

SUSTAINABLE DEVELOPMENT REPORT



2020



GROUP



EDITORIAL

2020 was a very difficult year in many ways, and CSR was not spared. While the COVID-19 pandemic was the major event of the year, our Group was also impacted by the gigantic fires in Australia and a destructive storm in the south of France.

The health crisis we are experiencing shows the importance of a flexible corporate culture and of protecting employees and it reaffirms, as it need be, the importance of protecting our planet.

Given this context, our 2020 campaign was unprecedented, both in terms of the actions we were unable to carry out and those that we had to adapt throughout the year.

In 2020, we focused on pursuing the development of our eco-responsible product lines, deploying ethical charters for our suppliers, implementing the Sapin 2 law's Code of Conduct, and rethinking our working methods to integrate remote and collaborative work.

We have been committed since 2004, when we signed the Global Compact and remain fully motivated. Despite the many uncertainties still remaining regarding the health crisis and its impact on our ability to take action, we sincerely hope that 2021 will see an even stronger recovery in the deployment of our sustainable development actions.

Corinne Leduc

CEO

E.CF Group

SUMMARY

Group presentation

Sustainable Development at the E.CF Group

Our Sustainable Development baselines

An environmentally-friendly product offering

Products

Labels

Lasting relations with our partners

ARC

CGMP

JVD

Better management of our environmental impact

Avoiding travel

Reducing with waste sorting

Compensating thanks to a mobility plan

Promoting greater responsibility in environmental matters

Engagement and conviviality

Equitable, respectful social relations

Social and environmental indicators

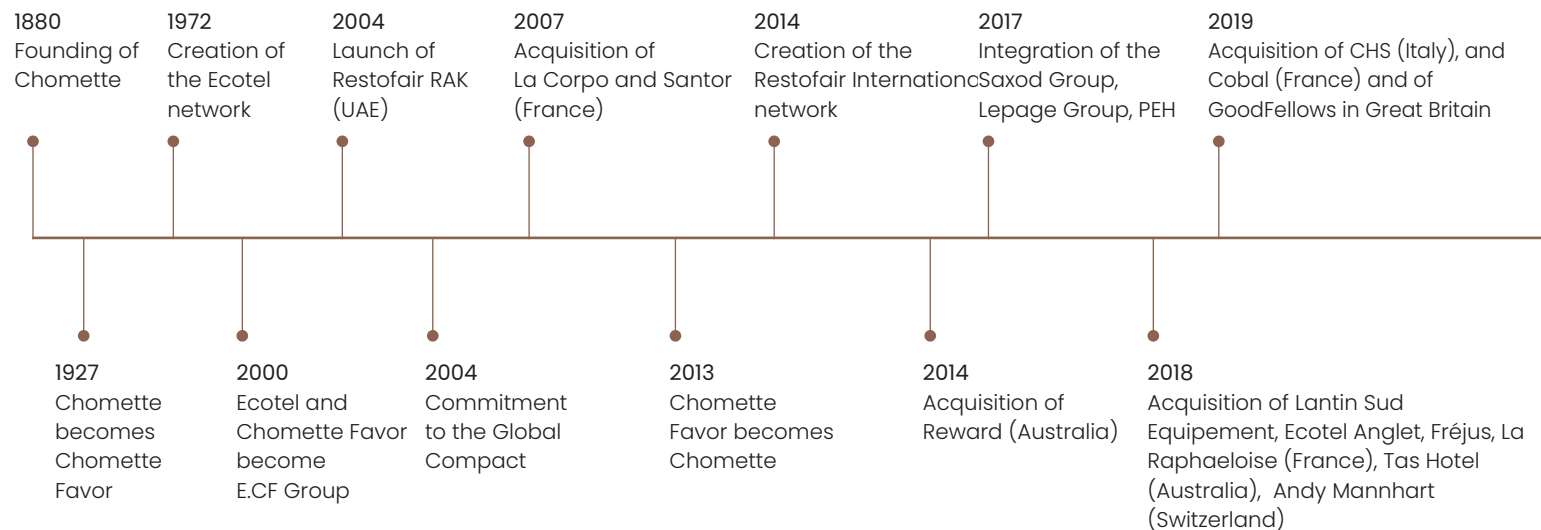
Prospects

Over a century of passion serving our customers

Nearly 140 years of experience, of passion, of know-how and of innovation have shaped the E.CF. Group. Thanks to sustained organic growth and strategic acquisitions over the years, the E.CF Group has built a distribution network which enables us to meet the needs of our most demanding customers.

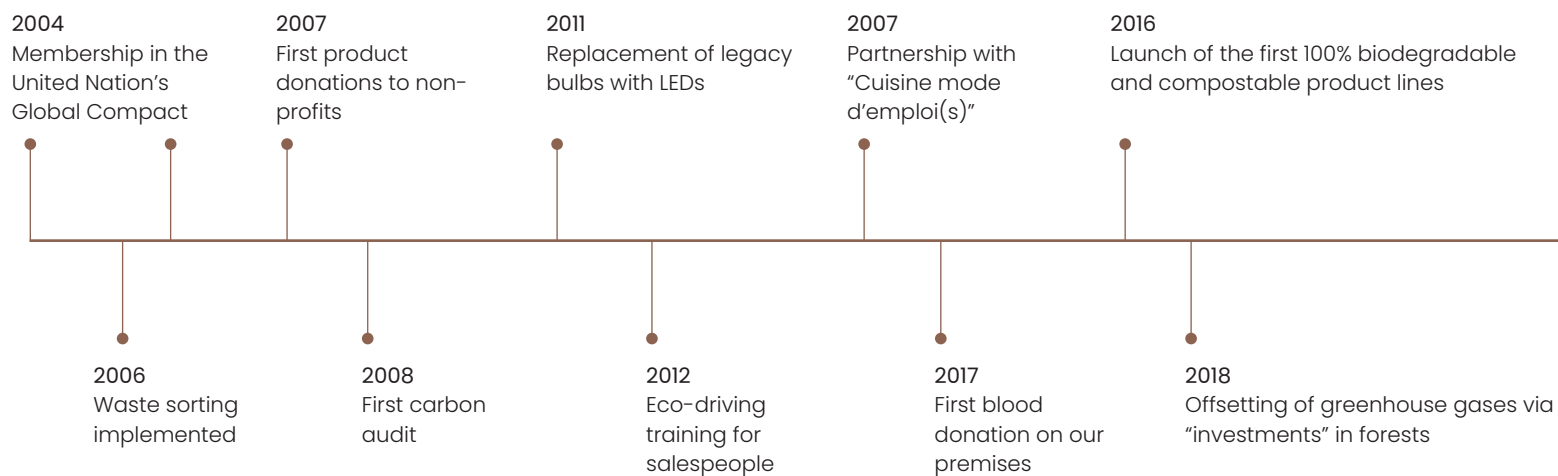
GROUP PRESENTATION

ECF



SUSTAINABLE DEVELOPMENT

Our Sustainable Development approach was formalised in 2004. Since then, we have put it at the heart of our strategy, making it a key factor for innovation, competitiveness, differentiation and satisfaction



Our ARC (avoid, reduce, compensate) approach

The E.CF Group's actions are based on an ARC (avoid, reduce, compensate) approach which requires that impacts on the environment be avoided or, failing that, reduced. As a last recourse, the effects must be offset if the previous two steps have not eliminated them. This approach allows us to consider all of the company's projects in a different light, to make fundamental choices and to review the impacts of each action we take. We subscribe to this approach because the best way to protect our environment is to avoid impacting it!



Global Compact

The E.CF Group has actively supported the United Nations Global Compact since 2004. The Global Compact brings together companies committed to implementing a socially responsible attitude and to integrating 10 fundamental principles in their operations. Our involvement is renewed each year and is materialised via a COP (Communication on Progress), which describes the actions implemented and substantiates our values.

The five baselines

SUSTAINABLE DEVELOPMENT



Offer a more environmentally-friendly product line

The E.CF Group consistently sources and selects products with the most demanding labels: FSC, PEFC, OK Compost, EU Ecolabel. We also ensure the sustainability of our products to complete this approach.



Maintain sustainable partnerships

The E.CF Group involves its suppliers and partners in its Sustainable Development policy. It selects them by taking into account criteria which reflects the environmental and social aspects of their business.



Master our impact on the environment

To minimise the impact of our business activities, we constantly seek to implement the best practices and promote solutions with a small environmental footprint.



Promote our challenges

Train, involve, promote: the company raises the awareness of its employees regarding the challenges shaping today's world and provides them with an enhanced experience which is both shared and forward-looking.



Improve social relationships

The E.CF Group is concerned about the professional and personal self-fulfilment of its employees and implements social practices as part of its CSR policy and well-being at work approach.



BASELINE N°1

A more environmentally-friendly product line

Assisting our customers and their environmental transition is a goal shared by all of the E.CF Group's subsidiaries.

To accomplish this, methodical sourcing and selection are carried out at all times for products with the most demanding labels: FSC, PEFC, OK Compost, EU Ecolabel.

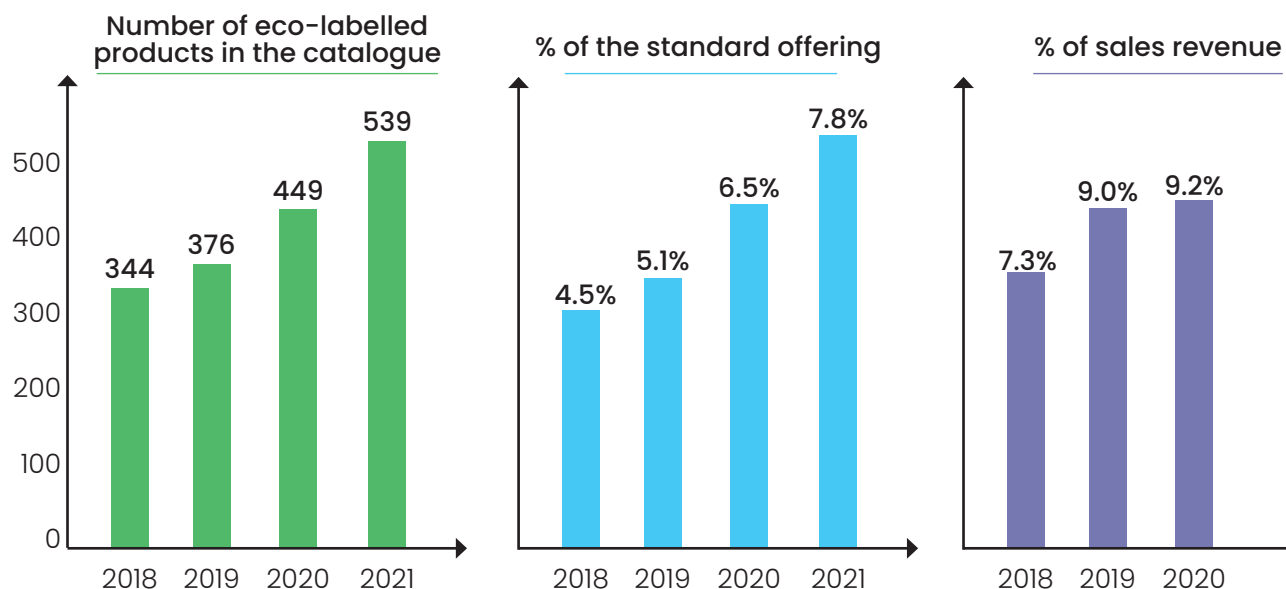


In Australia

The signature of the supplier ethics charter was extended to Australia in 2020. The eco-responsible offering in Australia was also enhanced in 2020 with a biodegradable stretch film, an innovative product which immediately found its place in the assortment.

Eco-labelled products in France

The 2021 catalogue offering has been enhanced with 90 FSC-labelled products.





BASELINE N°1

A more environmentally-friendly product line

Our “green” products have earned a number of different labels (FSC, OKCompost, etc. What do they mean?

FSC: The Forest Stewardship Council (FSC) is an environmental label which ensures that the production of wood and wood-based products complies with all of the procedures ensuring the sustainable management of forests.

PEFC: The Programme for the Endorsement of Forest Certification (PEFC), formerly Pan European Forest Certification before its globalization, is a private forest certification scheme that promotes sustainable forest management.

OK Compost: OK Compost is an ecology label. The label indicates that products do not contain any harmful substances and that they can be made into compost in an industrial facility without heavy-metal residue.

EU Ecolabel: The EU's Ecolabel is based on the principle of an “overall approach” which takes into consideration the life cycle of the product from raw materials extraction, to manufacturing, to distribution and through recycling and final disposal. Quality and types of use are also taken into account.

Ecocert: certification of products from organic farming. The certificate attests to the fact that the products inspected meet specifications for organic farming, paints and coatings, fairtrade and social economy products, responsible companies and cosmetics.



BASELINE N°2

Lasting relations with our partners

The E.CF Group's partners include suppliers that implement CSR actions.



Arc

Arc was founded in the north of France, in Arques, where the Group's headquarters are still located. Its Research and Development unit is the largest glass production site in the world.

With strong roots in France and in its region of origin, Arc manufactures its products around the world.

The Group has production sites in China, Russia, the United Arab Emirates and the United States. It is known for its six brands (Arcopal, Cristal d'Arques Paris, Luminarc, Eclat, Arcoroc and Chef&Sommelier) and for making beauty accessible to all, worldwide.

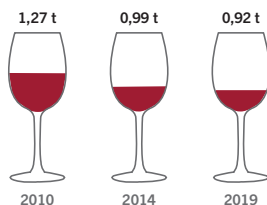
The Arc Group is committed to sustainable development and intends to become a 360° sustainable company based on seven points:

- Design,
- Production,
- Distribution,
- Consumption (use and reuse)
- Collection,
- Recycling,
- Raw materials.

BON
A SAVOIR



EMISSIONS CO₂ réduites de 27% depuis 2010*



*t CO₂ eq / t verre 1er choix

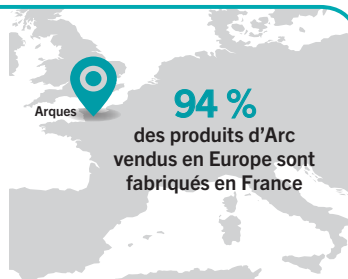
PROMOUVOIR LE "ZÉRO DÉCHET"

- **30%** de notre composition de verre est faite de verre recyclé interne (groisil) : **9%** d'énergie économisée.
- **100%** du groisil issu de la production d'Arc est réutilisé : **92%** en production, **8%** est recyclé en fibre de verre et en abrasif.
- **70%** de l'eau utilisée pour la production est en circuit fermé.
- Emballage : carton certifié **FSC**, fabriqué à **50%** à partir de carton recyclé.



APPROVISIONNEMENT LOCAL ET TRANSPORTS DURABLES

- **94%** des ventes d'Arc en Europe proviennent du site de production d'Arc France.
- Certification **OFG** obtenue en 2019.
- **80%** des matières premières sont acheminées par voie fluviale.



CERTIFICATIONS

Sedex²



AUTRES INITIATIVES RSE

- **200** apprentis chaque année.
- Partenariats avec des associations d'aide aux personnes handicapées au travail.

BASELINE N°2

Lasting relations with our partners



CGMP



CGMP

A French company committed to a true CSR approach.

Our partner CGMP now uses water-based ink for all of its products. They also work on eco-design. Their entire Ouate line of products is Ecolabel certified.

CGMP has also received FSC and PEFC certification. These two certifications guarantee that the “wood” products used come from sustainably managed forests.



JVD

As part of the “**1 towel purchased = 1 tree planted**” operation, the E.CF Group enabled our partner JVD to plant 57 trees in 2020.



BON
A SAVOIR



BASELINE N°3

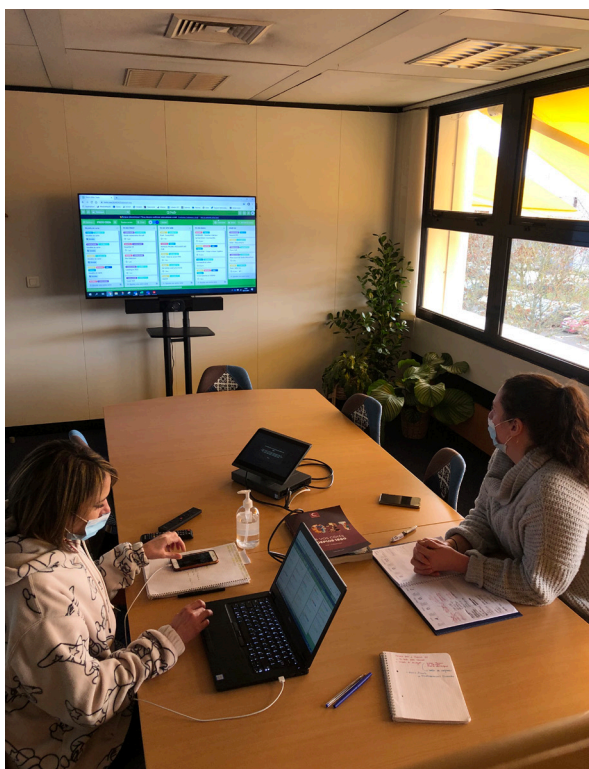
Better management of our environmental impact

To reduce its impact on the environment, the E.CF Group has chosen to implement the ARC “**avoid-reduce-compensate**” sequence.



AVOID

In order to avoid travel and to adjust to the constraints of lockdown periods, several meeting rooms at Group head office have been equipped with video conferencing equipment. This has encouraged internal and external communication while limiting travel and in-person meetings.



BASELINE N°3

Better management of our environmental impact



REDUCE

Waste sorting at E.CF's head office has been modified by setting up voluntary drop-off points with several sorting flows (paper, compost, plastics, etc.).



By sorting our waste daily via voluntary drop-off points, we promote recycling, reduce natural resource use, save on energy, avoid wasting reusable materials, and reduce the volume of waste to be processed and greenhouse gas emissions. These new waste collection methods are the result of the materiality study sent to Group employees in January 2019. The survey identified two priority themes on which employees wanted specific action: recycling and waste.

In Australia, the implementation of The Venue software (an in-house system for HR communication, statistics sharing and online training) enabled many improvements:

- A significant reduction in paper printing, replaced by scans and emails (work contracts, warehouse inspections, etc.)
- The automation of many statistics and reports planned for 2021
- Participation in paper reduction campaigns

The software was deployed across Australia in 2020, and will be in New Zealand in 2021.

BASELINE N°3

Better management of our environmental impact



COMPENSATE

Aware that our employee's mobility (both their home-work and business travel) has an impact on the environment, health, well-being and performance at various levels, as well as a cost, the E.CF Group decided to take a global approach to the issue of mobility.

In addition to actions initiated by an internal working group on business travel, the Grigny site also developed its own Mobility Plan. Announced during the sustainable development day held on Friday 13 September 2019, and led with the assistance of EKODEV, the plan was built in several phases:

- Preparation (selection of the objectives, reverse planning and stakeholders),
- Accessibility (mapping of traffic flows and site accessibility study),
- Study of practices and needs (for employee travel and analysis of the employee survey),
- Action plans (preparation of an operational action plan with tracking indicators).

The results obtained after the first three phases were very encouraging. They enabled the preparation of a concrete action plan. The first action taken was the installation of four charging stations on the Grigny site. In service since the end of June 2020 and intended for all employees and service providers with a hybrid or electric vehicle, they reflect our intent to pursue and promote electric mobility.



BASELINE N°4

Promoting greater responsibility in environmental matters

The involvement and awareness of employees with respect to promoting greater environmental responsibility has been at the heart of our sustainable development approach since the E.CF Group joined the Global Compact in 2004.



A sustainable development day has been held every year, combining E.CF Group commitments and conviviality. The latest one (in September 2019) dovetailed perfectly with this approach, with practical awareness-raising about waste management and the distribution of a cup to all Group employees. In partnership with two suppliers (Pillivuyt and RAK), the E.CF Group decided to offer all of its employees a gift which illustrates its business activity, is a symbol of conviviality and of sharing, and fits the waste reduction approach. Thanks to these cups customised in the E.CF Group's image, coffee, tea and other drinks are no longer taken in plastic cups!

Many of the pictures taken by employees during the day have been shared.



BASELINE N°4

Promoting greater responsibility in environmental matters



Unfortunately, the health crisis did not allow us to spend a sustainable development day together this year. The meeting, which is now an institution, will take place again as soon as possible. All of the E.CF Group's employees will be able to meet and come together around sustainable development themes which are important to them.



BASELINE N°5

Equitable, respectful social relations

Throughout 2020, the E.CF Group focused on donations, maintaining the connection between employees, and listening to them to promote equitable social relations.



**Reward
Hospitality**

DONATIONS

Donations are made in several different ways and contribute to promoting fairness within civil society.

We're proud of our subsidiaries, which mobilised to lead solidarity actions as soon as the first COVID wave hit: Ideria, Andy Mannhart, Chomette, and Ecotel Annecy donated 1,000 mob caps, blouses, masks, shoe covers, and food trays to healthcare establishments (hospitals, clinics, ehpad, SOS Médecins) and to chefs (Fondation Ducasse) for food preparation for healthcare providers.

E.CF Group products also got a "second life". Unsold products in good condition were donated:

- 95 pallets to Emmaüs, and
- 59 pallets to Secours Populaire.



LINK

COVID has had an impact on our business and our organisation, as it has on many companies. To ensure that the connections between Group employees wouldn't be lost during this unprecedented period, the Marketing & Communication department came up with "Le p'tit confiné" concept.

The weekly in-house newspaper has reported news about the Group's different entities while sharing good practices and ideas with employees (reading suggestions, recipes, activities, etc.)!





BASELINE N°5

Equitable, respectful social relations

LISTENING

The E.CF Group has changed quickly over the past two years, notably with the integration of many subsidiaries. While this is a positive, our external growth has had an impact on all Group Employees. As a result, we felt that it would be appropriate to conduct a survey on quality of life at work to assess to what extent our actions improve both the working conditions of our employees and the overall performance of our company.

Several quality of life at work fields were taken into account in the employee survey:

- Social relations and work (recognition, participation in decision-making, etc.)
- Work content (autonomy, level of responsibility, etc.)
- Physical setting (noise, lighting, heat, chemicals, ergonomics, etc.)
- Work organisation (workload, dysfunctions, etc.)
- Career fulfilment (compensation, training, skills development, etc.)
- Manager training
- Professional life/private life balance (services for employees, transport, working hours, etc.).

This approach enabled us to focus on employee challenges: prevention of psychosocial risks, stress management, improvement of working conditions and impact on company performance.

With a participation rate above 60%, the survey will enable the group to get an overall view of the quality of life at work and develop an action plan for deployment in 2021.

We will conduct regular surveys to assess and improve the quality of life at work, as was already done in France in 2020.

BASELINE N°5

Equitable, respectful social relations



FOODTRUCK, THEMED MEALS DIRECT FROM THE E.CF GROUP

Employees have been able to enjoy meals from a Foodtruck located in the employee car park since January 2020.

The theme changes every two weeks: Mexican, Caribbean, Italian, etc.

This initiative has been a great success for the human Resources Department.



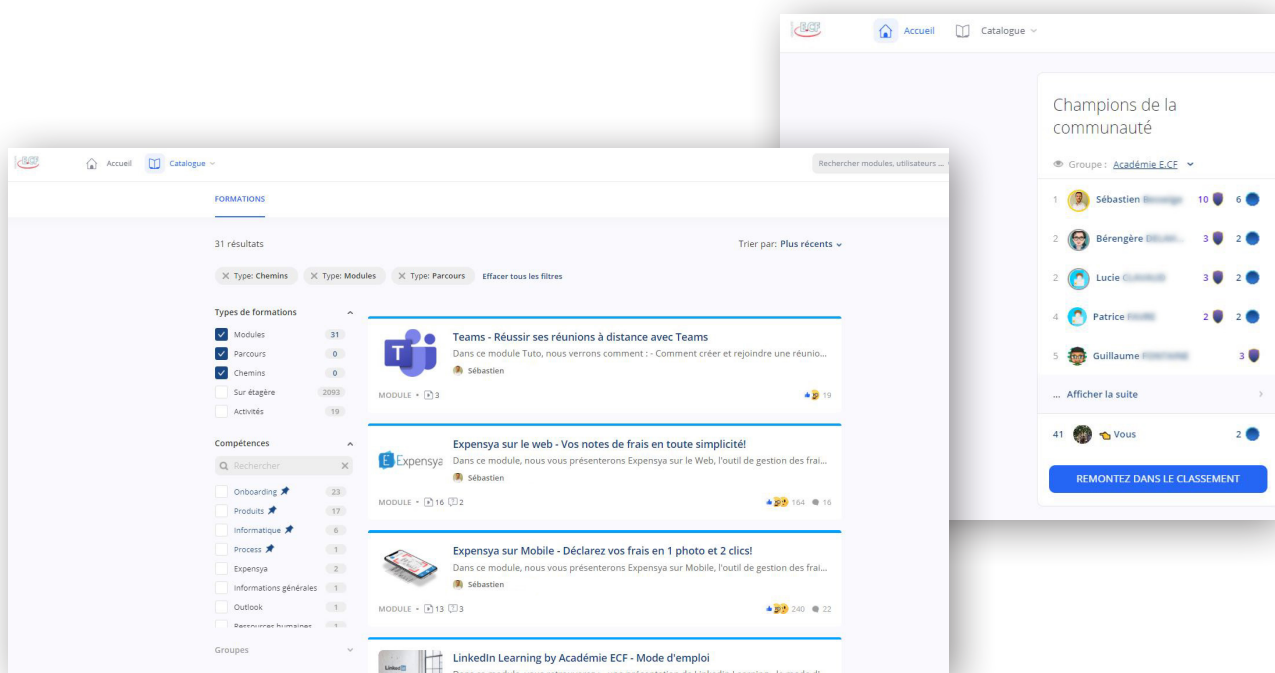
BASLINE N°5

Equitable, respectful social relations



TRAINING

The E.CF Group significantly enhanced its e-learning offering in 2020. It enables employees who have free time to increase their skills while working remotely during the pandemic.

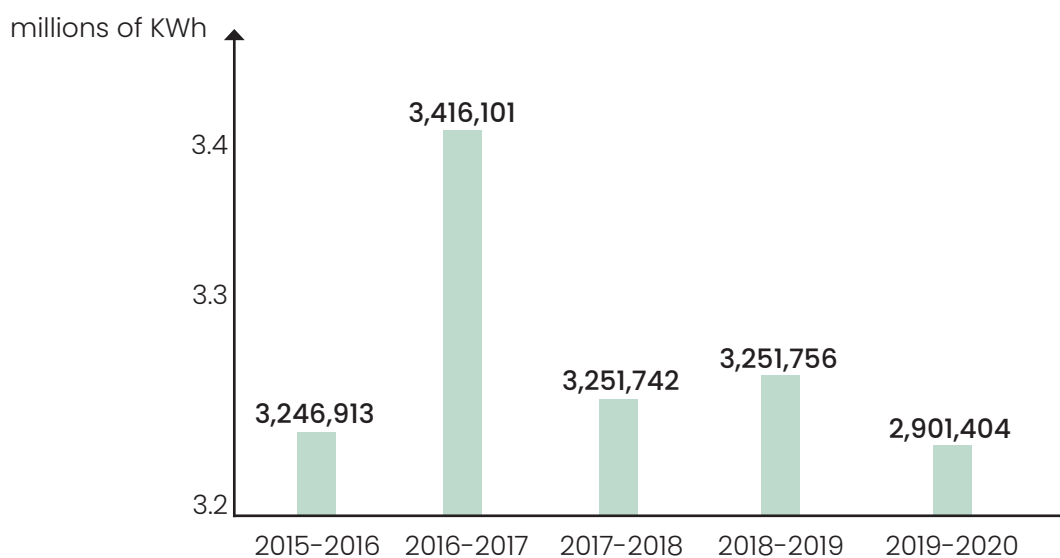


Employees have been able to take office automation, business line, product, and personal development classes in Australia via The Venue software and in France at the Académie E.CF.

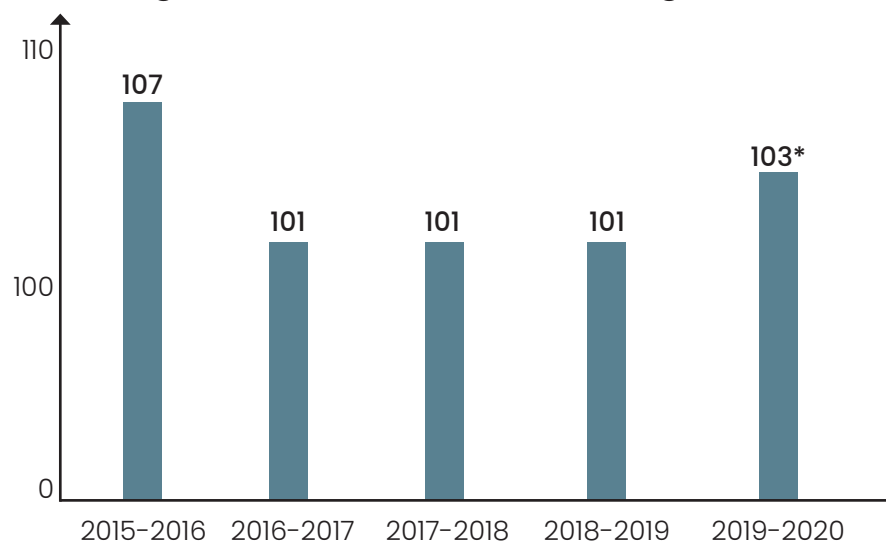
Webinars are held in Australia every month to complete product training for salespeople, on current specials, and on new products.

ENVIRONMENTAL INDICATORS

Electricity Consumption + Gas Consumption (Grigny site in kWh)



Monitoring the average emissions of the fleet in g CO²



*The increase is due to a change in calculation method (more reflective of reality)

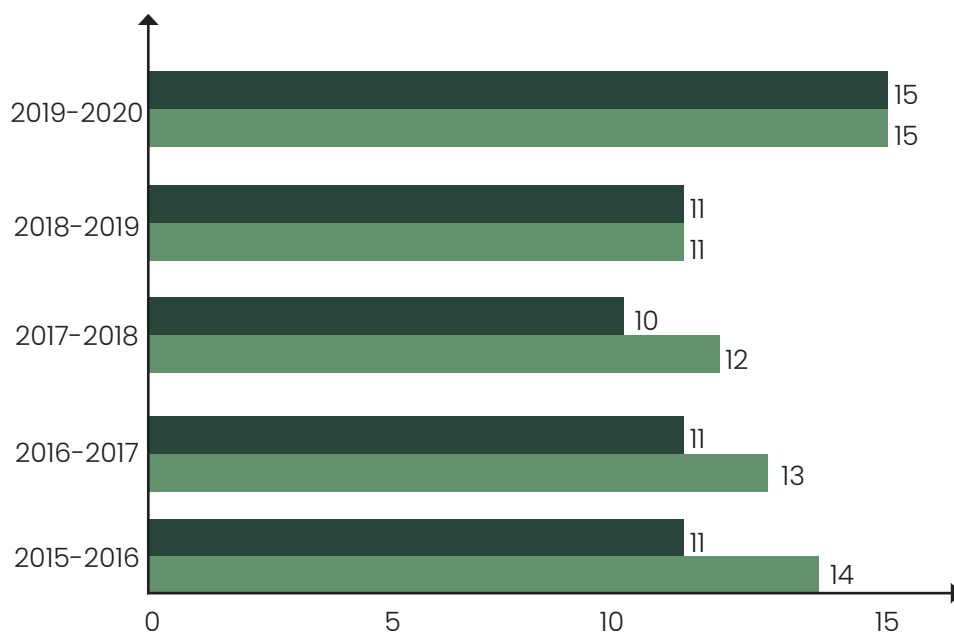
CO² compensation by trees (in tons of CO₂ absorbed)



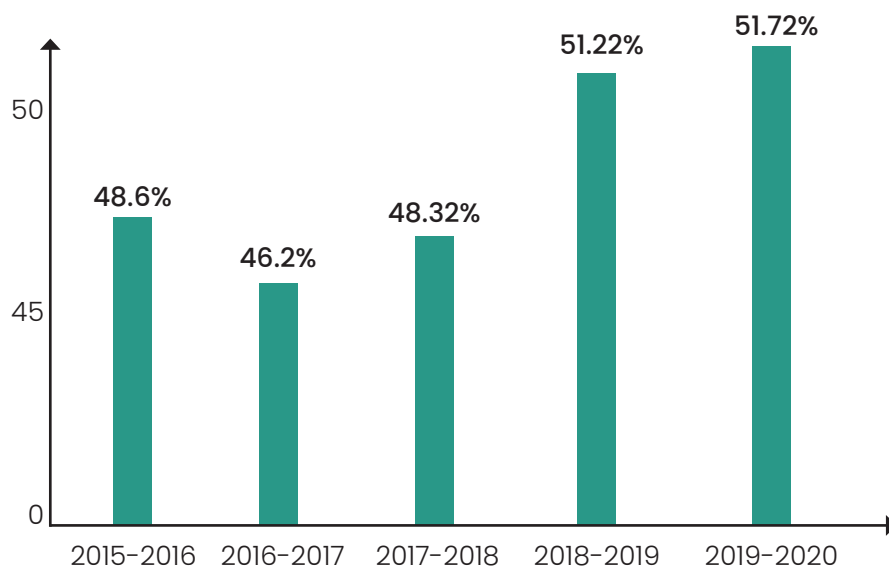
SOCIAL INDICATORS

Number of different nationalities:

- in the E.CF Group
- at the Grigny head office

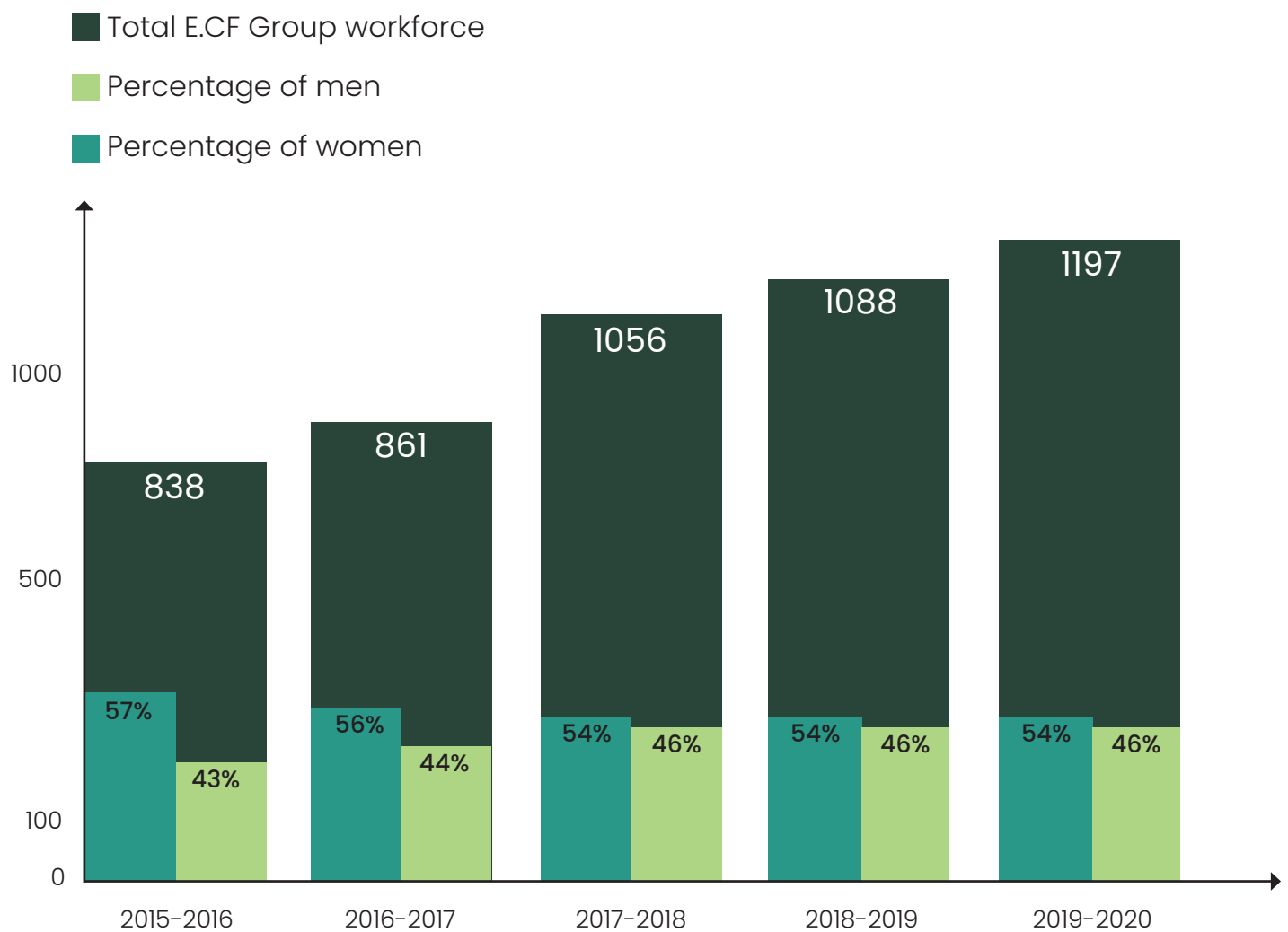


Percentage of local employment at the Grigny head office



SOCIAL INDICATORS

Total E.CF Group workforce & male/female ratio



PROSPECTS

Continuity, consolidation, and reflection will characterize the E.CF Group's sustainable development initiative in the coming year.

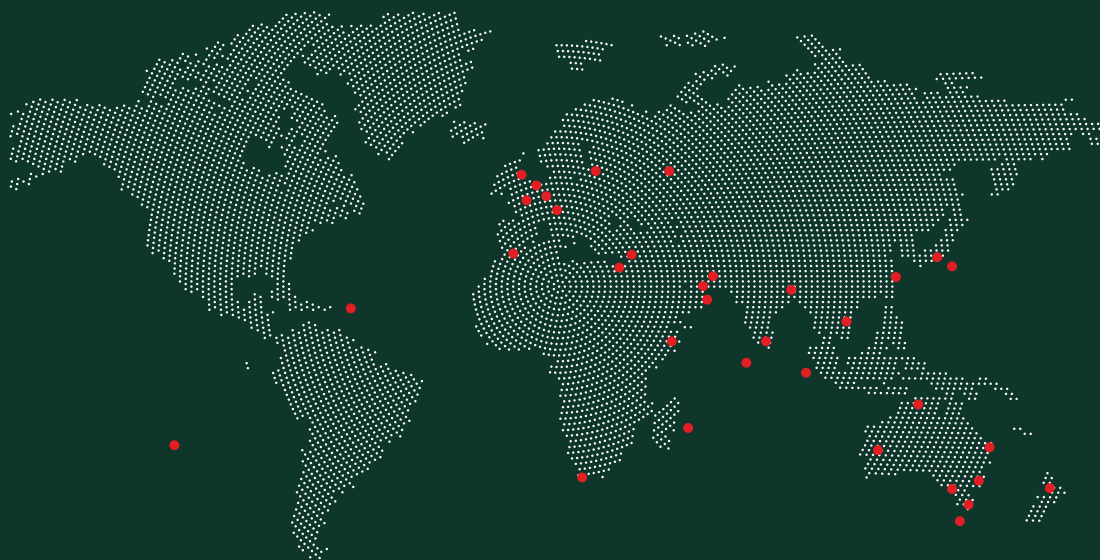


Following a difficult 2020, we hope to be able to pursue and develop deployment actions for our Sustainable Development approach in 2021:

- Continue to deploy an eco-responsible product offering with, in particular, the implementation of the anti-waste law
- Continue to reduce CO₂ emissions by equipping new meeting rooms and by signing a remote working charter to ensure collaborative, high-quality remote working
- Develop e-learning to provide access to a broad selection of training modules to all employees
- Continue communication and sharing actions among employees and develop the employer brand
- Pursue the digitalisation of our processes



Over 15 years of **commitment and results**



France
Benelux
Switzer-
land

The United
Kingdom

Italy

Middle East
Africa

Asia

Australia
New Zealand

Follow us



www.ecf.fr