

A hand is holding a blue gear against a background of a wooden table. The gear is positioned in the upper left corner. The hand is visible in the lower left corner, holding the gear. The wooden table surface is the main background, with a white dashed line forming a large, tilted rectangular shape that frames the text.

03.

**Non-Financial
Performance
Statement**

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03. Non-Financial Performance Statement

The crisis has strengthened our CSR approach

The crisis has strengthened our CSR approach



JOËLLE FABRE-HOFFMEISTER
GROUP GENERAL SECRETARY AND
GROUP CSR STRATEGY MANAGER

“Throughout the year which suffered dramatically from the global pandemic, Chargeurs strengthened its CSR commitments and its ability to play a key role in the economy internationally.

The strength of our business model and our innovative capacity enabled us to maintain these advantages and positions in our traditional businesses, despite the backdrop of business disruptions and uncertainties, and even to create new businesses, as presented in Chapters 1 and 2.

All our businesses enabled our Group to make an even greater contribution to a balanced environment. Throughout 2020, Chargeurs stepped up its solidarity actions with its stakeholders, and developed businesses which enabled it to protect employee jobs and continue to serve our customers.”

In this Chapter we provide a presentation of progress on our CSR approach, with:

- monitoring of key performance indicators identified in 2019;
- feedback from external and internal stakeholders, internal CSR ambassadors, customers and partners, supporters and co-operators;
- a detailed description of our management of the health crisis through the prism of SDGs.



Solid governance to act efficiently

- Introduction of weekly monitoring of key Covid-19 indicators during the first wave of infection.
- Creation of a health crisis emergency unit. New rapid and optimized governance. Two weekly meetings with members of the Group’s Executive Committee, including, where appropriate, expert contributions to understand developments in the pandemic.



Safety of all the women and men working for our Group

- Distribution of face masks and hand sanitizer to all operators at our production sites as well as donations for them and their families.
- Development of remote working practices: 32% of the workforce benefited from remote working.
- Safety and return to work protocols communicated and displayed at all our sites.
- Feedback during the Safety Day for all sites (October 6, 2020).



Mobilizing resources at the service of the community

- Supporting the emergency needs of local authorities in terms of equipment and logistics.
- Donations to hospitals and nursing homes: 10,000 liters of hand sanitizer, 80,000 face masks during the first wave.
- Production capacity rolled out at the peak of the crisis



Educating employees and boosting cohesion

- Weekly publication of a special in-house newsletter on the health crisis providing useful advice, personal experiences and in particular the mobilization of our global talent.
- Safety Day covering Covid risk prevention (October 6, 2020).



Managing health risks and preventing pandemics

- Adaptation of business production lines to meet global emergency needs in terms of supplies and technology, healthcare solutions and personal protective equipment (PPE).
- Innovation to introduce industrial production of masks, gowns and antibacterial protective solutions.

- Maintain activity, jobs (limited use of short-time working)
- Essential sites (Novacel, Boston Tapes)

3.1 Our CSR approach

Chargeurs group's CSR approach is:

Cross-functional and integrated

Our CSR approach is an integral part of all Group entities. It involves commitments from all business lines and all subsidiaries at all levels.

Committed

Our Group is committed to ensuring all actions are in line with the United Nations' Sustainable Development Goals and, in 2017, signed the UN's Global Compact. In this connection, each year, a Communication on Progress is released, reflecting our unwavering commitments.

In 2020, the Group stepped up its commitment to sustainability with the launch of a sustainability-linked Euro PP issue, based on two key pillars of our CSR strategy: the frequency of work accidents, and the share of revenue generated from "sustainable products and services."

Each year, an independent rating agency, Ethifinance (GAIA rating), specialized in SMEs and medium-sized companies, analyzes and assesses the Group's ESG performance. This provides us with an external and independent point of view on our performance, and drives us to continue to challenge ourselves to adopt a more ambitious approach.

Collaborative

Since 2016, our CSR approach has been built around networks of highly-committed representatives in each of our business lines who are fully aware of the challenges faced. They are both ambassadors and designers of our increasingly proactive approach. This network has been broadened and strengthened and now includes almost 25 active members who meet every month to expand our Group's ESG credentials. They are "our ESG family".

[see feedback from our employees page 99.]

The CSR approach is also built around close collaboration with exacting and vigilant external stakeholders. Our customers are the best ambassadors for our products. As a result, Chargeurs works closely with its stakeholders to jointly develop products and services that will give clients an ever-more distinctive competitive advantage, testament of their sustainability.

[see external stakeholders feedback page 112.]

Ambitious

Chargeurs' CSR strategy aims to become more ambitious every year. Chargeurs' historic track record of continuous progress pushes us towards innovation, in the pursuit of excellence. Chargeurs prizes excellence and aims to act as a pioneering leader in each industry in which it operates.

Unifying

ESG is a strong force for internal cohesion, and fosters a sense of belonging, sharing the Chargeurs identity. It enables us to trace our paths together, and unites all the women and men at Chargeurs around the same shared values.

Our Group can now rely on strong pillars to pursue and expand its ESG strategy and implement it successfully.

Solid and committed operating governance

The commitment of the Executive Committee is essential to Group success. The approach is steered and managed at Group headquarters with benchmarks from each of our business lines. Regular presentations are made to the Board of Directors.

Committed employees

The commitment of all of our employees and their awareness of the importance of the challenges we face are essential drivers of our CSR approach. Our employees are the cornerstone of this, as both actors and genuine ambassadors of our approach.

[see feedback from our employees page 99.]

A vigilant and exacting network

Customer satisfaction and the pursuit of high quality are central to our approach, driven by our desire to lead by example.

[See stakeholder feedback page 112.]

Organization and steering of the approach

General Secretary in charge of CSR strategy

CSR manager at headquarters, in charge of coordination and steering of the approach

Full-time CSR managers and ambassadors in all business lines

3.2 Our challenges, our goals

Analysis of ESG risks has been included in the Risks section (Chapter 2).

Environmental challenges:

- Carbon footprint;
- Water management;
- Pollution (air and water);
- Circular economy.

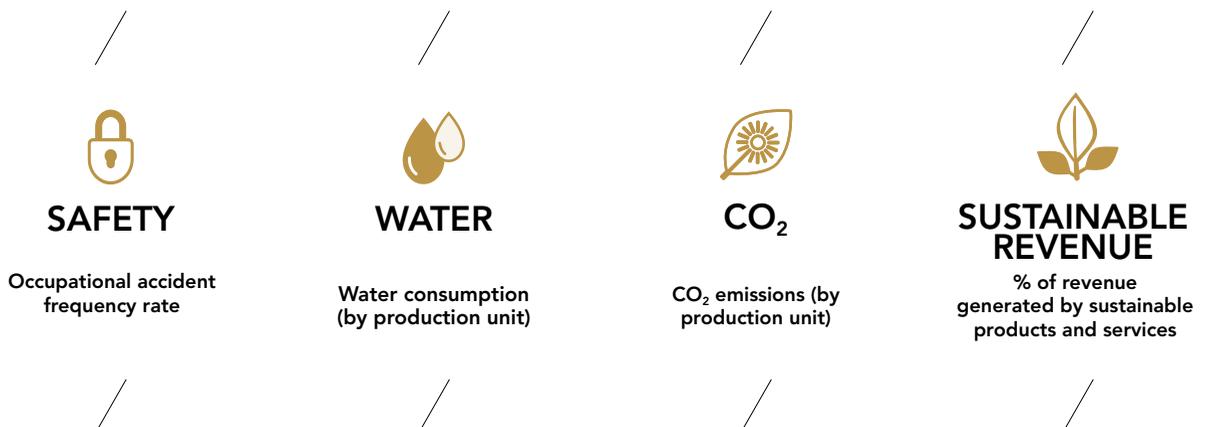
Social challenges:

- Safety of employees;
- Inclusion and diversity;
- Upholding human rights;
- Employee training.



The work of structuring and defining Group strategy was broadened from 2016 and in 2019 the Group defined its challenges and priority goals, and in particular four key performance indicators (KPIs). (See Section 5.)

OUR NON-FINANCIAL PERFORMANCE INDICATORS IN 2020



03. Non-Financial Performance Statement

Our performance In the Gaïa Index

3.3 Our performance In the Gaïa Index



Launched 10 years ago, by the independent non-financial rating agency Ethifinance, which provides investors with corporate social responsibility ratings for small and medium-sized companies, the Gaïa index has become the benchmark for sustainable development of midcap companies.

The Gaïa Index rates companies against more than 130 criteria to assess the transparency and maturity of their CSR policies, practices and performance.

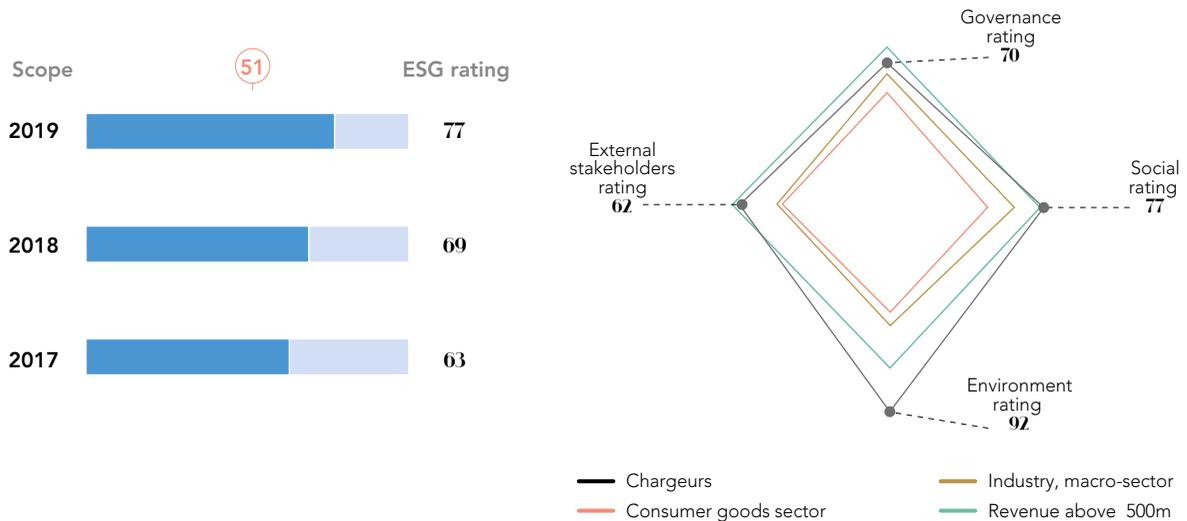
Of the 230 Paris stock exchange-listed companies that were assessed for the index ("the Gaïa panel"), 70 French companies

were recognized for their environmental, social and governance performance. This year, Chargeurs was included among their ranks for the third year running.

In 2020, Chargeurs was assigned a score of 77/100 for its 2019 scope, versus the average of 51/100 for the 230 companies in the Gaïa panel. The Group significantly moved up the ranking, to 42nd place, i.e. 25 slots higher than the previous year, illustrating the sustainable ESG efforts rolled out in all business lines.

Chargeurs stood out particularly well for the environment pillar (92/100) thanks notably to excellent management of water, air, land and waste (100/100); as well as for the social policy and characteristics component of the social pillar, also achieving the top score of 100/100.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RATINGS FOR CHARGEURS AND ITS PEERS



This progression did not occur by chance. The recognition of the actions undertaken reflects the commitment of our business lines to the continuous improvement of our obtained ratings.

3.4 Our employees share their experience

CHARGEURS PROTECTIVE FILMS



Sandrine Guibert is Head of Marketing and Innovation at Novacel (Chargeurs Protective Films). CSR has played a pivotal role in her work. *"We have seen that it has become a key challenge for all companies and a decision-making criterion."*

"The first key to success in CSR is sincerity. It is a topic that does not tolerate untruths or ambiguities. Then, innovation is a key pillar: knowing how to innovate and question the status-quo to enact genuine change."

Concerned with the end-of-life of its products, Novacel communicates increasingly with its customers to support them in their waste management.

Novacel is making progress on the challenges faced by climate change, Sandrine Guibert underlined: *"We are making progress on this front, implementing action plans from manufacturing right through to the final product, with a range of R&D tools to promote low-carbon production."*

CPF was particularly committed to reducing its carbon footprint in 2020 and started a wide-scale initiative to optimize product life cycles.

This approach will enable our teams to better communicate with customers on these challenges by offering them the most comprehensive and transparent information on the carbon impact of our products. Further out, the challenge is to design and segment our range in the service of this approach.

CHARGEURS*PCC FASHION TECHNOLOGIES



For Chris Hill, CSR and Quality Manager at Chargeurs-PCC*Fashion Technologies, CSR is above all about *"acting sustainably for humanity and the planet."*

"As a company, we are pro-active in tackling these challenges. Our contribution, as a team, is to ensure that we develop the best ideas."

Management of water resources is a top priority for this business unit. Chris Hill explains: *"There is a whole range of initiatives we can adopt to reduce water consumption, for example using smarter machines."* An estimated 40,000 m³ in water savings have been made thanks to decisions to upgrade machines.

Furthermore, we have also rolled out novel and very effective projects, such as the Dope Dye process used at the Lainière de

Picardie site in France which is a dyeing process for fibers that enables huge water savings without any change in the quality of the interfacing produced.

(See Section 5.3, pages 104 and 107.)

The Dope Dye technique enables a reduction in water use of 70-80% compared with traditional dyeing techniques as well as a 7% saving in energy and a reduction in chemicals used of more than 20%.

Chargeurs*PCC's commitment to better management of water resources is also reflected in its sourcing of Better Cotton Initiative (BCI) cotton, promoting agricultural practices that are more respectful of natural resources.

"We are creating positive impacts for the planet, positive for the people who work with us, as well as achieving attractive results, to the delight of our customers. This is particularly rewarding."

CHARGEURS LUXURY MATERIALS



Chris McKenzie is manager and head of CSR at the CLM business line.

A key pillar of Chargeurs' CSR strategy is the development of sustainable products, such as Nativa™-certified wool. *"We believe it is the best strategy to build the future"* affirmed Chris McKenzie. *"We believe this to be the best strategy for our business to build a future. With big efforts over last few years Nativa™ is increasing year by year!"*

Customers are increasingly keen to tackle the challenges addressed by NATIVA™. Chris McKenzie added: *"There is a significant advance in the Nativa awareness of the brands, which is building and providing CLM the confidence of having adopted the proper business strategy for the future sustainability of CLM business."*

Between 2019 and 2020, sales of Nativa™-certified wool increased 52%.

At present, CLM plans to pursue and step up the development of Nativa™. *"Our target is to generate 100% of sales with Nativa™ by 2025 We aim to have 100% of our revenue generated from NATIVA™ 360° businesses. We are developing other projects like offering Recycled wool and Regenerative Agriculture. This will help us meet more of our current and new client's demands."*

[For more detail on these projects, see pages 104 and 107.]

"2020 was a special year with many disruptions, much focus was placed on our responsibility to keep our staff and business safe and that our clients remain confident we can maintain our status on social and ethical responsibilities throughout such crisis."



03. Non-Financial Performance Statement

Our employees share their experience

CHARGEURS MUSEUM SOLUTIONS



from left to right:
Sandrine Hornecker,
Anthony Mossmann,
Christine Wantz,

Sandrine Hornecker is site manager at SENFA in Alsace (north-east France). She underlined:

“CSR is the practical implementation of sustainable development goals at the company level while at the same time remaining economically viable. Therefore, it involves finding a delicate balance and taking initiatives that promote sustainable development and respect the environment but also our employees and our customers

and society in general. CSR also means ensuring our industrial activities consume as few resources as possible. We consume water and energy and, as a responsible company, we must find ways to preserve the resources of our planet.”

A major objective of the Group’s CSR approach is safety, to reduce accident frequency.

Sandrine Hornecker: *“We keep a log of improvements and carry out monthly reviews with an action plan updated every month and appropriate safety awareness communication.”*

Above all, safety is team work. For **Christine Wantz**, QHSE manager and **Anthony Mossmann**, HSE manager, *“it is an ongoing commitment, something we need to keep in mind every day, at all times.”*

Christine Wantz explains: *“For safety, our main focus is prevention, with the target of creating optimum safety conditions for our employees. There is a big communication component, we work at a human level. We must raise awareness and promote responsibility.”*

Anthony Mossmann adds: *“At our site, we are faced with various different risks. Risks related to chemicals, machines, sound pollution, as well as thermal, electrical risks and the risk of inhalation of hazardous dust and particles. This range of risks means we must always be compliant with the very latest regulations. Regulations change, and we too must adjust our knowledge and our protection and prevention methods. It is a very dynamic process, involving many different players. It is for this reason that in the area of safety we talk about a management system, a genuine continuous improvement system.”*

The team at Senfa works tirelessly to communicate on the different safety issues to keep each and every employee informed. For the Safety Day, Anthony explains: *“We really wanted to make this day personal. We worked to ensure it was fun, educational and collaborative. For instance, we organized a treasure hunt to encourage participants to find their own solutions. And, despite social distancing measures, we managed to get employees involved and received positive feedback.”* Christine Wantz commented: *“Another crucial factor was that we worked with a multidisciplinary team to prepare the event. We succeeded in involving every department of our plant.”*

CHARGEURS HEALTHCARE SOLUTIONS



From the outset, **Caroline Gay** has been part of the project team in charge of *“repurposing production resources in favor of mask production.”* She was responsible for regulatory business and certifications linked to then-emerging Chargeurs Healthcare Solutions business line.

The strategic choice was immediately to ensure the highest quality standards for users.

Commenting on this, Ms. Gay said: *“Right from the start, we began by obtaining certification in line with the new European regulations, which is not yet obligatory, to guarantee the highest quality and ensure the absence of pollutants in masks.”* Guaranteeing mask effectiveness and lack of danger is a priority. From March, teams carried out in-depth reviews to ensure mask safety.

The teams were trained and supported by experts. An in-depth review was carried out right from the start, with French laboratories.

[See report by Frédéric Dionnet, CERTAM center for research and innovation, page 112.]

“Right from the start, a specialized firm supported us for technical documentation as well as with the rollout of production, quality controls and traceability. This preparatory work enabled us to create a basic standard at CHS, on which all new products are developed.”

CSR takes pride of place within CHS businesses. *“We are increasingly factoring in environmental criteria, such as recyclability, right from the design stage.”* A recycling project for masks is also currently under review.

Soon, CHS production at the Lanière de Picardie site (in France) will include melt-blown, a nonwoven fabric with high filtration features. This production on our own site will enable us to be self-sufficient in the manufacturing of filtration media for surgical and FFP2 masks and to increase French and European capacity for this key element of mask production. A genuine strength to tackle future viruses that may appear.

3.5 Our action plans

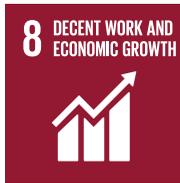
Review of CSR reporting methodology

Reporting campaigns on social, societal and environmental indicators are pivotal to steering CSR policy, both to assess progress made and to drive ongoing and future projects.

90 Close to 90 employees contribute to the reporting.

Social indicators are recorded at sites (with the headcount at December 31, 2020 as the benchmark). Similarly, environmental indicators are recorded at production sites (18 units equivalent to three-quarters of the headcount).

3.5.1 GUARANTEEING THE SAFETY OF OUR EMPLOYEES



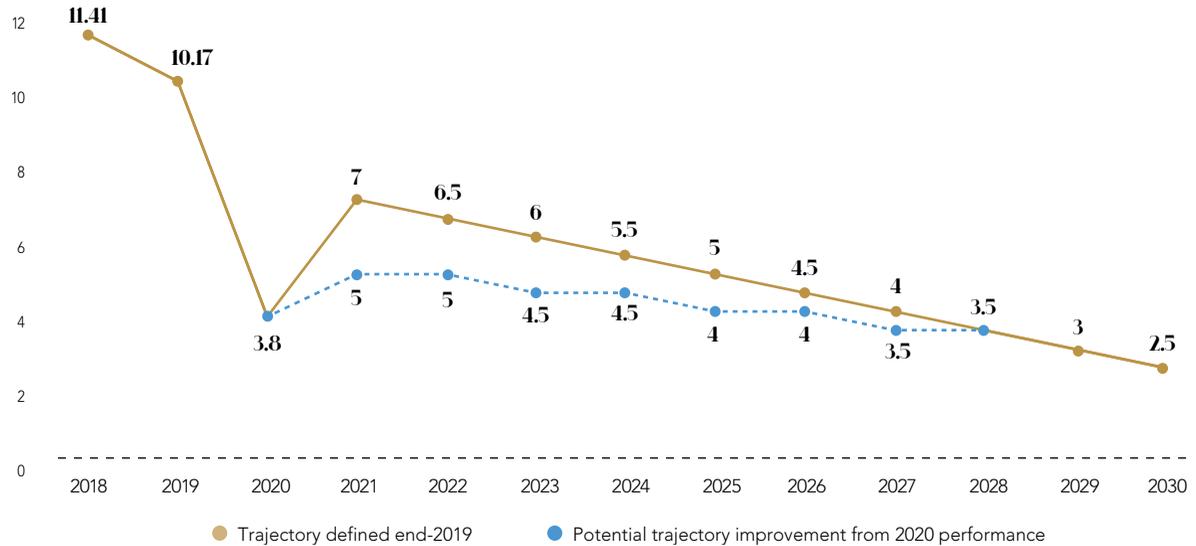
SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Goal 8.8: Protect labor rights, promote safe and secure working environments and ensure that all workers are protected, including migrant workers, in particular women migrants, and those in precarious employment.

Key performance indicator: the occupational accident frequency rate.

2020 results:

- 5.75 for production sites
- 3.8 for the Group as a whole



Employee safety in the workplace is one of the Group’s top priorities.

The frequency rate of lost-time work accidents is a particularly closely monitored indicator, with monthly reporting for all production sites.

The results achieved in 2020 are the fruit of efforts carried out during the year, with, in particular, the introduction of enhanced protocols and action plans; but this performance should be viewed with caution

considering that activity of our business lines suffered declines in both production and work time. Nevertheless, our performance drives our teams to strive to lower the accident frequency rate even more in 2021 and thereafter.

As a result, the pre-defined trajectory was revised to take advantage of performance during the year.

03. Non-Financial Performance Statement

Our action plans

New on-site based safety approach at Novacel Déville-lès-Rouen

At the Novacel site, a new work accident prevention method, ETSCAF, was introduced in 2020, and has enjoyed remarkable success.

Teams have been supported by a consulting firm specialized in corporate security in this approach that puts employees first.

These efforts were particularly effective, after three accidents during the first half of the year, the number was reduced to just one for the second half, and the length of accident-free time was significantly increased, to 154 consecutive days.

This year, the site obtained ISO 45001 certification, a standard set for organizations keen to enhance worker safety and reduce workplace risks and foster better, safer working conditions.

Safety Day

First held on November 13, 2017, the annual Safety Day highlights Chargeurs' efforts to strengthen its risk prevention policy. The goal of this day, held once a year, is to raise awareness and to encourage all Group entities to review the mandatory notices displayed in their premises as well as their safety instructions, and also to update their staff training and promote a safety culture based on the Bradley Curve.

To reach its zero-accident goal, Chargeurs is committed to instilling a culture of safety at every production plant and will continue to hold Safety Day events to seize every opportunity to move forward in this area. Goal: boost awareness and get each and every employee involved in the continuous improvement process.

Lessons from the 2020 Safety Day: Senfa, setting the example

Last year, the Safety Day took place on October 6, 2020, with a focus on managing and preventing Covid-19-related risks.

Senfa teams took advantage of this event and this theme to boost employee efficiency. The goal was for each employee to adopt these themes at their own level.

A multidisciplinary team steering the project (QHSE, production, communication, HR, management) rallying all site departments.

The team devised multiple-choice questionnaires, one-on-one meetings, and even a treasure hunt for certain site-specific issues. The participants had to find five words by asking questions related to the concept of safety. These key words represent the five values to share to tackle the health crisis:

- Positiveness
- Autonomy
- Responsibility
- Engagement
- Respect.



Each word is linked to examples of what had been done on site and what could still be improved.

The first letters of these values are used in the word PREPARE, sending the message: "We are prepared for the future."

The organizing team succeeded with its mission: the sparked employee interest and everyone understood the issues related to Covid-19 safety and risk prevention, all in a fun atmosphere despite social distancing measures. Employees provided the teams with very positive feedback.

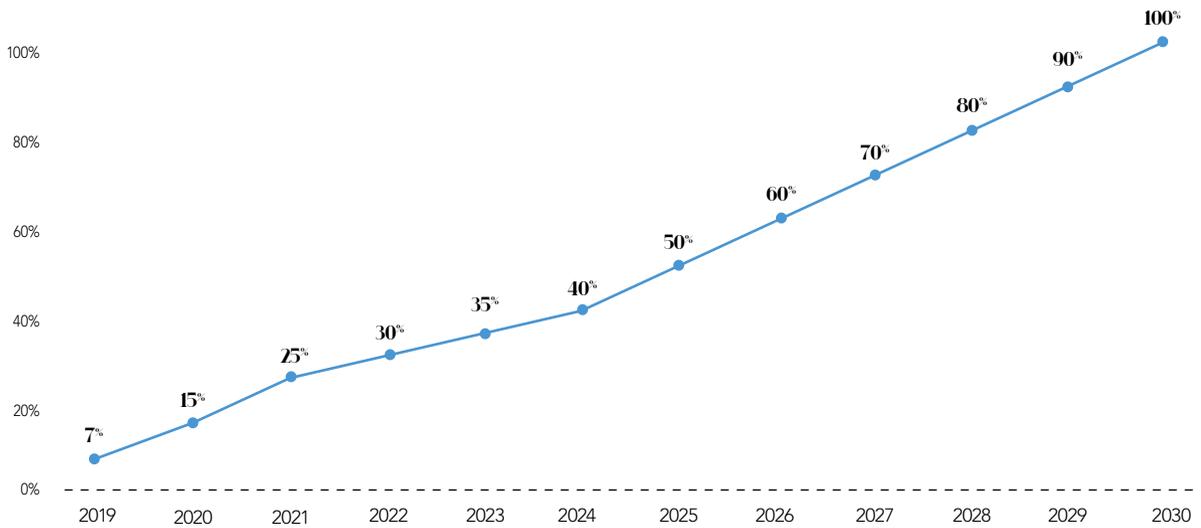
3.5.2 DEVELOPING SUSTAINABLE PRODUCTS THAT FORM THE CORNERSTONE OF OUR BUSINESSES LINES



SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Goal 9.4: By 2030, modernize our infrastructure and adapt our industries to make them more sustainable, via more rational use of resources and increased reliance on clean and environmentally-friendly industrial processes and technologies with each country contributing according to their means.

A key performance indicator: the portion of revenue generated from sustainable products and services.



2020 result: 15%.

This goal represents a more transformative CSR approach, with a strong ambition: 100% sustainable products and services by 2030.

03. Non-Financial Performance Statement

Our action plans

TABLE PRESENTING CHARGEURS' SUSTAINABLE PRODUCTS AND SERVICES (BY BUSINESS LINE)

Sustainable products and services are defined as those that contribute to environmental, social and economic progress while also protecting public health.

Business line	Sustainable product	Description	Our value creation model
CFT*PCC	Sustainable 50[®] range Now the Sustainable 360 [™] range	This product range is the first comprehensive collection of interlinings using eco-friendly materials, in particular BCI cotton (100% BCI cotton used from January 1, 2021), hemp, recycled polyester (GRS polyester), and Bemberg tissue (regenerated cellulose fiber made from Asahi Kasei cotton)	Environmental
CPF	OXYGEN range	OXYGEN vegetal: This protective film is produced from more than 80% biosourced plastic (recycled from sugar cane waste). OXYGEN recycled: This film is produced using more than 20% recycled polyethylene. OXYGEN Lean: An innovative extrusion technology that reduces the amount of raw materials used by at least 20%.	Environmental
	Low Noise	Protective films. Unrolling a standard roll of highly-adhesive film creates the same amount of noise as a concert (or a jackhammer, i.e. more than 100 dB). This is critical when an operator is exposed to this noise for one-quarter of work time. Low Noise technology significantly reduces the noise during unrolling (<85 dB).	Social
CLM	Nativa[™]	Nativa [™] is a label that guarantees the quality and traceability of wool fibers at every stage of the value chain, from the farms where the sheep are raised and sheered, to the clothing items of fashion brands. Each link in the Nativa [™] -certified value chain must comply with the principles defined in its CSR protocols in terms of animal welfare, land management and industrial standards. In this respect, each year, an audit is carried out by an independent firm.	Social, environmentally-friendly and fully traceable
CMS	ALT range ALTERRA ALTIMIS	Technical fabric made from fully recycled materials (each square meter of fabric contains two recycled plastic bottles). The new PEARL range has all the hallmarks of a best seller with a reduced environmental impact of around 25%. ALTERRA won the best product award at the SGIA expo in New Orleans (USA) in 2017.	Environmental
CHS	Lainière Santé[™]	Lainière Santé designs technical healthcare and personal protection solutions. This comprehensive offering includes hand sanitizers, textile solutions for PPE (reusable fabric masks, masks made from recycled fabric, bactericide protective films).	Societal

Our sustainable product offering is constantly evolving, thanks to our Group's pursuit of excellence and our constant innovation, driven by ever-increasing customer demand for more sustainable products that positively impact our planet.

Chargeurs*PCC's Sustainable 50 range, which covers all the business line's high environmental value-added products is a resounding success and was significantly expanded during the year. It was rebranded Sustainable 360[™] in November 2020.

At March 2, 2021, the range included 210 products, 40% of which are made from Global Recycled Standard (GRS) polyester, 80% generating water savings and 32% from SMETA-audited sites. All the cotton we use in this range is produced in line with the Better Cotton Initiative (BCI).

At CPF, the success of our Low Noise products was confirmed in 2020, with more than €5 million generated in revenue (up 30% versus 2019).

CLM generates an increasing portion of business with Nativa[™]-certified fibers. The business line has set a goal of working with 100% Nativa[™]-certified wool by 2025.

Nativa[™] is committed to regenerative agriculture



Thanks to its strong environmental commitment, Nativa[™] plans to go a step further in promoting regenerative agriculture. The first pilot project was launched in 2020. The goal is to apply more exacting standards as regards farming practices and animal welfare.

Regenerative agriculture is more respectful of biodiversity and land quality.

It uses the most sustainable agricultural practices, promoting more responsible land use and boosting land carbon sink potential. It increased animal welfare by providing livestock with better living conditions and better nutrition.

To roll out this project, teams worked in partnership with pioneering regenerative agriculture organizations and their recognized standards to certify regenerative farms. The first pilot project was carried out with farms in Australia which were granted the Nativa[™] certification.

Further out, the goal is to work with more regenerative farms and to train some Nativa[™] farmers in such sustainable practices.

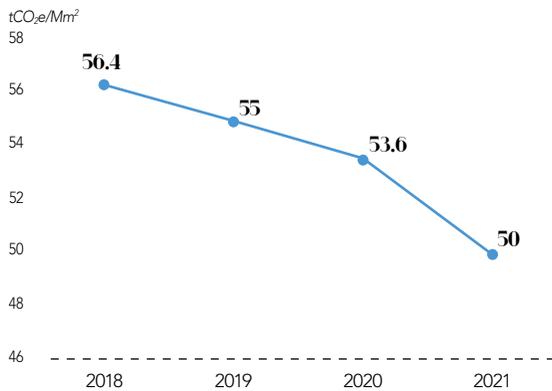
3.5.3 IMPROVING OUR CARBON FOOTPRINT



SDG 13: Take urgent action to combat climate change and its impacts.

Goal 13.2: Integrate climate change measures into national policies, strategies and planning.

Key performance indicator: CO₂ emissions (by production unit).



2020 result: 53.6 tCO₂e/Mm².

Chargeurs is aware of its own carbon footprint and is constantly striving to enact sustainable positive change to reduce it.

Analysis of product life cycles

With the goal of offering customers information of the environmental impact of its products, each year, CPF carries out life cycle analyses (LCA).

This project was steered with the technical support of a firm specialized in calculating emission levels, with water and energy modelling in particular. It enabled life cycle assessments of more than 100 products representing 80% of revenue at Novacel.

The LCAs enable us to provide enhanced and transparent communication on the environmental impact of our products.

[see comments from Sandrine Guibert at Novacel, and from Mark Broderick at Kingspan, a Novacel customer.]

LCAs were also carried out at Senfa on certain product ranges such as ALTERRA, ALTIMIS and SUBLIMIS.

A comprehensive carbon footprint review at the Group level

To boost its eco-friendly credentials, for 2021, the Group plans to complete a comprehensive review of its carbon footprint, including investigation of Scope 3 emissions. Thereafter, a low-carbon climate strategy will be defined.

This is a key large scale project and will be a determining factor in setting the Group's future climate strategy. It was born of the desire to be able to define a realistic carbon trajectory that would be achievable in the coming years.

The goals of this project are:

- to mobilize employees in the fight against climate change;
- to consolidate a major pillar in Group ESG strategy;
- to identify action drivers to reduce our carbon footprint;
- to become autonomous in assessing and steering our climate strategy/carbon trajectory.

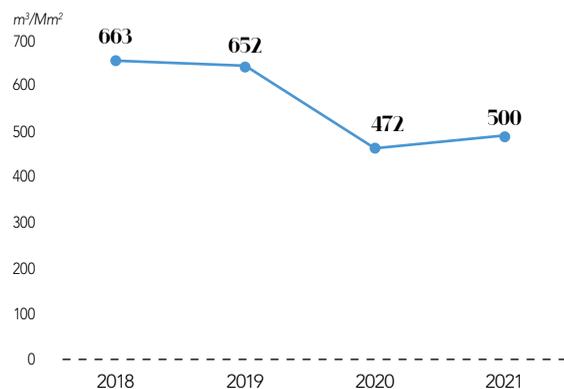
3.5.4 REDUCING USE OF WATER RESOURCES



SDG 6: Ensure availability and sustainable management of water and sanitation for all.

Goal 6.5: By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate.

Key performance indicator: water consumption (by production unit).



2020 results: 472 m³/Mm²

Water resources are scarce and extremely valuable. Our goal is to reduce our consumption as well as all wastage and pollution.

03. Non-Financial Performance Statement

Our action plans

Technical initiatives to ensure a sustainable reduction in water needs

At several of our production sites, projects have been launched to switch to more efficient machines. Within CFT*PCC, 40,000 m³ of water are saved on an annual basis thanks to initiatives to upgrade machines. [Comments from Chris Hill page 99.]

These investments to upgrade our equipment enable better management of water resources, reflecting our continuous efforts at all Group levels to combat water wastage.

An innovative dyeing process: Dope Dyeing

A strategic project to cut water consumption is used in the Dope Dyeing process for fabrics. Use of this process is currently in the testing phase at Lainière de Picardie in France. At this site, water used solely for dyeing accounts for 20% of total water consumption.

With traditional dyeing processes (beam dyeing), it takes 30 liters of water to dye one kilogram of polyester. The Dope Dyeing process involves introducing the dye in liquid form before the thread that makes up the fabric is formed. This means that the water used in the dyeing process can be saved, without affecting the quality of the end-product.

The Dope Dye process enables a reduction in water use of 70-80% compared with traditional dyeing techniques as well as a 7% saving in energy and a reduction in chemicals used of more than 20%.

3.5.5 DEVELOPING THE CIRCULAR ECONOMY



Goal 6.3: By 2030, improve water quality by reducing pollution, eliminating dumping and reducing the emissions of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe water reuse on a global scale.

Goal 9.2: Promote inclusive and sustainable industrialization and, by 2030, significantly raise the industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries.

Goal 12.2: By 2030, achieve the sustainable management and efficient use of natural resources.

Goal 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

As in any manufacturing industry, the Group's operations use natural resources and produce waste. Monitoring and improving the end of life of our products is a major challenge.

Developing the circular economy is an opportunity to transform our business model sustainably and to reduce our environmental impacts, in particular to reduce our carbon emissions.

Transitioning to the circular economy is a challenge in terms of innovation. We strive to ensure recyclability of our products right from the design stage, also ensuring they are made with recycled materials, to promote circular use of our resources.

Monitoring and managing waste production indicators

- Hazardous waste: 909 t (-5%) ;
- Non-hazardous: 10,680 t (+4%);
- Recycled waste: 56%;
- Energy recovery: 14%;
- Landfill: 11%;
- Incineration without energy recovery: 18%.

Producing responsible, recycled masks

A circular economy project is being reviewed for masks. This project was inspired by the observation that used masks are being discarded and are polluting the natural landscape. Added to this, it is our Group's aims to recycle and reuse industrial waste.

The prospective goal is to be able to produce new masks from recycling other masks.

The review of the project was carried out in collaboration with the CETI (*Centre européen des textiles innovants* - the European Center for Innovative Textiles) for materials testing, see CETI testimony page 112, and recycling is carried out by partners.

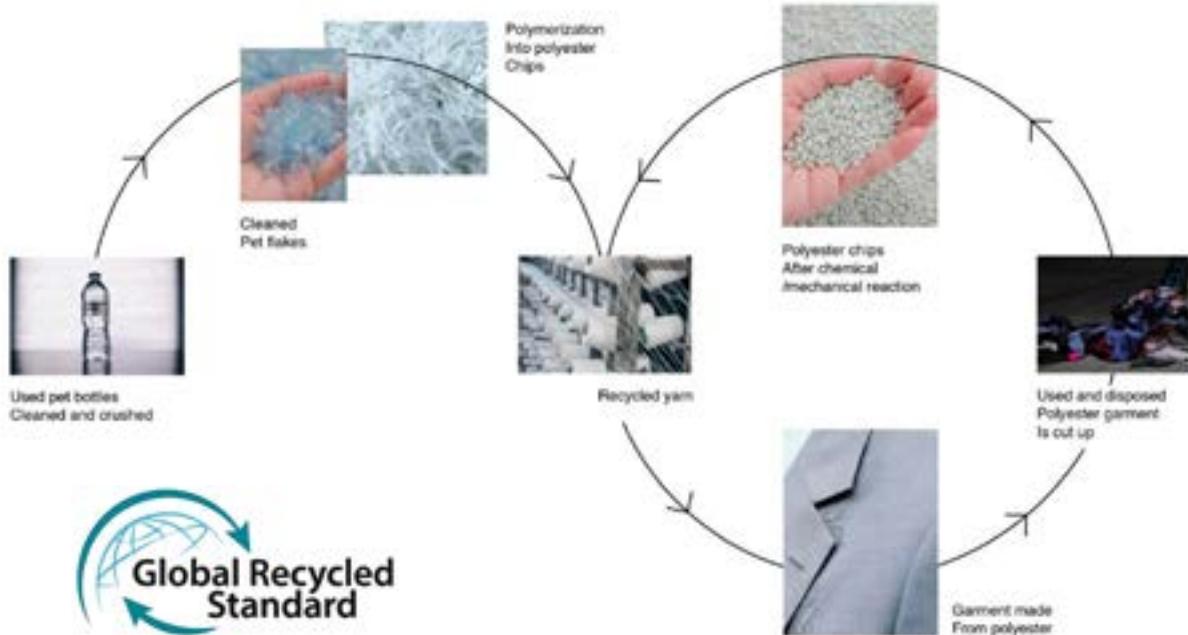
Materials tests are encouraging. There will be two fully-recycled mask types on offer: reusable fabric masks and surgical masks.

Another project, also in the test phase, covers the transformation of disposable surgical masks into plastic pellets, which can then be used as raw materials.

In any case, upstream of these recycling projects, the Group is organized to collect used masks at sites where they have been used to minimize their environmental pollution.

Use of recycled materials at CFT*PCC

40% of the S360 range, formerly S50, is made from Global Recycled Standard (GRS) recycled polyester. The fibers used are created from recycled plastic bottles and polyester clothing items.



3

Wool recycling at CLM

To further its commitment to sustainable development, CLM aims to extend the life of wool and take full advantage of the exceptional qualities this fiber offers.

Based on this ambition, CLM has developed a wool recycling solution for its partner brands which includes collection of surplus wool, sorting, recycling, spinning and delivery of the recycled thread.

As part of the transparency standards for Nativa™, this recycling process is GRS certified and is fully traceable using Nativa™ blockchain technology.

CLM is in the process of concluding initial partnerships with several brands such as Madewell, exchanging information in terms of recycled materials. Recycling is carried out with specialist partners in the Prato region of Italy.



Focus on Lanás Trinidad, a wool combing partner site in Uruguay

Lanás Trinidad has been applying circular economy practices for several years and its achievements have been recognized by the United Nations and the Uruguayan government.

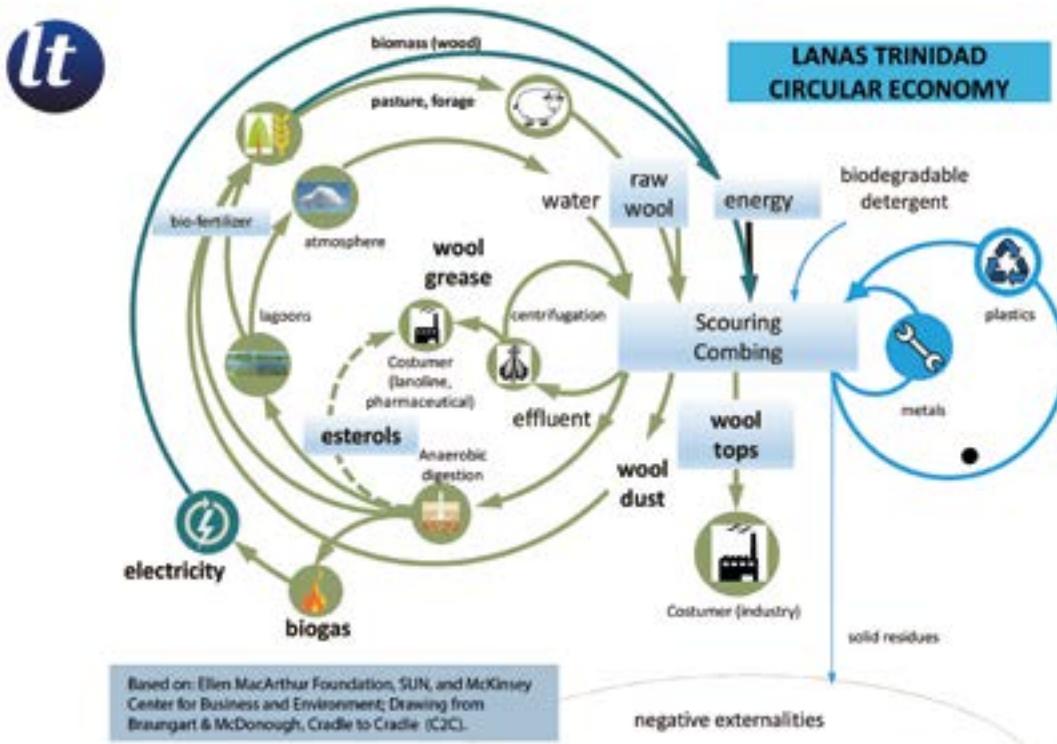
Applying circular economy practices at Lanás Trinidad:

- reduced water consumption, with the collection of one million cubic meters of rain water;

- covers 25-30% of energy needs thanks to the recovery of waste water;
- produces renewable energy thanks to sustainable management of forests and irrigation;
- reuses wool residues and irrigation residues in forage farming.

03. Non-Financial Performance Statement

Our action plans



3.5.6 CHAMPIONING MORE RESPONSIBLE PURCHASING

The way we view our responsibility and our belief that purchasing policies are critical for CSR performance have led the Chargeurs group to actively promote sound, streamlined practices across its supply chain.

This means playing a leadership role and promoting environmentally and socially responsible practices. Much like the Group's own internal oversight mechanism, the Chargeurs Code of Conduct, training, advisory services and skills improvement in this respect require the type of follow-up, dialog and cooperation that is nurtured by close partnerships, i.e., by more than a purely defensive approach linked to risk management. Building these partnerships, which help controls function smoothly, overseeing improvement plans and sharing best practices are all important performance prerequisites that ensure supplier relationships are responsibly managed.

Responsible purchasing charter

A responsible purchasing charter was drawn up in November 2017 and signed by the Group's strategic suppliers.

By signing up to the United Nations Global Compact, the Chargeurs group is committed to promoting and supporting the fundamental CSR principles in its activities. In this spirit, the Chargeurs group offers to work with suppliers to adopt these principles, in line with the following benchmark texts:

- the 1948 Universal Declaration of Human Rights;
- The Conventions of the International Labor Organization in terms of minimum age, child labor, union freedom, right of organization and collective bargaining, ending forced or obligatory labor, promoting equal pay and ending all forms of labor discrimination.

The Responsible Purchasing Charter sets the main lines of our fundamental expectations regarding our suppliers. These principles are the minimum social and environmental requirements we expect of entities involved in the manufacturing of our products to guarantee to our customers that the people who make them are treated decently regardless of where they work. We also expect our suppliers to follow our example in making sustainable commitments in this respect.

Sedex SMETA audits

Chargeurs' production sites have been audited by SMETA (Sedex Members Ethical Trade Audit), a recognized social and ethical audit methodology.

It ensures premium audits, covering all aspects of responsible business practices, including four main CSR pillars:

- Working conditions;
- Health and Safety;
- Environment;
- Business ethics.

In line with the responsible purchasing charter, and SMETA audits, an initial list of Tier 1 strategic suppliers was audited.

These audits will be continued and stepped up in 2021 with more than 25 suppliers.

Better Cotton Initiative



In the pursuit of more responsible raw materials, Chargeurs*PCC has been a member of the Better Cotton Initiative (BCI) since 2019.

The BCI contributes to the success of the United Nations' Sustainable Development Goals (SDGs) for responsible water management and sustainable agriculture. It promotes more responsible agricultural practices. Use of irrigation is limited to ensure better management of water resources. Use of pesticides and chemical fertilizers should be kept to a minimum, to avoid pollution of natural resources, guaranteeing higher quality cotton. Lastly, the BCI guarantees decent working conditions.

From January 2021, 100% of cotton used by CFT*PCC is BCI-licensed.

Teams stepped up supply of BCI-licensed cotton in 2020, with the goal of ensuring compliance with basic human rights by our suppliers. Indeed, following allegations of forced labor and major human rights violations in the Uighur community in the Xinjiang region of China, the BCI halted all activity in the area.

3.5.7 SUPPORTING OUR EMPLOYEES



Goal 4.4: By 2030, substantially increase the number of young people and adults with the skills, particularly technical and vocational skills, needed for employment, decent jobs and entrepreneurship.

Onboarding

To sustain the Group's expansion, particular attention is paid to the talented individuals who make it what it is today. Most of the people who work for Chargeurs' business lines are passionate about what they do. Their commitment is needed to ensure that the quality of Group products and services remains high. "Passion" is one of the Group's values, as are "Commitment," "Boldness," and "Reliability." These values, which are shared by everyone in the Group, must be imparted to new employees as soon as they join.

This is why Chargeurs has developed several programs to welcome new staff, guide talented young employees, and help experienced managers to roll out Group strategy on the ground.

The Onboarding and Executive Talents programs spread a corporate culture that prides itself on high standards by exploring concrete operational problems with program participants.

Training

Despite the disrupted backdrop in 2020, training continued at a high level in our different areas of business. In particular, teams were trained in safety, and prepared the launch of the Novacel Academy, as well as adaptations to the Game Changer management training program.

The following numbers reflect this:

- 13 hours of training per employee on average of the total Group workforce;
- 17 hours of training on average for each manager trainee;
- 19 hours of training on average for each non-manager trainee.

Talent sponsorship to develop in 2021 (CMS)

The CMS business line plans to develop talent sponsorship in 2021. This will enable employees to contribute their expertise to non-profit organizations working for cultural promotion and development.



03. Non-Financial Performance Statement

Our action plans

Partnership with ESMT Berlin



Since 2017, in partnership with one of the leading European business schools, ESMT Berlin, Chargeurs has developed an exclusive course for top managers as part of its Game Changer strategic plan.



In particular, this partnership was built with the Hidden Champions Institute of ESMT, with Chargeurs recognized as a Hidden Champion. **Bülent Gögdün** program director at ESMT Berlin. Commenting on the partnership, Mr. Gögdün said: *“A hidden champion is usually a middle-sized company, not well-known by end-users (therefore hidden) and that operates as market leader in its specific field (therefore champion).”*

The training program seeks to not only consolidate and leverage the knowledge of participants, but also to put their knowledge into practice to roll out the Game Changer strategy. The idea was to go a step further than mere training in a bid to deliver immediate impact.

The program was designed as an ideas incubator, with attention to client needs as its starting point. The support provided by ESMT enabled participants to adopt a renewed and more agile mindset using practical tools and methods.

Mr. Gögdün added: *“For me, two main things happened. We could create ideas that support the Game Changer Plan, and participants learned a different way to work.”*

“The program involved all managing board members who came to Berlin at the end of the sessions, to listen and challenge the ideas.” From these ideas, several were implemented such as the Online Academy at Chargeurs*PCC and Smartech Protection at CPF.

Today, the partnership reinvents itself around exchanges between ESMT and Chargeurs to include the Group’s new strategic position Leap Forward. The goal of the next session in 2021 will be to guide employees in the Group’s expected evolution by 2025, regarding its ability to enhance its assets and its organic growth.

3.5.8 ENSURING THE SUSTAINABILITY OF OUR EXPERTISE

Novacel Academy



The goal of the Novacel Academy is to sustain and communicate our expertise and knowledge, to train future talents and to create the best teams to guarantee the highest quality of our products.

Anne Loison, Novacel Academy Manager, commented: *“As induction techniques were not taught at schools, we have created our own training programs for the transfer of knowledge specific to Novacel businesses.”*

The training modules and the integration plan were developed in-house. Acquisition of the necessary skills is mainly achieved with practice and experience. The training is provided by experienced employees, who share their knowledge and discuss with participants. Participants are also included in workshop teams.



The Novacel Academy was inaugurated on February 1, 2021, and is hosting its first class of professional work/study students for a year of highly skilled training.

Very soon, the Novacel Academy could build on the competencies of pre-qualified employees on-site, with a focus on upskilling. The training course could be rolled out to the different CPF sites. Some courses could also cover customer training.

PROFILING OUR GROUP WORKFORCE

Evolving through their activities in an international environment since the Group was founded in 1872, Chargeurs' staff have diversity in their DNA.

2,228
Total employees

25
languages spoken

GENDER EQUALITY

31%
of women employees

31%
of women executives

28%
in the Top 50

Figures on gender equality that remained stable, confirming the Group's ambition to ensure fair representation of women at all levels.

First-time appointment of a woman in charge of a manufacturing site – Sandrine Hornecker, Senfa General Manager.

DISABILITIES

3.3%
of staff in France with disabilities

Chargeurs recognizes the employment challenges presented to people with disabilities. As such, the Group intends to launch initiatives that support access on its sites.

TURNOVER

12%
a declining figure for several years.

SUBSIDIARY-FOCUSED SOCIETAL INITIATIVES

22

initiatives launched by subsidiaries the world over. Partnerships with schools and environmental non-profit organizations and sponsoring.

03. Non-Financial Performance Statement

Our stakeholders share their experiences

3.6 Our stakeholders share their experiences

CHARGEURS HEALTHCARE SOLUTIONS



CERTAM is a center of innovation and technological exchange located near Rouen in Normandy (northern France). The convergence of skillsets prompted them to answer a call for tender from the General Secretary of the French defense procurement agency (*Direction Générale de l'Armement - DGA*) to act as a relevant third-party partner to conduct testing and assessment of the performance of so-called "mass-market" masks (fabric, washable and reusable 50 times).

When the Group decided to redirect production in favor of masks, it turned to CERTAM to conduct the tests needed to deliver high-quality masks.

Frédéric Dionnet, CEO at CERTAM, commented: *"We have three businesses with Chargeurs: a laboratory which provides support to the teams in the design of new products, a rigorous mask certification procedure, and, lastly, a more marketing-focused business to support teams in promoting the product."*

Teams rapidly built up a relationship of mutual trust. *"We are hands-on people and we were able to exchange with hands-on people. We had an easy-going and smooth business relationship. Right away, we wanted to work with the teams. At a human level, we were confident and felt at ease right from the start."* This relationship was strengthened when CERTAM teams visited the Lainière de Picardie plant in December 2020.

CERTAM is committed to CSR practices and, in this respect, has been granted the Ecovadis Gold rating. *"For several years we have been working in favor of the environment. Since we work towards addressing social challenges, it is part of our corporate culture. We foster creativity, it is the basis of innovation and our core business."* For Frédéric Dionnet, CSR in mask production is also about keeping French industry alive with production sites such as Lainière de Picardie.

CHARGEURS*PCC FASHION TECHNOLOGIES



The CETI is positioned as a transformational player in the textile sector promoting circularity and sustainable development. **Isabelle Cornu**, Head of Marketing, Business Developer of Sustainable Innovation, supports companies in their CSR strategies.

Isabelle Cornu explains to us: *"Last year, we started exploring mechanical recycling with CHARGEURS based on the group ambition to internalize recycling facilities for its customers and own leftovers."*

Several tests were carried out on different recycling techniques and different mask types to explore potential solutions. Thermodynamic recycling via densification, is to be tested during the year. This method will enable the transformation of masks into pellets which can then be formed into thread and woven to make fabric or used in unwoven material. Upon completion of these test phases, the CETI will be able to advise the Group on the best solution to adopt.

"There is great dialogue between the teams. Communication is very frequent, and very fluid. It is as if we were all part of the same company, we really felt like we were a Chargeurs laboratory for this particular project."

These tests will also contribute to European research and innovation projects for textile recycling via densification promoting the circular economy for masks.

"CETI is very proud to be part of this sustainable route, matching with it's mission to accelerate circular economy. Each project in this scope help Textile community go beyond actual technical barriers."

Tamara Davydova is the founder and creative director of the emerging brand Minimalist, built on circular economy principles.

*"I created Minimalist with a commitment to circularity and purity of design using the best-quality materials. Each garment is designed with the intention of being fully recyclable at the end of its lifecycle. My commitment isn't just to what you see on the outside of a garment; inner components or as I call them "ingredients" are just as important. The Sustainable 360™ line from Chargeurs*PCC allows me to source high-quality sustainable inner components that align with my vision of creating a circular fashion brand."*



Tamara Davydova wearing the sustainable shoulder pads of Chargeurs*PCC's Sustainable 360™ range

CLAUDIE PIERLOT

PARIS



Claudie Pierlot is an iconic Made in France ready-to-wear brand and a long-standing customer and partner of Chargeurs*PCC. For a number of years, the House has focused on sustainable product ranges developed by Chargeurs*PCC.

Amélie Bouché is Sourcing Manager at Claudie Pierlot and has worked as CSR Ambassador for three years on the Claudie Cares project. In particular, the brand aspires to make 80% of its ready-to-wear products eco-designed by 2025. "We care deeply about going a step further with our partners and suppliers to drive forward eco-design."

CLAUDIE CARES

Marie-Ange Guesnel works as Production Manager at Claudie Pierlot and is a member of the *Claudie Cares* committee. Marie-Ange contributes to the eco-design of products that will be labeled *Claudie Cares* and monitors progress on sustainable collections for the brand.

*"We started with the Chargeurs*PCC teams by launching eco-designed thermobonding, which enabled us to take a step further than the initial goal we had set since we initiated work on in-house garment supplies, which is particularly challenging."*

Commenting on relations with Chargeurs*PCC teams, Marie-Ange said: "We are pleased to partner up with Chargeurs. Our professional relationship dates back a long time and there is an attachment to the brand. Our relationship is founded upon genuine trust and we collaborate in a consultancy capacity. What's more, we were supported in our CSR strategy."

Commenting on the growing influence of CSR on the Claudie Pierlot brand, Amélie said: "I think that the pandemic we are currently navigating has accelerated consumer awareness of the importance of CSR both on a global and local scale. At Claudie Pierlot, we have spent several years working on such issues. Now really is the time to go one step further in an effort to meet the demands of increasingly informed consumers."

CHARGEURS PROTECTIVE FILMS



Kingspan is a leading, global building materials supplier based in Ireland, with an ambitious CSR approach ("Planet Passionate"). The relationship between Kingspan and Novacel was strengthened from 2018 to become a genuine partnership, strong at both the local and Group levels.

"In the current context, it is important to have a robust supply chain, with good suppliers who ensure continuity and added value." commented Mark Broderick, Procurement Director.

"I think we have a very very good relationship with Novacel teams, who have been very professional in their approach with us, and who have been working with us on sustainability. I suppose we don't have all the answers, but we are finding a way to have a more sustainable supply chain and sustainable materials and I think the teams are very open and very proactive to get that done."

"We are looking for holistic solutions, to make sure we have a continuous improvement process for the coming years that enhances both our business and the business at Chargeurs as well."

Kingspan is firmly focused on reducing its carbon footprint. In 2020, the Group benefited from Novacel product life cycle reviews, providing comprehensive information on the carbon footprint of each product. "We need to work with our suppliers because they account for the largest share of our carbon footprint."

Kingspan and Novacel are currently working on the most innovative products: "We are always on the lookout for the most sustainable materials."

In November 2019, Novacel took part in Kingspan's "Suppliers Day," an event that brought together the most innovative suppliers.

CHARGEURS MUSEUM SOLUTIONS



Prologis is a US investment fund specialized in logistics real estate. Active in 19 countries across four continents, Prologis manages more than 4,500 buildings and its business creates around 850,000 jobs.

Francesca Hawken is Marketing Manager for Prologis UK, which manages 22 logistics parks in the United Kingdom.

Leach began providing Prologis with its solutions in early 2019. The teams quickly forged a close relationship, with a focus developing a highly environmentally-friendly offering.

Leach provided innovative screening solutions using the Alterra range using recycled plastic bottles. Leach then successfully provided a cost-effective solution with the use of fully recyclable materials including 750 recycled waste plastic bottles.

"In such an initiative, you must absolutely focus on the environmental value of the products." "We needed solutions and the teams came up with a compelling idea. After several testing phases, it worked really well, and the sustainability of the materials gives us a real competitive edge."

"At Prologis, we pride ourselves on the knowledge that product quality has not been impacted. Working with Leach has proven to us that we did not have to compromise on quality and that we were in a position to charge a reasonable price. It is in everyone's best interests to transition towards more sustainable products."

03. Non-Financial Performance Statement

Our stakeholders share their experiences

CHARGEURS LUXURY MATERIALS

Madewell

Madewell is a ready-to wear brand of the USQ group J.Crew. It became one of the group's flagship products with huge success and is positioned in favor of sustainable development.



"Sustainability has become a key focus at Madewell and we believe that all businesses should have a positive impact on the world." said Gonzalo Pertile, CSR manager at J.Crew group.

Gonzalo Pertile tells of the partnership with the CLM teams:

"We started our relationship with Chargeurs about 2 years ago. Since the beginning we aligned on our shared values around sustainability, caring for the planet and our communities, and that's how we began our journey to source responsibly produced wool from certified Nativa™ farms from around the world. Our teams at Madewell work very closely with Chargeurs and we value the strong partnership that we have been able to build. This is a partnership that continues to evolve as we both further our commitments to social and environmental responsibility."

Madewell announced a series of commitments in March 2020. Between now and 2025, 100% of key fibers used in Madewell products will be ethically and sustainably sourced and will not include any virgin plastics. *"Having partners like Chargeurs is essential to the success of our sustainable development strategy."*

The CLM teams accompany the brand in meeting this goal by guaranteeing fibers from farms that take a rigorous approach to animal welfare, responsible land management and ethical working conditions.

Attentive to customers, Madewell aims to increase the transparency of its products. In this connection, Nativa™ provides completely traceable wool from the farm to the end product, thanks to blockchain technology which informs the customer of the different stages of the production chain.

"We are excited to continue partnering with Chargeurs in innovative ways that result in a positive impact for the farmers, the sheep and the environment."



Napapijiri is a key brand of US group VF Corporation. **Hermin Uzer**, product development manager and **Silvia Villa**, head of marketing and communication, give us their point of view on the partnership built with CLM.



"From a product perspective, the most valuable part is the clarity on the whole supply chain that Nativa™ has been giving us, the full traceability, the Blockchain in that direction, which helped us choose NATIVA™: this is the biggest difference with other certifications, Nativa™ covers a lot more." explained Hermin Uzer.

Silvia Villa: *"From a marketing perspective, the support has been amazing, both in Blockchain and the willingness to collaborate has been really a case of co-creation"* She added: *"The openness is really valuable. In the content creation process, it could have been a struggle (for instance) sending a photographer to Patagonia to our farms and actually being able to photograph and interact with two farmers who take care of producing wool for Napapijiri, we were able to feature that in our campaign. On top of the valuable product, a lot of added value has to do with the cooperation and support."*

Napapijiri and VF Corporation continue with their ever-more ambitious sustainable development strategy. Sourcing ethically produced wool is one of their goals.

"The quality of the product changes based on how we are able to make things. It goes above and beyond the quality itself."

This strategy is also in line with changing consumer expectations which has intensified since the health crisis. *"Consumers are much more conscious in everything they are buying, there is a mindset change. There is a different sense of responsibility and consciousness. We are being more conscious about the consequences of our choices."*

3.7 Cross-reference table

Main challenges and Group goals	Strategic initiatives	Indicator(s) to watch	2020 results	KPI
Guaranteeing the safety of our employees Legal requirements aside, the Group is committed to progress on	<ul style="list-style-type: none"> Strengthened protocols Safety Day 	Occupational accident frequency rate	3.8%	3.8%
Developing sustainable products that form the cornerstone of our business lines Developing high value-added products in the context of environmental, social and societal challenges.	<ul style="list-style-type: none"> Developing new ranges, strengthening commitments 	% of revenue generated by sustainable products	€124,933,146	15%
Improving our carbon footprint Limiting our impact on climate change primarily means managing our use of energy resources.	<ul style="list-style-type: none"> Initiatives to reduce energy consumption at all our production sites Life cycle analyses and carbon review 	Change in carbon emissions by production unit (<i>million sq. m</i>)	53.6 tCO ₂ /million sq. m	-2%
Reducing use of water resources Guaranteeing controlled use of this rare and precious natural resource.	<ul style="list-style-type: none"> Initiatives to reduce energy consumption at all our production sites New Dope Dye dyeing process 	Change in water consumption in cubic meters by production unit	472 m ³ /Mm ²	-28%
Developing the circular economy The circular economy produces similar results using less energy, less water, fewer raw materials while generating less waste and less pollution. It also encourages innovation and the development of eco-friendly products.	<ul style="list-style-type: none"> Promoting production sites' circularity Ensuring product recyclability Designing recycled products 	Change in total waste in metric tonnes per production unit	12 tonnes / Mm ²	+6%
Championing more responsible purchasing Ensuring respect for human rights through a strong and effective supply chain and the implementation of responsible practices at each stage in the process is an ongoing challenge for the Group.	<ul style="list-style-type: none"> Responsible purchasing charter SMETA Sedex audits of production sites and a list of suppliers 	Number of on-site (supplier) CSR audits performed	6	+6
Supporting our employees Guaranteeing effective training to our employees, onboarding new recruitments, developing and managing talents are all key strengths for our fast-growing Group.	<ul style="list-style-type: none"> Training plans for all employees Developing comprehensive training programs 	Change in the number of training hours per employee	13 hours	-32%
Guaranteeing the independence of Board members.		Ratio of Independent Directors	3 Independent Directors	50%
Ensuring director attendance		Director attendance	98%	98%
Ensuring proper representation of women in Group governance.	<ul style="list-style-type: none"> Women in management 	Percentage of women in the Group's TOP 50 executives	14 women	28%
Ensuring animal welfare.	<ul style="list-style-type: none"> Rollout of Nativa audits to guarantee animal welfare 	Number of Nativa™ certified farms:	234	234

03. Non-Financial Performance Statement

Summary table of social indicators

3.8 Summary table of social indicators

Number of employees	Definition	Measurement unit	12/31/2018	12/31/2019	12/31/2020
Total employees	Employees on payroll at December 31	Employees on permanent and fixed-term contracts	2072	2095	2228
Use of temporary employment	Temporary personnel	% of total workforce on long-term + short-term contracts	2.46%	6.55%	7.59%
Employees by business	Group employees by business	Headquarters	24	24	27
		Protective Films	720	724	721
		PCC Fashion Technologies	1129	1126	1076
		Museum Solutions	175	189	375
		Luxury Materials	24	32	27
Employees by region	Group employees	Europe	955	995	1083
		Of which France	577	599	591
		Asia (incl. Africa/Oceania)	789	778	744
		Americas	328	322	401
	Chargeurs Protective Films	Europe	70%	71%	72%
		Asia (incl. Africa/Oceania)	4%	4%	4%
		Americas	25%	25%	24%
	Chargeurs*PCC Fashion Technologies	Europe	21%	22%	22%
		Asia (incl. Africa/Oceania)	67%	66%	66%
		Americas	12%	12%	12%
	Chargeurs Museum Solutions (CMS)	Europe	100%	100%	76%
		Asia (incl. Africa/Oceania)	0%	0%	0%
		Americas	0%	0%	24%
	Chargeurs Luxury Materials (CLM)	Europe	46%	50%	41%
		Asia (incl. Africa/Oceania)	17%	13%	15%
Americas		38%	38%	44%	
Gender parity	Group employees	Number of men	1,452	1,434	1,535
		Number of women	620	661	693
		Percentage of women	30%	32%	31%
Training hours	Time spent in training	Average training hours per person	17 hours	19 hours	13 hours
Accidents	Frequency rate: number of occupational accidents per million hours worked	Occupational accidents resulting in at least one day lost time	11.41	10.17	3.8
		Severity rate: number of days lost per thousand hours worked	0.57	0.39	0.16
Payroll costs	Annual payroll costs (in € millions)	Employees of fully consolidated companies worldwide	92.3	98.9	116

3.9 Independent third-party report

REPORT BY THE AUDITING BODY

For the year ended December 31, 2020

To the Shareholders,

As requested by Chargeurs SA (hereinafter the "entity") and in our capacity as an independent third party certified by COFRAC under number 3-1081 (whose scope is available at www.cofrac.fr), we hereby report to you on the consolidated non-financial performance statement for the year ended December 31, 2020 (hereinafter the "Statement"), included in the Group management report pursuant to the legal and regulatory provisions of articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code)

The entity's responsibility

Pursuant to legal and regulatory requirements, the Board of Directors is responsible for preparing the Statement, which must include a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented in light of those risks and the outcome of said policies, including key performance indicators.

The Statement has been prepared in accordance with the guidelines used by the entity (hereinafter the "Guidelines"), the main elements of which are presented in the Statement.

Independence and quality control

Our independence is defined by the provisions of article L. 822-11-3 of the French Commercial Code and the code of conduct of the profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

Report by the independent third party

On the basis of our work, our responsibility is to provide a reasoned opinion expressing a limited assurance conclusion on:

- the consistency of the Statement with the provisions of article R. 225-105 of the French Commercial Code)
- the fairness of the information provided in accordance with article R. 225 105 I and II of the French Commercial Code, i.e., the outcome of the policies, including key performance indicators, and the measures implemented in light of the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions, in particular the French duty of care law and anti-corruption and tax evasion legislation;
- the consistency of products and services with the applicable regulations.

Nature and scope of our work

We performed our work in accordance with the standards applicable in France defining the conditions under which the independent third party performs its engagement and with ISAE 3000.

Our work was conducted between January 4, 2021 and February 25, 2021, for a total of around 15 person-days.

We conducted 12 interviews with the people responsible for preparing the Statement.

03. Non-Financial Performance Statement

Independent third-party report

Our procedures allowed us to assess the consistency of the Statement with regulatory provisions and the fairness of the Information:

- we obtained an understanding of all the consolidated entities' activities, the description of the labor and environmental risks associated with their activities, and the impact of those risks on compliance with human rights and anti-corruption and tax evasion legislation, as well as the resulting policies and their outcomes;
- we assessed the appropriateness of the Guidelines with respect to their relevance, completeness, reliability, objectivity and understandability, with due consideration of industry best practices, where appropriate;
- we have assessed that the Statement covers each information category provided for in paragraph III of article L. 225 102 1 in terms of social and environmental criteria as well as regarding upholding human rights and fighting against corruption and tax evasion;
- we verified that the Statement presents the business model and the principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships and products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators;
- we verified, where relevant with respect to the principal risks or the policies presented, that the Statement provides the information required under article R. 225-105
- we assessed the process used to identify and confirm the principal risks;
- we asked what internal control and risk management procedures the entity has put in place;
- we assessed the consistency of the outcomes and the key performance indicators used with respect to the principal risks and the policies presented;
- we verified that the Statement covers the scope of consolidation, i.e., all the companies included in the scope of consolidation in accordance with article L.; 233-16
- we assessed the data collection process implemented by the entity to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative results that we considered to be the most important, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities⁽¹⁾ and covers between 8% and 61% of the consolidated data relating to the key performance indicators and outcomes selected for these tests⁽²⁾.
- – we referred to documentary sources and conducted interviews to corroborate the qualitative information (measures and outcomes) that we considered to be the most important;
- – we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgment, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the Statement cannot be totally eliminated.

Conclusion

Based on our work, nothing has come to our attention that causes us to believe that the non-financial information statement is not in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly and in accordance with the Guidelines.

Lyon, February 26, 2021

FINEXFI
Isabelle Lhoste
Partner

(1) *Main Tape in the US, Etacol in Bangladesh, Novacel and Senfa in France*

(2) *Selected information listed in the appendix.*

APPENDIX: LIST OF CSR INFORMATION THAT WE CONSIDERED TO BE THE MOST IMPORTANT

Key performance indicators and other quantitative indicators:

- Total workforce;
- Arrivals/Departures;
- Number of training hours per employee
- Number of work accidents;
- Amount of water consumed;
- Quantity of electricity consumed;
- Quantity of natural gas consumed;
- Total green house gas emissions;
- Quantity of non-hazardous waste produced;
- Quantity of hazardous waste produced;
- Waste processing;
- Sustainable products and services.

Qualitative information (measures and outcomes):

- Code of Conduct;
- Global Compact support;