



**SUSTAINABILITY
REPORT
2021**

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* Sustainable Development Goals





MESSAGE FROM THE CEO

“ Since 2020, our world has been shaken by crisis upon crisis – some of them long-brewing, other unforeseeable. Nevertheless, Benvic has risen through adversity to become one of the major players in its industry: not a niche compounder anymore, but a well-diversified, prosperous and conscientious platform catering to essential needs.

In the span of just a few years, Benvic has developed and consolidated its international presence, becoming one of the key worldwide leaders in thermoplastic solutions. Through a carefully designed expansion strategy, the group has acquired eight first-rate companies in Europe and the United States. Each and every one of these additions has contributed to the overall value of the company, in particular thanks to the rewarding synergies created between the veteran and new entities.

Furthermore, in 2021, Benvic pursued several value creation initiatives, from market and product diversification to operational improvements. Through close monitoring of our processes and constant exchanges with our stakeholders, we identified and implemented the most promising and efficient ways to create genuine and lasting value for everyone involved.

In the aftermath of the COVID-19 crisis, Benvic has proven its financial and economic resilience and the strength of its commitment to its people and the environment. What was learnt in difficult times will not be forgotten, and we will continue to have the highest regard for the health of our teams and customers. We stand tall and strong in the face of the new challenges coming our way.

High inflation and the Ukraine-Russia conflict have put into stark relief the importance of astute energy management for successful and respectful business practices. Benvic has long cared for energy efficiency and clean sourcing and integrated these as key factors in its overall strategy. In 2021, we renegotiated our European energy contracts to ensure that our facilities run on green, locally produced energy. As a result, we managed to reduce our CO2 emissions (scopes 1 and 2) by an astounding 43%.

Benvic has set the course for the coming years, reaffirming its proactive and leading position on ESG matters, as well as its strong growth potential through value creation and clever acquisitions. Respect for our products and for our stakeholders continues to drive our success.

Luc Mertens, CEO

”





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

PRESENTATION OF THE COMPANY

Benvic is the largest independent European PVC compounder, a multinational company quickly expanding to become one of the global references for outstanding thermoplastic solutions. 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, cutting-edge biopolymers, halogen free blends and recycled PVC. We operate in all types of industries, in particular healthcare, construction, and wires & 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 700 people all over the world. Our employees are engineers, workers, makers and solution finders. 70% are dedicated to Operations and 15% work for Innovation & Quality.

The group currently operates a total of 10 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 (*excluded from this report*)

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



- BENVIC MODENPLAST MEDICAL Ubersetto
- BENVIC LUC & BEL Carpi (*excluded from this report*)

Our products:

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;
- Medical-grade PVC and components.





**VALUE, VISION,
AMBITIONS,
COMMITMENTS**



THE VALUE WE CREATE

ENTITIES INCLUDED IN THE SCOPE OF THIS REPORT ARE:

BENVIC CHEVIGNY-SAINT-SAUVEUR, BENVIC EREPLAST, BENVIC FERRARA, BENVIC MONTORNÈS DEL VALLÈS, BENVIC ALFA PVC, BENVIC DUGDALE PVC, BENVIC MODENPLAST MEDICAL HOLDING - BENVIC GROUP, BENVIC BELGIUM, BENVIC GERMANY

BENVIC'S MISSION

WE DEVELOP SUSTAINABLE OFFERS AND LASTING CUSTOMER RELATIONSHIPS FOR AN EXTENDED RANGE OF COMPOUNDS

FOUR PILLARS

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

STRONG RESOURCES

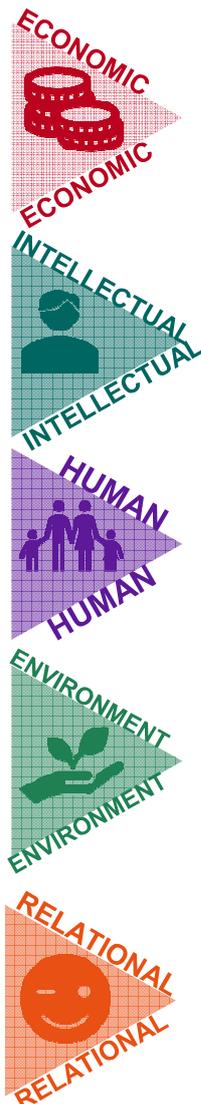
- €410 m of sales (€366m ESG scope, non pro forma)
- €18m of investments

- Cutting-edge PVC production technologies, particularly in recycling
- €4m spent on R&D

- 498 employees (Full Time Equivalent) ESG scope
- €1m spent on preventive HSE

- 55MWh of electricity consumption
- 12% of energy/operational cost
- 33% renewable electricity
- 23km³ 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 15% of our employees work for Innovation and Quality
- 99% of waste recycled internally

- Absenteeism rate of 5.9%
- Voluntary turnover of 12%
- 10 work-related accidents

- 4 sites certified ISO 14001 (equivalent)
- 2 sites certified ISO 50001
- 0 environmental incident
- 0.9 mtCO₂e emissions (scopes 1, 2 & 3)

- More than 85% of revenues in 2021 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



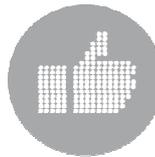
visual effect

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 2021 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 only financial. Our most prized achievements are our very limited number of work-related accidents; the fact that there are no severe work-related nor environmental accident to report; the fair, diverse and pleasant work environment we were able to foster; our actions to reduce our CO₂ emissions and their impressive result; or the fact that we managed to gather 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.

Environmental performance

Key indicators:

- 33% of renewable energy versus 14% in 2020
- 12% of energy as our operational cost versus 13% in 2020
- +4% solar energy (for electricity consumption) in 2021 versus 2020
- -43% GHG emissions on scopes 1 & 2

Benvic ESG teams have implemented strong actions to improve all environmental indicators shared 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.

Some KPIs were however negatively impacted by the COVID crisis: as such, the turnover or the absentee rate were higher in 2021 than in the previous years.

In 2021, we implemented changes to our reporting process for work-related accidents, making it more stringent. The increase in reported accidents is mainly due to these changes.

A FAIR WORKPLACE - A FEW FIGURES

498 FTEs*

(excl. Luc & Bel) - * Full Time Equivalent



16% included in the shared annual appraisal process managed by the Group

- 14%** Female employees
- 15%** Senior management
- 12%** Voluntary turnover rate
- 4%** Absentee rate
- 2%** Part time



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 and 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, thus furthering our goal to bring ever more value to the world. Moving forward, we will keep fostering initiative and finding new ways to create and enhance value for our stakeholders.

**INNOVATIVE APPROACH
HIGHEST QUALITY**

**SUSTAINABLE DESIGN
PARTNERSHIP & ECO-DESIGN**

OUR PRODUCTS

Benvic's teams have designed several state-of-the-art formulas and products that help innovators create the world of tomorrow. The Linkflex HF product family, for instance, play a part in keeping the world connected, by enabling our clients to safely contain electrical activity, heat, and other operational factors. We build our compounds for the future, and a bright and fair future is the best inspiration there can be.

ProVinyl® | by BENVIC
Plasticized, rigid and recycled

XTENDED
Polyolefins & thermoplastic elastomers

Medical
Compounds and components

PLANTURA®
compostable and biobased polymers



OUR VISION FOR BENVIC

EFFICIENT AND BALANCED GOVERNANCE

Benvic Group'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.

The Strategic Committee of Benvic Group consists of 6 directors: Benvic Group's CEO and CFO, as well as 4 directors representing Investindustrial. The Executive Committee (ExCo), comprised 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 organization of Benvic's ExCo is adapted to the Group's specificities with regards to its constant drive towards progress: a stable structure, expertise solely focused on industrial excellence, 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: our governance enables strong monitoring of all the aspects of the state of the Group's business and its performance.

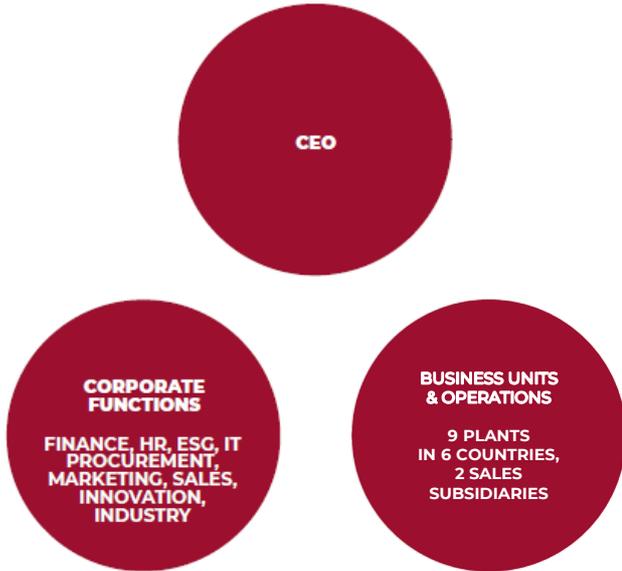


AN ORGANIZATION TO FULLY ENABLE BENVIC'S AMBITION

Benvic operations are organized around 2 business units, with Business leaders driving Sales & Market Strategy and Operations leaders striving for operational excellence:

- 1) PVC and other polymers compounding:
 - Historical PVC business producing solutions in granules (compounds), powder (premix) and One Pack (concentrated) serving a variety of end-markets;
 - Development and production of engineering polymers (biopolymers, techno polymers and HFFR compounds);
 - PVC recycling.
- 2) Medical: production of medical-grade PVC compounds, tubes and components.

In addition, Benvic Group corporate teams provide support to all local managers and ensure all employees are equally on boarded.



SUSTAINABILITY & ENERGY EFFICIENCY

Benvic, a company built by engineers and pioneers, has always taken a rational approach to the management of resources. Our teams treat raw materials with respect, harnessing their potential to the fullest and reusing and recycling them when possible.

In a world where energy has become a strategic asset – one that politics, wars, shortages, waste and access inequality regularly threaten – it has become imperative to dedicate specific resources to its proper management. Thoughtful energy ministry not only grants flexibility and autonomy to the company, but it also means increased resilience in case of crisis. Energy preservation works for both the company and the environment itself.

In 2019, Benvic appointed an environmental manager and drafted an ambitious ESG action plan to improve its environmental and social impact. One of the main challenges consists in reducing the company's energy consumption in all its plants. Simultaneously, the company is strongly committed to decarbonisation. It is not enough to have a healthy energy policy; a responsible company must also monitor its energy sources, quality and environmental friendliness.



1 To witness and to act	2 Waste avoidance	3 Green energy 
4 Carbon neutrality	5 Sustainable production	6 Building our future

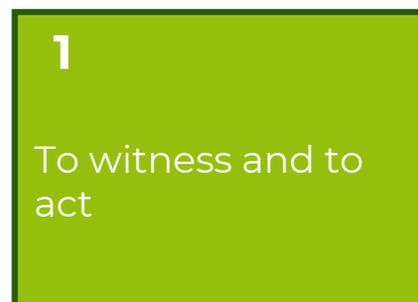


TO WITNESS AND TO ACT

The first step in the upgrade of our energy management was of necessity one of appraisal. With the help of an ESG consultant, a member of EY organization, we carefully collected data to establish our carbon footprint. We measured our scopes 1 and 2 CO₂ emissions for each of our sites starting in 2020. In 2021, we devised new, crafty ways to assess our scope 3 CO₂ emissions for all our sites. With this knowledge, it becomes easier to change and minimise our energy consumption, but also to rate the success of our ESG plan.

Taking all this into account, we are battling on several fronts to improve our environmental impact and increase our value creation, with clear goals:

- Waste avoidance
- Green energy
- Carbon neutrality
- Sustainable production



SUSTAINABILITY & ENERGY EFFICIENCY

WASTE AVOIDANCE

Waste has never been a part of Benvic's process. On the contrary, our teams always seek the most efficient ways to use our supplies. Two of our sites (Chevigny and Montornes) are ISO 50001 certified (energy management system), while four of our factories (Benvic SAS, Benvic SRL, Benvic IBE and Alfa PVC) are ISO 14001 certified (environmental management). Yet there is always room for improvement. Every step counts, no matter how small.

2

Waste avoidance

With that in mind, we have taken concrete steps to reduce our energy and water consumption and to streamline our processes. This involves, for instance, replacing old machinery with new, more efficient and less energy-hungry devices; switching to LED lighting; reducing air leaks from compressors; upgrading water pumps to variable-speed drive, thus allowing for adaptable usage; and so on. We are continuously monitoring our practice to find and use new action levers and to improve our efficiency.

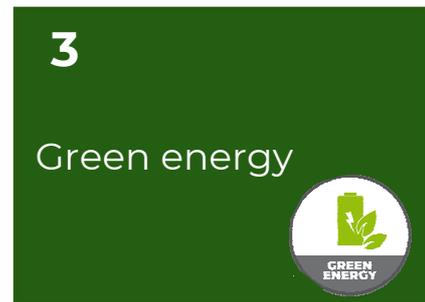
At the other end of the production line, we are working on increasing our recycling capacities as well as the quality of our recycled products. For each of our sites, we are studying and applying the best ways to retrieve scraps and by-products, to reuse them if possible or to recycle them efficiently. Thanks to the superiority of Benvic's formulas, the recycling process gives outstanding outputs. The correlation is simple: the higher the quality of the original product, the higher the quality of the recycled end product. Our expertise and passion are not erased by the recycling process.



SUSTAINABILITY & ENERGY EFFICIENCY

GREEN ENERGY

When trying to reduce energy consumption, one of the most efficient measures is to switch to green, locally produced energy. In the last two years, we have renegotiated our European contracts with our local energy providers to ensure that Benvic's plants are powered by green energy.



Working with regional providers, our teams have carved specific solutions for each site, taking into account its unique needs and features. Depending on local specificities, our electricity comes from various renewable sources, such as wind, solar or hydro energy. Guarantees of origins were purchased for some sites, and we are proud to announce that, by 2023, every one of our European sites will run on green, locally produced energy.

Smaller but still significant efforts are also carried out locally, on an as-needed basis. They include the replacement of gas oil-fuelled forklifts by electrical ones and the implementation of photovoltaic solar energy on-site.

CARBON NEUTRALITY

Coupled with our waste reduction initiatives, our decision to fully embrace green energies has had a tremendous impact on our carbon emissions. In 2021, it enabled us to reduce our scopes 1 and 2 carbon emissions by 43%. An ambitious action plan to tackle the challenge of scope 3 emissions is on our 2022-2023 roadmap.



Although this represents an impressive achievement, Benvic is not yet in a position to avoid or reduce all of its carbon emissions. To pursue decarbonisation, in keeping with our pledge to become carbon neutral, we needed to offset our remaining emissions.

This was done through the purchase of nature-based carbon credits. After a careful and thorough investigation of the different options, Benvic decided to invest in two outstanding conservation projects. The Great Bear project (Canada) and the Guatemala Conservation Coast project both combat deforestation in favour of respectful and sustainable forestry and coastal management practices. By protecting their local and unique forests and biodiversity from environmental threats, these projects are expected to avoid the production of millions of tons of CO₂ in the coming years.

Thanks to this investment in our collective future, Benvic has been carbon neutral in 2020 as well as in 2021, on scopes 1 and 2.



In 2021, scopes 1 & 2 GHG emissions

SUSTAINABILITY & ENERGY EFFICIENCY

SUSTAINABLE PRODUCTION

Last but not least, Benvic is taking action by creating durable and innovative products, ones that bring value to the world while being as environment-friendly as possible. This resolution matches Benvic's historical position of entrepreneurial spirit and deep respect for its stakeholders.

5

Sustainable production

We aim for a low-carbon growth model, combining innovation and sustainability, and aspire to stay leaders on ESG matters in our industry. We have implemented an eco-design approach, designing for circularity from the start. The Plantura range, offering bio-based and compostable products, is a perfect example of our embedding into the circular economy.

PVC, our traditional product, naturally fits into such an economy. Compared to alternative polymers, its carbon footprint is minimal. It enables our clients to create durable products with long lifecycles, thus avoiding unnecessary waste. But one of its most interesting features is its capacity to be reused and recycled multiple times, without loss of quality.

In addition, PVC contributes to several of the United Nations sustainable development goals:

- Keeping water clean (piping and irrigation);
- Promoting health (medical devices and temporary emergency structures);
- Building sustainable cities and communities (insulation and durability);
- Encouraging sustainable consumption and production (answering essential needs at affordable costs); and,
- Being integral to renewable-energy technologies.

water clean
promoting health
insulation
DURABILITY
sustainable
consumption
renewable energy
circular
BIO

SUSTAINABILITY & ENERGY EFFICIENCY

BUILDING OUR FUTURE

The results of the actions undertaken to increase our energy efficiency and to make our products and processes more sustainable have exceeded our expectations. In the scope of just a few years, we have achieved carbon neutrality, reached a ratio of energy to operating cost of just 12%, and expanded our offer of green, environment-friendly products.

6

Building our future

The path ahead is still long, and there is much work to do. Benvic is eager to continue on its journey towards a greener and more respectful way to conduct business. To that end, our strategy for the following years centres around the following axes:

- Finding the best sources of green energy for our recently acquired non-European locations;
- Better assessing and minimising our scope 3 carbon emissions;
- Improving our recycling technology and increasing our recycling volume;
- Involving our stakeholders more closely in our ecological evolution.

Corporations need to participate in the movement for fairer and more sustainable practices. They need to reinvent their processes and productions to address the upcoming challenges and to build a respectful, circular economy. Benvic is up to the task. We are redesigning plastics. For good.

12%

Our ratio of energy to operating cost

REGULATIONS

Strong regulations are a sign of a strong industry. They are challenging frameworks that imply sacrifices; but ultimately, they help us move us forward. They bring about necessary changes in procedures and work environment, they foster innovation by compelling us to find new, safer solutions, and they strengthen the industry by making it more fit to a healthy and fair society.

Benvic has consistently respected and anticipated regulatory constraints. Our ambition is to bring value to the world, not to make profit at any cost. Our designers and engineers are always on the lookout for innovative formulas providing added quality and safety to our clients' products.

The Value of PVC

PVC, our historic trade, is not in itself a direct matter of safety concern. It has been well known and used for dozens of years and is harmless: using PVC products does not represent a risk for health or the environment. To be sure, its production and elimination can generate toxic by-products. But Benvic manages those risks through the use of closed machines with sealed working chamber, avoiding the dispersion of any toxic element.

Monitoring PVC Additives

Of more concern are the various additives used in the industry, such as plasticisers and light and heat stabilisers. Some of them (phthalates such as DEHP, for instance, and stabilisers based on inorganic salts) are harmful both to health and the environment. Fortunately, both the competent authorities and the PVC industry have long been wise to these issues.

PVC additives are tightly regulated: several are banned across the board (titanium dioxide, cadmium, lead, DEHP), while others are forbidden in specific applications. Some materials are banned in children's toys (DEHP, DBP, BBP and DIBP), for instance, or in medical devices (DEHP and benzoids). In the cable industry, regular PVC will be phased out in favour of HFFR (halogen free and flame-retardant).

Circular economy

On a more general level, regulations championed by the United Nations, the European Union and VinylPlus, the European PVC industry focus group, focus on eliminating unnecessary usage of plastic (notably single-use plastic), strictly prohibiting toxic additives, and promoting safe recycling and the circular economy.

The PVC industry has adopted a proactive approach to regulatory evolution. VinylPlus set an ambitious roadmap that will enable the PVC industry to stay ahead in terms of environmental safety and health protection.

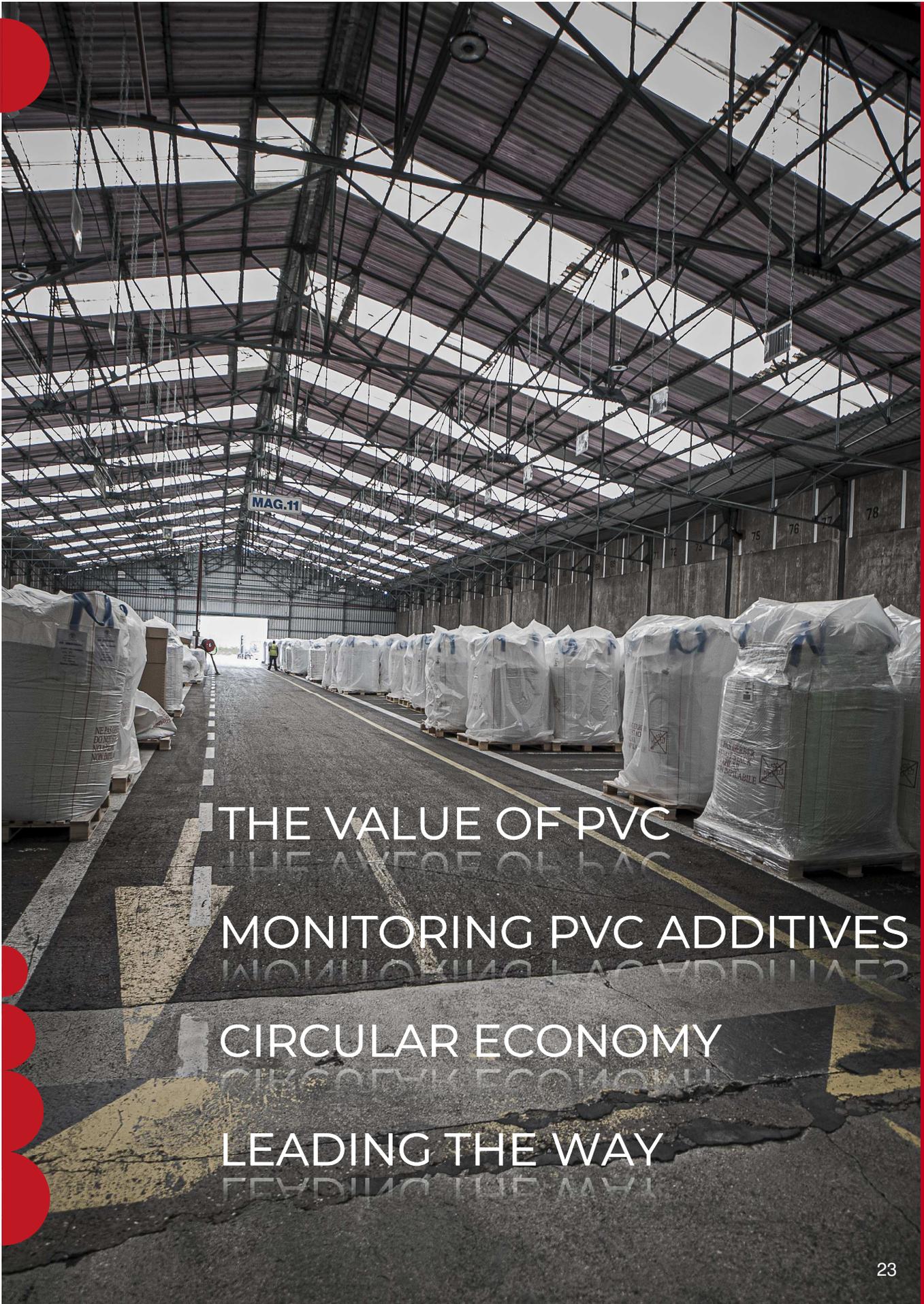
Leading the Way

Benvic itself is especially well positioned to address current and forthcoming regulations. Our compounds are already free of any banned additives, and we are pre-empting potential future regulatory requirements. Linkflex HF, Benvic's own line of HFFR products, was for instance designed from the start to completely comply with new and future regulations.

Our strategic vision aligns with the United Nations and European regulatory bodies. Our recycling expertise (Ereplast) and genuine commitment to the circular economy follow the spirit and intent of their recommendations, while our safety protocols exceed the demands of international and local authorities.

Benvic still produces single-use plastic, but it represents less than 3% of our revenues – compared to 90% of revenues generated by durable goods applications. Furthermore, our engineers have already developed bio-based alternatives to some of these products, such as compostable coffee capsules, opening up new business opportunities simultaneously lucrative and environment-friendly.

For all these different reasons, Benvic is moving forward with optimism, confident that our respect for our stakeholders, which aligns us organically with current and future regulations, is the key to our success.



THE VALUE OF PVC

MONITORING PVC ADDITIVES

CIRCULAR ECONOMY

LEADING THE WAY

OUR AMBITIONS

OUR COMMITMENTS

Our ESG (Environment, Social, Governance) strategy is built around the concept of stakeholders, with 6 different parties involved: Customers, Employees, Planet, Investors, Suppliers and Communities. Our ambition is to give added value to all shareholders, whilst ensuring economic, social and environmental sustainability.

Our strategy is articulated through our “Benvic Lines” stakeholders framework, an assessment sheet of our actions with strong guidelines and ambitious objectives. It contains 20 commitments and 39 best practices to improve our performance with our 6 stakeholders. The commitments are:

1. CUSTOMERS



- Integrating our ESG commitments into our customer relationships
- Controlling product-related risks
- ESG-integrating innovation
- Analyzing and developing our markets, while integrating ESG

2. EMPLOYEES



- Ensuring employee health and safety
- Respecting employees’ fundamental human rights and guaranteeing their social rights
- Ensuring the quality of social dialogue
- Developing skills
- Motivating employees

3. PLANET



- Promoting environmental management
- Conserving natural resources
- Limiting environmental impact

4. INVESTORS



- Ensuring risk management
- Ensuring dissemination of and compliance with good management and governance practices
- Communication in an ethical and transparent manner

5. SUPPLIERS



- Defining prerequisites and integrating them into the supplier selection process
- Evaluating buyers’ ESG performance
- Managing and assessing suppliers’ ESG performance
- Optimizing relationships

6. COMMUNITIES



- Ensuring the integration of entities within their local communities
- Controlling industrial risks related to entities’ presence in their local communities

BENVIC *Lines*

OUR AMBITIONS

SHARE AND MONITOR BEST PRACTICES

An evaluation of 39 best practices defined for the 6 stakeholders is carried out every year. All recently acquired entities (except Luc & Bel) were included in the 2021 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
EM2 Preventing occupational accidents	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 a 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

AMBITION TO DEPLOY THE STRATEGY

The results*, which you can see in the table below, allow us to verify that there has been an excellent evaluation of the performance of the factories. We have managed to meet the 2023 ambition regarding customers and communities, even improving our purpose. We have also improved our environmental performance thanks to our action plan to reduce our carbon footprint through the supply 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.

STAKEHOLDER	AMBITION	EVALUATION YEAR 2019	EVALUATION YEAR 2020	EVALUATION YEAR 2021
 CUSTOMERS <i>create lasting relationships with our customers</i>	Continue to strengthen our responsible offer	2.0 / 4	2.3 / 4	2.7 / 4
 EMPLOYEES <i>take care of our employees</i>	Implement the acquisition strategy and support our employees in the transition	1.8 / 4	2.0 / 4	2.4 / 4
 PLANET <i>respect our planet</i>	Improve our environmental performance and carbon footprint	2.8 / 4	2.4 / 4	2.7 / 4
 INVESTORS <i>create value in an ethical manner</i>	Acquire companies with an ESG focus	1.0 / 4	1.5 / 4	1.9 / 4
 SUPPLIERS <i>promote sustainable procurement</i>	Formalise a responsible procurement policy	0.8 / 4	0.9 / 4	0.9 / 4
 COMMUNITIES <i>work with local communities</i>	Strengthen actions with local communities	1.9 / 4	2.2 / 4	2.7 / 4

* Scope of the listing in 2021 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 Modenplast Medical, Benvic Dugdale PVC, Benvic Chemres.

...TRANSLATES INTO A QUANTITATIVE AMBITION

STAKEHOLDER	AMBITION 2023
 CUSTOMERS <i>create lasting relationships with our customers</i>	2.5 / 4
 EMPLOYEES <i>take care of our employees</i>	2.5 / 4
 PLANET <i>respect our planet</i>	2.5 / 4
 INVESTORS <i>create value in an ethical manner</i>	3.0 / 4
 SUPPLIERS <i>promote sustainable procurement</i>	2.0 / 4
 COMMUNITIES <i>work with local communities</i>	2.5 / 4

OUR AMBITIONS

BENVIC STAKEHOLDERS REPORTING

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



SUMMARY OF BENVIC REPORTING

6
stakeholders

20
commitments

39
practices

1
Annual assessment
per entity

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 Group 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 Group 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 Group'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:



Quality management



Medical devices quality management



Environmental management



Health and safety management



Energy saving management

ECOVADIS

In 2021, we had our first EcoVadis assessment and were granted SILVER for our 2020 performance. In 2022, we will continue our efforts to improve our ESG ranking as per EcoVadis matrix and will monitor our sustainability actions using the EcoVadis methodology framework. This framework includes strong environment, labor and human rights, ethics and sustainable procurement criteria.

By using EcoVadis, we improve the management of our network both upstream and downstream, either by sharing our performance with our stakeholders or by monitoring the performance of our value chain.

WHY ECOVADIS?

EcoVadis provides holistic sustainability ratings of companies, delivered via a global cloud-based SaaS platform. Since its founding in 2007, EcoVadis has grown to become the world's largest and most trusted provider of business sustainability ratings.

The objective of the EcoVadis methodology is to measure the quality of a company's sustainability management system through its policies, actions and results.

The assessment focuses on 21 sustainability criteria that are grouped into four themes:

- Environment;
- Labor & Human Rights;
- Ethics;
- Sustainable Procurement.

These criteria are based on international sustainability standards such as the Ten Principles of the UN Global Compact, the Global Reporting Initiative (GRI) standards, the CERES Roadmap, etc.



ecovadis

BENVIC EUROPE SAS (GROUP)

has been awarded a

Silver medal

as a recognition of their EcoVadis Rating

- DECEMBER 2021 -





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 in BENVIC with regard to this target are:

- Compliance with REACH regulations;
- Continuous improvement of our formulations by removing hazardous chemicals and substituting them when possible;
- CO₂ 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

"Ensure sustainable consumption and production patterns by 2030."



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

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

- Actions carried out in all plants to improve energy efficiency;
- Progressive implementation of green energy sources;
- Initiatives in all our plants to reduce the consumption of water and reduce waste;
- 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.

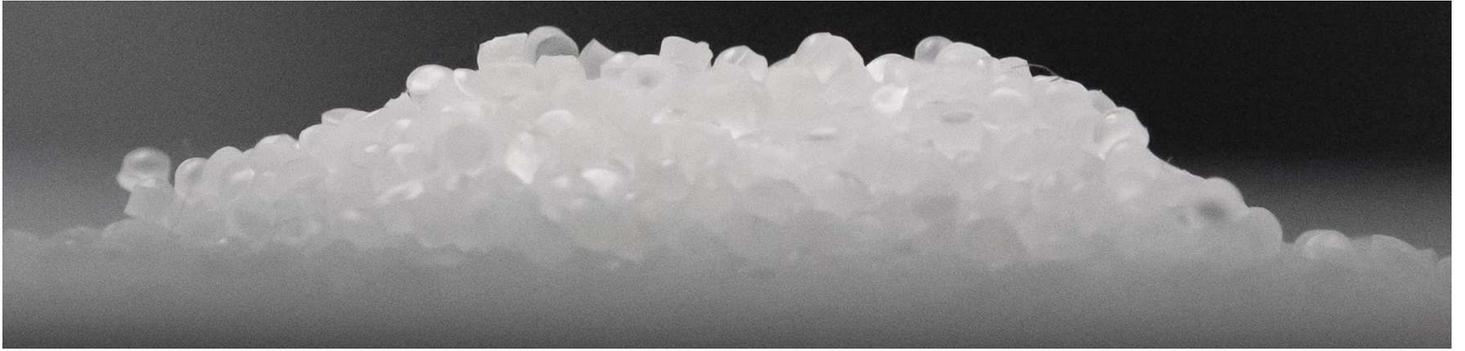
Benvic has always worked with a long-term vision, creating durable and sustainable solutions. Our products are crafted to withstand time and wear and to have a long lifespan without loss of quality. Our PVC solutions, our core business, have a 50 year lifespan and can be recycled up to 7 times. This 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 a pictogram.



UNITED NATIONS





**BENVIC'S SIX PLEDGES
WITH STAKEHOLDERS:
PUTTING IT ALL INTO
PRACTICE**







PLEDGE

1.

CREATE LASTING RELATIONSHIPS WITH OUR CUSTOMERS



- 1.1** Integrate our ESG commitments into our customer relationships
- 1.2** Control product-related risks
- 1.3** Innovate by integrating the ESG aspect
- 1.4** Analyze and develop our markets, integrating the ESG aspect



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 and complaints

WHAT PROGRESS HAVE WE MADE?

Customer-oriented approach:

- A Customer Satisfaction Survey was filled out at the Group level – limited to ProVinyl business line.
- In addition, our Benvic Polish entity launched a client satisfaction survey in 2021, with a participation of 65% of all clients and with great results, highlighting:
 - Short lead times of production;
 - Staff politeness and competence;
 - No objections to the supplied products, logistics and packaging.

Collaborative ESG approach:

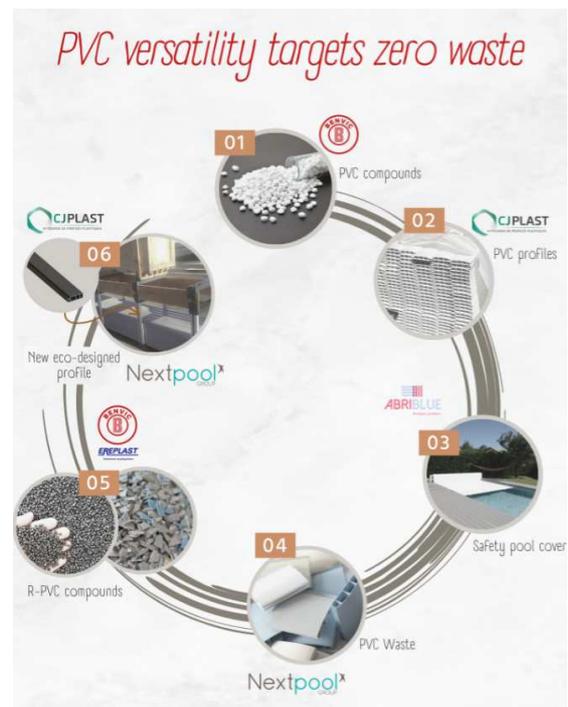
- We shared our ESG report and provided additional information relating to ESG during the sales process.

Implemented tools for a more efficient customer care service:

- We implemented Lean Manufacturing to reduce the period from receipt of the customer order to delivery of the final product (in larger plants).
- Customer satisfaction is a key pillar of our Factory Excellence strategy: delivery and quality are 2 dimensions of our Factory Excellence Boards that are displayed in strategic areas in all ProVinyl plants and shared during Management & Production meetings.

CUSTOMER EXAMPLE 🔍

- In 2021, we worked with our customers CJPlast and NextPool, as they wanted to create a circular loop with their products, aiming for a « zero waste » approach between the profile pieces and the wooden crate. Benvic Ereplast, our French PVC recycling plant, collects cover profile off-cuts and custom-regenerates them to keep a complete traceability of these high-quality formulations. The r-PVC compound is then extruded at CJ Plast to become a brand new profile designed by NextPool. This innovation was presented to Inovyn Awards 2021. It is a great example of circularity, demonstrating our ability to track our compounds across their industrial life.



WHAT WILL WE DO?

- We will launch more eco-innovation projects – for example, a life-cycle assessment of our formulas.



1.1- INTEGRATE OUR ESG COMMITMENTS INTO OUR CUSTOMER RELATIONSHIPS



Our 2021 Customer Survey

Goals

- Benvic Group has grown by actively embracing new products, new industries, new activities and new technologies. We intend to maintain this forward-looking approach in the future, while simultaneously cultivating our current skills and offers. To that end, we launched several initiatives fostering GROWTH, TRANSFORMATION, and EXCELLENCE, in the utmost respect of our SUSTAINABILITY strategy.
- BENVIC brand participates in these endeavours by directly impacting the contribution to customer value.
- BENVIC brand seeks to improve its contribution and promise through a program launched in 2021, aiming in particular at ascertaining our brand policy.

Methodology

- We conducted a thorough analysis of our ProVinyl branch (historical trade) and sent questionnaires to our stakeholders (employees and customers) to understand their perception of our brand.

Results

- Rate of participation of about 20%.
- **Undisputed leadership in the PVC market.**
- Benvic brand's main strength is its **quality**. This link with excellence stems from the company's history, having always offered both exemplary products and outstanding services – whether technical service supporting customers throughout the purchase or customer service itself.
- Our clients trust us, and we gain this trust anew every day.
- There is a strong interest for our innovative and sustainable solutions, such as our recycled products and capacities, and our Plantura range. We materialize our customers' dreams: green products, but with the superior properties of our best traditional formulas.





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 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 in order to limit the teams' exposure to chemicals as much as possible.
- All plants have a SHE coordinator.

WHAT WILL WE DO?

- Deployment of the product compliance program throughout the Group.
- Automation of installations in which products are used manually.
- 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 A SUBSTANCE



- Since 2017, finalization of the substitution of lead stabilizers for solutions free of heavy metals.
- The process for discarding the tin stabilizer DOTE from formulations was continued to obtain homologation of REACH compliant solutions at customers.
- Montornès del Vallès: elimination of SVHC substances like DOP (dioctyl phthalate) and UV 328 (2-(2H-benzotriazol-2-yl)-4-6-di-tert-pentylphenol) in our formulas.
- Chevigny-Saint-Sauveur: for our foamed PVC compound, we developed a solution approved at industrial scale without the use of ADC based systems.
- Benvic Chemres (Chesapeake): inclusion of Asbestos Management Plan / Remediation.



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:

- In line with our circular economy ambitions, Benvic Ereplast has processed some end consumer products and reintegrated them with recycled solution. It is the case for instance of our collaboration co-development with NextPool & CJPlast.

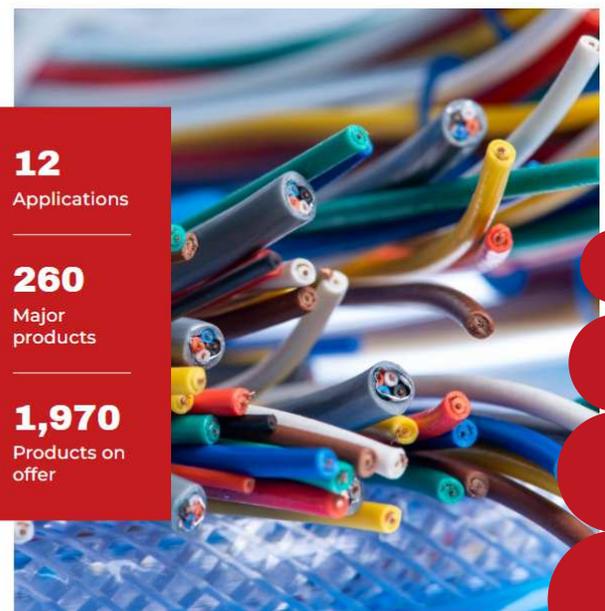
WHAT WILL WE DO?

- Increase every year the R&D resources that are destined to innovation projects that allow the reduction of the carbon footprint or promote environmental or safety improvements of the product.
- Promote biopolymers sales and incorporate recycled materials in some formulations, contributing to the circular economy.

EXAMPLE OF INNOVATION WITH A POSITIVE ESG IMPACT



- With Decathlon, Benvic Chevigny 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. Shoes are expected to be sold in 2022.
- Our innovative technical polymers, such as thermoplastic elastomers, are grouped into Xtended solutions, one of our lines of products used for producing wires & cables, consumer goods and electric & electronic appliance.



12
Applications

260
Major products

1,970
Products on offer



1.4- ANALYZE AND DEVELOP OUR MARKETS, INTEGRATING ESG ASPECTS



Our ambition

- All our acquisitions have demonstrable ESG benefits
- Continue to demonstrate that our business is inherently "sustainable"

What this means for us

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

WHAT PROGRESS HAVE WE MADE?

Growth strategy based on the following principles:

- Pursued rational and sustained innovation.
- Positioned the best interest of customers, partners and employees, at the centre of any strategic growth plan.
- Annual check of the allocation of resources dedicated to innovation and to actions aimed in particular at improving the environmental footprint of projects and processes.
- Analysed results in the Business Innovation steering committee.
- Commissioned a new extruder to produce halogen-free compounds (HFFR): contribution to reduced risk in case of fire in European buildings through the use of our Linkflex HFFR compound. This compound is suitable for cable production and fully compliant with the CPR (new Construction Products Regulation) that entered in force in July 2017 to improve safety in buildings.



- Benvic has forged ahead with Plantura product line, promoting eco-solutions and our commitment to protect natural resources. Plantura products are bio-based polymers from renewable sources and this business line opens up new and exciting perspectives for the future of compounding.

WHAT WILL WE DO?

- Increase year-on-year the volume of recycled products sold, in line with our commitment to a circular economy.
- Pursue our external growth strategy by targeting acquisitions which conform with this factor.
- Develop upstream the search for sources of materials to be recycled directly at our customers' sites.
- External and internal growth strategy in activities related to sustainable activities.
- Acquisition in areas with high ESG impact.
- Development of HFFR compounds for photovoltaic installations.

EXAMPLE



New production lines were added in Ferrara to support the expansion of our Xtended business line. Some of our Xtended formulas, for example TPE-based post-consumer compound, are used for durable applications - furniture and automotive, boosting innovation in sustainability.

A few examples of Xtended applications:



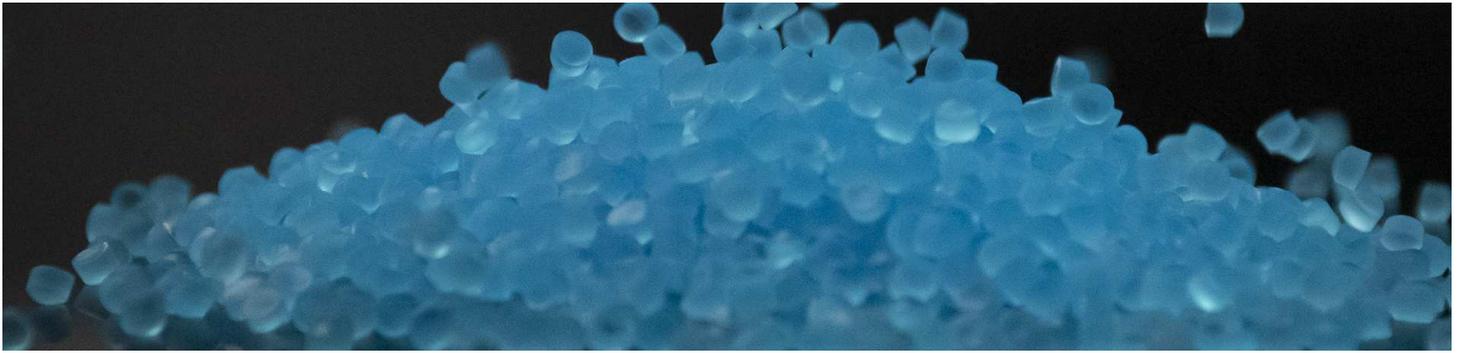
Foot wear

Artificial turf infill

Closure seals







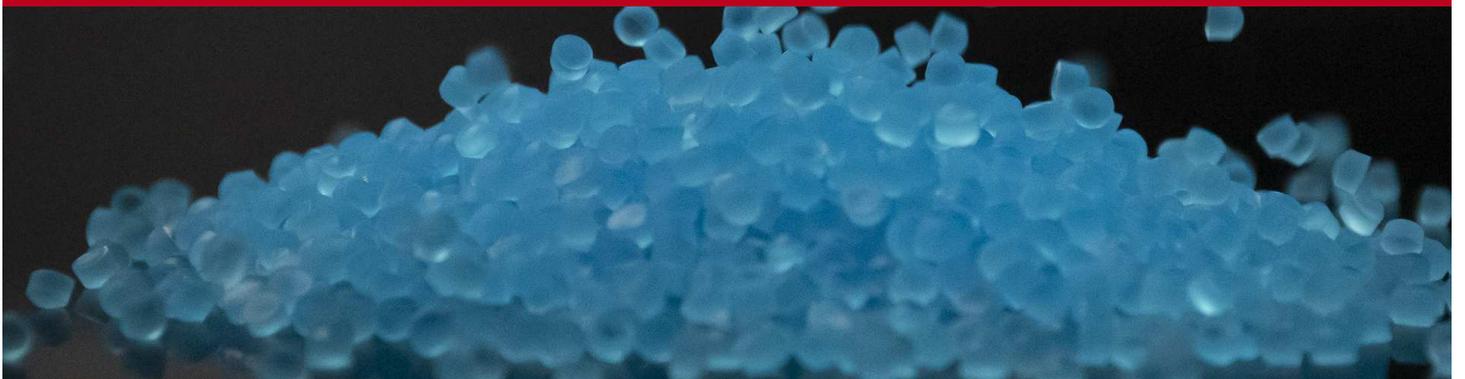
PLEDGE

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:

- Conducted health risk assessments and systematic training for staff including subcontractors and interim workers.
- Most plants have implemented preventive measures to control and reduce noise pollution, and for mental & social health.

Workplace accidents:

- Reported accidents of employees and contractors (to Plant Manager, HR teams, Group ESG team); 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.
- Cause tree for each accident with stoppage.
- ISO 45001 management system certified. Benvic Alfa PVC, Dugdale and Modenplast Medical have initiated the implementation of ISO 45001, Occupational Health and Safety.
- Standards for the SHE management of subcontractors driven by ISO standards.

Our actions:

- ESG dedicated workshops to share best practices (ISO, Protection Equipment, etc.).
- "Safety Induction" for all newcomers, whether temporary or permanent, in most plants.
- Integration of health & safety in training at the workstation.
- Updating SHE procedures.
- Creation of health and safety teams in sites where it was outsourced or shared over multiple employees.

OUR INDICATORS

- 10 work-related accident.*
- 7 days lost due to workplace accidents.
- Circa €1m SHE preventive expenditure.
- 84.9% of employees say they feel Benvic prioritizes safety.**
- 85.5% of employees say they feel confident reporting workplace accidents.**

* 4 accidents with more than 7 days of lost time.

** Source: employee satisfaction survey 2021 (share of respondents who strongly agree and somewhat agree).

WHAT WILL WE DO?

- Implement a Health & Safety Management System in all sites.
- Define & implement Benvic SHE standards.
- Implement an accident reporting system with information shared among all the plants.
- Demonstrate the link between performance and safety with ways of improvement identified by our new Corporate Function "Factory Excellence" (processes, 5S, LEAN)

EXAMPLE OF ACTION

- In Montornès del Vallès and Chevigny-Saint-Sauveur: automatization of the supply of some raw materials to reduce manual handling and to improve the safety of employees.
- Different actions are carried out in each factory: safety inspection, meetings with workers on continuous improvement including safety, risk communication management system and health recommendations.
- Some plants, such as Benvic Chemres in Chesapeake, do Gemba walks.

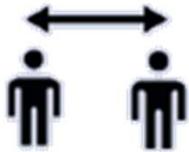


2.1- ENSURE THE HEALTH AND SAFETY OF EMPLOYEES

☐ COVID ACTIONS: STAY ALERT TO STAY SAFE

We continue to implement preventive measures:

- ✓ Social distancing
- ✓ Safety protection and rules
- ✓ Daily follow-up of staff health



☐ HEALTH & SAFETY : A BENVIC CULTURE

The Health and Safety of our employees is OUR PRIORITY.

- ✓ A staff survey was conducted in 2021 and included Health and Safety questions to improve and prevent workplace accidents. To control health risks, we focus on adapting workplaces to make them safe for all.
- ✓ Launch of Health and Safety training days, in a few plants, that include: training; sharing H&S survey results; team-building games.



Benic Alfa PVC employees, Health and Safety training days

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 Group is committed to integrating respect for human rights into all its operations. Benvic Group 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:

- Monitored strongly gender gaps and mapping distribution of men/women

Equal opportunities:

- Identified positions to be opened and monitoring of those that could be adapted to employees with disabilities.
- Knowing employees with disabilities in most plants.

WHAT ARE WE DOING?

- Follow-up of disabled personnel and adapt machines for people with disabilities.
- Assistance to employees to enable disabled status to be recognized .
- Gender equality index by country.
- In Chevigny-Saint-Sauveur and Montornés-del-Vallès, an equality plan was drawn up and implemented. An action plan was also defined to eliminate and/or reduce the differences in training, selection processes, promotions between women and men.
- Gender gap monitoring and shared with employees.

OUR INDICATORS

- 14.4% of employees 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.
- Support an Inclusive Day to bring awareness and training for all employees relevant to their local environment and laws.
- Include further questions in the annual appraisal for managers regarding their free-time and the impact of their work on their personal lives.

EXAMPLE OF ACTION

- Benvic Chemres (Chesapeake): implementation of a quarterly HR training - training on Ethics, Human Rights, Sensitivity, Teamwork.
- We continue to extend the ranking associated to job descriptions to key functions in recently acquired entities. Assessing positions to determine key responsibilities and the relating compensation contributes to a fair workplace with lesser room for discrimination. Numerous permanent contracts and fair compensation enable Benvic Group to hire new profiles and attract the best people.





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 employee representation rights

WHAT PROGRESS HAVE WE MADE?

Committed to social cohesion. We paid close attention to the quality of employer-employee dialogue, working with the staff representatives and to the principle of equal opportunities and the fight against discrimination at every level.

Direct expression and strengthened communication:

- Regular meetings with all managers to inform them of the Group's strategy and results with Q&A time, staff newsletter, CEO's greeting at year-end.
- In December 2021: "BENVIC PEOPLE SURVEY" - employee satisfaction survey with a participation rate of 89% and 436 participants (excluding Benvic Chemres and Benvic Luc & Bel).

Employee representation rights:

- Involved employees in social dialogue beyond regulatory requirements, notably with the Group Committee which includes 1 representative of the 3 main plants.

WHAT ARE WE DOING?

Our tools:

- Internal screens, visual informative support, newsletter, magazine (customers, partners).

Our actions:

- Information meetings (strategy & KPIs).
- Communication to social representatives of the information necessary for their activity.

WHAT WILL WE DO?

- Pursue our communication efforts and deploy internal screens in larger plants.
- Maintain a high level of meetings with the Group Committee or multiply informal communication.
- Every local HR team has identified at least 2 actions to improve its BENVIC PEOPLE survey results and so has the Group HR team.

OUR INDICATORS

- 73.6% of employees say that the Plant Manager provides relevant information on business development.*
- 82.6% of employees say their managers listen and are available to them.*
- 59.8% of employees say they are satisfied with the internal communication. *

* Source: BENVIC PEOPLE SURVEY 2021 (share of respondents who strongly agree and somewhat agree).

EXAMPLE OF ACTION

We are always looking to strengthen the Group spirit and promote social cohesion. After the pandemic, in October 2021, we organized a Seminar for Managers in Barcelona with the aim of meeting again, promoting communication and creating team spirit.

2.3- ENSURE QUALITY SOCIAL DIALOGUE



Benvic seminar for Managers in Barcelona

A seminar for managers was held in October 2021 to strengthen our Benvic community and build bridges between teams. After almost 2 years of COVID and in a growing matrix organization, this seminar was the perfect opportunity to introduce recently hired people, share our 5-year strategy, our products, etc.

This event contributed to facilitating the integration of the most recently acquired companies and to providing better strategic focus in the development of shared functional roadmaps.

The 3-day program included:

- A tour of Gaudi key projects in Barcelona;
- A full day of ideation and brainstorming workshops by Corporate function to facilitate group learning, boost collaboration and make quick progress - all countries mixed together;
- Full presentation of our strategy, our organization, our products & business lines.
- A tour of our Montornès del Vallès plant with a focus on key manufacturing processes and our new Halogen-free compounds lines.
- Urban games as a team building to ensure social dialogue and promote true teamwork between our managers of different horizons.

Here are a few pictures:



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 for production, logistics and maintenance: thus, most of our training actions are mandatory or to meet strict SHE criteria and require physical presence.

In 2021, we have taken strong actions to further develop training after most actions were postponed in 2020 due to COVID-19: 39% focused on Health & Safety, 38% on professional development (management & languages) and 23% on required job skills.

Skills development (remain heterogeneous within the Group):

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

OUR INDICATORS

- 9,266 hours of training. Employee training increased from 4.9% in 2020 to 15.2% in 2021.
- Absentee rate: 5.9%. Please note that absenteeism was very high in 2021 due to the COVID-19 pandemic: absences due to infected staff and confined workers were the main cause of the increase.
- 84.7% of the employees say they are satisfied with their position and 83.8% consider they have the right skills and qualifications for their job.*
- 70.5% of the employees say they are encouraged to take steps to improve their position.*
- 78.7% feel that their manager recognizes their job.*

* Source: *BENVIC PEOPLE SURVEY 2021* (share of respondents who strongly agree and somewhat agree).

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 with all managers and key people; our goal is that by 2022 all Benvic employees have an interview with their manager that include skills & career development questions.

WHAT WILL WE DO?

- Alignment of needs and skills mapping with the Group's strategy.
- Implementation of an HR Information System to improve workflows, facilitate access to a consolidate data and reports' production, provide a tool for talent management both for local and group teams.

EXAMPLE OF ACTION

- Workforce planning with HR needs of (staff and skills) for the next 4 years as per the group's roadmap.
- Training wishes were added to the annual appraisal process.

2.5- MOTIVATE EMPLOYEES



Our ambition

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

What this means for us

- Deploy objectives for all key people and integrate ESG into compensation policy
- Promote improvement projects
- Promote sustainability as a key lever to achieve our economic & social ambitions

WHAT PROGRESS HAVE WE MADE?

Objectives:

- Set objectives for “key” people in all plants.
- When possible (i.e. when HR teams were able to do so – in terms of resources), assessed all employees to allow a 360° feedback.

Fair remuneration:

- Communication of remuneration policy and monitoring by Group HR team of the alignment of compensation with Group ranking.

WHAT ARE WE DOING?

Our tools:

- Training plans and analysis tools.
- Employee Satisfaction Survey.
- HR Assessment tool.

Our actions:

- Remuneration policies set by site are mainly linked to local obligations. Non-managerial teams do not currently have any objectives in general.
- Bringing people together: letters to staff, local competition such as a photo competition, staff wishes for the year-end best wishes, CEO wishes in video for the year-end celebration, year-end celebration lunches, etc.
- Earth Day to increase awareness to our environmental footprint.

OUR INDICATORS

- 84.7% say they are satisfied with their position.*
- 91.4% say they understand how their work contributes to achieving company’s ambitions.*
- 76.6% report that they have sufficient training opportunities to progress in their work.*
- 69.4% are proud to work at Benvic.*
- 80.4% feel that Benvic as a group is committed to sustainable development.*
- 73.3% feel they work in a factory that regards environment as a priority.*
- 70.5% are encouraged to take steps to improve their position.*

*Source: BENVIC PEOPLE SURVEY 2021 share of respondents who entirely agree and somewhat agree)

WHAT WILL WE DO?

- Implement a suggestion system including production, safety, environment.
- Promote operational working groups and bringing people together with seminars, etc.
- Include ESG criteria in managers’ individual objectives during annual assessment.

EXAMPLE OF ACTION

The annual appraisal of key people is managed by the Group. A new tool was implemented in 2019 and a first round of people from recently acquired entities were included in the process. Additional guidelines regarding how to conduct an interview were shared within the Group.







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
- Raise awareness and engagement amongst our employees
- Comply with and anticipate regulations
- Track and manage incidents

WHAT PROGRESS HAVE WE MADE?

Environmental management system:

- More than 50% of our plants have obtained ISO 14001 certification and implemented a continuous improvement system. The environmental culture was consolidated and will be an example to implement in the Group's new acquisitions.
- Follow-up and analysis of environmental incidents and implementation of follow-up corrective action plans.
- 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. Awareness was brought to waste management in plants.
- Benvic Chemres (Chesapeake): creation of a new Environmental Team, Environmental FMEA risk assessment and Control Plan.



OUR INDICATORS

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

WHAT WILL WE DO?

- Implement an environmental management system (ISO 14001 or similar) in all Benvic Group factories by the end of 2023. With this measure, we will improve the environmental culture of our employees and reduce environmental accidents.
- Implement behavioral safety-environmental programs.
- To be held every year: **Safety and Environment Managers Day** to share best practices.
- To be held every year, starting in 2022: **Earth Day** to share best practices and bring people together, around concrete actions with an immediate positive environmental impact. Each plant will be responsible for its own initiatives – with recommended green activities such as training, CO₂ emissions calculator, etc. Such event promotes local SHE teams and raises awareness to sustainability matters among our employees.

EXAMPLE OF ACTION

Monthly meetings are held at most sites, where safety and the environment are discussed.



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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:
 - 33.2% renewable electricity.
 - Two plants purchased green energy contracts in 2021, Benvic Montornès del Vallès and Benvic Ferrara.
 - Benvic SAS has an action plan to reduce electrical energy with a clear target, -7% less consumption in comparison to 2018 by 2023.
- 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 in order to reduce the consumption, and recycled water and reused recycled water as well.

OUR INDICATORS

- 260kW of energy consumed per ton produced and 0.11m³ of water consumed per ton produced.
- Ratio of energy cost/operating cost: 12.4%.
- 2 sites certified ISO 50001.

WHAT WILL WE DO?

- Action plan to improve energy efficiency and reduce energy consumption in all plants.
- ISO 50001 implementation at Benvic Dugdale.
- Contract with energy suppliers includes an obligation to source green energy.
- Each site will deploy an action plan and monitor its results on the optimization of raw materials, waste reduction and water consumption reduction.



EXAMPLE OF ACTION

- Benvic Alfa PVC - to reduce natural resources consumption: in cold mixers, water is in a closed loop, resulting in lower water consumption.
- Montornès del Vallès:
 - 100% of the energy supplied comes from renewable energy sources.
 - Paper and plastic compactors to optimize space and handling (photo on the left).
- Ferrara: 80% of the energy supplied comes from renewable energy sources.



3.3- LIMIT OUR IMPACT ON THE ENVIRONMENT



Our ambition

- Effectively measure our carbon footprint to identify areas for improvement
- Comply with a 2°C strategy in line with the Paris Agreement, which aims to substantially reduce global greenhouse gas emissions in an effort to limit the global temperature increase in this century to 2 degrees Celsius above preindustrial levels, while pursuing the means to limit the increase to 1.5 degrees

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 in all plants carbon footprint scopes 1, 2 & 3 and identified main emitters.
- Measured environmental impacts of air, water and soil pollution on the basis of the regulations in each country.
- **Reduced CO₂ emissions by 43% in 2021 versus 2020 on scopes 1 & 2, mainly through green energy contracts.**
- Despite increasing sales, reduction of our CO₂ emissions per k€ by almost 20% compared to 2020.
- Since 2020, we are Carbon Neutral (scopes 1 & 2) by purchasing carbon credits to compensate our emissions.

OUR INDICATORS

- 6,288.4 tCO₂e scopes 1 & 2 (**43% reduction compared to 2020**).
- 1,348,149.8t eq. CO₂ scope 3.
- 3.3 t eq. CO₂ 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 reduce our carbon footprint aligned with the SBTi (Science Based Targets) methodology:
 - Continue our efforts on scopes 1 & 2, initiated in 2020.
 - Second stage: focus on scope 3 emitters and collaborate with our main suppliers to minimize the impact of used raw materials and transport.

WHAT ARE 'SCIENCE-BASED TARGETS'?



One of our main ambitions is to minimize our carbon footprint as much as possible. To achieve it, we commit to science-based targets, an initiative that is calling on companies to demonstrate their leadership on climate action by publicly committing to science 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.



EXAMPLE OF ACTION



- 2,500t of PVC were recycled in 2021 at Benvic Ereplast.
- At Benvic Modenplast Medical, the packaging made of wood and plastic are 100% recycled.
- Montornès del Vallès plant is switching nitrile gloves to biodegradable gloves.
- In 2021, we have increased the part of renewable electricity within the group. It now represents 33.2% of Benvic's electricity consumption versus 13.6% in 2020.



3.3- LIMIT OUR IMPACT ON THE ENVIRONMENT



WHAT ARE THE DIFFERENT SCOPE OF GHG EMISSIONS?

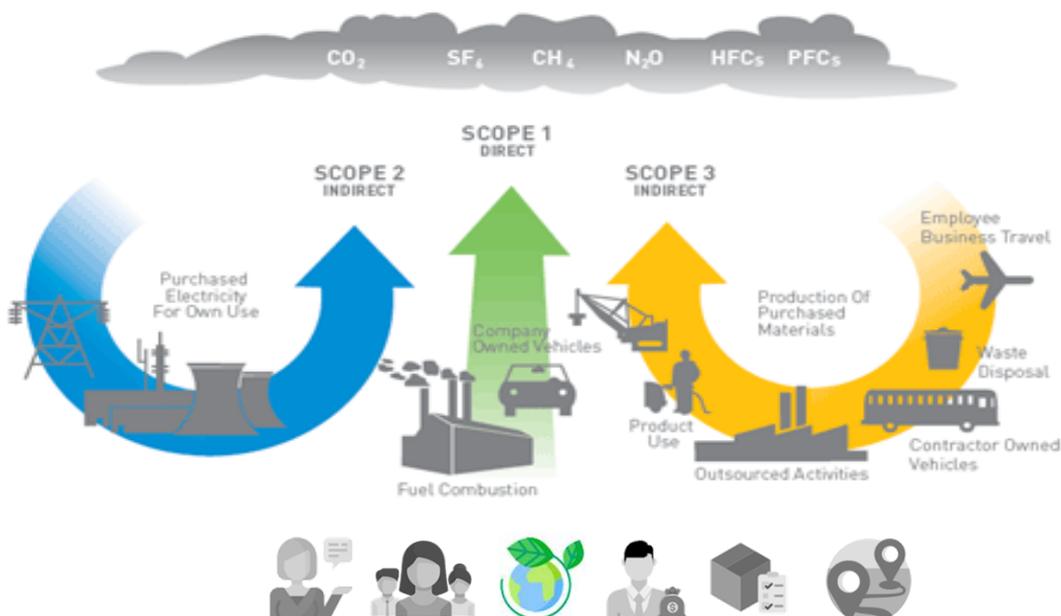
Scope 1, 2 & 3

- **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
 - Consumption of heat or steam produced by supplier
 - Consumption of electricity produced 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 GROUP GOES CARBON NEUTRAL

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:

- End-product life;
- Circular economy; and,
- Carbon neutrality as a commitment with respect to climate change – which is our major achievement as of today.

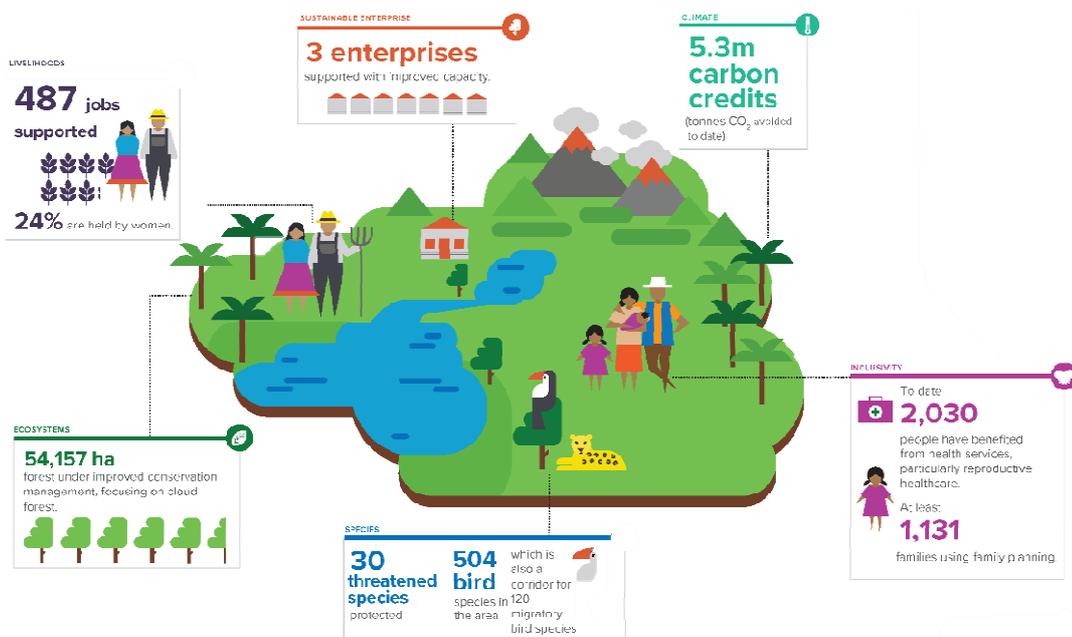
Benvic is already carbon-neutral on scopes 1 & 2 of GHG emissions. Our carbon-neutral status was achieved by purchasing nature-based carbon credits in order to compensate for GHG emissions generated during the 2021 reporting year. Our investment in green energy and our actions to reduce scope 2 impacts enabled a strong reduction of 52% in compensating our emissions.

To achieve carbon-neutrality in the years to come, we will continue monitoring our CO₂ emissions and our collaboration to decarbonisation projects.

Benvic purchased its credits, certified according to international standards, from two positive impact projects: the “Guatemalan conservation coast” and the “Great bear forest carbon”.

GUATEMALAN CONSERVATION COAST

Thanks to climate finance, we can protect this incredible landscape of Guatemalan Caribbean and reduce greenhouse gas emissions, aligning world-class conservation with viable, sustainable economic activities. As a direct result of project activities, over 5.3 million tonnes of CO₂ have been reduced to date - the equivalent of taking almost 640,000 homes off the grid for a year.



3.3- LIMIT OUR IMPACT ON THE ENVIRONMENT



GREAT BEAR FOREST CARBON PROJECT

An improved Forest Management project in British Columbia (BC), the westernmost province of Canada.

The project activities include changes in land-use legislation and regulation that result in increased carbon stocks by converting forests that were previously designated, and coastal wolves sanctioned, or approved for commercial logging to protected forests. Emissions caused by harvesting, road building and other forestry operations are also prevented. It is a landmark project for balancing human well-being and ecological integrity through carbon finance, and it is the first carbon project in North America on traditional territory with unextinguished Aboriginal Rights and Title.







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 next years and the functions in need of back-up plans.
- Included ESG in our financing criteria which brought extra financial criteria (especially regarding social & environmental aspects) to monitor our risk management.

WHAT ARE WE DOING?

Our tools:

- Methodology for monitoring risks.

Our actions:

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

WHAT WILL WE DO?

- Global risk management at group level:
 - Periodic monitoring of risks.
 - Develop a risk identification approach.
 - Build and share back-up plans for key people in all plants.

4.2- ENSURE GOOD MANAGEMENT AND GOVERNANCE



Our ambition

- 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:

- Improve our governance at:
 - Group level: more balanced ExCo, enhanced quality of information for Strategic Committee and ExCo.
 - Entities' level.
- Bring clarity to scopes.
- Definition & Launch of Internal Control.

WHAT ARE WE DOING?

Our tools:

- Chart of Ethics shared with our 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.
- Balanced corporate governance between economic and social goals.
- Formalize succession planning in all plants.

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?

- Included ESG criteria in our financing and share our ESG KPIs with our partners.
- Displayed publicly our sustainability report (available on our website).
- Improved communication with our investors with better defined scopes between our committees, regular meetings with our shareholder with further details (KPIs, monthly comments, quarterly strategic meetings, enhanced supportive documentation, etc.).
- Improved communication with our employees especially regarding our strategy and our relationship with our investors.

WHAT ARE WE DOING?

Our actions:

- Improve our monthly report to shareholder.
- Improve the access to our ESG data.
- Improve our internal communication as communication should be balanced between our stakeholders, and between internal and external. As such, we have regular communication on social networks for both our staff and our partners, we communicate strongly on our ESG performance and results, etc.

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).
- New website design & content targeting our customers & suppliers, our staff and our investors – with monthly paper releases.
- Pursue our efforts in our internal communication to build a strong HR brand and strengthen Benvic as an integrated Group (new means and new media).
- Build an intranet for our staff.

EXAMPLES OF ACTIONS

- New format for our Benvic Mag, in English and digital version only, with topics covering all plants and all activities.
- Publish our sustainability report on our website with a strong communication campaign (press release, etc.).
- Quarterly meetings with our shareholders.
- 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 and we anticipate that one of the first projects will be the updating of the ethics charter to include business ethics issues - anti-corruption, but also competition, fiscal transparency, transparency on lobbying in particular - as well as the implementation of a gifts procedure.

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.

The Group'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 local laws in force with regard to taxation.

Protection of personal data

WHAT PROGRESS HAVE WE MADE?

- Maturity diagnostic in the protection of personal data and definition of an action plan.
- Identify main area 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 processing, by function.
- Definition of priority actions to be taken to achieve compliance, and a roadmap.

WHAT WILL WE DO?

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



5.2- DEFINE A SUPPLIER STANDARD

Our ambition

- By 2023, select all our critical suppliers taking ESG criteria into account

What this means for us

- Define prerequisites for suppliers and select them accordingly

WHAT PROGRESS HAVE WE MADE?

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

For other suppliers (excluding raw materials), we drew up specifications and use several suppliers.

WHAT ARE WE DOING?

Critical ESG prerequisites in the supplier selection process. Please note that due to the COVID-19 crisis priority was given to the stability of our relationships with our long-term partners. Benvic Group committed to a fair relation with its suppliers as well as being a trusted partner for its customers. We are proud that we were able to answer our customers' needs in 2020.

WHAT WILL WE DO?

- Develop a responsible purchasing policy.
- Evaluate the suppliers of raw materials, according to our responsible purchasing policy, which represent 80% of the turnover.
- Define standards for the selection of suppliers.

5.3- ASSESS THE ESG PERFORMANCE OF BUYERS



Our ambition

- Train 100% of our buyers by 2023

What this means for us

- Train and evaluate our buyers

WHAT PROGRESS HAVE WE MADE?

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

WHAT ARE WE DOING?

Our tools:

- Annual evaluation of buyers (as for other employees).
- Audit of expense reports.

WHAT WILL WE DO?

- Train buyers in the concept of responsible purchasing, familiarize them with the responsible purchasing policy and the code of business conduct.
- Ensure that ESG standards are respected in the activity and take them into account when evaluating the performance of buyers.
- Launch a sustainability questionnaire to our main suppliers to understand their maturity in terms of sustainability and their actions on calculating their emissions. This is a first step to identify our actions to reduce scope 3 emissions.
- Issue guidelines on how to behave with gifts & incentives.



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?

Supplier performance management:

- Formalized the supplier evaluation process.

Partnerships for innovation:

- Identified innovation partners with an ESG aspect.
- Ongoing integration of ESG impact in the selection of innovation projects.

WHAT ARE WE DOING?

Our tools:

- Supplier complaints tracking tool.
- Supplier performance evaluation grid.
- Supplier satisfaction questionnaire.

Our actions:

- List of key suppliers and suppliers who can be partners in ESG innovation.
- Monthly exchanges with suppliers on contract monitoring.

WHAT WILL WE DO?

- Establish a structured supplier evaluation model.
- Evaluate suppliers, starting with an annual audit of selected (2 to 3) strategic suppliers.
- Integrate purchases (other than raw materials) into the evaluation of suppliers in the long term.





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 - if possible.

EXAMPLE OF ACTION

- **Benvic Alfa PVC:** financed a playpen & supports local sport team.

ZAKUP KOJCA SFINANSOWANY PRZEZ FIRME ALFA PVC SP. Z O.O.




WHAT WILL WE DO?

- Pursue our efforts to focus on employment and our impact on our communities when acquiring new entities.
- Participation of all our sites to local projects: every site plans 2 actions with significant stakeholders in order to contributing to local development.
- Pursue our efforts to focus on employment and our impact on our communities when acquiring new entities.

- **Benvic Chemres (Chesapeake):** took part in the “clean the Bay Project” – picked up over 400 lb. of trash on the water’s edge at the Chesapeake site.



- **Benvic Chevigny-Saint-Sauveur:** sponsored an action with local schools to make children aware of the value of work, whatever the kind of job.
- **Benvic Dugdale:** initiated Earth Day 2021 with many actions such as litter picking.
- **Benvic Modenplast Medical:** every Easter, buys chocolate Easter eggs from a local cancer association.
- **Benvic Montornès-del-Vallès:** collaborated with the Orquestra Sinfónica del Vallés, a Catalan orchestra with strong social commitments through social and educational programs.

6.2- MANAGE INDUSTRIAL RISKS LOCALLY



Our ambition

- 100% of our sites have developed appropriate action plans in conjunction 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:

- Gathered the information needed for the assessment and initial identification & evaluation of risks to communities.

Emergency situations:

- Minimum emergency preparedness for all sites.
- Definition of scenarios for possible emergencies and associated procedures.

WHAT ARE WE DOING?

Our tools:

- Standards for the preparation of safety systems and definition of risk levels.

Our actions:

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

OUR INDICATORS

- 100% of the atmospheric emission measurements performed are below the limits established in each country (mainly dust particles).

WHAT WILL WE DO?

- Share best practices and implement our tools & actions in our recent acquisitions.
- Analyse & monitor industrial risks for each site.
- Develop a crisis management tool both at Group level and locally if not formalized yet.
- Identify key risks and implement concrete and immediate actions.

EXAMPLE OF ACTION



- Chevigny-Saint-Sauveur: has implemented a procedure to manage risks with neighbours.
- Montornès del Vallès: has established regular contacts & collaborates on projects with the City Council.
- Benvic Chemres (Chesapeake): joined the Local Emergency Response Coordinators.







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

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.	DISCLORUSE	COMMENTS	PAGE
GENERAL ELEMENTS			
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	6, 7, 14
102-3	Location of company headquarters	Completed	3, 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	3, 7
102-5	Type of ownership and legal structure	Partial	15
102-6	Markets served: geographic locations of markets, sectors served, types of customers and users/consumers	Partial	14
102-7	Size of organization: number of employees, operational information, sales, capitalization and product sales	Completed	13
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	13
102-9	Supply chain: including its main structure for activities, brands, products and services	Absent	
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)	Absent	
102-11	The precautionary principle approach	Completed	3
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)	Absent	
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	3
102-16	Values, principles, standards and behavioural norms	Completed	10
102-18	Governance structure: including the highest governance committees and their CSR responsibilities	Partial	15
ECONOMIC			
201-1	Economic performance - Direct economic value generated and distributed	Partial	
205	Anti-corruption - Indicators to be chosen once the process is actually underway	Absent	
ENVIRONMENTAL			
301-1	Materials - Materials used by weight or volume	Absent	
302-1	Energy - Energy consumption in the organization	Completed	10
302-3	Energy - Energy intensity	Completed	10
303-5	Water - Water consumption	Completed	10
305-1	Emissions - Scope 1 GHG emissions	Completed	16-21,56
305-2	emissions - Scope 2 GHG emissions	Completed	16-21,56
306-2	Waste and Effluents - Waste by type and processing	Partial	10
307-1	Environmental compliance - Environmental non-compliance	Completed	10
308	Environmental assessment of suppliers - Indicators to be chosen once the process is actually underway	Absent	
SOCIAL			
401-1	Employment - Recruitment and turnover	Partial	10, 13
403-9	Occupational health and safety - Number of workplace accidents	Complete	10
401-1	Training and education - Average number of hours worked	Complete	50
405-2	Diversity and equal opportunities - Base salary ratio and gender pay gap	Partial	46
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	70, 71
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	39



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