



STÉARINERIE **DUBOIS**

**COMMUNICATION ON
PROGRESS 2019-2020
SUSTAINABLE DEVELOPMENT
AND CORPORATE
RESPONSIBILITY REPORT**

Originally, in 1820, Stéarinerie Dubois manufactured stearic candles, one of the major technological innovations of this period marked by the industrial revolution. The company is still run by the direct descendants of the founder.

In preparation for the 200th anniversary of Stéarinerie Dubois, a trainee from the "Sources and promotion of company heritage" Masters programme at the University of Paris-Saclay has collected and arranged the information and iconography that will make it possible to retrace two centuries of the company's history in a book to be published shortly.



Editorial

"As I write these lines, the world is still facing an unprecedented health crisis and I would like to pay tribute to all the employees at Stéarinerie Dubois who have made the necessary changes that enabled them to continue to fulfil their missions in compliance with safety rules and for those who could do so thanks to teleworking. In its 200 years of existence, the company has experienced many challenges and we must once again prove our ability to mobilize our industrial tool to prepare for the recovery that is sure to come.

This unprecedented period reinforces our belief that a company can only be sustainable if it takes its social and environmental responsibility into full consideration. This is the objective we are pursuing to guarantee our customers a product offer that integrates respect for the environment and for people in their design and manufacture. This strategy is guided by the principles of the UN Global Compact, to which we are renewing our commitment, and this third CSR report aims to illustrate our contributions to society.

Our business model has proved its worth and in the current context, the partnership relationship we have developed with many customers and suppliers allows us to approach the coming years with confidence and realism. Faced with the environmental challenges that await us, we wanted to take a stand on climate change and be part of a collective progress approach, as is our custom".



Hervé Gondrand
CEO

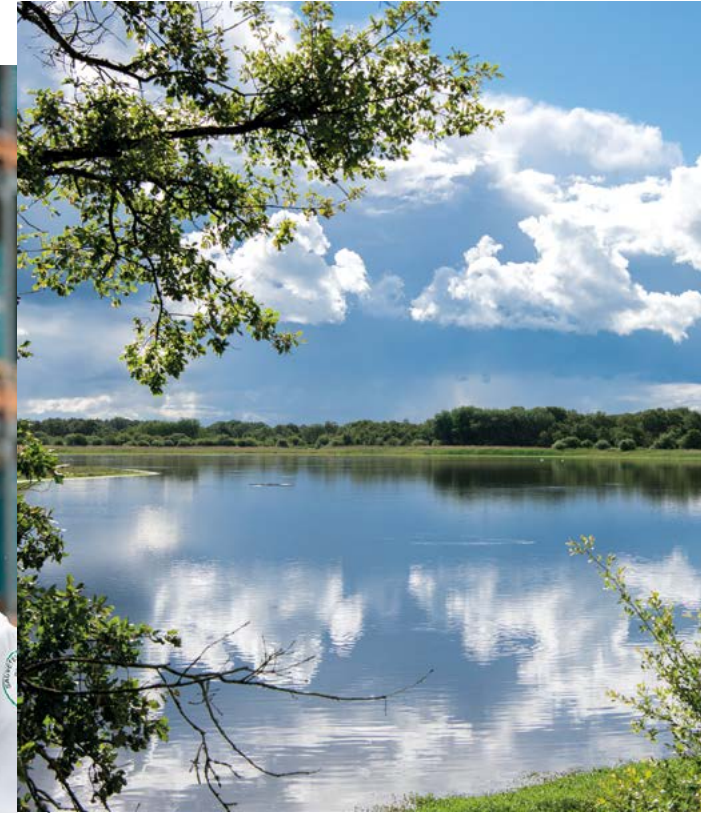


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**KEY
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STÉARINERIE DUBOIS, French expert in ester production

Trends in the ingredient chemistry sector

Increased consumer expectation in terms of quality, traceability, sustainability

An increasingly responsible supply chain

Climate change and its impacts on subsidiaries

Dynamism of plant-based chemistry

Digitalization of the company

Our resources

Finance

- Family shareholding
- Independence

Infrastructure

- An international presence
- An expanding plant
- An application laboratory near Poitiers, France
- A sales department that is present and responsive
- ISO 14001:2015 certification



Human

- An effective Health and Safety policy
- A dynamic training plan
- Promoting diversity

Immaterial

- A team in charge of R&D
- Acceleration of the R&D application
- A regulatory & REACH team at the service of product safety
- A desire to digitize certain processes

Relational Ecosystem

- A responsible purchasing approach
- Products designed with customers
- An ethical charter governing professional practices

Across its activity sectors, Stéarinerie Dubois is a global reference in technological fats and oils



For the cosmetics industry



59 %
of turnover

For the pharmaceutical industry



23 %
of turnover

For the agri-food industry



9 %
of turnover

For functional specialties

9 %
of turnover

Our sustainable value creation

Finance

- Turnover €68 million
- 67% of export sales



Organization/Means/Tools

- Ecovadis 76/100
- To manufacture 1 kg of finished product:
3.18 litres of mains water
2.19 kWh of energy
- With emissions of 348 g of CO₂⁽¹⁾ eq and 202 g of waste produced
- Waste recovery rate: 80 %



Human

- 7 accidents at work



Immaterial

- DUB SOGREEN (MB)
- DUB TOGEE (MB)
- DUB OE HP (MB)
- Securing our company's management information system to make it more sustainable



Relational Ecosystem

- Partners including the CDP
- Authorized Economic Operator (AEO) status, enabling it to facilitate its deployment in the major export market
- Partnerships with the CDP, CIRAD⁽²⁾...



(1) Scope 1 and 2, in accordance with regulations.

(2) CIRAD is the French agricultural research and international cooperation organization for the sustainable development of tropical and Mediterranean regions.

Profile

Created 200 years ago and an expert in fats, Stéarinerie Dubois continues to develop in France and internationally, thanks to its industrial expertise and innovations.

Stéarinerie Dubois designs, produces and markets a complete range of products and solutions - mainly value-added esters - that respect both Humans and the environment for its customers in the cosmetics, food and health sectors and for industry in general. Its ambition is to be one of the world leaders in technological fats in the sectors for which it works. The production site is located in Scoury, in the heart of the Brenne Natural Park, France. Tertiary activities such as marketing, sales, purchasing, etc. are carried out on the Boulogne-Billancourt site. A subsidiary in Shanghai and an office in Tunis allow it to expand in Asia and Africa. In 2020, an application laboratory called "Stéarinerie Dubois FABLAB" will be inaugurated near Poitiers. In addition to its activity of formulating our products, it will be able to welcome our customers and distributors for seminars, conferences and training sessions.

The durability of the company and the upholding of its values in its day-to-day management are ensured by its family shareholding and its governance model.



Hervé Plessix
Managing Director

“We specialise in esters and technological oils. Export is the key focus of our development”



2019 in review

The data presented in this document are consolidated at the level of the legal entity Stéarinerie Dubois.



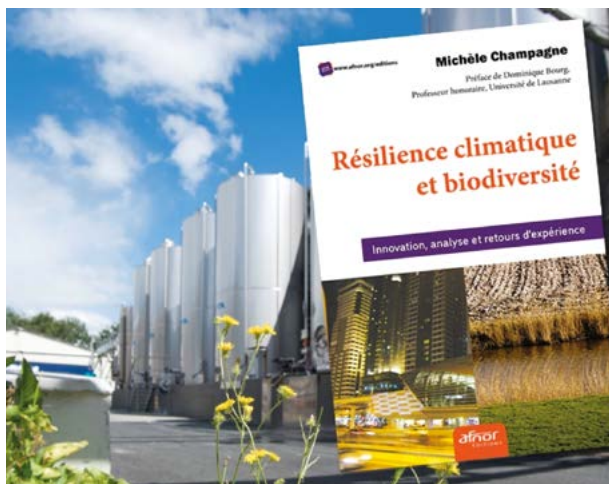
76/100

Ecovadis 2019 score
(+ 4 points/2018)

This score places Stéarinerie Dubois among the most highly performing companies in terms of CSR according to this international reference rating.

RESILIENCE

For several years now, Stéarinerie Dubois has been developing a CSR programme structured around the United Nations' Sustainable Development Goals. We are very proud to be part of the feedback and best practices presented in Michèle Champagne's book published by Afnor: "*Climate Resilience and Biodiversity*", alongside Michelin, Avril, Veolia, ARMOR, Crédit Agricole and many others.



AWARDS



Photo: ©Sylvain Renard for the Global Compact France

Stéarinerie Dubois received an award at the 7th award ceremony of the *Trophies for the best communications on the progress of Global Compact France* in the category "First COP".



The creativity of our teams was rewarded by the Coup de Coeur prize awarded at *Cosmetagora 2019* for a massage ball containing our innovation *DUB ESTOLINE®*.

A NOTABLE PRESENCE AT NUMEROUS TRADE SHOWS

In 2019, we participated in *Prosweets Cologne* in January, *Gulfood manufacturing* in Dubai in October and *Food ingredients* Paris in December for our products intended for the food industry and in particular incorporated during the manufacture of sweets. For our cosmetics business, our Brazilian distributor won the *Green Innovation Challenge* at *FCE Cosmetics* in June 2019, for its presentation of our 4 new esters. We were also present at *In-Cosmetics Paris* in April 2019, *Make-up Paris* in June, *In-Cosmetics Latin America* in September, *Cosmo-Tech Expo* in New Delhi, *Focus Ingredients* in Bangkok and *Innovation Day of Polo Tecnologico della Cosmesi* in Italy. There will be fewer trade fairs in 2020 given the economic situation, but we will find other ways to showcase our innovations.



Stéarinerie Dubois as a member of the *Global Compact* celebrated the 4th anniversary of the Sustainable Development Goals.

PROMOTING A RESPONSIBLE VALUE CHAIN

The crisis we have just experienced will change our economic environment and has shown that it is imperative to secure supply chains by also integrating the subjects of climate emergency and biodiversity.



Our palm oil strategy and monitoring our progress



www.rspo.org

We do not offer palm oil directly to our customers but derivatives synthesized from pre-processed products. However, we aim to be among the most responsible suppliers of ingredients and have been driving a certain number of initiatives for many years.

We have spoken out in support of sustainable palm oil by joining the Roundtable on Sustainable Palm Oil (RSPO⁽¹⁾) and we encourage all of the links in the supply chain to do the same. We are not alone in this approach, being only one link in the supply chain between our suppliers located mainly in Indonesia and Malaysia and our customers in the food, cosmetics, pharmaceutical and industrial industries. Only full traceability from the plantation to the final product can facilitate controls and build confidence to stimulate demand for certified sustainable oil. But this traceability and transparency require investment and an understanding of the room for manoeuvre for growers, especially small growers.



Stéarinerie Dubois joined the ASD (*Action for Sustainable Derivatives*⁽²⁾) at the beginning of 2020, thus pursuing its ambitious policy of controlling sustainable supply chains. The objectives are to pool efforts in order to increase transparency and proactively monitor risks along the global derivatives supply chain, secure verified responsible supply, and finally generate positive impact on the ground in priority production landscapes.

(1) The Roundtable on Sustainable Palm Oil (RSPO) is an international organisation established in 2004 to promote the production and use of sustainable palm oil through the establishment and enforcement of global standards that commit the various stakeholders in the sector and lead to the placing on the market of certified sustainable palm oil.

(2) ASD is an industry-led collaboration aimed at achieving responsible production and sourcing of palm oil derivatives.

Our approach revolves around 5 key areas

As of 2018, 100% of our palm derivatives supplies are sustainable, under the Book & Claim supply chain system. In addition, our entire palm derivatives product portfolio will be exclusively available in MASS BALANCE by the end of 2020.

1 Zero deforestation
In accordance with the RSPO & Accountability Framework initiative guidelines:
> absence of development in areas with high carbon concentration,
> absence of development in areas of High Conservation Value, as defined by the High Carbon Stock Approach.

2 Protection of peat bogs
> absence of development on peat lands regardless of their depth,
> management of good practices on existing plantations in peat lands.

3 Action for a positive socio-economic impact on communities
In accordance with the United Nations Guiding Principles for Business and Human Rights, including respect for:
> workers' rights including those on temporary contracts, and immigrant workers,
> land tenure rights, the rights of local and indigenous communities, including free, prior and informed consent to transactions on land to which they have legal, community or customary rights,
> the rights of vulnerable and marginalized groups.

By supporting small-scale farmers through their inclusion in the global palm oil derivatives chain.

4 Traceability
Act to develop a transparent industry.

5 Reduced environmental footprint.
Adoption and implementation of local and international logistics processes that contribute to the reduction of their environmental footprint, in particular their carbon footprint.

Focus



ESY Project

a Cirad initiative supported by Stéarinerie Dubois.

40% of the world's oil palm surface area is cultivated by smallholders⁽¹⁾; that is to say, growers with plantations of a few hectares (<50 hectares based on the RSPO definition, but generally 2 hectares per grower in our sample). It is therefore essential to work on their inclusion in the sector's certification processes and to understand why they do not join them. **The production of RSPO certified palm oil corresponds to approximately 20% of the oil produced globally.**

On average, the yield of smallholder plantations, particularly those belonging to independent growers, is much lower than that of industrial plantations. The purpose of the *"ESY Project - Enhancing Smallholders' Yields"* study coordinated by Dr. Cécile Bessou, is to gain an understanding of the factors involved in order to identify possible improvements in practices and make recommendations in terms of **the appeal and desirability of certification.**

The study panel consisted of groups of smallholders in Sumatra with a focus on RSPO certified and non-certified farmers.

3 categories of small growers are concerned:

- The "Plasma" category whose plantations are established by an industrial company. In this case, management practices are similar to those of industrial companies
- Smallholders who have a contractual partnership with the industrial company to which the palm

bunches are delivered and who receive in return access to quality inputs and technical advice.

- Small independent growers who manage their plantations themselves and take direct responsibility for the sale of bunches without technical support from an industrial partner.

The focus of the study is mainly on the yield of the plantation, but special attention is paid to environmental and social data. 246 smallholders were interviewed by Indonesian students led by Dr Diana Chalil & MP Riantri Barus, during 2 survey campaigns from spring to autumn 2019, taking into consideration data from several years of farming practices.

Results showed that practices were potentially influenced by RSPO certification as there were significant differences in practices and operating results between RSPO-certified and non-certified small growers.

The motivations for entering the RSPO certification scheme were clearly oriented towards improving crop management for all smallholders. In addition, smallholders hoped to improve their economic income and contribute to environmental sustainability through RSPO certification.

93% of certified smallholders were trained in good agricultural practices compared to 19% of non-certified smallholders. They are also more trained on other subjects (fire risk, nature conservation...). The predominance of trained small growers in the certified category is most likely a direct consequence of RSPO certification.

The deforestation rate between 2005 and 2017 was lower among certified smallholders, potentially linked in part to the certification itself or to environmental awareness, in part to planting/replanting contexts.

In terms of farming practices, focusing on the mature phase, practices differed considerably.

For example, herbicide dosages were significantly lower in certified plantations compared to non-certified plantations.

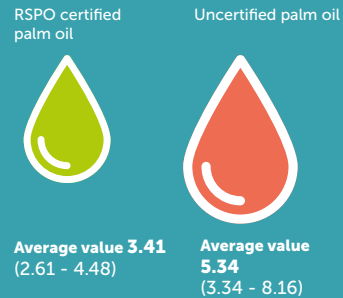
As a more or less direct consequence of these practices, the yields of small certified, plasma or independent growers were significantly higher than those of non-certified growers. Certified small growers also tended to get higher prices for their palm fruit bunches, although they received no premium for RSPO certification. Sales through cooperatives and farmers' associations potentially allow for more bargaining power and higher final prices.

The study highlighted differences in plantation management and performance between different categories of growers. Improvements can be made to enable all growers to optimize their practices and yields. From RSPO's point of view, these improvements involve pro-actively contributing to the training of smallholders, already certified or not yet certified, on the selection of material for planting and agro-ecological practices, especially in high risk areas such as pioneer fronts or areas where there is *Ganoderma*⁽²⁾.

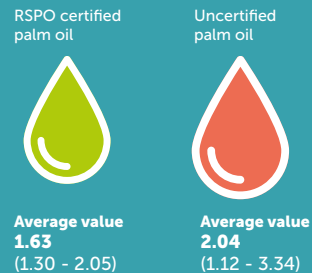
(1) Chalil, D.2013. Assessment of Smallholders' Barriers to Adopt Sustainable Practices: Case on study on Palm Oil.

(2) Basal stipe rot developing in Southeast Asia caused by a fungus.

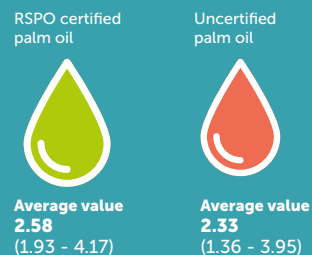
Impact on climate change in kg CO₂ equ./kg oil



Impact on biodiversity as a result of land use in PDF/m²/year per kg of oil



Impact on respiratory diseases in quantity of particles PM2.5-equ./per kg of oil



Better objectify palm oil certification

A study comparing the life cycle analyses of RSPO certified and non-certified palm oil was published in 2019⁽¹⁾.

The model includes the following life cycle stages: fresh fruit bunch cultivation, palm oil mill, palm kernel mill and refinery. It represents RSPO certified and non-certified palm oil production in Indonesia and Malaysia in 2016. Downstream life cycle stages are not included.

Despite calculation uncertainties, the study concludes that, considering their high range, RSPO certified palm oil has a 35% lower impact on climate change and a 20% lower impact on land use and thus on biodiversity compared to non-certified oil. However, to be exhaustive, note that it might contribute slightly more to respiratory diseases. These multi-factorial evaluations are very complex to analyse and before drawing conclusions, it is necessary to validate over which fraction of the life cycle the gain is observed and whether we are genuinely able to make "all things being equal" -type comparisons.



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In a palm plantation managed according to agroecological standards, the circle around the stipe (trunk) is weeded allowing to observe the ripe bunches that fall from several meters high (up to more than 15 m). For each ripe bunch harvested, at least one palm is cut. Palms are placed on the ground perpendicular to the slope to limit erosion and maintain the soil quality. Stems are naturally overgrown with vegetation which will eventually fall when the palm trees get old and lose their mantle of leaf bases.

(1) Schmidt J and De Rosa M (2019). Comparative LCA of RSPO-certified and non-certified palm oil - Executive Summary. 2.-0 LCA consultants: <https://lca-net.com/clubs/palm-oil/>.

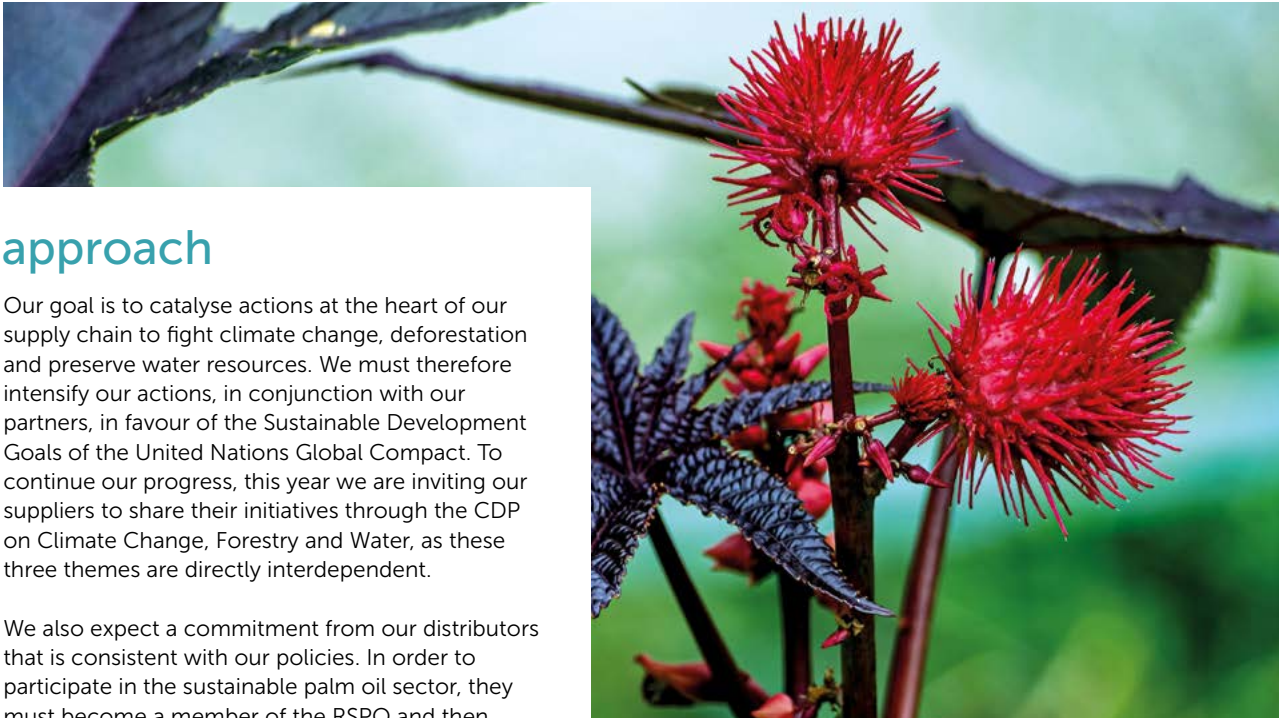


A responsible partnership approach

As we expect our suppliers to maintain high levels of personal and professional ethics and to comply with the laws and regulations in force in the countries where they operate, we have implemented a Responsible Purchasing Charter which they are required to sign.

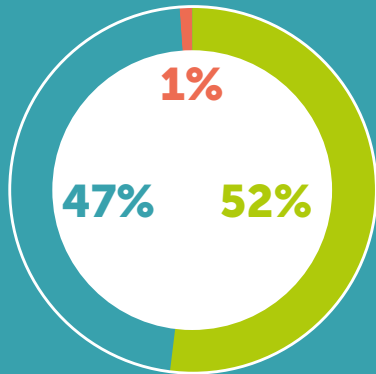
We would also like them to promote internationally recognized approaches in their sectors of activity, such as the RSPO for example. In certain cases, Stéarinerie Dubois takes into account the sustainable development strategy of certain major suppliers. Preventing corruption is an integral part of our purchasing policy.

Since 2019, we have been a member of the CDP⁽¹⁾ “Supply Chain Member” programme to target the risks and identify the opportunities related to climate change, reduce our energy consumption and ensure sustainable supply.



Supplier map in 2019

- Have signed the Dubois Charter
- Have a CSR policy
- Awaiting response



Courtesy of CDP

(1) The CDP, formerly the Carbon Disclosure Project, is an organisation that publishes the environmental impact of the largest companies. To learn more about the CDP: <http://www.cdp.net>



Making a commitment for the climate with all the players in the supply chain

With the climate policy it launched in 2020, Stéarinerie Dubois is demonstrating its will to be a producer with a positive impact on people and the environment.

Stéarinerie Dubois claims in particular: *"The Paris Agreement on Climate and Global Warming of 12 December 2015 provided a universal framework for further action by the international community. The National Low Carbon Strategy and the Multi-Year Energy Programme of 23 April 2020 sets the French trajectory for achieving carbon neutrality by 2050. As part of our CSR strategy, in line with the United Nations' Sustainable Development Goals, we have developed targeted actions in favour of the climate, at both production level as well as along the supply chain in conjunction with our suppliers."*

Today we are resolutely turned towards an eco-responsible future because environmental and biodiversity issues have become more crucial than ever and affirm our desire to accelerate our ecological transition.

It is thanks to the continued deployment of a bold climate policy launched in 2020 on the occasion of our bicentenary, that we will align ourselves with France's greenhouse gas emissions reduction trajectory. We are proud to bring the values of the Paris Agreement to our stakeholders".

The strengthening of our environmental policy aims to reduce our own footprint, but also to catalyse it by involving our suppliers. Indeed, it is with our contribution that our major customers will be able to achieve all their climate objectives and achieve carbon neutrality by 2030, as some of them have committed to do.

Products and services that are more respectful of users and the environment

At a time when more and more consumers are evaluating the impact of the cosmetic products they buy, comparing and challenging them, in particular by using the many applications that have emerged in recent years, new issues are emerging. For example, the substitution of petroleum derivatives in finished products is regularly discussed. We are convinced that these signals are warnings that we need to integrate into our developments. The issue of biodegradability is also crucial, especially in the Scandinavian countries. Consumers have been made aware of this with the issue of microplastic beads added for cleaning, exfoliating or polishing. In order to substitute one product for another, its qualities must be maintained, and especially its sensory performance. In 2016, we set up a panel of ten experts who trained themselves and defined the sensory profiles of 150 esters and 15 references (silicones, vegetable oils and petroleum derivatives). After several years of work, we initiated the search for substitutes for four commonly used ingredients: cyclopentasiloxane, dimethicone, isohexadecane and LLP.

The objective is to discover new products from green chemistry with equivalent sensory qualities and benefits in terms of sustainable development.

Proximity matrices were therefore established and we were able to propose alternatives for each of these four ingredients. The next matrix will focus on hygiene products. "Today, our customers do not only buy esters but also solutions, as the behaviour of our ingredients in formulation is very important," says Nathalie Loubat-Bouleuc, head of the cosmetics department. Base formulas can therefore be developed according to use. It is fundamental to offer different modulations of the same product.

The challenges of sustainable chemistry are at the heart of the concerns of public and private sector players. Among these, the scarcity of resources and the harmful consequences of climate change are issues for which coherent solutions must be proposed in the short and medium term.

Stéarinerie Dubois offers solutions to these challenges by implementing a sustainable and environmentally friendly chemistry approach. At the SCF⁽¹⁾ Sustainable Chemistry Group symposium held in Lyon in April 2019, we shared our best practices in this area⁽²⁾.

(1) Société chimique de France.

(2) Presentation title: *Sustainable chemistry: a fad or a real revolution?*





Raising awareness in our governance

Our Management Committee has been made aware of the prevention of corruption by experts. In addition, following the training of two employees, risk mapping was carried out in the field in order to analyse the processes and identify exposed services and employees. Team leaders underwent awareness-raising in 2019 and will attend a training session on the subject in 2020.

Because we want to run a responsible value chain, we ask our co-contractors to commit themselves in turn by signing our code of ethics.

At the same time, we have initiated the sensitization of our foreign distributors to the prevention of corruption during CSR presentations on areas considered to be at risk.

A global approach to business ethics

Corruption in its various forms is more topical than ever, although historically older than is commonly believed. Indeed, the notion of corruption is first found in the Code of Hammurabi, a Babylonian legal text dated around 1750 BC. More recently, laws with an international impact, such as the FCPA (Foreign Corrupt Practices Act), a US law of 1977 and the UK Bribery Act of 2010, which are among the most well-known, or the China Anti-Corruption Laws of 2012, the Russian Federal Anti-Corruption of 2013 and the Brazil Clean Company Act of 2014 will subject entities developing internationally to the yoke of foreign laws.

The OECD (Organisation for Economic Co-operation and Development) guidelines adopted in 1976 form the basis of recommendations for multinational enterprises and also include the prevention of corruption.

On 9 December 2017, thanks to the Sapin 2 Law, France created a French Anti-Corruption Agency and requires companies with more than 500 employees and a turnover of more than 100 million euros to deploy an anti-corruption programme.

This new system should make it possible to bring back to French soil the investigation of certain international cases involving French entities and to protect the economic intelligence of businesses. Whether or not directly concerned by the entry into force of this law, French companies are invited to become more virtuous.

There is no longer any doubt that the world of tomorrow will have to be ethical to be sustainable. Corruption in all its forms hinders the economic development of businesses and civil societies. Indeed, corruption impoverishes them and contributes to the development of inequalities and prevents innovation. In this sense, corruption is an obstacle to sustainable and ethical growth that respects human rights and nature. It can destroy the bond of trust between a company and its stakeholders.

Our commitment to the United Nations Global Compact in 2017 reflects our adherence to the Global Compact's ten guiding principles, including the principle of fighting corruption. This principle is the foundation of the bond of trust with our stakeholders and must guarantee the business relationships at the heart of our supply chain.

As a result, it was of vital importance for Stéarinerie Dubois to implement a corruption prevention policy as early as 2019. Our project is supported by a specific governance system that directly integrates the principle of fighting corruption into our CSR strategy.

INVESTING IN HUMAN CAPITAL

Employee commitment, especially in a crisis context, is a crucial element in the success of a company and its sustainability. Stéarinerie Dubois therefore attaches great importance to the development of its employees, their diversity and employability. The historical values of respect on which its Human Resources policy is based allow each employee to evolve with confidence in an environment that guarantees their safety.





Our track record in occupational health and safety

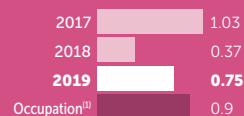
Work accident with work stoppage > 24 h



Frequency index



Severity rate



(Number of days lost due to temporary disability per 1,000 hours worked)

(1) CTNE, Chemistry, Plastics 2018.

Safety first

The health and safety at work policy is based on the objective of zero accidents. This is why shared vigilance is at the heart of our approach to preventing accidents. Each employee is responsible for their own safety and that of their colleagues. We input into our process on a daily basis and a safety week is organized every year to deal with certain subjects. All personal protective equipment is provided to employees and also to each visitor (fluorescent vest, helmet, safety shoes and glasses).

The company regularly invests to implement the necessary means of protection in case of fire: sprinklers, CO₂ extinguishers, multi-gas detectors (O₂, CO, H₂S) and explosimeter devices.

The facilities are checked periodically by accredited bodies. All of these measures make it possible to provide everyone with a safe and risk-free working environment, ensuring their physical and moral integrity.

The indicators presented opposite correspond to all of the company's sites. On industrial sites, there are many burn and crushing risks related to handling operations... Each accident is analysed and corrective plans are put in place to reduce the probability of its recurrence. The Boulogne-Billancourt site is dedicated to tertiary activities. Employees are less exposed to physical accidents. However, the awareness-raising policy deals with the issue of road safety and fire risk.

Promote a caring approach to work

The entire company integrates the subject of stress and psycho-social risks into its management of women and men. In 2019, as part of the redrafting of the Occupational Risk Assessment Document, two people were trained to lead groups on this subject. The objective was to identify in a participative manner all the risks to which our employees may be exposed. Strict rules for the management of working time during

business trips are followed. Within the limits imposed by the size of our company and by the organization of our teams, we act with benevolence to enable everyone to achieve the right balance between personal and professional life. Since 2018, teleworking has been introduced. This system proved its effectiveness in 2020 with the COVID 19 crisis and was deployed by all departments where it was possible, whether in Boulogne or Scoury.



Developing skills

The training of our employees is a priority so that everyone can exercise their profession with the right skills and enjoy professional fulfilment. A special effort was made in 2019 in this area, with a significant increase in training hours. All employees at the industrial sites have been trained in the handling of fire extinguishers. 12 employees have been trained as internal auditors in order to improve our work processes.

For our support services, we have also increased our skills in intercultural sales negotiations and our understanding of the definitions of the rights and duties of buyers and sellers participating in international and national exchanges (better known as Incoterm). 10 employees from production, R&D and the quality control laboratory

have been trained in olfactory analysis to objectively characterise the odours of raw materials in order to be able to offer products that meet our customers' odour criteria.

Training is provided, whatever the level of responsibility, depending on the specificities of the job and the situation of each individual, as soon as they join the company. Training methods are varied and adapted to suit requirements: internships, on-the-job training, mentoring, ...

Training choices are formalised in an annual plan. Employees at our industrial site (Scoury) systematically benefit from one awareness session per year, mainly in the field of prevention, health and safety.

Professional development

Thanks to an annual appraisal with the line manager and regular career interviews, we are in touch with our employees' professional projects and work with them on their professional development. Thus, within the limits imposed by the size of our company,

we offer everyone the opportunity to evolve throughout their career by posting most positions internally for everyone to apply for. We encourage mobility, be it functional, transversal or geographical, and autonomy so that career paths can be rich and varied.



Taking team diversity into account

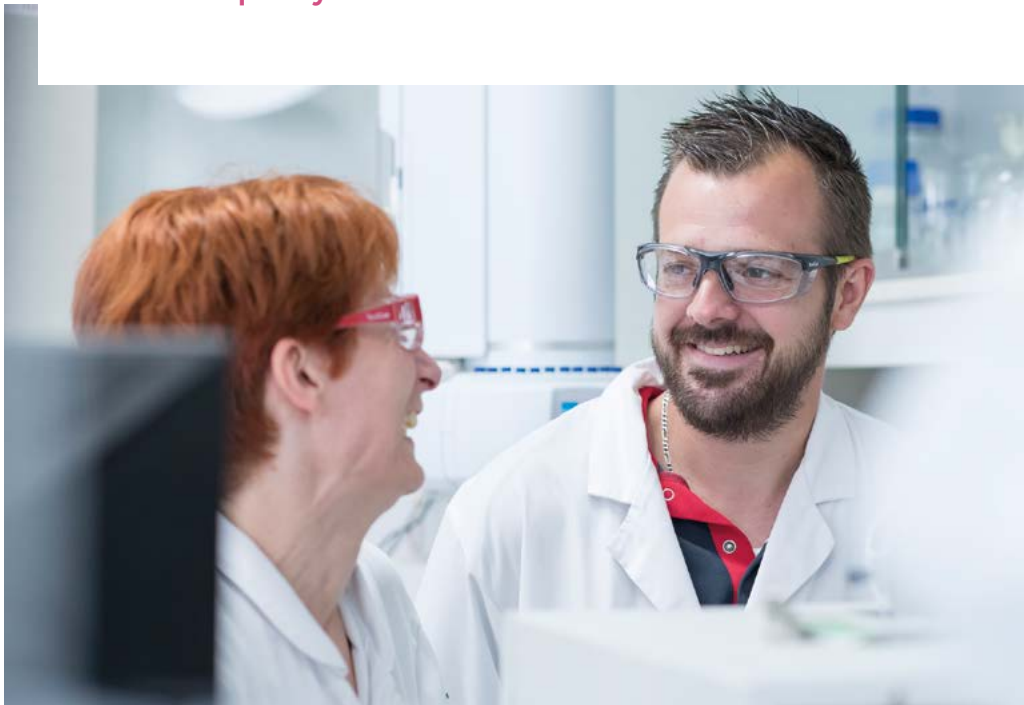
We believe that diversity is a source of richness and are committed to implementing concrete actions to promote the employment of senior citizens, the disabled or professional equality between women and men. This is one of the fundamental principles at Stéarinerie Dubois.

As far as possible, we adapt workstations and seek solutions for employees with disabilities in order to encourage them to remain in employment.

We guarantee non-discrimination in hiring

76/100

Gender Equality Index 2019



Remuneration and social dialogue

We pursue a fair remuneration policy based on performance recognition and also involve our employees in the development and success of the company through our profit-sharing agreement and Company Savings Plan. We ensure internal equity and the consistency of our compensation policy with market practices.

We offer adapted social protection schemes in terms of health costs, continued salary and

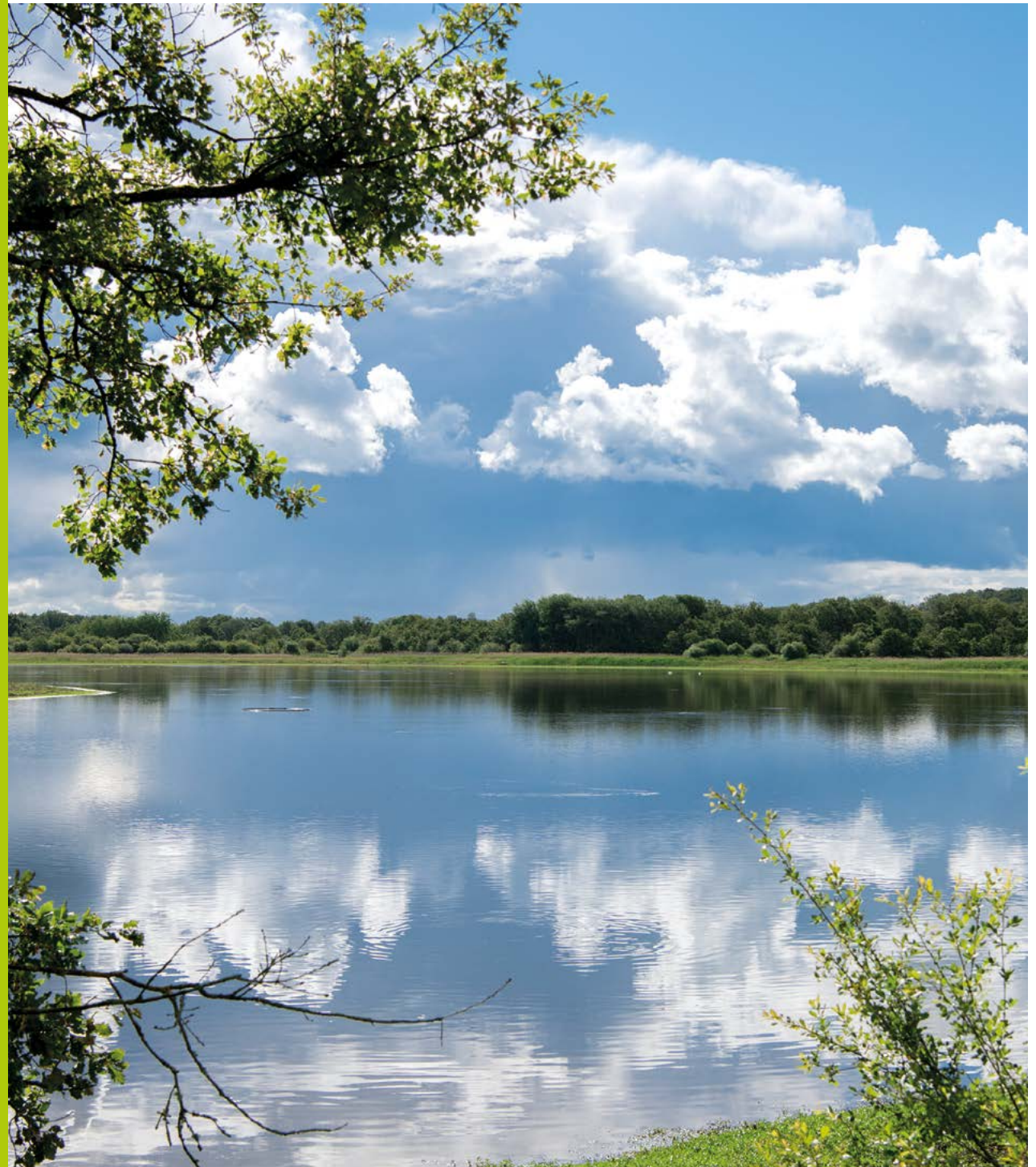
provident schemes for everyone. The collective retirement savings plan (PERCO +) was set up in 2018 to enable all employees who wish to do so to build up savings with the help of the company.

The Social and Economic Committee (CSE) was set up in 2019 and in our exchanges we promote a respectful, frank, sincere and constructive social dialogue for the company and its employees.

The upkeep of the green spaces at our Scoury sites is carried out by an organisation promoting integration through work in order to contribute to the activity of people not currently in employment.

INTEGRATING OUR ACTIVITIES INTO THEIR ECOSYSTEM

The Stéarinerie Dubois production unit and its logistics site are located in a conservation area, in the heart of the Brenne Regional Natural Park and are constantly evolving to remain at the forefront of the "made in France" movement and respect for the environment. ISO 14001: 2015 certification of its environmental management system complements those related to its supply chain to make it more virtuous. In terms of investment, a continuous effort is being pursued with the gradual renewal of production reactors and the project to extend our logistics site. Due to its location close to protected sites, we were accompanied by a specialized consulting firm to adapt the work schedule by integrating the nesting periods of endangered species. Respect for biodiversity is therefore at the heart of our projects.



Certifications to fulfil our customers' expectations

With the development of applications scoring cosmetic and food products, more and more consumers are encouraging our customers in these two sectors to review their compositions and change their ingredient lists. Consumers expect more natural and more organic products, more traceability and fewer controversial raw materials. Our development strategy has been in place for several years now and enables us to meet their aspirations thanks to various certifications and product innovations, such as our new DUB ESTOLINE® polymer ester.

In order to meet the different requirements of our customers, we have chosen the following references.

NaTrue has defined the criteria for its label by establishing three levels of certification that meet a rigorous definition of natural and organic cosmetics. It should be noted that NaTrue joined the Roundtable on Sustainable Palm Oil (RSPO) in 2020.



15 of our products
are NaTrue
certified



COSMOS (COSMetic Organic Standard) is a private international standard that was developed by five founding members: BDIH (Germany), Cosmebio (France), ECOCERT (France), ICEA (Italy) and Soil Association (Great Britain).

Showcased: 8,167 ingredients are certified by the COSMOS⁽¹⁾ standard

The aim was to define common minimum requirements, to harmonize certification rules for organic and natural cosmetics and to influence institutions in order to defend the sector.

The COSMOS reference system is guided by four fundamental principles:

- Promote the use of organic farming products and respect biodiversity.
- Use natural resources responsibly and with respect for the environment.
- Use processes that are clean and respectful of human health and the environment.
- Integrate and develop the concept of "Green Chemistry".



ISO 16128. This standard, specific to the cosmetics industry, establishes guidelines for definitions and criteria for natural and organic cosmetic ingredients and products. Its aim is to encourage the use of a more extensive selection of natural and organic ingredients in the formulation of a wide variety of cosmetic products, in order to encourage innovation.

(1) As of May 2020.



Leading an integrated environmental management system

The scope of ISO 14001: 2015 certification: covers all our sites so that everyone feels they are part of our environmental policy. During the annual management review, the key areas for action for the coming year are decided upon in order to plan the necessary investments and training required to pursue our objectives.

Thus, in 2019, we have, among other things, improved our practices in ATEX⁽¹⁾ zones to comply with current regulations, trained our personnel on the risks associated with pressure equipment and the European agreement on the international transport of dangerous goods by road. We are also supported by Ademe as part of their "VSE-SME winners on all fronts!" programme, which aims

to optimise energy, materials and waste flows by proposing, after identifying hidden losses and their costs, an action plan to reduce them and thus make recurrent savings. It has been decided to move towards LED lighting technologies, to insulate certain points, to modify a cooling unit, etc. In the long term, nearly 150 tonnes of CO₂ equivalent will be avoided in this way.

In order to assess our environmental performance in relative rather than absolute terms, we have continued to use indicators related to our production volume (by weight). The latter is set to grow, but with a view to using water and energy more efficiently and emitting fewer greenhouse gas emissions per quantity of product produced.

Energy consumption and emissions per 1 kg of product manufactured



A shared dashboard, "Improver", is being deployed for all employees to monitor the action plan and its progress. In addition, a major regulatory monitoring effort is being carried out to track the publication of new texts and to monitor any compliance.

(1) Explosive Atmospheres.

(2) Scope 1 and 2, in accordance with the regulations.

(3) Organic recycling, energy recovery, regeneration, agricultural spreading, material recycling.

Our priorities

Reducing our impact on the environment

- > By continuously improving our environmental performance with the help of local players.
- > By monitoring and meeting the various requirements of our stakeholders.

Managing operational risks:

- > By taking into account identified environmental risks, by overseeing their control, both under normal operational circumstances and in emergency situations.
- > Through communication and raising awareness among our relevant stakeholders.



On the occasion of the 4th anniversary of the Sustainable Development Goals (SDG), we organised a poster campaign across our sites to make our employees aware of various energy-saving topics.

Focus

Understanding our consumption levels in order to better control them.

In 2019, we commissioned a regulatory energy audit that identified areas for improvement at our facilities presenting the most significant environmental aspects: gas boilers and the use of electrical equipment.

We also approached an expert in waste water treatment plants to optimize the operation of our own plant and better treat effluents. A carbon assessment will be calculated by integrating as many

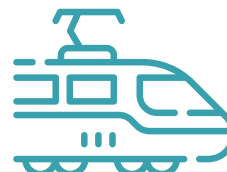
of our suppliers' emissions as possible, thanks to our membership of the CDP Supply Chain Member programme since 2019.

This will enable us to target risks and identify opportunities, reduce our energy consumption and ensure a sustainable supply. Our goal is to catalyse actions at the heart of our supply chain to fight climate change, deforestation, and preserve water resources.

The Metha Brenne project in progress.

The methanisation plant project, launched ten years ago by farmers from Brenne and Stéarinerie Dubois, will finally see the light of day in a new form. Initiated in Ciron, it has overcome technical and administrative difficulties, but thanks to the perseverance of those involved and certain administrative changes such as the possibility of

reinjecting biogas into the network, construction work should begin in 2021. 3,200 households could benefit from this locally-produced energy in a spirit of ecological transition. The digestate, which is odourless, will be spread as a crop fertilizer, while helping to reduce the dependence of farms on amnio-nitrates of fossil origin.



Our CSR approach at the origin of a logistics innovation!

■ OVRSEA

Due to our extensive export activity, two years ago we considered shifting some of our shipments from sea to rail. This project came into being in 2020 due to the blockades of certain ports during the COVID crisis (known as "blank sailing").

Thus, the chartering of a train between Scoury and Zhengzhou (China, Hunan province) with a stopover in Liege enabled us to fulfil our commitments thanks to a partnership initiated with an innovative freight forwarder, Ovrsea. Launched three years ago by young entrepreneurs who considered that the business was overwhelmed by administrative tasks with no added value, this start-up used the potential of digital to devote itself to consultancy missions. *"Our approach to freight is based on a customer experience that is moving away from functional expertise as a result of extensive administrative demands. Our goal was that our client's transport manager could send his goods anywhere in the world in two clicks! This is what we have managed to do thanks to a digital platform that gathers together all the documents necessary for a shipment and also allows the tracking of the means of transport that we advise. The quality of tracking is therefore greatly improved, errors minimized and transaction management simplified".* explains Arthur Barillas, co-founder and President of Ovrsea.

The rail transport solution chosen by Stéarinerie Dubois saved 10 days compared to conventional transport by boat. According to the Tank to Wheel methodology used by Ovrsea, 3.2 tonnes of CO₂ were saved. All stakeholders are convinced that in the future, these experiences will become the norm. The links in the supply chain could combine to contribute to a more responsible approach, which could even go as far as offsetting residual carbon emissions through reforestation projects.



(1) Scope 1 and 2, in accordance with regulations.

(2) Organic recycling, energy recovery, regeneration, agricultural spreading, material recycling.

CSR 2019 Key performance indicators

DOMAIN	INDICATOR	2017	2018	2019	REFERENTIALS * **	
SOCIAL						
EMPLOYMENT	Total headcount (fixed-term and open-ended contracts) at December 31	143	144	150	Art. 1-1°-a	SDG 8
	Hirings during the year	9	15	18	Art. 1-1°-a	SDG 8
	Turnover rate	9%	10%	10%	Art. 1-1°-a	SDG 8
	Breakdown of employees by age	6% less than 25 years old 21% between 25 and 34 years of age 31% between 35 and 44 years of age 30% between 45 and 54 years of age 11% age 55 and over	18% less than 30 years old 26% between 30 and 39 years of age 28% between 40 and 49 years of age 28% age 50 and over	17% less than 30 years old 25% between 30 and 39 years of age 29% between 40 and 49 years of age 29% age 50 and over	—	SDG 10
HEALTH SECURITY AT WORK	Work accidents with work stoppage > 24 hours	3	4	7	Art. 1-1°-d	SDG 3
	Frequency index FI (Number of work accidents with lost time per million hours worked)	28.85	28.04	46.67	Art. 1-1°-d	SDG 3
	Severity rate SR (Number of days of accident-related absence per thousand hours worked)	1	0.37	0.75	Art. 1-1°-d	SDG 3
	Work accidents/work-related illness contribution rate	2.2	2.55	3.06	Art. 1-1°-d	SDG 3
	Absenteeism rate (excluding maternity and long-term illness)	2.90%	2.90%	5.26%*	Art. 1-1°-a	SDG 8
TRAINING AND EDUCATION	Total number of training hours granted to employees	920	1,902	3,038	Art. 1-1°-e	SDG 4
	Number of employees trained	105	116	119	Art. 1-1°-e	SDG 4
	Number of apprentices	ND	2	3	Art. 1-1°-e	SDG 4
DIVERSITY AND EQUALITY OPPORTUNITIES	Parity (M/F) over total workforce	65% / 35%	64% / 36%	66% / 34%	Art. 1-1°-f	SDG 5
	Number of employees recognized as disabled workers	6	7	7 or an employment rate of 4.7%	Art. 1-1°-f	SDG 10
ENVIRONMENT						
EMISSIONS, EFFLUENTS, WASTE (Scoury sites)	Energy consumption per kg of product manufactured	1.60 kWh of gas 0.42 kWh of electricity	1.58 kWh of gas 0.43 kWh of electricity	1.71 kWh of gas 0.48 kWh of electricity	Art. 1-2°-c	SDG 7
	Mains water consumption per kg of product	2.59 litres	2.82 litres	3.18 litres	—	SDG 6
	Carbon footprint (perimeter 1 and 2) per kg of product	335 grams CO ₂ equivalent	324 grams CO ₂ equivalent	348 grams CO ₂ equivalent	Art. 1-2°-c	SDG 13
	Quantity of sludge produced	326 tons	390 tons	600 tons	Art. 1-2°-d	SDG 6 and 15
	Waste generation per kg of product	169 grams	196 grams	202 grams	Art. 1-2°-b	SDG 12
BIODIVERSITY	Number of protected areas (Natura 2000, wetlands, nature park, etc.) nearby	3	3	3	Art. 1-2°-e	SDG 14 and 15

* Article 225
** Sustainable Development Goals (SDGs)

The CSR indicators presented in this document concern the activities of the legal entity Stéarinerie Dubois in France. The CSR policy applies to the company as a whole.

These indicators are monitored on a monthly basis and are consolidated at December 31 of the reporting year (i.e. 2019).

*Absenteeism in France increased by 8% between 2017 and 2018 to reach 5.10% (source: 11th Ayyming barometer)



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