

# ANNUAL CSR REPORT

## COMMUNICATION ON PROGRESS

OMERIN GROUP

omerin

2020

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 2020 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 2020.



**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 and Hauts de France (departments 42, 43, 63, 60, 69),
- 5 international: Tunisia, Spain and the USA.

Our worldwide presence is ensured through 9 business development subsidiaries and sales offices in: UK, Germany, Singapore, Poland, China, India, Spain, Mexico 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 | RAPPEL DES 10 PRINCIPES DU GLOBAL COMPACT



#### DROITS DE L'HOMME

Principe 1 : Les entreprises sont invitées à promouvoir et à respecter la protection du droit international relatif aux droits de l'Homme

Principe 2 : Les entreprises sont invitées à ne pas se rendre complice de violations des droits de l'Homme



#### NORMES INTERNATIONALES DE TRAVAIL

Principe 3 : Les entreprises sont invitées à respecter la liberté d'association et à reconnaître le droit de négociation collective

Principe 4 : Les entreprises sont invitées à contribuer à l'élimination de toutes formes de travail forcé ou obligatoire

Principe 5 : Les entreprises sont invitées à contribuer à l'abolition effective du travail des enfants

Principe 6 : Les entreprises sont invitées à contribuer à l'élimination de toute discrimination en matière d'emploi et de profession



#### ENVIRONNEMENT

Principe 7 : Les entreprises sont invitées à appliquer l'approche de précaution face aux problèmes touchant l'environnement

Principe 8 : Les entreprises sont invitées à prendre des initiatives tendant à promouvoir une plus grande responsabilité en matière d'environnement

Principe 9 : Les entreprises sont invitées à favoriser la mise au point et la diffusion de technologies respectueuses de l'environnement



#### LUTTE CONTRE LA CORRUPTION

Principe 10 : Les entreprises sont invitées à agir contre la corruption sous toutes ses formes, y compris l'extorsion de fonds et les pots-de-vins

## 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 2020 SOCIAL AND SOCIETAL ACTIVITIES

### • THE GROUP SUPPORT HEALTH-CARE WORKERS DURING COVID-19 CRISIS

#### Reference:



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

France's Grand Est and Île-de-France regions were hit hard by the Covid-19 crisis. Hospital centers and their staff had to deal with a huge increase in the number of patients infected with the virus and faced a serious challenge during the lockdown. In solidarity with its fellow countrymen and women, the OMERIN Foundation lent its help and support to health-care workers, in a rather unexpected way.

During discussions with several department managers at hospital centers in the Grand Est region, they suggested that snacks and chocolate bars could be of great help to their staff. Chocolate, which is a delicious treat at any time, is very comforting, particularly when people are overworked. It is also a source of sugar and energy, and is convenient as a quick snack in between seeing patients. No sooner said than done. We launched the operation named "SNACKING" and found a supplier, placing an order for 33,000 chocolate bars of all kinds (such as Mars, Twix, Bounty and Kit Kat). The company PEYRET SAS, based in Saint-Étienne, granted us special commercial terms to help support the cause. The snack food was dispatched to nine major hospital centers (in the Grand-Est region, as well as Saint-Étienne and Clermont-Ferrand), which then distributed it to their various establishments.



The staff members, including nurses, nurse's aides and doctors, were very touched by our gesture of solidarity and thanked us by sending photographs and letters. Once again, to support the country during these hard times, the OMERIN Foundation made donations to the Fondation Hôpitaux de Paris – Hôpitaux de France, the French Red Cross, Secours Populaire, and Secours Catholique. The Covid-19 crisis did not spare the disadvantaged, who needed more help than usual during the lockdown. In partnership with the Lions Club de France, our Foundation contributed to the purchase of 20 digital tablets for Coronavirus patients at the Clermont-Ferrand University Hospital Center. This allowed the patients, who had come from other parts of the country where hospitals were full, to stay in contact with their families.



Our Foundation also joined forces with a group of 10 other companies in the local area to buy protective suits and masks for health-care workers at the Clermont-Ferrand University Hospital Center. In addition, we donated many protective masks (surgical and FFP2) to various local organizations, including the Ambert hospital center, the Clermont-Ferrand University Hospital Center, the Nazareth nursing home in Puy-en-Velay, the St-Joseph nursing home in Arlanc, the ADMR and APAMAR (associations providing personal care services), as well as ambulance services and local authorities.

In Tunisia, Prince Medical Bizerte donated 150 food packages, containing milk, oil, flour, pasta, semolina, sugar, soap, bleach, and more, to The company PEYRET SAS preparing the 33,000 chocolate bars. Disadvantaged residents, to help them get through the crisis with fewer worries. Protective suits and shoe covers were also ordered, to be distributed to the hospital in Bizerte.

• **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 2020, 42 associations received support from the OMERIN Foundation, broken down as follows:

- 43 % for charity-humanitarian-social projects,
- 21 % for social & educational projects,
- 19 % for cultural projects,
- 17 % for sports projects.

| Indicators                       | 2017 | 2018 | 2019 | 2020 |
|----------------------------------|------|------|------|------|
| Number of associations supported | 52   | 59   | 74   | 42   |

• **BUS PURCHASE**

**Reference:**



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

Since the start of the Coronavirus crisis, mobility difficulties have been felt by employees who were deprived of their normal modes of transport to commute to work. This obviously puts extra strain on the packed public transport still operating. This led to record levels of absenteeism. To deal with this worrying situation, Management in Tunisia hired coaches and organized shuttles to ensure employees could commute to work. As the transport problems faced by employees are longstanding, OMERIN Group Management decided to invest in a fleet of coaches to provide this service, free of charge, to give peace of mind to our Tunisian employees. So, 5 coaches were purchased and painted in Group colors before being sent by cargo to Tunisia.. Two 63- and 28-seater coaches will run the shuttle service to the BIZERTE sites, and three 59-, 47- and 32-seater coaches will run services to the MONASTIR sites. 230 employees will thus be able to benefit from this free transport to get to their place of work.





• **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.



Since 2019, to strengthen accident prevention, the OMERIN Group updated 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 | 2020 |
|-------------------------|------|------|------|
| Accident frequency rate | 25.6 | 24.4 | 19.3 |
| Accident severity rate  | 0.78 | 0.49 | 0.44 |



• **HAZARDOUS PRODUCTS STORAGE AREA**

**References:**

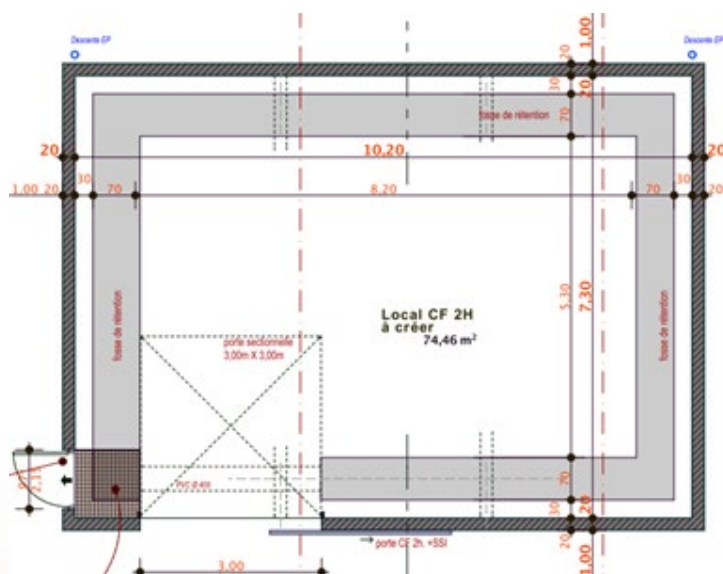


- OMERIN Group Code of conduct  
7- Compliance with occupational health and safety rules



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

In July 2020, the OMERIN main division site commissioned a new storage area for hazardous products in order to protect employees and the environment. The area is fully equipped with 2-hour firewalls and also a sliding, automatic fire door controlled by a fire detection system. The surface area is approximately 75 square metres and can take the entire stock of flammable or environmentally dangerous products. It has a peripheral holding pit of 30 m<sup>3</sup>, in order to protect the environment from any possible leakages.



• **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.

The Staff representative bodies have a very important role within the OMERIN Group since their mission is to ensure the collective expression of employees allowing their interests to be taken into account in decisions relating to management and economic development. business, work organization, vocational training, and health and safety issues, they also contribute to social and cultural activities.

| Indicators  | Number of principals<br>or reserves elected | Percentage /<br>2018 headcount |
|---|---|--------------------------------|
| OMERIN division principale<br>and OMERIN division Berne | 12  | 5%                             |
| OMERIN division silisol                                 | 12  | 12 %                           |
| OMERIN division polycable                               | 6   | 12 %                           |
| CGP Cables for Global Performance                       | 7   | 14 %                           |
| FLEXELEC  | 7   | 12 %                           |
| IFT Groupe OMERIN                                       | 2   | 10 %                           |
| PLASTUB   | 2   | 10 %                           |
| UNION PLASTIC   | 9   | 6 %                            |
| PRINCE MEDICAL  | 2   | 6 %                            |
| OMERIN Group France                                     | 59  | 8 %                            |

• **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.

During 2020, 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 | 2020 |
|---|------|------|
| % of turnover covered by suppliers having signed our charter or implementing an anti-corruption charter | 87 % | 89 % |



• **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.

Unfortunately, due to the health crisis of Covid-19, the 2020 recruitment rate was not high enough to be relevant. 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   | 2020   |
|---|--------|--------|--------|
| Pay gap in favour of men  | 1.68 % | 1.62 % | 1.48 % |
| Points difference between number of trained employees by gender and average headcount | 14 pts | 8 pts  | 4 pts  |
| Percentage of female applicants   | 19 %   | 37 %   | -      |
| Percentage of female recruits   | 23 %   | 33 %   | -      |
| Promotion gap in favour of women  | -0.6 % | 0.2 %  | 1.3 %  |

## 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 2020 ENVIRONMENTAL ACTIONS

### • MAPPING OF THE SEWERAGE NETWORK

#### References:



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



- Global Compact  
**Environnement**  
**Principle 7 : Businesses should support a precautionary approach to environmental challenges.**

The OMERIN main division site mapped all of its sewerage networks in 2020. Several kilometres of networks were mapped, revealing the different developments the site has undergone since the 1960's. After analysing these networks, the first step taken was to launch a renovation programme to bring these networks up to standard. This work consisted mainly of replacing certain pipelines to ensure waste water and rain water were separated. The next step for the site will be to treat runoff water from the car parking areas by hydrocarbon separation.





• **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.**

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).



As part of the ambitious plan, favoring environmental protection and green energy, initiated by the OMERIN Group, it is now FLEXELEC's turn to equip

itself with solar panels. It took two weeks to install the panels on the roofs of the 1000 m<sup>2</sup> (10,763 sq. ft.) site.

The installation, with a power of 250 kWc, was commissioned at the beginning of December 2020 and already covers around half

of the site's electricity needs. Moreover, 12% of the energy produced that is not used can soon be resold. This is just one of the energy saving actions initiated throughout the year. Indeed, after mapping and reviewing all elements that consume energy, the scheduling for using certain machines and the replacement of lighting with LED tubes enabled us to reduce our energy consumption significantly. Therefore, in 2020, we reduced our electricity bills by nearly 30%! The Group is continuing with its plan to reduce its carbon footprint and in 2021 plans to study new solar installations for other Group buildings/sites in France.

| <b>Photovoltaic energy Indicators</b> | <b>2019</b> | <b>2020</b> |
|---------------------------------------|-------------|-------------|
| <b>Self-consumption rate</b>          |             |             |
| OMERIN division principale            | 9%          | 20 %        |
| OMERIN division silisol               | -           | 16 %        |
| OMERIN division polycable             | 13 %        | 28 %        |
| UNION PLASTIC                         | 10 %        | 12 %        |
| FLEXELEC*                             | -           | 46 %        |
| <b>Full production</b>                |             |             |
| OMERIN division principale            | 11.9 MWh    | 522 MWh     |
| OMERIN division silisol               | -           | 462 MWh     |
| OMERIN division polycable             | 6.8 MWh     | 402 MWh     |
| UNION PLASTIC                         | 196 MWh     | 733 MWh     |
| FLEXELEC*                             | -           | 6           |

\* Introduction on december 2020



- **INSTALLATION OF CHILLED WATER PRODUCTION UNITS**

**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.**

OMERIN launched a vast energy savings and recovery programme in 2020. This programme started on the UNION PLASTIC site with the replacement of two 300-kW chilled water production units and the recovery of all the waste heat.

The 2 units use an asynchronous motor speed variation system, a control system based on floating low and high pressure. The key element in this project is that these 2 units have heat recovery systems. Indeed, the heat created during the production of chilled water is reintroduced into the batteries of the complete air treatment system. The whole project represents an investment of about €300 K and benefits from the energy certificates scheme.

