

2019 report



“Sustainable development” ambitions



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2019 FOCUS

STOP
FOOD
PLASTIC

&

ENERGY
SAVING

1 - Presentation of the company

Our roots

METALIS Group is resulting from FALCONNET Company, created in 1929 by Mr. Henri FALCONNET in Pont-de-Roide (FR) whose specialty, since the origin, is the production of flat springs.

In 1961, the second management generation innovates by integrating a new kind of automatic process: multi-slides machine. FALCONNET's brand image is then associated to a high manufacturing quality level.

In 1998, the third generation, understanding that its clients will reduce their panel of suppliers, develops a new technology, precision stamping, by acquiring SIOR, a company located at 70 km, near Besancon (FR).

In 2001, the two companies SIOR and FALCONNET merge and become METALIS company.

In 2002, facing the stakes of globalization, the successors choose to sell METALIS to an international group, AALBERTS. These last years, our small group has tripled in size and developed thanks to organic and external growths.

Thus, in 2003, a new subsidiary is created in Poland: METALIS POLSKA. The same year, METALIS acquires SUD DECOUPAGE group and its 3 entities, located in Antibes, Mazamet and St Quentin-Fallavier (FR).

In 2007, GARNIER Company, specialized in deep drawing and based in Montbrison (FR), joins the group.

In 2008, it is the turn of COTTERLAZ group and its 3 entities, located in Marnaz (FR), Slovakia and China.

In 2011, METALIS India is created in Pune.

In 2014, METALIS Germany is created to support commercially and technically local customers.

In 2015, the Group R&D Centre is created on the plant of Chaudfontaine, for projects development for the entire group and for tooling industrialization of stamping tools for the European plants.

In 2016, a Technical Centre similar to the European one is created in Shenzhen, for the two Asian plants.

In 2018, the group CO-PLANAR has joined METALIS, offering to the group a new footprint in the United States and Mexico. Today METALIS Group and its 1,100 collaborators carry out approximately 110 M€ of turnover and are active on 10 sites worldwide.

ISO 26000

SOCIAL RESPONSIBILITY



Network France
WE SUPPORT



Our strategy

For nearly 15 years, our development strategy is based on 4 points:

- operational excellence: quality of our products and our service,
- economic performance through innovation,
- international footprint: to produce close to our customers,
- “one-stop shop” solution: to offer to our clients all technologies in metal stamping field and create added value thanks to metalloplastic overmolding and assembly solutions.

This strategy is based on strong internal values: passion, respect and “entrepreneurship”. It is accompanied with two internal strategic axes:

- continuous improvement of skills, performance and enthusiasm of the team
- respect and continuous improvement of health & safety of the employees and environment protection.

Our organization

Each site of the group is organized like a real SMEs, in which the local executive team has all the levers to remain powerful and flexible according to market demands.

To benefit from group synergy and to develop in compliance with our values in spite of the strong cultural diversity composing our teams, we have implemented very early common standards of organization:

- ISO 9001 certification from the 90's
- ISO/TS 16949 certification from the beginning of the 20's
- METALIS' Charter of Values from 2005
- METALIS' practices framework from 2006
- Signatory of the United Nations Global Compact from 2006
- ISO 14001 and OHSAS 18001 certification from 2010

In order to unify our approach by including these different reference frames, the management committee of METALIS decided, at the end of 2012, to conform our behaviors to ISO 26000 standard and thus, to adopt a sustainable development plan...

C This approach is led by the group managing director. A CSR director is designated at the corporate level in order to deploy the policies and practices on the sites and to take care of the best practices sharing between all plants. A Health Safety Environment Coordinator is also named on each site.

Our sustainable development approach is integrated into our management system and is deployed on all of our 9 processes.

Our values & governance

Passion, entrepreneurship, client satisfaction, productivity, safety of people, respect of people, cleanliness of the sites and environment respect, conviviality, exemplary attitude and honesty are our Group 10 values.

These values are declined in a group Charter, whose 1° version is dated to 2005. It defines the practices and behaviors each collaborator of the group must respect. This charter deals with the following subjects:

- attitudes towards our clients,
- compliance with the laws, respect of the human and rights (child employment, handicapped people employment, discrimination, psychological and sexual harassment, health and safety at work),
- protection of the environment,
- human resources (freedom of association, social dialogue, development of the human potentials, wages policy, reclassifying)
- choice of the markets,
- professionalism and probity (use of company's assets for personal benefits, financing of politics, regularity of the accounts and registers, gifts given by clients or suppliers, relationships with competitors, selection of the suppliers, purchase of goods or services to suppliers for personal use, confidentiality of the personal and group data, honesty, conflict of interests, recruitment of family members, alcohol, drugs and tobacco consumption, respect of the highway code)

A manager Charter also reminds the expected attitudes from the Top management (respect of the collaborators, respect of the hierarchy, wearing of PPE, safety at work and healthiness of the areas, meetings organization, working time, changing of working time and of holidays periods, renouncement of offered benefits, use of temporary work, training of "students").

The managing members, commercial and purchasing members receive a specific training to this charter (business ethic...) and commit in respecting it (signature) at their arrival in the company (job beginning). They have to certify that they conform to the requirements of this charter at the annual individual interviews.

Beyond our values and this charter, the governance principles of the company are:

- accountability and transparency on the negative impacts of our organization,
- vigilance to identify and treat any risk as soon as possible.

As part of our sustainable development deployment, the cooperation with all the stakeholders is carried out by the managing committee of the group: listening, dialogue, expectations priorities, implementation of the action plans.

Our stakeholders



Our customers: 630 industrial companies of different sizes, from SME of 10 employees to international group of more than 100,000 people. Our clients are located in 41 different countries.



Our shareholders, AALBERTS: all information is available on this website: <http://www.aalberts.nl>



Our collaborators and their representatives: more than 1,100 people of 19 nationalities and speaking 20 different languages, working on the 8 plants of METALIS



Our suppliers & sub-contractors : 440 suppliers (without general purchases suppliers), located in 13 different countries. They are 1,130 if we take into account the suppliers of general purchases.



Local and public collectivities: all the organisms, administrations, city halls, neighbors and also the insurance companies...

An important communication is deployed on our sites with our stakeholders, to identify and take into account their expectations (see on next page). A "SPEAK-UP" procedure is now accessible from our website www.metalis.fr and AALBERTS website to report any fraudulent act.

Communication with our stakeholders



Our customers

Regular sales survey with our strategic customers ("Key Accounts")
Monthly follow-up of "KPI – Key Performance Indicators" for our main customers
"QOS - Quality Operating System« half-year visits and other regular visits
Daily follow-up of customers' needs and requests by our sales team
Dissatisfaction / progress tracks survey on a weblink, accessible from e-mail signatures sent by all METALIS collaborators



Our shareholders

Regular strategic meetings (budgets, strategy review...)
Regular financial reportings (business reviews...)
Visits and follow-up with the insurance company FM Global, mandated by AI group



Our collaborators

Regular satisfaction / motivation survey with the collaborators
System of gaps and improvements identification and treatment ("MPS – Metalis Production System" – "MWOA Metalis Weekly office Animation")
Daily tour on the workshops and proximity management ("Gemba Walk")
Dissatisfaction / progress tracks survey accessible to all the staff (document on paper & IT)



Our partners

Close proximity with local actors: open doors, seminars, trade fairs...
Half-year assessment of strategic and sensitive partners
Regular visits and audits of our suppliers and sub-contracting companies
Regular communication linked to internal / customers needs and requests
Dissatisfaction / progress tracks survey on a weblink, accessible from e-mail signatures sent by all METALIS collaborators



Collectivities

Close proximity with local actors: open doors, visits...
Communication on major evolutions impacting our sites, particularly linked to new projects, new regulations...
Legal monitoring and watch (on taxation, labor rights, health, safety, environment...): realized in France by the legal director and QHSE system director - subcontracted to external consultants for the other countries

General needs & expectations from our stakeholders



Our customers

Respect of their "CSR – Customers Specific Requirements"

Achievement of the defined objectives

Answer to the requests for quotation

Actions following to customers' audits reports, visits reports, claims declarations...

Reactive communication on the diverse modification / evolution requests



Our shareholders

Respect of the defined budget

Achievement of the defined objectives

Strategic analysis and associated actions plan

Respect of Group practices and commitment (code of ethic...)

Actions following to recommendations from insurance audits reports



Our collaborators

Satisfaction on the different factors of well-being at work (meaning of the work, recognition, working conditions, organization of the work, relationships / working atmosphere, men / women equality, equilibrium between private / professional lives, content of the work / autonomy, circulation of information, health at work, social dialogue...) and linked to the motivation levels (ex: pyramid of Maslow)



Our partners

Respect of our CSR commitments (payment lead-time, forecasts, budget...)

Development growth of our activities (budget, long-term forecasts, requests for quotation...)

Support (advices, trainings...) linked to actions from audits reports, visits reports, claims declaration...

Reactive communication (feed-back...) and win-to-win relations



Collectivities

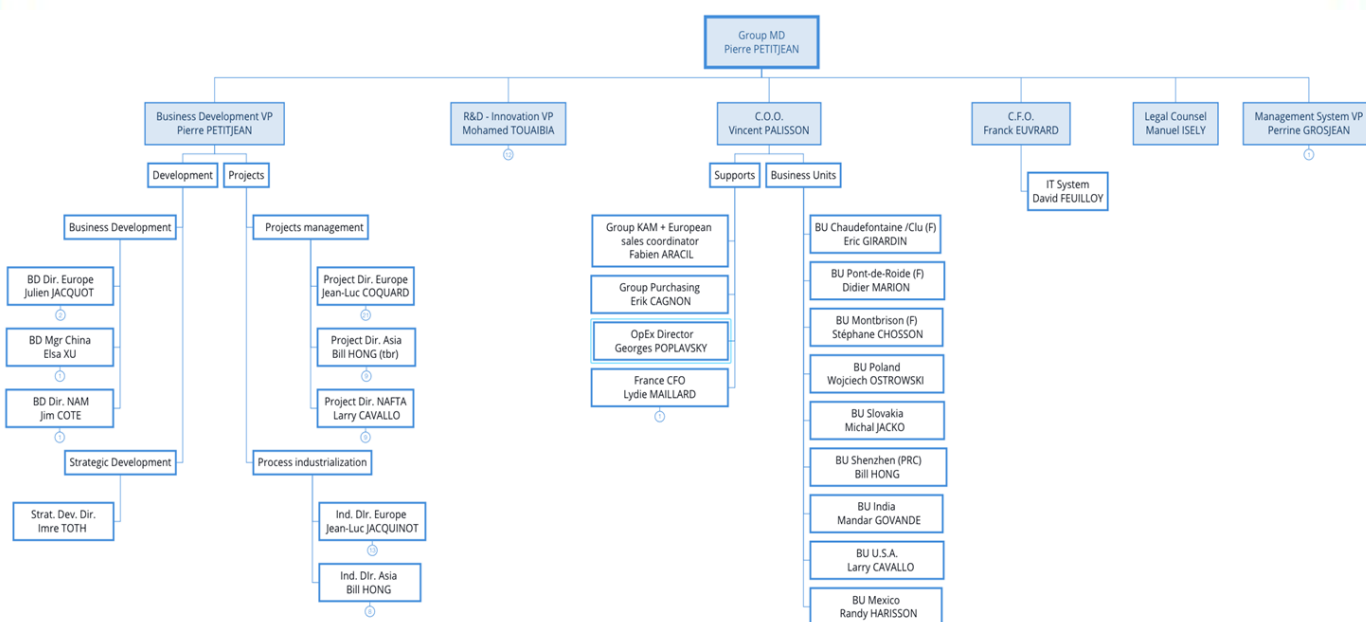
Respect of the regulation

Application of the recommendations and best practices

Transparence on the projects, communication on the requested data

All these input data are taken into account, are analyzed and treated on a hierarchical basis in the management review of the local entities and of the group. Progress plans are then proposed by the processes pilots and the managing team of each site. These plans are validated by the Group managing director.

The leadership committee of the group is composed as below:



Our legal director is also at the head of the corporate governance, for the “Industrial Services” division of AALBERTS, to ensure the rules are respected by the directors within the group.

The different complaints or proposals are directly transmitted, in an anonymous way or not, to the Group managing director.

The respect of the principles and values of the group is checked every year during RFA audits – Reference Framework Audit and other audits lead by other stakeholders.

CSR policy and objectives

Taking into account the nature of our activities and the economic and social issues, we defined 6 major axes of medium-term progress:



Main events of the years 2018

- Metalis Academy trainings
- Digitalization of training supports de formation
- Modernization of general maintenance departments
- Internal graduation ceremony
- New OpEx position
- Particular cleanliness in each region
- New Metalis plants in America
- Group R&D Innovation team
- Modernization of Metalis China plant
- "Happy-M" well-being at work program

Internal school METALIS Academy



CATALOGUE

INTERNAL TRAININGS



Key 2018 figures:

3	general programs
42	training offers
24	qualified trainers
61	organized trainings
463	training hours done
397	collaborators trained
3107	total training hours

We are glad to have METALIS Academy officially recognized from 2016 as an **accredited training center**, and to be listed within "**Datadock**" website from 2017.

Digitization at METALIS Academy

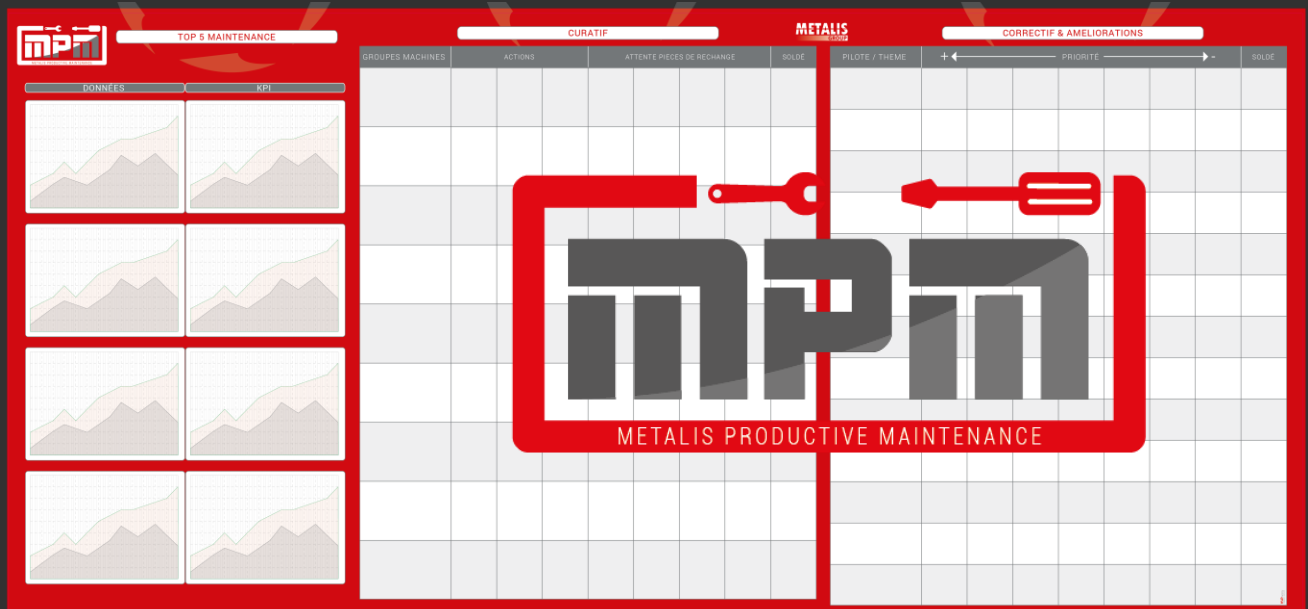


In a society where digitization is more and more present and more efficient, METALIS Academy has decided to integrate digital at the forefront of its strategy. Our in-house training school has started its transformation by creating its first tutorials.

This digitization will allow us to record, capitalize and share our technical know-how. This is why METALIS wants to extend digital in the workshops, closer to the field, where Women and Men have special technical skills, which make up a large part of our know-how today.

"A company is the fruit of shared know-how and expertise, of talents with specific trades and processes. "

Maintenance is modernizing



In parallel with the deployment of performance rituals, called "MPM - Metalis Productive Maintenance", the general maintenance services are gradually equipped with a **stock management software** to warn the service when a supply is needed, a **wireless scanner** and a **barcode labeler** to manage the input and output of articles. All this equipment allows us to manage our stock more precisely in real time.



Graduation ceremony



*Remise de diplômes
2018*

Our 2018 graduates were honored on our sites, including operators who were promoted to "Setters - Level 1" with the award of a "CQPM Line Driver" following a multi-month program that was organized in partnership with the AFPI and METALIS Academy.

New OpEx position



"In order to maintain their competitiveness, our main customers expect lower prices every year. This productivity mechanism is not an option, but simply vital to maintain our current markets and especially to develop new projects.

This partnership is viable only if we maintain our economic performance. For this, the "OpEx" (Operational Excellence) function has been created to orchestrate the technical support of our purchases, the development of technical productivities and improve our production efficiency by the deployment of standard LEAN tools. Georges POPLAVSKY has taken the lead of this new activity and I wish him a great success! "

Vincent Palisson, Group Chief Operations Officer

Particulate cleanliness



Since the end of June 2018, three of our ten Business Units have been equipped to meet the requirements of particulate cleanliness. The Chaudfontaine site has already several years of experience in this field. It is time for Dzierżoniów and Shenzhen to acquire this know-how, so that our customers benefit from this competitive advantage!

Over the conquest of America!



Co-Planar Inc., based in Denville (New Jersey - USA) and Querétaro (Mexico) and its thirty employees are now part of Metalis Group.

The company had annual sales of 9 M\$ (just under 8 M€) and strong skills in high precision tooling. Almost all of its fabrications are connectors packaged in reels.

Co-Planar has the perfect assets to allow Metalis to develop its historical technologies in North America (multiple slides, metalloplastic over-molding, assembly in the tool ...).

Co-Planar and Metalis have a mutual interest in this acquisition:

- sustain the activity of Co-Planar and strengthen its position face to future challenges
- create a robust North American location with strong technical expertise to support the development of Metalis

Cap on innovation



Innovation is the engine of growth. The group decided to reinforce innovation by creating a technical group direction with the primary objective of positioning innovation at the heart of our strategy. Part of the innovation is based on monitoring the technological environment, in order to capture the best innovations that allow us to give a competitive advantage to our offers.

Innovation and support of our customers in the development of their products are key offers that allow our group to differentiate from our competitors. It is therefore important to be present on all the technologies of the group. The strategic orientation of the group towards high value-added products, including plastic parts, requires us to be present close to our customers to help them develop this type of product. The technology of plastic requires special skills, which led us to create a new function of R&D Metalloplastic Engineer.

Modernization at Metalis China



With now more than 25 automated insertion machines in service at Metalis China, the connector insertion department has doubled in area to 1,000 m² and has benefited from a nice facelift.

HAPPY-M program



Following the survey launched in early 2018 on well-being at work (on the meaning of work, recognition, working conditions, work organization, relationship / working environment, equality between men and women, the balance between professional and personal life, the content of work / autonomy, the flow of information, health at work, social dialogue ...), different groups have been animated on the sites to best meet employees' expectations.

Beyond this call for volunteers, the goal of the Happy-M program is to unite all the teams around common projects, in the form of small team groups working on problem solving and various areas of progress.

Work in a collaborative way: this is our new development axis!

Indicators concerning safety and health of our collaborators, sustainable development and new economies

Objective: to improve safety and health of the collaborators at work

Indicators:

- 1- Number of working accidents
- 2- Frequency rate (number of accidents per million worked hours)
- 3- Severity rate (many days of stop per a thousand of hours worked)

Results:

	Y year data	Y-1 year data	Y-2 year data	Y-3 year data
Quantity of accidents	27	31	29	29
Frequency Rate	15	15	15	16
Severity Rate	0,4	0,4	0,2	0,2

Analysis:

Work injuries mainly concern cutting on hands and internal pains, particularly backpains.

The frequency rate is at the same level as the previous year and is still at a low level on the long term (an average of 19,5 in 2016 in French metallurgy sector according to INSEE institute).

The severity is quite stable too: several injuries requesting dozen of stop of working days. However, the rate is still far from the statistical average in French metallurgy (1,1 in 2016 according to INSEE institute).

Objective: to develop equity on our sites in “new economies” countries (NEC)

Indicators:

- 1- Ratio between the “lowest wages/highest wages” multiple on NEC and French sites
- 2- Ratio between the “average wages of woman/man” multiple on NEC and French sites

Results:

	Y year data	Y-1 year data	Y-2 year data	Y-3 year data
“Lowest/highest wages” ratio between NEC & France		2,28	2,27	2,41
“Woman/man wages” ratio between NEC & France		0,81	0,69	0,69

Analysis:

Stability of the results

Indicators concerning the development of the talents of the group, our carbon footprint and the control of our energy consumption

Objective: to develop the skills of the collaborators and to support internal promotion - to respect man/woman equity within the teams of managing committee.

Indicators:

- 1- Percentage of collaborators having received at least one training
- 2- Percentage of collaborators having benefitted from an internal promotion
- 3- Percentage of women within the teams of managing committee

Results:

	Y year data	Y-1 year data	Y-2 year data	Y-3 year data
% trained collaborators	40%	39%	37%	66%
% internal promotions	2,9%	4,9%	4,7%	2,7%
% women in management	25%	27%	27%	27%

Analysis:

The access to trainings is stable, a growth is expected with the deployment of our internal school "METALIS Academy" on our technical know-how. The performance valorization of the collaborators has been operated thanks to several internal mobilities (31 in total), accompanied of promotions.

Objective: to reduce our carbon footprint and our energy consumption

Indicators:

- 1- Percentage of sites having carried out a carbon analysis and/or an energy diagnosis
- 2- Energy saving or loss
- 3- Investment in "Carbon footprint reduction"

Results:

	Y year data	Y-1 year data	Y-2 year data	Y-3 year data
% sites with a carbon analysis	25%	25%	25%	25%
Energy saving (+) or loss (-)	+0,4	-0,2	+0,1	-0,1
Investment in favor to carbon footprint	21 K€	330 K€	70 K€	200 K€

Analysis:

A large part of the actions to reduce our energy consumption were geared towards behavioral change and the hunt for energy losses, which does not require a lot of investment. In addition, some investments have been postponed to 2019.

Indicators concerning the respect of environment by eco-design and eco-responsible purchases

Objectives: to reduce the impact of our activities on the environment, from the design of the products and processes and to engage a partnership with our suppliers, in order to improve our impact with these stakeholders, and to implement sustainable development projects.

Indicators:

- 1- Impact gain obtained by substituting rare raw materials (change of raw material or treatment, even grammage reduction)
- 2- Percentage of strategic suppliers with whom we concluded a sustainable development partnership
- 3- Percentage of strategic suppliers encouraged to initiate a sustainable development approach

Results:

	Y year data	Y-1 year data	Y-2 year data	Y-3 year data
Impact saving	248 K€	382 K€	284 K€	126 K€
% suppliers partners in CSR	30%	27%	20%	16%
% suppliers committed in RSE	100%	0%	100%	33%

Analysis:

Like the previous years, the impact saving are mainly linked to the substitution of silver or tin plating, or the substitution of raw material like copper by brass, or the decrease of nickel content for some alloys, or the decrease of material thickness...

Our suppliers and partners have been encouraged on CSR and local commitment in the same time than BIOM approach sending, completing our 2016 CSR report. In 2017 the emphasis was placed on the compliance of the quality management systems with the new versions of ISO 9001 and IATF 16949 standards.

4 – Continuous improvement

2017-18 progresses on our 6 axes

Our CSR approach is deployed on six axes of progress. The main actions are being defined a roadmap updated annually according to the strategic objectives of management.

7 axis	Main 2017-2018 realizations
<i>Safety and health of our collaborators:</i>	<ul style="list-style-type: none"> - Annual prevention plans on professional risks managed on all the sites of the group
<i>Sustainable development and new economies:</i>	<ul style="list-style-type: none"> - Deployment of different performance rituals within different departments on our Asian plants - Modernization / renovation of the workshops of our Asian plants - Creation of a Tooling Technical Centre on the plant of METALIS China - Extension of the plant of METALIS Polska and acquisition of the building of the plant of METALIS Slovakia
<i>Development of the talents of the group:</i>	<ul style="list-style-type: none"> - Two training sessions of our “High Performing Leaders” program have been organized by METALIS Academy on a total of 12 days – 20 management members trained - Two training sessions of our “Production Team Leaders” program have been organized by METALIS Academy on a total of 7 days – 28 team leaders trained - Deployment of our Generation 2020 program on talents development for 14 people coming from 6 European different METALIS sites, including a “High Performing Leaders” session, organized within METALIS Academy, and a “BADGE” session (an MBA equivalent), proposed by the Business School of Burgundy (BSB) in Dijon in France. - Promotion of a premium offer for the apprentices within the group, including an integration day, an individualized follow-up with a trained tutor, complementary trainings within METALIS Academy, a 2-weeks international internship and a financial support to higher degree studies or a job offer

Carbon footprint of our activities and control of our energy consumption:

- Replacement of “previous generation” neon lights by LED ones on different sites of the group
- Energy saving campaigns in the group before the holiday periods
- Insulation of tooling maintenance workshop and production offices during extension works on the site of Dzierżoniów
- Installation of an air heater (working at the doors opening) in the shipping area, to limit the entry of cold air, on the site of Dzierżoniów
- Installation of automatic doors (with quick closing) at shipments area on the site of Montbrison
- Cutting off of outdoor lighting at night at certain times on the sites
- Installation of a fire detector in the TGBT4 and transformers local on the site of Chaudefontaine
- Recovering of the hot air from the compressor to heat workshops and stop of the compressors during week-end on different sites of the group

Respect of environment by eco-design:

- Productivity generated thanks to raw material or treatment substitution
- 2 chemical substitutions by chemicals less harmful for collaborators’ health and for the environment

Eco-responsible purchases:

- An energy saving plan is defined per site for the implementation of best practices and responsible purchasing (LEDs, heat pumps, sensors...)

Conservation of resources by our daily actions

- Implementation of a monthly water consumptions reporting (water meters follow-up) at a group level
- Installation of a tank to collect wastewater on the site of Thyez
- Effluent measurements (relative to hydrocarbons from parks) on different sites

Other 2017-2018 improvements

Other improvements	Main 2017-2018 realizations
Communication:	<ul style="list-style-type: none"> - 2 new releases of our internal magazine EVOLUTION (No. 23 and 24) dealt with social responsibility (published in 1,200 copies, translated into the various languages of the group, sent to all employees and pensioners) - New forum on Metalisweb intranet to communicate on different articles (economics information, planned visits, new project awards, plants news...) - New design more attractive defined for our future website www.metalis.fr - Set up of connected TVs for a better dynamic of our internal communication - Deployment of collaborative tools offered by Office 365
Entrepreneurship:	<ul style="list-style-type: none"> - METALIS is creator member adherent of the association "Franche-Comté Entreprendre" - http://www.reseau-entreprendre.org/ - METALIS is a member of APM, Association for the Improvement of Management, which includes 6,500 leaders in order to sustainably grow their company
Implication in industrial sectors:	<ul style="list-style-type: none"> - METALIS adheres to a professional trade union: ALLIZE PLASTURGIE - METALIS is active member of "Pôle Véhicule du Futur Alsace Franche-Comté" http://www.vehiculedufutur.com/ - METALIS is also member of the MFQ association - http://www.mfq-fc.asso.fr/ - METALIS adheres to UIMM of Franche-Comté (a French metallurgy industries Union) - http://www.uimm-fc.fr/
Relationships with education:	<ul style="list-style-type: none"> - 27 apprentices are currently trained on our sites - 2017 & 2018 apprentices' integration days organized partly in "Cuisine Mode d'Emploi", a training Centre to catering professions, supported by Thierry Marx, for people with jobs difficulties. - Participation of the site of Chaudfontaine to the project "A class in a company" where 22 students from the college Aigremont of Roulans came to discover our company during 3 days - Welcome of a group of students from the technical school of Dzierżoniów on our site of Metalis Polska

***Patronage /
sponsoring:***

- Support for several sports and cultural associations, local and / or proposed by stakeholders (more than 19,000 € of donations on 2016-2017)

***Relationship with
neighborhood:***

- Communication of our CSR report to neighboring companies and residents
- Discussions with the mayor and local collectivities following the implantation of DIXI company next to our site in Chaudefontaine and following the extension of our building in our site of Dzierżoniów

Revitalization:

- Revitalization Plan subsequent to the closure of GENLIS – started in 2010 – 35 jobs recreated vs. to 35 redundancies – closed file
 - Revitalization Plan subsequent to the closure of MAZAMET – started in 2009 – 17 jobs recreated vs. 17 redundancies – closed file
 - Revitalization Plan subsequent to the closure of CLUSES in MARNAZ – started 2013 – grant paid as an equivalence of 16 jobs recreated vs. 16 redundancies – closed file
-

2017-2018 audits & dissatisfactions of the stakeholders (corrective plan)

PROCESSES

Clients:	<p>Group strategic customers survey lead in 2017: 8% very satisfied / 69% satisfied / 17% moderately satisfied / 4% dissatisfied / 2% very dissatisfied. Two training sessions on commercial attitudes have been organized in 2016-2017 (for a total of 20 people). This survey provided input data for the strategic development plans of the sites – continuous action</p> <p><u>Customers audits (system / product / process) with specific actions plans:</u> updating of group / sites / projects standards – continuous action</p>	<p>MAN STRAT / CIAL / DEV</p> <p>ALL</p>
Suppliers:	No claim expressed and considered as pertinent	/
Collaborators:	A single dissatisfaction of an employee in METALIS HPS (management relations)	HR
Collectivities:	<p><u>Inspection from CARSAT (French Health & Safety administration):</u> Site of Chaudfontaine: recommendations to prevent health-safety risks, followed by the Safety Committee and HSE coordinator SSE – actions in progress</p> <p><u>Communication with DREAL & Prefecture (French Environmental administration):</u> Site of Montbrison: regularization of our situation following new equipment integrated in the plant and ICPE updating (French regulation) – action in progress Site of Thyez: regularization of our situation following the moving of METALIS Cluses SAS from Marnaz to Thyez – action in progress</p> <p><u>Neighborhood complaint:</u> Site of Thyez: complaint linked to the noise eared from a villa located in the industrial area: press soundproofing request – action in progress</p>	<p>MAN OPE.</p> <p>MAN OPE.</p> <p>MAN OPE.</p>
Shareholder / Insurers:	<p><u>Insurance reports:</u> Chaudfontaine: 7 recommendations / Cluses: 4 recommendations / Montbrison: 9 recommendations / Pont-de-Roide: 3 recommendations / Dzierżoniów: 10 recommendations / Shenzhen: 8 recommendations Minimum 2 recommendations not solved per site, linked to the set-up of sprinklers: AALBERTS will decide on priorities according to defined risks levels</p>	MAN OPE.
Certification organism:	<p><u>2017 audits result in the group:</u> 109 strong points, 252 improvement opportunities, 11 sensitive points and 26 minor NC.</p> <p><u>2018 audits result in the group:</u> 65 strong points, 241 improvement opportunities, 22 sensitive points and 34 minor NC.</p>	ALL

2017-2018 stakeholders expectations & risks analysis (preventive plan)

PROCESSES

Clients:	Industry 4.0: high technologies and innovation dynamic – continuous action	MAN STRAT.
	“APQP - Advanced Product Quality Planning” tool and lead-time optimization of development and industrialization: new projects monitoring methods with a new tool, called “PMO - Projects Management Office” – action done	DEV
	Performance improvement: lean organization on all the sites with products / processes performance follow-up on the ground and performance rituals animation – continuous action	MAN OPE / PROD.
	Compliance with VDA referential: Training of quality / process / supply chain teams to VDA 6.3 referential – action done	MAN OPE / PROD.
	Validation of “CSR - Customers Specific Requirements”: analysis, negotiation and validation of contracts and other requirements – continuous action	MAN OPE / CIAL / DEV
	General securization plan and business continuity plans – continuous action	MAN OPE / S-C
Suppliers:	Lack of resources on some METALIS sites to ensure an efficient performance monitoring of our suppliers, particularly in case of non-conformities: definition of a new job position, BU Quality Manager to be in charge the follow-up of customers / suppliers claims – action done	MAN OPE / PURCH.
Shareholder / Insurers:	Securization of the job position of the Group CEO by the recruitment of a COO – Chief Operational Officer in the group – action done	MAN STRAT. / OPE.
Collaborators:	<u>Prevention of Health – Safety – Environmental risk (HSE)</u>	
	Training of HSE coordinators to key practices and standards – action done	MAN OPE / HR
	Prevention of “Psycho-Social Risks” – action in progress	
	<u>Prevention of the loss of our key and specific know-how</u>	
	Development of an HR planning tool for the group, allowing skills monitoring per employee / per department, interviews monitoring, trainings monitoring, ages pyramid, risk analysis and securization – action in progress	MAN OPE / HR
	Internal trainings organized by METALIS ACADEMY to train the teams of the group to key specific skills and practices – continuous action	
	Technical training program for setting on progressive tools and multi-slides, thanks to a partnership with AFPI training Centre – action done	MAN STRAT. / HR

<i>Collaborators:</i>	<p><u><i>Prevention of collaborators departure:</i></u></p> <p>Implementation of a career development plan for the employees</p> <p>A Human Relations Manager designated per site</p> <p>Regular interviews with HR manager or BU Director</p> <p>Elaboration of an individual development plan with their manager</p> <p>Deployment of our “GENERATION 2020” program and of trainings within our internal school “METALIS Academy”</p> <p>Deployment of a “Talents” program at the plants level</p> <p>– continuous action</p>	MAN STRAT. / MAN OPE / HR
<i>Collectivities:</i>	<p>French regulation on “Pénibilité” at work: follow-up of the concerned workstations and definition of actions plans – action in progress</p>	MAN OPE / HR
<i>Certification organism:</i>	<p>New ISO 9001 v.2015, IATF 16949 v.2016 and ISO 14001 v.2015 standard version: conformity plan to meet evolutions of these standards – action done</p>	ALL

2019 progress plan

Safety and health of our collaborators:

- Carry on risks prevention plans, in accordance with professional risks assessment and chemicals assessment
- Deploy "5S" working groups on all the sites to improve the working conditions and decrease HSE risks, integrating this mission into the job definition of production team leaders

Sustainable development and new economies:

- Intensify automatization works on assembly and checking workstations, to improve working conditions
- Deploy Happy-M program on well-being at work (2018-2020) to remain the collaborators loyal and strengthen their commitment

Development of the talents of the group:

- Capitalize our key technical know-how with digitalization, thanks to a dedicated job position, "Charge of digital communication"
- Continue to organize "High Performing Leaders" trainings, to achieve 80% of managers trained in 2018
- Continue to organize trainings on basics and on specific skills at METALIS Academy

Carbon footprint of our activities and control of our energy consumption:

- Automatize stop of press engines after 10 min of production stop (tool in maintenance, set-up on the press...)
- Promote the use of cycles, car sharing...
- Organize a carbon footprint analysis on every site
- Lead a checking campaign before summer holidays (limit the use of compressed air at maximum, eradicate any leakage...)
- Install automatic door (with quick closing) in the reception area and install a variable power compressor on the site of Montbrison
- Install temperature regulators to control heating and lower of at least 2 meters the heaters of the site of Pont-de-Roide
- Decrease the working time of heating following the stop of night shift on the site of Cluses

Respect of environment by eco-design:

- Define a standard for micro-spray system to reduce consumption of stamping oils
- Develop the use of evanescent oils to decrease degreasing consumptions

Eco-responsible purchases:

- Install LED lights instead of old lighting systems (step by step)
- Use of plateformes d'achats groupés pour les consommables

Conservation of resources by our daily actions:

- Organize an awareness on our impacts on environment to all the staff
- Remove the use of food plastics (for coffee, water, canteen...)
- Dematerialize HR documents, daily used or used in a regular manner, to decrease paper consumption

5 – Glossary

- ADR: European Agreement relating to the international transport of Dangerous goods by Road
- AV: Added Value
- CETIM: French national technical center for the mechanical industry
- CSR: Corporate Social Responsibility
- HR: Human Resources
- ISO 9001: international standard of quality management
- ISO 14001: international standard of environmental management
- ISO 26000: international standard of voluntary application relating to the corporate social responsibility
- IATF 16949: international standard of quality management in automotive industry
- MFQ: French Movement for Quality
- MPS: Metalis Production System - “bottom / up” management tool to control the standards in production and to treat effectively the gaps and irritants at their appearance place
- MSD: Musculo-Skeletal Disorders
- NK: Not Known - term used here when the indicators were non-existent at the defined date
- NEC: New Economies - for METALIS Group, it is today its sites in Poland, Slovakia, China and India
- OHSAS 18001: reference frame standard of health and safety management at work
- RFA: Reference Framework Audit - audit of the principles of the group, led by the pilots of each process

Appendix

ECOVADIS assessment report – July 2018



2018 ECOVADIS assessment

In 2012, our customer SCHNEIDER ELECTRIC has proposed a CSR assessment of our practices by EcoVadis. We accepted this approach, which was implemented in December 2012. Any information relating to EcoVadis and this assessment is available on the website www.ecovadis.com

We have reassessed our CSR practices in 2018 with EcoVadis, who gave us a score of **69/100**, recognizing our CSR commitment to **an "advanced" level**. It corresponds to:

- a structured and proactive approach to CSR,
- commitments, policies and tangible actions on major issues with detailed information of their implementation,
- a significant CSR reporting on the actions and performance indicators.

This re-assessment highlights improvements in the environment respect and eco-responsible purchases fields.

Beyond this classification, the comparison of our results with other assessments places us **among the top 5% performers evaluated by EcoVadis** in terms of social responsibility.

The strengths identified by EcoVadis in METALIS are:

- our environmental management,
- our social commitment with the health & safety of the collaborators and the respect of the human rights.

The main weaknesses identified by EcoVadis are:

- the absence of CO2 emissions and other pollutants follow-up
- basic reporting on environmental and sustainable procurement issues

