

SHARED VALUES ANNUAL CSR REPORT 2020



GLOBAL COMPACT



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

2019

MANAGEMENT REPORTING





We were able to achieve five external growth acquisitions."
Julien Duvanel, CEO Chemicals & Custom

Packaging



We establish common KPIs to manage the performance more closely."

Aude Cury,
CEO Films and Tapes
Converting

EDITO Pascal Nadobny, **Chairman**



CSR IS AT THE CORE OF **OUR BUSINESS MODEL**.

What does Corporate Social Responsibility (CSR) mean for ADDEV Materials?

The term «responsibility», formalized by CSR, has been intrinsic to the human values of ADDEV Materials since its creation. The values that we share are represented by our TEAM banner – Transparency, Enthusiasm, Autonomy, Motivation – and are applied mutually for all involved parties: clients, suppliers, employees, managers, shareholders and bank partners. CSR means, above all, a set of rules for life based on respect for each other.

This responsibility applies to our planet and its resources, our human capital, our local environment and our ecosystems, but also to our business models. If we think of CSR as a tree, our values are its roots. The trunk is made up of the organization we build around a vision, a mission, and objectives. The branches represent our different activities and develop buds, which are our growth and transformation projects, necessary to ensure our sustainability over time.

Our model relies on trust and decentralization, particularly on an international scale. We share the fruits of this tree with our stakeholders by sharing the obtained financial value, and we encourage shareholding by management and profit-sharing schemes for our employees.





MANAGE

CSR STEERING



CSR, which is at the core of ADDEV Materials' business project, is dealt with at the **Executive Committee** level as a global performance pillar of the company. It was initially handled by the HR Director, based on a CSR Steering Committee combining human resources with communication. This Steering Committee will evolve in 2020, after CSR joins Marketing and Innovation Management, and with the creation of an Operations Department and a Purchase Service.

"STRATEGY: OTD 23"

"OTD 23", a strategic plan of global transformation

This action plan requires making relevant decisions at a local and global level."

Baptiste Valois

LAUNCHED IN 2016, THE NEW OTD 23 PLAN AIMS TO ACCELERATE THE GLOBAL TRANSFORMATION OF THE COMPANY AND MEET INTEGRATION ISSUES.

"CAP 2020" focused on transformation through different nillars; modernizing the Aerospace & Defense business up

IN LINE WITH THE PREVIOUS CAP 2020 STRATEGIC PLAN

"CAP 2020" focused on transformation through different pillars: modernizing the Aerospace & Defense business unit, fostering organic growth, accelerating digital transformation, rethinking legal structures and simplifying to increase performance. Some objectives were achieved and several projects are ongoing during 2020 and also during the new "OTD 2023" plan in order to push forward the CAP 2020 transformation plan and ensure better management and integration of the group.

ECOSYSTEM

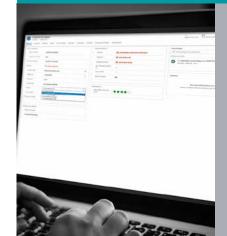


ADDEV's teams are motivated to follow a responsible path and our role as shareholders is to provide them with support."
Nathalia Millan, Tikehau Capital



CONVERGENCE OF TOOLS

Chief Operating Officer



A CONVERGENCE OF DIGITAL TOOLS TO STANDARDIZE PRACTICES.

Since 2019, ADDEV Materials' digital teams and IT departments have started a digital tools convergence process. This involves the deployment of unique solutions for the entire group, such as CRM, the intranet or collaborative tools.

"CRM participates in great measure in business performance: we have implemented the tool through a collaborative effort that engages both managers and operational teams." says Olivier Figuet, DTO.

OUR STAKE HOLDERS





CREATE VALUE



"WE ARE PARTICIPATING IN THE NECESSARY REVIVAL OF A MORE LOCAL AND FRUGAL INDUSTRY, WHICH CONSUMES LESS AND BETTER"

Pascal Nadobny, Chairman



We have chosen ADDEV Materials because we share the same values."

Damien Hau,
Director of Research and
Development, Innovation and
Industries, ARMOR Group





"Innovation for good" an answer to CSR issues of our customers

We can consider that innovation, in the sense of R&D, is usually driven by or provided by our suppliers, which are big manufacturers, global chemists. As a key intermediary in the value chain, we try to ensure collaborative innovation, upstream, with our providers, our clients and our local ecosystem to offer a "responsible added value" for products by transforming them. CSR is totally integrated in the core of innovation.



OUR BUSINESS MODEL



FUEL BATTERY

Development of an adhesive film placed at the center of a fuel cell to reinforce the proton-exchange membrane: an interesting application as hydrogen plays a key role in the energy transition.

ELECTROLUMINESCENCE



Support for a start-up in the encapsulation of a luminous solution for electroluminescent signage, more durable, and allowing to provide at least 20% more luminosity.

HEATING FILM

Solution allowing the temperature to be raised quickly and uniformly across the surface, thus presenting a major stake in the energy efficiency of batteries.

TAKE CARE





The women and men of ADDEV, the driving force of success

THE HUMAN AND SOCIAL POLICY OF THE GROUP AIMS TO GRANT VALUE TO OUR HUMAN CAPITAL AND HARMONIZE PRACTICES AT VARIOUS SITES AROUND THE WORLD.

The primary challenge of ADDEV Materials, which is focused on ensuring professional well-being for all working employees, is to recruit new staff to keep pace with a rapidly growing international industry. Its activity is characterized by a wide range of businesses, in industrial, chemical, distribution and other sectors. The company has less visibility than larger groups, the challenge is therefore to find the right resources at the right time, then put them in the right place. This involves acquiring new skills flexible and adaptable new talents, fostering internal mobility and international careers, developing a strong sense of belonging and sharing the Group's values in an environment under construction.



Cécile Deixonne, Group Chief HR Officer

VIE: AN ASSET FOR RECRUITING RD AN ARM RD

THE EXECUTIVES OF ADDEV MATERIALS TRUST THE YOUNG PEOPLE!

The International Volunteering Program in Business (Volontariat International en Entreprise, VIE) was widely developed in the group these last few years. This program includes internships and co-op work, or it can be directly initiated and allows ADDEV Materials to attract candidates with high potential and have a permanent pool of talent available. This journey is a true springboard in the careers of young people within the group and offers them a global view of ADDEV's activities as well as an essential intercultural dimension.

DIVERSITY AND INCLUSION



Today, our sites meet their requirements in terms of employment rates of people with disabilities.

#ACTIVATEURDEPROGRES
Our commitment to the work
of people with disabilities
has made it possible to
multiply the hiring rate
by 5 and was recognized
by the Agefiph's award
#activateurdeprogres.

BUSINESS DIVERSITY

At ADDEV Materials, 37% of the global staff are women. Locally, a series of efforts are being developed with secondary schools to raise awareness among the young public regarding the professional careers of women in technical positions as engineers and technicians and the possibility of accessing key positions in these fields.

FIND THE INTERVIEWS OF OUR COLLABORATORS



PRESERVE

ENVIRONMENTAL ISSUES AND POLICIES



OUR

ACTIONS





Reducing our environmental impact: a wish translated into concrete action

ADDEV MATERIALS, AS A SPECIALIST IN TECHNICAL FILMS, ADHESIVE TAPES AND CHEMICAL PRODUCTS, IS VERY CONSCIOUS OF THE IMPACT THOSE PRODUCTS COULD HAVE. NEVERTHELESS, THE GROUP WISHES TO CONTRIBUTE TO THE PROTECTION OF THE ENVIRONMENT AND HAS DEVELOPED ITS 2019 ACTION PLAN AS PART OF THE 4.0 INDUSTRY.

One of ADDEV Materials' primary challenges is to build the factory of the future that is energy efficient, with low consumption of raw materials. On a daily basis, the group is leading several exemplary efforts to reduce its impact on the environment: sorting and recycling product packaging and office waste, reflection on specific packaging...

WASTE MANAGEMENT



We sort and recover 36% of our waste."

Arnaud Erhardt. **Director of ADDEV** Adhls - Wittelsheim

CUSTOM PACKAGING



ADDEV Materials has developed expertise in custom dosing and chemical product repackaging to use the exact amount required by the user.

ISO 14001

Obtaining ISO 14001 certification at the ADDEV Walco site in Pittsburgh is the result of collective work, led by the site's quality manager.

ACT LOCAL

SOCIETAL COMMITMENTS

A true belief in territories and local involvement

For ADDEV Materials management, it makes no sense to be an agile and structured group if we are not also well-established in our territories. This conviction, which has guided the company since its creation, is materialized by the teams through several actions and a continuous collaborative engagement with local actors. Each site and manager decide the theme of their involvement according to their needs and local offer: disability, sports, solidarity, schools, management or even business.

BUSINESS LEADERS NETWORK



Aude Cury, CEO of "Films and Tapes Converting" business unit, joined the Saint-Etienne delegation of a Woman entrepreneur network since its creation in 2018. The network slogan's is "Alone we are invisible, together we are invincible".

SCHOOLS' PARTNERSHIPS

ADDEV Materials is highly committed to employing young people and has developed several partnerships with local schools where the Group is established.

MIX-R



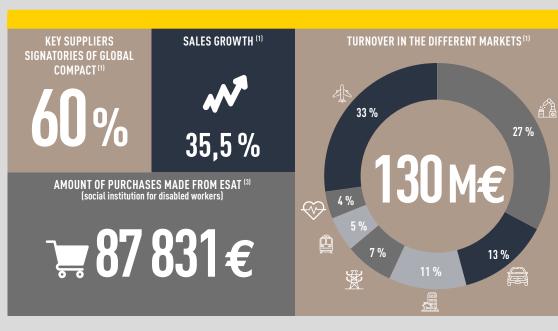
OUR **ACTIONS IN DETAILS**



AGITATOR FOR **RESPONSIBLE COMPANIES** which facilitates the sharing of actions and best CSR practices.

2019 KEY FIGURES





% OF DISABLED % OF PAYROLL ALLOCATED **ECOVADIS** SHARE OF SALES DONE **WORKING ACCIDENTS** COLLABORATORS (3) OUTSIDE FRANCE (1 TO EMPLOYEE TRAINING [3] SEVERITY RATE (3) ASSESSMENT [1] 62/100 TOTAL HEADCOUNT **WORKING ACCIDENTS** NUMBER OF HOURS BY GENDER [1] OF TRAINING PROVIDED FREQUENCY RATE (3) PER EMPLOYEE (3) 63 % **76**% COLLABORATORS "EXPOSED" SIGNATORIES OF ETHICAL **CHARTER AND HAVE COMPLETED** AN ANTICORRUPTION TRAINING SESSION (2)

QUANTITY OF WASTE PRODUCED (IN TONS) (4)

1027

% OF RECOVERED WASTE (4)



GHG EMISSIONS (TEQ CO₂)⁽⁵⁾



1666

TOTAL QUANTITY
OF ENERGY (5)

7787839

électrique, de gaz et de carburant consommée par nos opérations (en kWh)



MANAGE

Ease the convergence
Build an agile and
outline International
group
Manage the

performance

Act with transparency and honesty

CREATE VALUE

Serve the client by the operational excellence Innovate in our offers Sell our expertise

Purchase and source with sustainability

TAKE CARE

Take care of our collaborators

Develop employability and autonomy

Support changing

Promote our diversity

PRESERVE

Sort and recycle Reduce energy usage Restrict and train Sensitize and train

ACT LOCAL

Contribute to local and economical development Foster our relations Support start-up Engage in charity



www.addevmaterials.com

