

# ACTING FOR TRANSITION 2022 CSR report

# EDITORIAL



# **OUR ENVIRONMENTAL AND ENERGY TRANSITION**



Pascal Nadobny Chairman & CEO ADDEV Materials The COVID pandemic has been a catalyst for the environmental and energy transition. Supply constraints, quest for local production, and skyrocketing energy and transport prices are strengthening the correlation between economy and the environment. At ADDEV Materials, our commitment is part of our continued Global Compact membership and our CSR policy. Based on the UN Sustainable Development Goals, we promote a more responsible and "locavore" industry. Our purpose, "Converting industrial challenges into sustainable solutions" is implemented internally by reducing our own carbon intensity with the help of our partners and the active participation of the teams. We are also collaborating with our suppliers to identify and/or develop more sustainable materials. Downstream, we are driven by our clients who have rising expectations and requirements in terms of reducing environmental impact. We strive to provide alternative and innovative solutions while also reducing quantities and waste to create added value; "more with less."

See the infographic  $igstar{}$ 



# **OUR CONTRIBUTION**



As part of its UN Global Compact commitment, ADDEV Materials supports and promotes the 17 Sustainable Development Goals (SDGs). While defining the company's purpose, stakeholders also affirmed that their work and business model contribute to SDGs 5, 7, 9, 13, and 16. By creating a new Healthcare & Hygiene business group, ADDEV Materials can also work toward SDG 3.



## **GLOBAL COMPACT**

Since signing the UN's commitment charter over ten years ago, ADDEV Materials has regularly published its Communication on Progress.



COMMUNICATION

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



# CREATE VALUE



# SERVE THE CLIENT BY OPERATIONAL EXCELLENCE

# THE ZERO CARBON PROJECT, A CONTRIBUTION TO THE CUSTOMERS ISSUES OF OUR PARTNER, SCHNEIDER ELECTRIC

ADDEV Materials is one of 1000 Schneider Electric suppliers participating in the Zero Carbon project. The project aims to reduce greenhouse gas (GHG) emissions from supplier operations by 50% by 2025. This project, launched in April 2021, provides ADDEV Materials with support and expert advice in defining and implementing its reduction targets and action plan. It also enables the exchange of best practices between suppliers who, like ADDEV Materials, are committed to reducing their carbon footprint to limit global warming.





# **INNOVATE AND SELL SUSTAINABLE SOLUTIONS**

#### **100% RECYCLED CONTAINERS**

ADDEV Materials has developed recycled polyethylene terephtalate containers (PET) in collaboration with its partners and its Innovation division This customized and

eco-designed packaging helps minimize

waste. ADDEV Materials will supply a leading

aeronautics manufacturer with 100% PET bottles

for the 10,000 units it uses each year, totaling

more than 500 kg. A practical application of the



# FLEXIBLE CONTAINERS

By replacing conventional rigid packaging with flexible containers, ADDEV Materials reduces packaging sizes and waste while optimizing transport and storage.

This is true for the Burststeal-Pak® range of flexible, lightweight, two or three-component packs. These packs are ideal for situations in which precise quantities of reactive compounds must be kept



separate until they are intentionally mixed. This is also what the innovative, flexible spray pouch, replacing the rigid spray pack containers, offers. By reducing the packaging size and only transporting the product concentrate, ADDEV Materials reduces the quantity of water transported and packs ten times more products per pallet.

#### **COLLECT AND REFILL**

circular economy.

ADDEV Materials has developed refill solutions for solvent products that enable resources to be reused and minimize waste. Solvent delivery in recycled PET bottles, shelf life management, collection, refilling, and replenishment are all part of the innovative service.





# **PURCHASE AND SOURCE WITH SUSTAINABLITY**

#### SUSTAINABLE PURCHASING, THE BASIS OF SUSTAINABLE RELATIONSHIPS

ADDEV Materials aims to build long-term business relationships with its suppliers based on shared values and ethical practices. It updated its Sustainable Purchasing Charter in 2021 and set a target of 75% signatory suppliers by 2024. ADDEV Materials also conducts supplier assessments and self-audits. Its purchasing accounts for 95% of its environmental footprint. As a result, its suppliers are critical to its decarbonization and that of its clients. Green, recycled, and recyclable products, alternative solutions, local sourcing, etc. ADDEV Materials is innovating with all its stakeholders to meet the challenges of transformation.



Patrick Grande Purchasing Director ADDEV Materials

Download the charter 👗



# MANAGE



#### **CERTIFICATION OF OUR CYBERSECURITY**



ADDEV Materials has been awarded the international Cyber Essentials certification, an indication of its cybersecurity policy for its

clients and suppliers. It demonstrates the company's commitment to protecting its own data and that of its clients while confirming that the most important cybersecurity controls have been implemented.





#### MY ADDEV, A UNIQUE INTRANET FOR ALL OUR EMPLOYEES

**EASE THE** 

CONVERGENCE

MY ADDEV, the Group's new intranet, was created by gathering employees' expectations to create a unique site accessible to everyone, regardless of language, with automatic translation. It disseminates global and local information in a bid to ensure the organization, activities, and news of ADDEV Materials are more coherent and better known around the world. Any employee can propose the publication of information and contribute to the "ONE ADDEV."



# **CO-BUILD AND MANAGE PERFORMANCE**

## SIMPLIFY DATA ANALYSIS TO IMPROVE PERFORMANCE MANAGEMENT

At the same time as the convergence of any ERPs used within ADDEV Materials, work is underway to standardize data to improve performance management. A technology platform has been developed to automate data collection from all sites while also making it easy to interpret and user-friendly through data visualization. In addition, a data team drafts definitions for this data in consultation with the sites and ensures that they are correctly applied. This work was initially done for client data before being expanded to include supplier and product data.





*Olivier Fiquet* Digital Transformation Offic ADDEV Materials

#### **ECOVADIS GOLD MEDAL**

In 2022, ADDEV Materials retained its EcoVadis gold medal for the third year in a row with an improved score of 67/100.





## **ESG CRITERIA EVALUATION**

As an investor, we support ADDEV Materials in its transformation by helping it to manage its non-financial indicators. We analyze ESG\* opportunities and risks to help the company plan for the future and ensure that it can cover any financial risks. For ADDEV Materials that converts plastic materials and chemical products, incorporating ESG criteria is essential for anticipating market regulations. The Group has made significant progress in its approach to these issues since 2019 with a carbon footprint assessment within scopes 1, 2, and 3, definition of its purpose, and an ESG roadmap with a timeline and targets.



Nathalia Millan ESG Manager Tikehau Capital



\* Environmental, Social and Governance criteria.



# TAKE CARE



# TAKE CARE OF OUR EMPLOYEES -

#### **RUN IN LYON**

I feel like I've matured since the Run in Lyon. This race combines an appetite for hard work, sharing with colleagues from across France, and charity through donations to the Hospices Civils de Lyon Foundation.

> Philippe Bonnefille ERP Project Manager ADDEV Materials



## A QUALITY OF WORK LIFE WEEK (QWLW) FOR AND WITH EVERYONE

ADDEV Materials organized a QWLW across all its sites in June 2021. Employees were able to share their thoughts on Safety & Work Environment, Work/ Life Balance, and Team Building. The feedback enabled actions to begin in the summer and helped define Group QWL standards to be implemented over two years.



#### FIRST EMPLOYEE ENGAGEMENT BAROMETER

The first engagement barometer implemented within ADDEV Materials in late 2021 saw a participation rate of 73% and a score of 3.48/5. This survey, now conducted every six months, aims to better understand how employees perceive the Group and identify strengths and areas for improvement.

*Gabrielle Rubat du Mérac HR Director North America ADDEV Materials* 

# DEVELOP TALENTS AND COMPETENCIES

### AN HR POLICY TO FORMALIZE OUR PRACTICES AND MEET OUR HUMAN RESOURCE CHALLENGES

The Human Resources policy was developed in 2021 to address the Group's major HR challenges. This policy is based on a vision that every employee can grow while contributing to the success of ADDEV Materials and on five macro-processes formalizing best practices in terms of quality of work life, skills development, remuneration, performance management, and recruitment. The Group, which combines an international dimension with humansized sites, reaffirms its ability to listen to and care for its employees



with an inclusive mindset through these five areas.

*Christine Bouvier* HR Director France & Europe ADDEV Materials



# A NEW HR MANAGEMENT TOOL: EVA, FIRST ANNUAL PERFORMANCE APPRAISAL CAMPAIGN

A new HR management process was introduced in 2021: EVA, for development and EVAluation appraisals. Initially implemented in July 2021 for all France employees and members of the Management Committee, it will be extended to all Group employees from summer 2022. Organized voluntarily over the quieter summer period and separate from the annual targets, these exchanges allow all employees to express their views on their working conditions, training requirements, and progression preferences and share in-depth and qualitative feedback with their manager.

# **BE AN INCLUSIVE EMPLOYER BY PROMOTING DIVERSITY** ADD'ALL, TO PROMOTE DIVERSITY WITHIN TEAMS

The ADD'ALL program aims to make ADDEV Materials a more inclusive company by encouraging diversity and dialogue. It currently targets three specific groups: women, young people, and people with disabilities. ADDEV Materials relies on diversifying recruitment sources, dedicated training programs, and creating career paths during annual people reviews to achieve a triple objective: to attract, retain, and develop diverse talents.



## LOU RUGBY

We feel supported within the club by local partners such as ADDEV Materials, who share our values and allow us to develop our practices.



Chloé Jacquet center three-quarter player LOU Rugby

# PRESERVE



# BUILD AN ENVIRONMENTAL MANAGEMENT SYSTEM

# FIRST ENVIRONMENTAL POLICY TO FORMALIZE OUR APPROACH

The formalization of ADDEV Materials' environmental policy in 2021 acknowledges its contribution to the environmental and energy transition. It was drafted based on the national low-carbon strategy to reduce the scope 1 and 2 emissions by 25% by 2030. Its primary

focus is on energy optimization (more electricity from renewable sources, less consumption), purchasing "green" products or alternative raw materials from suppliers, and recycling. Employee awareness and mobilization are key factors in the success of this policy.



Marie Blanchard Brunel

Chief Marketing Officer

Download the Download the policy READ MORE

# SORT AND RECYCLE



#### MOBILIZATION FOR EARTH DAY

For Earth Day, ADDEV Materials raised awareness among its teams by hosting an online zerowaste cooking course followed by an internal challenge. In the United States, seasonal fruit and vegetables were distributed to employees. Other sites ran initiatives such as litter picking or creating bug hotels.

# REDUCE OUR ENERGY CONSUMPTION AND OUR CO2 EMISSIONS



#### **MOBILITY WEEK**

This fantastic initiative enabled some people to experience their first electric bike ride and project themselves onto soft mobility solutions.

*Céline Dargent* QHSE Manager Toulouse ADDEV Materials





## TWO SITES INTO ONE WITH LOWER ENERGY CONSUMPTION IN POLAND

ADDEV Materials' two Polish sites have been merged into a single site at Zychlin in a bid to bring the teams together and improve the site's efficiency so it can better serve customers in Central Europe. The building has been awarded the BREEAM\* certification, an internationally recognized system for assessing the environmental performance of premises and reducing their running costs.



#### \* Building Research Establishment Environmental Assessment Method.

## COQ VERT COMMUNITY AND DECARBONIZATION ACCELERATOR: TWO NEW ENVIRONMENTAL AND

**ENERGY TRANSITION** 

(EET) COMMITMENTS



ADDEV Materials incorporated two initiatives run by its shareholder, Bpifrance, in 2021 to accelerate its environmental and energy transition. The Cog Vert Community, created with the French Environment and Energy Management Agency (ADEME) and the Ministry of Ecological Transition, allows companies to share best practices and gain access to specific tools. The Decarbonization Accelerator program, which runs for 24 months, has already enabled the company to assess its situation and acquire tools for measuring and analyzing its environmental progress. It will help define and implement the company's decarbonization goals, corresponding roadmap, and plan of action.







### **CREATE VALUE**

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

#### MANAGE

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

### TAKE CARE

- Take care of our employees
- **Develop** talents and competencies
- **Be an inclusive employer** by promoting diversity

### PRESERVE

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



ADDEVMATERIALS