

# ANNUAL CSR REPORT

## COMMUNICATION ON PROGRESS

OMERIN GROUP

# omerin

# 2019

# omerin



COMMUNICATION ON  
PROGRESS

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

We welcome feedback on its contents.

## 1 | RENEWED MANAGEMENT COMMITMENT

Our group operates in a multicultural environment, in numerous sectors on international markets, and has 15 production sites in Europe, Tunisia and the USA.

In November 2018 we signed the United Nations Global Compact, demonstrating our desire to support the ten universally recognised principles in the areas of human rights, international labour rights, environment and anti-corruption.

This communication on 2019 progress enables us to renew the OMERIN Group's commitment to supporting these principles and to implement the necessary actions that show our willingness to integrate them across our organisation and strategy.

Our corporate foundation set up in January 2015 also makes a significant contribution to our corporate responsibility. The foundation finances restoration projects for monuments that are part of our cultural and religious heritage, and supports numerous associations involved in cultural, educational and charitable activities.

We invite you to browse our annual CSR report and our communication on progress which resumes the actions we have taken in 2019.

**Xavier Omerin**  
*CEO and Chairman*

**Pierre Sanvoisin**  
*General Manager*

## 2 | PRESENTATION OF THE OMERIN GROUP

As a leader in products for extreme conditions, the Omerin Group works hard every day to maintain its world leadership in the manufacture of special cables and wires for use at low and high temperatures (-190 °C to +1400 °C).

Stringent requirements, know-how, innovation, leading-edge technologies, investment in equipment and human resources have been our leitmotiv since 1959, helping us develop ever-more effective products that meet the needs of our customers.

Omerin operates via four business units:

- Electrical wires & cables and braided sleeveings,
- Flexible heating elements,
- Sanitary and HVAC hoses,
- Medical devices and primary pharmaceutical packaging.

Omerin employs 1700 research specialists, engineers, qualified experts, production and administrative personnel, working with a passion for success, organised within a structure that provides flexibility and responsiveness.

Our head office and main production division ("division principale") are in Ambert, in Puy de Dôme (département 63), France.

We operate 15 production sites:

- 10 in France: Rhône-Alpes-Auvergne (departments 42, 43, 63, 60, 69),
- 5 international: Tunisia, Spain and the USA.

Our worldwide presence is ensured through 11 business development subsidiaries and sales offices in: UK, Germany, Singapore, Poland, China, India, Brazil, Spain, Mexico, Turkey and Argentina.

Our commercial representatives all around the world work alongside the network of offices. Our expertise is recognized in over 120 countries.

The OMERIN Group competes directly with international groups and holds leadership positions on its markets:

- The world's leading manufacturer of silicone-insulated wires and cables,
- Europe's leading manufacturer of glass-yarn braids,
- France's leading manufacturer of fire safety cables,
- France's leading manufacturer of flexible heating elements.

Our wide range of products also extends to braided insulated sleeveings, flexible heating elements, oven door seals, fireproof sleeveings, thermocouple, extension and compensation cables, industrial braids, low pressure hoses, medical devices and primary pharmaceutical packaging.



### 3 | REMINDER OF THE 10 PRINCIPLES OF THE GLOBAL COMPACT



#### HUMAN RIGHTS

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.



#### INTERNATIONAL LABOUR RIGHTS

Principle 3: Businesses should uphold the 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.



#### ENVIRONMENT

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.



#### ANTI-CORRUPTION

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

## 4 | OUR SOCIAL AND SOCIETAL RESPONSIBILITY

The OMERIN Group operates in a multi-cultural environment, on international and multi-sector markets. It counts 15 production sites, 5 of which in Tunisia, Spain and the USA. The authorities in the countries in which we operate are increasingly sensitive and attentive to actions by companies in the area of responsible behaviour. This implies that our Group must always act in line with our values.

Compliance with regulations in force in the social, ethical, fair competition and sustainable development areas is a strategic issue. These matters must be addressed calmly and with care, to transform these rules into management tools. The OMERIN Foundation also participates actively in our CSR commitment. It helps to fund the restoration of our cultural and religious heritage and supports social, educational, cultural, and charitable associations.

The OMERIN Group strives to provide equal opportunities to its employees. The OMERIN group's employees are hired without discrimination with respect to their ethnic, cultural, community or national origin, to their colour, religion, age, sex, sexual orientation/identity, political opinions, disabilities or social origin. This also applies to all aspects of employment: reviews, promotions, compensation, training, dismissals, etc.

The OMERIN Group is attached to social dialogue and conducts such dialogue in a sincere and fair manner. We respect the privacy of our employees and their families, and remain entirely neutral in regards to their political opinions and philosophical or religious beliefs. Nonetheless, no indoctrination is permitted in the workplace.

The OMERIN Group undertakes to conduct its activities in compliance with the legislation in force and the highest ethical standards.



## 5 OVERVIEW OF 2019 SOCIAL AND SOCIETAL ACTIVITIES

### • 60TH ANNIVERSARY OF THE OMERIN GROUP

#### Reference:



- OMERIN Group Code of conduct
  - 2 - The OMERIN Group's values
  - 3 - General commitments by the OMERIN group and its employees

On May 3rd 2019, an exceptional gala event was held to celebrate the 60th anniversary of the company's creation. Almost 850 guests attended the show and gathered for a delightful cocktail evening. After enjoying the film tracing 60 years of Omerin history, created with the support of ASM CA players, and Xavier Omerin's speech, the guests were treated to an artistic presentation. The improvisations had the whole audience in tears of laughter. Mythical sketches blended with humorous nods to the town of Firminy and the Group delighted all present for almost an hour and 45 minutes. The surprise attendance of Aurélien Rougerie, international rugby player and emblematic figure at the ASM CA club, also underlined the strong links between the Group and the club, but above all the sporting values that we share. Our employees were able to meet the mascot of the P'tit Câblrier if not in person, at least the foam and fabric outfit! The mascot was present all evening to amuse and delight the guests, with many opting for selfies! The 60th anniversary gala evening will remain in the Group's history and will contribute to developing the company spirit.



The Group's anniversary was also celebrated abroad - the international sites were not forgotten. Staff in Meriden (USA), Monastir (Tunisia) and Girona (Spain) were treated to a celebratory reception all together outside of work hours.



• **SUPPORT FOR ASSOCIATIONS**

**Reference:**



- OMERIN Group Code of conduct
  - 2 - The OMERIN Group's values
  - 3 - General commitments by the OMERIN group and its employees



The OMERIN Foundation was established in 2015 and contributes to the OMERIN Group's CSR commitments. The foundation finances the restoration of monuments that are part of our cultural and religious heritage, and supports numerous associations involved in cultural, educational and charitable activities.

In 2019, 74 associations received support from the OMERIN Foundation, broken down as follows:

- 27 % for cultural projects,
- 27 % for charity projects,
- 23 % for social & educational projects,
- 19 % for sports projects,
- 3 % for humanitarian projects,
- 1% for heritage projects.

Indicators	2017	2018	2019
Number of associations supported	52	59	74

• **LONG SERVICE AWARDS**

**Reference:**



- OMERIN Group Code of conduct
  - 2 - The OMERIN Group's values
  - 3 - General commitments by the OMERIN group and its employees



The long service medal is a national award to employees (*who apply*) for 20, 30, 35 and 40 years of activity and loyal service. To close the celebrations of the Group's 60th anniversary year, the OMERIN Group held an awards ceremony for 235 staff over its 9 sites in Auvergne-Rhône-Alpes: OMERIN division principale, OMERIN division Berne, Plastub and IFT in Ambert, OMERIN division polycable in Andrézieux-Bouthéon, OMERIN division silisol in Saint-Étienne, CGP in Saint-Chamond, FLEXELEC in Saint-Bonnet de Mure and lastly UNION PLASTIC in Saint-Didier en Velay.

For these exceptional events, the storage warehouses or workshops on each site were transformed into reception rooms to host the awards ceremonies and celebrations. Alongside the members of the board, Xavier Omerin used his introductory speeches to remind us that although senior management was responsible for major decisions committing the company to ensure its sustainability and development, it is clearly the men and women employed who make the company what it is and contribute widely to the quality of our products and services to ensure customer satisfaction. The recipients received their awards individually and were warmly congratulated by Management. All were resoundingly applauded by their colleagues when receiving their medal, certificate and a bonus from the company. These events attended by all were highly appreciated.



• **SAFETY IN THE WORKPLACE**

**References:**



- OMERIN Group Code of conduct  
7- Compliance with occupational health and safety rules



- Global Compact  
**Human rights**  
**Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights**



In January 2019, CEO Xavier Omerin and Managing Director Pierre Sanvoisin drafted the general requirements relating to Health, Safety and the Environment. These requirements will be formatted in a booklet distributed to all OMERIN Group employees, who will all commit to observing them.

These requirements complement the OMERIN Group's values in terms of health & safety, and complete other activities such as HSE action plans, work in H&S committees, first responders, first aid team, signs, etc. which address and prevent Health, Safety and Environment-related issues.

This booklet covers the requirements applicable to all sites concerning personal protective equipment (PPE), health and safety in ISO7 and ISO8 zones, road, mechanical and electrical risks involved in handling, chemical risks, noise and office activity risks, fire risk, overhead work, trip hazards, etc. It also specifies the applicable instructions in case of fire and accidents, it informs OMERIN Group employees of environmentally-sound actions and waste management through selective sorting.



In 2019, to strengthen accident prevention, the OMERIN Group introduced an instruction booklet concerning the use of Personal Protective Equipment (PPE) on all its sites. The Group's vision is to ensure a workplace free of accidents and personal injuries. This booklet is distributed individually to all employees, who are committed to observing the instructions. The creation of the booklet involved a full review of our policy on the use and management of Personal Protective Equipment. This policy is now centrally managed by the Group HSE Department.

Indicators	2018	2019
Accident frequency rate	21.6	21.9
Accident severity rate	0.61	0.47



• **STAFF REPRESENTATIVE BODIES**

**References:**



- OMERIN Group Code of conduct
  - 2 - The OMERIN Group's values
  - 3 - General commitments by the OMERIN group and its employees



- Global Compact  
**International labour standards**  
**Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.**

In terms of social dialogue, 2019 was marked both by the introduction of Works councils and the election of new staff representatives across all Group entities. The first meetings of each Works Council served to elect the organising committee of each Council and the appointment of the Health, Safety and Working Conditions Committees. All these staff representative bodies have a significant role within our Group, as their mission is to enable the collective expression of employees and the consideration of their interests in decisions regarding the economic and financial development of the Group, how work is organised, professional training, as well as health & safety issues. They also contribute to social and cultural activities.

Indicators	Number of principals or reserves elected	Percentage / 2018 headcount
OMERIN division principale and OMERIN division Berne	12	5%
OMERIN division silisol	12	11%
OMERIN division polycable	6	12%
CGP Cables for Global Performance	7	12%
FLEXELEC	7	13%
IFT Groupe OMERIN	2	12%
PLASTUB	2	10%
UNION PLASTIC	9	5%
PRINCE MEDICAL	2	6%
OMERIN Group France	59	7%

• **ANTI-CORRUPTION CHARTER**

**References:**



- OMERIN Group Code of conduct  
10- Integrity and the Sapin II act



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



To fight corruption, the OMERIN Group adopted an anti-corruption charter in November 2018. This charter stipulates that any OMERIN Group employee who endeavours to make a third party enter into a contract with the company must not engage in acts of active or passive corruption, and that they shall not solicit or accept any benefits whatsoever from a third party in return for the performance of an act falling within or facilitated by their duties, or by misuse of their influence, whether real or supposed.

All OMERIN Group employees shall neither accept nor solicit any gift, any favour or invitation as well as any other benefit either for themselves or anybody else, from persons or organisations with which the employee has (or had) business relations, which can influence the impartiality with which they perform their duties or constitute a reward in relation to their activities. This also prohibits any cash gifts or gifts that can be exchanged

for their cash value. This does not prohibit everyday acts of courtesy or hospitality, or symbolic or very small gifts.

Furthermore, the charter stipulates that no employee may face disciplinary measures, be dismissed or be the victim of discriminatory measures on grounds of having witnessed the actions defined in this charter. However, any employee who, in the performance of their duties, engages in actions in breach of this charter may face disciplinary sanctions as stipulated in the company rules.

In 2019, the OMERIN Group anti-corruption charter was distributed to all our suppliers for acceptance. They were permitted either to sign our charter or provide a similar charter applicable to their organisations.

**Indicators**

**2019**

% of turnover covered by suppliers having signed our charter or implementing an anti-corruption charter

87%



• **GENDER EQUALITY AGREEMENT**

**References:**



- OMERIN Group Code of conduct  
3 - General commitments by the OMERIN group and its employees



- Global Compact  
International labour standards  
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

In September 2019, OMERIN SAS signed a collective agreement on gender equality in the workplace with its labour unions, based on four priorities: Actual pay, training, hiring and career progression.

Concerning actual pay, it was decided to adopt the gender pay gap index as an indicator. 2018 observations revealed that there is a very slight inequality in favour of men. It was therefore requested of department management to take into account this difference, and reduce the inequality within 3 years.

The second priority is training, which is an essential lever in building authentic gender equality. Women need access to training in the same proportion as men. The performance indicator is the difference between the proportion of employees trained in a given year according to their gender, and the proportion of women and men in the average headcount for that year.

The third priority is recruitment. To calculate gender inequalities in recruitment, we decided to use the proportion of applications from women in relation to the level of female recruitment.

Professional equality between women and men is also measured in terms of equality of opportunity in terms of career progression. The aim of this fourth priority is to ensure equality at all levels of promotion. To measure the last point, we once again use the index indicator.

Indicators	2018	2019
Pay gap in favour of men	1.68%	1.62%
Points difference between number of trained employees by gender and average headcount	14 pts	8 pts
Percentage of female applicants	19%	37%
Percentage of female recruits	23%	33%
Promotion gap in favour of women	-0.6%	0.2%

## 6 | OUR ENVIRONMENTAL RESPONSIBILITY

The OMERIN Group wishes to provide real answers to environmental issues through the development of innovative solutions. Through these innovations, the OMERIN Group is aiming for economic development while achieving optimal environmental performance. The OMERIN Group is committed to meeting customer demand by providing high technological quality products and solutions produced in facilities that comply with standards in force in terms of environmental impact.

The OMERIN Group is committed to significantly contributing to sustainable development through rational use of resources in order to reduce its environmental footprint.

Increasing the percentage of energy independence, reducing the consumption of energy and raw materials required for production and ensuring its industrial facilities are compliant, all require that the OMERIN group takes all reasonable opportunities that arise to reduce pollution emissions.

The OMERIN group is fully conscious of the responsibility incumbent upon it to protect the environment as well as the health and safety of any person in contact with its products. This concern is at the heart of its business and environmental policy.

## 7 | OVERVIEW OF 2019 ENVIRONMENTAL ACTIONS

### • PHOTOVOLTAIC INSTALLATIONS

#### References:



- OMERIN Group Code of conduct  
8 - Respect for the environment and sustainable development



- Global Compact  
**Environment**  
**Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.**



View of OMERIN division principale

In 2019, the OMERIN Group invested in 12,000 m<sup>2</sup> of photovoltaic panels, covering the roofs of four of its plants, and generating a total of 2.1 MWp: OMERIN division principale (2,800 m<sup>2</sup> on workshop roofs), OMERIN division silisol (2,800 m<sup>2</sup> on warehouse and workshop roofs), OMERIN division polycable (2,800 m<sup>2</sup> on plant extension roof) and UNION PLASTIC (3,600 m<sup>2</sup> on two plant roofs). The Group won the call for projects made by French Energy Regulatory Commission CRE in 2017. The project lasted almost two years, involved installation and efficiency design work, administrative approvals, roof reinforcement and asbestos removal, resulting work, installation of photovoltaic solar panels and compliance checks on all systems. The overall investment amounted to €1,600,000 excluding VAT, not including asbestos removal work, roof reinforcements and refurbishments. With an apparent power of 500 kWc on each site, the design studies reveal that we could generate between 10 and 20 % of electricity for self-consumption depending on the site. A vast project which proudly contributes to reducing our carbon footprint and greenhouse gas emissions, by self-consuming green, renewable energy from 7,000 panels each generating 300 Wp.





View of OMERIN division silisol



View of OMERIN division polycable



View of UNION PLASTIC - UPP site



View of UNION PLASTIC - MUP site

### Photovoltaic energy Indicators

2019

#### Self-consumption rate

OMERIN division principale	9%*
OMERIN division silisol	Introduction on 1st Feb 2020
OMERIN division polycable	13 %*
UNION PLASTIC**	10%

#### Full production

OMERIN division principale	11.9 MWh*
OMERIN division silisol	Introduction on 1st Feb 2020
OMERIN division polycable	6.8 MWh*
UNION PLASTIC**	196 MWh

\* Only for December (equipment commissioning month)

\*\* UNION PLASTIC - UPP site only