

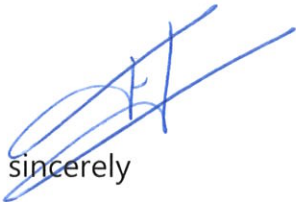
Communication On Progress

Implementing UN global compact principles in Aliancys AG

1. Introduction

I am pleased to confirm that Aliancys AG renews its ongoing commitment to support the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In our current annual Communication on Progress report, we describe our continued efforts and new implemented actions to integrate the Global Compact and its principles into our business strategy, culture and daily operations. We are also committed to share this information with our stakeholders using our primary channels of communication.



Yours sincerely

Franciscus J.P.M. Theeuwes

Chief Financial Officer EMEA/ Asia



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2. Aliancys AG:

Company introduction and its approach to the 10 principles

Aliancys AG as part of the AOC Aliancys group is a leading global company active in the sale of quality resins for composite applications. Together with its customers, Aliancys is pushing the limits of both composite part manufacturing and performance. Aliancys can build on a 50 year track record of supplying composite resins and has a heritage of quality, innovation and sustainability. Taking an integral approach to new product development, Aliancys uses its full expertise in quality resins, material science, testing and certification, and composite component manufacturing in order to shape new composites applications. The company's EMEA/Asia headquarters are based in Schaffhausen, Switzerland. Aliancys is a joint venture of CVC Capital Partners and Royal DSM.

Aliancys AG joined the UN Global Compact programme in November 2016, and has continuously confirmed its support for the ten principles on human rights, labour, environment and anti-corruption ever since. Aliancys is committed to make these principles part of its strategy, culture and daily operations.

In view of this, we hereby present our actions and initiatives.



A. Human Rights Principles

- **Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;**
- **Principle 2: Businesses should make sure that they are not complicit in human rights abuses.**

Assessment and Policy of Aliancys AG

- ensures workers are provided safe, suitable and sanitary work facilities.
- protects workers from workplace harassment, including physical, sexual, verbal or psychological harassment, abuse or threats.
- ensures non-discrimination in personnel practices.
- respects international guidelines and standards.
- understands its customers' markets and business drives. Committed to mutual commercial success, we work together in creating value and materializing composite innovations. We provide excellent service, running our operations in a smooth and flawless way. We stand for teamwork and collaboration, bringing out the best in our people across all functions and regions. We treat others with dignity and respect, communicate openly and promptly, and take care of safety and the environment.
- provides safe and healthy working conditions, by taking measures to eliminate elements that could harm or threaten human life and health during the manufacture or disposal of products.
- staff regulations regarding anti-bullying, anti-harassment, equality and a general duty of care apply.
- commits all suppliers to follow Aliancys' Supplier Code of Conduct to ensure the protection of human rights.

Implementation

Aliancys AG has taken the following measures to prevent human rights violations and to provide a safe working environment for its employees:

- a clear company culture for all staff, promoting employees to respect each other and to take care of a healthy and safe work environment.
- a Code of Business Conduct training for all staff upon joining Aliancys and other, regular trainings.
- engagement to the company culture is reviewed on a regular basis. Since 2017 it is an important part of the yearly Performance and Development Review and linked to specific yearly goals allocated to each and every employee.
- during 2019 an HR project was continued to review all job descriptions to align similar jobs across the company and to foster ongoing equality.
- regular auditing of safety of operations, regular review of safety performance of employees, and dedicated safety reviews to identify potential improvements in processes and behaviours.
- installation of a mailbox to report incidents.

Measures of outcomes - goals

Aliancys AG supports its employees to live the company culture continually and to address undesirable situations. Any contravention of human rights will be documented and continued non-compliance will result in the termination of the business relationship. Safety reviews are held regularly.

B. Labour Principles

- **Principle 3: Businesses should uphold freedom of association and the effective recognition of the right to collective bargaining;**
- **Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour;**
- **Principle 5: Businesses should uphold the effective abolition of child labour;**
- **Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.**

Assessment and Policy of Aliancys AG

- ensures that large-scale development operations do not rely on forced labour.
- ensures that there is no discrimination in the recruitment process, remuneration, hours of work and paid holidays, job assignments, training and opportunities, social security.
- complies with the minimum wage standards.
- adheres to minimum age provisions of national labour laws and regulations.
- ensures that the company does not participate in any form of forced labour.

Implementation

Aliancys AG has taken the following measures to support labour principles in its work locations:

- has a time tracking system according to Swiss law.
- allows flexible working hours and home office agreements.
- has started a project to reduce long term illnesses.
- drafts employment contracts in languages easily understood by all employees, and states clearly the termination provisions and procedures that need to be followed.
- human resources policies and procedures support the labour principles.
- prevents discrimination of all kinds including by hiring women in managerial positions.



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- has introduced the Myers-Brigg-Type Indicator (MBTI) to allow employees to better assess different personalities and characters, for a better cooperation between the teams.
- Has provided a first aid course on site for all employees.
- prevents accidents (e.g. 12 Life Saving Rules).
- provides medical insurance for all employees during business travels.
- encourages all employees to exercise regularly in order to maintain good health and reimburses a material part of the yearly fee to a gym club, which also applies for their spouse or partner; Aliancys also provides a small gym on-site.
- pays for and organizes an annual flu vaccination.
- supports good, fresh and natural food in the office by using a supplier offering daily fresh meals or canteens, and fresh fruit weekly.

Measures of outcomes - goals

Aliancys AG is 100% compliant with approved working contracts.

It is our goal to have a high rate of employee satisfaction, low sickness absenteeism and no work accidents. This includes the purchase of a defibrillator.

C. Environment Principles

- **Principle 7: Businesses should support a precautionary approach to environmental challenges;**
- **Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility;**
- **Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies;**

Assessment and Policy of Aliancys AG

- avoids environmental damage through regular maintenance of production processes and environmental protection systems.
- ensures safe handling and storage of chemical and other dangerous substances.
- develops a code of conduct or practice for its operations and products, that confirms commitment to care for the environment and responsible environmental performance.
- establishes a sustainable production programme.
- reuses materials on site.
- changes the process or manufacturing technique.
- changes the product components.
- uses life cycle assessment in the development of new products.
- has two strategic product development project-clusters, both around environmentally friendly solutions (Styrene free and carbon fibre composites).

Implementation

Aliancys AG has taken the following measures in favour of protecting the environment:

- Aliancys AG is very active in the promotion of composites material solutions, which in many applications contribute to lower weight, reduced energy consumption and lower CO₂ emissions.



- In 2019 Aliancys AG was actively involved in the Sustainability Working Group of the European Composites Industry Association (EuCIA), promoting composites recycling initiatives and the development of the EcoCalculator tool for calculating Eco Footprint of composites.
- As part of the collaboration between EuCIA, CEFIC (Industry Association of Chemical Companies across Europe) and Wind Europe (European Industry Association of Wind Turbine Manufacturers), Aliancys AG has made three presentations to multiple audiences about composites recycling.
- In 2019 Aliancys AG gave presentations at various global conferences about styrene free solutions.
- Aliancys AG sponsored the Vattenfall Solar Team and contributed in a major way to the production of the NunaX Solar vehicle, promoting the use of solar energy for cars and demonstrating the importance of light weight and superior aerodynamics for the cars of the future.
- In 2019 Aliancys AG introduced and further developed with its customers several styrene-free technologies for relining house connections, the roofing and automobile industries.
- Aliancys AG is strongly involved in the development of new lightweight technologies for making components on the basis of carbon fibre. In particular, great progress was made in 2019 with solutions for wind energy applications and the automobile industries.
- Aliancys AG is certified ISO 9001-2015.
- Aliancys AG complies with the REACH Regulation ([EC 1907/2006](#)).

Measures of outcomes - goals

Together with its customers, in 2019 Aliancys AG introduced more styrene-free resin solutions that feature lower smell and other emissions compared to alternative solutions. Aliancys AG will continue to produce composite material solutions that reduce energy consumption and lower CO₂ emissions. Aliancys AG has also taken a leadership role in increasing recycling of composite materials.

D. Anti-Corruption Principle

- **Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery**

Assessment and Policy of Aliancys AG

- Aliancys AG is compliant with all relevant laws, including anti-corruption laws.
- has its own Code of Business Conduct and zero tolerance of corruption in any form.

Implementation

Aliancys AG has taken the following measures to fight corruption:

- has introduced an anti-bribery and anti-corruption policy and procedures, such as a limit on the acceptance of gifts to CH 50.00, mentioned in the staff regulations.
- endeavours to implement effective communications channels (whistleblowing).
- supports recurring training, including an anti-bribery and anti-corruption manual.
- Offers regular mandatory online training.

Measures of outcomes - goals

Aliancys AG has finalized the implementation of compliance policies and procedures at company and group level. No bribery or corrupt behaviour was reported in 2019.

Aliancys AG has not been involved in any legal cases, rulings or incidents related to bribery or corruption in the current period.

Our books and accounts are subject to statutory external audit annually. These audits are used as one of the methods of identifying suspicious payments that could be related to bribery or corrupt behaviour. There has been no such incident reported in the current period.