



Corporate
**SOCIAL
RESPONSIBILITY
REPORT**
2020

SOCIALLY RESPONSIBLE INNOVATION
AT THE VERY HEART OF THE ORGANIZATION

ARMOR
INDUSTRY FOR PEOPLE

Editorial



The last few months have been a pretty rocky ride for us. As a result, we've had to conduct an in-depth review of our models, ways of thinking, our processes, and organization. All business sectors have been hit by the global pandemic which has forced us to do some soul-searching and help each other out.

While we have been through some trying times, we are content that we didn't have to close our production facilities in 2020 for a single day, to do our utmost for the social concerns that we endorse, such as traceability, responsible consumption, access to, and storage of, energy, connectivity, local production, and social innovation.

More than ever, during these turbulent times, we have focused our efforts on what forms our DNA, and our beliefs. We are set on staying on track and reaffirming our commitment to respect the 10 principles of the Global Compact by taking action for human rights, labor, the environment, and combating corruption. Our advances are driven by daily efforts that feed into our work and our missions and I am proud to declare that together we have succeeded.

Far from ending 2020 as a lost year, this new CSR report provides a fully transparent snapshot of our progress, in facts and figures, in 6 key areas directly inspired by the United Nations Global Compact SDGs (Sustainable Development Goals): governance and ethics, the circular economy, renewable energies, responsible traceability, employee development, and territorial solidarity.

Enjoy the read!

Hubert de Boisredon
Chairman and CEO, ARMOR

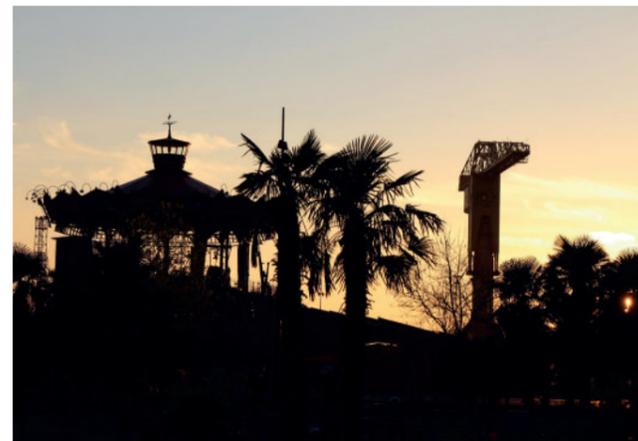


Photo taken by an ARMOR employee for a company photo competition.

The cover of the 2021 CSR report showcases the city of Nantes, where ARMOR has its head office. The actual area on the photo is the city's Machines de l'île district in which you can see the merry-go-round and its iconic yellow crane. The image was provided by Pierre-Arnaud Hommel, Communication Manager at ARMOR-ILMAK, as part of a competition organized by the photography club at the ARMOR Chantenay site.

WE SUPPORT



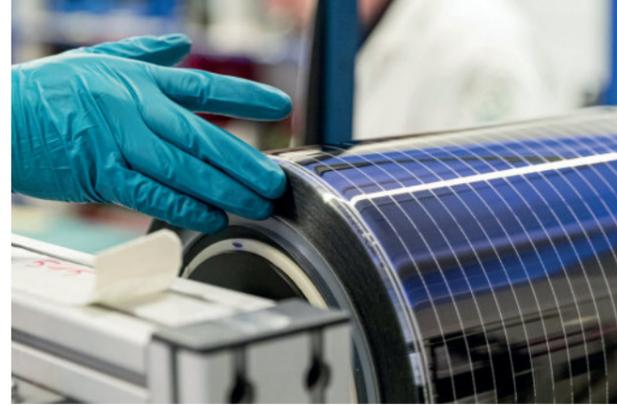
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ARMOR GROUP

The ARMOR Group is a French intermediate-size company employing nearly 2,000 staff worldwide. The company has been a leader in print technology for the last 100 years.



ASCA

"Providing solar power to as many people as possible using ASCA® organic photovoltaic film".

The unique properties of this new rare metal-free photovoltaic technology open up new possibilities for construction, mobility, street furniture, and smart objects. The growth of this business is key to the Group's CSR commitments that strive to promote energy transition and cut the use of fossil fuels.

ARMOR INDUSTRIAL CODING & PRINTING

"Making people and goods safer with product traceability".

Thermal Transfer (TT) is a form of printing technology geared to industrial settings and is used to print variable information on labels or soft packaging, such as bar codes, logos, and expiry dates, etc. This information helps identify products and ensure traceability. As the global market leader, ARMOR masters all stages, from designing inks, manufacturing ribbons, to marketing them under the Inkanto brand.



ARMOR ADVANCED COATING

"Facilitating interactions between people and smart objects"

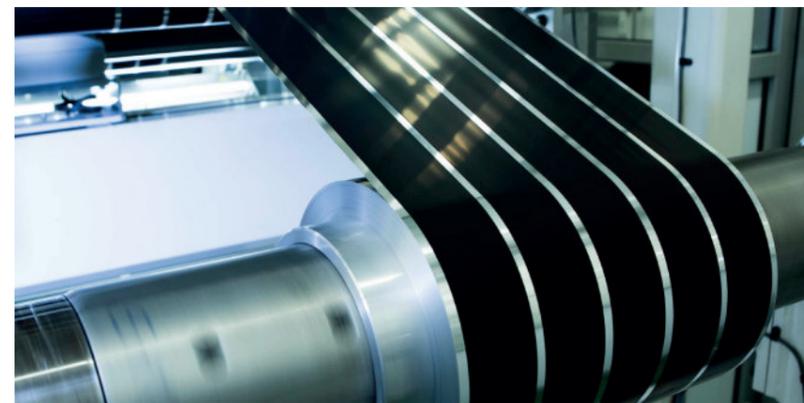
ARMOR is continuing to diversify its business activities by launching a new product range of high-tech coated films designed to be used for applications in smart objects to provide a tactile experience for all types of interactions between people and machines.



TWO HISTORICAL BUSINESS VENTURES

FIVE NEW TECHS

New Techs are the result of ARMOR's diversification and investment strategy. They draw on the Group's knowledge and expertise in the formulation of inks and coatings on thin films.



ARMOR FILM FOR BATTERIES

"Improving the safety, performance and lifespan of lithium-ion batteries with En' Safe® current collectors".

ARMOR designs, manufactures and markets current collectors with coatings that prevent corrosion and improve adhesion, while reducing internal electrical resistance. ARMOR is committed to improving energy storage system performance so that electric vehicles and sustainable mobility become part of tomorrow's urban landscape.

ARMOR PRINT SOLUTIONS

"Reducing the environmental footprint of printing by providing responsible consumables".

Operating independently from printer manufacturers, APS provides alternative turnkey printing solutions, ranging from consumables to managed printing in addition to collecting used cartridges to ensure they are 100% reused or recycled. OWA Print Services is the latest fruit of ARMOR's expertise and offers a bespoke printing service to professionals, in line with the product-service system.



ARMOR INDUSTRIAL INKS

"Developing innovative inks for digital printing".

The guiding principle to develop A21 is based on the Group's rudiments, i.e., innovation and environmental credentials. All our inks are water-based and solvent-free. They are safe for consumers and therefore suitable for food packaging. These high-tech inks are designed for specific uses in the textile industry, as well as for decoration, domestic hygiene, and packaging.



€130 M
OF INVESTMENT OVER
THE PERIOD 2018-2022

120
RESEARCHERS,
ENGINEERS & TECHNICIANS



ARMOR ADDITIVE MANUFACTURING

"Formulating and producing bespoke materials for additive manufacturing".

Through its Kimya brand, ARMOR Additive Manufacturing develops and jointly develops bespoke materials with international industrial groups and 3D printer manufacturers to create high added value parts. Additive manufacturing is especially used to produce parts in the aerospace, defense, and automotive sectors. ARMOR Additive Manufacturing also offers a range of recycled and recyclable filaments under the OWA brand.

SOME HIGHLIGHTS AND AWARDS IN 2020

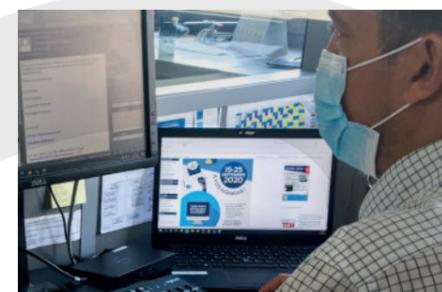
AN ECOVADIS GOLD MEDAL

ARMOR has been awarded a gold medal by Ecovadis for its CSR record. This accolade is the fruit of a team effort at all levels of the company in demonstrating a responsible approach for the environment, society, ethics, and procurement. This score puts ARMOR in the top 5% of companies assessed by Ecovadis.



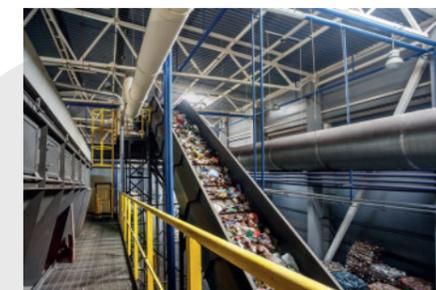
E-CLEAN-UP CHALLENGE

The e-Clean-Up Challenge was held for the first time in 2020 and got all ARMOR employees worldwide to help smash the 500 Go target by deleting 800 Go of content. The e-Clean-Up Challenge will be held each year to inform employees about their data storage behavior and to change everyone's habits in the long-term.



ARMOR INDIA GETS INVOLVED IN INDUSTRIAL PARK WASTE MANAGEMENT

The Bidadi Industries Association has awarded a certificate of appreciation to ARMOR India's teams. The certificate honors the Indian subsidiary for its financial and strategic contributions to creating a solid waste management facility in the Bidadi industrial park.



MARCH



PRODUCTION OF PROTECTIVE VISORS FOR HEALTH CARERS

ARMOR Additive Manufacturing worked with the University of Nantes during the first lockdown to produce protective visors for the city's university hospital. Thanks to amazing input from its teams and an impressive ability to adapt, ARMOR Additive Manufacturing produced more than 110,000 visors in just two months.

MAY



ARMOR EXPANDS IN THE STATES

From its base in the United States since 1998, ARMOR has expanded its production site to keep pace with the growth in its main AICP business, together with the launch of two of its New Tech ventures, ARMOR Additive Manufacturing and ARMOR Battery Films. With an additional 2,900 m², the site has 40% more production space and can optimize the group's entire supply chain.

JULY

SEPTEMBER

OCTOBER



A NEW SUSTAINABLE DEVELOPMENT AWARD FOR ARMOR ASIA

In 2017 and again in 2019, AMOR Asia won an award for its sustainable development strategy and has now picked up a prize at the "Singapore Apex Corporate Sustainability Awards". These "Sustainability Awards" honor companies with commercial activities and solutions that have achieved excellence by embodying the ten Global Compact principles. They are considered to be one of the most prestigious prizes for sustainable development in Asia.

DECEMBER



THE DEUTSCHER NACHHALTIGKEITSPREIS CLIMATE AWARD

ASCA won the "Climate" prize at the prestigious Deutscher Nachhaltigkeitspreis ceremony, a German sustainability award scheme. This award praises those individuals from companies who make a tangible contribution to key subject areas like climate, resources, biodiversity, and society.

DECEMBER

SCOPE OF THE REPORT

ARMOR has been a member of the United Nations Global Compact for 12 consecutive years. As part of the "Communication on Progress" (COP) process, the Group presents its progress and future goals in line with the 10 principles of the Global Compact and Sustainable Development Goals (SDGs). This Corporate Social Responsibility report presents the results for 2020, covering all the ARMOR Group's operational sites indicated by a red pin (see map below). Artech Polska, which is in financial difficulty, together with recently established subsidiaries (ASCA in Germany and ARMOR East Africa, in Kenya) do not feature (blue pins on map).

The report has been prepared in accordance with GRI standards (essential compliance option - see GRI Index, appendix 4) and focuses on substantiating the Group's significant impacts and efforts as far as competition-related confidentiality permits. It features consolidated indicators for the entire scope of the report. A correlation table (see Appendix 1) presents the Group's commitments by challenge, key related indicators, targets, SDGs and concludes with the relevant Global Compact principles and advanced criteria.

VIRTUOUS INTERNATIONAL GROWTH THROUGH CO-INDUSTRIALIZATION:

Co-industrialization involves seeking out growth in rapidly developing parts of the world, while sustaining production and employment in France. As part of its Thermal Transfer activity, ARMOR produces semi-finished products at its La Chevrolière site, to be processed and customized at industrial sites worldwide. Our subsidiaries provide us with greater

flexibility to meet to the needs of local customers, while curbing the transport of goods.

By paving the way to introduce this model to its business activities, ARMOR is targeting a two-stage production model (local production and finishing the product nearest to the customer), while safeguarding investment and jobs at its French sites.



€274 M
TURNOVER in 2020

16 INDUSTRIAL SITES
2 LOGISTICS SITES
3 RESEARCH CENTERS

2,000
EMPLOYEES



-  **ARMOR FRANCE**
The La Chevrolière site: AICP, ASCA, AFB, AAC
Nantes sites: Head office, APS (Cordon Bleu)
The Les Sorinières site: AAM
-  **ARMOR TURKEY**
Istanbul site: AICP
-  **ARMOR COLOMBIA**
Medellin site: AICP
-  **ARMOR CANADA**
Mississauga site: AICP
-  **ARMOR USA**
Cincinnati site: AICP, AAM
-  **ARMOR BRAZIL**
Manaus site: AICP
-  **ARMOR MEXICO**
Querétaro site: AICP
-  **ARMOR INDIA**
Bangalore & New Delhi sites: AICP
-  **ARMOR INDUSTRIES**
Birdjid site: APS
-  **ARMOR AFRICA**
Johannesburg site: AICP
-  **ARMOR CHINA**
ZhuHai & Xiaolan sites: AICP
-  **ARMOR ASIA**
Singapore site: AICP
-  **INDUSTRIAL SITES NOT INCLUDED IN THE SCOPE OF THE REPORT**

 **RESEARCH CENTERS AND LOGISTICS SITES NOT INCLUDED IN THE SCOPE OF THE REPORT**

SHARED ECONOMIC VALUE

SCOPE: ARMOR SAS



- 1 Employees: €53 M
- 2 Remuneration of capital contributors: €0 M
- 3 Subsidiaries (funding): €1 M
- 4 Suppliers (including raw materials: €66 M)
- 5 Company (taxes, levies): €1 M
- 6 Banks: €42 M

378

The number of internal investors worldwide, including the management team and employees.

€1.6 M

The total number of employee shareholdings in the company mutual fund (FCPE).



THE 6 CHALLENGES OF RESPONSIBLE SOCIAL INNOVATION

	Governance and ethics		
	Circular economy		
	Renewable energies		
	Responsible traceability		
	Employee development		
	Territorial solidarity		



GOVERNANCE & ETHICS

Adapting our organization to take decisions and act in line with the challenges of sustainable development, ethics, and respect for our stakeholders' interests.

EMBEDDING SUSTAINABLE DEVELOPMENT AT THE HEART OF GOVERNANCE

Governance at ARMOR centers on board meetings (2 per year), discussion meetings with investors (6 per year), strategic meetings with partner managers (2 per year), general management meetings (8 per year) and executive committee meetings (monthly). The Group's social responsibility efforts are managed by a CSR Committee created in 2011. This meets three times a year, supported by a network of contacts in France and in the subsidiaries.

The CSR Committee is chaired by the CEO and coordinated by the CSR Director. Its members include the Group's functional (HR, Finance, Legal, etc.) and operational directors for all activities (Purchasing, Marketing, Production, etc.). Each member is both an ambassador for the Group and a contact point for requirements expressed by the company's stake-

holders (employees, customers, suppliers, shareholders, local authorities, etc.). Other parties may be invited to take part subject to the meeting agenda.

An annual CSR management review is held in the subsidiaries, involving the CSR correspondents, the subsidiary senior management team, and the Group CSR Department. Giving consideration to local factors in the overall CSR strategy helps to optimize and ensure it is incorporated at all levels of governance.

The Group's requirements are related in an action plan and quantified targets. The consolidated results are disclosed on specific media, such as the CSR report or other dedicated communication channels.

Nomination method for personnel representatives and percentage of employees concerned

Personnel representatives elected by secret ballot	<i>France, Colombia, Morocco</i>	69%
Personnel representatives chosen by employees	<i>Mexico, Turkey</i>	3%
Personnel representatives chosen by senior management teams	<i>China</i>	7%
No Personnel representatives	<i>USA, Brazil, Canada, Singapore, South Africa</i>	21%

WORLD TOUR OF CSR CONTACTS



Annabelle Guillet
FRANCE



Valérie Chamillard
FRANCE



Karina Lima
BRAZIL



Fayne Crase
USA



Ryan Heitkamp
USA



Diyaeddin Saylik
TURKEY



Sutianna Harith
SINGAPORE



Sue Han
CHINA



Jenny Xiao
CHINA



Christian Dorantes
MEXICO



Daniel Rosales
MEXICO



Cody N'guyen
CANADA



Terence Riley
SOUTH AFRICA



Devaki Ambi
INDIA



Saida Boutrouka
MOROCCO



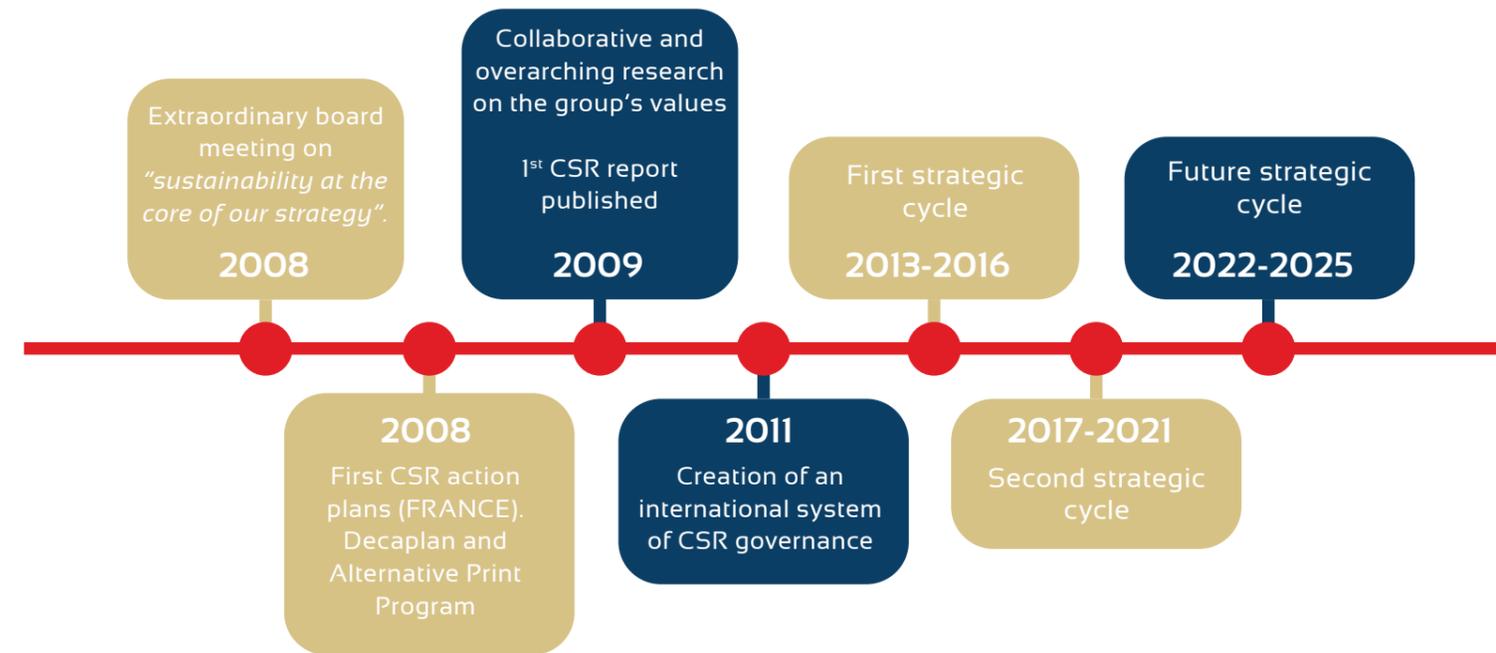
Luis González
COLOMBIA



Rafael Toro
COLOMBIA

"Combining economic interests and a social purpose is now the only model for the company's future."

Hubert de Boisredon, Chairman and CEO, ARMOR



2017-2021 strategic cycle:

The strategic cycle, initially planned for 2017 to 2020, was finally extended to 2021 due to the public health crisis. Indeed, the disruptions experienced in 2020 left little time to develop the next strategic cycle.

GROUP COMMITMENTS



... AT OPERATIONAL LEVEL

DEPLOYING RELIABLE AND STRUCTURAL MANAGEMENT SYSTEMS

ARMOR's has a clear goal: Secure **ISO 9001 (Quality), ISO 45001 (Occupational Health and Safety) and ISO 14001 (Environment) certification** for all its production sites to align management systems in all the Group's entities. The Colombian subsidiary secured triple certification in late 2020, while the other subsidiaries are targeting the same outcome over the coming years. The transition from OHSAS 18001 and ISO 45001 will be made gradually until 2021.

TARGET SET FOR
2020
100% OF SITES
QSE-CERTIFIED

2019: 78%*
2020: 83%

ACTION
No. 9

PERCENTAGE OF QSE-CERTIFIED SITES



QSE Quality, Safety & Environment-Certified Sites

QUALITY Quality-certified sites

*corrected data

LISTENING TO STAKEHOLDERS

ACTIONS
Nos. 7, 11, 12

To implement a joined-up CSR strategy, ARMOR also considers the requirements of its stakeholders. This profusion of views and opinions helps position and guide the Group's strategy.

A process to identify key stakeholders has been in place since 2016. It is based on three main criteria, **frequency** of contact, **stakeholder impact** on ARMOR and the **influence** of ARMOR on the stakeholder. Some of the Group's key stakeholders are presented below. In late 2019, the CSR Committee began a survey on the way the company was viewed by a representative sample of its stakeholders. The findings fed into research on the Group's future 2022-2025 strategic cycle.

STAKEHOLDERS	MODE OF DIALOGUE	MAIN REQUIREMENTS
Shareholders ARMOR internal investors and funding bodies	<ul style="list-style-type: none"> Board meeting Investor discussion meeting 	<ul style="list-style-type: none"> Creation of long-term value and economic sustainability Controlling reputational risk
Customers OEMs and distributors	<ul style="list-style-type: none"> Customer satisfaction survey Trade shows and public events Customer meetings ATC (ARMOR Technical Club) Website / 2go2 website 	<ul style="list-style-type: none"> Range of high-quality products, guaranteeing user health and safety Innovative products Transparent information on product features Compliance with company code of business ethics
Employees Personnel and unions	<ul style="list-style-type: none"> Health and Safety Committee CSR approach (progress teams, discussion meetings) Meetings with personnel representatives Personnel satisfaction surveys 	<ul style="list-style-type: none"> Optimal working conditions Well-being at work Development and employability Career development options Equal pay Equal opportunities and non-discrimination
Suppliers & service providers	<ul style="list-style-type: none"> CSR questionnaire Team meetings Face-to-face meetings Business Reviews 	<ul style="list-style-type: none"> Balanced and long-term relationships Compliance with contractual commitments and payment deadlines Promotion of the CSR approach Compliance with company code of business ethics
Territorial stakeholders Neighbors, elected officials, councils, local authorities, schools, companies in the industrial park	<ul style="list-style-type: none"> Face-to-face meetings Participation in joint events Open days/visits Joint activities with company associations 	<ul style="list-style-type: none"> Compliance with regulations Controlling industrial risks and production site-related disturbance Involvement in local sustainable development projects Local jobs and employability measures

See Appendix 3 for networks of influence

GOOD PRACTICES CSR Week

A CSR week was organized in Mexico on ethics and governance. As a result, all employees were invited to training courses and workshops to boost the teams' values and honesty, especially regarding corruption risks.

CSR MATURITY SCORE: A TOOL FOR CONTINUOUS IMPROVEMENT

ARMOR carries out a **self-assessment on its CSR maturity every four years to measure the effect of various CSR activities**. The questionnaire features roughly 300 questions based on ISO 26000 guidelines, key ILO conventions, the 10 main principles of the Global Compact, SA 8000 requirements, the 26 criteria of the Advanced level Global Compact and good CSR practice.

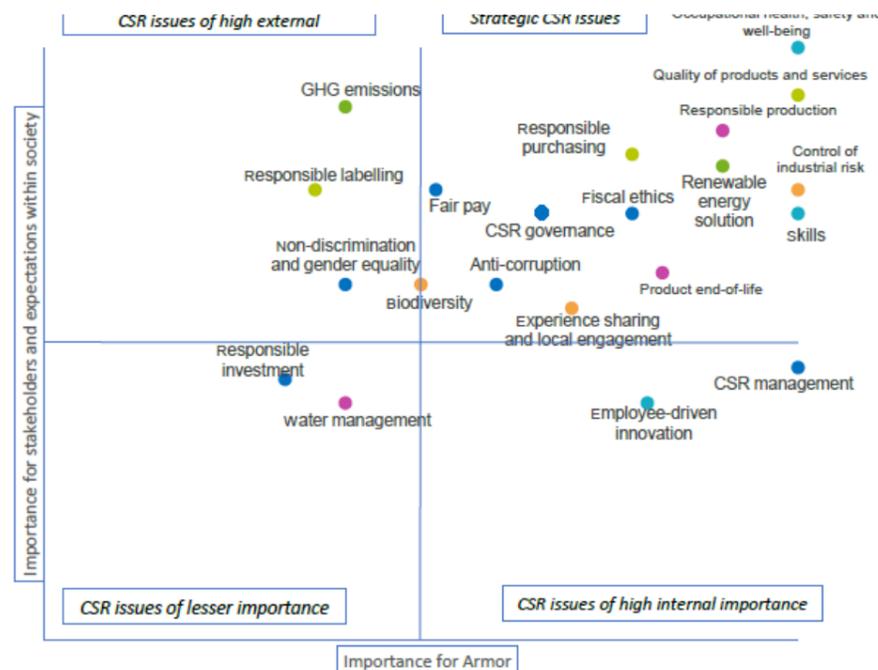
ARMOR France and each of the subsidiaries assess their progress against **7 topics**:

- Governance and CSR management
- Fair business practices
- Human rights and working conditions
- Health and safety
- The environment
- Product and consumer issues
- The community and local development

FROM MATERIALITY TO THE CSR ACTION PLAN

In 2012, the **concept of dual materiality** helped define the company's strategy and priority issues. These social issues are significant given their impacts on the Group, risks and opportunities for the Group and stakeholder requirements.

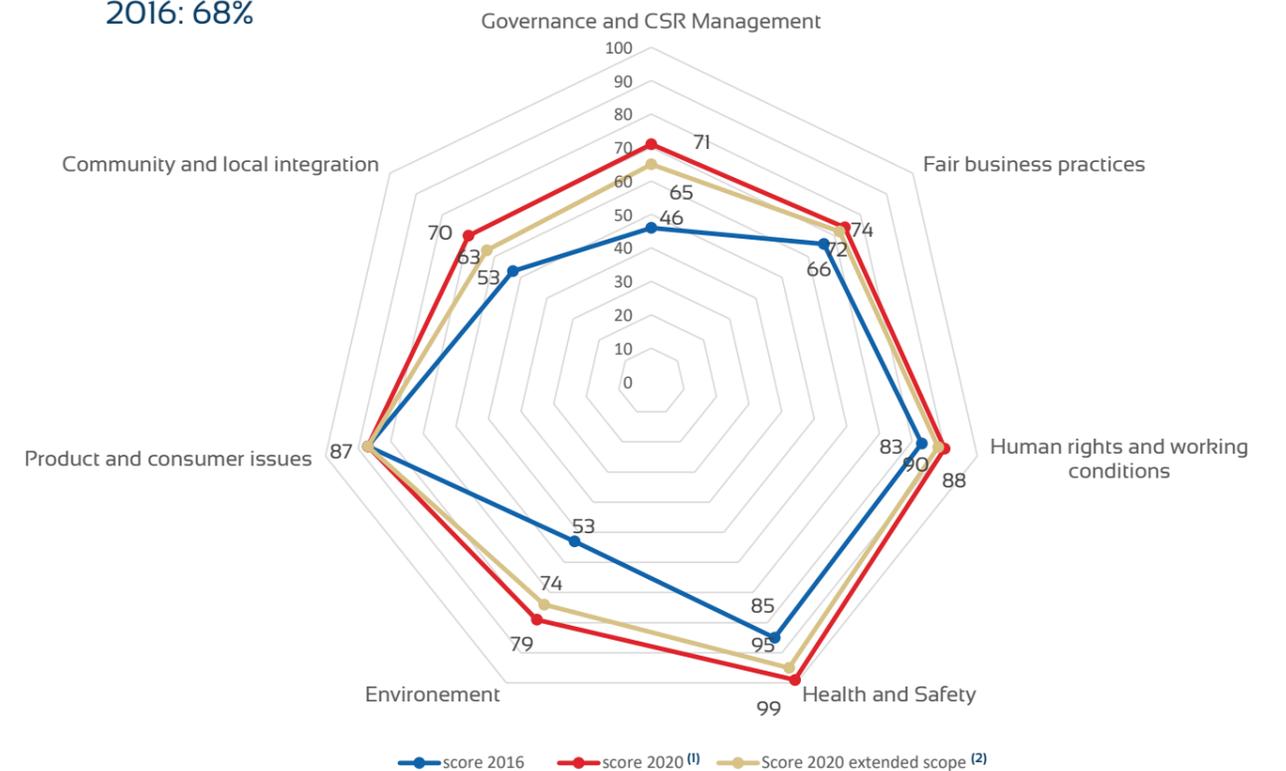
The 6 challenges for socially-responsible innovation cover an array of topics that are both risks and opportunities for the Group. They are geographically plotted in a materiality matrix and regularly updated by the CSR Committee. The matrix is a tool to rank subjects to prioritize and plan actions within the Group (see Appendix 2).



PROGRESS IN THE CSR MATURITY SCORE BETWEEN 2016 AND 2020

2020: 82% ⁽¹⁾
2020: 78% ⁽²⁾
2016: 68%

2020
TARGET **80%**



***Initial coverage:** France, Morocco, United States, Mexico, Brazil, Singapore, China, India, and South Africa
Expanded coverage: France, Morocco, United States, Mexico, Brazil, Singapore, China, India, South Africa, Colombia, Canada, and Turkey

Between 2016 and 2020, on a like-for-like basis, the CSR maturity score rose by 14%, from 68 to 82% (and is very close to the target for the expanded area). This rise is mainly due to the introduction of quality safety and environment management systems in the Group's most recent subsidiaries (Mexico, India, and South Africa). Other longer-standing subsidiaries are improving on their score by making advances, in particular, in governance, the environment, and regional integration. The results have been thoroughly checked and reviewed with the CSR correspondents and site directors and will be used to develop the future four-year action plan.

HUMAN RIGHTS & BUSINESS ETHICS

Because humanism is one of the Group's values, its international expansion strives to be consistent with human rights, and is a prerequisite for all new sites. It includes a certain number of precautionary measures and checks followed by regular monitoring.

As well as introducing monitoring systems and applying local regulations on human rights, compliance with the **8 fundamental conventions** of the ILO is a top priority for ARMOR:

- C105 and C29: abolition of forced labor
- C182 and C138: abolition of child labor
- C87 and C98: freedom of association and the right of collective bargaining
- C100: equal remuneration
- C111: non-discrimination.

ACTIONS Nos. 1, 2, 4, 5

Senior manager teams in the subsidiaries are accountable for properly applying them, with support from the Group's Human Resources and Legal Departments. An annual monitoring process helps keep a watchful eye on the process. Since its implementation in 2010, not one case of non-compliance has been reported.

In 2015, these principles were included in the Group's **code of ethics**, which features a whistleblowing procedure available to stakeholders. The system is managed by an ethics specialist, i.e., the Head of Legal Affairs. Furthermore, each of the Group's entities is formally assessed against these criteria at four-year intervals (see CSR maturity score).

In addition to these principles, and in connection with the 6 challenges for socially-responsible innovation, the code of ethics reaffirms the Group's commitment to all its stakeholders. One of these commitments concerns, in particular, fair business practices. In accordance with the French Sapin II law, ARMOR's anti-corruption code of conduct sets out the fundamental principles that the Group undertakes to respect in **combating different forms of corruption**. Following a risk assessment by country, department, and business, the code of conduct has been translated into all the Group's languages and is fully compliant with local legislation. It was also publicized in an information campaign in 2019 for all employees worldwide and geared to local audiences.

ARMOR has always been especially keen to comply with the principles of **personal data protection**. As such, the company has brought in a policy to comply with French data protection legislation and the European General Data Protection Regulation (GDPR), which came into force in May 2018. A Data Protection Officer (DPO) is tasked with ensuring constant compliance and to address any enquiries.

As with the code of ethics, and in compliance with French legislation, a **whistleblowing system with personal protection measures** has been included in the anti-corruption code of conduct. This covers all the Group's entities. The Head of Legal Affairs has been nominated as the ethics and compliance specialist to ensure that any such alerts are dealt with confidentially. Internal audits, reported in an annual review, also ensure that business practices meet the Group's commitments.

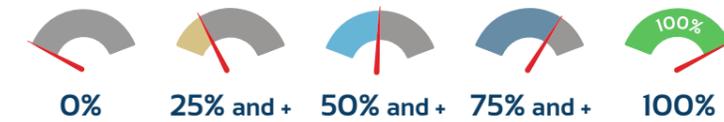
In addition, buyers are also subject to a **code of conduct** featuring the following priorities: equity and impartiality, confidentiality, compliance and fostering compliance with mutual undertakings, integrity, and exemplary conduct. They also attend a training module on combating corruption once they are recruited and regularly take part in CSR awareness sessions with a specific focus on their occupations.

As a signatory of the **Responsible Supplier Relations Charter**, in 2011, ARMOR secured certification from the same body in 2015. This accolade honors French companies with a track record of long-term, balanced relationships with their suppliers and underlines ARMOR's proactive stance for responsible purchasing. The charter has since adopted ISO 20400 requirements on Responsible Purchasing and ARMOR renews its commitment to it on an annual basis.

As a result, we reiterate our pledge to our customers, suppliers, employees, local authorities, and other partners that we will ensure good relations in full compliance with human rights and business ethics.



PROGRESS UPDATE ON THE 2017-2020 ACTION PLAN AS OF END 2020



GOVERNANCE AND ETHICS			
Ethics and human rights			
1	Include the code of ethics in the welcome pack for new recruits and disseminate it to all employees	Group	
2	Introduce anti-corruption procedures and roll this out to all subsidiaries	Group	
3	Make medical check-up details confidential	China	
4	Make employment contracts official	Morocco	
5	Undertake social audits at sites in high-risk countries for human rights in the workplace (using the ITUC index)	Morocco	
CSR awareness			
6	Deliver employee awareness activities on sustainable development and the Group's CSR strategy	Group	
7	Set up employee CSR discussion groups	Group	
8	Organize an ARMOR global week on a CSR topic	Group	
Management systems			
9	Introduce and secure ISO 9001, OHSAS 18001/ISO 45001, ISO 14001 certification for Quality, Health & Safety and Environment management systems	Group	
10	Study the impact of the WEEE regulation on APS business	APS	
Participatory innovation			
11	Develop participatory innovation programs	France	
Customer satisfaction			
12	Develop new tools to measure customer satisfaction	Group	

85% OVERALL PROGRESS



CORPORATE SOCIAL RESPONSIBILITY

CIRCULAR ECONOMY

Embed our products in an approach for the sustainable use of resources and reduced environmental impact over the entire product life cycle, from manufacturing to recycling.

LIMITING THE IMPACT ON SENSITIVE RESOURCES

In line with its code of ethics, ARMOR has incorporated the circular economy principles into APS' core business. This includes a cartridge collection service and the production of re-manufactured cartridges. The aim is to minimize the use of virgin raw materials in favor of re-used and recycled materials.



3,127 tons
of resources
preserved in 2020
(3,701 tons in 2019)

*Re-manufactured cartridges put back on the market and recovering waste materials from sites.

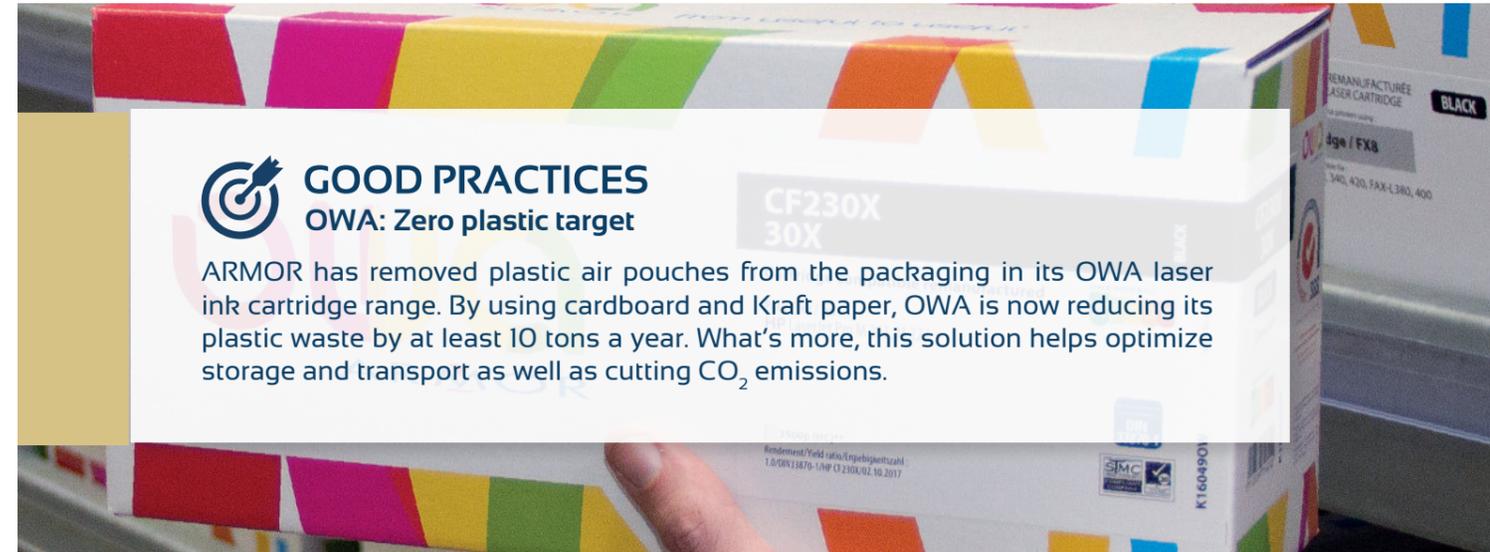
Creating the OWA brand is one of the most powerful illustrations of ARMOR's involvement in the circular economy. The Group has marketed new remanufactured high-quality laser cartridges since 2015. These are compatible with most leading brands of printers. But the principle doesn't stop there. For every OWA cartridge sold, ARMOR pledges to recycle or disassemble in an environmentally-friendly way one equivalent used cartridge. All components are carefully sorted and reintroduced in the manufacturing chain as secondary raw materials. To step up this approach, ARMOR has opted to apply QUALICERT standards to its entire OWA circular economy product range (collection, sorting and recycling, remanufacturing), a world first in this field.



OWA 3D filaments: Recyclable filaments have been tailor made since 2016 using recycled materials to create the OWA A3D product range. Reel dispensers are also designed using recycled plastics. The recycled plastic comes from OWA cartridges collected from customers using a dedicated service.

In addition, the Group's new business activities are driving new thinking about the use of raw materials. As a result, flexible ASCA® photovoltaic film contains no rare earths or heavy metals and is made from organic materials which makes it easier to recycle.

ACTIONS
Nos. 14, 20

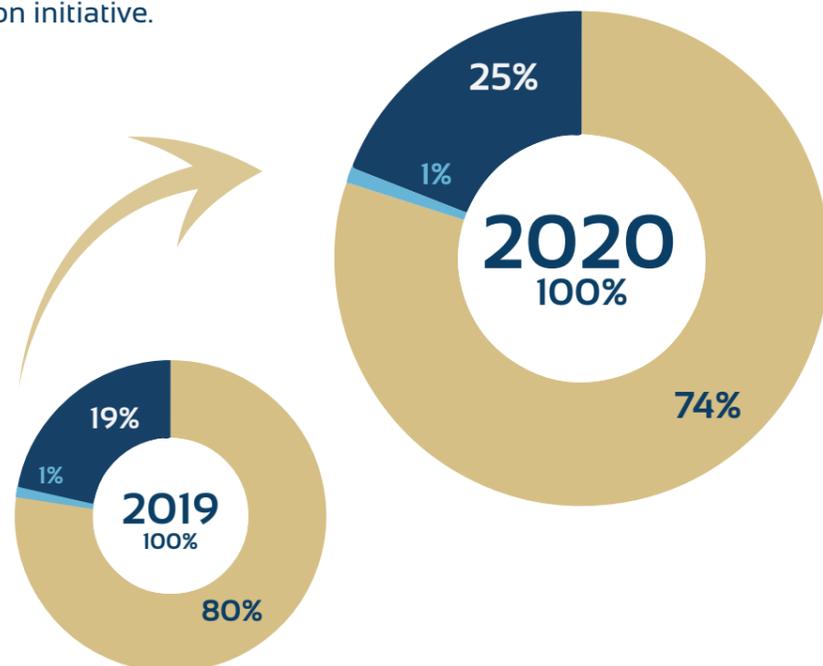


2020 TARGET
100%

Percentage of re-used and recycled laser cartridges from OWA collection initiative.

ACTIONS
Nos. 15, 16, 17

- Re-used as-is
- Materials & energy recovered, recycled
- Repaired and re-used



The mix of products from our collections has been a weakness, especially the higher percentage of clones (new but illegal ink cartridges) which lowers the quality of the collection service.

The Group is set on gradually reducing the intensity of its footprint concerning non-renewable raw materials. AICP, which uses a significant amount of non-renewable resources, is continuing its efforts by making constant gains in production performance from eco-design measures and its REC'PET program.

ACTIONS
Nos. 3, 18, 19

REDUCING AND RECYCLING WASTE

Through environmental management measures at its sites to minimize the impacts of production activities, one of ARMOR's main goals is to reduce waste and, if possible, recycle it into resources while ensuring any residual waste is processed efficiently and responsibly.

In pursuit of this goal, ARMOR has for the last few years introduced REC'PET programs in the company and REC'PET Partner programs for end users. This initiative provides a solution to recover and re-

cycle rejects or PET film waste which is central to the Thermal Transfer business. These scraps and rejects which generally go to landfill or are incinerated, are highly specific plastic waste as the PET films are inked and extremely thin (approx. 10µm). This limits their ability to be recovered using conventional recycling techniques. They are collected and then converted into Solid Recovered Fuel (SRF). SRF has stable energy properties and is used as an alternative to conventional fossil fuels, such as coal or oil.

Waste sent to landfill

0.1% in 2020
5% in 2019

2020 TARGET 0%

The Group has regained its initial performance levels in 2020 that had fallen away in 2019 due to problems with service providers, especially in France and Mexico.

Recovered waste material or energy

88% in 2020
83% in 2019

2020 TARGET 100%

Good progress has been made over the years thanks to considerable efforts to seek out waste recovery providers worldwide, resulting in a significant rise in the percentage of waste reused for energy.



GOOD PRACTICES Botellas de amor

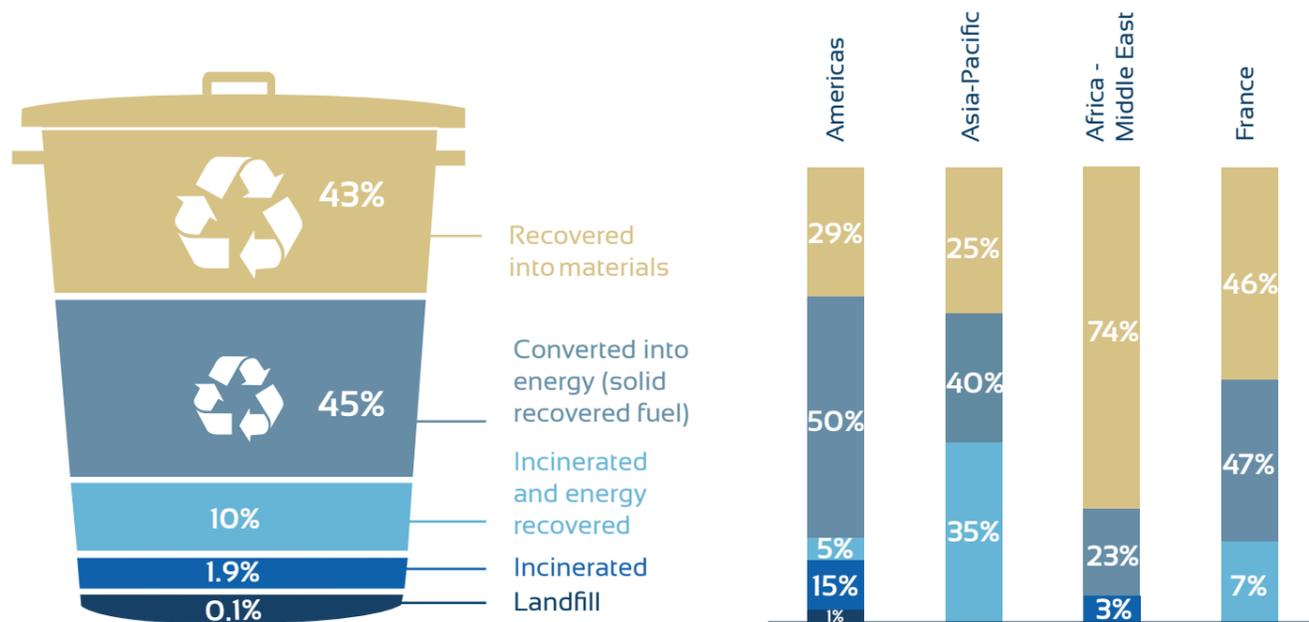
ARMOR Colombia is working with the "Botellas de Amor" Association which collects and processes plastic waste to make construction materials, to build houses, playgrounds, or street furniture, benefiting disadvantaged urban communities, and schools.

Quantity of waste generated per ton produced

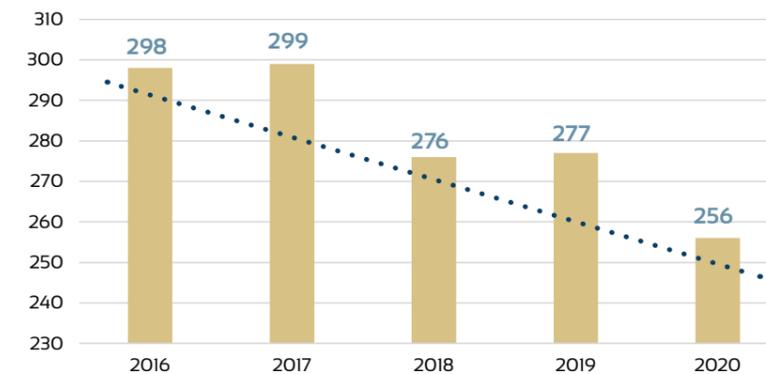
-14%
or 256 kg/t in 2020

2020 TARGET -5%
Versus 2016 data: 298 kg/t

BREAKDOWN OF WASTE BY PROCESSING TYPE AND REGION

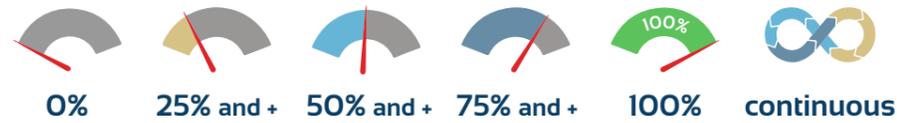


WASTE VOLUMES (kg per ton produced)



The Group's activities generated 4,480 tons of waste, 22% of which was hazardous waste. However, the volume of waste per ton produced has been falling since 2016 thanks to efforts to reduce film losses and non-quality costs.

PROGRESS UPDATE ON THE 2017-2020 ACTION PLAN AS OF END 2020



CIRCULAR ECONOMY

Product range

13	Analyze the roll-out of the REC'PET Partner program (used TT roll collection service) for our customers worldwide	AICP	100%
14	Develop a range of recyclable 3D filaments (OWA 3D)	A3D	100%
15	Develop a page-by-page priced service offer (OWA OPS)	APS	100%
16	Develop an OWA range for inkjet cartridges	APS	100%
17	Maintain Qualicert certification	APS	100%

Site waste

18	Find suitable recycling channels for all significant waste by ensuring traceability (including the REC'PET Program)	Group	continuous
19	Introduce initiatives to reduce production waste (e.g., co-product, by-product, etc.)	Group	continuous

Life cycle

20	Conduct a life cycle analysis on ASCA® products	France	100%
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100% OVERALL PROGRESS





RENEWABLE ENERGIES

Reduce our energy consumption and contribute to the rollout of renewable energy solutions to combat climate change.

INNOVATING FOR RENEWABLE ENERGIES

In line with its code of ethics and its commitment to the environment, ARMOR has chosen to focus its investment on research and development to find solutions likely to address challenges faced by society. This strategy has helped the Group enter the photovoltaics sector with an innovative product. This new technology provides access for all to an independent source of energy that can be fitted to all surfaces and is suitable for all types of light.

ASCA® is a low-carbon technology that contains no rare metals. Unlike conventional solar panels, this photovoltaic film is far lighter. It weighs 500 grams per m² compared to 10-15 kg per m² for a conventional panel. ASCA® is part of the third generation of flexible, thin, "organic" photovoltaic cells.

A life cycle and production process analysis found that ASCA® film uses less energy than standard solar panels.

In fact, its **environmental payback** (return on investment in equivalent carbon emissions between the carbon footprint for production and emissions prevented by its use) is **estimated to be just 3 months compared to more than 18 months** for a conventional solar panel. Final processing of the product is made easier due to its organic features, free of rare or toxic components such as, for example, cadmium.

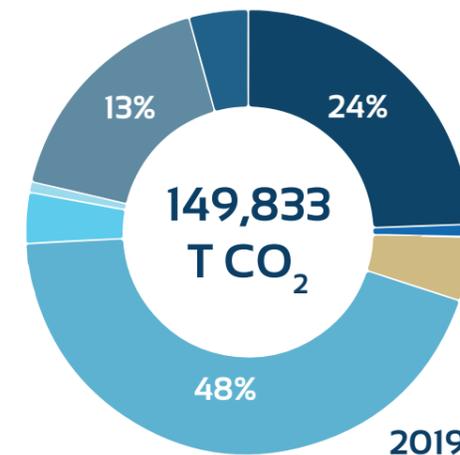
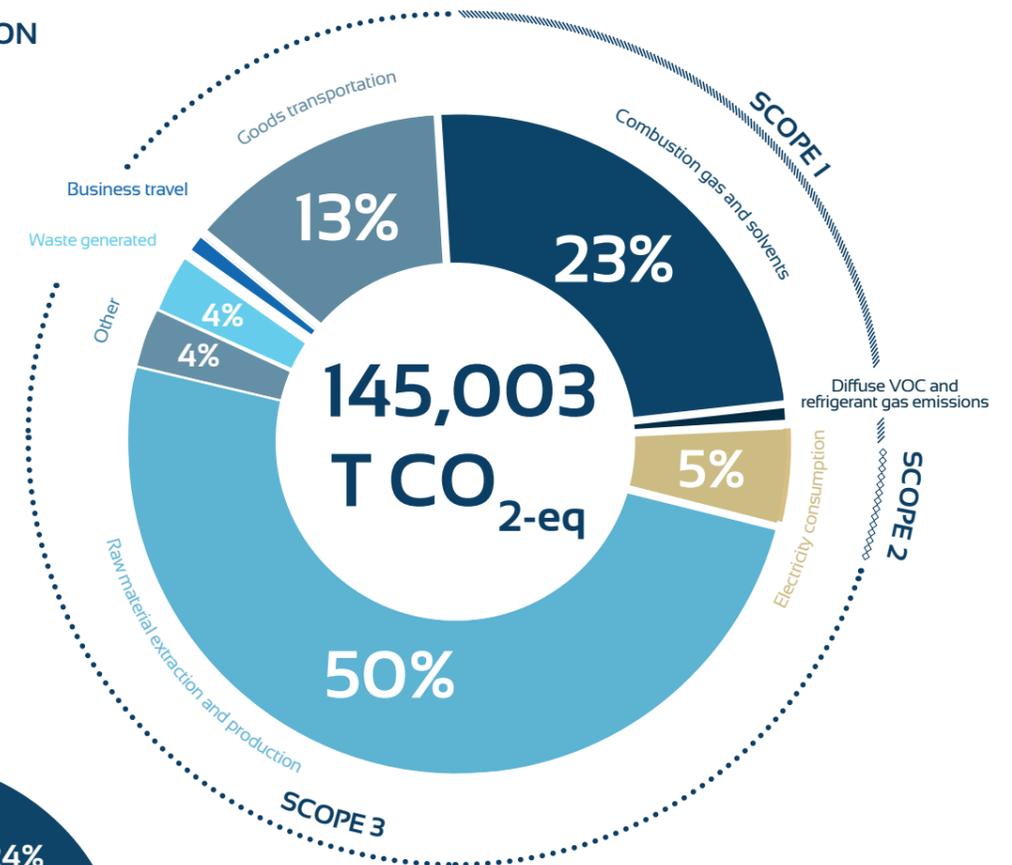
ASCA® film is a **new product** for which ARMOR is gradually creating practical applications. In doing so, the business draws on partnerships and sharing expertise to design products of the future that are useful, innovative, and environmentally-friendly.

ACTIONS
Nos. 21, 22, 23, 24

HELPING TO MITIGATE CLIMATE CHANGE

ARMOR is striving to **manage the impact of its business activities** on the key challenge of climate change. As such, from 2008, prior to French legislation, the ARMOR Group's French operational sites conducted studies on greenhouse gas emissions (GHG) linked to their business activities. This assessment was expanded in the Group (operational sites) and to all direct and indirect sources of emissions both upstream and downstream of production (scopes 1, 2 and 3) from 2016. A methodological guide outlines the scope and calculation methods (see Appendix 5).

ARMOR GROUP CARBON FOOTPRINT 2020



The new VOC processing system at La Chevrolière is making a marked improvement to gas consumption on-site by recovering the heat produced more effectively. Improvements to the performance of facilities (refrigeration units, compressors in France, AC units in Brazil, for example) continues, resulting in reduced electricity consumption. As such, the percentage of emissions from inputs is rising. CO₂ emissions amount to 8.29 T CO₂-eq per ton produced, i.e., 12% less than 2016.

GOOD PRACTICES The ASCA challenge

ASCA launched the inaugural ASCA Challenge to promote future innovations using ASCA photovoltaic film instead of IoT solutions for batteries and power packs. Nantais AtmoTrack won first prize for its micro-sensor that measures atmospheric air quality in real-time to understand where pollution come from and subsequently optimize actions undertaken to protect public health. Selection criteria included the solution's innovative nature, perceived benefits, the potential target market when implementing the solution, the financial viability of the venture and its social and environmental impact.



GOOD PRACTICES
Project Uberlandia

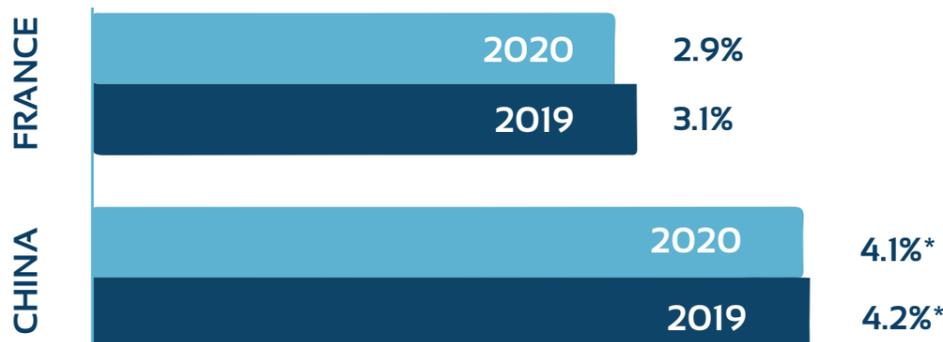
Together with a logistics operator, ARMOR Brazil has introduced a strategic stock system for its finished products in the city of Uberlandia, 600 km from the country's economic capital, Sao Paulo. Instead of air freight, ARMOR is now using river then road transport to ship its goods the 4,000 km from Manaus to Uberlandia, while ensuring a more efficient delivery service for its customers plus reduced transport costs.

In 2002, the La Chevrolière site, in France, invested in a Regenerative Thermal Oxidizer (RTO) fitted with a **VOC emission treatment** and **co-generation** system, in addition to a natural gas feed. A VOC emissions indicator is monitored as part of the site's operating license, which was revised in 2016 and set at a maximum rate of **6%**.

While ARMOR China has no statutory obligation to meet this target, it invested in a similar system which was commissioned in 2016 and has delivered tangible benefits since 2017.

VOLATILE ORGANIC COMPOUND (VOC) EMISSIONS
Versus the volume of solvents used

ACTION
No. 34



Target achieved: Stable results with emissions under control in France and China. The 2nd RTO commissioned at La Chevrolière in late 2019 operates in unison with the first installation. It has optimized VOC capture and treatment, making a slight improvement to the indicator.

2020 TARGET <6%

*Data estimates

SAVING ENERGY AND OPTING FOR RENEWABLE ENERGIES

At ARMOR, our commitment to energy transition involves cutting energy consumption:

- as part of ISO 14001 environmental management standards • WORLDWIDE
- as part of ISO 50001 energy management standards • AT THE LA CHEVROLIÈRE SITE (FRANCE)
- using renewable energies as soon as possible • WORLDWIDE

GOOD PRACTICES
Production site optimization

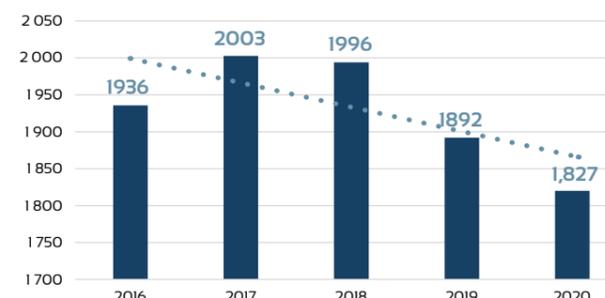
In Brazil, site arrangements have been reviewed and optimized to target industrial and environmental performance. New layouts for specific working areas have freed up space and helped streamline product storage in warehouses, while 3 air-conditioning units have been replaced by just 2 new energy-efficient units, delivering a 15% cut in electricity consumption.

ELECTRICITY CONSUMPTION
Per ton produced

2020 TARGET **-5%**
Compared to 2016 data:
1,936 kWh/t

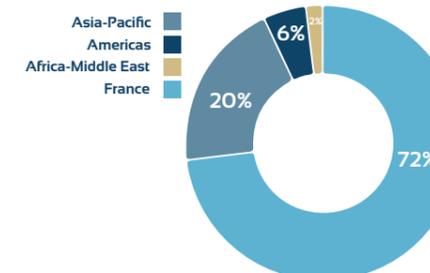
-6% in 2020
or 1,827 kWh/t

CONSUMPTION SINCE 2016
Per ton produced



GROSS ELECTRICITY CONSUMPTION

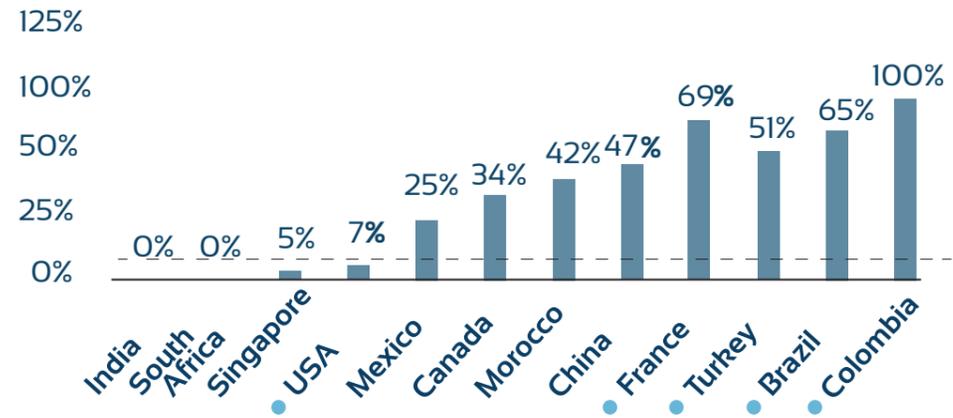
31,934 MWh in 2020
33,159 MWh in 2019



Considerable efforts have been made in France, particularly by fitting smart lighting, optimizing high energy consumption machines, and commissioning a second RTO.

PERCENTAGE OF ENERGY FROM RENEWABLE SOURCES IN ARMOR SITE ENERGY CONTRACTS

ACTIONS
Nos. 35, 36



2020 TARGET
>10%
for each site

● : Electricity market deregulated

PERCENTAGE OF ELECTRICITY CONSUMED FROM RENEWABLE SOURCES



Most sites with a figure well above the target have access to open energy markets, such as France (where the percentage of renewable sources rose in 2020) or Colombia. In the United States, the choice of suppliers where the site is located remains limited. Finally, some countries, such as India or South Africa, have an adverse energy mix.

GAS CONSUMPTION

Per ton produced

2020 TARGET -5%

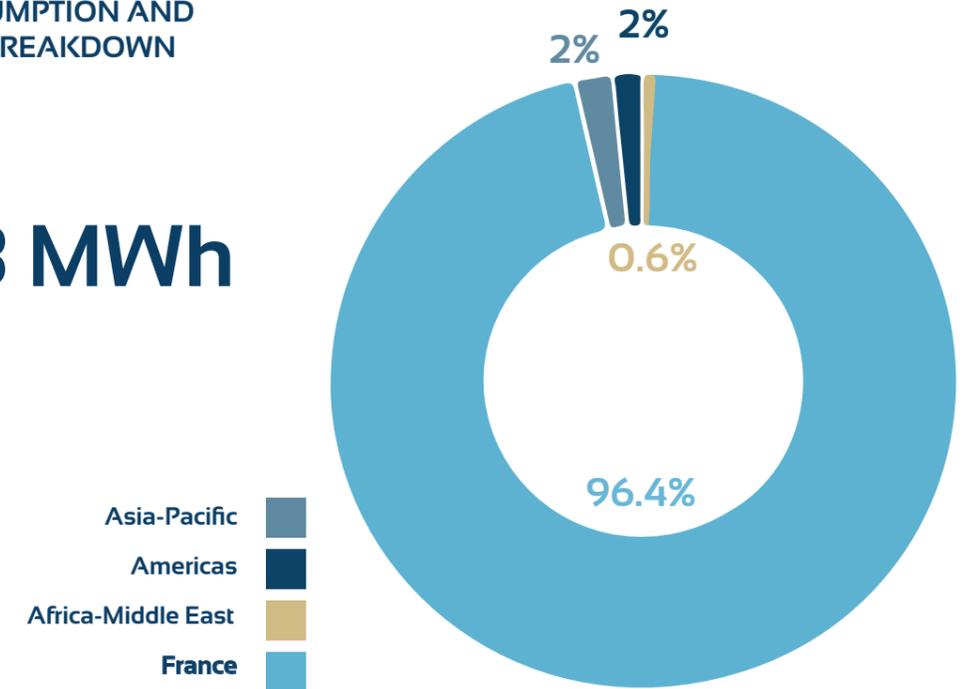
Compared to 2016 data:
2,404 kWh/t

-31% in 2020
or 1,664 kWh/t

GROSS GAS CONSUMPTION AND GEOGRAPHICAL BREAKDOWN

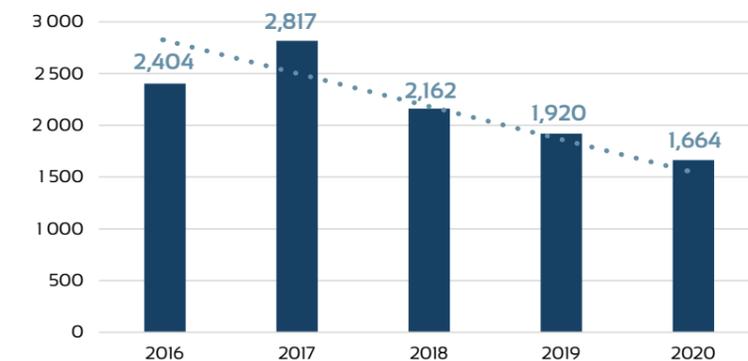
29,083 MWh

in 2020
33,651 MWh in 2019



GAS CONSUMPTION SINCE 2016

Per ton produced

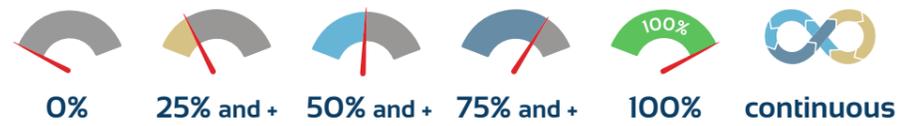


While the volume produced rose in 2020, there has been a sharp fall in gross gas consumption at the French industrial site by optimizing utilities (RTO, boiler, insulating the steam system)

GOOD PRACTICES
Solar energy production

ARMOR India Delhi has reinstated previously unused photovoltaic panels for its own use. This power plant generated just over 18,000 kWh in 2020, or 6.7% of the site's annual energy consumption.

PROGRESS UPDATE ON THE 2017-2020 ACTION PLAN AS OF END 2020



RENEWABLE ENERGIES

Product range

21	Develop the marketing of ASCA® photovoltaic films.	France	
22	Test ASCA® film application prototypes at ARMOR production sites	France	
23	Develop the marketing of En' Safe® current collectors	France	
24	Forge links with fundamental research on organic batteries	France	

Carbon footprint

25	Conduct a scope 3 carbon footprint assessment for the Group and work to reduce the carbon footprint	Group	
26	Analyze levers to optimize the transportation of goods	Group	
27	Promote the growth of transport alternatives to private cars (non-motorized, public transport, mobility plans, etc.)	USA, France	
28	Support the use of electric vehicles for employees (recharging points on-site)	France	

Energy consumption

29	Introduce energy audits on production sites to inform action plans to cut energy consumption	Group	
30	Optimize the use of air-conditioning on the factory floor and in offices	Group	
31	Systematic procurement of low-energy consumption equipment	Group	
32	Inform all employees about energy-saving	Group	
33	Introduce a smart energy system (Data Science study)	France	
34	Feasibility study for a new cogeneration power plant	France	

Use of renewable energy

35	Study opportunities for independent renewable energy supply on production sites	Group	
36	Increase the percentage of renewable energy in electricity supply contracts	Group	

90% OVERALL PROGRESS





RESPONSIBLE TRACEABILITY

Contribute to qualitative traceability, particularly by more environmentally-friendly secure identification solutions and responsible purchasing.

DESIGNING MORE ENVIRONMENTALLY-FRIENDLY PRODUCTS

ARMOR Industrial Coding & Printing (AICP) is continuing its efforts to reduce the environmental footprint of its products by focusing on inked ribbons and the process to manufacture them. The R&D Department input has already led to the launch of SolFree® products since 2008, a unique solvent-free coating process.

In addition to our TT solutions and consumables promoting traceability, we are working on reducing the environmental impact of ARMOR products and promoting them to our customers to guide their choices towards more responsible consumption. Our goal is subsequently greater sales penetration with our low-impact product ranges.

PERCENTAGE OF LOW-ENVIRONMENTAL IMPACT PRODUCT SALES

Versus a standard product



36% in 2020
28% in 2019

ACTIONS
Nos. 4, 21, 37

This includes, Thermal Transfer rolls and low-impact current collectors, remanufactured laser cartridges, ASCA films, and 3D filaments made from recycled materials. Since 2020, these efforts extend to the remanufactured inkjet range, which partly explains the rise in this indicator.

2020 TARGET **30%**

EXERTING A RESPONSIBLE INFLUENCE TO GUIDE PRODUCT SELECTION AND APPLICATIONS



ACTIONS
Nos. 42, 43

ARMOR has been seeing a shift towards environmental responsibility as a key criterion for customers. As such, additional information added to packaging or product data sheets helps inform customers when making purchases. For example, ARMOR Print Solutions is gradually introducing eco-labels to its range of laser cartridges (41% of the range as of end 2020) using reputable eco-labels such as NF, Nordic Ecolabel or Blue Angel.

Our commitment to traceability for responsible production also combats counterfeiting. For several years now, ARMOR has had a program to **combat "clones"**, or new but illegal ink cartridges that disregard intellectual property, employees, or the environment. To deal with the rise in clones, APS has provided its expertise to **ETIRA** (a European association representing remanufactured cartridge makers) to produce an anti-clone guide that has since become a benchmark in this sector.

PURSUING A TANGIBLE AND SHARED RESPONSIBLE PURCHASING POLICY

In the Group's code of ethics, ARMOR strives to respect all its stakeholders, particularly its suppliers. That's why for many years now ARMOR's purchasing policy has been based on **mutually beneficial relations with suppliers**. Signing the Responsible Supplier Relations Charter in 2011, subsequently expanded to the label of the same name in 2015, and then securing ISO 20400 certification, demonstrates that ARMOR has **made considerable efforts** to hold regular dialog with suppliers about CSR. The responsible purchasing policy, the code of business ethics, business reviews, team meetings and CSR assessments are all tools used by buyers worldwide. Among these tools, the CSR assessment questionnaire combined with

the business review, is a key mechanism to understanding suppliers' level of CSR maturity level, as well as continual improvements to social and environmental aspects. Every 4 years, the questionnaire assesses the CSR maturity of suppliers against 6 main themes of governance, human rights, employment conditions, the environment, products and services, as well as the responsibility of suppliers and subcontractors. It should be noted that this policy relies on a robust partnership with strategic suppliers to safeguard raw material supply sources.

AVERAGE CSR MATURITY SCORE

▼
69% in 2020
69% in 2016

2020 TARGET **>60%**

AVERAGE CSR MATURITY SCORE BY ZONE



PERCENTAGE OF STRATEGIC SUPPLIERS ASSESSED

▼
48% in 2020
69% in 2016

2020 TARGET **100%**



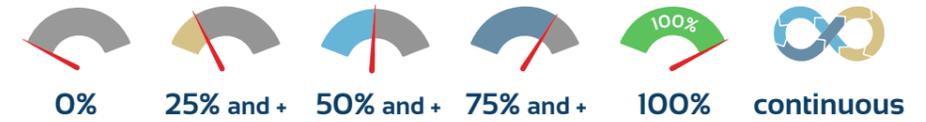
CSR supplier assessments have not resulted in a proportional increase the range of strategic suppliers as the definition of a strategic supplier has been revised in certain cases, while in others, some assessments were suspended during the public health crisis.



GOOD PRACTICES
Redistributing suppliers' gifts

ARMOR Colombia has introduced a scheme to randomly redistribute gifts from suppliers to all employees. This system helps prevent the risk of corruption by suppliers. A similar initiative for New Year gifts has been in use for several years now at the La Chevrolière site.

PROGRESS UPDATE ON THE 2017-2021 ACTION PLAN AS OF END 2020



RESPONSIBLE TRACEABILITY			
Product range			
37	Design low-environmental impact Thermal Transfer products	France	
Responsible purchases			
38	Mainstream all supplier assessments against CSR criteria and assist them in their action plans	Group	
39	Raise CSR awareness among suppliers	Group	
40	Adapt supplier/service provider contracts to include CSR clauses and add agreements for the rapid correction of non-conformities	Group	
41	Analyze the impact implementing ISO 20400 principles (responsible purchasing)	Group	
Develop labels and combat counterfeiting			
42	Develop ecolabels and LCA labels for laser cartridges	APS	
43	Participate in European working groups on anti-counterfeiting	APS	

82% OVERALL PROGRESS



CORPORATE SOCIAL RESPONSIBILITY EMPLOYEE DEVELOPMENT

Foster the development of our employees and their skills for well-being in the workplace, employability, and the Group's success.

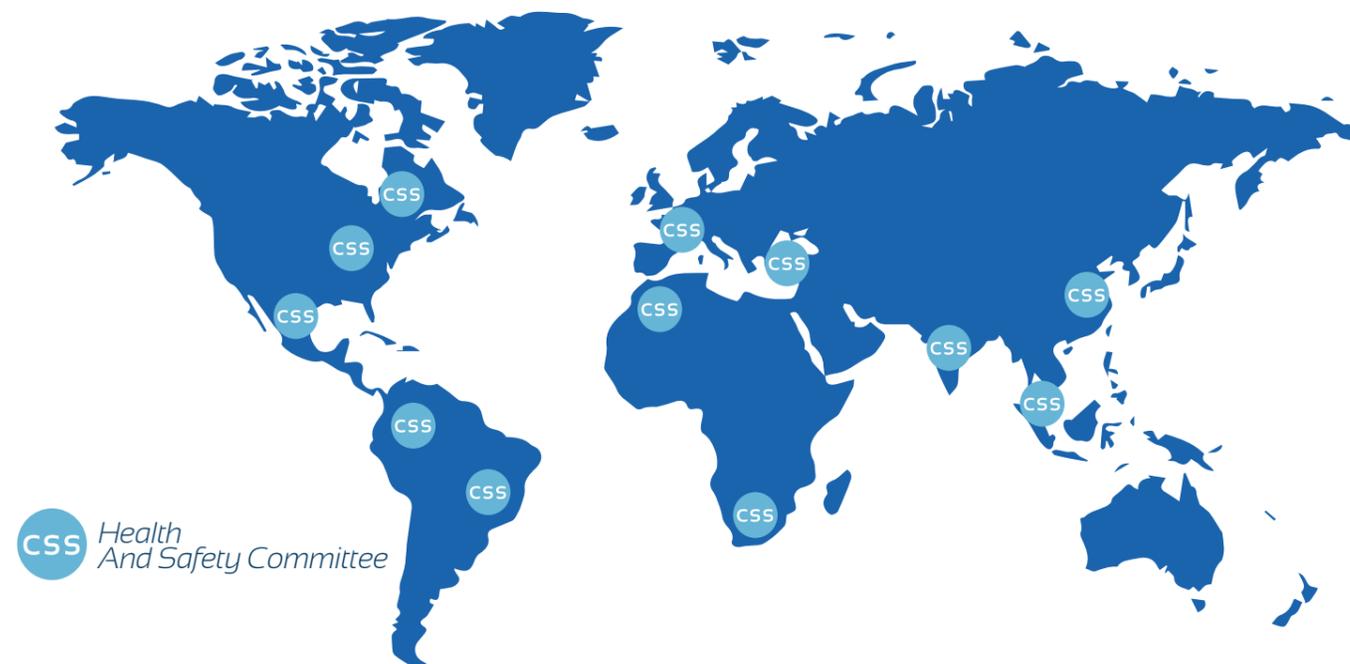
CONSTRUCTING POSITIVE LABOR RELATIONS

Balanced labor relations are vital to discuss socio-economic dilemmas and advance social responsibility in the Group. On the strength of this belief and in line with the code of ethics, ARMOR is striving to foster an enabling environment for this dialog. This will be supported by the representation of personnel on bodies suited to local contexts, to share the company strategy and data in the spirit of transparency,

respect, and mutual trust. In France, forums have been set up in accordance with legislation, such as the Social and Economic Committee (CSE) for dialog between management and employee representatives. The latter are also attend each board meeting in a consultative capacity.

ACTION
No. 9

PERCENTAGE OF SITES WITH A HEALTH AND SAFETY COMMITTEE



CSS Health And Safety Committee

99% in 2020
95% in 2019

2020 TARGET 100%

The Canadian subsidiary is a current exception however, HSC should be established in 2021. The upward trend in the indicator connected to ISO 45001 certification is due to the inclusion of ARMOR India Delhi.

FAVORING HIGH-QUALITY EMPLOYMENT

ARMOR's goal is to contribute to employment in all the countries where it operates. The Group wants to promote permanent jobs and restrict the use of fixed-term or temporary employment. To raise the bar even higher, ARMOR pledges to provide all its employees worldwide with a decent salary and to respect the fundamental conventions of the ILO and human rights (see section on Governance and ethics).

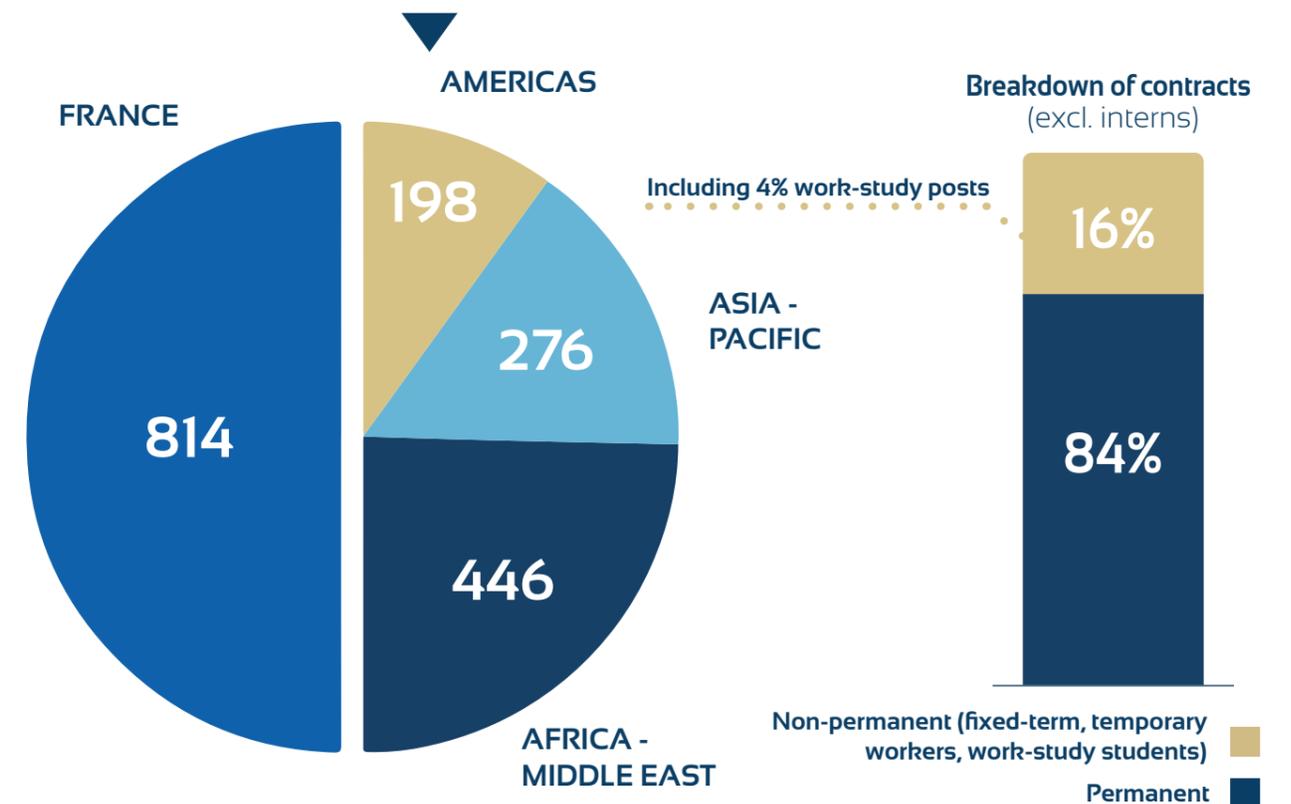
HEADCOUNT WITHIN SCOPE OF REPORT

In full-time equivalents

1,734 in 2020
1,707 in 2019

ACTIONS
Nos. 4, 54

The higher headcount is mainly due to the wider scope of the report, now including a 2nd production site in India.



The company took on more than 60 interns throughout 2020. Focus on France: 1 work-study student is trained for every 10 permanent employees. Each work-study student is supervised by a trained company tutor

DEVELOPING A SAFE WORKING ENVIRONMENT

Given the public health crisis, the ARMOR Group had to adapt to maintain safe working conditions with respect to Covid-19. As such, various safety measures were introduced, such as mandatory temperature checks for employees. The Group also benefited from a high degree of mutual support between the various sites, with intragroup supplies subject to needs and the public health situation in each country.

While the usual medical check-up measures could not be undertaken at all sites, **employee health and safety remains a priority** and is best illustrated by the introduction of protection and prevention measures to reach the ambitious target of zero accidents. The commitment is demonstrated, for example, by the provision and promotion of PPE (personal protective equipment), ergonomic improvements to workstations, protection against noise pollution, chemical hazards or exposure to heat or bad weather.

This is also why ARMOR is committed to maintaining OHSAS 18001 / ISO 45001 certification (occupational health and safety) at all its production sites (see certification map).

NUMBER OF LOST-DAY ACCIDENTS AT WORK



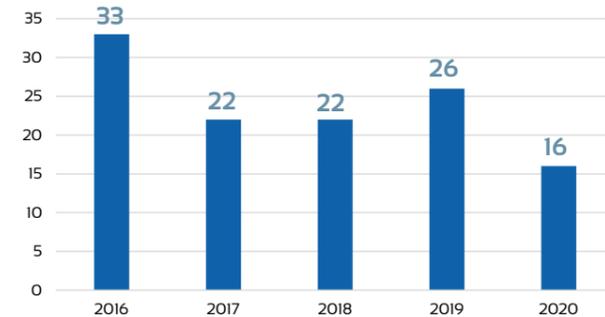
	Americas	Asia-Pacific	Africa-Middle East	France
Lost-time accidents	4	2	3	7
Days lost	44	16	82	588

An encouraging drop, particularly in Morocco. In France, 349 days lost were due to an accident that occurred in 2019.

ARMOR makes regular efforts to raise awareness and prevent accidents. The Group makes every effort to involve all its employees, at all levels, in the prevention and proper management of work-related risks. In France, there are individual coaching sessions on health, the Safety Hours program, and support to safety improvement groups. In India and China close, daily communication seeks to boost machine safety and the systematic wearing of PPE. IN Singapore, the safety committee carries out monthly audits to monitor and improve signage, working conditions, and the alert procedure.

ACTIONS
Nos. 48, 49

NUMBER OF LOST-TIME ACCIDENTS AT WORK SINCE 2016



NUMBER OF WORK-RELATED ACCIDENTS WITH LOST TIME AND NUMBER OF DAYS COMBINED

ACTIONS
Nos. 44, 46



GOOD PRACTICES

Occupational health and safety awareness

Each year in China, the month of June is dedicated to safety at work and each year, several awareness-raising or training activities are provided at ARMOR China's two sites. The initiative focuses on two key objectives: Support operators to give more conscious consideration to HSE matters, inform and train them to adopt the right attitudes and make safety guidelines easier to understand and apply. The American subsidiaries also organize an occupational health and safety week.

PERCENTAGE OF EMPLOYEES RECEIVING CONFIDENTIAL MEDICAL CHECK-UPS

ACTIONS
Nos. 3, 45, 47



99% in 2020
95% in 2019

▶ **2020 TARGET 100%**

The recently established Canadian subsidiary is a current exception. Medical check-ups should be established in 2021. The upward trend in the indicator is due to the inclusion of ARMOR India Delhi.



GOOD PRACTICES

Brazil, Mexico, and India: A record-breaking year

In 2020, three subsidiaries celebrated 1,000 days without a workplace accident, in Brazil and Mexico, while India celebrated the milestone of 1,500 days. These figures are the fruit of efforts by teams to accustom all employees to health and safety issues.

Completamos 1000 dias sem acidentes!
Resultado da dedicação de toda equipe alinhada às normas de segurança.
Parabéns a todos colaboradores.

ACTIONS
Nos.

PROMOTING FULFILMENT AND WELL-BEING AT WORK

Global competition requires demanding work schedules that occasionally infringe on employees' personal lives. As such, ARMOR supports initiatives for employees to **find a better work-life balance**. However, these concepts are difficult for individuals to grasp worldwide. Senior managers at sites are tasked with complying with the locally applied legislation, to be receptive to issues raised by employees and to encourage initiatives that seek to nurture social ties inside and outside the company.



GOOD PRACTICES

Meditation workshop

ARMOR India organized Yoga workshops for all its employees, for their mental and physical well-being. The workshops also helped manage anxiety related to the Covid-19 pandemic, while improving muscle strength and posture.

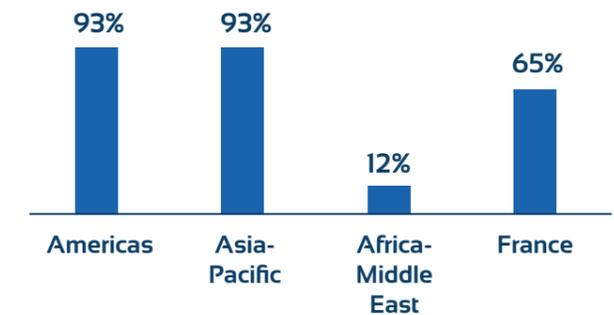
IDENTIFYING AND ENHANCING INTERNAL SKILLS

Skills management in the ARMOR Group reflects current and future requirements inherent to the Group strategy. It also involves the responsibility to enhance individual employability, treating people equally, and professional development. Training requirements are gathered, in particular, during individual appraisals.

PERCENTAGE OF EMPLOYEES HAVING BENEFITED FROM AN INDIVIDUAL APPRAISAL

61% in 2020
66% in 2019

2020 TARGET 100%
Annually



ACTION
No. 51

The overall decrease is mainly due to a decline in France and difficulties to conduct appraisals during the public health crisis. The low level for Africa-Middle East is due to figures from Morocco which only apply to managers.

ARMOR University was founded in France in 2011 to provide employees with the opportunity to have their professional experience officially recognized, while improving their skills. Training courses leading to a diploma are run by occupational specialists from ARMOR and validated by an external jury (AFPA and DREETS). As such, the courses are recognized by the French government.

The innovative nature and participatory dimension of this approach make ARMOR University a substantive venture from a social standpoint. Since the university was established, its record has been hugely positive, with a **98% pass rate, 260 people receiving certificates, or over 83% of operator personnel by the end of 2020**. Supporting employees in their training, assisting their career development, and involving them in the company's plans is a priority for ARMOR.

PERCENTAGE OF PERSONNEL RECEIVING TRAINING AND AVERAGE NUMBER OF TRAINING HOURS PER PERSON

	Americas	Asia-Pacific	Africa - Middle East	France
Percentage of personnel	88%	95%	91%	35%
Average number of hours	12	7	4	17

The rise from 15% to 91% in the Africa-Middle East region is due to training for a new social policy introduced in Morocco, as well as Covid-19 shielding measures. The Group has recorded an overall drop for the rest of the world and for the average number of training hours, mainly due to the public health crisis. The figure for the Africa-Middle East region, particularly Morocco, is an under-estimate as internal training hours have not been recorded.

ACTIONS Nos. 50, 52

2020 TARGET >16H
Of training per trainee per year

9 hours in 2020
26 hours in 2019

Sharing experience and skills between ARMOR Group entities is common practice. This can take the form of joint training sessions and immersive visits. The principle applies to both support activities and production. As such, employees in the Group's subsidiaries can take part in training courses in France. This exchange helps them develop their technical skills while learning about new sales and marketing tools available to them.

PROGRESS UPDATE ON THE 2017-2020 ACTION PLAN AS OF END 2020



EMPLOYEE DEVELOPMENT			
Health and Safety			
44	Extend SAFECOM training to the entire Group to achieve the target of zero accidents	Group	
45	Organize hearing tests for employees working on the factory floor	India	
46	Organize a joint safety week for subsidiaries in the Americas	Mexico, USA, Brazil, Canada, Colombia	
47	Offer vaccinations to all employees during medical checks	Brazil, Mexico	
Working conditions			
48	Organize site moves to improve the working environment	India, South Africa, China, Colombia	
49	Improve working conditions in offices	France	
Skills			
50	Develop training plans to enhance employee skills levels	Group	
51	Ensure all employees receive face-to-face interviews	Morocco	
52	Set up a good practice discussion group for digital communication tools	France	
Employee well-being and satisfaction			
53	Measure employee satisfaction (survey)	Group	
54	Analyze various practices in Group countries on employee benefits (social security, pension arrangements, etc.) in addition to national schemes and determine action plans	Group	
55	Extend BECOM training to the entire Group	Group	
56	Continue developing rest, well-being, and social areas (siesta rooms, showers, games, etc.)	Group	
57	Introduce agreements in connection with QWL	France	

84% OVERALL PROGRESS



TERRITORIAL SOLIDARITY

Develop community links at our sites worldwide, providing support to address local social issues.

COMBATING DISCRIMINATION AND PROMOTING DIVERSITY

Humanism is one of the values upheld by ARMOR and raises the matter of combating discrimination. As such, the Group strives to be receptive to issues about employment and inequalities concerning vulnerable people at all its sites.

- In 2011, ARMOR France signed the **Diversity Charter** which prompts companies to ensure diversity is promoted in their workforce. In addition, the **Code of ethics**, signed by all the group's employees also reiterates ARMOR's goals in terms of non-discrimination and human rights.
- Up to 2014, ARMOR Asia (Singapore) was a partner in the **Yellow Ribbon Program** to rehabilitate ex-offenders. It even won a Yellow Ribbon Award in 2013.

The Group now wants to focus on complying with regulations for diversity and preventing all forms of discrimination, to foster social diversity among its workforce. Its efforts center on 3 priorities:

- **Equal opportunities:** Recruitment, induction, access to training, promotions, and pay.
- **Employability:** Skills acquisition to follow developments and trends, and/or support to optimize the chances of sustaining employment for people in need.
- **Access to employment for vulnerable target groups:** young people, women, disabled persons, those from disadvantaged neighborhoods, etc. related to local issues in countries where ARMOR is based.

PROMOTING EMPLOYMENT OF DISABLED PEOPLE

As people with disabilities are, on average, twice as likely to experience unemployment, promoting their access to employment is of both social and economic importance. Drawing on local support structures, when they exist, the ARMOR Group has taken the lead on this subject. This includes **safeguarding jobs, directly employing persons with disabilities, outsourcing to sheltered workshops or adapted companies, informing employees and partners, and other activities to encourage the inclusion of disabled people in the workplace.** ARMOR France has stepped up its efforts by appointing two diversity officers to coordinate activities at sites and foster synergies.

ACTIONS
Nos. 63, 64

DISABILITY:
NUMBER OF DIRECT JOBS

63 in 2020
34 in 2019

The rise in 2020 is due to a broader scope for disability-adapted posts, particularly in Morocco.



PERCENTAGE OF EMPLOYEES WITH A DISABILITY
In France



While the target of 6% (matching French statutory guidelines) has not been reached, the figure is satisfactory compared to the national average (3.5%).

PROMOTING CSR AMONG STAKEHOLDERS

For ARMOR, exerting a **responsible influence** also means its role in disseminating CSR in its countries by sharing practices designed to pool and develop synergies.

ARMOR raises awareness about sustainable development issues through **CSR assessments** conducted with its suppliers. Dedicated sessions on CSR are also organized for employees.

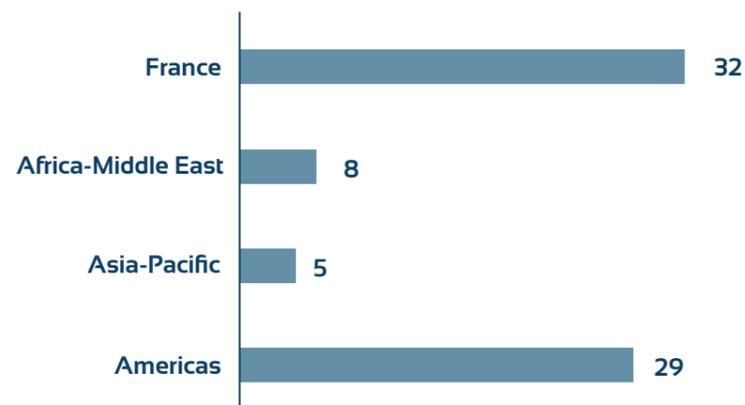
Finally, the Group is committed to delivering **80 solidarity and CSR promotional initiatives each year**. These solidarity initiatives are projects with a positive impact in the Group's countries and with its stakeholders. Employees are regularly invited to take part in these projects. For its CSR promotional events, ARMOR disseminates its expertise in **responsible manufacturing** at site open days, for example. The Group's mission is also to inspire wider society.

SOLIDARITY INITIATIVES AND CSR PROMOTIONAL EVENTS

ACTIONS
Nos. 8, 59, 60, 61



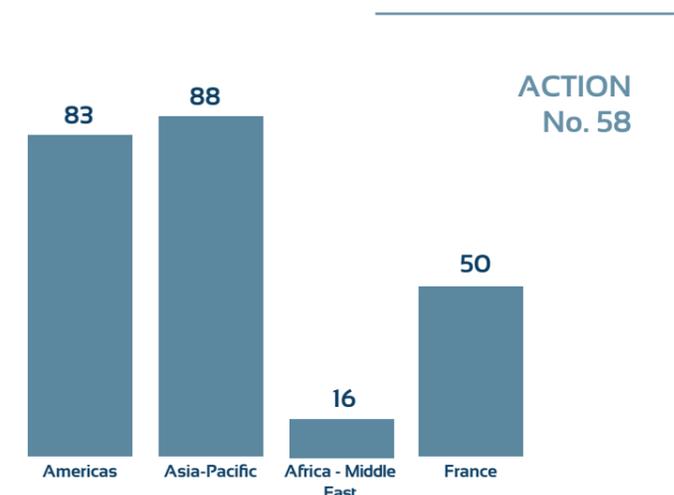
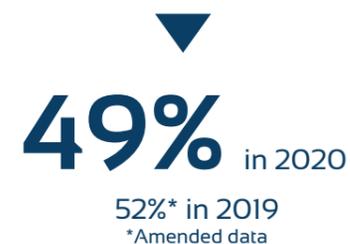
The lower number of activities is due to the public health crisis which led to several being cancelled.



WORKING WITH LOCAL PARTNERS

To reduce the Group's environmental footprint and contribute to the territorial development process, ARMOR production sites are encouraged to select local suppliers for non-Group purchases to assist local economic development, while limiting the transportation of goods.

PERCENTAGE OF LOCAL PROCUREMENT
Purchases made at country level, excluding intra-group



ACTION No. 58

In France, PET had to be imported due to insufficient local supply. Poor results in Africa-Middle East, with raw materials still difficult to source in Morocco.

ACTION No. 65

IMPLEMENTING A COHERENT CORPORATE CITIZENSHIP POLICY

ARMOR's commitment to sustainable development has fostered a corporate citizenship policy reflecting the Group's identity and values in its activities going forward. While initial activities mainly began where the Group was founded, in the Nantes area, its subsidiaries are also taking part in projects where the joint aim is to nurture a sense of civic duty among its employees and to encourage community initiatives.

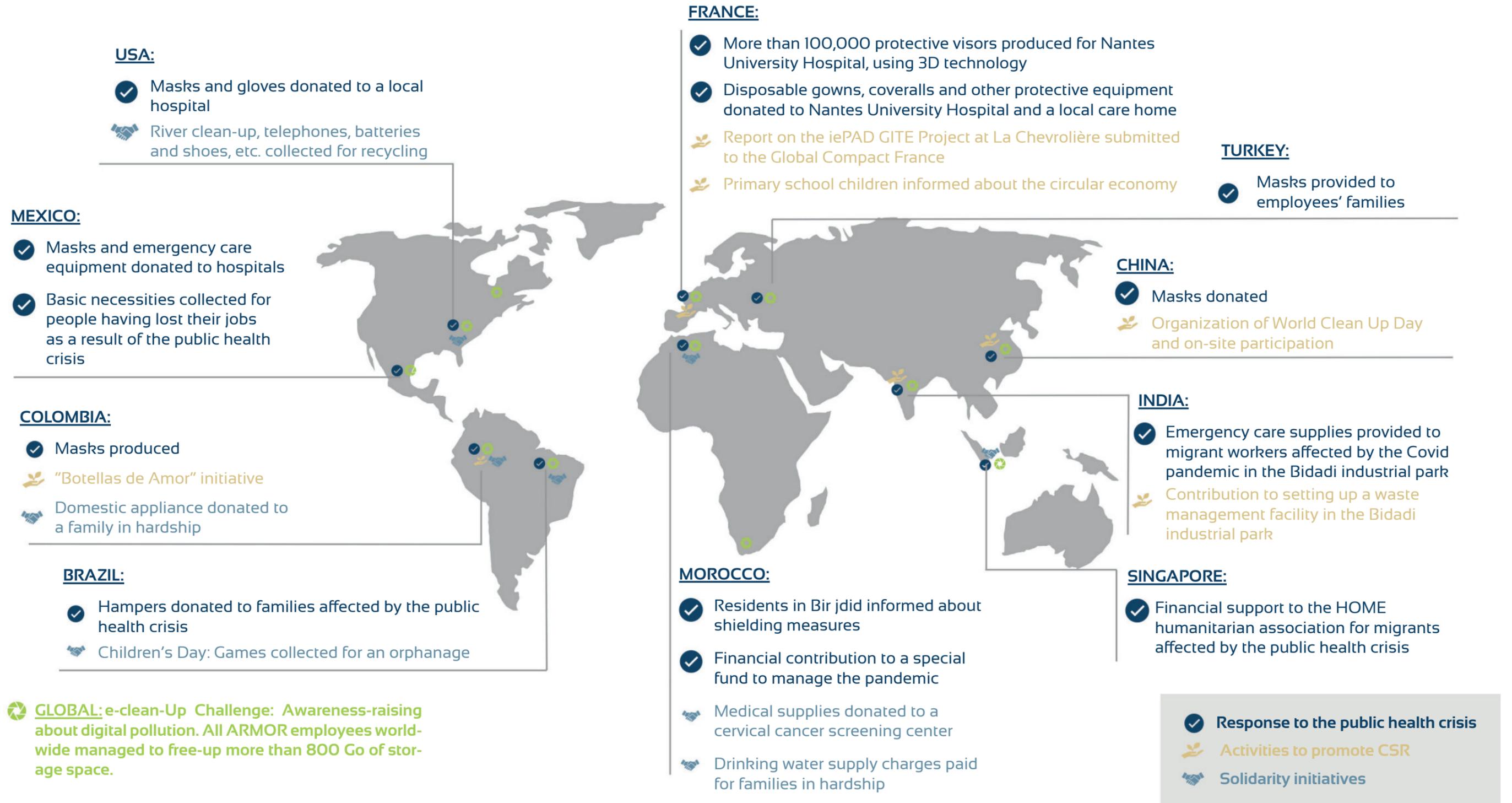
ACTIONS TO PROMOTE BIODIVERSITY

The Group's main production site in France is near a nature reserve (Lac de Grand Lieu, a Natura 2000 site). ARMOR is currently seeking to share its thinking and expand specific activities, such as those to conserve biodiversity, at all its industrial sites where it is based. ARMOR's industrial sites are each undertaking activities to control their environmental footprints thereby promoting the return of biodiversity.

ARMOR France's approach to biodiversity is underpinned by the 6 objectives contained in the French national strategy:

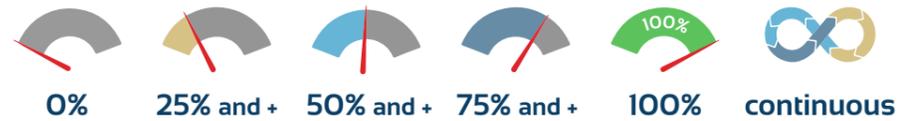
- Generate the willingness to act in favor of biodiversity
- Preserve the natural world and its ability to evolve
- Invest in a common good: our ecological capital
- Ensure sustainable and equitable use of biodiversity
- Ensure consistency across policies and the effectiveness of action
- Develop, share, and promote knowledge

VARIOUS ACTIONS UNDERTAKEN IN 2020 TO PROMOTE CSR AND SOLIDARITY



SUMMARY OF CSR PERFORMANCE 2020

PROGRESS UPDATE ON THE 2017-2020 ACTION PLAN AS OF END 2020



TERRITORIAL SOLIDARITY

Local engagement

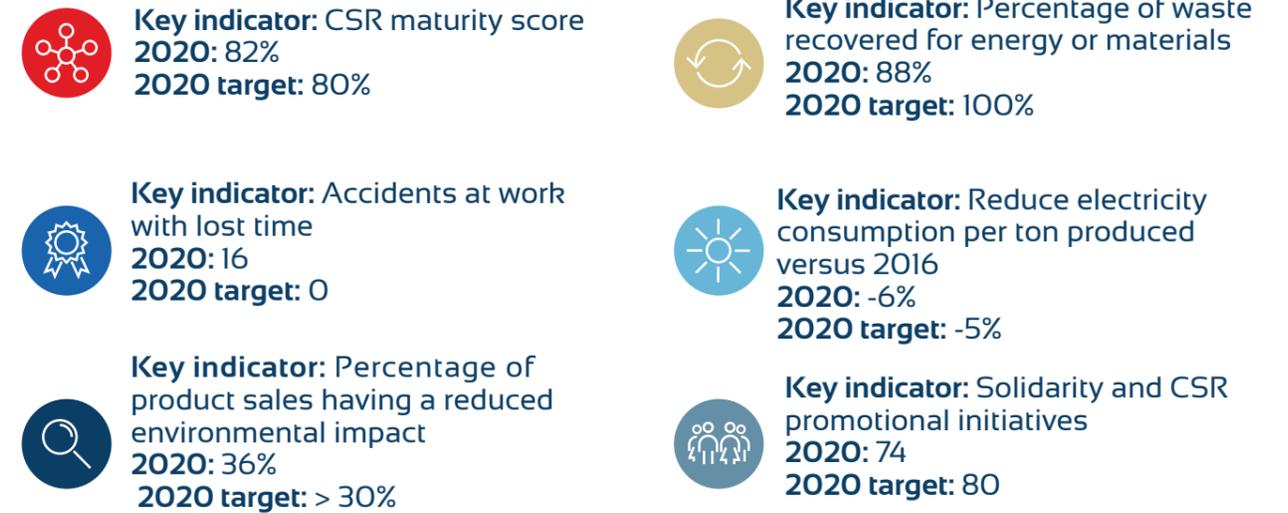
58	Implement actions to raise or safeguard the proportion of local procurement	Group	
59	Undertake external activities to promote CSR	Group	
60	Join a local enterprise federation to share experience, combine activities, etc.	Group	
61	Participate in the CSR scheme launched by the local enterprise federation	Morocco, Mexico	

Contribute to local issues

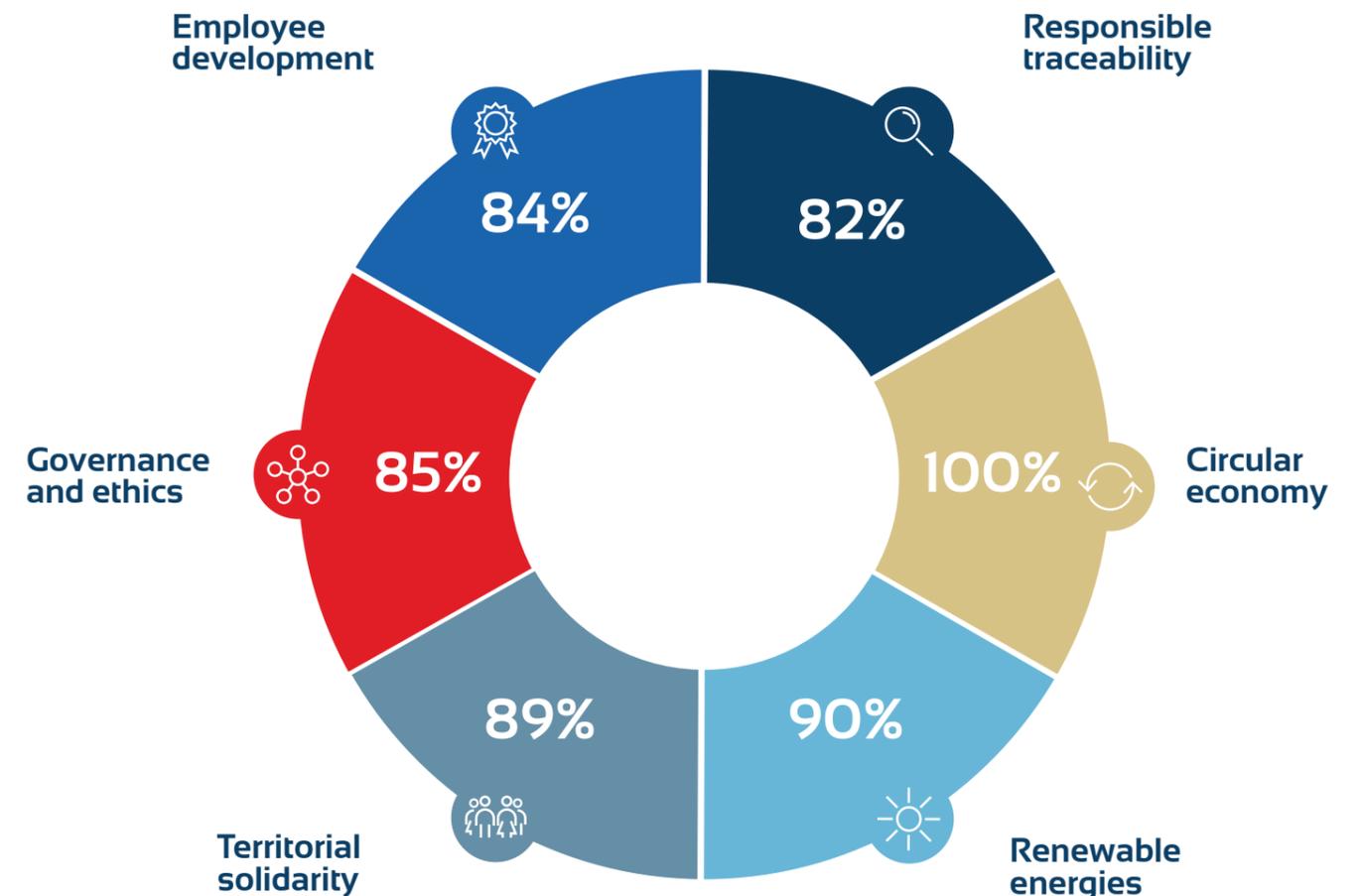
62	Organize community activities	Group	
63	Expand the employment of disabled persons	China, Morocco	
64	Undertake an assessment with the medical department of posts that could be adapted to disabled people	Mexico	
65	Undertake activities to promote biodiversity in "sensitive" areas	France, Brazil	

89% OVERALL PROGRESS

RESULTS FROM KEY INDICATORS



PROGRESS UPDATE ON THE 2017-2020 ACTION PLAN AS OF END 2020



Appendices

APPENDICES P.57-80

- Appendix 1: Correlation table P.58-59
- Appendix 2: 2017-2020 Action Plan P.60-61
- Appendix 3: Networks of influence P.62-63
- Appendix 4: GRI Index P.64-69
- Appendix 5: Greenhouse gas estimation methodology P.70-78
- Appendix 6: Impacts of main activities P.79-80



CORRELATION TABLE

Correlation between ARMOR's commitments, the Sustainable Development Goals, the principles of the Global Compact, and the Advanced COP criteria.

*Sustainable Development Goals

COMMITMENTS	KEY INDICATORS	2020 TARGET	SDG*	GLOBAL COMPACT PRINCIPLES	ADVANCED CRITERIA
Governance and Ethics					
<ul style="list-style-type: none"> Embedding sustainable development at the heart of governance Human rights and business ethics Deploying reliable and structural management systems Listening to stakeholders From materiality to the CSR action plan CSR maturity score: a tool for continuous improvement 	<ul style="list-style-type: none"> Percentage of QSE-certified sites (ISO 9001, ISO 14001, ISO 45001) CSR maturity score 	<ul style="list-style-type: none"> 100% 80% 	16, 17	<ul style="list-style-type: none"> Promote and comply with international human rights law Contribute to eliminating all types of forced and compulsory labor Contribute to the abolition of child labor Contribute to eliminating all forms of discrimination in the workplace Combat corruption in all its forms, including extortion and bribery 	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21.
Circular economy					
<ul style="list-style-type: none"> Limiting the impact on sensitive resources Reducing and recycling waste 	<ul style="list-style-type: none"> Percentage of re-use and recycling of laser cartridges from OWA collection Percentage of waste going to landfill Percentage of waste recycled Volume of waste generated per ton produced versus 2016 	<ul style="list-style-type: none"> 100% 0% 100% -5% 	9, 12	<ul style="list-style-type: none"> Apply a precautionary approach to problems affecting the environment Take initiatives to promote greater accountability in environmental matters 	9, 10, 15
Renewable energies					
<ul style="list-style-type: none"> Innovating for renewable energies Helping to mitigate climate change Saving energy and prioritizing renewables 	<ul style="list-style-type: none"> Carbon footprint VOC emissions Electricity consumption per ton produced versus 2016 Percentage of renewable energies in the electricity contract Gas consumption per ton produced versus 2016 	<ul style="list-style-type: none"> <6% -5% >10% -5% 	7, 13	<ul style="list-style-type: none"> Apply a precautionary approach to problems affecting the environment Promote greater accountability in environmental matters Promote the development and dissemination of environmentally-friendly technologies 	9, 10, 15
Responsible traceability					
<ul style="list-style-type: none"> Designing more environmentally-friendly products Exerting a responsible influence to guide product selection and applications Pursuing a tangible and shared responsible purchasing policy 	<ul style="list-style-type: none"> Percentage of low-environmental impact product sales Percentage of CSR-assessed strategic suppliers (over 4 years) Average CSR maturity scores of strategic suppliers assessed 	<ul style="list-style-type: none"> 30% 100% >60% 	12	<ul style="list-style-type: none"> Prevent complicity with the violation of human rights Apply a precautionary approach to problems affecting the environment Take initiatives to promote greater accountability in environmental matters 	2, 6, 8, 9, 11, 15
Employee development					
<ul style="list-style-type: none"> Constructing positive labor relations Favoring high-quality employment Developing a safe working environment Promoting fulfilment and well-being at work Identifying and enhancing internal skills 	<ul style="list-style-type: none"> Percentage of sites with a Health & Safety Committee Number of workplace accidents with lost time Percentage of employees receiving confidential medical check-ups Percentage of employees having benefited from an individual appraisal Average number of hours training per trainee 	<ul style="list-style-type: none"> 100% 0 100% 100% >16h 	3, 4, 8	<ul style="list-style-type: none"> Promote and comply with international human rights law Respect freedom of association and the right of collective bargaining Contribute to eliminating all types of forced and compulsory labor Contribute to the abolition of child labor Contribute to eliminating all forms of discrimination in the workplace 	7, 15, 16
Territorial solidarity					
<ul style="list-style-type: none"> Combating discrimination and promoting diversity Promoting employment of disabled people promoting CSR among stakeholders Working with local partners Actions to promote biodiversity implement a policy of corporate citizenship in keeping with the Group's identity and values 	<ul style="list-style-type: none"> Number of solidarity initiatives and CSR promotional events per year Percentage of disabled employees in France Percentage of local procurement 	<ul style="list-style-type: none"> 80 >6% 70% 	10, 11, 15, 17	<ul style="list-style-type: none"> Take initiatives to promote greater accountability in environmental matters Contribute to eliminating all forms of discrimination in the workplace 	2, 4, 15, 16, 17, 18

ACTION PLAN

Action plan period: **4 YEARS** Deadline set for the plan launched in 2017: **2020**

GOVERNANCE & ETHICS

ETHICS AND HUMAN RIGHTS:

1. Include the code of ethics in the welcome pack for new recruits and disseminate it to all employees • GROUP
2. Introduce anti-corruption procedures and roll it out to all subsidiaries • GROUP
3. Make medical check-up details confidential • CHINA
4. Make employment contracts official • MOROCCO
5. Undertake social audits at sites in high-risk countries for human rights in the workplace (using the ITUC index) • MOROCCO

CSR AWARENESS:

6. Deliver employee awareness activities on sustainable development and the Group's CSR strategy • GROUP
7. Set up employee CSR discussion groups • GROUP
8. Organize an ARMOR global week on a CSR topic • GROUP

MANAGEMENT SYSTEMS:

9. Introduce and secure ISO 9001, OHSAS 18001/ISO 45001, ISO 14001 certification for Quality, Health & Safety and Environment management systems • GROUP
10. Study the impact of the WEEE regulation on APS business • APS

PARTICIPATORY INNOVATION:

11. Develop participatory innovation programs • FRANCE

CUSTOMER SATISFACTION:

12. Develop new tools to measure customer satisfaction • GROUP

RENEWABLE ENERGIES

PRODUCT RANGE:

21. Develop the marketing of ASCA® photovoltaic films • FRANCE
22. Test ASCA® film application prototypes at ARMOR production sites • FRANCE
23. Develop the marketing of En' Safe® current collectors • FRANCE
24. Forge links with fundamental research on organic batteries • FRANCE

CARBON FOOTPRINT

25. Conduct a scope 3 carbon footprint assessment for the Group and work to reduce the carbon footprint • GROUP
26. Analyze levers to optimize the transportation of goods • GROUP
27. Promote the growth of transport alternatives to private cars (non-motorized, public transport, mobility plans, etc.) • USA AND FRANCE
28. Support the use of electric vehicles for employees (recharging points on-site) • FRANCE

ENERGY CONSUMPTION:

29. Introduce energy audits on production sites to inform action plans to cut energy consumption • GROUP
30. Optimize the use of air-conditioning on the factory floor and in offices • GROUP
31. Systematic procurement of low-energy consumption equipment • GROUP
32. Inform all employees about energy-saving • GROUP
33. Introduce a smart energy system (Data Science study) • FRANCE
34. Feasibility study for a new cogeneration power plant • FRANCE

USE OF RENEWABLE ENERGY:

35. Study opportunities for independent renewable energy supply on production sites • GROUP
36. Increase the percentage of renewable energy in electricity supply contracts • GROUP

CIRCULAR ECONOMY

PRODUCT RANGE:

13. Analyze the roll-out of the REC'PET Partner program (used TT roll collection service) for our customers worldwide • AICP
14. Develop a range of recyclable 3D filaments • OWA 3D, A3D
15. Develop a page-by-page priced service offer • OWA OPS, APS
16. Develop an OWA range for inkjet cartridges • APS
17. Maintain Qualicert certification • APS

SITE WASTE:

18. Find suitable recycling channels for all significant waste by ensuring traceability (including the REC'PET Program) • GROUP
19. Introduce initiatives to reduce production waste (e.g., co-product, by-product, etc.) • GROUP

LIFE CYCLE:

20. Conduct a life cycle analysis on ASCA® products • FRANCE

RESPONSIBLE TRACEABILITY

PRODUCT RANGE:

37. Design low-environmental impact Thermal Transfer products • FRANCE

RESPONSIBLE PURCHASES:

38. Mainstream all supplier assessments against CSR criteria and assist them in their action plans • GROUP
39. Raise CSR awareness among suppliers • GROUP
40. Adapt supplier/service provider contracts to include CSR clauses and add agreements for the rapid correction of non-conformities • GROUP
41. Analyze the impact implementing ISO 20400 principles (responsible purchasing) • GROUP

DEVELOP LABELS AND COMBAT COUNTERFEITING:

42. Develop ecolabels and LCA labels for laser cartridges • APS
43. Participate in European working groups on anti-counterfeiting • APS

TERRITORIAL SOLIDARITY

LOCAL ENGAGEMENT

58. Implement actions to raise or safeguard the proportion of local procurement • GROUP
 59. Undertake external activities to promote CSR • GROUP
 60. Join a local enterprise federation to share experience, combine activities, etc. • GROUP
 61. Participate in the CSR scheme launched by the local enterprise federation • MOROCCO, MEXICO
- ### CONTRIBUTE TO LOCAL ISSUES
62. Organize community activities • GROUP
 63. Expand the employment of disabled persons • CHINA, MOROCCO
 64. Undertake an assessment with the medical department of posts that could be adapted to disabled people • MEXICO
 65. Undertake activities to promote biodiversity in "sensitive" areas • FRANCE, BRAZIL

EMPLOYEE DEVELOPMENT

HEALTH AND SAFETY:

44. Extend SAFECOM training to the entire Group to achieve the target of zero accidents • GROUP
45. Organize hearing tests for employees working on the factory floor • INDIA
46. Organize a joint safety week for subsidiaries in the Americas • MEXICO, USA, BRAZIL, CANADA, COLOMBIA
47. Offer vaccinations to all employees during medical checks • MEXICO

WORKING CONDITIONS:

48. Organize site moves to improve the working environment • INDIA, SOUTH AFRICA, CHINA, COLOMBIA
49. Improve working conditions in offices • FRANCE

SKILLS:

50. Develop training plans to enhance employee skills levels • GROUP
51. Ensure all employees receive face-to-face interviews • MOROCCO
52. Set up a good practices discussion group for digital communication tools • FRANCE

EMPLOYEE WELL-BEING AND SATISFACTION:

53. Measure employee satisfaction (survey) • GROUP
54. Analyze various practices in Group countries on employee benefits (social security, pension arrangements, etc.) in addition to national schemes and determine action plans • GROUP
55. Extend BECOM training to the entire Group • GROUP
56. Continue developing rest, well-being and social areas (siesta rooms, showers, games, etc.) • GROUP
57. Introduce agreements in connection with QWL - Quality of working life • FRANCE

NETWORKS OF INFLUENCE



INDEX GLOBAL REPORTING INITIATIVE

SUBJECT	GRI STANDARD/ DISCLOSURES	COVERAGE VERSUS GRI	PAGES 2020 REPORT	COMMENTS
GROUP				
Profile (name, headquarters, sites)	102-1, 3, 4	100%	p. 10-11	
Share capital and legal form	102-5	100%	-	<ul style="list-style-type: none"> Legal form: SAS Share capital: €10,299,450
Activities, products, services & markets	102-2, 6	75%	p. 6-7	
Director's statement, Strategy & Analysis	102-14	75%	p. 3	
Main impacts (including significant indirect), risks & opportunities	102-15	50%	Appendix 6, p. 81-82	
Relevant aspects and scopes identified	102-46, 47	75%	p. 13 and 20	
Size of organization (number of employees, staff turnover, etc.)	102-7, 8	90%	p. 10 and 43	<ul style="list-style-type: none"> Favor high-quality employment: subcontracting not covered as insignificant
Major modifications to the organization & its supply chain	102-10	75%	p. 8-9	
External commitments & memberships	102-12, 13	75%	p. 17-22/ Appendix 3 p. 64-65	
GOVERNANCE				
Governance structure, composition and diversity, chair	102-18, 20, 22, 23	75%	p.15-16	
Preventing conflicts of interest	102-25	67%	p. 22	
Detailed operational arrangements of the Board of Directors (appointment process, delegation, assessment & remuneration)	102-19, 24, 28, 35, 36, 37	0%	/	<ul style="list-style-type: none"> Confidentiality restrictions
Compensation ratio by country & changes, internally and by sector	102-38, 39	0%	/	<ul style="list-style-type: none"> Unconsolidated
Role of governance body in economic, environmental, and social issues (responsibility, reporting hierarchy, role, awareness-raising, CSR report approval);	102-20, 26, 27, 32	75%	p.15	<ul style="list-style-type: none"> CSR Committee approves the CSR report
Communicating critical concerns on governance (nature, number) and resolution mechanisms	102-33, 34	0%	/	<ul style="list-style-type: none"> Confidentiality restrictions
Stakeholder engagement (list, selection criteria, mode of participation, consultations & key concerns)	102-21, 40-44	50%	p. 15/p. 19/ p.42	<ul style="list-style-type: none"> Listening to stakeholders Constructing positive labor relations
Identification & frequency of impacts, risks & opportunities;	102-29, 30, 31	75%	p.15/20	
Values, internal codes & advice mechanisms, management of related concerns	102-16,17	75%	p. 22	<ul style="list-style-type: none"> Protected whistleblowing system included in code of ethics, accessible both internally and externally
MANAGERIAL APPROACH				
Management issues, scope & approach to relevant CSR aspects	103-1, 2	50%	p. 18/20/ Appendix 2 p. 62-63	<ul style="list-style-type: none"> CSR action plan One QSE management system worldwide
Site-specific CSR assessments (including human rights & corruption)	103-3	100%	p. 21	<ul style="list-style-type: none"> All sites are assessed against CSR criteria (questionnaire & indicators)
RESPONSIBLE PURCHASES, BUSINESS RELATIONS & INVESTMENTS				
Supplier assessment (especially new suppliers) against environmental and social criteria	308-1, 414-1	100%	p. 39	<ul style="list-style-type: none"> Tangible and shared responsible procurement policy
Supply chain, environmental, and social impacts, measures taken	102-9, 308-2, 414-2	0%	/	<ul style="list-style-type: none"> Confidentiality restrictions
Suppliers for which freedom of association and collective bargaining may be in jeopardy, or presents a significant risk in terms of child or forced labor	407-1, 408-1, 409-1	50%	p. 39	<ul style="list-style-type: none"> Ongoing risk mapping. Strategic supplier assessment system including these fundamental rights (unacceptable criteria)
Prevention and reduction of impacts on health and safety in the workplace directly related to business relations;	403-7	50%	p. 39	<ul style="list-style-type: none"> Systematic assessment of strategic suppliers, including health and safety in the workplace
CSR (including human rights) taken into consideration in investment contracts	412-3	0%	/	<ul style="list-style-type: none"> Information unavailable

INDEX GLOBAL REPORTING INITIATIVE

SOCIAL					
Human rights					
Diversity & non-discrimination	405-1		50%	p. 51	• Occupational gender equality index: 86 in 2020
Freedom of association & collective bargaining rights	407-1		67%	p. 15/p. 22/ p. 39/p. 42	
Elimination of forced labor and abolition of child labor	408-1		67%	p. 21/p. 22/ p. 39	
Training in human rights (including for security guards)	410-1, 412-2		30%	p. 23	• Actions 6 and 7: Employee training on CSR (including code of ethics)
Operations subject to human rights assessments	412-1		67%	p. 21	• CSR site assessments
Rights of indigenous peoples	411-1		Not applicable	/	• Not considered relevant in relation to business activity
Labor standards					
Policy	400		-	p. 18-42	
Quality of employment: employment, recruitment & employee turnover	401-1		33%	p. 43	• Favoring high-quality employment
Health & Safety in the workplace (management system, including risk identification, health care services, workers covered, bodies for dialog, training, workplace accidents & health initiatives)	403-1, 2, 3, 6, 4, 8, 9		67%	p. 42-45	
Employability of workers and training (programs & timetables)	404-1, 2		67%	p. 47-48	• Identifying and enhancing internal skills
Individual performance reviews and career development interviews	404-3		100%	p. 47	
Social benefits, parental leave & job retention, notice period for reorganizations, gender balance, collective bargaining coverage, health & safety agreements and subjects, occupational illness indicators	403-5, 6, 10, 402-1, 405-2		10%	p. 49	• Actions 53 and 54
ENVIRONMENT					
Policy	300		-	p. 18/p. 24/ p. 30	
Materials (raw/recycled materials)	301-1, 2		50%	p. 24	• Circular economy - resources conserved
Products and materials recovered	301-3		20%	p. 24-25	• Re-use and recycling of laser cartridges from OWA collection service
Waste by type and disposal method	306-2		100%	p. 25-27	• Reducing and recycling waste
Hazardous waste: transportation	306-4		Not applicable	/	• Transportation of hazardous waste: No cross-border flows.
Direct and indirect energy (consumption, amount, initiatives & results), use of renewables	302-1, 2, 3		75%	p. 33-35	
Water: Interaction, impact management, sampling, consumption, discharges	303-1, 2, 3, 4, 5		Not applicable	/	• N/a - deemed to be insignificant
Water: Effluents, large spillages, water bodies affected	306-1, 3, 5		Not applicable	/	• N/a - deemed to be insignificant
GHG emissions (scopes 1, 2, 3), amounts and reduction measures	305-1, 2, 3, 4, 5		100%	p. 31-32/ Appendix 5, p. 72	
Contaminant emissions (substances harming the ozone layer, NOx, SOx and others)	305-7		75%	p. 32	• France & China: VOC emissions
Biodiversity: sensitive sites & areas	304-1		33%	p. 54	
Qualitative effects on biodiversity (species, habitats, etc.) of products and services	304-2, 3, 4		Not applicable	/	• N/a - deemed to be insignificant

INDEX GLOBAL REPORTING INITIATIVE

COMPANY					
Economic activities					
Direct economic value created and distributed, public aid received	201-1, 4		50%	p. 12	• In France
Risks and opportunities linked to climate change & financial implications	201-2		33%	p. 30	• Incorporated into the strategic priority: renewable energies • Financial implications unavailable
Local practices: pay, pensions, recruiting executive managers	201-3, 202-1, 2		0%	/	• Information unavailable
Infrastructure & sponsorship - sums, purpose & impacts	203-1		20%	p. 53	• Implementing a coherent corporate citizenship policy
Expenditure incurred with local suppliers	204-1		67%	p. 53	• Working with local partners
Indirect significant impacts	203-2		0%	/	• Information unavailable
Product responsibility					
Consumer health and safety	416-1		20%	p. 18	• Policy & Quality assurance certification schemes
Product information and labeling	417-1		75%	p. 38	• Exerting a responsible influence to guide product selection and applications
Responsible marketing & advertising campaigns	417-2, 3		33%	/	• No banned or controversial products • General principles to prevent greenwashing
Customer data privacy	418-1		20%	p. 22	• GDPR compliance
Company					
Policy	413		-	p. 50	• Territorial solidarity
Sites with local community engagement	413-1		67%	p. 52/p. 54-55	
Corruption (risk & training)	205-1, 2		75%	p. 22	• Buyers informed, code of ethics implemented • Lack of actual cases and measures taken: confidential
Political donations	415-1		100%	-	• None
INCIDENTS, BREACHES, FINES & MEASURES TAKEN					
Breaches of legislation or discretionary codes, complaints or grievances and fines incurred (in terms of human rights, consumer health and safety, the environment, labeling, marketing, customer data, corruption, competition) during the past 3 years	205-3, 206-1, 307-1, 406-1, 416-2, 417-2, 3, 418-1, 419-1		0%	/	• Confidentiality restrictions
THE PRESENT REPORT					
Period covered, frequency & scope (versus consolidated scope of financial reports)	102-45, 50, 51, 52		100%	-	• Date of latest report: October 2020 • Cycle: Annual, financial year in a calendar year
Contact person	102-53		100%	-	• Annabelle.Guillet@armor-group.com
Changes compared to previous reports and amendments	102-48, 49		50%	-	• Notified for relevant indicators
Selected items and methodology	102-46, 47		70%	Appendix 5, p.72	• Significant items are selected based on a materiality analysis. The peer review process in the Global Compact uses Advanced criteria to help continuously improve CSR report content and form
Selected compliance framework, GRI Index	102-54, 55		100%	-	• Comprehensive based on the "comply or explain" principle
Third party validation	102-56		30%	-	• Virtual, CSR consultant with the ARMOR Group critically reviews the CSR report and creates a GRI checklist to verify information is included

GREENHOUSE GAS EMISSION ESTIMATION METHODOLOGY

TARGET

The purpose of this guide is to summarize the methodology used to estimate greenhouse gas emissions from ARMOR Group site activities under scopes 1 (direct), 2 and 3 (indirect) for statutory requirements in France (SIREN 857 800 692).

SCOPE

Scopes 1, 2 and 3 have been considered for this study of 2020 data. The option remains open to extract findings for scopes 1 and 2.

SCOPE DEFINITION

The GHG Protocol breaks down the operational scope of an organization's greenhouse gas emissions as follows:

Scope 1: This refers to direct emissions linked to the burning of fossil fuels from resources belonging to, or managed by, the company.

Scope 2: This refers to indirect emissions relating to the purchase or generation of electricity.

Scope 3: This refers to all other indirect emissions, from supply chain to the transportation of goods, and individuals.

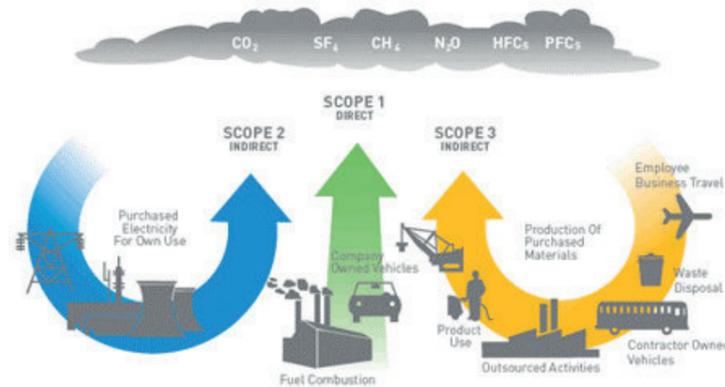
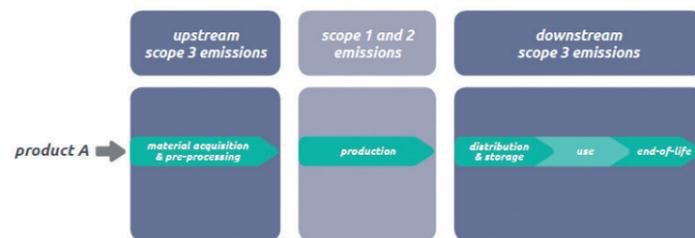


Figure [1.2] Relationship between a scope 3 GHG inventory and a product GHG inventory (for a company manufacturing Product A)



Since summer 2016, French legislation refers to direct and indirect emissions rather than the "scopes" featured above.

PERIOD

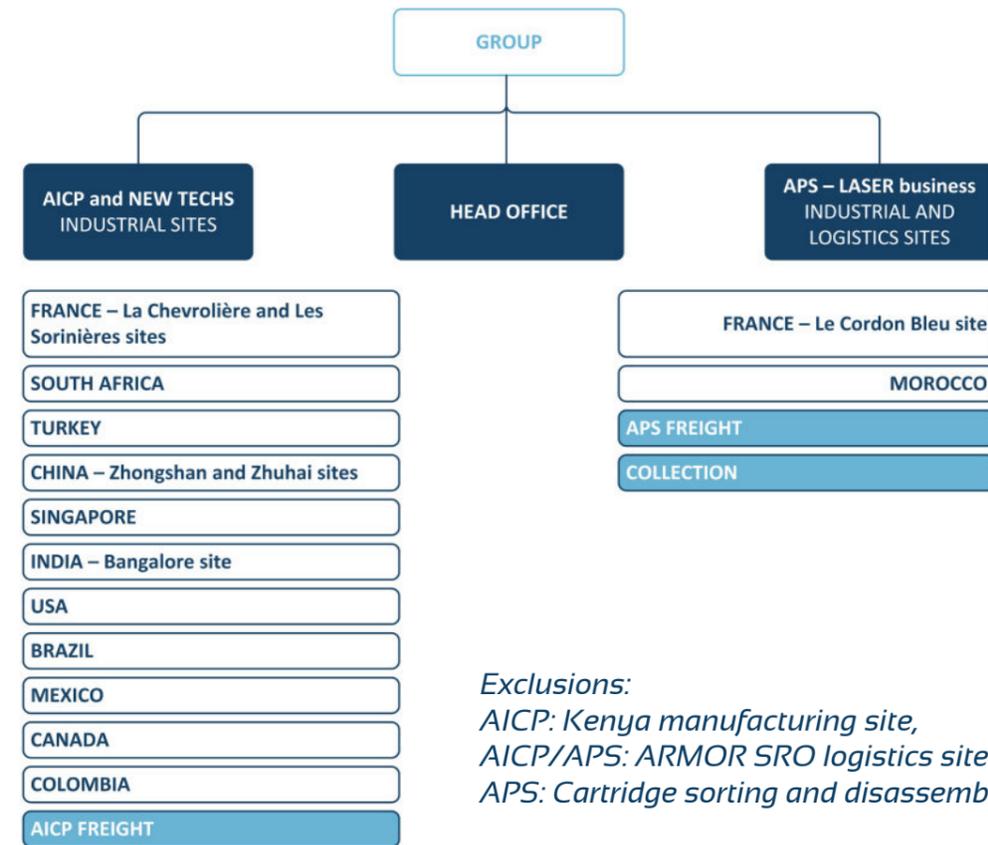
The data available covers a 12-month period from 01/01/2020 to 31/12/2020.

SCOPE REVIEWED

Quantification calculations cover:

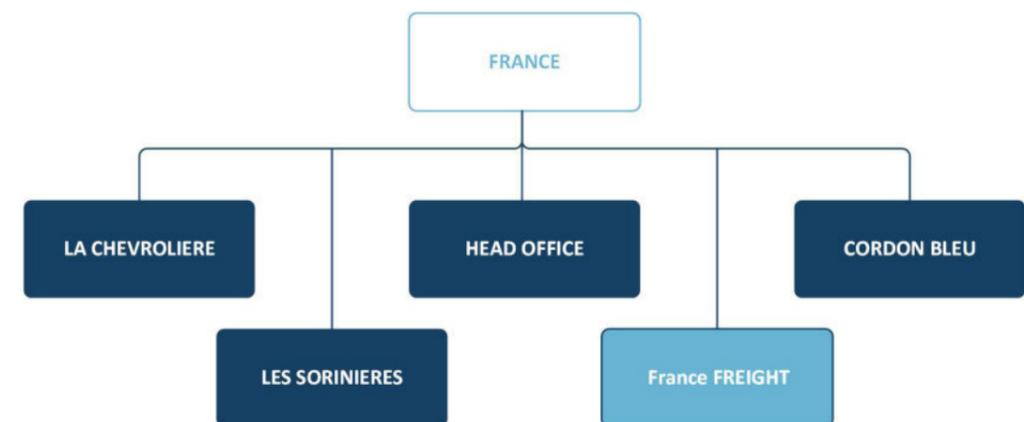
- AICP sites and business activity flows
- A3D sites and business activity flows
- APS sites and business activity flows (remanufactured LASER cartridges only)
- Company headquarters, shared by all business activities

New tech activities based at the La Chevrolière site partially feature in the calculations as their contribution cannot be identified from AICP for a specific number of categories.



Exclusions:
 AICP: Kenya manufacturing site,
 AICP/APS: ARMOR SRO logistics site (Czech Republic)
 APS: Cartridge sorting and disassembly site (Poland)

The scope concerning statutory notifications is:



CALCULATION METHOD AND EMISSION FACTORS

Emissions are all reported in **tons of CO₂** equivalent.

Apart from exceptions specified in this methodology, emission factors are taken from the French national [CARBON DATABASE](#).

The selected consolidation approach is OPERATIONAL CONTROL.

The findings for the Group's carbon footprint are given using the GHG Protocol method, while the BEGES method has been taken as the regulatory scope.

GENERAL COMMENTS ON THE SELECTED CATEGORIES

Scope of the assessment:

The table below features the scope of this assessment, specifying the emissions sources considered and those excluded:

EMISSIONS INCLUDED				
GHG Protocol emission categories	BEGES emission categories	Type	Comments	Included/excluded
1.1	1	Direct emissions from fixed combustion sources	Data uncertainties: Gas bill: 0% Solvents incinerated (SMP): 20%	Included
1.2	2	Direct emissions from mobile combustion sources	Data uncertainties: Mileage reading: 0%	Included
1.3	3	Direct emissions linked to production processes, excluding incineration		Included
1.4	4	Direct fugitive emissions	Data uncertainties: SMP: 20%	Included
1.5	5	Direct emissions from soils or forests	Not applicable	Excluded
2.1	6	Indirect emissions linked to electricity imported by the organization for its own use	Data uncertainties: Electricity bill: 0%	Included
2.2	7	Indirect emissions linked to consumed energy imported via a system (steam, heat, cold and compressed air), excluding electricity.		Included
3.1	9	Purchased products and services	Just 80% purchasing database products, excluding services Data uncertainties: Purchasing data: 0%	Included

EMISSIONS INCLUDED				
GHG Protocol emission categories	BEGES emission categories	Type	Comments	Included/excluded
3.2	10	Fixed assets	This category is not significant according to the UIC sector guide	Excluded
3.3	8	Emissions related to fuels and energy not included in scopes 1 and 2		Included
3.4	12	Incoming freight (upstream transportation and distribution)	From 1st tier suppliers, 80% of purchasing database products Data uncertainties: ERP data: 20% Other sources: 40%	Included
3.5	11	Waste generated	Data uncertainties: Production data: 10%	Included
3.6	13	Business travel	Journeys by plane, train, and rental vehicles excluding leased cars	Included
3.7	22	Traveling to and from work	Lack of data	Excluded
3.8	14	Assets rented upstream	Partially included	Included
3.9	17	Outgoing freight (downstream transportation and distribution)	To 1st tier customers Data uncertainties: ERP data: 20% Other sources: 40%	Included
3.10		Processing sold products	This category is not included as no method exists according to the UIC sector guide	Excluded
3.11	18	Use of sold products	Lack of reliable data	Excluded
3.12	19	End-of-life of sold products	Lack of reliable data	Excluded
3.13	21	Assets leased upstream	This category is not significant according to the UIC sector guide	Excluded
3.14	20	Franchises	This category is not significant according to the UIC sector guide	Excluded
3.15	15	Investment	This category is not significant according to the UIC sector guide	Excluded
3.16	16	Visitor and customer transport	This category is not significant according to the UIC sector guide	Excluded
3.17	23	Other indirect emissions	This category is not significant according to the UIC sector guide	Excluded

**WITHIN SCOPE 1:
EMISSIONS FROM FIXED COMBUSTION SOURCES**

- **Gas consumption:** converted into kWh NCV
 - Data gathered in kWh GCV: Multiplication by a factor of 0.9
 - data gathered by volume: Multiplication by a variable factor subject to country (between 9.65 and 9.75 per m³).

• **Thermal oxidation of solvents:**

La Chevrolière site (France):

- The number of tons of solvents incinerated has been calculated using the solvents management plan (SMP).
- As an average emission factor for solvents does not exist, it was decided to use the emission factor for naphtha by default:

Products	Kg CO ₂ per ton		Uncertainty	Data origin
	Upstream	Combustion		
Naphtha, Mainland France	512	3,285	5%	BC utility 2011 version

Comments:

In contrast to the ISO 50001-certified energy management system, energy recovery related to the oxidation of solvents has been excluded.

Zhongshan site (China):

- The number of tons of solvents incinerated has been calculated based on the method used for the SMP in France.
- As an average emission factor for solvents does not exist, it was decided to use the same emission factor as the French site, by default.

**WITHIN SCOPE 1:
DIRECT EMISSIONS FROM MOBILE SOURCES OF COMBUSTION**

Vehicles belonging 'in their own right' to sites are excluded here.

- **Bottled gas consumption:** These types of gas (butane, propane, LPG) are used to operate fork-lift trucks.
- **Fuel consumption (diesel, gasoline):** Data is provided from mileage records from the vehicle, or fuel receipts.

**WITHIN SCOPE 1:
DIRECT FUGITIVE EMISSIONS**

REFRIGERATED GAS EMISSIONS:

These leaks are given in kg and broken down by type of gas.

VOLATILE ORGANIC COMPOUND (VOC) EMISSIONS

Direct 'diffuse' VOC discharges into the atmosphere contributes to climate change although the literature is not conclusive on quantifying the GWP related to these direct emissions.

The aim here is to appraise diffuse VOC discharges not captured for incineration. The sites concerned are La Chevrolière (France) and Zhongshan (China).

The chosen methodology is based on a UIC publication from May 2015, seeking to employ a "carbon molar mass" rationale (see extract below).

Method for converting VOCs into CO₂:

For organizations consuming solvents, the method consists of estimating total VOC emissions via measurement or a carbon material assessment at the smoke stack (note: this does not cover VOCs emanating from combustion) based on the measured concentration, the start of the period in question and the number of operating hours of the installation, subsequently converting the carbon emissions into CO₂.

Emissionsheet 1.4 of CO₂ (mass) = VOC concentration (mass/Nm³) x period start (Nm³/h) x number of operating hours during the year x 44/12

NOTE: The 44/12 ratio corresponds to the ratio of molar masses between CO₂ (44) and carbon (12).

Once estimated, the annual mass of diffuse VO is multiplied by 44/12 to be considered as "pure" CO₂ discharged into the atmosphere.

**WITHIN SCOPE 2:
INDIRECT EMISSIONS LINKED TO ELECTRICITY CONSUMPTION**

Only the consumption of purchased electricity has been included in the calculation and is determined from supplier invoices. Electricity generated on sites from renewable sources for their own consumption does not reduce this value.

**WITHIN SCOPE 3:
EMISSIONS RELATED TO FREIGHT TRANSPORT**

The value in **tons*km** has been defined by multiplying distance and tonnage data by differentiating between transport categories. The impacts on freight are not attributed to each site but rather, by business activity (AICP and APS Laser). Freight from the New Techs is included in AICP freight.

INCOMING FREIGHT:

The rationale taken is to consider freight from its departure to the final supplier. Distances are calculated country by country from average mileages. Similarly to inputs, just 80% of raw materials are included in the calculation. Packaging materials are therefore excluded. Special case of empty cartridges collected by ARMOR: The collection freight impact is included in empty cartridge EF (see emissions related to cartridge collection service).

INTERNAL FREIGHT:

The specific nature of the ARMOR process generated numerous exchanges of materials between sites. These exchanges are considered as internal (inter-site) freight, ignoring the matter of ownership. Distances have been precisely calculated, with the site addresses and methods of transport (particularly ports and shipping routes used by most of the goods). Similarly to inputs, just 80% of raw materials are included in the calculation. Packaging materials are therefore excluded.

OUTGOING FREIGHT:

The rationale used is to consider the freight up to delivery to the first customer. For most exports, the distances are calculated on a country-by-country basis, using average mile-ages.

For domestic deliveries:

- France, Singapore: an average domestic mileage is applied.
- Other sites: an average mileage by state/province or by city is applied.

WITHIN SCOPE 3: EMISSIONS RELATED TO THE PURCHASE OF RAW MATERIALS

Only those materials featured in the table below have been taken into account for emissions related to the purchase of raw materials. They have been selected as they account for 80% of the total mass or raw materials. Packaging items (boxes) have been excluded, as have New Tech raw materials.

AICP

RMs for coating.

RM	Combined with EF for	EF utilization
SOLVENTS (excl. MEK)	TOLUENE	1,500 kg CO ₂ eq/t (IPCC 2013 100a method)
MEK	MEK	1,740 kg CO ₂ eq/t (IPCC 2013 100a method)
WAXES	WAXES	2,060 kg CO ₂ eq/t (SIMAPRO: assumption made for EE2012, or PELD)
RESINS	Epoxy adhesive mix	6,900 kg CO ₂ eq/t
ADDITIVES	ADDITIVES	1,830 kg CO ₂ eq/t (SIMAPRO 2011)
PIGMENTS	PIGMENTS	100 kg CO ₂ eq/t (SIMAPRO 2011)
PET FILM	PET	3,270 kg CO ₂ eq/t

APS LASER

RM related to remanufacturing laser cartridges.

RM	Combined with EF for	EF utilization
EMPTY CARTRIDGES COLLECTED OR PURCHASED	See emissions related to cartridge collection service	
TONER POWDER	Ink powder	5,500 kg CO ₂ eq/t

WITHIN SCOPE 3:

EMISSIONS RELATED TO CARTRIDGE COLLECTION

The cartridge collection service is specific to APS business activities.

As collected cartridges have already been through several cycles prior to remanufacture, it would be erroneous to consider emissions based on the percentages of "new" materials comprising the cartridge.

Given that an LCA was already carried out in 2011, the methodology used then has been adopted to address this aspect. The aforementioned methodology is a more refined and relevant version of the recommended formula in AFNOR's BPX 30-323 environmental labeling standard.

The formula below has been adapted for ARMOR (where c = number of cycles):

$$E_{part} = (1/c) E_{part\ new} + (1-1/c) E_{part\ reused} + 1/c \text{ end-of-life } E_{part}$$

To be expressed as part of a CO₂ single-criterion approach for cartridges:

$$\text{Remanufactured cartridge EF} = (1/c \text{ new cartridge EF} + (1-1/c) \text{ collected and cleaned cartridge EF} + 1/c \text{ end-of-life cartridge EF})$$

RM	Combined with EF for	EF utilization
EMPTY CARTRIDGES	Top 1 reman. laser database: 79% PS, 5% PP, 16% alu. Or 4,436 kg CO ₂ eq/t ("new materials")	3,688 kg CO ₂ eq/t 30% uncertainty

This EF accounts for the impact of materials as well as transport during collection, cleaning and processing waste linked to sorting and disassembling cartridges.

It was decided to apply this same EF to purchased empty cartridges.

WITHIN SCOPE 3: EMISSIONS RELATED TO BUSINESS TRAVEL

For France: CO₂ emissions generated by business travel are disclosed directly by service providers.

For other sites: Only CO₂ emissions generated by the number of journeys by plane have been taken into account, as explained in the table below:

Data title	Type of flight in the application
Number of short-haul flights (domestic flight <1000 km)	100-180 seats, 0-1000 km
Number of medium-haul flights (between 1,000 km and 4,000 km)	100-180 seats, 2,000-3,000 km
Number of long-haul flights (international flights > 4,000km)	> 250 seats, 7,000-8,000 km

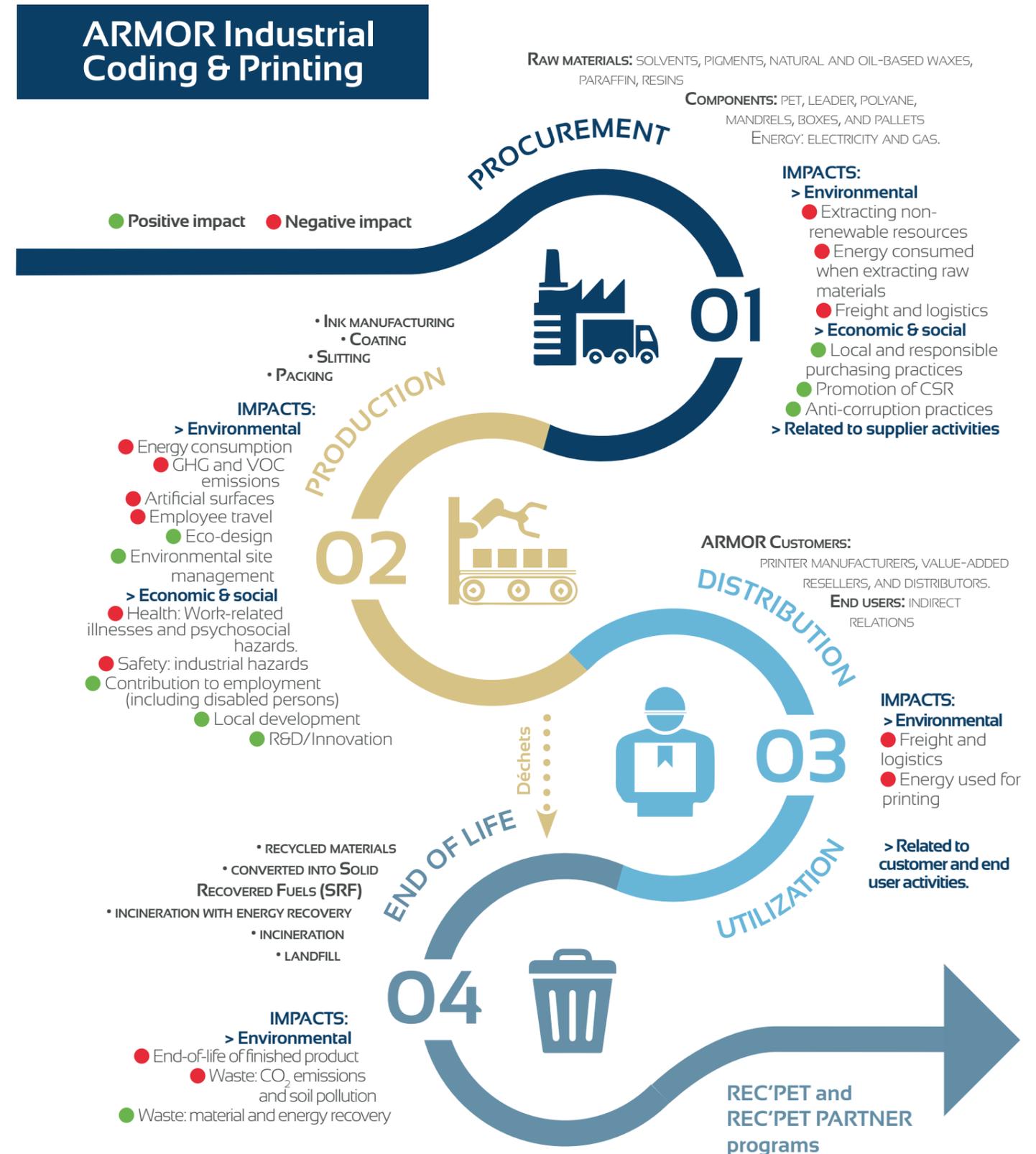
**WITHIN SCOPE 3:
EMISSIONS RELATED TO WASTE**

Data on waste is not gathered according to waste type but only waste treatment. The various choices made to quantify carbon emissions are summarized in the table below:

Data title	Type of treatment in the application	Type of waste in the application	Type of recycling in the application
Tons of waste landfill	Landfill	Average household waste	None
Tons of waste incinerated	Incinerated	Plastic	None
Tons of waste incinerated with energy recovery	Incinerated	Plastic	Not specified
Tons of waste processed into solid recovered fuels	Incinerated	Plastic	Not specified
Tons of waste recovered for materials	Recycled/re-used	Cardboard	X

APPENDIX 6

IMPACTS FROM MAIN ACTIVITIES



ARMOR Print Solutions

● Positive impact ● Negative impact



This report has been produced in association with Vertuel, a consultancy firm specializing in Corporate Social Responsibility.

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