

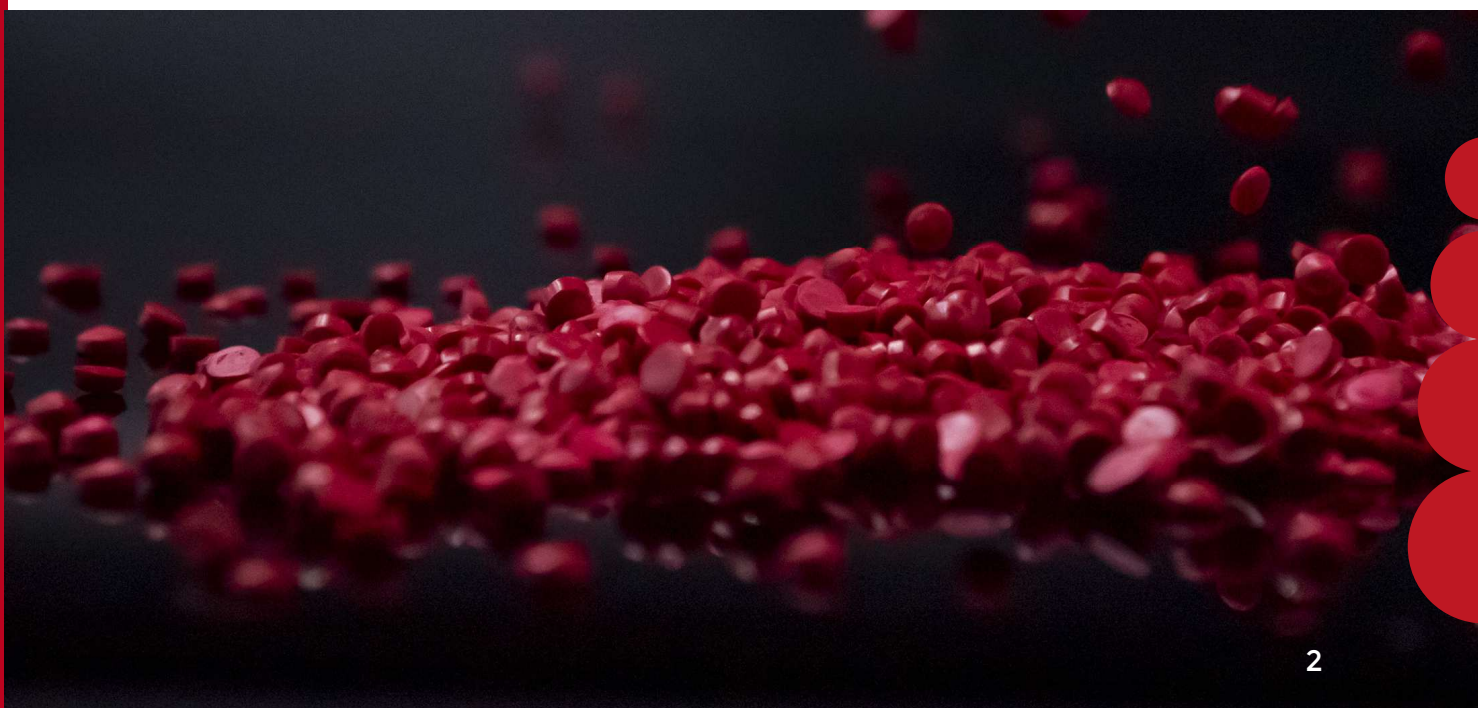


**SUSTAINABILITY  
REPORT  
2022**

# TABLE OF CONTENTS

- MESSAGE FROM THE CEO	4
- PRESENTATION OF THE COMPANY	6
- VALUE, VISION, AMBITIONS	11
- THE VALUE WE CREATE	12
- OUR ESG PERFORMANCE AT A GLANCE	14
- OUR VISION FOR BENVIC	16
- WHY POLYMERS	24
- SUSTAINABILITY AND PLANET	26
- SUSTAINABILITY AND PEOPLE	28
- SUSTAINABILITY AND SUPPLIERS	32
- REGULATIONS	34
- OUR AMBITIONS	36
- OUR COMMITMENT TO THE SDGs*	40
- BENVIC'S SIX PLEDGES FOR STAKEHOLDERS	43
- CREATE LASTING RELATIONSHIPS WITH OUR CUSTOMERS	45
- TAKE CARE OF OUR EMPLOYEES	53
- RESPECT THE PLANET	61
- CREATE VALUE TOGETHER WITH INVESTORS	73
- PROMOTE RESPONSIBLE PROCUREMENT WITH OUR SUPPLIERS	77
- WORK WITH LOCAL COMMUNITIES	82
- A NOTE ON INDICATORS AND CORRESPONDENCE TABLES	86

\* Sustainable Development Goals





PVC 257 RF

# MESSAGE FROM THE CEO



“ 2022 was meant to be a time of healing and renewal. After the crises and upheavals that marked the start of the decade, we hoped for a respite, for a time of rest and recovery. The past year partly fulfilled this promise.

Benvic continued its steady growth while strengthening its core business and forgetting about masks, vaccines and whatnot.

Nevertheless, the global economy experienced difficult challenges, bringing recession into their wake. Some of our factories, notably in Europe, are now faced with a deflating rather than a recovering economy. Thankfully, after what the company went through during the last years, we know that we can overcome these hurdles by working together with our employees, our suppliers and our customers. Knowing the extent of our resilience gives us strength.

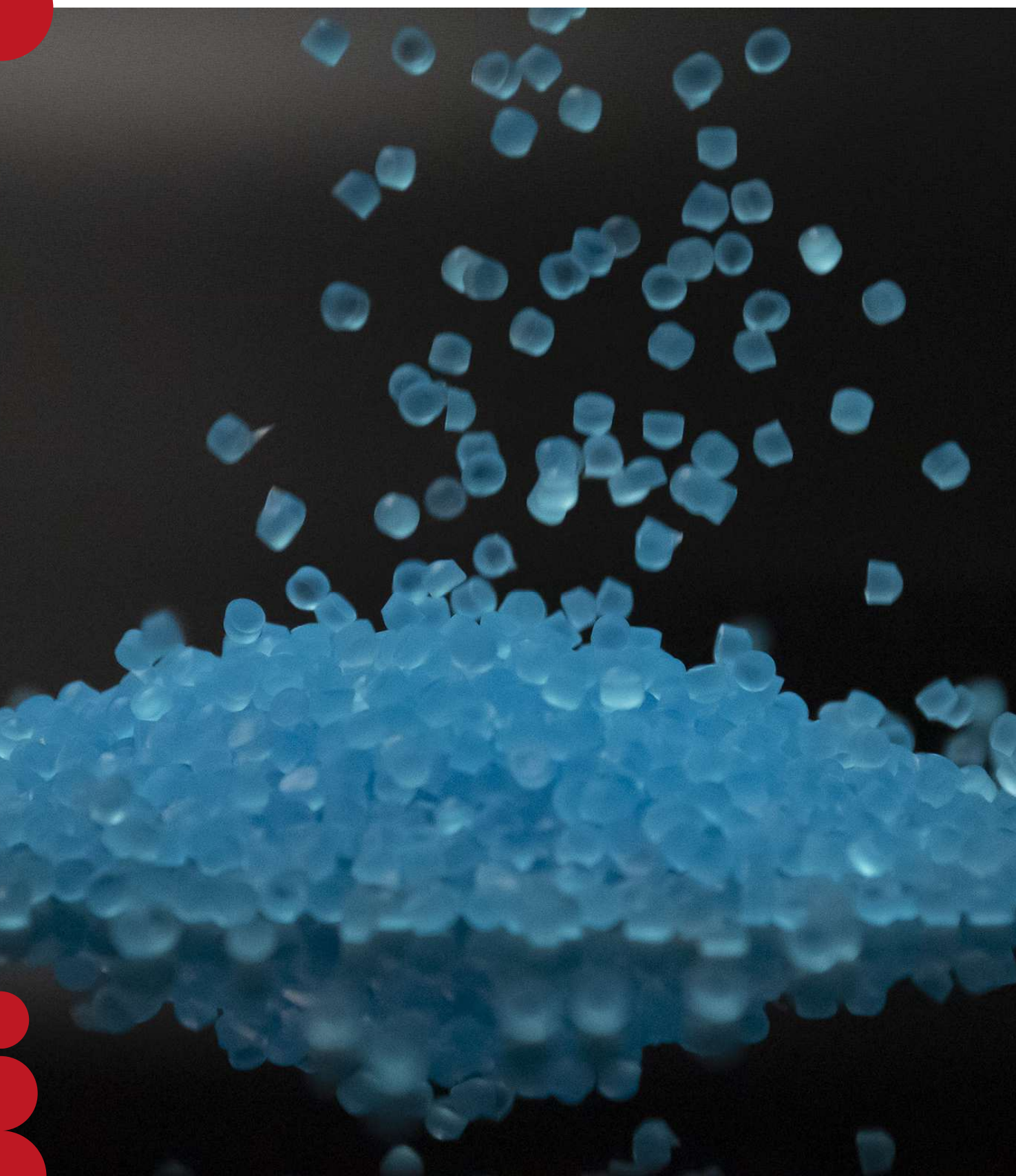
One of the keys to our success in the face of adversity resides in our supportive but flexible management system and organisation. Benvic champions its entities and the individuals who give them life, leaving them room to breathe, solve issues and innovate. Every challenge becomes an opportunity, every problem reveals a strength.

Our engagement for fundamental values is another part of the secret of our achievements. We share strong commitments to environmental, social and ethical goals with our partners and our customers. Excellent, forward-looking business practices must and do take these matters to heart, doing their part to build a society respectful of all life. With that in mind, Benvic reaffirms its pledges to the pillars that have made our success: Innovation, Governance and Sustainability.

Benvic and the industry more generally need to keep developing new, more sustainable and harmonious business practices. Our teams have been working for years to increase the proportion of green energy used in our plants, to reduce and better manage waste, to find more sustainable materials, to improve our recycling technology and capacity. These efforts bring results. In 2022, Benvic was awarded a gold medal from EcoVadis for its ESG practices. We also achieved (scopes 1 and 2) carbon neutrality for the third year in a row, reducing our CO2 emissions by more than 60%.

The times to come will be challenging, there is no doubt about that, but Benvic proved time and time again that it possesses the resources to forge ahead. In 2023, Benvic will celebrate 60 years in the business. With the expertise and dedication of our employees, coupled with the conviction that sustainability is key to our shared future, I have no doubts that this anniversary is but the beginning of a long, compelling story. Let it begin... ”

Luc Mertens, CEO



**THE GLOBAL EXPERT FOR TAILOR-MADE  
THERMOPLASTIC COMPOUNDS &  
ALTERNATIVE SOLUTIONS**

# PRESENTATION OF THE COMPANY

Benvic is an international company quickly expanding to become one of the global references for outstanding thermoplastic solutions, and the largest independent European PVC compounder. Our highly customised, state-of-the-art formulas are designed to bring value to the end product, and to make the world a better, more humane place.

We offer one of the most comprehensive catalogues of products and solutions, including PVC compounds, high-performance precision polymer compounds, cutting-edge biopolymers, halogen free blends and recycled PVC. We operate in all types of industries, in particular medical & healthcare, construction, wire & cables, and we are constantly increasing our inventory and our reach. Our products are building blocks used to make essential equipment and objects, from the most familiar and mundane to the most specialised.

Benvic is a corporation built on expertise, innovation and the constant strive for excellence. We are a company of designers, manufacturers, problem solvers and pioneers, and we will never settle for the 'good enough'. From ideas to implementation, our engineers work closely with our suppliers and our clients to develop outstanding solutions for every need.

At the heart of our approach is a profound respect for our products and for our partners. Benvic invests to meet the technological, functional and environmental challenges of the future, strong in the belief that lucrative corporations can create value and be a force for good.

## OUR LOCATIONS

Headquartered in Dijon (France), Benvic employs circa 600 people all over the world. Our employees are engineers, workers, makers and solution finders.

The group currently operates a total of 8 production sites in France, Italy, Spain, Poland, the United Kingdom and the United States. We also have 2 sales offices in Belgium and Germany. Through their cultural, geographical, functional and size diversity, our local entities are one of the keys to our success and versatility.

Benvic exports its products to over 60 countries worldwide. Currently, our most important markets are in Europe, but we are expanding our operations towards new horizons.

### BENVIC U.S.



### BENVIC EUROPE



#### Our plants:

#### MEDICAL, WIRE & CABLE

-  → BENVIC CHEMRES  
Chesapeake, Virginia
-  → BENVIC TRINITY  
West Unity, Ohio

#### Our plants:

#### PVC & ENGINEERING POLYMERS

-  → BENVIC Chevigny-Saint-Sauveur
-  → BENVIC EREPLAST Porcieu Amblagnieu
-  → BENVIC Montornès del Vallès
-  → BENVIC Ferrara
-  → BENVIC DUGDALE Sowerby Bridge
-  → BENVIC Alfa PVC Witkowo

#### MEDICAL *Both entities were sold in November 2022*

-  → BENVIC MODENPLAST MEDICAL  
Ubersetto
-  → BENVIC Luc & Bel Carpi

#### Our products & services:

We produce thermoplastic solutions sold in more than 60 countries:

- PVC compounds and premixes (flexible and rigid PVC, stabilizers, alloys);
- Techno-polymers and biopolymer-based solutions;
- Custom compounds for medical-grade applications.

We propose an all-encompassing approach with a broad range of services, from needs assessment to in-house or on-site testing, or trading & logistics.

# ECOVADIS

## NOTHING LESS THAN GOLD

At Benvic, we have long been working on improving our ESG management. We strongly believe that companies have a crucial role to play in the necessary shift to a circular, humane and stakeholder-based economy. Over the years, we have implemented numerous improvements both at the Group level and in each of our locations, and we continue to strive and do better.

It is therefore with great satisfaction that we can announce that we earned a gold medal for 2022 in the independent assessment of our ESG practices by EcoVadis, the global reference for business sustainability ratings. EcoVadis evaluates corporations through four lenses: Environment, Labour & Human Rights, Ethics, and Sustainable Procurement. Our score places us in the top 5% of companies appraised in our industry. With more than 100,000 companies assessed in more than 175 countries and 200 industries, this is not a small feat.

Our environmental and social practices were particularly commended. Our extensive efforts to reduce our carbon footprint, for instance, have proved highly successful and explain in part our great result in the assessment. Amongst our strengths, EcoVadis also praised our bio-based innovative products, our ESG training programmes, our ISO certifications or our monitoring and improvement programmes (energy consumption, air pollutants, fugitive emissions, and so on).

Besides the recognition of our efforts to be leaders in a more sustainable and respectful industry, EcoVadis' assessment also provides valuable guidance in the ways we can better our performances. In particular, it confirms our strategic goal to keep upgrading our supply chain, and to work hand in hand with our suppliers to ensure a better ESG management from the origin to the end of our products.

This recognition of our successes and progress leaves us energised for the work ahead. We are mindful of our responsibility towards our stakeholders and employees. They have always played a key role in our growth and our accomplishments - they are the ones who ran the races that earned this gold medal. With them at our side, we are confident we will carry on our ethical business practices and further improve our positive ESG impact on the world.

**More,  
forever,  
naturally.**

### Overall score – top 5%

The Benvic Group is in the top 5% of companies rated by EcoVadis in the Manufacture of plastic products industry.

### Environment – top 3%

The Benvic Group is in the top 3% of companies rated by EcoVadis in the Manufacture of plastic products industry.

### Labor & Human Rights – top 8%

The Benvic Group is in the top 8% of companies rated by EcoVadis in the Manufacture of plastic products industry.









**VALUE, VISION,  
AMBITIONS,  
COMMITMENTS**



# THE VALUE WE CREATE

## ENTITIES INCLUDED IN THE SCOPE OF THIS REPORT:

Benvic Group Holding, Benvic Chevigny-Saint-Sauveur, Benvic Ereplast, Benvic Ferrara, Benvic Montornès Del Vallès, Benvic Alfa PVC, Benvic Dugdale PVC, Benvic Modenplast Medical\*, Benvic Chemres, Benvic Trinity and our sales subsidiaries in Belgium and Germany  
 \* Until 17 November 2022

## BENVIC'S MISSION

We strive to build value throughout the chain of production and to contribute to a better, more efficient and more sustainable world. With the expertise of an international group and the flexibility of our local entities, we help our customers create unique, valuable and durable products.

## FOUR PILLARS

INNOVATIVE APPROACH - SUSTAINABLE DESIGN  
 HIGHEST QUALITY - PARTNERSHIP & ECO-DESIGN

### STRONG RESOURCES

- €549m of sales (€539m ESC scope)
- €15m of investments
- Cutting-edge PVC production technologies, particularly in recycling
- €1.8m spent on R&D
- 573 employees (Full Time Equivalent)
- 15.2% female overall and 34% female in senior management
- €0.9m spent on preventive HSE
- 64,000MWh of electricity consumption
- 10.7% of energy/operational cost
- 64.9% renewable electricity
- 37,000m<sup>3</sup> of water consumed
- 5 main suppliers of key raw materials and a highly diversified portfolio of additives



### ... CREATING VALUE

- Rates of growth, sales and margins higher than the growth of the PVC market
- 5,500 formulations
- About 11% of our employees work for Innovation and Quality
- Absenteeism rate of 4.4%
- Voluntary turnover of 10.3%
- 10 work-related accidents
- All sites certified ISO 14001 (or equivalent)
- 2 sites certified ISO 50001
- 0 environmental incident
- 1.07 mtCO<sub>2</sub>e emissions (scopes 1, 2 & 3)
- More than 85% of revenues in 2022 were generated from long-term customers

# THE VALUE WE CREATE

Benvic's products offer an impressive array of desirable and useful properties. They are designed to protect life and to make it easier and more pleasant. Our portfolio is constantly upgraded to respond to new needs and to enable our clients to fulfil their vision.

PVC's durability already contributes to the quality of our proposition, but our designers and engineers are always looking for new ways to reduce the environmental footprint of our formulas. Our sustainable ambitions support our clients' own sustainable goals and contribute to their added value.

## CONTRIBUTION TO CUSTOMER VALUE

*Support our customers in a reliable and long-term relationship*



service



insulation

Improve thermal and acoustic insulation performance for comfort functions



visual effect

Deliver the right cosmetic expectations in terms of colour, aspect and texture



resistance

Ensure the robustness and durability of the material properties for applications exposed to ageing agents



security

Guarantee the level of service expected during product life



weight reduction

Allow solutions to optimize weight for material and energy savings



protection

Be part of the final product protection performance



food contact

Protect food without alteration



health

Contribute to human health by performance of materials and products



BIOSOURCED CONTENT



RECYCLED CONTENT



GREEN ENERGY



DECARBONIZED TRANSPORT

environmental footprint

Support our customers in achieving their sustainability goals and shaping a better and more sustainable future

# OUR 2022 ESG PERFORMANCE AT A GLANCE



Benvic has thrived as a people company—a company whose worth is the compound of the values of its employees, customers, suppliers, shareholders and communities. This blend of dreams and expertise, of demands and quality, coupled with our more than 50 years' experience in compounding and customer relations, makes for a powerful brand: Benvic, a proof of quality.

The talent of our teams positively impacts our ESG performances. This should not be a surprise. ESG is integral to our practices, for our results, our successes and our contribution to the world are not merely financial. Amongst our most prized achievements, we count our very limited number of work-related accidents; the absence of severe work-related or environmental accident; the fair, diverse and pleasant work environment we were able to foster; the impressive results of our actions to reduce our CO<sub>2</sub> emissions; and the fact that we managed to bring together our stakeholders around common environmental issues.

Going forward, we plan on working even more closely with our stakeholders on ESG-related matters, creating synergies between partners and making the most of their diverse points of view and expertise. With their help, we know we can always do better, and create a web of fruitful and virtuous interactions.

## E nvironmental performance

Key indicators:

- ➔ 64.9% of renewable energy versus 14% in 2020
- ➔ 10.7% of energy as our operational cost versus 13% in 2020
- ➔ 62.7% GHG emissions reduction on scopes 1 & 2 versus 2020

Benvic ESG teams have implemented strong actions to improve all environmental indicators and shared their progress during quarterly meetings.



+ Pledge of quality =



## Social performance

Social KPIs are relatively stable year-over-year, despite various acquisitions: all companies acquired by Benvic share the same strategy and values.

Despite our growth, our commitment to a fair workplace remains. It is demonstrated through our high rate of permanent workers, for example, or the training provided to our employees. As a result, we benefit from a low absentee rate.

Our transformation, with growing shared IT and central reporting systems, translates into an increasing percentage of managers and senior management.

### A FAIR WORKPLACE - A FEW FIGURES

**573 FTEs\***

*\* Full-Time Equivalent*



**15%**

Female employees

**19%**

Senior management

**10%**

Voluntary turnover rate

**4%**

Absentee rate

**3.4%**

Gender pay gap

**74%** were provided training - mainly on new skills, such as language skills

**20%** included in the shared annual appraisal process managed by the Group



# OUR VISION FOR BENVIC

## OUR STRATEGY

Since its inception, Benvic has striven to offer the best products and customer service to its clients. We always sought to improve our processes and to become a better and more competitive company, one that is beneficial not only to itself but to its various stakeholders and to the world at large. For a few years now, we have entered a new, exciting stage in our development. In addition to our long-standing tradition of excellence, we are pursuing a strategy of ambitious yet respectful international expansion. Our approach revolves around three axes: a strong international presence; a sustainable and green development; and a corporate culture driven by value creation.

Benvic possesses the experience, the expertise and the excellence to lead the way and set new standards for the industry. The company has become a global platform, simultaneously growing larger and growing closer to its international clients. In the future, we intend to strengthen our presence in the United States, and to diversify our offer through judicious and timely acquisitions.

We also expect to set the example as a sustainable company. We have taken several steps to make our energy supply simultaneously green and resilient, which enabled us to become carbon-neutral (scopes 1 & 2) in 2020. We are conducting a thorough reflection on the best ways to make our company as environment-friendly as possible, and on how to give back to the community through our participation in the circular economy.

By reducing our environmental footprint, we are offering an improved value proposition, furthering our goal to bring ever more value to the world. Moving forward, we will keep fostering initiative and finding new ways to create & enhance value for our stakeholders.

### **INNOVATIVE APPROACH**

*Excellence through innovation*

Innovation is the 1<sup>st</sup> strategic pillar that will enable us to stay one of the world's leading value-based company. We aspire to stay trendsetters in the compounding industry, promoting technical developments and creative solutions. Each of our factories has its own lab, and 20% of our managers are dedicated to innovation. Our formulas are constantly reappraised and improved, proactively and in collaboration with our customers.

### **SUSTAINABLE DESIGN**

*Design better products*

Benvic favours a long-term vision which takes into account all of our stakeholders' interests. This implies both becoming a more sustainable company and providing more sustainable solutions to our customers. Recycling, going carbon neutral and the circular economy are thus key components of our strategy for the coming years. We are also focused on creating new polymer solutions for life and environment care.

### **HIGHEST QUALITY**

*The highest quality*

Our customers expect nothing but the best, and Benvic is committed to upholding the utmost quality in its products. This has helped us foster long-term, thriving and mutually beneficial relationships with our clients. Going forward, we will continue to invest in employee training, newer machines, better product lines, and state-of-the-art research facilities. This is the price of outstanding quality and our commitment to our clients everywhere.

### **PARTNERSHIP & ECO-DESIGN**

*A powerful force for creativity*

Collaboration with our valued partners is one of our guiding principles. Creation does not happen in a vacuum. Benvic's solutions are the result of close collaboration with our clients and suppliers, working together to co-design the products that will best fulfil their needs. Together with them, we will continue to innovate and to fashion the best products on the market.



# OUR VISION FOR BENVIC

## EFFICIENT AND BALANCED GOVERNANCE

Benvic's governance complies with strict corporate principles to ensure that management considers the best interests of everyone, to help deliver long-term corporate success and economic growth and to protect the rights of the shareholders.

Benvic is owned by ICIG (International Chemical Investors), a privately owned industrial group with sales in excess of € 3.9 billion, focusing on chemicals. Until its acquisition by ICIG in November 2022, the Strategic Committee of Benvic comprised the CEO and CFO of Benvic, and 4 directors representing Investindustrial. The Executive Committee (ExCo), composed of executive, operational and functional directors, defines strategic objectives on the basis of the orientations decided by the Strategic Committee, ensuring and monitoring their implementation and overseeing the good management thereof.

The composition of Benvic's ExCo is adapted to the group's specificities and its constant drive towards progress: stable structure, expertise solely focused on industrial excellence, and thorough knowledge of the business. Endowed with complimentary experience and expertise, the members participate regularly in the works of the ExCo to make sure local efforts meet collective ambitions and comply with the group's best practices and principles.

Our industry requires constant innovation and adaptation, as well as quality management: through our governance, we ensure strong monitoring of all aspects of the Group's business and its performance.



## AN ORGANIZATION TO FULLY ENABLE BENVIC'S AMBITION

Benvic operations are split over Europe and the US, with Business leaders driving Sales & Market Strategy, and Operations leaders striving for operational excellence.

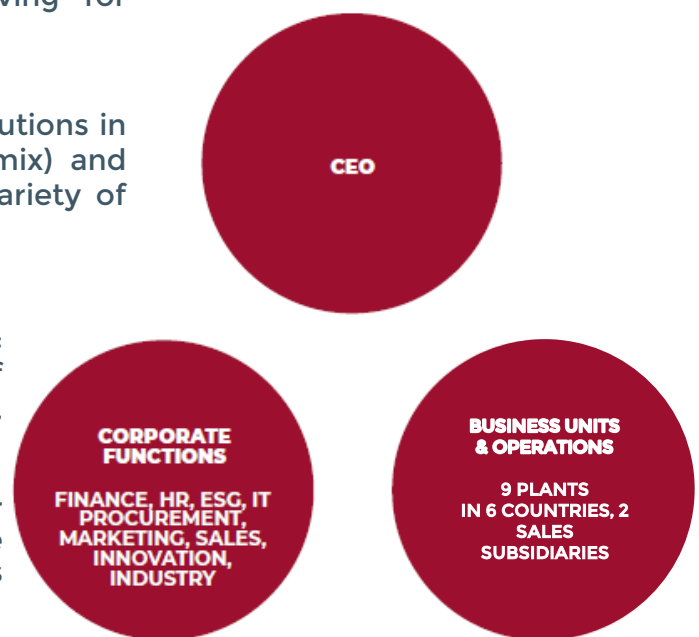
### 1) PVC:

- Historical PVC business producing solutions in granules (compounds), powder (premix) and One Pack (concentrated) serving a variety of end-markets.
- PVC recycling.

2) Other polymers compounding: Development and production of engineering polymers (biopolymers, techno polymers and HFFR compounds);

3) Medical: custom compounding for medical applications, and, until the cession of our European Medical entities medical, grade PVC and components.

In addition, Benvic corporate teams provide support to local managers ensuring all employees are equally onboarded.



# OUR VISION FOR BENVIC

## ANTI-CORRUPTION PLEDGE

Corruption is a serious threat to the harmonious development of our communities. It damages the links that hold our society together and enable progress, be they the trust we put in our companies and governments or our incentives for real and most needed innovation.

At Benvic, we will not tolerate any kind of corruption, bribery or conflict of interest. While public policies are indispensable to the fight against corruption, civil society also has a crucial role to play. Companies must take responsibility and implement strong codes of conducts, with specific procedures to report and address breaches of conduct.

Transparency is also key to effectively prevent corruption under all its guises. Benvic is adamant in its commitment to uphold the values, principles and courses of action developed in its code of conduct.

To this end, Benvic pledges to:

- Strictly abide by international and relevant national laws, while also respecting fundamental values and common decency.
- Comply with ethical industry standards and regulations.
- Follow our code of conduct both to the letter and in spirit.
- Never accept or offer bribes or otherwise questionable help, funds, assets or advantages.
- Educate our employees in this regard and build awareness of early signs of corruption and the importance of transparency.
- Promote fairness and accountability in our commerce with all stakeholders.
- Provide fair compensation and a healthy, fulfilling and supportive work environment to all our employees, so as to minimise the attractiveness of attempts at bribery.
- Provide safe opportunities and incentives for employees to report breaches of conduct.
- Support our partners in their own fight against corruption.

When we aim at building a fairer society together, one where corruption and predatory practices are a thing of the past, there is no place for half-measures and discouragement. Benvic will honour its pledges and resolutely partake in the anti-corruption movement, doing its part to bring about a better world for all.



*“Part of the success of our company lies in our Ethics. Ethics foster a safe and engaging workplace that supports better relationships with each other, our customers, partners, investors and communities. Ethics help build our reputation and our corporate culture.” - Luc Mertens, CEO*  
Benvic Code of Conduct, 2022

# OUR VISION FOR BENVIC

## KEY ETHICS

In the quest to promote and defend a corruption-free culture, Benvic is driven by its moral values and principles. Benvic aims for excellence in all aspects of its trade and with respect to all its stakeholders. We conduct business ethically, with honesty, integrity and fairness, and in full compliance with the law. Our behaviour is as critical to our success as creating and producing innovative and sustainable solutions.

A great company is not merely financially successful, it is one that can lead the way with pride and a clear conscience. Here are some of our key ethics, those we follow every day to prosper and to help others thrive, as developed in our code of conduct.

### ● Compliance and fairness

We must ensure the compliance of our business decisions with applicable laws and regulations, with internal policies and established processes, with contractual requirements and professional standards. Fairness of commercial practices is mandatory and corruption, bribery, money laundering, and embezzlement are strictly prohibited. Any improper payment to gain advantage is unacceptable.

### ● Integrity

We stand for integrity and expect the same from all employees, customers and business partners. Reciprocally, we will not tolerate harmful practices impacting our employees and other partners, and vouch to hold the offenders accountable.

### ● Respect of people and promotion of diversity

We must treat our employees, customers, suppliers and partners with respect and courtesy. We regard all people with equal respect and dignity regardless of sex, race or origin. An environment where people feel uncomfortable or threatened is not a productive or creative one.

### ● Honesty and professionalism

We must be honest and demonstrate our integrity in all business dealings. We must always apply judicious professional judgment and reasonable due care in our work. It is our responsibility to achieve the highest standards in our work and to perform our activities in accordance with relevant technical and professional standards. We must be courteous in all interactions and deal with conflict in a constructive way.

### ● Confidentiality and privacy

We must protect the confidentiality of Benvic's proprietary information and comply with confidentiality, privacy and IT policies and legislation. How we handle information (ours or our stakeholder's) is critical in protecting our brand and reputation, our client's confidence and our employees' rights.

Strong in these commitments, Benvic can face the future and the challenges it brings with confidence and optimism.

# OUR VISION FOR BENVIC

## OUR OFFERING

Historically specialised in PVC powders and compounds, Benvic naturally adapted to changing times and evolving needs to create and produce new solutions and polymers. Our products are used for a wide range of rigid and flexible end-applications across a number of industries, including medical, construction, fluid transport, electric & electronic devices, cabling and automotive.

In addition to our PVC compounds and premixes catalogue, we can provide technical solutions to most of our customers' needs when it comes to engineering polymers such as TPE, or even biopolymer-based solutions. For our customers in the cable industry, PVC compounds can be replaced with Halogen Free (HFFR) compounds. We also manufacture high-quality PP, PE, EVA and PC compounds, amongst others.

We offer value-added services to every customer from technology assistance within our lab, to supply chain management.

## OUR PRODUCT LINES

Benvic now offers four different lines of outstanding products to meet all of its clients' desires. In addition to our ProVinyl PVC compounds and premixes catalogue, we offer new and innovative products such as bio-based polymers (Plantura range), avant-garde formulas such as TPE (Xtended range), as well as medical-grade compounds. Within the Xtended line, the Linkflex trademark covers a family of products dedicated to the wire & cable industry.

For its part, Benvic Medical Solutions offers a wide range of medical grade compounds and high-performance resins. Our medical products are cleverly engineered and scrupulously tested in order to meet the most stringent safety regulations. In our spotless IQ/OQ/PQ-certified facilities in Chesapeake, VA (USA), our engineering team and our custom compounding teams are known for their unrivalled expertise in the medical device and diagnostic industry.

Beyond their specificities, each of our product lines shares Benvic's DNA: our commitment to excellence, innovation, collaboration and sustainability.

**ProVinyl<sup>®</sup>** | **by BENVIC**  
Plasticized, rigid and recycled

**XTENDED**  
Polyolefins & thermoplastic elastomers

**PLANTURA<sup>®</sup>**  
compostable and biobased polymers

**Medical**  
Compounds

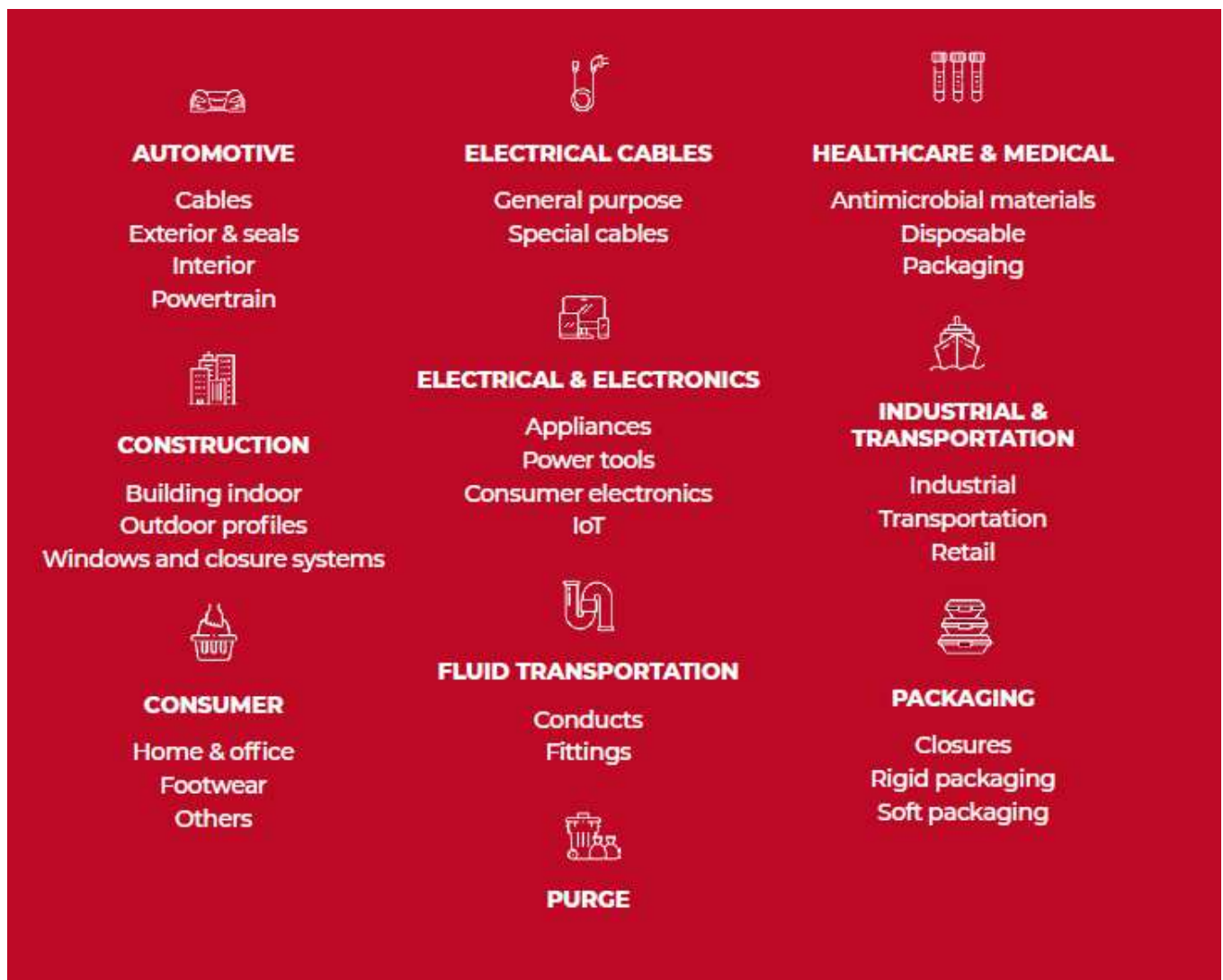
# OUR VISION FOR BENVIC

## OUR APPLICATIONS

As we move forward, our production covers ever more applications, from the most innovative and specialised to the most widespread. Every day, our experts work with our clients to find inventive solutions for modern demands and applications. Thanks to our proactive approach, we are proud to offer one of the most extensive products catalogues in the industry.

From stylish and sturdy window frames to life-saving medical components, from state-of-the-art electrical cables to safe packaging, our products are used to make everyday life safer, easier and more comfortable for all.

Our solutions are used for a wide range of rigid and flexible end-applications across a number of industries. Common to all these applications is the high standard upheld by Benvic in its production process, and its focus on the client's unique needs and position.



# OUR VISION FOR BENVIC

## MEMBERSHIPS IN ORGANISATIONS

To achieve its vision of a better world, one where people and the environment are central to the economy, Benvic does not progress alone. Each of our sites is a member of reputable organisations whose values are aligned with ours.

Being part of these associations presents many advantages for us. They federate compounders and industry players at a local, national or international level, granting us more weight in the debates and transformations that are reshaping our world. Through these memberships, Benvic can prove and act on its commitment to sustainability, environmental protection, human rights and respectful economic growth. Local associations can themselves be members of larger associations, granting us a broader reach.

These associative bodies represent the industry before political and international institutions, but also before the general public. They are great tools for networking and maintaining relationships with our partners. Through them, we can connect to research and the scientific world, to government bodies and NGOs, to communities and other stakeholders.

On a more concrete level, our memberships also give us access to technical and regulatory support, as well as industry research and data. From their privileged position, these associations disseminate state-of-the-art industry knowledge, notably by setting up training, conferences and debates for their members.

Being a member of these associations is important for Benvic. We pledge to uphold their goals and to follow our words with concrete actions. As a company fully committed to public health and the protection of the environment, we see great value in these partnerships that empower us with knowledge, promote creativity and awareness, and bring out the best in us and our stakeholders.

Here is a list of the memberships in organisations of our sites:



Chevigny-Saint-Sauveur (France)

**Polyvia** (Plastic Converters Federation). Polyvia is an umbrella organisation covering all plastic materials, every processing type, and all markets. It is involved in collective talks (salary, working conditions, and so on) and provides legal assistance as well as training.

**SNEP** (Syndicat National de l'Extrusion Plastique, i.e. National Plastic Extrusion Union). SNEP is a smaller and more focused organisation. Its members are all involved in PVC formulation and extrusion and cover the entire value chain of our industry: from PVC resin and additives all the way to recycling. SNEP is particularly active in promoting sustainability and environmental compliance. It is also a member of EPPA, the European Association of Window Profiles Producers.



Warsaw & Witkowo (Poland)

**PIGE** (Polska Izba Gospodarcza Elektrotechniki, i.e. Polish Economic Chamber of Electrotechnics). PIGE brings together our industry partners: suppliers, customers and other stakeholders in the fields of electrotechnics, cables and wires. Events organised by PIGE provide ALFA PVC with precious networking opportunities.

# OUR VISION FOR BENVIC



## Ferrara (Italy)

**CONFINDUSTRIA** (General Confederation of Italian Industry). Confindustria is an umbrella organisation representing goods and services companies in Italia. It provides services, information, training, legal support to the associated companies, and negotiates the national labour contract with the trade unions for each sector. The mission of the association is to promote companies as an engine of economic, social and civil growth for the country. To that end, it defines common paths and shares objectives and initiatives with all stakeholders, from finance to international institutions, from politics to civil society.

**PVC FORUM.** PVC Forum Italia brings together the main Italian PVC production, compounding and processing companies, as well as additive and processing machine manufacturers. It is part of the European Network of PVC forums connected to the European association of PVC producers (ECVM, European Council of Vinyl Manufacturers), in turn a division of PlasticsEurope, the association of European plastics producers. Amongst its numerous activities, the association provides information and technical-scientific training to members, organises conferences and debates on PVC, realises and disseminates studies and documentation on the characteristics, applications, regulatory framework, environmental compatibility and current and future scenarios of PVC, and participates in the activities of standardisation bodies and groups (Uniplast, CEN, CTI), in the initiatives of national and international interest (GPP, Ecolabel, etc.), and in environmental and sustainability protocols.



## Sowerby Bridge (UK)

**BPF** (British Plastics Federation). BPF is the UK trade association representing the plastics industry. It provides a range of services and resources, including technical and regulatory support, access to industry research and data, and networking opportunities around the entire industry. Being a member gives us a platform to demonstrate our commitment to professional standards and ethical practices within the industry, and a voice to have our concerns heard by key government officials.

**IOM PVC Conference.** Dugdale supports this tri-annual event, the leading global conference in the industry, delivering a comprehensive and varied programme of excellent international speakers and exceptional networking opportunities.



## Chemres (USA)

**ACC** (American Chemistry Council). The ACC represents leading companies in the chemistry industrial business. It encourages companies to enhance performance through members engagement and communication, sharing valuable tools and practices that have resulted in successful businesses. ACC also serves as a voice for political advocacy, communications, and scientific research, and promotes production practices that are publicly and environmentally healthier, safer, and more sustainable.

**Plastics Industry Association.** Chemres is also an active member of the Operation Clean Sweep Program from the Plastics Industry Association, pledging to attain the goal of 'zero pellets on the ground', which implies the proactive prevention of plastic resin loss to the environment by establishing controls throughout the manufacturing process.

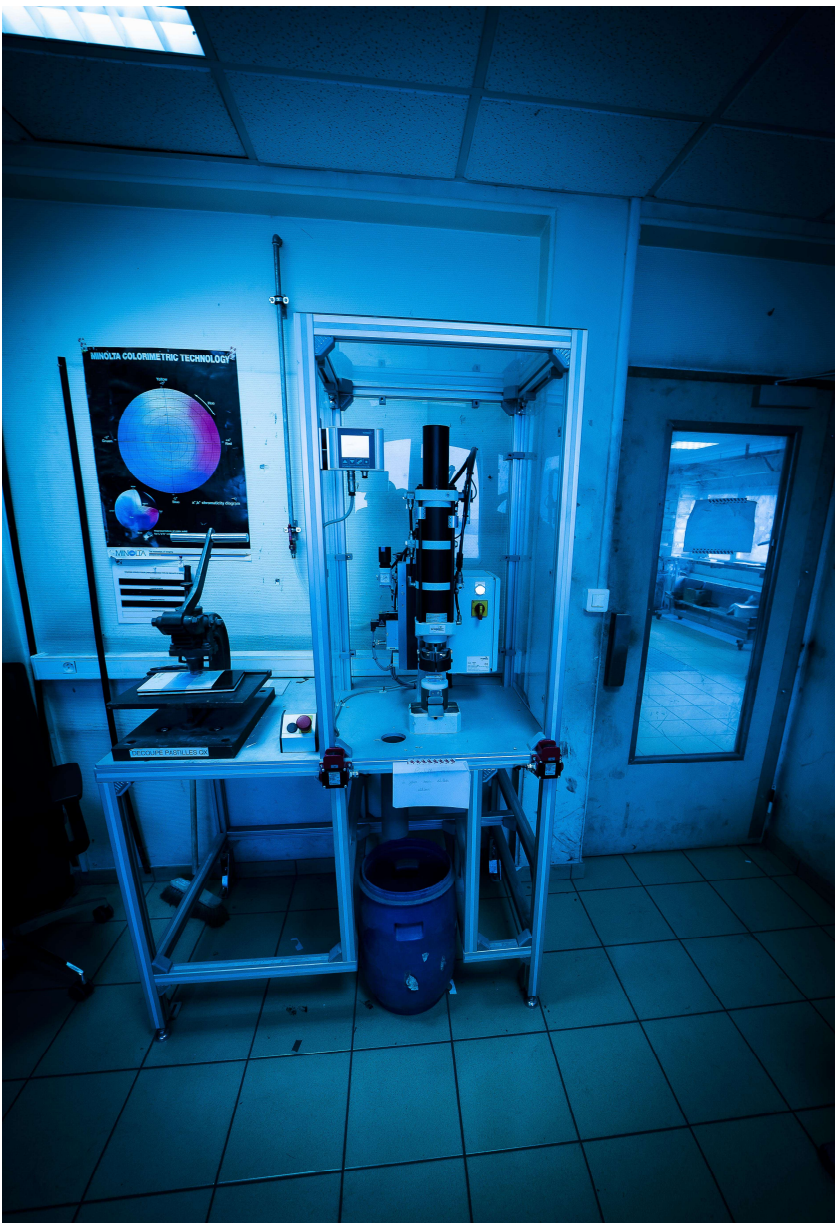
# WHY POLYMERS

## WHY ARE POLYMERS USEFUL

Polymers are large molecules composed of simpler elements called monomers. With their added complexity come interesting properties that make the world as we know possible. Natural polymers such as proteins, for instance, have structural properties that are essential to life.

What has this got to do with plastics? This has everything to do with its chemical composition, for all plastics are polymers.

To make plastics, there are a few steps that must be followed. First, raw materials are extracted – for instance, crude oil, natural gas or coal for synthetic plastics; carbohydrates, oil or bacteria in the case of bio-based plastics. Second, raw materials are refined to yield useful monomers. Third, these monomers undergo polymerisation via the introduction of a catalyst – that is, simple molecules are aggregated to form complex macromolecules. Finally, these polymers are compounded and extruded in pellets or more complex products.

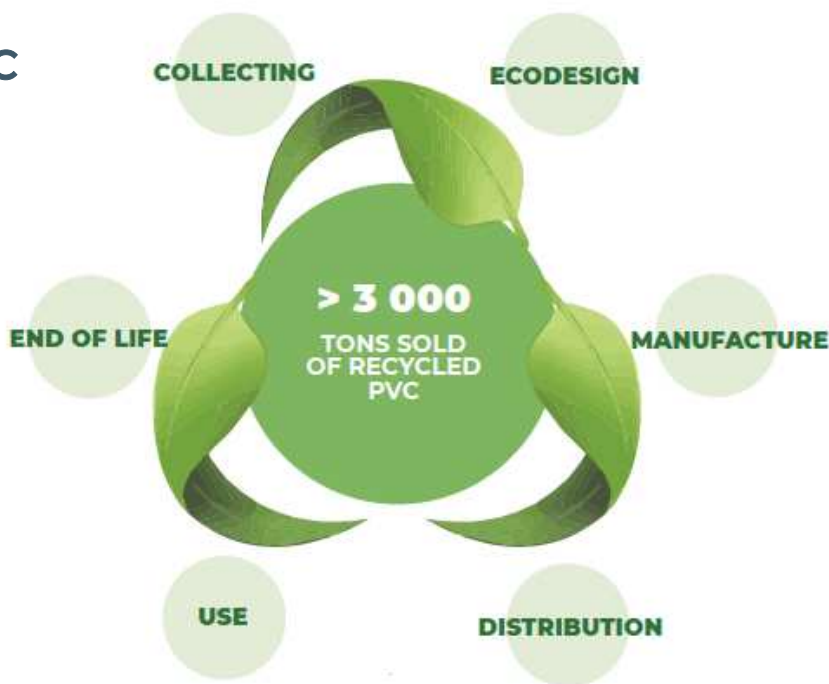


Plastic polymers have a series of properties that make them invaluable. They are much lighter than reasonable alternatives (such as metals), highly insulating, easier to clean and sterilise, and generally more resistant to chemicals. Using plastics polymers thus enable us to reduce fuel consumption (by constructing lighter vehicles), to avoid waste (by providing better insulation), to contribute to health (by facilitating sterilisation in healthcare settings), to promote safety (by making pipes that are more resistant to corrosion), and to increase the lifespan of the product (thanks to polymers' strength and recyclability).

Plastics are but one kind of polymer present in our world. Polymers are everywhere around us, whether they naturally occur in our environment (proteins, DNA, silk or cellulose, for instance) or they are manufactured by the industry (concrete, paper, or glass, to name but a few). Just as natural polymers are essential for life, man-made polymers are necessary for a strong, simultaneously innovative and sustainable, society.



## WHY PVC



## THE MOST CARBON-EFFICIENT PLASTICS

Polyvinyl chloride (PVC), a material with undoubted physical and sanitary qualities, is our historical business and PVC compounding is our core activity: Benvic is a proud compounder.

### ○ A CARBON-EFFICIENT THERMOPLASTIC POLYMER

PVC is a traditional thermoplastic polymer with many advantages among plastics. 57% of its molecular weight is derived from common salt and 38% from carbon, which makes it a cost-efficient material that can be recycled several times at end of life (up to 7 times), without losing its essential properties, and with a better carbon footprint than other plastics.

It is one of the most resistant materials in the environment: used as a rigid material for the building industry, it is insensitive to UVs and humidity. It also no longer emits volatile organic compounds (VOCs) and has a high durability (up to 50 years).

### ○ CONTRIBUTING TO A SUSTAINABLE WORLD

PVC products' characteristics and properties can make positive contributions towards several of the UN Sustainable Development Goals' (SDGs) targets. It can for instance provide durable and safe necessity goods at affordable costs, not only for construction but also for medical and healthcare.

The safety of PVC for medical devices has been proven many years ago. When employed in single-use devices, it successfully combines effectiveness of use, safety and reasonable price: PVC is stable and biocompatible, PVC is easy to monitor during medical treatments, PVC is easy to process and able to guarantee affordable healthcare.

### ○ ELIMINATING SUBSTANCES OF CONCERN

Benvic is strongly committed to providing its customers with long-lasting and safe solutions. We have eliminated the use of lead and DEHP in our production and are mindful with our additives.

# SUSTAINABILITY & PLANET

Innovation has always been one of Benvic's strategic pillars. About 20% of our managers are dedicated to innovation throughout the Group, and we encourage creative ideas and contributions from all.

Nowadays, however, being innovative is not sufficient: innovation must be sustainable if it is to be valuable. We asked Christophe Fringant, Head of Innovation for PVC, how to drive sustainable innovation, and he delivered us the following guidelines.

## WE MASTER SUSTAINABLE INNOVATION FOR OUR CUSTOMERS

Benvic teams work with our clients to develop tailor-made technical solutions, to best answer their needs. Our customers drive our innovation and we strive to give them solutions that will enable them to expand and consolidate their business.

Sustainability is a key consideration in all such collaborative projects. We must think long-term both for ourselves and for the customer, so that their projects can prosper in the long run. Their needs challenge us to come up with always better and safer formulas, formulas that are simultaneously state-of-the-art and sustainable.

## WE PRACTISE SUSTAINABLE INNOVATION FOR OUR EMPLOYEES

Today, regulations shift and change quickly to accommodate an increasingly better understanding of chemicals' impact on health and environment. Benvic is constantly monitoring this evolution and proactively adapting its practices.

We pre-emptively conduct development programs to find substitutes for components of our formulas that may have negative impacts. These cutting-edge developments allow for user-friendly solutions while reducing our staff and customers' exposure to potentially dangerous products.

*"At Benvic, we understand that we cannot divorce innovation from sustainability if we really want to make a difference.*

*We adopt a long-term, respectful perspective in all of our projects, and we keep the interest of our partners and stakeholders at heart."*

- Christophe Fringant, Head of PVC Innovation

## WE DEFEND SUSTAINABLE INNOVATION FOR OUR PLANET

It is our strong conviction that all businesses need to do their part to conserve natural resources for a better future. This is why we have created bio-based formulas that are simultaneously efficient and allow for lower carbon emissions. We work with our clients to develop even more bio-based solutions and help them integrate these solutions into their chain of production.

PVC, our core and historical business, is also remarkably recyclable. This is another domain where our innovation departments excel. Our teams work in collaboration with our clients to set up circularity processes, where their old products and waste can have a second life and be integrated into new applications.

This circularity also comes into play in our own processes. We are studying and expanding the addition of recycled materials in all our formulas and for all applications. This improvement will reduce both our ecological footprint and that of our customers.

On these three fronts - sustainable innovation for our customers, our employees and the environment -, the Environmental Product Data Sheets (EPD) project presented on the opposite page is already a success, and proof of Benvic's commitment to always being a force for good.

# SUSTAINABILITY & PLANET

## ENVIRONMENTAL PRODUCT DECLARATIONS

Our Innovation and ESG Departments are working hand in hand to create **Environmental Product Data Sheets (EPD)** for our core formulas (Provynil PVC), and to craft and implement an in-house system to generate EPD for new products.

**What are EPDs exactly?** An Environment Product Declaration (EPD) transparently reports objective, comparable and third-party verified data about products and services' environmental performance throughout their life cycle.

Since our formulas and products are intermediate goods rather than final products, we calculate the data from cradle to gate, including upstream and production processes. Concretely, this means taking into account elements such as the extraction and means of transportation of raw materials, the manufacturing processes, and the more general environmental impacts of the facilities themselves (notably energy consumption, emissions, and waste generation and management).

Our team is working on the best way to collect, analyse and present this data. We aim for our clients to be able to quickly and easily grasp the global impact of our formulas and products. Our EPDs will provide objective and quantitative information that facilitates informed decision-making regarding sustainability.

Benvic views this project as a win-win-win enterprise:

1. It responds to a real and urgent need of our customers. Clients have begun asking for more detailed information about the global environmental impact of our formulas. In the general effort to fight climate change and promote the circular economy, Benvic's clients want to do their part. They need our help to do so, notably to be able to conduct Product Life Cycle Assessments (LCAs) for their own products. By evaluating environmental impact from the early design stages, opportunities to reduce resource consumption, minimise waste, and improve energy efficiency can be identified.
2. Quality and detailed EPD will keep Benvic in compliance with current and future regulations seeking to accelerate sustainable changes in the industry.
3. EPDs are also valuable tools in product design and improvement. They will be used by our Innovation Department to promote eco-innovation and the development of more sustainable and efficient products from their conception, without loss of quality. Thanks to them, we will be able to identify hotspots with significant environmental impacts, and to focus our efforts on the most effective actions. A better and most comprehensive knowledge of our own products will be invaluable in our constant effort to create and provide the best products on the market.

**Knowledge is key.** Most stakeholders want to promote a greener industry, but we cannot move forward blindly. To make wise choices, we need information about product quality, technical characteristics, but also environmental impact. Consumers, businesses, and governments can use this information to promote environmentally friendly and sustainable practices.

Quality EPDs containing quantitative information backed by scientific data will promote transparency from the supply chain through to the end product. With this initiative, Benvic empowers its clients to make the best decisions for them and the world at large.

# SUSTAINABILITY & PEOPLE

## DIVERSITY AND EQUAL OPPORTUNITIES



### OUR CODE OF CONDUCT AND HUMAN RIGHTS POLICY OUTLINE THE ETHICS AND VALUES THAT ARE ALREADY EMBEDDED IN EVERYTHING WE DO

At Benvic, we believe that diversity and inclusion are imperative to the success of our business: a diverse and inclusive workforce brings innovation and stronger results. We welcome multiple generations with attractive working conditions and share our corporate values of enthusiasm, team spirit, respect and innovation with all our staff.

Our principles are embedded in our very processes. They include fair working conditions (from hiring process and workplace environment to compensation), strong monitoring of wages by our HR teams, and training to promote unbiased people assessment. General guidelines are shared by all our plants while the Group HR team monitors key people & managers. All plants follow a code of conduct, closely monitor the absenteeism rate and report any incident to our Group ESG Manager. Our HR Managers strive to offer a fair and competitive remuneration at market level and in line with local law. The structure of our remuneration framework ensures that wages are unbiased towards gender, age or nationality.

We aim to strengthen our HR brand by bringing our people together more and more, and by sharing strong ethics & values. To this effect, Benvic issued its first Code of Conduct and Human Rights policy in 2022.

**FAIR PAY**

**SAFE  
WORKPLACES**

**HIRING &  
RETAINING  
TALENT**

**BRINGING PEOPLE  
TOGETHER**

**FAIR  
RECRUITMENT**

# SUSTAINABILITY & PEOPLE

## BENVIC CODE OF CONDUCT

Benvic's values have always been the bedrock upon which we based our success. As the company grew over the years, we strove to convey these principles and to share them with our new employees, sites and partners. At this stage of our expansion, it has become necessary to formalise our moral code.

In 2022, Benvic's ESG team worked with our main stakeholders to design an internal Code of Conduct that would illustrate our values and spell out the rules we need to promote them. Many of our employees contributed precious time and ideas to this code of conduct, notably members of our HR, ESG and IT departments. Our shareholder's input was also invaluable in helping us delineate the principles that led to our success - those that were already at work 50 years ago, when Benvic was a newcomer in the compounding business; those that never let us down.

Each of our sites had their own policies and codes of conduct or ethical code. Our team distilled their essence to obtain an umbrella document which keeps the best elements while being as faithful as possible to our core values. We trust that this Code of Conduct will help us lead in the future as our values guided us in the past.

We encourage all our partners to consider and respect our Code of Conduct in their own day-to-day business as in the formulation of their long-term goals.

Our Code of Conduct's main elements are recalled on page 21.

## HUMAN RIGHTS POLICY

In order to elucidate the more fine-grained details of our values and duties regarding our human stakeholders, our ESG team also developed a specific Human Rights Policy.

In this document, and in accordance with the International Bill of Human Rights, Benvic vows to show zero tolerance for harassment or discrimination; for corruption, bribery or favouritism; nor for modern slavery or child labour. On the contrary, we pledge to defend and exemplify freedom of association and collective bargaining; health and safety for all; as well as dignified and equitable working conditions & living wages.

We trust that all our partners will recognise their own ethics in this policy.



# SUSTAINABILITY & PEOPLE

## BENVIC PEOPLE SURVEY

Every two years, our Group HR team organises a company-wide survey to assess our employees' satisfaction. We try our best to be a nurturing and respectful company and a great place to work. There is always room for improvement, and we depend on our staff to compensate our unavoidable blind spots and tell us what we need to change.

In the survey, we ask questions about the employees' motivation, engagement, well-being and overall happiness with their job and working environment. After receiving the latest survey answers, HR Managers for all sites came up with various ideas and concrete actions to address people's issues.

Each site has its own identity and each team had to find specific, efficient and creative solutions to the worries raised in the survey. Most of these actions were successfully set up in 2022, and their positive impact can already be observed throughout the company.



### Warsaw & Witkowo (Poland)

**BENVIC Alfa PVC** In order to improve worker/management relationships, the site leaders decided to facilitate and encourage communication by creating several channels for employees to submit their ideas and suggestions. Consequently, employees can now share their opinions through a T-card system, for instance, or submit them to their foreman, to be discussed at meetings with the plant management.

To show our employees how important they are to us, training days were organised, where information about Benvic's goals and development were shared with all. The contribution of the site to our overall success was emphasised, so as to show that every employee is a valued member of the company. Three such training days are already planned.



### Chevigny-Saint-Sauveur (France)

**BENVIC Chevigny-Saint-Sauveur** In order to improve internal communication and interdepartmental collaboration, the site's management first identified the main interactions between services. They then worked on improving these relationships, notably by setting up meetings between leaders of the Manufacturing and Technical Services and devising a new organisation for the Management Committee.

Monthly service meetings and quarterly newspaper or management meetings have also been introduced to enable better communication. To address workload issues, management implemented workload/FTE indicators and established a list of back-ups for times of need. Work was also done to improve efficiency through better organisation and training.

Finally, issues related to psychological well-being were tackled on two fronts. First, training in sexual harassment and sexist behaviour awareness was organised for the CODIR and will in the future be offered to every site employee. Second, socialisation activities resumed after the long hiatus caused by the COVID-19 epidemic.

# SUSTAINABILITY & PEOPLE



## Sowerby Bridge (UK)

**BENVIC Dugdale** To improve internal communication and recognition of workers, an Employee Forum was created so as to provide a safe place where our staff can communicate their opinion and questions and be heard by management. Leadership has also devised several ways to show employees that their work and presence are appreciated, such as for instance explicit recognition of achievements and birthday cards. Training and certifications are also offered to employees who wish to develop new skills and to advance in their career.



## Ferrara (Italy)

**BENVIC Ferrara factory** Steps were taken to improve both collaboration between different departments and internal communication. In order to foster collaboration, daily meetings have been arranged between departments' heads, where they can share information, KPIs and projects' status. The site management has also created a quarterly newsletter to communicate business updates and introduce new employees. Alongside this newsletter, internal communication has also been improved by the introduction of a dedicated WhatsApp channel and an email address to receive employees' questions and input. Finally, the release of the employee's handbook, which doubles as an onboarding guide, was an effective way to ensure that all employees know and understand our organisation.



## Montornès del Vallès (Spain)

**BENVIC Montornès factory** A psychosocial risk assessment was carried out by the External Prevention Service to evaluate workload more objectively and to appraise related risks. A corrective action plan is currently being implemented. Worries about physical and psychological stress were also examined and taken into account in the corrective action plan.

Training on assertiveness techniques has been organised for a number of managers to improve communication skills. The harassment protocol was republished, so that all employees know how to recognise and react to harassment situations. Many distinct actions were implemented to improve physical working conditions, and their results will be published during the year.

To enhance collaboration, department managers now participate in Daily Management System meetings and weekly production planning meetings. Finally, the site implemented various Factory Excellence actions to encourage and channel workers' proposals regarding work improvement.

*"We are proud to note that each of our sites takes our employees' concerns seriously and that none of them have been idle in addressing them. In answering our survey truthfully and pointing out concerns and problems, our employees are helping us make our company a better work environment and a better business."*

*"We trust that our next survey will show the effects of the actions implemented throughout the company, and we are ready to tackle the new challenges that our employees will bring us."*

- Carles Albert, HR & ESG Manager

# SUSTAINABILITY & SUPPLIERS

## ENVIRONMENTAL ASSESSMENT OF SUPPLIERS

Sustainable growth, environmental consciousness and respectful business are all part of Benvic's vision for the future. Achieving and maintaining carbon neutrality is an important part of our strategy. We are proud of the progress we have made over the past years, notably the fact that Benvic has now been Scope 1 and Scope 2 carbon neutral for three years in a row.

There is still much work to be done. One of our focuses going forward will be the complex challenge of Scope 3 carbon emissions.

### WHAT ARE SCOPE 3 EMISSIONS?

Scope 1 emissions are direct GHG emissions from sources owned or controlled by an organisation, while Scope 2 emissions are indirect GHG emissions resulting from the generation of purchased electricity, heat, or steam consumed by an organisation. While linked with the energy consumption of the company, these emissions occur at a separate location.

Scope 3 emissions are the remaining indirect GHG emissions that occur because of an organisation's activities, without being owned or controlled by the organisation. These emissions can be linked to purchased goods and services (including raw material extraction, manufacturing and transportation), employee commuting and business travel, waste generated and its disposal, and distribution and use of the products sold. They appear throughout the company's value chain and are often the most significant and complex category to address.

### THE SIGNIFICANCE AND IMPACT OF OUR SUPPLIERS

Scope 3 emissions are a key challenge. They represent most of our emissions. Although we do not have direct control over these emissions, there are options to mitigate them. They are a central part of our ESG strategy and require collaboration and engagement throughout the value chain.

A powerful lever of action is to work with our main suppliers on their commitment to the carbon footprint of their products. We started working on an environmental assessment of suppliers in 2022. We sent out a survey requesting them to provide data on their environmental performance, carbon footprint and sustainability practices. We asked for their emissions inventories, energy usage data, waste management reports, sustainability strategy and other relevant information. Thanks to their answers, we identified high-impact areas within the supply chain. Our next step will be to act on these areas to promote sustainable practices at each stage of our operational and value chain and to reduce our global carbon footprint and Scope 3 emissions.

Here are some specific actions we are implementing or will implement:

- Engage with suppliers and communicate our sustainability goals and expectations. Encourage them to adopt sustainable practices, to measure and report their emissions, and to set their own reduction targets.
- Integrate environmental criteria into our supplier selection process.
- Foster collaboration with suppliers to develop innovative solutions for emissions reduction. Encourage the exchange of ideas to find more sustainable alternatives, such as renewable energy, energy-efficient technologies, and circular economy.
- Promote transparency and traceability throughout the supply chain. Encourage suppliers to disclose their emissions data, to seek environmental certifications, and to implement sustainable sourcing practices.



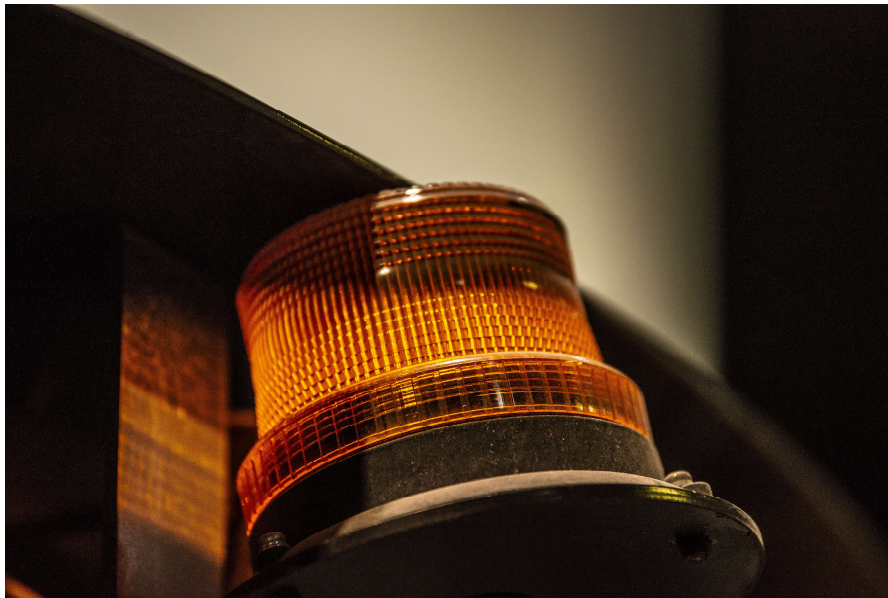


BY WORKING TOGETHER AND SHARING BEST PRACTICES WITH OUR SUPPLIERS, WE ARE CONFIDENT THAT WE WILL MAKE SIGNIFICANT PROGRESS IN REDUCING OUR CARBON FOOTPRINT THROUGHOUT THE VALUE CHAIN.

# REGULATIONS

Regulations are guides and safeguards put in place by the government to help and protect our communities. They are continuously evolving to address new issues and to help steer the industry towards better and safer practices.

Benvic aspires to stay a leader on ESG matters in its industry. Thus, we must continuously update our strategy for the future. For this purpose, in 2022 Benvic turned to ERM (Environmental Resources Management), a multinational consulting firm specialised in sustainability, to develop its first ESG materiality assessment. ERM conducted a landscape review to identify how to strengthen our ESG Action Plan, taking into account global economic and sustainability trends. Benvic has always been proactive with regards to regulations. ERM's expertise will help us focus on critical ESG topics, monitor and anticipate new bills, associations' recommendations and other likely regulatory developments.



## RECENT REGULATORY REQUIREMENTS

Amongst recent regulations, the E.U. Green Deal is particularly impactful. It is a set of policy initiatives developed by the European Commission with the overarching aim of making the EU climate neutral by 2050. Two recent policies included in the Green Deal are: The Corporate Sustainability Reporting Directive (CSRD) and the EU taxonomy for sustainable activities.

**The Corporate Sustainability Reporting Directive** strengthens the rules about the social and environmental information that companies must disclose to their stakeholders. Starting with the 2024 financial year, companies will have to report according to the rules set in the European Sustainability Reporting Standards (ESRS). Although Benvic has been reporting on these subjects for years, we are updating our processes and report models to ensure they fully comply with the ESRS. In this context, our initiative to develop Environmental Product Data Sheets (EPD) is all the more interesting, since it puts us ahead of the curve in terms of data gathering on the sustainability of our products.

As for the **EU taxonomy for sustainable activities**, it is a classification system that establishes a common language for sustainable business practices. The taxonomy regulation defines six environmental objectives that a company must contribute towards in order to be considered sustainable: climate change mitigation, climate change adaptation, sustainable use and protection of water and ocean resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems.

# REGULATIONS

Benvic is already committed to championing these objectives, which will be integrated into our new ESG Action Plan if they are not already. Our ongoing work on GHG emission reduction, waste management, recycling and compostable products (to quote but a few of our actions), put us firmly in the environmental objectives put forward by the taxonomy regulation.



## FORTHCOMING REGULATIONS

As for future regulations, two proposals that are pending approval in the coming years are relevant to Benvic: the Directive on Corporate Sustainability Due Diligence (CSDD) and the Regulation on Eco-design and Sustainable Products.

The aim of the CSDD Directive is to foster sustainable and responsible corporate behaviour by requiring companies to implement due diligence measures throughout their value chains. As recounted in the previous section, Benvic is already working with its suppliers to make sure their business practices are environmentally friendly and humane, in order to mitigate any adverse impact of our actions worldwide.

As for the Regulation on Eco-design and Sustainable Products, it seeks to create a framework for eco-design requirements in the industry. This resolution matches Benvic's historical entrepreneurial spirit and tradition of creating durable and innovative products. Eco-design and circularity have been part of our culture from the start. We aim for a low-carbon growth model, combining innovation and sustainability. In more recent years, we have notably developed the Plantura range, a selection of bio-based and compostable products, and increased and enhanced our recycling capacity.

We trust that regulations are contributing to a better and fairer economy, and we are happy to do our part to uphold them and the values they stand for.

# OUR AMBITIONS

## SHARE AND MONITOR BEST PRACTICES

An evaluation of 39 best practices defined for the 6 stakeholders is carried out every year. All entities but Luc & Bel and Modenplast were included in the 2022 assessment.

Every practice has 4 levels of progress - Launch, Deployment, Maturity and Performance:

- **LAUNCH:** the entity is aware of the positive effects of the good practice for the stakeholder. A first inventory is made.
- **DEPLOYMENT:** the entity implements a structured action plan, resources are deployed.
  - **MATURITY:** action plans bring measurable progress; their implementation is carried out; employees are mobilized in the deployment.
  - **PERFORMANCE:** the improvement process is sustainable; the results are sustainable. The entity is recognized for its exemplary performance.

## EXAMPLE OF BEST PRACTICE FOR PREVENTING OCCUPATIONAL ACCIDENTS

Support sheet

### Ensuring employees health and safety

	1 Launch	2 Deployment	3 Maturity	4 Performance
<b>EM2 Preventing occupational accidents</b>	Reporting accidents involving personal injury and incidents (employees, subcontractors and temporary workers).	Conducting thorough investigations to identify the root causes of accidents and incidents, based on the participation of the workers concerned and their representatives, if they exist.	Undertaking corrective actions and communicating the results of the health surveys. Has the site set up a behavior-related safety program?	Reporting and analyzing all accidents, incidents and movements involving a high physical risk, and publishing the results. The behavioral program has demonstrated its effectiveness.

#### Associated metrics



- LTAR: Lost Time Accident Rate ( number of accident with lost days/ 1 000 000 working hours)
- MTAR: Medical Treatment Accident Rate ( number of accident with lost days OR not. If not, there is an specific treatment ( different than 1st aid injury / 1 000 000 working hours)
- FREQUENCY RATE: the number of disabling injuries of given types resulting from industrial accident per million man-hours worked
- NUMBER OF ACCIDENT ( resulting in injuries with lost days)
- Rate of corrective actions completed to schedule

Stakeholder: Employee

Commitment: Preventing occupational accidents and ensuring employee health and safety

Best Practice: Preventing occupational accidents

# OUR AMBITIONS

## STRONG AMBITIONS FOR OUR INITIAL 2020-2023 PLAN...

	STAKEHOLDER	2019 - 1 <sup>ST</sup> EVALUATION	GOALS
	<b>CUSTOMERS</b> <i>create lasting relationships with our customers</i>	2.0/4	2.5 / 4
	<b>EMPLOYEES</b> <i>take care of our employees</i>	1.8/4	2.5 / 4
	<b>PLANET</b> <i>respect our planet</i>	2.8/4	2.5 / 4
	<b>INVESTORS</b> <i>create value in an ethical manner</i>	1.0/4	3.0 / 4
	<b>SUPPLIERS</b> <i>promote sustainable procurement</i>	0.8/4	2.0 / 4
	<b>COMMUNITIES</b> <i>work with local communities</i>	1.9/4	2.5 / 4

## ... WIDELY SURPASSED IN 2022 FOR MOST STAKEHOLDERS

The results of the annual assessment\* of the ESG performance of our plants using the Benvic Lines, which you can see in the table below, show an excellent evaluation and consistent progress since 2019. In 2022 we managed to exceed the ambitions set for 2023 for most of our stakeholders. We have significantly improved our environmental performance thanks to the decrease of our carbon footprint through the use of green energy, and to the implementation of electricity consumption efficiency actions in each factory. These results are aligned with Benvic's sustainability commitments and our strategy of innovation, quality, sustainability and partnership. Our focus in 2023 will be on suppliers and investors.

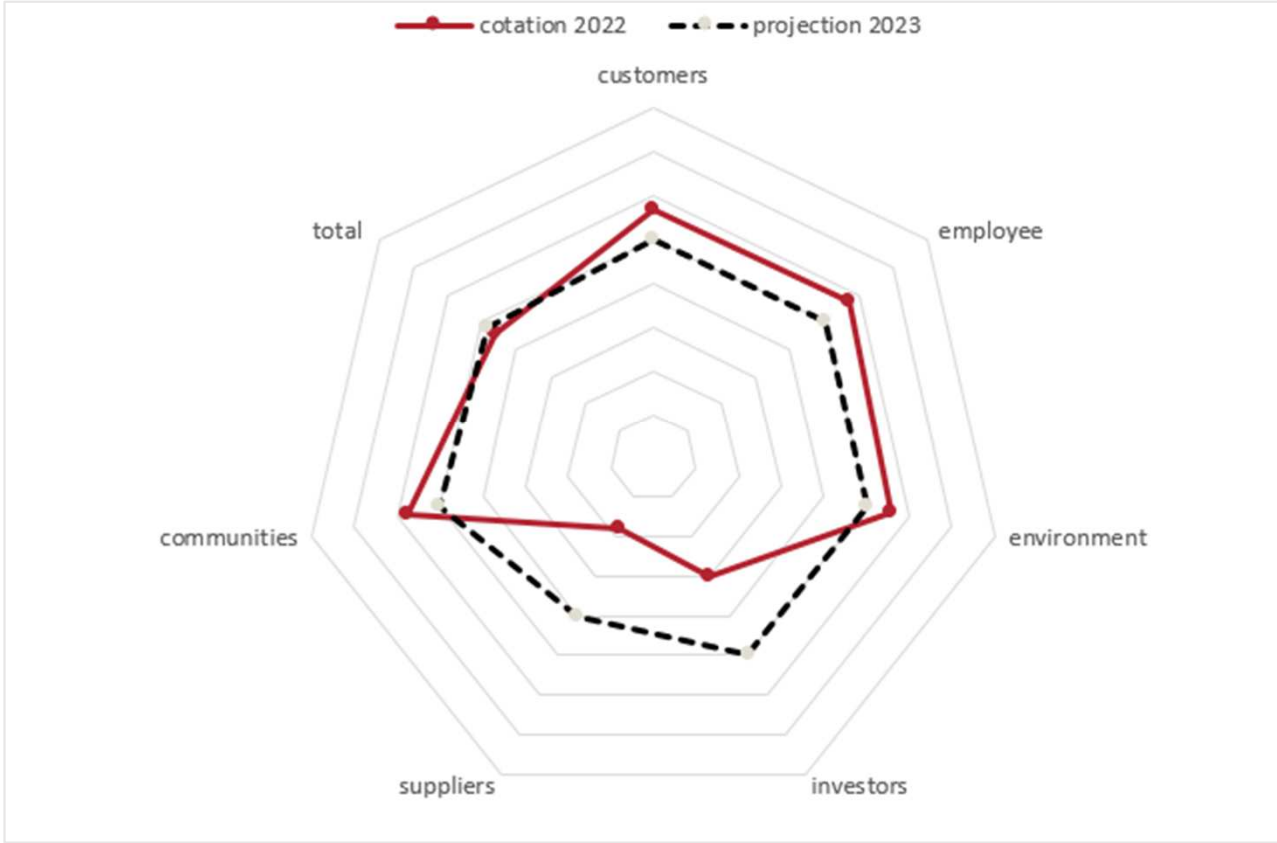
	STAKEHOLDER	AMBITION	EVALUATION YEAR 2020	EVALUATION YEAR 2021	EVALUATION YEAR 2022
	<b>CUSTOMERS</b> <i>create lasting relationships with our customers</i>	Continue to strengthen our responsible offer	2.3 / 4	2.7 / 4	2.8/4
	<b>EMPLOYEES</b> <i>take care of our employees</i>	Implement the acquisition strategy and support our employees in the transition	2.0 / 4	2.4 / 4	2.9/4
	<b>PLANET</b> <i>respect our planet</i>	Improve our environmental performance and carbon footprint	2.4 / 4	2.7 / 4	2.8/4
	<b>INVESTORS</b> <i>create value in an ethical manner</i>	Acquire companies with an ESG focus	1.5 / 4	1.9 / 4	2.0/4
	<b>SUPPLIERS</b> <i>promote sustainable procurement</i>	Formalise a responsible procurement policy	0.9 / 4	0.9 / 4	0.9/4
	<b>COMMUNITIES</b> <i>work with local communities</i>	Strengthen actions with local communities	2.2 / 4	2.7 / 4	2.9/4

\* Scope of the listing in 2022 and scope of the report: the plants with a full year in the group are Benvic Chevigny-Saint-Sauveur, Benvic Ferrara, Benvic Montornès del Vallès, Benvic ALFA PVC Witkowo, Benvic Dugdale PVC, Benvic Chemres and Benvic Trinity.

# OUR AMBITIONS

## BENVIC STAKEHOLDERS REPORTING

A “Benvic Lines” spider report is generated after each assessment and represents the average score of all Benvic entities for each stakeholder. It provides a global view of our progress in terms of sustainability towards our stakeholders.



## SUMMARY OF BENVIC REPORTING

<b>6</b> stakeholders	<b>20</b> commitments	<b>39</b> practices	<b>1</b> Annual assessment per entity
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# OUR AMBITIONS

## OUR FORECAST – MAKING IT HAPPEN

In 2020, Benvic Executive Committee approved an ambitious Action Plan for 2021-2023 to improve the group's ESG performance and its relations with its key stakeholders. The plan is well under way, and we are proud to find that our goals for 2021 have been achieved or even surpassed. This success was made possible by the effort of all employees, under the local coordination of SHE teams acting as ESG representatives, and the global coordination of plant managers and the Group ESG Manager.

The progressive implementation of our Action Plan will enable us to contribute even more to our stakeholders added value, while ensuring economic, social and environmental sustainability. We want Benvic to be a profitable company yet also a benchmark for corporate sustainability, where stakeholders want to work.

Through our ESG strategy, we intend to improve the integration of all Benvic entities with universal objectives.

Some key data from the 2021-2023 Action Plan are:

- 18 objectives set relating to ESG issues;
- 37 actions defined to work towards key objectives;
- Regular monitoring by Benvic's Executive Committee and Shareholder;
- ESG team of 20 employees directly involved in the implementation of ESG actions.

## WE ARE SUPPORTED BY



## OUR STANDARDS

Our operations are run according to the following standards:



# BENVIC'S COMMITMENT TO THE SDGs\*

The Member States of the United Nations have established 17 Sustainable Development Goals - known as SDGs. They define 169 targets to be achieved collectively by 2030. What is the ambition? To eradicate poverty, protect the planet and ensure prosperity for all. As a signatory of the Global Compact, Benvic is committed to contributing to the achievement of these goals. We have therefore identified the SDGs with which Benvic can offer the greatest potential impact. These are:



## *Goal number 3: good health and well-being*



"By 2030 substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination."

The main actions we have carried out with regard to this target are:

- Compliance with REACH regulations;
- Continuous improvement of our formulations by removing hazardous chemicals and substituting them when possible;
- CO<sub>2</sub> measurements of all our activities and identification of actions to reduce their footprint;
- Regular environmental noise and dust measurements.



## *Goal number 12: ensure sustainable consumption and production patterns*



"By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse."

The main actions carried out with regards to this target are:

- Energy efficiency measures in all plants;
- Progressive implementation of green energy sources;
- Initiatives in all plants to reduce waste and water consumption;
- Greater integration of recycled material in our formulations for specific applications, with the aim to be part of the circular economy;
- Continuous expansion of our recycling activities;
- Development of our Plantura business line and our bio-based materials;
- Support of eco-innovation.

Benvic has always worked with a long-term vision, creating durable and sustainable solutions. Our products are crafted to withstand time and wear and to have a long lifespan without loss of quality. Our PVC solutions, our core business, have a 50-year lifespan and can be recycled up to 7 times. This allows for a reduced environmental impact. As we strive to build value throughout the chain of production and to contribute to a better, more efficient and more sustainable world, we have improved our recycling capacities, fostered a healthy dialogue with our stakeholders, and deployed an innovative strategy to develop sustainable products (PVC and non PVC).

In this report, the sections describing our actions contributing to the achievement of these objectives will be marked with the relevant pictogram.



UNITED NATIONS









# BENVIC'S SIX PLEDGES FOR STAKEHOLDERS: PUTTING IT ALL INTO PRACTICE





Control de Calidad  
ARTICULO: [275FAE  
No. OF: 215070  
FECHA: 5-8-20  
PESO NETO: 1 Kg  
ESTANTERIA: 29  
FILA: 8

Control de Calidad  
ARTICULO: 126504R/COCCUS  
No. OF: 2019A3  
FECHA: 16.04.2020  
PESO NETO: 1 Kg  
ESTANTERIA: 13  
FILA: 8

Control de Calidad  
ARTICULO: 2727C7192265  
No. OF: 215693  
FECHA: 4/9/2021  
PESO NETO: 1 Kg  
ESTANTERIA: 20  
FILA: 8



## PLEDGE

# 1.

**CREATE LASTING  
RELATIONSHIPS  
WITH OUR CUSTOMERS**



**1.1** Integrate our ESG commitments into our customer relationship

**1.2** Control product-related risks

**1.3** Innovate by integrating ESG aspects

**1.4** Analyze and develop our markets, while integrating ESG aspects



# 1.1- INTEGRATE OUR ESG COMMITMENTS INTO OUR CUSTOMER RELATIONSHIPS



## Our ambition

- Reduce the number of complaints each year
- Promote co-development of new products including ESG criteria
- Develop a collaborative approach to ESG

## What this means for us

Provide ESG-related informative items to promote our products  
Improve our transparency regarding ESG  
Inform consumers of product risks  
Respond to requests for information; complaints

## WHAT PROGRESS HAVE WE MADE?

### Customer-oriented approach:

- In Italy, a Quality-centric customer survey was conducted to improve our services.
- In Poland, through a customer survey, we received detailed feedback about customers expectations, including towards recycled products.
- At the Group level, the ESG team conducted many interviews with customers and internal stakeholders, amongst which sales teams, to design the new roadmap - i.e. ESG Action Plan for the next 3 to 5 years. This resulted in an updated strategy and a materiality assessment.

### Implemented tools for more efficient customer care service:

- Lean Manufacturing to reduce time from customer's order to product's reception (in larger plants).
- Quality of Delivery and Quality of Products, key pillars of our Factory Excellence program. Some factories optimized the transportation and centralization of volumes to avoid partial deliveries and reduce our emissions. In Poland, not only did we start analyzing timely deliveries, but we also reduced the number of off-spec products thanks to a close cooperation between quality and production teams.

## WHAT WILL WE DO?

- We will launch more eco-innovation projects.

## CUSTOMER EXAMPLE

- Creation of circular loop with products, such as:
  - ✓ Development of a special PVC compound using agricultural by-product (buckwheat husk).
  - ✓ Management of projects on 100% post-consumer PET for applications in the furniture and household goods sectors.
  - ✓ Specific and innovative project with Decathlon to help them find a more virtuous end of life for their mattresses by recycling them: "From mattress to clog". The challenge was to manage to recycle defective PVC airbeds returned to Decathlon stores to create new products, as close as possible to circular application, integrating technical, process and end-product sourcing constraints. After looking at all options, we decided to shred the entire mattress - once the valve had been removed - and to develop a new granulate that would incorporate 4.9% viscose. This granulate will in turn be used for the creation of gardening clogs (consumer goods). Clogs should be on the shelves in 2024, provided that all product homologation phases are validated.



# 1.1- INTEGRATE OUR ESG COMMITMENTS INTO OUR CUSTOMER RELATIONSHIPS



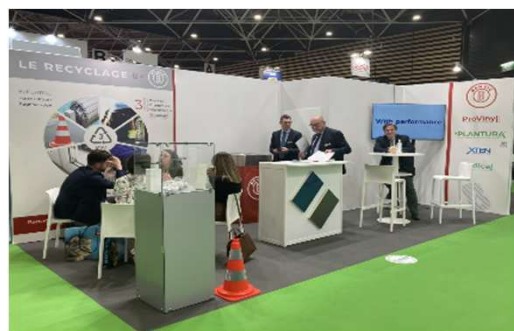
## BENVIC IS INVOLVED IN MAJOR EXHIBITIONS TO BE CLOSE TO OUR CUSTOMERS

Participating in trade fairs allows us to improve the customer experience, strengthen our business relationships and showcase Benvic's new product lines. For that reason, during 2022, Benvic took part in a significant number of exhibitions. Fairs were handled by central marketing, with specific content published for every fair. Visitors were encouraged to register, leave their contact & share their request. Here are short reports of the main exhibitions:

### FIP, April, France - General Plastics exhibition

- Over 100 visitors at our booth.
- In touch with the top 20 largest customers for the French market.

To strengthen Benvic's position in PVC and recycling, we will be present at the 2024 edition.



### WIRE, June, Germany - Cable application exhibition

- First participation to promote our extensive cable offering.
- More than 100 contacts established.

This conference was a great opportunity to showcase our Linkflex HF product line, dedicated to the wire & cable industry, that combines robustness, ease-of-handling and full compliance to international standards. These materials answer the need for halogen free, flame retarded (HFFR) and low smoke zero halogens (LSZH) cable products.



### K, October, Germany - International plastics exhibition

K is the world's largest trade fair for the plastics and rubber industry. It brings together the most important suppliers of plastics materials - raw materials and semi-finished products, as well as technical parts. It is the ideal business platform for information and investment, and to learn more about pioneering innovations.

- 3<sup>rd</sup> participation.
- > 500 contacts with customers and suppliers over 8 days of exhibition.
- Conference with Röchling and BASF at BASF's booth to discuss cooperation between the 3 players and introduce the Plantura range.



# 1.2- CONTROL PRODUCT-RELATED RISKS



## Our ambition

- Deploy our regulatory compliance program at all our plants
- Substitute hazardous substances with less/non-hazardous alternatives

## What this means for us

- Provide our customers with safe and sustainable regulatory solutions
- Protect the health of our employees

## WHAT PROGRESS HAVE WE MADE?

Regulatory compliance:

- Undertook an inventory of all products used in our plants.
- Analyzed our Safety Data Sheets and updates.
- Strengthened our Quality teams.

## WHAT ARE WE DOING?

Our tools:

- A regulatory compliance program, including an exhaustive inventory of the substances available in our plants and a monitoring of the status of their use.
- Most plants use LISAM's EH&S compliance management software solution to record and monitor the substances used in our formulas. LISAM is currently being shared with our recently acquired entities.

Our actions:

- Evaluation and/or measurement of chemical exposures during the different phases of the processes.
- Implementation of substitution programs to move towards less hazardous substances/processes.
- Integration of chemical risk in the installation of new equipment to limit the teams' exposure to chemicals as much as possible.
- All plants have a SHE coordinator.

## WHAT WILL WE DO?

- Deployment of a product compliance program throughout the Group.
- Automation when possible.
- Pursue our efforts to improve our quality processes with a positive impact on our customers (extensive teams, intense formalization, more information exchanges between plants to share best practices, etc.).

## EXAMPLE IN SUBSTANCE



- Since 2017, finalization of the substitution of lead stabilizers with solutions free of heavy metals.
- Montornès del Vallès: change from DOTE-rich octyl tin to MOTE-rich octyl tin. Substitution of DOP in all formulations with other plasticizers and substitution of Tinuvin 328 with another anti-UV.
- Chevigny-Saint-Sauveur: for foamed PVC compound, development of a solution approved at industrial scale without ADC-based systems.
- Ferrara: replacement of halogenated bromides with halogen-free materials. Formula optimization to reduce the impact of various hazardous substances. Management of halogen-free self-extinguishing products is one of the primary activities.





# 1.3- INNOVATE BY INTEGRATING ESG ASPECTS



## Our ambition

- Continue to develop sustainable products and bring added value to our customers

## What this means for us

- Identify, select and manage product and process innovation projects by integrating ESG aspects

## WHAT PROGRESS HAVE WE MADE?

- Managed the portfolio of innovation projects, with a focus on projects that are impactful from an ESG standpoint.
- Reviewed and approved the allocation of resources dedicated to innovation and to actions aimed at improving the environmental footprint of projects on an annual basis.
- Structured our product range, integrating the specificities of the latest acquisitions.

## WHAT ARE WE DOING?

Our actions:

- Promote biopolymers sales and incorporate recycled materials in some formulations, contributing to the circular economy.
- In line with our circular economy ambitions, Benvic Ereplast processes more and more end consumer products and reintegrates them within recycled solutions.

## WHAT WILL WE DO?

- Increase every year the R&D resources that are destined to innovation projects that allow the reduction of our carbon footprint or promote environmental or safety improvements of the product.

## EXAMPLE OF INNOVATION WITH A POSITIVE ESG IMPACT



- With Decathlon, Benvic Chevigny-Saint-Saveur developed a specific process for recycling inflatable beds and implemented the integration of this recycled component as a new material for a specific range of gardening gears. As described on page 46.
- Benvic contributes to its customer environmental performance. Benvic recycles more than 3,000 tons of vinyl per year into ProVinyl recycled material choices.
- Biopolymers management is part of the activities of the Xtended business. We operate on segments such as automotive, housewares and furniture to use zero-impact materials at source.



# 1.4- ANALYZE AND DEVELOP OUR MARKETS, INTEGRATING ESG ASPECTS



## Our ambition

- All acquisitions with demonstrable ESG benefits
- Continue to prove that our business is inherently "sustainable"

## What this means for us

- Orienting our action plans to integrate ESG.
- Promote sustainable end-applications.

## DEVELOPMENTS TO COME

Benvic is expanding into new industries, such as fashion, home appliances, furniture and particularly the medical industry. We are developing new lines and products to better serve our clients' needs and to devise tomorrow's compounds and solutions. We will continue to offer high-performance, sustainable solutions that cover a wide range of applications, while we transition to an environment-friendly and responsible future. Strong demand for circular economy solutions implies innovating through collaboration. This is what Benvic aims for. From standard solutions to customized products, from PVC compounds to cutting edge biopolymers, from halogen free blends to recycled PVC, our range of services is wide enough to ensure you will find the right fit for your needs.

Our product lines will evolve to help us reach our ambitions:

### PROVINYL

With more than 60 years of experience in the vinyl sector, Benvic is an expert in designing, developing & manufacturing just the right vinyl solution for your company's needs.

**Bespoke**  
BENVIC 360° FOR YOUR TAILORMADE PROJECTS

**ProVinyl**

- Extensive know-how
- 3 000 active formulations
- Customer cooperation
- The right fit

### PROVINYL - R & Provynyl - Re

Our Provynyl compounds are also available with recycled content in our Provynyl-R line. Our R&D and engineering teams are here to respond to our customers' specific needs. We ensure top quality and performance with our recycled based material strategy.

As for Provynyl-Re, it offers cost-effective materials with high tolerance in order to maximize the possibility to integrate different recycled feedstocks.



# 1.4- ANALYZE AND DEVELOP OUR MARKETS, INTEGRATING ESG ASPECTS



## DEVELOPMENTS TO COME

### XTENDED, meet our new “dot” family



Fine tune commodity polymers, mainly polypropylene compounds of all types, notably reinforced with glass fibre and flame retardant.



This range of thermoplastic elastomers, mainly based on SBS and SEBS, is an excellent complement of soft PVC and is adapted to new applications such as 2K molding.



A new range based on recycled content but with specific features. Our first approach relies on polypropylene compounds but a significant new product introduction is foreseen.

### PLANTURA

An excellent environmental alternative - combining performance with tailor-made solutions.

With Plantura, Benvic produces bio-based polymers from renewable sources, plastics derived from biomass. Some of these bioplastics are biodegradable (PLA, PBAT, PBS) while others are durable, with properties similar to those of PVC compounds.



### MEDICAL

Our custom compounding teams develop innovative solutions for medical-grade applications (PP, PE, PS and other engineering resins and speciality custom compounds).

### LINKFLEX HF Series

The Linkflex HF series, based on polyolefin matrix, offers leading-edge halogen free and flame retardant (HFFR) and low smoke zero halogen (LSZH) compounds that comply with the latest regulations and strictest requirements. Low acidity emissions and low droplet generation are amongst the key assets of this vanguard series.





## PLEDGE



# 2.

## TAKE CARE OF OUR EMPLOYEES



- 2.1** Ensure the health and safety of employees
- 2.2** Respect the fundamental human rights of employees and guarantee their social rights
- 2.3** Ensure quality social dialogue
- 2.4** Develop employability
- 2.5** Motivate employees

# 2.1- ENSURE THE HEALTH AND SAFETY OF EMPLOYEES



## Our ambition

- Decrease the frequency rate of workplace accidents
- Reduce the severity rate of workplace accidents

## What this means for us

- Control health risks: focus on adapting workplaces and working together to create safe and fair workplaces
- Prevent workplace accidents

## WHAT PROGRESS HAVE WE MADE?

### Health risks:

- Most plants have implemented preventive measures to control and reduce noise pollution, and to promote mental & social health.
- Hazard reporting system in place in some factories and health assessment at all stages of work.

### Workplace accidents:

- Report of accidents of employees and contractors, analysis of causes; definition of a corrective action plan; communication to all employees.

## WHAT ARE WE DOING?

### Our tools:

- Accident and near miss reporting tool.
- Implementation of a Health & Safety Management System in all sites.
- ISO 45001 management system certification (Benvic Alfa PVC and Dugdale will obtain the certification in 2023).
- Standards for SHE management of subcontractors driven by ISO.

### Our actions:

- ESG workshops to share best practices (ISO, Protective Equipment, etc.).
- "Safety Induction" for all newcomers, whether temporary or permanent, in most plants.
- Integration of health & safety in training at the workstation.
- Improvement of safety in factories thanks to the implementation of Factory Excellence (processes, 5S, Lean).



## OUR INDICATORS

- 10 work-related accident (5 with more than 7 days of lost time).
- 574 days lost due to workplace accidents.

## WHAT WILL WE DO?

- Define & implement Benvic SHE standards.
- Implement an accident reporting system with information shared among all the plants.

## EXAMPLE OF ACTION

- Sowerby Bridge (Benvic Dugdale): a SHE committee and a hazard reporting system have been put in place, driving behaviors on site.
- Chesapeake (Benvic Chemres): new first-aid stations and incident logs throughout the site for better data recordability, better accessibility to first aid assistance and better prevention of work-related injuries.
- Many plants, in UK, the USA and France for example, do Gemba walks.



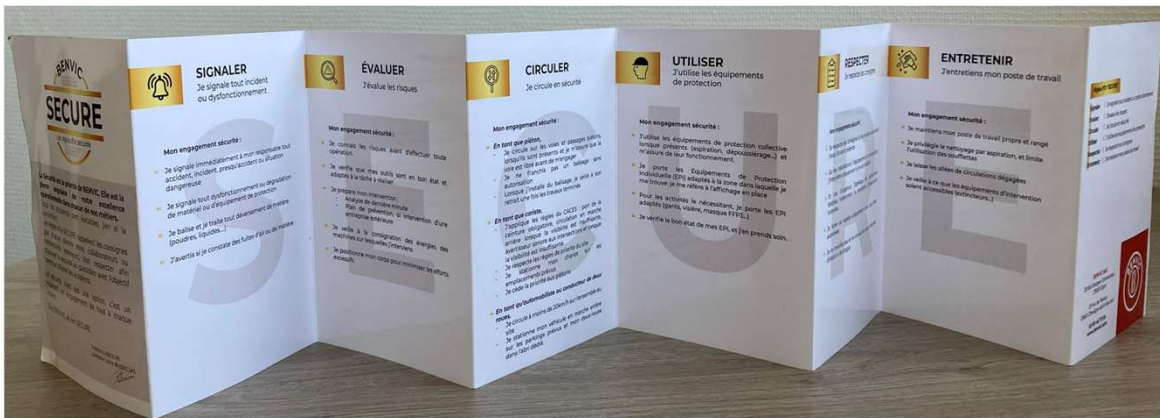
# 2.1- ENSURE THE HEALTH AND SAFETY OF EMPLOYEES

## HEALTH & SAFETY : A PART OF BENVIC CULTURE

In 2022, in all our factories, periodic training was conducted relating to different health and safety issues: pre-medical first aid; fighting stress in the workplace; recommendation EPI's and ISO training.



*Benvic Montornes , Health and Safety training days. First responders, firefighting training*



*Benvic Chevigny, implementation of Golden Rules. The contents of the booklet.*



*Benvic Alfa PVC, First Aid training in 2022.*



## 2.2- RESPECT THE FUNDAMENTAL HUMAN RIGHTS OF EMPLOYEES AND GUARANTEE THEIR LABOUR RIGHTS



### Our ambition

- Stay vigilant regarding gender equality in equal positions
- Comply with regulations on the proportion of disabled employees on the sites

### What this means for us

- Promote equal opportunities for all
- Promote a diverse workplace

## WHAT PROGRESS HAVE WE MADE?

Benvic is committed to integrating respect for human rights into all its operations. Benvic has reiterated its commitment to respect the principles of the United Nations Global Compact and other international standards in the field of human rights.

- Gender: strongly monitored gender gaps and mapping distribution of men/women
- Equal opportunities: identified positions to be opened and monitored those that could be adapted to employees with disabilities.
- Benvic Code of Conduct: in December 2022, a Corporate Code of Conduct was approved. This new Code showcases behaviour that embodies our Corporate values: Commitment, Enthusiasm, Respect, Team Spirit. Our Code is the backbone of enabling us to conduct our operations with Quality, Transparency, Integrity and Social Responsibility.

## WHAT ARE WE DOING?

- Follow-up of disabled personnel and adaptation of machines for people with disabilities.
- Gender equality index by country.
- Monitoring of private/work life balance via the annual appraisal, to enable managers to take action and improve working conditions and quality of work.

## OUR INDICATORS

- 15% of employees are women.
  - 34% of Managers are women.
- We do not follow any other KPI to respect the confidentiality of personal information.

## WHAT WILL WE DO?

- Formalize and share with all entities a common policy for our commitment to equal opportunities for all and to non-discrimination, with a strong focus on diversity.
- Organize an Inclusive Day for all employees to raise awareness and provide training relevant to their local environment and laws.

## EXAMPLE OF ACTION

- Chesapeake (Benvic Chemres): implementation of an equal opportunities policy that was communicated through the Employee's Handbook.
- Chevigny-Saint-Sauveur: creation of a commission to combat sexual harassment and sexist acts.
- Montornès del Vallès: official record of the equality plan in the autonomous registry and identification of actions to ensure equal opportunities.





## 2.3- ENSURE QUALITY SOCIAL DIALOGUE



### Our ambition

- Strengthen the Group spirit, both among employees and their representatives

### What this means for us

- Promote direct employee expression and social cohesion
- Respect labour representation rights

## WHAT PROGRESS HAVE WE MADE?

We are committed to social cohesion. Working with staff representatives, we paid close attention to the quality of employer-employee dialogue, and to equal opportunities and the fight against discrimination.

Direct expression and strengthened communication:

- Regular meetings with managers to inform them of the Group's strategy and results with Q&A, CEO's greeting at year-end, periodic emails.
- All factories hold daily meetings and monthly meetings - with key managers - enabling managers to share key information with their teams.

## WHAT ARE WE DOING?

Our tools:

- Internal screens (latest news including hiring), informative visual support, local quarterly newsletters, magazine (customers, partners).

Our actions:

- Informative meetings related to strategy and KPIs.
- Communication to social representatives of the information necessary for their activity
- Group Committee to improve the sharing of key information and answer questions from representatives.
- Specific meetings with employee representatives to explain the acquisition of Benvic by a new shareholder (ICIG).

## WHAT WILL WE DO?

- Pursue our communication efforts, deploy internal screens in larger plants and maintain a high level of meetings with the Group Committee.
- By the end of 2023, each factory will implement the actions identified in early 2022 to improve satisfaction results in the next Benvic People Survey.

### EXAMPLE OF ACTION



We are always looking to strengthen the Group spirit and promote social cohesion.

- Chesapeake (Benvic Chemres): monthly HR meetings to review staffing needs; promotion of active participation of employees in leading team meetings.
- Montornès del Vallès: daily short meetings with the heads of departments to share key information for daily management.
- Chevigny-Saint-Sauveur: monthly meetings (safety, quality, HR) will all departments to inform staff of objectives, results and other HR indicators.
- Sowerby Bridge (Benvic Dugdale): daily team meeting as start-up meeting. The strategy for the business is made available and visible for all employees in the canteen.
- Witkovo (Benvic Alfa PVC): implementation of an HR portal (with mobile version) that provides employees with the most important information.



## 2.4- DEVELOP EMPLOYABILITY



### Our ambition

- Keep a low voluntary turnover (< 5%)
- A training budget equal to 2% of the total payroll by 2023 in all sites.

### What this means for us

- Develop the skills of our employees
- Provide the necessary skills and the related management

## WHAT PROGRESS HAVE WE MADE?

Most of our workforce works in production, logistics and maintenance: thus, most of our training actions are mandatory to meet strict SHE criteria and require physical presence.

In 2022, we have taken strong actions to further develop training and increase the percentage of trained staff. 46% focused on Health & Safety, 21% on professional development (management & languages), 22% on required job skills and a small percentage on cyber security.

Skills development (remain heterogeneous within the Group):

- Mapped skills and defined action plans to meet the entity's needs & conducted performance appraisal interviews for all.
- Updated training plan, taking into account all needs.

## WHAT ARE WE DOING?

Our tools:

- Job descriptions and monitoring of the workforce.
- HR Training Policy and HR Tools.
- Training materials and indicators.

Our actions:

- Share best practices (hire, train, etc.).
- Provide guidance to HR representatives.
- Annual appraisal for managers and key people conducted in most countries, leading to the identification of training needs.

## OUR INDICATORS

- 11,102 hours of training. Employee training increased by 16,5% in 2022 compared to 2021. (\*)
- Absentee rate: 4.4%.

*(\*) This increase in training demonstrates our commitment to develop the skills of our employees and enabling them to grow.*

## WHAT WILL WE DO?

- Alignment of needs and skills mapping with the Group's strategy.
- Next year we will carry out a new employee survey as per our action plan.

## EXAMPLE OF ACTION



- Chesapeake (Benvic Chemres): training action plan for operator position, including training in the development of middle and senior management competences.
- Witkovo (Benvic Alfa PVC): first aid training for all employees.
- A Group HR dashboard was implemented to monitor the main HR indicators such as FTEs, head count, absenteeism, voluntary and involuntary turnover, training, etc. This tool allows us to produce reports at local and group level. Those KPIs were previously computed at Group level on a quarterly and/or annual basis for the ESG reporting.



## 2.5- MOTIVATE EMPLOYEES



### Our ambition

- 100% of managers with individual ESG objectives by 2023
- ESG to improve performance and to strengthen our HR brand

### What this means for us

- Deploy objectives for all managers
- Include ESG in compensation policy
- Promote improvement projects
- Promote sustainability as a lever to achieve economic & social ambitions

## WHAT PROGRESS HAVE WE MADE?

### Objectives:

- Set ESG objectives for all managers.
- The annual appraisal of managers includes an assessment of the performance achievement with regard to our Corporate values and the manager's ambitions & aspirations.
- Fair remuneration: communication of remuneration policy and monitoring by Group HR team of the alignment of compensation with Group rankings.
- Formalization & improvement of our Talent Round Table process. Key positions are now clearly identified, as well as key people. This allows for succession planning (1-3-5 years), and for any required action plan. This was implemented in factories and corporate functions.

## WHAT ARE WE DOING?

### Our tools:

- Annual appraisal tool.
- Staff survey every 2 years.

### Our actions:

- Remuneration policies set by sites are mainly linked to local obligations.
- We conduct regular workshops with Benvic HR Managers to share indicators and best practices.
- Bringing people together: letters to staff, CEO wishes in video for the year-end celebration, year-end celebration lunches, etc.



## WHAT WILL WE DO?

- Implement a suggestion system including production, safety, environment.
- Promote operational working groups and bringing people together with seminars, etc.

## EXAMPLE OF ACTION



- Europe: the Factory Excellence implemented in European plants strengthened the employees' motivation by enhancing their participation to meetings and promoting production KPIs.
- Montornès del Vallès: An improvement programme was started in 2022 - alongside Factory Excellence - to create a culture of continuous improvement and improve communication throughout the organisation. This programme focuses on the 7 areas defined by TIMWOODS (transportation, inventory, motion, waiting, overproduction, overprocessing, defects), HSE and energy consumption. It consists of the collection of detailed ideas and a monthly session during which the proponent of the best idea will get a reward and be involved in the implementation of the idea.
- ✓ West Unity (Benvic Trinity): 14 employees had CPR training on site for emergency response.



18



**PLEDGE**

**3.**

**RESPECT  
THE PLANET**



- 3.1** Promote environmental management
- 3.2** Preserve natural resources
- 3.3** Limit our impact on the environment



# 3.1- PROMOTE ENVIRONMENTAL MANAGEMENT



## Our ambition

- Maintain zero environmental incidents

## What this means for us

- Deploy an environmental management system and track / manage incidents
- Raise awareness and engagement amongst our employees
- Comply with and anticipate regulations

## WHAT PROGRESS HAVE WE MADE?

Environmental management system:

- We are proud to announce that 100% of our plants have obtained the ISO 14001 certification and implemented a continuous improvement system. The environmental culture was consolidated and will be an example to emulate in the Group's new acquisitions.
- Regular factory visits were carried out to verify compliance and respect of environmental standards, including waste management.
- Training sessions on environmental awareness were conducted for both Benvic and external staff.

## OUR INDICATORS

- Zero environmental incident.
- All industrial sites certified ISO 14001 or equivalent.

## WHAT WILL WE DO?

- Implement behavioral safety-environmental programs.
- To be held every year: **Safety and Environment Managers Day** to share best practices.

## EXAMPLE OF ACTION



earth week

Every year we celebrate one of the world's largest environmental protest movements. On the 22<sup>nd</sup> of April 1970, millions of people in the USA demonstrated to protest about the climate crisis caused by human activity. Ever since, this symbolic day has become an opportunity to raise awareness of the urgent need for concrete actions to mitigate the impact of our activity on the planet.

At Benvic, we are committed to tangibly reducing our environmental impact. To that end, each Benvic factory is scheduled to carry out different awareness and sustainability actions during Earth Day. Here are some of the actions undertaken in 2022.



# 3.1- PROMOTE ENVIRONMENTAL MANAGEMENT



Witkowo and Warsaw, Poland



**Dzień Ziemi**  
"Earth Day"

Zostaw auto w garażu. Przyjedź do pracy rowerem, komunikacją miejską lub zbierz znajomych i podróżujcie razem.



Dzień bez auta  
22 kwietnia 2022



Dzień wegetariańskich potraw

Kup, przynieś z domu lub zamów posiłek, który nie zawiera mięsa.

Podziel się swoim zaangażowaniem z innymi. Zrób zdjęcie swojego dania lub alternatywnego środka transportu.



*Benvic Alfa PVC: a request to all employees: no meat on Earth Day & journey to work by bike or public transport. Fruits were shared.*



Sowerby Bridge, UK




**MAKE EVERY DAY**  
**EARTH DAY 22**  
**APRIL 21ST**

ACTIVITIES: Litter picking • Tree planting • Using Public transport • Car Sharing • Cycling • Natural lighting in Offices • Zero to little printing

#investinourplanet earthday.org/take-action-now

*Benvic Dugdale: sharing activities to have a bigger impact, such as:*

- Using public transport.
- Zero to little printing.
- Tree planting.
- Litter picking.

Benvic US . Princeton, NJ; Chesapeake, VA; West Unity, OH



*Benvic Chemres: their goals on Earth Day were to:*

- Save energy by deleting emails.
- Save trees & energy by avoiding printing paper.
- Prevent plastic material from entering water bodies through different pathways by recycling; improving their waste system; keeping pellets of the ground; avoiding single-use plastic containers or utensils.

**2022**

**Goals & Initiatives**






**EARTH DAY**  
APRIL 22<sup>nd</sup>



# 3.1- PROMOTE ENVIRONMENTAL MANAGEMENT



## Montornès del Vallès, Spain



### Key actions:

- Information to our employees about the environmental impacts of our activity.
- Collaborative mural where our workers shared their commitment to recycling, reducing & reusing.
- Reusing resources by gifting employees a lunchbox.
- Information to our workers about water consumption and gift of an "aerator" to be placed on the faucet at home to reduce water consumption by 50%.



## Chevigny-Saint-Sauveur, France



A workshop was organized divided into 5 segments:

- Daily actions.
- How to compute & reduce our personal CO2 footprint.
- Local actions on energy and waste.
- Focus on avoiding industrial pellets pollution.
- General information about PVC.

A great commitment: for each person who attended the workshop, a tree was planted thanks to a specialized organisation - Reforest Action.





## 3.2- PRESERVE NATURAL RESOURCES



### Our ambition

- Reduce our waste and consumption of water and energy

### What this means for us

- Improve energy efficiency
- Optimize raw material consumption and reduce waste
- Reduce water consumption

## WHAT PROGRESS HAVE WE MADE?

### → Energy efficiency:

- Increased the use of renewable electricity: in 2022, 5 plants purchased green energy contracts.
- Benvic Chevigny-Saint-Sauveur has an action plan to reduce electrical energy with a clear target: -7% consumption over 2018-2023. Ongoing analysis to replace existing cogeneration with a smaller unit.
- Implemented an action plan to improve energy efficiency and reduce energy consumption in all plants.

### → Waste management:

- Defined for each site an action plan to optimize raw materials waste and monitors its results.

### → Water consumption:

- Monitored water consumption, defined and deployed action plans to reduce consumption, as well as recycle and reuse water.



## OUR INDICATORS

- 64.9% renewable electricity.
- 300kW of energy consumed per ton produced and 0.2m<sup>3</sup> of water consumed per ton produced.
- Ratio of energy cost/operating cost: 10.7%.
- 2 sites certified ISO 50001.

## WHAT WILL WE DO?

Contracts with energy suppliers include an obligation to source green energy. By 2024 all factories must have green energy contracts

## EXAMPLE OF ACTION



- Witkovo (Benvic Alfa PVC): reduce natural resources consumption. In cold mixers, water stays in a closed loop, resulting in lower water consumption.
- Montornès del Vallès: paper and plastic compactors to optimize space and handling (photo on the left)
- Sowerby Bridge (Benvic Dugdale), Witkovo (Benvic Alfa PVC), Chevigny-Saint-Sauveur, Ferrara and Montornès del Vallès: 100% of energy supplied comes from renewable energy sources.
- Chevigny-Saint-Sauveur: from July 2022, 100% of the used energy comes from renewable energy sources.



# 3.3- LIMIT OUR IMPACT ON THE ENVIRONMENT



## Our ambition

- Measure our carbon footprint to identify areas for improvement
- Comply with a 2°C strategy in line with the Paris Agreement, which aims to limit global temperature increase to below 2°C, by reducing GHG emissions

## What this means for us

- Set science-based targets in line with the Paris Agreement
- Reduce emission of greenhouse gases (GHG)
- Reduce the impact of industrial processes on air, water and soil

## WHAT PROGRESS HAVE WE MADE?

- Assessed carbon footprint scopes 1, 2 & 3 in all plants and identified main emitters.
- From the baseline established in 2020, we have managed to reduce our (scopes 1 and 2) CO2 emissions by a whopping 62.7% in 2022. One of the reasons for this success was the switch to green energy contracts for most of our sites.
- Since 2020, we have managed to stay Carbon Neutral (scopes 1 & 2) by reducing our GHG emissions and purchasing carbon credits to compensate for remaining emissions. In 2022, we decided to invest in two forest protection projects. Through these projects, Benvic offsets its carbon emissions and contributes to a better world. One where the local population does not have to choose between their livelihood and the preservation of the environment.

## WHAT ARE 'SCIENCE-BASED TARGETS'?



One of our main ambitions is to minimize our carbon footprint as much as possible. To achieve this, we commit to the Science Based Targets initiative (SBTi), which calls on companies to demonstrate their leadership on climate action by publicly committing to science-based GHG reduction targets.

Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement - limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.

## OUR INDICATORS

- 5,396 tCO<sub>2</sub>e scopes 1 & 2 (62.7% reduction compared to 2020).
- 1,070,439 t eq. CO<sub>2</sub> scope 3.
- 3.3 t eq. CO<sub>2</sub> all scopes per k€ of turnover.

## WHAT WILL WE DO?



With the support of an independent expert, we will revise our strategic plan and develop a new Action Plan to further reduce our carbon footprint aligned with the SBTi (Science Based Targets initiative) methodology.

## EXAMPLE OF ACTION



- 2,700t of PVC were recycled in 2022 at Benvic Ereplast and 400t of biopolymers were sold.



- Our Montornès del Vallès plant is switching nitrile gloves to biodegradable gloves.
- We increased the percentage of renewable electricity which now represents 64.9% of our global electricity consumption versus 13.6% in 2020.



# 3.3- LIMIT OUR IMPACT ON THE ENVIRONMENT



## WHAT DO THE SCOPES OF GHG EMISSIONS REPRESENT?

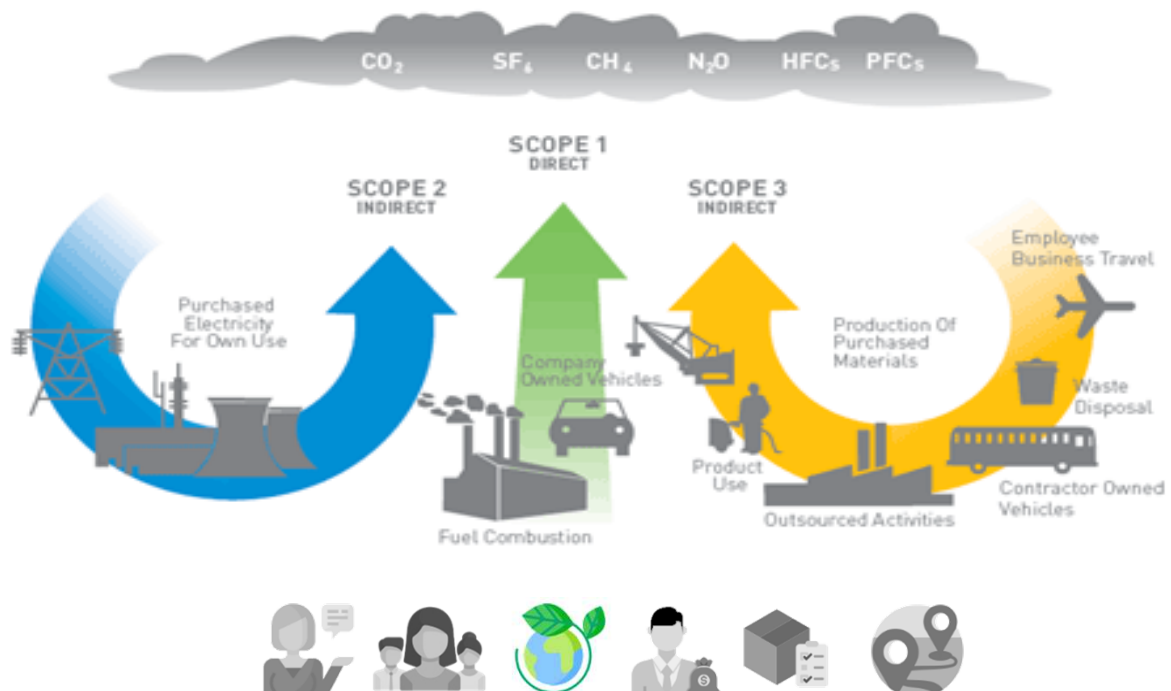
### Scope 1, 2 & 3

- **Scope 1:** Direct sources of GHG emissions
  - On-site energy production
  - Heating systems
  - Fuel for Benvic-owned vehicles
- **Scope 2:** Indirect sources of GHG emissions
  - Production of heat or steam by supplier
  - Production of electricity by supplier
- **Scope 3:** Other indirect GHG emissions
  - 15 categories divided between upstream and downstream emissions

### Scope 3 categories

UPSTREAM	1. Purchased goods and services
	2. Capital goods
	3. Fuel and energy-related activities
	4. Upstream transportation and distribution
	5. Waste generated in operations
	6. Business travel
	7. Employee commuting
	8. Upstream leased assets
DOWNSTREAM	9. Downstream transportation and distribution
	10. Processing of sold products
	11. Use of sold products
	12. End-of-life treatment of sold products
	13. Downstream leased assets
	14. Franchises
	15. Investments

### Breakdown of scopes (example)



# 3.3- LIMIT OUR IMPACT ON THE ENVIRONMENT



## BENVIC GOES CARBON NEUTRAL

In recent years, Benvic has consolidated its position as a first mover and leader on ESG matters. Our sustainability strategy is focused on the conservation and preservation of the environment for future generations. In order to reduce our environmental footprint, we favour a three-pronged strategy: life-cycle of the end product; Circular economy; and carbon neutrality.

Benvic is pleased to announce that, for the third year in a row, we have completely offset our scopes 1 and 2 carbon emissions. In order to compensate the remaining emissions, those that cannot be avoided, we decided to invest in exemplary climate actions through the purchase of VCUs (verified carbon units) - one VCU corresponding to one ton of CO2 equivalent being removed from the atmosphere.

Benvic sponsored two projects relating to forest protection in South America through South Pole, one of the leaders in climate investments. The projects are: “Bull Run Forest Protection” and “Envira Amazonia Tropical Forest Conservation”.

## BULL RUN FOREST PROTECTION

**VERRA**

**Verified Carbon Standard**

**Certificate of Verified Carbon Unit (VCU) Retirement**

Verra, in its capacity as administrator of the Verra Registry, does hereby certify that on 05 Jul 2023, 579 Verified Carbon Units (VCUs) were retired on behalf of:

Benvic SAS

**Project Name**  
Bull Run Overseas Forest Carbon Project

**VCU Serial Number**  
10473-220256069-220256647-VCS-VCU-352-VER-BZ-14-812-01012010-31122010-0

**Additional Certifications**

Powered by **APX**

**VERRA**

**Verified Carbon Standard**

**Certificate of Verified Carbon Unit (VCU) Retirement**

Verra, in its capacity as administrator of the Verra Registry, does hereby certify that on 05 Jul 2023, 2,000 Verified Carbon Units (VCUs) were retired on behalf of:

Benvic SAS

**Project Name**  
Bull Run Overseas Forest Carbon Project

**VCU Serial Number**  
11529-337867375-337869374-VCS-VCU-352-VER-BZ-14-812-01012010-31122010-0

**Additional Certifications**

Powered by **APX**

## ENVIRA AMAZONIAN TROPICAL FOREST CONSERVATION

**VERRA**

**Verified Carbon Standard**

**Certificate of Verified Carbon Unit (VCU) Retirement**

Verra, in its capacity as administrator of the Verra Registry, does hereby certify that on 05 Jul 2023, 2,817 Verified Carbon Units (VCUs) were retired on behalf of:

Benvic SAS

**Project Name**  
The Envira Amazonia Project - A Tropical Forest Conservation Project in Acre, Brazil

**VCU Serial Number**  
10793-248944276-248947092-VCS-VCU-352-VER-BR-14-1382-02082012-31122013-1

**Additional Certifications**  
CCB-Biodiversity Gold; CCB-Climate Gold; CCB-Community Gold; CCB-Gold

Powered by **APX**





# 3.3- LIMIT OUR IMPACT ON THE ENVIRONMENT



## BULL RUN FOREST PROTECTION

Located in the heart of Belize's rainforest, the Bull Run forest protection project aims to preserve the country's natural carbon sinks as well as the plethora of flora and fauna that are dependent on them. Through the implementation of patrols and regular monitoring, the project actively prevents illegal hunting and habitat destruction, while additionally protecting the region's valuable watershed, which is a key component in protecting the Belize barrier reef and aquatic biodiversity. The program also benefits the local population, by creating jobs in forest protection and providing educational support.



**Job opportunities**

in maintenance, monitoring and patrols in the project area



**12.000Tn CO<sub>2</sub> eq.**

mitigated on average annually by the project



**567ha of biodiverse forest**

protected from deforestation and conversion into coffee agriculture

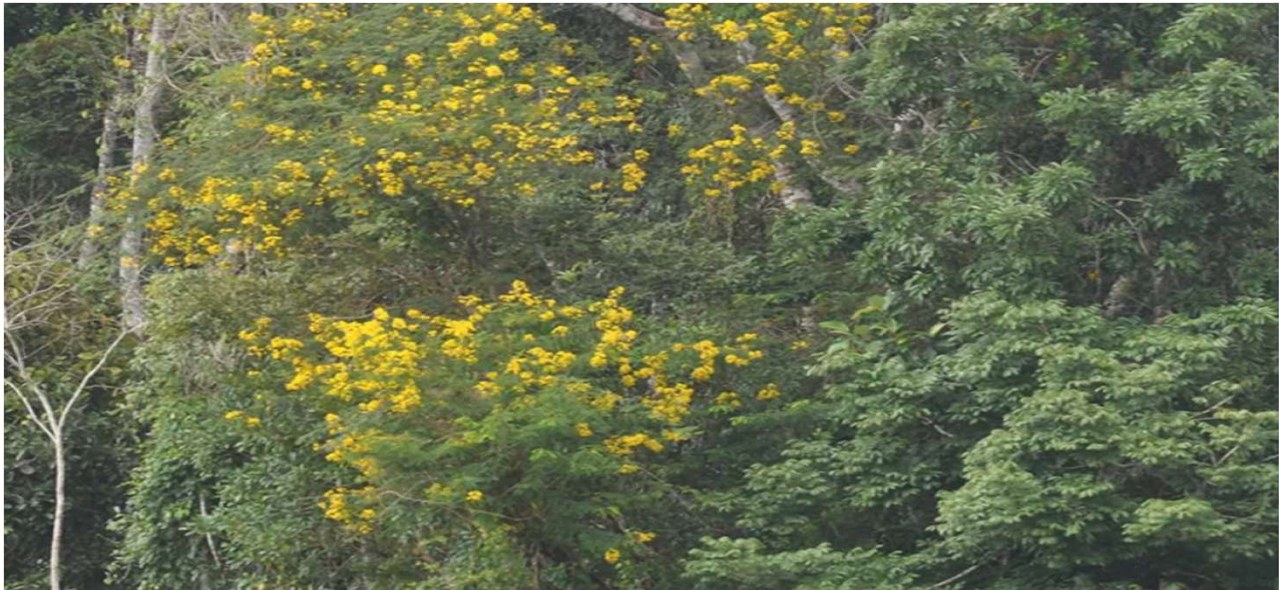


# 3.3- LIMIT OUR IMPACT ON THE ENVIRONMENT



## ENVIRA AMAZONIA TROPICAL FOREST CONSERVATION

Envira Amazonia Tropical Forest Conservation fights against the rampant deforestation of the Amazon Forest. Located in the Brazilian State of Acre, a state rapidly opening up to the world and thus environmentally vulnerable, the project ensures the preservation of the forest and the improvement of the local population's quality of life.



### Sustainable Development Goals



**12 community bathrooms** installed and one health clinic build in 2019, improving local community health and increasing life expectancies



**Teaching courses**  
Educational and community meetings are run out of the project headquarters



**1.259.000Tn CO2 eq.** mitigated on average annually by the project



**39,300 hectares** of tropical rainforests are protected from deforestation, and a biodiversity monitoring plan has been set up









## PLEDGE

# 4.

## CREATE VALUE TOGETHER WITH INVESTORS



- 4.1 Perform risk management
- 4.2 Ensure good management and governance
- 4.3 Communicate ethically and transparently



## 4.1- PERFORM RISK MANAGEMENT

### Our ambition

- Have a complete and agile risk management system

### What this means for us

- Manage risks globally and take risk management into account in decision-making

## WHAT PROGRESS HAVE WE MADE?

- Developed and implemented a risk management policy, processes and tools.
- Identified key people who may retire in the coming years and the roles in need of back-ups.

## WHAT ARE WE DOING?

Our tools:

- Methodology for monitoring risks.

Our actions:

- Implement risk management tools.
- Internal control of objectives and processes.

## WHAT WILL WE DO?

- Global risk management at group level.
- Implementation of cybersecurity management system with dedicated resources - as per the requirements of our new shareholder ICIG; including awareness program & training, and tailor-made tools for risk assessment.
- Align our risk management system to ICIG's own system.

## 4.2- ENSURE GOOD MANAGEMENT AND GOVERNANCE



### Our ambition

- Stay a market leader in governance

### What this means for us

- Develop responsible practices and behaviours
- Promote good governance

## WHAT PROGRESS HAVE WE MADE?

Responsible practices and behaviour:

- Improved our governance at:
  - Group level: review of delegations & reporting lines for key matters.
  - Entities' level.
- Brought clarity to operational scopes & responsibilities.
- Definition & Launch of Internal Control.
- Formalized succession planning in all plants.

## WHAT ARE WE DOING?

Our tools:

- Chart of Ethics shared with partners.
- Annual assessment of key executives.

Our actions:

- ESG chart of ethics.
- Calendar of ExCo Strategic Committee meetings as well as strategic meetings with our shareholders.

## WHAT WILL WE DO?

- Strengthen our ethical framework by adding ESG criteria in the assessment of executives.
- Balance corporate governance between economic and social goals.
- Release Governance framework.



# 4.3- COMMUNICATE ETHICALLY AND TRANSPARENTLY



## Our ambition

- Structure our internal and external communication

## What this means for us

- Develop a communication process for all significant events

## WHAT PROGRESS HAVE WE MADE?

- Displayed our sustainability report publicly (available on our website).
- Released a new website design & content - with easier access to our KPIs and products (via an online catalogue & search tool).
- Published regular news and white papers on our website.
- Improved communication with our employees, especially regarding our strategy and our relationship with our investors.

## WHAT WILL WE DO?

- Pursue our efforts to improve our communication with a schedule of strategic meetings (with key topics and a timeline to respect).
- Pursue our efforts in internal communications to build a strong HR brand and strengthen Benvic as an integrated Group (new means and new media).
- Build an intranet for our staff.

## WHAT ARE WE DOING?

Our actions:

- Improve our monthly report to shareholder.
- Implement a new reporting tool to share all data (finance, HR, industrial) to ICIG, our shareholder.
- Improve the access to our ESG data.
- Improve our internal communication, for instance through regular posts on social networks for both our staff and partners, and strong communication on our ESG performance and results.

## EXAMPLES OF ACTIONS

- Stronger community management with periodic news, white papers, etc., shared on both our revamped website and our LinkedIn account.
- Published our sustainability report on our website with a strong communication campaign.
- Quarterly meetings with our managers.





## PLEDGE



# 5.

## PROMOTE RESPONSIBLE PROCUREMENT WITH OUR SUPPLIERS



- 5.1** Promote responsible business ethics
- 5.2** Define a supplier standard
- 5.3** Assess the ESG performance of buyers
- 5.4** Manage and evaluate suppliers' ESG performance, optimize relationships

# 5.1- PROMOTE RESPONSIBLE BUSINESS ETHICS



## Our ambition

→ Zero cases of proven corruption

## What this means for us

- As a company under French law, set up an anti-corruption programme following the recommendations of the Sapin 2 law
- Comply with the GDPR in all our subsidiaries

## Anti-corruption and tax compliance

We aim to follow the 8 measures required by the Sapin law. One of the first projects will be the updating of the ethics charter to include business ethics issues - anti-corruption obviously, but also competition, fiscal transparency, and transparency on lobbying in particular - as well as the implementation of a gift policy.

We did not set up a tax compliance policy as such. On the other hand, the Group complies with the international tax standards of the OECD and the country-by-country tax reporting obligation with respect to transfer pricing.

Benvic's activities generate various types of taxes in the countries in which it operates. The Group is committed to ensuring that its subsidiaries in all countries comply with all applicable local taxation laws.

## Protection of personal data

### WHAT PROGRESS HAVE WE MADE?

- Maturity diagnostic in the protection of personal data and definition of an action plan.
- Identified main areas of risks.
- Raised awareness in our plants through training.

### WHAT ARE WE DOING?

Our actions:

- Pursue our analysis of our maturity.
- Map all available personal data by process / by function.
- Definition of a roadmap and high-priority actions to achieve compliance.

### WHAT WILL WE DO?

- Pursue the mapping of our systems and data, implement monitoring of our data processing in all plants.
- Continue to protect personal data, with a focus on our recent acquisitions to bring all plants to the same level of maturity - especially in the US.
- Share our Ethics Code with our suppliers.



## 5.2- DEFINE A SUPPLIER STANDARD

### Our ambition

- By 2023, include ESG criteria in the selection of all our critical suppliers

### What this means for us

- Define prerequisites for suppliers and select them accordingly

## WHAT PROGRESS HAVE WE MADE?

We successfully built long-standing partnerships with major raw materials suppliers, resulting in long-term outline contracts.

We drew up distinct specifications for other suppliers (excluding raw materials).

## WHAT ARE WE DOING?

We have included critical ESP prerequisites in the supplier selection process. In the future, we will notably select our main suppliers based on their commitment to the carbon footprint of their products. Scope 3 emissions are a key challenge, but even when we do not have direct control over these emissions, there are options to mitigate them, and we will make the most of these opportunities.

## WHAT PROGRESS HAVE WE MADE?

Training of buyers in ESG standards required for / by suppliers, and integration of ESG into their mission statements.

## 5.3- ASSESS THE ESG PERFORMANCE OF BUYERS



### Our ambition

- Train 100% of our buyers by 2025

### What this means for us

- Train and evaluate our buyers

## WHAT ARE WE DOING?

Our tools:

- Annual evaluation of buyers (just like any other employee).
- Control of expense reports.
- Sustainability questionnaire sent to our main suppliers to understand their maturity in terms of sustainability and their actions regarding the calculation of their emissions. This is a first step to identify our actions to reduce scope 3 emissions.
- Evaluate the suppliers of raw materials, which represent 80% of the turnover, according to our Responsible Purchasing policy.

## WHAT WILL WE DO?

- Familiarize buyers with the concept of responsible purchasing, the Responsible Purchasing policy and the Code of Business Conduct.
- Ensure that ESG standards are respected and take them into account when evaluating the performance of buyers.
- Issue guidelines on how to proceed regarding gifts & incentives.
- Develop a Responsible Purchasing policy.
- Define standards for the selection of suppliers.



## 5.4- MANAGE AND EVALUATE SUPPLIERS' ESG PERFORMANCE, OPTIMIZE RELATIONSHIPS



### Our ambition

- Develop, through partnerships, value-added ESG projects with our suppliers

### What this means for us

- Manage and evaluate suppliers' ESG performance
- Develop partnerships for innovation
- Ensure balanced relationships with suppliers

### WHAT PROGRESS HAVE WE MADE?

- Implemented a new Procurement organization, raising awareness of ESG & sustainable Procurement.
- Improved the Procurement organization by category in order to offer clarity and efficiency to suppliers.

### WHAT ARE WE DOING?

- Identified key suppliers and suppliers who can be partners in ESG innovation.
- Regular exchanges with suppliers on contract monitoring.

### WHAT WILL WE DO?

- Engage with suppliers and communicate our sustainability goals and expectations. Encourage them to adopt sustainable practices, to measure and report their emissions, and to set their own reduction targets.
- Integrate environmental criteria into our supplier selection process, favouring suppliers with lower emissions and more sustainable practices.
- Foster collaboration with suppliers to develop and implement innovative solutions for emissions reduction. Encourage the exchange of ideas and best practices to find more sustainable alternatives, such as renewable energy, energy-efficient technologies, and circular economy solutions.
- Promote transparency and traceability throughout the supply chain. Encourage suppliers to disclose their emissions data, to seek environmental certifications, and to implement sustainable sourcing practices.
- Establish a structured supplier evaluation model.









## PLEDGE

# 6.

## WORK WITH LOCAL COMMUNITIES



**6.1** Ensure the integration of entities on their territory

**6.2** Manage industrial risks linked to the presence of entities in their territories



# 6.1- IMPROVE COMMUNITY ENGAGEMENT FOR EACH SITE



## Our ambition

- Participation of all our sites in local projects

## What this means for us

- Develop relationships with local stakeholders
- Contribute to local development

## WHAT PROGRESS HAVE WE MADE?

Relationships with local stakeholders:

- Stakeholder mapping for all sites.
- Participation in local initiatives for all sites.

## WHAT ARE WE DOING?

Our tools:

- Stakeholder action plan.
- Questionnaire for local communities.
- Buying locally and encouraging local suppliers to do so - whenever possible.

## WHAT WILL WE DO?

- Pursue our efforts to focus on employment and our impact on communities when acquiring new entities.
- Participation of all our sites in local projects: every site will plan two yearly actions with significant stakeholders in order to contribute to local development.
- Pursue our efforts to focus on employment and our impact on our communities when acquiring new entities.

## EXAMPLES OF ACTIONS



- Chesapeake (Benvic Chemres): annual meeting with local environmental agencies and community programs (for instance, Emergency Planning and Save the Bay, or the Fire Department).
- Montornès del Vallès: collaborated with the Orquestra Sinfónica del Vallés, a Catalan orchestra with strong social commitments through social and educational programs. We also collaborated with Volumont, a Christmas donation charity for disadvantaged children and teenagers.
- Witkovo (Benvic Alfa PVC): support to local associations such as animal shelters, a football club, the volunteer fire brigade, charities helping the sick, and the citizens' meetings organized by the city of Raciąż.
- Sowerby Bridge (Benvic Dugdale): donated safety wear to local schools; supported Overgate Hospice Charity and Bone Cancer.
- Chevigny-Saint-Sauveur: participated in the Odyssea race (to support the fight against breast cancer) and in the "3 germes d'entrepreneurs" project, with an awareness presentation on the benefits of going to school in order to integrate the workforce.



## 6.2- MANAGE INDUSTRIAL RISKS LOCALLY



### Our ambition

- All sites should develop appropriate action plans with local stakeholders in order to manage industrial risks

### What this means for us

- Identify and assess risks
- Control risks to communities
- Prepare for emergencies

### WHAT PROGRESS HAVE WE MADE?

Identification of risks:

- Collect of the information needed in order to identify and assess risks.

Emergency situations:

- Minimum emergency preparedness.
- Definition of scenarios for possible emergencies & associated procedures.

### WHAT ARE WE DOING?

Our tool: standards for safety systems and definition of risk levels.

Our actions:

- Annual evacuation drills at all sites.
- Special care taken to engage with neighbours who have questions about our activities and the possible risks associated with them.

- West Unity (Benvic Trinity): monitors the compliance of risk management-related operating activities; completed risk assessments (FMEA process) on hazards for HSE, and has formally identified and documented Environmental Aspects, Impacts, and Opportunities.
- Montornès del Vallès: investment to reduce ambient and emitted noise to minimize the impact they have on the local community: an acoustic enclosure was erected outside the engine room of the PVC composite production tower, comprising silencers for forced air ventilation.

### OUR INDICATORS

- 100% of atmospheric emissions are below the legal limits and the limits established in each country (mainly dust particles).

### WHAT WILL WE DO?

- Share best practices and implement tools & actions in recent acquisitions.
- Analyse & monitor industrial risks for each site.
- Develop a crisis management tool both at Group level and locally.
- Identify key risks and implement concrete and immediate actions.

### EXAMPLES OF ACTION



- Sowerby Bridge (Benvic Dugdale): implemented measures to ensure compliance for noise. Interceptors have been installed to collect any spillage that may occur and prevent pollution of the river. The Integrated Pollution Prevention and Control (IPPC) permit manages compliance.
- Chevigny-Saint-Sauveur: assessment of industrial risks; record of HSE measurements; check at predefined intervals of emergency equipment.
- Witkovo (Benvic Alfa PVC): assessment of fire safety - n°1 risk; reception of all OHS & environmental permits and legal decisions.
- Ferrara: periodic water monitoring, underground, environmental noise and particle emission measurements. Information is collected on mandatory documents (in keeping with national legislation) and in specific management systems.







# 7.



## A NOTE ON INDICATORS AND CORRESPONDENCE TABLES



- 7.1 Methodological note
- 7.2 Correspondence table with Global Compact commitments
- 7.3 Global Reporting Initiative Correspondence Table



# METHODOLOGICAL NOTE & GLOBAL COMPACT CORRESPONDENCE

## 7.1- METHODOLOGICAL NOTE

Quantitative reporting covers BENVIC SAS, BENVIC EREPLAST, BENVIC SRL, BENVIC IBE SL, BENVIC ALFA PVC, BENVIC DUGDALE PVC, BENVIC MODENPLAST MEDICAL, the HOLDING - BENVIC GROUP, BENVIC BE, BENVIC GER (LUC&BEL EXCLUDED)

## 7.2- GLOBAL COMPACT CORRESPONDENCE

This report serves as our Communication on Progress, an annual disclosure to stakeholders on progress made in implementing the Ten Principles of the UN Global Compact in the areas of human rights, labor, environment and anti-corruption.

	PRINCIPLES	SECTION
	<b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights.	<ul style="list-style-type: none"> <li>Analyze and develop our markets, while integrating ESG - section 1.4</li> <li>Respect the fundamental human rights of employees and guarantee their social rights - section 2.2</li> </ul>
	<b>Principle 2:</b> Businesses should make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> <li>Define a minimum standard and integrate it into the supplier selection process - section 5.2</li> <li>Manage and evaluate suppliers' ESG performance, optimise relationships - section 5.3</li> </ul>
	<b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<ul style="list-style-type: none"> <li>Ensure high-quality social dialogue - section 2.3</li> </ul>
	<b>Principle 4:</b> Businesses should uphold the elimination of all forms of forced and compulsory labour.	<ul style="list-style-type: none"> <li>Respect the fundamental human rights of employees and guarantee their social rights - section 2.2</li> </ul>
	<b>Principle 5:</b> Businesses should uphold the effective abolition of child labour.	<ul style="list-style-type: none"> <li>Define a minimum standard and integrate it into the supplier selection process - section 5.2</li> <li>Manage and evaluate suppliers' ESG performance, optimise relationships - section 5.3</li> </ul>
	<b>Principle 6:</b> Businesses should uphold the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> <li>Respect the fundamental human rights of employees and guarantee their social rights - section 2.2</li> </ul>
	<b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges.	<ul style="list-style-type: none"> <li>Limit our impact on the environment - section 3.3</li> </ul>
	<b>Principle 8:</b> Businesses should undertake initiatives to promote greater environmental responsibility.	<ul style="list-style-type: none"> <li>Promote environmental management - section 3.1</li> <li>Conserve natural resources - section 3.2</li> </ul>
	<b>Principle 9:</b> Businesses should encourage the development and diffusion of environmentally-friendly technologies	<ul style="list-style-type: none"> <li>Innovate by integrating the ESG aspect - section 1.3</li> </ul>
	<b>Principle 10:</b> Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> <li>Promote responsible business ethics - section 5.1</li> </ul>

## 7.3- GRI INDEX

As required by the GRI Standards, we provide an index that specifies each of the GRI Standards used and lists all disclosures included in the report.

No.	DISCLOSURE	COMMENTS	PAGE
<b>GENERAL ELEMENTS</b>			
102-1	Name of the organization	Completed	7
102-2	Activities, brands, products and services: description of the organization's activities, brands, products and services	Completed	16, 20, 21
102-3	Location of company headquarters	Completed	6, 7
102-4	Location of operations: number of countries in which the organization operates, where significant operations are located or which are significant for the purposes of this report	Completed	6, 7
102-5	Type of ownership and legal structure	Partial	17
102-6	Markets served: geographic locations of markets, sectors served, types of customers and users/consumers	Partial	20, 21
102-7	Size of organization: number of employees, operational information, sales, capitalization and product sales	Completed	12, 14, 15
102-8	Information concerning employees and other workers: employees by type of contract (permanent/fixed-term), gender, region, full-time/part-time and if a significant part of the activity is carried out by persons who are not employed by the company	Completed	12, 14, 15
102-9	Supply chain: including its main structure for activities, brands, products and services	Partial	13
102-10	Significant changes in the size of the organization, its structure, ownership or supply chain (change in the location of operations or main suppliers or in the capital structure)	Completed	17
102-11	The precautionary principle approach	Completed	12, 13
102-12	External initiatives (list of CSR charters, principles or other initiatives to which the company adheres)	Completed	28
102-13	Membership in associations (list of memberships in international industrial or other associations or organisations integrating CSR issues)	Completed	22
102-14	Statement by the manager (CEO, Executive Committee, Management Committee or Board) about the interest of CSR for the organisation and the strategy developed	Completed	4
102-16	Values, principles, standards and behavioural norms	Completed	12, 13, 16, 18, 19
102-18	Governance structure: including the highest governance committees and their CSR responsibilities	Partial	17
<b>ECONOMIC</b>			
201-1	Economic performance - Direct economic value generated and distributed	Partial	12
205	Anti-corruption - Indicators to be chosen once the process is actually underway	Partial	12, 19
<b>ENVIRONMENTAL</b>			
301-1	Materials - Materials used by weight or volume	Absent	
302-1	Energy - Energy consumption in the organization	Completed	12
302-3	Energy - Energy intensity	Completed	12
303-5	Water - Water consumption	Completed	12
305-1	Emissions - Scope 1 GHG emissions	Completed	12, 67-69
305-2	Emissions - Scope 2 GHG emissions	Completed	12, 67-69
306-2	Waste and Effluents - Waste by type and processing	Partial	12
307-1	Environmental compliance - Environmental non-compliance	Completed	12
308	Environmental assessment of suppliers - Indicators to be chosen once the process is actually underway	Absent	
<b>SOCIAL</b>			
401-1	Employment - Recruitment and turnover	Complete	12, 14, 15
403-9	Occupational health and safety - Number of workplace accidents	Complete	12, 54
401-1	Training and education - Average number of hours worked	Complete	58
405-2	Diversity and equal opportunities - Base salary ratio and gender pay gap	Partial	14-15, 56
407	Freedom of association and collective bargaining - Operations and suppliers where freedom of association and collective bargaining may be at risk	Absent	
413-1	Local communities - Operations with local community engagement, impact assessments and development programmes	Partial	83, 84
414	<i>Social assessment of suppliers - Indicators to be chosen once the process is actually underway</i>	Absent	
416-1	Consumer health and safety - Assessment of the health and safety impacts of products and services	Partial	48





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