Roussillon canal 3-2 MEST RON canal 3-2	kg/an t/an t/an
	Déchets solides et liquides DIS Saint-Fons DIS Roussillon (hors goudrons valorisés) Valorisation goudrons RON Valorisation acide acétique SFC	t/an t/an t/an t/an
Baisser les consommations Augmenter les rendements	Consommations et rendements Consommation d'eau indus RON Consommation V30 RON Consommation d'eau indus SFC Consommation V6 SFC	m3/t Sali t/t Sali m3/t Rhodine t/t Rhodine
Améliorer la sécurité des personnels	Sécurité TF1 TF2 TF3 Fiches événements "personnel" impact pot. audits de chantiers (SFC+RON) Formation/sensibilisation sécurité plans de prévention (SFC+RON) flashs sécurité (SFC+RON)	nombre nombre heures nombre nombre
Améliorer la sécurité des installations industrielles	Sécurité industrielle exercices POI sur zone (SFC+RON) Fiches événements impact sécurité+environ. Investissements HSE (SFC + RON)	nombre nombre k€
Sensibiliser les personnels au développement durable	% effectif impliqué (SFC+RON)	%
Satisfaire et informer nos clients	réclamations clients OTIF	nombre %
Intégrer mieux nos usines à leur territoire	Communautés/ecofiscabilité contacts avec les commuautés Visites écoles Taxes environnement Taxes locales	nombre nombre k€ k€

Novacyl asia Indicators

KPIs Sustainable Development _ NOVACYL _ BANGPOO		
Type	Indicator	Unit
Reduce emissions and impacts	System implementation	
	3RHSE updated	nb
	ISO 14000 deployment	% YTD
	Solid wastes	
	Waste treated by outside (ton)	t/an
	Liquid effluents	
Better integration of our plants in territory	BOD average : outlet to industrial zone (PPM.)	ppm
	Environmental impact	
Improve safety at work	Total water consumption (m3)	m3/an
	Monthly safety visit on site by top management	nb
Improve process safety of assets	Number of observations	nb
	Hazop studies completed	% YTD
Better integration of our plants in territory	Number of visit and meeting with authorities, FDA.	nb
	Fixed cost-Maintenance (k'Baht)	kBaht
Improve economical performance	RFT	%
	Net OEE	%
	Production cost (VC Baht/kg)	Baht/kg
Satisfy and Inform our customers	TURN	nb/an
	OTIF C	%
	OTIF-S	%
KPIs Sustainable Development _ NOVACYL _ WUXI		
Type	Indicator	Unit
Reduce emissions and impact	Liquid Effluents	
	Monthly waste water from process (kMT)	kT/an
	COD Volume outlet to industrial zone WWTU (kg)	T/an
	COD volume to outsources (equivalent to solid MT)	T/an
	Solid Wastes	
	Waste solid total volume (MT)	T/an
Better integration of our plants in territory	Environmental impact	
	Total water consumption (KMT)	kT/an
Improve safety at work	Monthly safety visit on site by top management	nb
	Number of observations	nb
	Non compliance with PPE policy (cases)	nb
Improve process safety of assets	Hazop studies competed (33 drawings: DC and API section / YTD)	%
	risk mitigation analysis completed	%
Better integration of our plants in territory	Number of visit and meeting with town and city administration bureaux	nb
	Net OEE for APAP powder %	%
Improve economical performance - reduce consumptions	Net OEE for DC FB %	%
	PAP usage factor	kg/t
	Steam usage factor	T/T



Appendix 2

Executive summary of ExFI Partner March 2015 report

Executive Summary of ExFi Audit



Executive summary

Confidential

- Given its origin (build-up of former subsidiaries of large international Groups) and its belonging to the industrial chemistry sector, Novacap is expected to develop a sustainable development policy. The Group goes beyond these expectations by developing an advanced and well-structured policy, made up of general commitments and precise objectives, revised every year by a double process, bottom-up (subsidiaries setting their own annual objectives) and top-down (the Group validates these objectives and imposes new ones).
 - Sustainable development is part of the corporate culture of Novacap, with the participation of all hierarchical levels to the meeting of annual ESG objectives.
 - The new sites (Puyuan and Nogent l'Artaud in 2014, Yangzi in 2013) are integrated to this dynamic and participate to the annual reporting and objectives. Priority is given to bring these facilities up to social and environmental Western standards.
- In 2014, both the size of the company and the implementation of Operational Excellence practices conducted Novacap to establish major changes in its organisation, policies and monitoring tools
 - Subsidiaries have been grouped into three Divisions: Performance Chemicals, Mineral specialties, Pharmaceuticals & Cosmetics
 - Legal and compliance integration was of primary concern last year. The implementation of its first Code of Conduct expressed Novacap willingness to monitor and lessen its extra-financial risks.
 - Several initiatives have been set up to encourage knowledge sharing: strengthening of the HR and HSE networks through regular meetings, organisation of the first HSE and SD trophies, etc.
 - Novacap has started to define and monitor common HR and environmental indicators at Group level.
- Several improvement areas were identified in the course of the analysis, including three that are proposed for the ESG roadmap of Novacap for the coming years:
 - Keep defining common Human Resources and Environmental indicators at Group level and report on them. Set up HR and environmental objectives at Group level
 - Conduct customer satisfaction surveys in all subsidiaries
 - Define a common responsible procurement policy and assess suppliers on their CSR performances.
- Novacap performs regular industrial performance projects aimed at improving the efficiency of its processes. It is especially the case in China, where Novacap is quickly improving the industrial processes of each of its newly acquired plants. These projects often have both an economical impact and an impact on sustainable development KPIs. Four business cases were formalized by Novacap and ExFi Partners to illustrate this link between ESG and performance.
 - Three of them were selected among the winners of the HSE-SD trophies: PAP recovery in Yangzi, energy efficiency in Wuxi, acid and soda savings in Roussillon.
 - One more business case was formalised on the reduction of work-related accidents since 2009.
 - The results of these business case show a strong contribution to the Group's EBITDA generation.

Executive Summary of ExFi Audit

Comparison with last year

	Criteria	2013	Trend (2013-2014)	2014
G	1. Governing bodies	~	↗	+
	2. CSR strategy and risk management	+	↗	+
HC	3. Social policy and strategy	~	↗	+
	4. Human resources management	~	↗	+
	5. Diversity and equal opportunities	~	→	~
	6. Health and safety	+	↗	+
	7. Social dialogue	+	↗	+
E	8. Environmental policy and Environmental Management System	+	↗	+
	9. Energy and emissions	+	↗	+
	10. Water	+	↗	+
	11. Waste	~	→	~
ES	12. Purchasing process and responsibility towards suppliers	~	↗	~
	13. Responsibility towards clients	+	↗	+
	14. Relations with communities	+	↗	+

Materiality level	Current situation
High	+ Good practice
Medium	~ Standard practice
Low	- No formalisation / weak practice

Materiality level for Novacap sector:

Among 14 themes audited, regarding Chemical sector practices :

- 7 are considered as “high”
- 5 are considered as “medium”
- 2 are considered as “low”

Novacap Situation:

- 😊 12 themes with recent improvements
- 😊 No weak practices
- 😊 No deterioration of practices observed
- 😐 No clear improvement on 2 Standard practices only

Note: CSR = Corporate Social Responsibility

ESG Roadmap proposal for 2015-2016

Objectives	Rationale	Action Plan	Proposed schedule
a) Define common Human Resources and Environmental indicators at Group and set Group objectives	<ul style="list-style-type: none"> Novacap has recently started monitoring common human resources indicators at Group scale. Specific objectives could be set up at Group level and monitored by these KPIs. Each production site follows its own sets of environmental KPIs, adapted to their industrial processes (example of water consumptions and effluents) These indicators are not harmonised across sites nor always consolidated by Division. 	<ul style="list-style-type: none"> Define HR objectives in accordance with Novacap priorities. Decline specific targets for each subsidiary taking into account context and margin of progression. Define common indicators which are relevant for each Division (energy and water consumptions, CO2 emissions, waste disposal, etc.). Consolidate and monitor these indicators. 	By the end of 2015
b) Design a Group responsible procurement policy and strategy	<ul style="list-style-type: none"> Several subsidiaries have begun to assess their suppliers on HSE aspects (Novapex especially) The Group gives more and more importance to their suppliers' CSR practices. Several initiatives have been already implemented to this end (Vigilegal, Code of conduct) 	<ul style="list-style-type: none"> Set up a responsible procurement policy <ul style="list-style-type: none"> Identify the main CSR risks faced by suppliers and their potential impact on Novacap. Design a group wide policy addressing these issues. Monitor supplier practices <ul style="list-style-type: none"> Identify relevant initiatives implemented by subsidiaries (questionnaire, dialog, etc.). Define an assessment method, periodicity and appropriate corrective actions. 	By the end of 2016
c) Conduct customer satisfaction surveys in all subsidiaries	<ul style="list-style-type: none"> Several subsidiaries conduct satisfaction surveys on a regular basis (Novacarb, Novapex). This procedure does not seem to be systematic in all the subsidiaries. 	<ul style="list-style-type: none"> Conduct the same type of survey for all the subsidiaries. 	By the end of 2015



Appendix 3

Global compact principles & Responsible Care elements

The UN Global Compact's 10 principles

- **The UN Global Compact's 10 principles in the areas of human rights, labor, the Environment and anti-corruption enjoy universal consensus and are derived from:**
 - The Universal Declaration of Human Rights
 - The International Labor Organization's Declaration on Fundamental Principles and Rights at Work
 - The Rio Declaration on Environment and Development
 - The United Nations Convention Against Corruption
- **The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labor standards, the Environment and anti-corruption:**
 - **Human Rights**
 - Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights
 - Principle 2: make sure that they are not complicit in human rights abuses.
 - **Labor**
 - Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
 - Principle 4: the elimination of all forms of forced and compulsory labor;
 - Principle 5: the effective abolition of child labor;
 - Principle 6: the elimination of discrimination in respect of employment and occupation
 - **Environment**
 - Principle 7: Businesses should support a precautionary approach to Environmental challenges;
 - Principle 8: Undertake initiatives to promote greater Environmental responsibility;
 - Principle 9: Encourage the development and diffusion of Environmentally friendly technologies.
 - **Anti-Corruption**
 - Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

The 9 elements of the “Responsible Care” Global Charter

■ 1 Adopt global responsible care core principles

- A common set of commitments between companies and associations has been developed to harmonize the 52 national programs

■ 2 Implement fundamental features of national responsible care programs

- The 8 fundamental features, common to every national program, remain unchanged

■ 3 Commit to advancing sustainable development

- The Charter encourages the global chemical industry to make a strong contribution to sustainable development by implementing supportive initiatives

■ 4 Continuously improve and report performance

- Continuous improvement in performance remains at the core of the initiative. A range of new activities will be implemented to further help the drive of enhanced performance

■ 5 Enhance the management of chemical products worldwide

- The Charter identifies a number of commitments to strengthen product stewardship and the management of chemicals. These will be developed in conjunction with the ICCA’s new Global Product Strategy

■ 6 Champion and facilitate the extension of responsible care along the chemical industry’s value chain

- Responsible Care will be promoted along the different value chains of the chemical industry

■ 7 Actively support national and local responsible care governance processes

- There will be enhanced governance to ensure greater transparency and accountability in the collective implementation of the initiative

■ 8 Address stakeholder expectations about chemical industry activities and products

- Dialogue processes will be extended at local, national and global levels

■ 9 Provide appropriate resources to effectively implement responsible care

- Responsible Care companies are expected to lend support to their national programs



Appendix 4

Press release

Responsible Care Novacap 2015 Commitment



Press release on Novacap SD deployment

ESG management improvements performed in 2014



LYON – May 19th, 2015

NOVACAP'S SUSTAINABLE DEVELOPMENT POLICY HAS IMPROVED AGAIN IN 2014, ACCORDING TO CONSULTING FIRM EXFI PARTNERS.

Novacap's sustainable development policy was analysed for the fourth consecutive year, by the ESG consulting firm ExFi Partners. This analysis was performed on Ardian's request, as part of a broader annual review of its portfolio companies on environmental, social and governance criteria ("ESG").

Since 2010, the group has made sustainable development a central priority by committing to a structured programme organised around three key principles, namely, economic performance, social responsibility and environmental protection.

On the fourteen criteria analysed by ExFi Partners, 11 were assessed at the highest level ("good practice") and 3 were assessed as "standard practices". Whilst its international presence has grown significantly, the group has made notable progress in five key areas: CSR and risk management strategy, human resource management, social dialogue, purchasing processes and responsibility with regard to both suppliers and clients.

Moreover, Novacap has been included this year in a pilot program led by Ardian and ExFi Partners to assess the economic impact of environmental or social projects in its portfolio companies. Four business cases were conducted on waste recovery, energy savings and work-related accident. Results showed that these projects had significant sustainable financial impacts for the Group, on top of environmental and social benefits.

"This pilot project was a good opportunity to illustrate that environmental and social excellence lead to operational excellence and finally to economic benefits" says Jean Louis Martin, Industrial Director at Novacap.

The analysis was carried out over the course of five days in the first quarter of 2014 as part of an annual review of ESG (environmental, social & governance) policies in several companies held by the investment firm Ardian, which has shares in Novacap. Interviews with Novacap and Ardian managers were conducted as well as visits to production units and an analysis of 2013 data supplied by Novacap. The frame of reference for the analysis is a standard used by ExFi Partners. The Novacap group is pleased with its benchmark position amongst Ardian companies and aims to continue to make progress in 2014 in terms of economic performance, corporate social responsibility and environmental protection.

"We are proud that Novacap is considered as a benchmark in Ardian's portfolio companies as well as a reference player among the companies analysed by ExFi Partners. This achievement is a recognition of our constant focus on sustainable development topics and our structured program initiated in 2010" says Pierre Luzeau, Chairman and CEO of Novacap.

ABOUT NOVACAP

Novacap is a global diversified chemicals Group that produces and distributes essential chemicals that are used in everyday products and enjoys leading positions in its target growing end-markets of pharmaceutical & healthcare, food & feed, cosmetics & fragrances, home care and environment. The Group is an industry leader across a wide range of products including aspirin, paracetamol, salicylic acid, para-aminophenol, soda ash, sodium bicarbonate, phenol and oxygenated solvents, hydrochloric acid and ferric chloride. With an increasing international footprint fueled by organic growth, acquisitions and solid partnerships, the Group is experiencing sustainable and profitable growth, demonstrating its entrepreneurial spirit and audacious strategy. Novacap is a supplier to more than 650 customers across more than 80 countries and has made sustainable development a key priority, combining economic performance with social responsibility and respect for the environment. With 13 worldwide facilities, 1,420 people and a global commercial network, the Group is organized into three business divisions: Mineral Specialties, Pharmaceutical & Cosmetics and Performance Chemicals. Novacap is headquartered in Lyon (France). For more information: www.novacap.eu or contact Nathalie Vallier, Head of Communications, tel: +33 4 26 99 18 18 nathalie.vallier@novacap.eu.