



OUR PURPOSE IN ACTION

2021 INTEGRATED REPORT

WORLD
Our Purpose



In 2020, the next major step of our CSR policy had been to work on our company purpose : we defined it as "Converting industrial challenges into sustainable solutions." This purpose reflects our goal of supporting our industrial customers in their green transformation by offering them solutions that combine materials and processes while also reducing the environmental impact. It is also consistent with our membership to the Global Compact, and our commitment to work towards Sustainable Development Goals.

ADDEV Materials was looking to find a concise way to summarize their CSR goals. We wanted the wording to carry a valuable meaning that would be shared with our stakeholders, and that would make sense to the company and it's worldwide team, despite different local cultures. This purpose was developed from "bottom-up", with all our stakeholders contributing via surveys and workshops: customers, suppliers, investors and teams (employees, managers and executive committee), in an iterative and international basis.

Pascal NADOBNY, Chairman.



MAJOR SURVEY RESULTS



OUR PURPOSE



OUR STAKEHOLDERS



OUR ORGANIZATION



WORLD
Our Contribution

As part of its UN Global Compact commitment, ADDEV Materials supports and promotes the 17 Sustainable Development Goals (SDGs). In the process of defining our purpose, stakeholders also affirmed that our work and business model contribute to SDGs 5, 7, 9, 13 and 16. With the creation of a new Healthcare & Hygiene business group, we can also work towards SDG 3.



WORLD
Global Compact

Since signing the UN's commitment charter in 2009, we have regularly published our Communication on Progress.

COMMUNICATION ON PROGRESS



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.





CREATE VALUE

SERVE THE CLIENT BY THE OPERATIONAL EXCELLENCE

WORLD
Technical Application Expert



Through their expertise and in collaboration with suppliers and customers, Technical Application Experts offer solutions to the challenges that customers face by developing, innovating and improving new ways of working, new materials, and new applications. This is one way in which ADDEV Materials lives out their purpose."

Aziz REZIG,
Innovation & Development Manager.



INNOVATE AND SELL SUSTAINABLE SOLUTIONS

WORLD

Innovating for the Planet

"We want to work on the start-up model: we put forward an initial value proposition and we test it with our customers, then take their feedback and improve it. The goal of this agile approach is to ultimately fast-track the innovation process by bringing our stakeholders, customers, suppliers, business and marketing to the table from day one."

Marie BLANCHARD BRUNEL,
Chief Marketing Officer.



FRANCE



SURFACE PROTECT®
Developed in 2020 in response to pandemic-related concerns, SURFACE PROTECT® adhesive film eliminates over 89% of coronavirus in 1 hour and 99.1% in 24 hours. This innovative solution based on a natural active substance can be used to protect multiple surfaces that come in contact with many users: door handles, desks, restaurant tables, gates, etc.



NORTH AMERICA



MASKS, FACE SHIELDS, PROTECTIVE SCREENS
In 2020, the American company Jamestown Plastic launched TrueHero, a transparent plastic face shield. It selected ADDEV Walco (Pittsburgh) to manufacture foam inserts for the headband and a strap to hold the shield in place. The company places a lot of value on the quality of its internal relationships with its suppliers and described these parts as "critical pieces of the puzzle."

WORLD



HEALTHCARE & HYGIENE

Throughout the pandemic, ADDEV Materials has remained hard at work as a converter of non-woven materials for the manufacture of masks and disinfecting wipes."
Daniel KUBITZA,
CEO Healthcare & Hygiene.



THE NEW PURCHASING POLICY ADOPTS A GLOBAL VIEW WITH GREAT ADDED VALUE, GOING BEYOND THE CONVENTIONAL CONCERNS OF QUALITY, COST AND TIME FRAME."
Romain MARZE,
Purchase Manager.



PURCHASE AND SOURCE WITH SUSTAINABILITY

WORLD

SUSTAINABLE PURCHASING CHARTER





MANAGE

ACT WITH TRANSPARENCY AND HONESTY

WORLD

Ethical Charter

Certain markets and key account clients can have very high expectations. That's why ADDEV Materials applies its convictions to all of its tools and processes and takes care to train the teams exposed to risks. Each new hire signs the Ethical Charter and watches an anti-corruption training module. In early 2020, a campaign served to remind employees of how important these documents are, as they highlight the intrinsic values and principles for good conduct that are applied across the Group.

Julien DUVANEL, Co-Founder and CEO Aerospace & Defense.

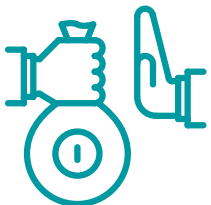


Anti-corruption Module Training Course



During my onboarding, I participated in an anti-corruption online training course which involved real case scenarios to display the typically corrupt behavior one may experience in the workforce."

Elaine EMMERICH, Key Account Manager.



EASE THE CONVERGENCE



WORLD

Group Macro-process project implementation

The goal of this strategic change management project is to provide the Group with a structured, agile organization, on both a local and international level, while maintaining the diverse ways its divisions work, within a unified whole that operates in line with its global strategy. The process approach is a great strategy for this because it provides an opportunity to question the organization and set common standards to help harmonize practices around the world.

Bruno LA TORRE,
EHS & Industrial Performance Manager.

POLAND

Business Synergies



Bringing together sales teams from two ADDEV Materials sites in Poland helped harmonize sales processes, encourage customer sharing and bring focus back to the Group's strategic markets."

Aleksandra BOSIAK,
Sales Director for Poland.

WORLD

HOW WE BUILD OUR PURPOSE



CO-BUILD AND MANAGE PERFORMANCE

WORLD

EcoVadis

In its most recent assessment, the Group was once again awarded a Gold rating, receiving a score of 66/100, improving in 4 areas, reflecting the quality of the company's sustainability management system.

ECOVADIS ASSESSMENT



66/100

WORLD

Group KPI / New Executive Committee Arrival



«ADDEV Materials has changed a lot in the last few years, especially through external growth and the entrance of investors. New expectations of

financial and extra-financial reporting have emerged. In 2020, a «business performance review» was therefore set up.»

Jean-Jacques BANCEL, Executive Vice President of Finance.



TAKE CARE

BE A GOOD PLACE TO WORK BY TAKING CARE OF OUR EMPLOYEES

WORLD Workplace Safety



At ADDEV Materials, we have lofty safety goals: zero accidents! For an industrial group, this is achieved by implementing a standardized safety policy at all sites, whatever the specific features of each site. It also requires buy-in from all employees, because each one is responsible for following the rules and keeping all staff safe.

Julia ROY,
Operational Excellence
Project Manager.



FRANCE Remote Work Setup and Support



A survey done after the first lockdown showed that employees are interested in remote work and resulted in an agreement being signed."

Christine BOUVIER,
HR Director, France
& Europe.



DEVELOP TALENTS AND COMPETENCIES FOR BETTER EMPLOYABILITY AND AUTONOMY



WORLD People Review

We wanted to build out our people review process to make it a key annual step in our HR policy. The goal is to best support the growth of the men and women in our organization through a structured process, which will go totally digital in 2021.

Ultimately, we want to identify and describe key positions and skills across all of our sites in a single tool. In 2020, all of our management populations, "young talents," and critical positions, accounting for about 20% of the Group's staff, were identified and "screened" through this mechanism. We used it to build a database into which we enter many criteria (while respecting data privacy): age, time spent with the company, career, trainings received, managerial skills, language fluency, digital tool fluency, well-being in current position, desire to move up, etc.

Cécile DEIXONNE, Group Chief HR Officer.

BE AN INCLUSIVE EMPLOYER BY PROMOTING DIVERSITY AND DIALOGUE



CANADA Diversity and Inclusive Program



Our site in Quebec, ADDEV Profom, is very open to multiculturalism and people with disabilities. Of our 33-person workforce, 3 people live with disabilities and 11 are from countries other than Canada. We have created partnerships with many organizations specializing in employment support. Quebec is experiencing a huge labor shortage, which is an opportunity for us to be able to hire such a diverse group. It is both gratifying and rewarding for us all."

Line COTE, HR Manager Quebec, Canada.



FRANCE 20 Years of the VIE Program

ADDEV Materials celebrated alongside Business France, Les Conseillers du Commerce extérieur de la France and all of its partners on the occasion of the 20th anniversary of the creation of France's International Volunteering Program in Business (Volontariat International en Entreprise, VIE)." For Chairman Pascal Nadobny, "promoting this program is an integral part of our Group's culture. It is popular with our young talents and is really fast-tracking our recovery!"

V.I.E
BY
ADDEV



PRESERVE

BUILD AN ENVIRONMENTAL MANAGEMENT SYSTEM



Issues and Initiatives

ADDEV Materials launched a number of initiatives in 2020 with some of its sites serving as pilot sites for a structured environmental management system in 2021. The Group calculated its first carbon footprint with the help of the Mix-r network (for scopes 1 and 2) and its investor Tikehau Capital (scope 3). They helped the Group acquire the methodology and dedicated tools for these measurements, identify the right indicators and the right points of contact at every site.

At the same time, other initiatives were set up to improve the Group's environmental impact, such as improved sorting of office and production waste, and recommending the use of Ecosia, which is committed to reforestation, as the search engine of choice on all computer stations.

SORT AND RECYCLE



“SELL SUSTAINABLE SOLUTIONS TO OUR CUSTOMERS IS NOT ENOUGH, WE ALSO NEED TO REDUCE OUR ENVIRONMENTAL FOOTPRINT.”

Pascal NADOBNY,
Chairman.



Solar Panels

Although Northern California still relies primarily on natural gas to power its electric grid, many investments are made in clean energy sources. In 2015, the owners of Andpak Inc decided to install solar panels on a portion of the 6,000 square foot operation. Today, this investment reduces Andpak's consumption by about 50% and generates about 500,000 kWh of clean electricity. This means that approximately 130 tons of CO₂ are saved every year.

REDUCE OUR ENERGY CONSUMPTION AND CO₂ EMISSIONS



Rhône-Alpes Eco-mobility Challenge

ADDEV Materials sites in the Rhône-Alpes region once again participated in the 10th Annual Auvergne-Rhône-Alpes Mobility Challenge. As part of this inter-company challenge, the France Découpe site in Pouilly sous Charlieu held onto 1st place in the Loire department in the “Small towns and rural areas” category. It also took 6th place in the Auvergne Rhône-Alpes rankings, rising 7 places over its last ranking!



“I would like to thank all of our employees, who gave their best. This year, we cut nearly 1,228 km worth of emissions.”
Pascal NADOBNY, Chairman.



Carbon Footprint Calculation



“We support our portfolio companies in working towards carbon neutrality. At ADDEV Materials, the bulk of our carbon footprint falls under scope 3. With the formalization of a sustainable purchasing policy in 2020, there has already been one tangible commitment towards selecting more eco-friendly products.”

Laure VILLEPELET,
Head of ESG/CSR, Tikehau Capital.



OUR CARBON STREAMS



2020 KEY FIGURES

METHODOLOGY NOTE

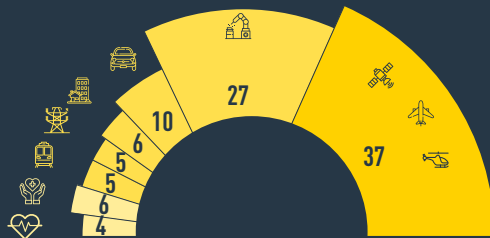


KEY SUPPLIERS
SIGNATORIES OF GLOBAL
COMPACT ⁽¹⁾

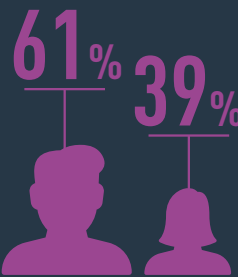
60%

142 M€

TURNOVER
IN THE DIFFERENT
MARKETS ⁽¹⁾



TOTAL HEADCOUNT
BY GENDER ⁽¹⁾



% OF DISABLED
COLLABORATORS ⁽²⁾

3,64%

% OF PAYROLL
ALLOCATED TO
EMPLOYEE TRAINING ⁽²⁾

0,92%

NUMBER OF HOURS
OF TRAINING PROVIDED
PER EMPLOYEE ⁽²⁾

6,8 H

ECOVADIS
ASSESSMENT ⁽¹⁾



66/100



76%

COLLABORATORS
"EXPOSED"
SIGNATORIES OF
ETHICAL CHARTER
AND HAVE COMPLETED
AN ANTI-CORRUPTION
TRAINING SESSION ⁽¹⁾

QUANTITY OF WASTE
PRODUCED (IN TONS) ⁽²⁾

787

% OF RECOVERED
WASTE ⁽²⁾

44%

GHG EMISSIONS
(TEQ CO₂) ⁽¹⁾ SCOPE 1 AND 2

2 457

TOTAL QUANTITY
OF ENERGY ⁽¹⁾

7 060 890

Electricity and gas
(kWh)

SHARE OF SALES DONE
OUTSIDE FRANCE ⁽¹⁾

65%

(1) World, (2) France.



OUR SUSTAINABLE COMMITMENT

 **ADDEV**MATERIALS

CREATE VALUE

- Serve the client by the operational excellence
- Innovate and sell sustainable solutions
- Purchase and source with sustainability

MANAGE

- Act with transparency and honesty
- Ease the convergence
- Co-build and manage performance

TAKE CARE

- Be a good place to work by taking care of our employees
- Develop talents and competencies for better employability and autonomy
- Be an inclusive employer by promoting diversity and dialogue

PRESERVE

- Build an environmental management system
- Sort and recycle
- Reduce our energy consumption and CO₂ emissions



www.addevmaterials.com

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 **IMPRIM'VERT**