



SUSTAINABILITY REPORT

20

23

Eric Pisani CEO
Clayens Group



At Clayens, we attach great importance to CSR issues. We have made it our mission to contribute to a better and more harmonious world through the continuous improvement of our practices.

We are driven by the desire to produce with meaning, to grow while respecting our environment, our employees and our partners. From our materials to our products to our industrial tools, we are driving forces in the transformation and development of our businesses.

Our voluntary approach is based on simple, concrete and essential principles which make it possible to respond to the specific challenges of our sector of activity, Plastics.

EDITORIAL



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**THE CLAYENS
COMPANY**



OUR SOCIETY

Clayens is a world leader in engineering and industrial subcontracting, with specific expertise in the implementation of polymers, composites and precision metals.

For nearly 100 years, Clayens has been a supplier to industry leaders in various sectors: healthcare, aerospace and defense, electrical infrastructure, automotive and industrial equipment.

Based in France, the company has expanded to more than 30 factories in nine countries in Europe, Africa (EMEA) and North America (NAM). Clayens designs and manufactures products and technical solutions for its customers, using thermoplastics, thermosets (compression and injection), high-performance polymers, thixomolding and metalloplastics.

“A world of opportunities”

Leveraging leading R&D and engineering teams, Clayens deploys innovative technologies to deliver cutting-edge applications, from design to production, packaging and logistics. Thanks to a presence on 3 continents, robust quality systems and optimized manufacturing solutions, Clayens has the ability to support its customers for high-volume, customized manufacturing, while being flexible enough to respond to rapidly changing needs in the markets they serve. At Clayens, we see “A world of opportunities” to seize together.



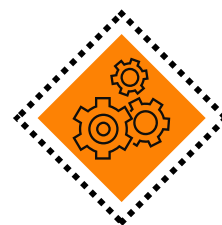
32

Companies



5,243

Employees



4

engineering centers



OUR HISTORY

2023
Acquisition in North America of the Parkway Products production sites, Crystal Lake, Providence, Wallingford and Chihuahua



2022
Arrival of a new majority investor, One Equity Partner.

2021
Clayens NP, through its subsidiary AIP, acquires the company P.I.T., specialized in precision machining.



2021
Clayens NP confirms the acquisition of the Health and Industry divisions of the PSB Industries Group.

2020
SINTEX NP becomes Clayens NP



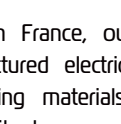
2019
Arrival of a new pool of French investors SIPAREX, BNP Paribas, CARVEST and Africinvest Development.

2014
Acquisition of the SIMONIN Group, made up of 500 people and 5 sites (4 in France and 1 in Morocco). The company brings its know-how in metal cutting, plastic overmolding, wire working, electronics (PCBA) and harness production.



2007
SINTEX LTD, an Indian Group with a turnover of 300 million euros, employing 4,000 employees, listed on the stock exchange (Bombay) for 75 years and managed by the PATEL family, purchases 100% of NIEF PLASTIC. The Group becomes SINTEX NP GROUP.

1931
Founded in 1931, near Lyon in France, our original company NIEF initially manufactured electrical switch boxes incorporating thermosetting materials in their insulation. From 1960, the activity became exclusively dedicated to the transformation of thermoplastic and thermosetting polymers.



OUR LOCATIONS

North America (NAM)

15 sites
2 countries

Europe & North Africa (EMEA)

17 sites
7 countries

NAM

United States

- Crystal Lake, IL*
- Walingford, CT*
- Providence, RI*
- Atlanta, GA*
- Asheville, NC*
- Fort Collins*
- Greeneville, TN*
- Loveland, CO*
- Rockford, IL*
- Westminster, SC*
- Seneca, SC*

Mexico

- Chihuahua*
- Torreón
- Saltillo*
- Plasco

EMEA

France

- NP Genas
- NP Plastibell
- AIP
- PIT
- NP Brion
- NP Jura
- NP Simon
- NP Vosges
- NP Nord
- NP Sud
- NP Savoie

Germany

NP Germany

Poland

NP Polska

Slovakia

NP Slovakia

Hungary

NP Hungaria

Tunisia

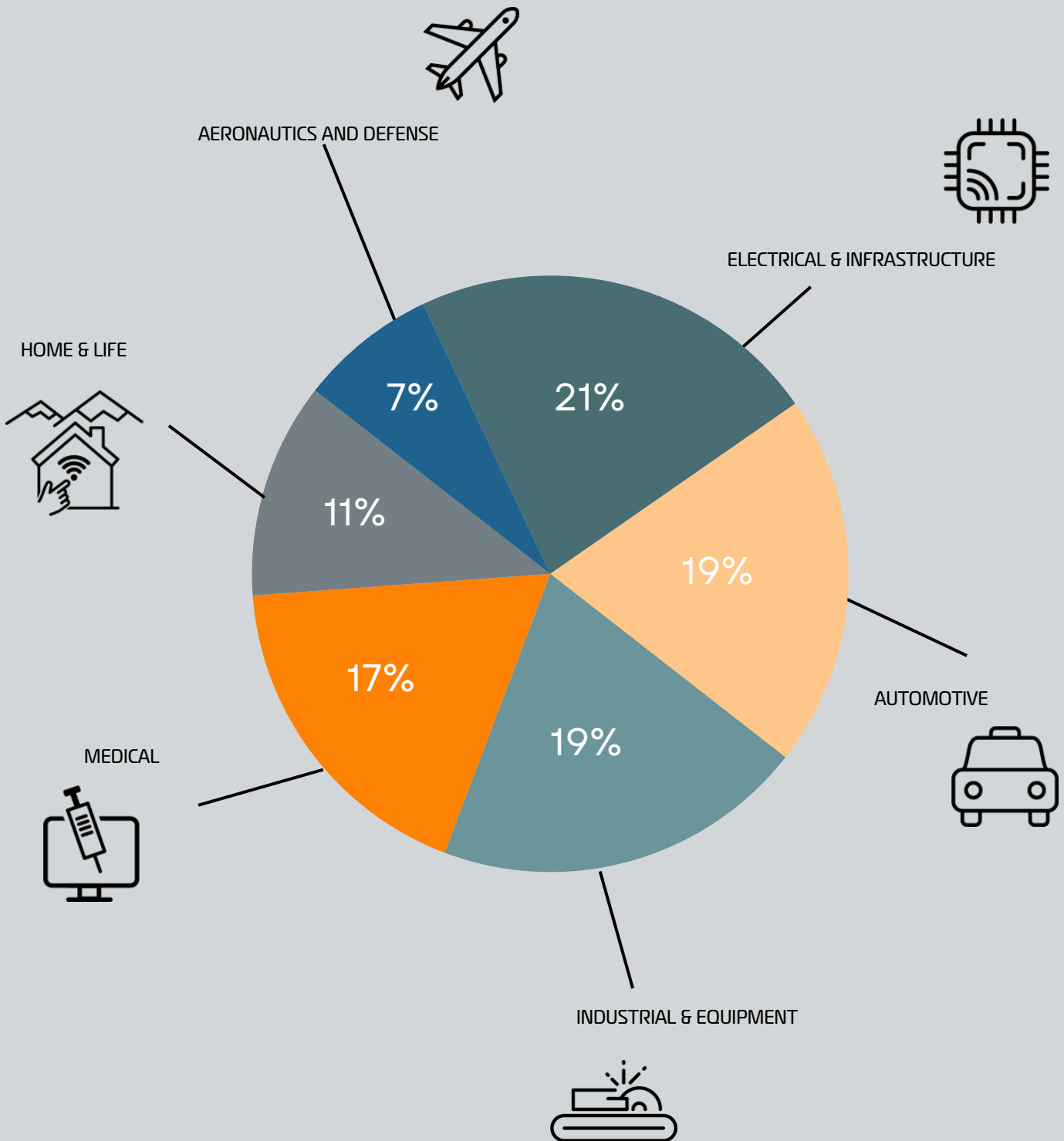
NP Tunisia

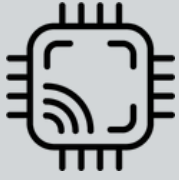
Morocco

NP Morocco

*New acquisitions 2023

OUR MARKETS





ELECTRICAL & INFRASTRUCTURE

Electrical insulation parts must meet very specific requirements in terms of safety of property, people and resistance. From the beginning of any project to mass production, our teams support our customers step by step.

We have the technology and means to design and produce:

- Thermosetting insulation parts
- Composite insulation parts
- Machining of insulation parts
- Assembly of various electronic components
- Plastronic



AUTOMOTIVE

The Clayens group designs and manufactures parts for the automotive sector by meeting precise specifications or providing step-by-step, support for the design of parts with a certain technicality. Concept of safety, ecology, weight saving : we meet the requirements of our customers.

From the smallest parts to the most imposing pieces (up to 800 g), we support different material transformation processes:

- Automotive parts thermoplastic injection (and bi-material)
- Automotive parts thermosetting injection or compression
- Automotive parts metal cutting and overmolding
- Auto parts being machined
- Composite automotive parts



INDUSTRIAL & EQUIPMENT

Our teams offer services in the design of precision parts for very different uses, dedicated to industry and the manufacturing of equipment.

We can join any project, whatever its stage of progress: in the prototyping phase or in the industrialization phase; and this, always with the aim of offering our best technical recommendations to achieve our clients' objectives.

Furthermore, we have the right tools to launch small, medium and large series productions. Our mastery of the transformation of numerous high-performance materials (plastics, composites, metals) allows us to realize ever more ambitious projects!



MEDICAL

CLAYENS HEALTHCARE, which represents the health activity of the CLAYENS group, is the preferred partner of recognized health players.

Whatever their sector of activity (pharmaceutical companies, diagnostic laboratories, medical device manufacturers...) and their size (multinational or innovative start-up), we support our clients and secure the development of their medical devices and their pharmaceutical packagings.

Our recognized know-how in plastic injection and plastic machining allows us to offer our demanding customers complete and tailor-made support, in accordance with international regulatory requirements (ISO 13485-2016, ISO 15378 and QSR - 21 CFR part 820).

We support our clients from the design of their device to its production: Design, prototyping, industrialization, qualification & validation, regulatory support, and production.



HOME & LIFE

For many years, plastics and composites have largely made a place for themselves in our daily lives. From internet boxes to ski bindings, we find them in many places. However, to achieve the final result, you must go through the crucial stage of material transformation. The design of the piece and the choice of materials are important for a product that will meet the user's needs.

This is why Clayens brings its global vision from design to the manufacturing of parts (particularly for injected parts), but also in thermoplastic, thermosetting, composite injection, compression, assembly and overmolding...



AERONAUTICS & DEFENSE

For more than 70 years, the CLAYENS group has supported companies in the aeronautics and defense sector to bring their technical parts design and manufacturing projects to fruition.

Aeronautical structural parts, just like the smallest elementary parts, have very precise and very limited functions within an airplane or helicopter. They must meet very specific requirements. The docking and equipment parts aim to improve aerodynamic performance, while others will play more of a decorative role.

It is with this desire to provide innovation, performance and reliability that Clayens offers its expertise in the transformation of materials to design and manufacture tailor-made aeronautical parts.

EVOLUTIONS



American continent

Increasingly, Clayens customers want to shorten their value chain, to reduce associated costs, but also their environmental footprint in terms of transport. This change has led to Clayens setting up operations on the North American continent. This expansion is set to continue in the years ahead.



Reduction of impact

Clayens has positioned itself in the transformation of recycled and bio-sourced materials, with a view to remaining innovative in the face of its competitors and meeting the future demands of its customers, by striving to reduce the impact of their products. These processes are part of Clayens' core business of plastic injection molding, which requires superior technical skills. This positioning also allows the Group to open discussions with its clients on eco-design and to be able to work with them further upstream in the project phase.



Digitalization of information

For several years, the dissemination of information has accelerated and must be done continuously. It is imperative, especially for a Group spanning 3 continents, to be able to be reactive in the event of internal or external problems. This is why, since 2022, the Group has accelerated its information digitalization plan. This involves the increasing reduction in the use of paper but also a complete review of the transmission of information at Clayens. A survey was launched on continuous and instantaneous reporting methods at Group level. At the same time, an overhaul of the documentation system and procedures is being developed to enable Clayens standards and good practices, particularly CSR, to be implemented more quickly when integrating new companies.



EVOLUTIONS

EMPLOYEE EXPECTATIONS



Well-being at work

The business world is constantly evolving and with it, the expectations of employees are changing. Their expectations, regarding the quality of life at work and the consideration of their proposals and feelings within the company, becomes essential to their well-being at work. This is why Clayens has strengthened its support system for employees throughout their career, from hiring to leaving the workforce.



Work-life balance

The Covid-19 crisis has accentuated the need for employees to be able to balance professional and personal lives. Consequently, the Group ensures that dialogue is maintained between managers and their teams on this topic during formal and informal meetings.



Skill development

Employees want to be able to multi-task and multi-skill, so that they can develop their talents. In response, Clayens aims to adapt its management system to move from a vertical system to a more horizontal system. Employees are integrated into cross-functional issues, decision-making and strategic thinking.



THREAT



CSRD

Clayens follows regulatory developments on the subjects of Corporate Social Responsibility (CSR) with great attention. Indeed, the future implementation of the European Corporate Sustainability Reporting Directive (CSRD) regulation will force the Group to rethink part of its CSR strategy and governance. This is why the Group has drafted, from 2023, a first version of a sustainability report covering the 2022 financial year, based on the requirements of the CSRD.



Substances

The end of the use of perfluoroalkyl and polyfluoroalkyl substances (PFAS) will impact several of the Group's processed materials : some may only be placed on the market with regulatory authorizations and agreements. Others may be withdrawn from the market. Clayens will work closely with material producers to anticipate its bans and thus validate alternative solutions. Clayens' economic model is built so as not to have just one area of strategic activity : the distribution of turnover into different sectors will allow the Group to not have to call into question the entirety of its commercial strategy continued to this regulatory development.

OUR STRATEGY

Clayens' business model is based, both on geographic proximity to its customers, and on market diversification addressed by the Group, so as not to be dependent on a single sector of activity and thus be more resilient.

Clayens' strategy is based on 3 pillars :



A clean and unique model

A brand, Clayens, shared by all units of the Group
A standardized operational model deployed across all Group sites
Transversal CSR projects that will be deployed across the entire Group



Performance and competence

Strengthen our operational performance
Adapt our constantly evolving industrial plan to optimize support for our customers and optimize our costs
Always offer a wide range of technologies and innovations

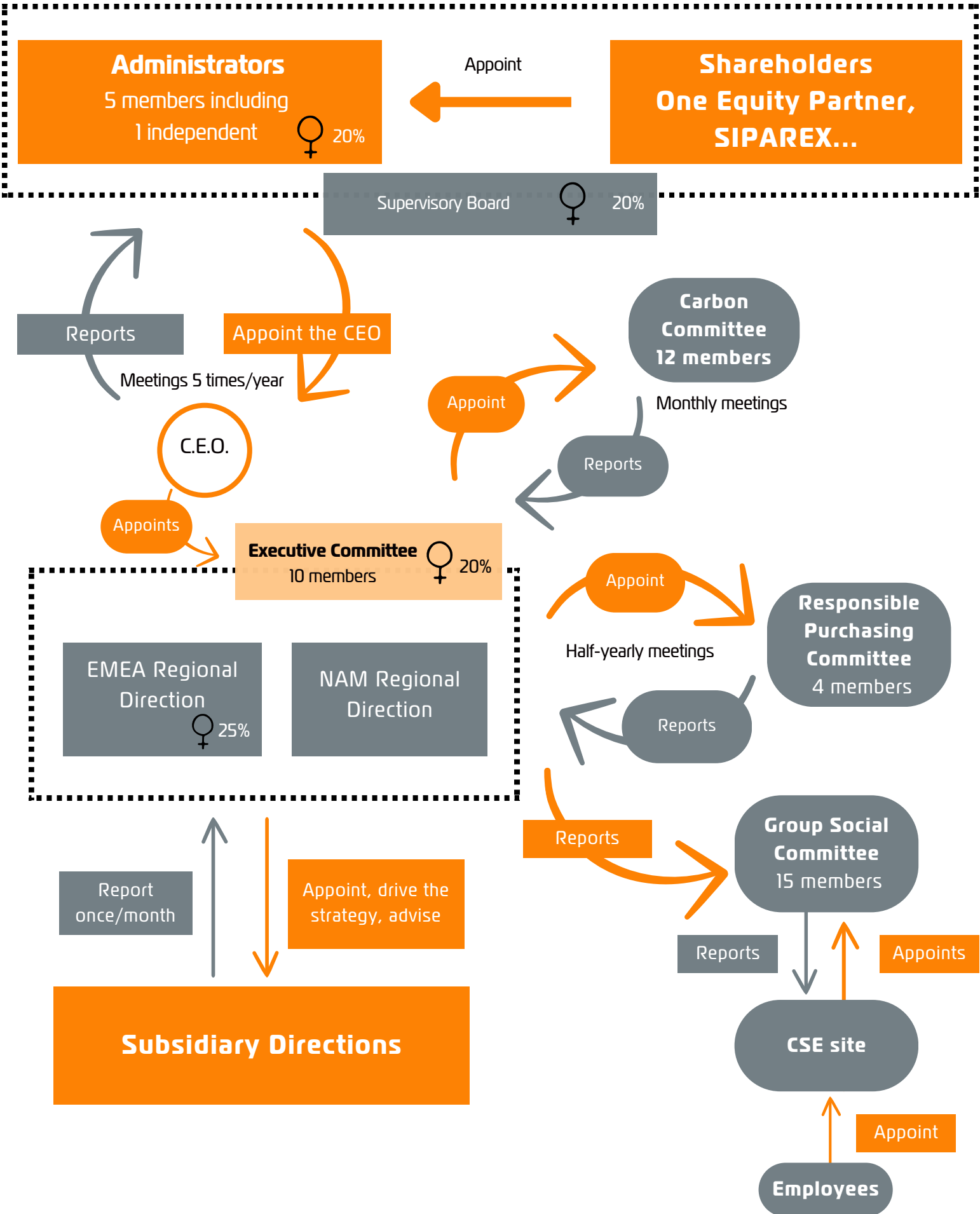


The growth

The objective is to broaden strategic segmentation (market/geography matrix) by developing in new territories, primarily in North America.
Growth will be through internal growth and acquisition.



GLOBAL GOVERNANCE



GLOBAL GOVERNANCE

EXCOM



Eric Pisani
CEO



David Berthiller
Senior Executive Vice President
Finance, HR & IT



Brice Collet-Beillon
Senior Executive Vice President
EMEA



Douglas Constable
Senior Executive Vice President
NAM



Nadia Ramdani
Executive Vice President
Special Projects



Alexandra Teleki
Executive Vice President
Procurement



Jérémy Guivarc'h
Executive Vice President
R&D



Pascal Wolff
Executive Vice President
Engineering



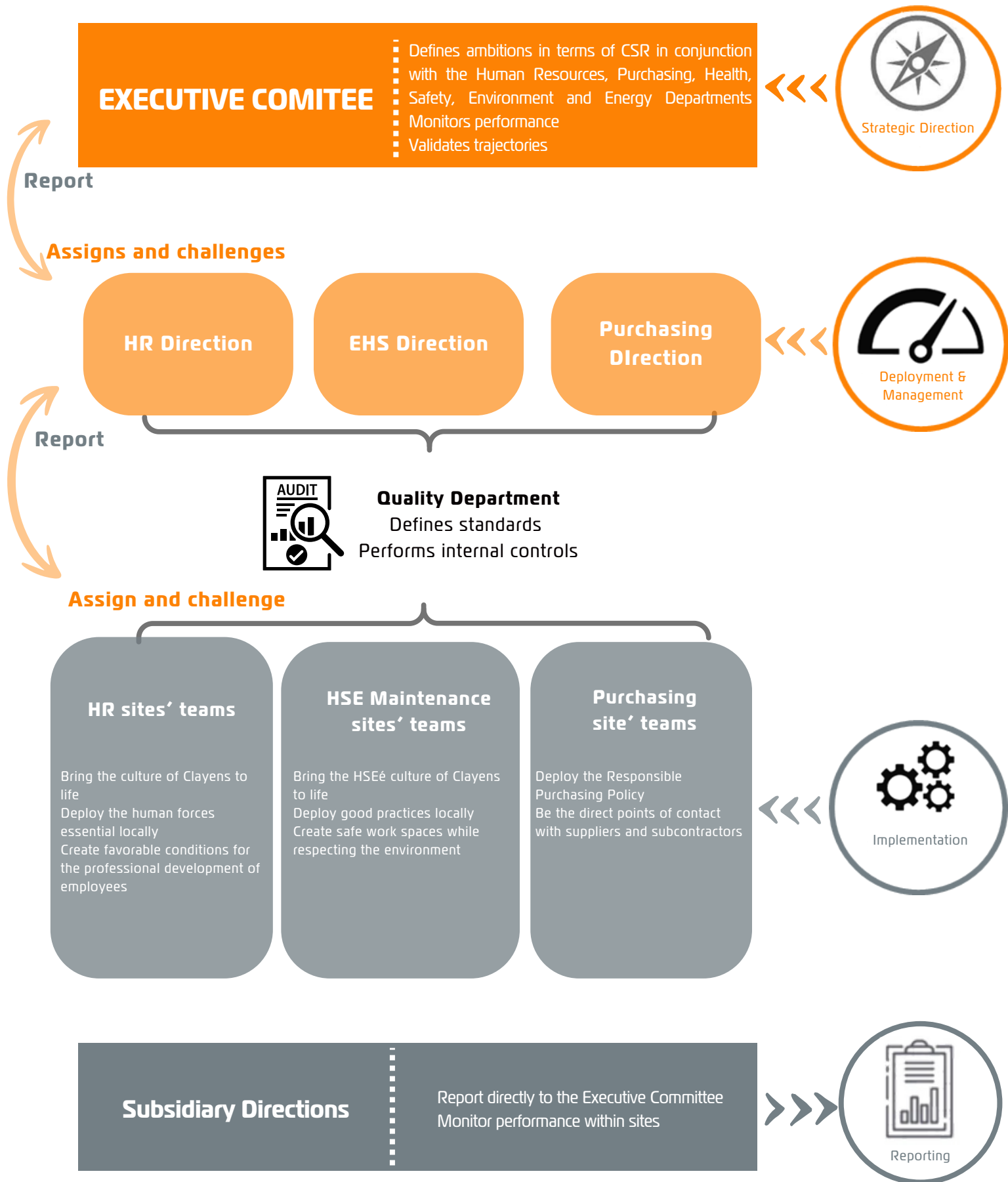
Eric Manessier
Executive Vice President
Industry, Quality, EHS
Maintenance



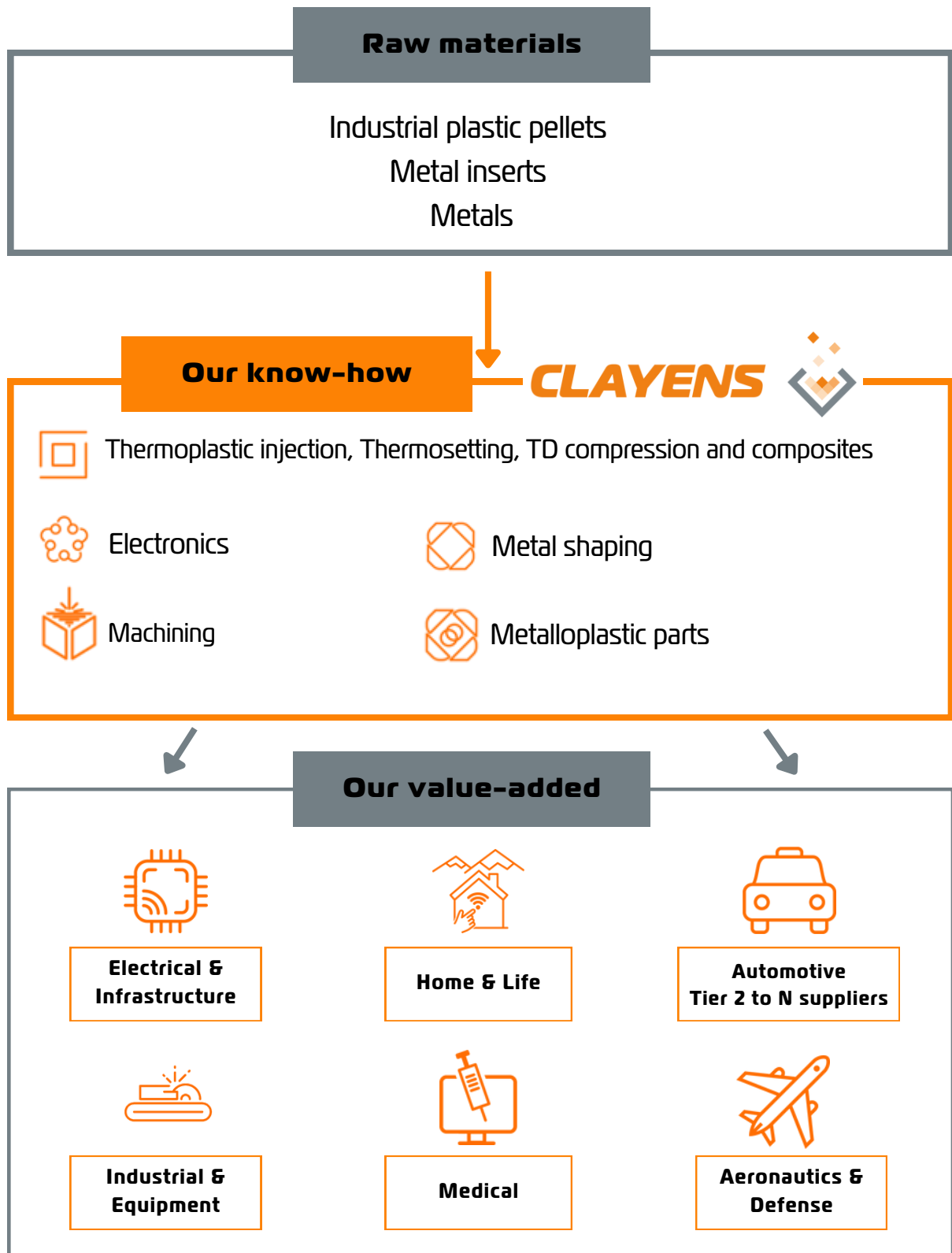
Brian Flynn
Executive Vice President
Business Development



CSR GOVERNANCE CLAYENS



OUR VALUE CHAIN



CSR

2

APPROACH



OUR VISION



»» **Unite all employees around innovative and committed projects.**

»» **Improve company practices by questioning at all levels the impact of our activities and our decisions on society and the environment.**

»» **Enrich the dialogue with our stakeholders and raise their awareness of CSR issues.**

“

We are driven by the desire to produce with meaning, to grow while respecting our environment, our employees and our partners.

”



OUR VALUES

Our multiple know-how allows us to respond to the challenges of various sectors, and to offer our clients comprehensive, tailor-made support.

Today, Clayens' adventure brings together 5,243 women and men around the world, sharing common values.

Committed to an industry that combines innovation and responsibility, we embody our slogan every day.

We make no compromises. We cultivate exemplarity. In a permanent desire for exemplarity and proximity, we defend an honest and transparent corporate policy on a daily basis.

TRUST

REPUTATION

We want to embody and inspire trust through our actions and attitudes. We act in partnership, respecting our commitments and encouraging internal initiative.

Our reputation is the company's essential asset. We want to act permanently in order to preserve it.

INTEGRITY

RISE

Open to the world and focused on the future, we want to progress every day, for the benefit of our customers, our employees and our shareholders.



THE THREATS

LINE OF BUSINESS

ATTRACTIVENESS

The plastics and industry sector is experiencing a huge lack of attractiveness in recruiting new employees.

The plastics industry, to achieve lasting attraction, must be able to communicate more by reflecting an image in line with the reality of the work carried out within plastics companies, in order to reach a wider audience.

HEALTH SECURITY

In connection with our sector of activity, the Health and Safety of our employees are very important. Ranging from occupational illnesses, absenteeism to accidents.

Indeed, they can be called into question or put in difficulty in each Clayens subsidiary as in the entire sector.

ENVIRONMENTAL IMPACT

The carbon footprint of our activity linked to our energy consumption has an impact on the environment. Waste management (plastic, metals, WEEE, etc.) and plastic granules can also influence our negative footprint on the environment.



OUR CSR ISSUES

ENVIRONMENT

Climate & Energy
Water & Pollution
Eco-design & Circular economy



SOCIAL

Workers' Rights
Retention & Attraction
Social Dialogue
Well-being at Work
Development of Intellectual Capital
Diversity & Inclusion
Health & Safety at Work
Human Rights & Workers' Rights



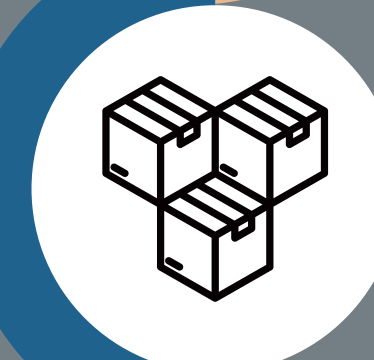
VALUE CHAIN AND PRODUCTS

Responsible purchasing
Health, Safety & Product Quality



BUSINESS ETHICS

Corruption
Anti-money laundering
Fairness of practices
Security & Confidentiality of information



CSR'S LABELS AND PERFORMANCES

SBTI

Validation of the Group's CO₂ emissions reduction targets by 2030 as part of the 1.5°C trajectory of the Paris Agreements



SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Valid ←

Ecovadis

Silver (66/100)
Top 15% of companies evaluated by EcoVadis




SILVER | Top 15%
ecovadis
Sustainability Rating
MAR 2024

Medal ←

Label More

MORE 2023 Label certified
For the 4th consecutive year, Clayens is Label More certified, witness to Clayens' commitment to the circular economy.




2023
MORE
MOUVEMENT PLUS RESPONSIBLE

Certified ←

CDP

Rated D
Reporting
Climate change




DISCLOSURE INSIGHT ACTION

Classified ←

Global Compact

Year 2023



THE GLOBAL COMPACT
UNITED NATIONS
GLOBAL COMPACT

Valid ←



OUR STAKEHOLDERS

Our Executive Committee maintains regular discussions with our stakeholders in order to inform its CSR strategy but also to share its performance, its progress and to keep informed of developments in their CSR expectations. The Executive Committee meets every month to analyze trends, results and developments in the strategy to be taken into account.

Stakeholders	Challenges	Means made available to respond to the challenges
Shareholders	<ul style="list-style-type: none"> Keep our investors informed about our response to their CSR requirements Ensure the stability of the company Analyze our societal and environmental risks 	<ul style="list-style-type: none"> CSR performance indicators communicated quarterly to our shareholders Monthly financial report Response to 1 audit questionnaire per year mandated by our shareholders on the improvement of our CSR approach
Financial partners	<ul style="list-style-type: none"> Respect our CSR commitments to our financial partners Be able to request financing without representing a risk 	<ul style="list-style-type: none"> Annual review of key performance indicators defined with our financial partners Annual audit of our financial results by auditors Non-exhaustive quarterly financial report communicated to our financial partners Annual reporting on indicators selected by our financial partners
Clients	<ul style="list-style-type: none"> Be able to meet the new expectations of our customers in terms of reducing our carbon footprint and the evolution of our CSR approach Remain a privileged partner of our customers Ensure we produce reliable, safe and environmentally friendly products 	<ul style="list-style-type: none"> Validation of our approach to reducing our footprint by the SBTi Commitment made to our customers to reduce our carbon footprint Active participation in working groups on energy and climate in collaboration with some of our customers Monthly monitoring indicators of the Group's customer performance (complaint rate, PPM, service rate, etc.) Maintaining our Quality and Environment certifications which are also customer requirements
Suppliers	<ul style="list-style-type: none"> Raise our suppliers' awareness of our CSR approach Develop a lasting relationship with our suppliers Listen to our suppliers' issues 	<ul style="list-style-type: none"> Monitoring the commitment of our suppliers to the CSR approach Monitoring the commitment of our strategic suppliers to the CSR approach Monitoring the commitment rate of our suppliers on our responsible purchasing charter Monitoring the key performance indicators of our suppliers (PPM, service rate and others)
Social partners	<ul style="list-style-type: none"> Maintain social dialogue within the Group 	<ul style="list-style-type: none"> Existence of ESC (1) within our French subsidiaries and equivalents in our subsidiaries outside France Existence of a Group Committee (France)
Public authorities	<ul style="list-style-type: none"> Be able to monitor and respond to various regulatory developments linked to changes in public policies 	<ul style="list-style-type: none"> Carrying out comprehensive regulatory monitoring throughout the Group Carrying out active monitoring of the Group's various departments on their areas of expertise and providing information to sites impacted by these changes in regulations prior to their implementation
Employees Collaborators	<ul style="list-style-type: none"> Improve the quality of life at work for employees Skills development 	<ul style="list-style-type: none"> Deployment of an occupational health and safety policy applicable to all of its sites Presence of an HSE representative in each subsidiary, who leads action plans in collaboration with their management Strengthening the Group Human Resources Department with a dedicated person developing skills development plans with the sites Strengthening training systems

(1) Social and Economic Committee

ISSUES DEFINITION PROCESS

To date, the Clayens Group does not have a double materiality matrix to define its CSR issues. However, the future implementation of the European Corporate Sustainability Reporting Directive, or CSRD directive, will take place for Clayens in 2026 for the financial year 2025.

This is why it is planned to train the teams concerned in 2024 with the creation of an action plan, of which the creation of a double materiality matrix will be a key issue.

Currently, the process of defining CSR issues at Clayens is based on:

- Carrying out a risk analysis based on a SWOT matrix
- Taking into account by the Executive Committee the expectations of stakeholders
- Taking into account the commitments that Clayens has made towards its same stakeholders
- The results of the Group's 2023 EcoVadis assessment
- The results of Clayens' performance indicators by CSR theme
- The main CSR risks of the sector, thanks to the EcoVadis sector sheet, by the SASB, discussions with the various stakeholders in the sector.

ENVIRONMENT PILLAR

CLIMATE & ENERGY



Commitments	Goals	Indicators 2023
Respect the Paris Agreements on our CO2 emissions	Reduce our Scope 1 & 2 by 50% by 2030, compared to 2019 validated by the SBTi	-27,5% (1)
	Reduce Scope 3 by 30% by 2030, compared to 2021 validated by the SBTi	-31,5% (1)
Increase the number of ISO 14 001 certified sites	100% of EMEA subsidiaries ISO 14001 certified by the end of 2027	63%
Control our energy consumption	Reduce our energy intensity (transformed MWh/T) by 10% at the end of 2027 compared to 2021	- 16% (1)
	100% of our subsidiaries with an energy audit by the end of 2025	61%

(1) Ce résultat couvre 100% du contrôle opérationnel 2023



ENVIRONMENT PILLAR

CLIMATE & ENERGY



Commitments	Goals	Indicators 2023
Respect the Paris Agreements on our CO2 emissions	Reduce our Scope 1 & 2 by 50% by 2030, compared to 2019 validated by the SBTi	-27,5% (1)
	Reduce Scope 3 by 30% by 2030, compared to 2021 validated by the SBTi	-31.5% (1)
Increase the number of ISO 14 001 certified sites	100% of EMEA subsidiaries ISO 14001 certified by the end of 2027	63%
Control our energy consumption	Reduce our energy intensity (transformed MWh/T) by 10% at the end of 2027 compared to 2021	- 16% (1)
	100% of our subsidiaries with an energy audit by the end of 2025	61%

(1) This result covers 100% of the 2023 operational control



ENVIRONMENT PILLAR

WATER & POLLUTION



Commitments	Goals	Indicators 2023
Improve waste management and promote recycling/reuse	Achieve a recycling/reuse rate of non-hazardous waste of 50% by the end of 2026	46% (1)
Monitor and advise subsidiaries on their water consumption	Maintain the water consumption ratio below 1m3/person/month.	0.78 (1) m3/person/month
Identify, raise awareness and transversalize good environmental practices in terms of pollution	Deploy prevention of the loss of plastic granules into the environment on 100% of EMEA sites by the end of 2024	68%

(1) This result covers 100% of the 2023 operational control

ECO-DESIGN & CIRCULAR ECONOMY



Commitments	Goals	Indicators 2023
Promote the reduction of the environmental footprint of Clayens products to its customers	100% of new projects have an assessment of the carbon footprint of their finished product	Creation of the tool for implementation in 2024



SOCIAL PILLAR

WORKERS' RIGHTS



Commitments

Goals

Indicators 2023

Decent salary

Pay 100% of Group employees above the legal minimum in each country where Clayens operates.

100%

Forced and illicit child labor

Ensure that no minors work illegally in the Group

0 %

Health coverage

Ensure health coverage accessible to 100% of employees

100%

Good social law practices

Train 100% of our managers on good practices in social law with one theme covered per year by 2026 (priority launch in the France zone)

The actions are currently being deployed. A launch in SI 2024 is planned for the France scope

RETENTION & ATTRACTION, SOCIAL DIALOGUE & WELL-BEING AT WORK

Commitments

Goals

Indicators 2023

Turnover (2)

France: 10.80%
Europe excluding France: 16.68%
Maghreb: 8.04%
Mexico: 90%

France: 15.53%
Maghreb: 21.54%
Europe excluding France: 16.24%
Mexico: 90.80%

Absenteeism

Limit the group's absenteeism rate to 6%

5,1%

Retention

Establish a retention indicator after hiring by 2026: % of M.E. employees (1) in position after 1 year

In progress

Employee satisfaction within the Group

Implement a group-wide social survey by 2026

Currently being developed in the EMEA region.
In place in the NAM zone for the 2nd consecutive year

(1) M.E. : Indirect workforce

(2) Turnover: no defined objective for the US for 2023 due to recent acquisitions



SOCIAL PILLAR

DEVELOPMENT OF INTELLECTUAL CAPITAL



Commitments

Goals

Indicators 2023

Training

Provide 10.5 hours of training per year and per employee

17h

People Review

100% of N-1 management teams (group and subsidiaries) reviewed and 100% of group management

100%

Support 100% of “Key talents” (1) detected by an individual development plan from 2024

In development

Establish a network of “Experts” (2) in Clayens to promote the transfer of skills by 2026

In development

Management

100% of managers (3) trained in good managerial practices by 2025

Currently being deployed in the EMEA region

DIVERSITY & INCLUSION



Commitments

Goals

Indicators 2023

Feminization of management

Reach 30% of female managers by 2026

24%

Distribution Male Female

Stabilize the distribution of women/men to get as close as possible to 50%

49%

Inclusion of disabled workers

Detect and train 1 disability representative per country by 2026

In development

Non discrimination

Train HR Managers and raise awareness among all managers about non-discrimination in hiring

In development

(1) cf. page 146

(2) cf. page 145

(3) Any person with at least one hierarchically attached employee is considered a manager.



SOCIAL PILLAR

HEALTH & SAFETY AT WORK



Commitments

Goals

Indicators 2023

Workplace accident

Reduce the number of workplace accidents to 0

86

Maintain the Group's frequency rate below 16.29 (1)

9,54

Maintain the Group's severity rate below 1.26 (2)

0,47

Professional diseases

Maintain the occupational disease frequency index below 6.2 (3)

1,33

Raise awareness among 100% of group managers about the notions of moral harassment by 2026

75.7% in 2022 (4)

(1) Calculation: Plastics industry rate France 2021 - 10% = 16.29

(2) Calculation: Plastics industry rate France 2021 - 10% = 1.26

(3) Plastics industry index France 2021

(4) For the year 2023, the data is not consolidated. As part of our deployment of an HRIS, it is also planned to integrate an e-learning platform in order to deploy this awareness to all of our managers by 2025.

HUMAN AND WORKERS' RIGHTS



Commitments

Goals

Indicators 2023

Respect for the supply chain in compliance with the ethical and responsible purchasing approach

Reach, by the end of 2024, 90% of signatures of the responsible purchasing charter by strategic suppliers

89%*

(5) This result covers 100% of the 2023 operational control



VALUE CHAIN AND PRODUCT PILLAR

SUSTAINABLE PROCUREMENT



Commitments

Goals

Indicators 2023

Optimize and support our strategic supplier panel to achieve CSR objectives

Increase the share of strategic suppliers certified ISO 14 001 to reach 60% by the end of 2024

43%(1)

Optimize and support our strategic supplier panel to achieve quality and logistics objectives

Reduce the Parts Per Million rate of strategic suppliers by 50% by the end of 2024 compared to 2021

600(1)

Support strategic suppliers to achieve a supplier service rate of 95% by the end of 2024

94,4%(1)

(1) This result covers 100% of the 2023 operational control

HEALTH, SAFETY & QUALITY

Commitments

Goals

Indicators 2023

Improve the response rate to customer requests for finished products

Process 100% of requests formalized by our customers, on our finished products, by the end of 2027.

No dedicated indicator in 2023

Improve the quality of products delivered to the customer

Reduce customer incidents by 10% per year

-5%

Reduce the customer PPM rate by 50% per year

+60%, which represents 223 PPM



BUSINESS ETHICS PILLAR

CORRUPTION & ANTI-MONEY LAUNDERING



Commitments

Goals

Indicators 2023

Group exposure to the risk of corruption and money laundering

Keep 100% of targeted people trained in anti-corruption

98%

Have less than 1% of strategic suppliers in the red zone according to the Corruption Perception Index (CPI)

0,04%

Have 0% of strategic suppliers in the black zone according to the Corruption Perception Index

0%

FAIRNESS OF PRACTICES

Commitments

Goals

Indicators 2023

Compliance with competition practices

Respect the legal and CSR commitments of the Group's various stakeholders.

No alert on non-compliance with fair practices

100% of people exposed to the risks of unfair practices (excluding NAM) have signed the Group's code of ethics



BUSINESS ETHICS PILLAR

INFORMATION SECURITY & CONFIDENTIALITY

Commitments

Goals

Indicators 2023

Develop employee skills in terms of IT Security

Train 100% of people with access to IT resources by 2025 in IT security

38,5%

Carry out 4 annual internal phishing test campaigns

4

Reintegrate 100% of people who failed a first phishing campaign into a second campaign

100%



GOVERNANCE

3



GOVERNANCE

Definition of strategy

The Clayens Group's strategy has been established at the highest level by its Executive Committee. This committee defined Clayens' CSR strategy and the associated key performance indicators. It's in line with the issues identified by pillar, and the expectations of its supervisory board, made up of the Group's shareholders and directors, some of whom are independent.

The Clayens EXCOM is placed under the authority of the CEO of the Group.

The Executive Committee consists of the CEO, the vice-presidents of the EMEA and NAM regions, the vice-president of Finance, HR and IT as well as the vice-presidents of Special Projects, Purchasing, Engineering, Industry, Quality and EHS Maintenance, Business Development and R&D.

The Regional Directions were created in 2023, with the context of numerous acquisitions on American soil. Following this change, the Group Management Committee became an EMEA Regional Management Committee.

Strategy management

The Executive Committee relies on the business expertise of the various Group departments to deploy the Clayens' CSR strategy and to manage it. In collaboration with the sites' business experts, its Group Departments help the subsidiaries achieve the set objectives. The Subsidiary Departments are managed directly by the Executive Committee to which they report each month, via internal reporting, on the evolution of their CSR performance. This reporting helps the Executive Committee to reflect as best as possible on the CSR strategy.

In the first half of 2024, a CSR Committee will be created to replace the Carbon Committee. This change aims to extend the vision of the strategy to all CSR pillars by analyzing the reporting of CSR performance of the sites.

Strategy monitoring and validation

Group Directions communicate monthly the results of the CSR performance indicators for which they are responsible to the Executive Committee, and alert if necessary on possible deviations observed.



Quarterly, a review of the financial performance of the sites and the progress of the various CSR projects is carried out between the Executive Committee and all the Directions (Group Business Departments and Site Departments).

Through quarterly discussions with the supervisory board, the Executive Committee reports on the progress of the Group's CSR trajectory. Every year, since 2020 during the first quarter, an external audit questionnaire mandated by Clayens shareholders, members of the supervisory board, is carried out to verify the accuracy of the informations and indicators communicated. The audit is accompanied by a report which also validates the trajectory taken by the Group, and gives trends on whether or not Clayens is improving on the CSR pillars. The latest audit, dated 2023, demonstrates the Group's progress on each of the pillars.

Specific committees

Carbon Committee: Created in 2021, this committee is responsible for steering Clayens' carbon strategy. It is run by the Group environmental prevention officer. The committee is made up of five members of the Executive Committee, including the CEO, as well as expert advisors in the fields of environment, energy, materials and purchasing. During each monthly meeting, different subjects are discussed (communication on the Group's results, evolution of carbon regulations, evolution of low-carbon raw materials) and actions are taken (validation of self-production projects on sites, purchasing contracts green electricity, or even renewal of equipment with less emitting equipment).

Responsible Purchasing Committee: Created in 2022, this committee is responsible for steering Clayens' responsible purchasing strategy. It is led by the Group Purchasing Quality Manager. The committee is made up of the Vice-President of Purchasing, the Group Purchasing Director, the Purchasing Quality Manager and his Purchasing Quality technician trainee. This committee meets every six months to take stock of the various responsible purchasing performance indicators, which are then communicated to the members of the Executive Committee and Group Directions. He is also responsible for validating the progress of the action plans and the defined trajectory.

Group Social Committee (EMEA): Created in 2022, following the request of subsidiary employees to be kept informed of major decisions in the Group's strategy. This committee has no decision-making power. Its role is purely informative. It is made up of the CEO of Clayens, who chairs it, the EMEA Human Resources Director, and volunteer members from the site Social and Economic Committees (1 member per site with a SEC, i.e. 15 members in total in EMEA). It is planned to extend this committee to volunteer employees from sites without a SEC. This committee meets quarterly and is informed of the Group's economic situation and the major trends that are emerging. Reports are written at the end of each meeting and communicated to the sites via the members present.



GOVERNANCE ENVIRONMENTAL ISSUES

Corporate governance	Goals
Carbon Committee	Defines the strategy and issues related to the Group's GHG emissions
Executive Vice President Industry, Quality, EHS Maintenance	Defines the Group's environmental policy
Executive Vice President Engineering	Tasks the R&D Department with implementing developments that reduce the environmental impact of products
Group Quality Department	Defines environmental procedures and operational standards Carry out internal audits of the environmental process
Group HSE Maintenance Department	Deploys the Group's environmental policy and the CO2 emissions reduction strategy within the subsidiaries Continuous exchange with Group Management and subsidiaries Leads quarterly EHS clubs Support of subsidiaries in ISO 14 001 certification Reports monthly environmental key performance indicators to the Executive Committee

- From the first half of 2024, the Carbon committee will evolve into a CSR committee, which will meet monthly to manage the Group's CSR strategy. It will be made up of members of the Comex and expert referents on the specific areas of each CSR issue.
- A Group team is responsible for environmental issues. It is dedicated to supporting sites and sharing identified good practices.
- Workshops are organized quarterly with all site HSE managers. They allow time for exchange and feedback from subsidiaries on good environmental practices.



GOVERNANCE SOCIAL ISSUES

Corporate governance

**Senior Executive Vice President
Finance, HR and IT**

**General Direction
Industrial, Health, Safety and Environment**

Group HR Direction

Group HSE Maintenance Direction

Goals

Defines the human resources policy on inclusion and diversity, recruitment and talent development of the Group
Defines the rules in terms of employee data security

Defines the Group's Health and Safety policy

Develops and communicates the Group HR strategy
Defines, optimizes processes and digitizes them
Deploys effective tools and procedures
Consolidates and presents data/KPIs at group level (RCM, ONB, etc.)
Supports the organization's stakeholders at daily Group audit process in subsidiaries

Deploys the Group's Health and Safety policy and the strategy for reducing work accidents within the subsidiaries
Continuous exchange with Group management and the subsidiaries
Leads the quarterly EHS clubs
Supports the subsidiaries in carrying out their professional risk assessments and in analysis of workplace accidents
Reports health and safety key performance indicators to the Executive Committee on a monthly basis



GOVERNANCE SOCIAL ISSUES

Corporate governance	Goals
<p>Group IT Direction</p>	<p>Deploys the employees' data security policy Monitors the security of the IT equipment Carries out internal phishing campaigns</p>
<p>Group Quality Direction</p>	<p>Carries out internal audits of HR, Health, Safety and IT processes</p>

- A Group team is in charge of the Health and Safety issue. It is dedicated to supporting sites, sharing identified good practices, supporting sites in carrying out their professional risk assessment, analyzing their work accidents as well as ensuring compliance with defined rules...
- Workshops are organized quarterly with all site's EHS managers. They allow time for exchange and feedback from subsidiaries on good Health and Safety practices.
- Workshops are organized quarterly with all site's Human Resources managers. They allow time to share regulatory developments and best practices to be deployed.
- The EHS Maintenance department supports Clayens NP Genas site in its ISO 45001 certification.
- A team is dedicated to the challenges of Data Security and IT Security. Its objective is to maintain and continuously improve the IT security of Clayens.



GOVERNANCE ISSUES VALUE CHAIN AND PRODUCTS

Corporate governance	Goals
Executive Vice President Purchasing	<ul style="list-style-type: none"> Defines the Group's responsible purchasing policy Defines the strategy and stakes related to responsible purchasing
EHS Maintenance Direction	<ul style="list-style-type: none"> Manages safety data sheets and requests for certificate of conformity of raw materials and chemical products
Group Quality Direction	<ul style="list-style-type: none"> Defines and deploys the quality system and operational standards related to quality Carry out internal audits of processes at all sites and to ensure compliance with our standards and the normative frameworks that govern us Support sites on specific escalated issues
Group Purchasing Quality Department	<ul style="list-style-type: none"> Defines procedures and operational standards related to responsible purchasing Reports responsible purchasing performance indicators every six months to the executive committee Continuous exchange with central and local teams
Group Purchasers	<ul style="list-style-type: none"> Deploys the Group's responsible purchasing policy within the subsidiaries Carry out audits at suppliers Continuous exchange with central and local teams Support for suppliers and subsidiaries in purchasing activities

GOVERNANCE ISSUES VALUE CHAIN AND PRODUCTS

- A team is in charge of handling the responsible purchasing issue. It is dedicated to reviewing sites and sharing identified good practices.
- The results of indicators linked to responsible purchasing are reviewed every six months, within the framework of a responsible purchasing committee, via a report shared with the entire Executive Committee, and Group and sites management.
- The stakes, linked to systemic customer requirements as well as product quality, are managed by a Group team. It is in charge of improving the Quality management system and guaranteeing its deployment within the subsidiaries.
- An annual meeting of all site quality managers is held in order to take stock of the actions carried out, and the systemic changes to come. The meeting is supplemented by workshops aimed at jointly reflecting on, and developing potential optimizations of the existing Quality system



GOVERNANCE BUSINESS ETHICAL ISSUES

Corporate governance	Goals
<p>Executive Committee</p>	<p>Defines the Group's code of ethic</p>
<p>CEO Group HR Direction Compliance Direction</p>	<p>Are the referents for the Group's alert procedure on ethical and social rights issues</p>
<p>Group Purchasing Direction Group Sales Direction Subsidiary Directions</p>	<p>Enforce and ensure that all the practices of their employees are in accordance with the ethical code Ensure that their employees, being the people potentially most exposed to the risks of corruption and unethical practices, are trained</p>
<p>Group Information system</p>	<p>Deploys the information security policy Monitors the security of the IT equipment Carries out internal phishing campaigns</p>

»»» An alert procedure allowing any feedback on possible abuses of fraud, corruption and money laundering exists within the group. It is subject to a modification following the publication of law n°2022-401 of March 21, 2022 aimed at improving the protection of whistleblowers (French Law).

»»» A map of people most exposed to the risks of corruption and unethical practices exists and is updated regularly.

4

**ENVIRONMENTAL
ISSUE**



ENVIRONMENT IN FEW FIGURES



182 196,3
Scope total

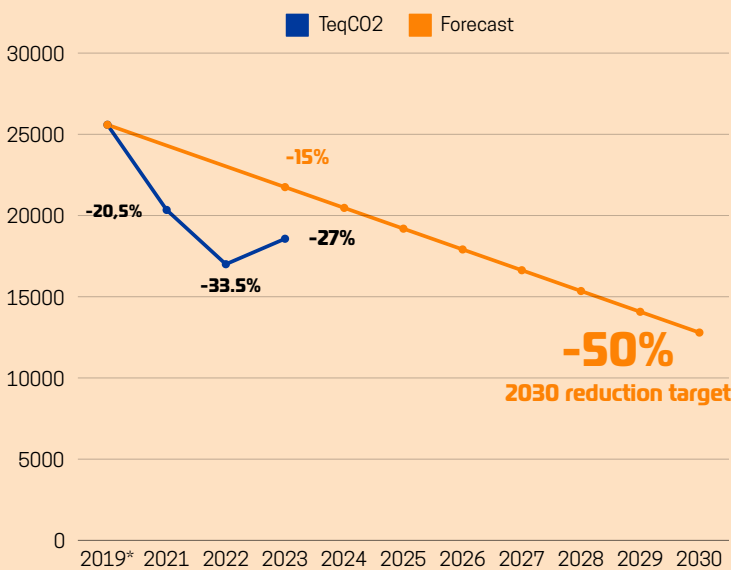
Main emissions items for the Group 2023

Type of Scope	Main emission sources	Emissions GHG (1)	Comparison of TeqCO2 in car (km)
Scope 1	Fixed and mobile sources of combustion	1 822,4 TeqCO2	8 375 000 km
Scope 2	Purchases of electricity and heat	15 517,1 TeqCO2	71 310 202 km
Scope 3	Purchases of goods and services Capital goods Transport and Upstream distribution	162 317,9 TeqCO2 (2)	757 615 km

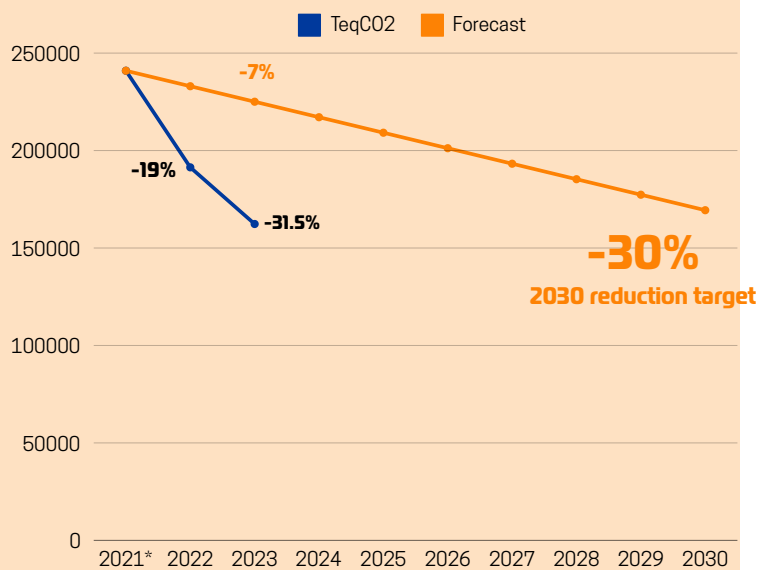
(1) This result covers 100% of the 2023 operational control

(2) including upstream 125,468.7 TeqCO2 and downstream 28,979.9 TeqCO2 in 2023

CARBON FOOTPRINT EVOLUTION (SCOPE 1 & 2) (1)



CARBON FOOTPRINT EVOLUTION (SCOPE 3) (1)



*Year of reference

(1) This result covers 100% of the 2023 operational control

ENVIRONMENT IN FEW FIGURES

Waste 2023

Type of waste	Weight in Tons	Valued Weight in Tons	% Recovered waste
Non-hazardous waste	6 785,4	3 274,7	48%
Dangerous waste	357,6	17,9	5%
Total	7 143	3 292,6	46%

(1) This result covers 100% of the 2023 operational control

CLIMATE & ENERGY

WHAT ARE WE TALKING ABOUT ?



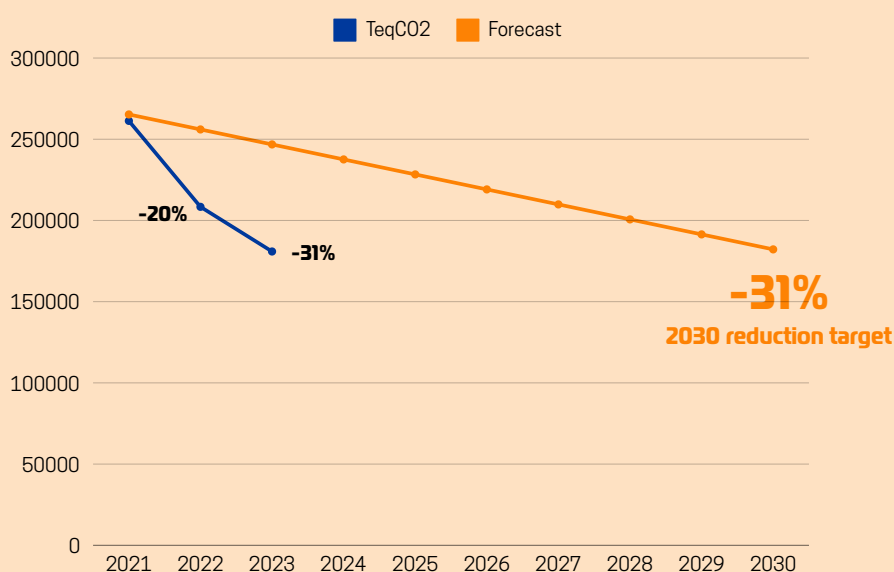
OUR GOALS

- 1 Reduce our Scope 1 & 2 by 50% by 2030, compared to 2019, validated by the SBTi
- 2 Reduce Scope 3 by 30% by 2030, compared to 2021, validated by the SBTi
- 3 100% of EMEA subsidiaries ISO 14001 certified, by the end of 2027
- 4 Reduce our energy intensity (transformed MWh/T), by 10% by 2027, compared to 2021
- 5 100% of our subsidiaries with an energy audit, by the end of 2025

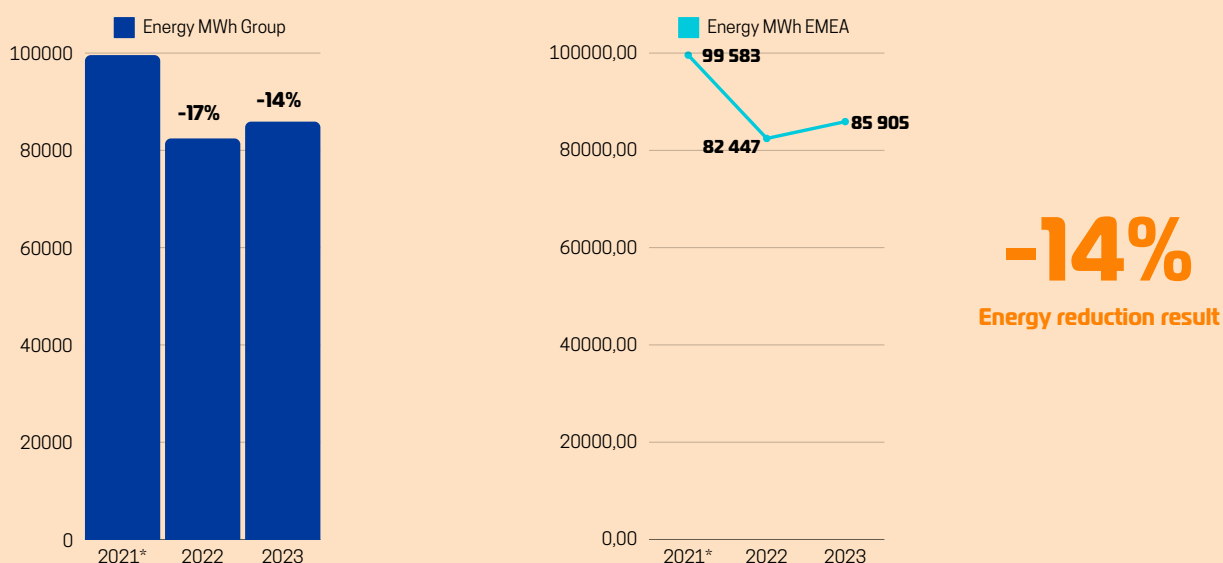


KEY PERFORMANCE FIGURES

EVOLUTION OF THE CARBON FOOTPRINT (1)



EVOLUTION OF TOTAL ENERGY CONSUMPTION



- The share of renewable energies across the entire Group is 9% in 2023. (1)
- 43% of the Group's sites are ISO 14001 certified, i.e. 14 subsidiaries.
In the EMEA region, 12 subsidiaries are ISO 14001 certified, representing a certification rate of 63%.
In addition, the NP Germany site is ISO 50 001 certified.
- Since 2017, energy audits have been carried out by an external service provider.
At the end of 2023, 61% of subsidiaries have been audited. Energy audits are planned at all NAM sites from the second half of 2024.
- In 2023, the energy intensity of Clayens was 2.39 MWh/T transformed compared to 2.70 MWh/T transformed in 2021, a decrease of 11% (1).

(1) This result covers 100% of the 2023 operational control

CLIMATE & ENERGY

Policy

A Group environment policy, reviewed annually, has existed since 2019. Its last update dates from November 2023, and it is signed by the CEO. It is communicated internally and applies to all Clayens sites.

Climate and Energy Issues:

- **Respect the objectives set by the Paris Agreements concerning GHG emissions. The Group's reduction trajectory and objectives have been validated by the SBTi.**
- **Identify, raise awareness and transversalize good environmental practices**
- **Control energy consumption**
- **Identify, raise awareness and transversalize good environmental practices**

Actions taken and to be taken

A desire to replace the Carbon Committee with a CSR Committee is being considered for implementation in the first half of 2024. It will be made up of all the members of the Executive Committee as well as business experts linked to the pillars of CSR. During each monthly meeting, different topics will be discussed, including the reporting of CSR KPIs by the different members. This committee will be in charge of steering Clayens' CSR strategy and analyzing the group's CSR performance. This analysis time will be important to meet our objectives and adjust action plans according to expected performance.

Since January 2021, the Group has measured the Scope 1 & 2 carbon footprint of all of its subsidiaries (1). A first screening of Scope 3 was carried out in 2021 via a monetary approach. This scope was recalculated by an external company for the years 2022 and 2023. The development of a tool, which will allow Clayens to independently calculate its Scope 3 on a Group scale, is planned for the first half of 2024. In fact, the consolidation of the data necessary for its realization is currently being finalized.

Following these first measures, the Clayens Group has committed to a process of reducing its carbon footprint in line with the Paris Agreements. This is why, in 2022, the Group initiated a process to validate its strategy and its objectives for reducing its carbon footprint through the SBTi. This process concluded with validation of the organization.

(1) This result covers 100% of the 2023 operational control



CLIMATE & ENERGY

The first levers of action taken by the Group were on energy consumption (Scope 2) with the signing of green electricity contracts for its two Polish sites. For its part, the NP Germany site subscribed to one in September 2023. In March 2022, a solar power plant was installed on the roof of the Moroccan site and covers around 8% of the site's electricity consumption. This represents 0.5% of the electricity consumed by the Group (1). At the end of 2023, the share of renewable energies is 9%, or renewable energy consumption of 6,248 MWh. Solar power plant projects are being studied on the Hungarian and Tunisian sites.

In order to achieve our objectives of reducing our carbon footprint, Clayens wants to choose to enter into "Power Purchase Agreements" (PPA). A PPA consists of purchasing green energy over 10 to 15 years which will be produced by a wind or solar farm. This commitment makes it possible to finance the development of electricity production based on renewable energies.

The industrial sites of Clayens are far from the potential green energy production site. In this case, the Group has the possibility of implementing VPPAs. A study is currently being investigated for the European scope.

In this type of arrangement, the purchased energy, if it cannot be transported to the production plants, is resold on the market. This action thus allows the decarbonization of electricity networks.

The company then continues to obtain supplies from its usual energy supplier to power its factories.

In parallel with the actions taken on electricity consumption, the Group is working to rationalize and limit its direct emissions (Scope 1). For example, to avoid fugitive emissions from this refrigeration equipment, it is checked regularly. The frequency of control depends on the type of gas contained.

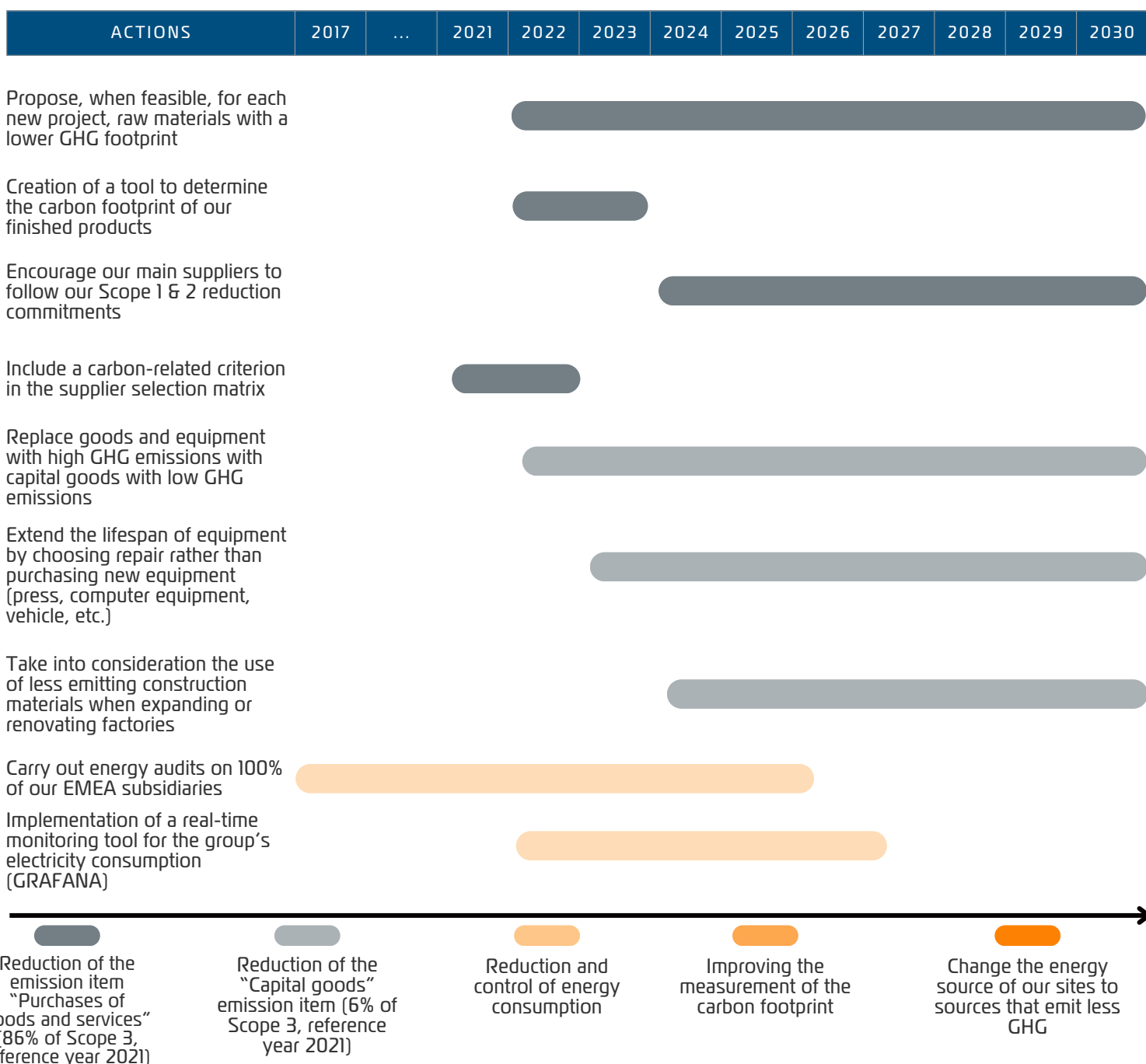
Gas-powered forklifts are replaced by electric forklifts or, where possible, eliminate the use of forklifts by rethinking the internal flows of the sites. The control of boilers running on gas is also reviewed and optimized to consume as closely as possible and avoid overconsumption.

(1) This result covers 100% of the 2023 operational control



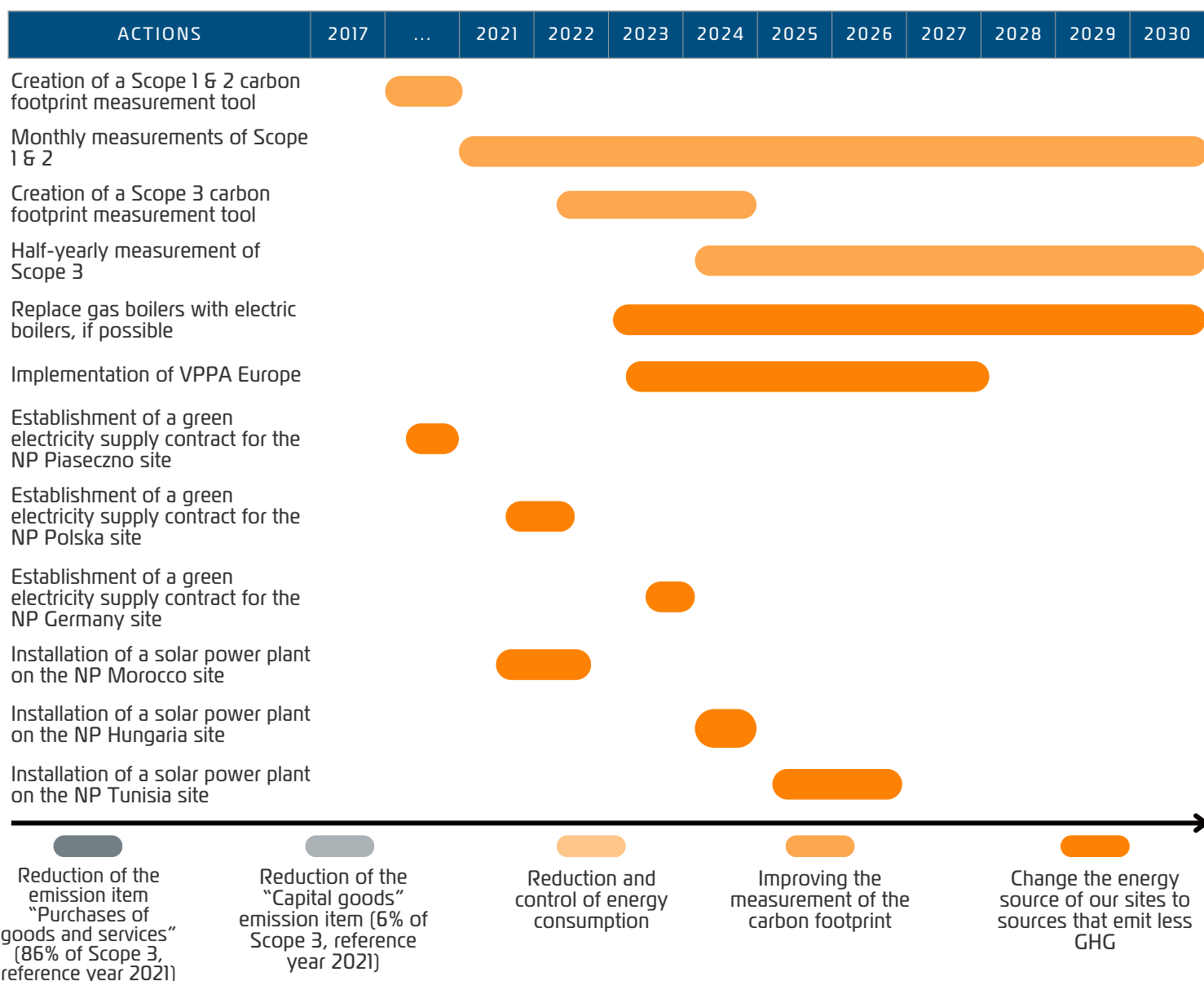
RETRO-PLANNING ON OUR CARBON FOOTPRINT REDUCTION

This roadmap was established based on the action levers available to Clayens but also in relation to the share represented by the different scopes of the Group's carbon footprint. This strategy has been validated by the SBTi.



RETRO-PLANNING ON OUR CARBON FOOTPRINT REDUCTION

This roadmap was established based on the action levers available to Clayens but also in relation to the share represented by the different scopes of the Group's carbon footprint. This strategy has been validated by the SBTi.



CLIMATE & ENERGY

Scope 3 reduction actions are also being deployed in order to work on the main sources of emissions.

For example, on the “Purchase of goods and services” axis, criteria linked to the carbon footprint in the purchasing evaluation matrix, have been integrated.

Likewise, for future projects, it will be annexed to the customer’s Request For Quotation (RFQ), the carbon footprint of the part to be produced covering all the stages from the manufacturing of the raw material, to delivery to the customer. The aim is to make customers aware of the “carbon weight” of the part, and thus to initiate discussions and increase the Group’s sphere of influence on the choice of raw materials.

Control of energy consumption

Controlling energy consumption has been a challenge for the Clayens Group for several years. The Group is making significant investments to reduce the main energy consumption of sites, such as replacing hydraulic presses with electric presses, installing cold units with free-cooling technology, LED lighting and compressed air leak detection using ultrasound technology.

When replacing cold production and compressed air production equipment, the Group sets up, where possible, heat recovery and speed variation systems. Since 2022, potential reductions in energy consumption and the carbon footprint of sites have been taken into account when establishing investment budgets.

In order to measure the potential improvement of its sites, the Group has mandated, since 2017, an external company to carry out its energy audits. At the end of 2023, 90% of sites (1) have been evaluated as part of these audits, 11 audits are planned on NAM in 2024. After each audit, the site receives a review of its energy performance, which makes it possible to identify priority improvement levers. The implementation of all these actions results in a 14% reduction in the Group’s energy consumption (1), all energies combined.

In 2023, the consumption of all of the Group’s energies was 85,905 MWh compared to 99,583 MWh in 2021 (2).

Since January 2021, all subsidiaries have reported their energy consumption monthly to the Group Maintenance EHS Department. These results are analyzed to determine whether the Group’s overall trend is within the set trajectory.

(1) This result covers 100% of the 2023 operational control

(2) 2021, Reference year



CLIMATE & ENERGY

Alert thresholds are in place to quickly identify sites whose results are not at the expected level and which require additional actions. To monitor and manage the continuous improvement of its subsidiaries on the energy theme more effectively in real time, the Group has deployed an energy metering plan based on the installation of sub-meters in 15 subsidiaries.

Written instructions, in the form of work instructions, are in place at the sites to manage production shutdowns, progressive shutdowns of equipment depending on the shutdown duration, factory shutdowns on weekends as well as days, to ensure that energy is not consumed at a loss.

Identify, raise awareness and transversalize good environmental practices

To ensure continuous improvement and the deployment of good environmental practices that can reduce Clayens' environmental impact, the Group is committed to certifying 2 subsidiaries per year to ISO 14001. By the end of 2023, 14 sites are certified on the 32, representing 44% of the Clayens group. In the EMEA sector, this represents 68% of subsidiaries. In 2023, 2 new certifications were obtained in Morocco and France, and 2 others are scheduled for 2024. In addition, a subsidiary is ISO 50 001 certified, which concerns energy management.

In a context of transversalizing good practices and improving site performance, Clayens raised awareness, in 2023, of 100% of the Group's employees (1), on the energy issue and its impact on the carbon footprint. These training courses cover everyday actions to adopt to reduce energy consumption. These times of discussion on Environment/Energy themes with employees allow them to better understand the group's policy, and thus improve the corporate culture.

Environmental communication actions are in place such as displays in the workshops, stickers next to each switch to remind you to turn off the lights, and e-mailing.

Articles are published on the intranet to encourage internal communication. The same articles are republished on the Group's website and on the various Clayens social networks for external communication.

(1) This result covers 100% of the 2023 operational control

CLIMATE & ENERGY

This communication strategy, through these different media, makes it possible to raise awareness among our stakeholders on environmental issues, and thus promote the environmental actions taken by Clayens.

Inaugurated in 2022, "Clayens Environmental Day" is organized each year on World Environment Day.

During this event, poster campaigns on targeted subjects are organized, and environmental awareness workshops take place. In 2023, workshops such as "Water Bar" were organized on the NP Genas site to educate, and raise awareness about water in all its forms. On the NP Brion site, a Climate Fresco workshop is planned for the year 2024, with the help of an external speaker authorized by the "La Fresque du Climat" association.



WATER & POLLUTION

WHAT ARE WE TALKING ABOUT ?

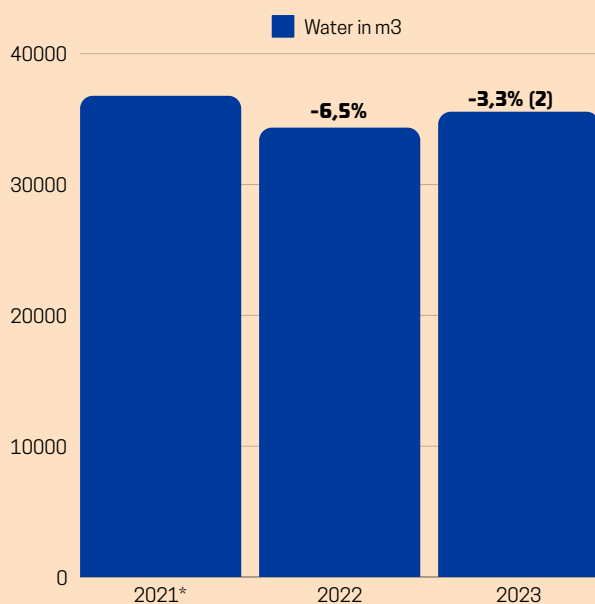


OUR GOALS

- 1 Achieve a recycling/reuse rate of non-hazardous waste of 50%, by the end of 2026
- 2 Maintain the water consumption ratio below 1m³/person/month.
- 3 Deploy prevention of the loss of plastic granules into the environment on 100% of EMEA sites, by the end of 2024

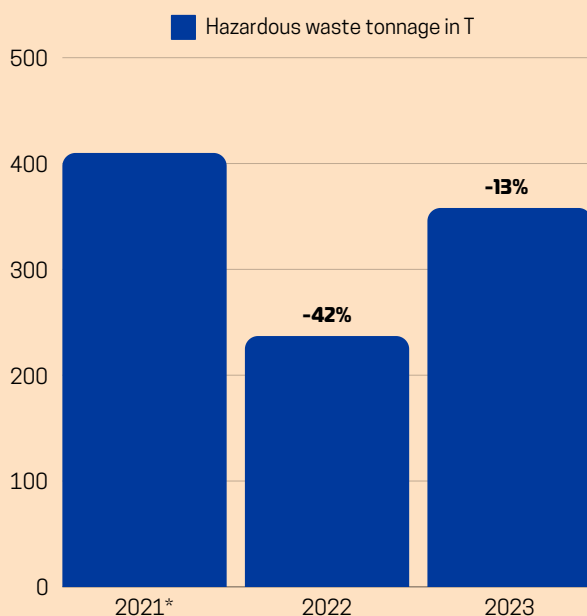
KEY PERFORMANCE FIGURES

CHANGE IN WATER CONSUMPTION OF SUBSIDIARIES (1)



-3.3%
of water in m3 since 2021

EVOLUTION OF HAZARDOUS WASTE PRODUCTION (1)



-13%
of hazardous waste
compared to 2021 (1)

(2) Increase in 2023 due to the integration of a site with its own water treatment station

- 100% of the water consumed comes from the public distribution network.
- 75% of sites have a central crusher (1), allowing the direct reuse of certain materials.
- At the end of 2023, the tonnage of waste produced increased by 25% (1), compared to 2021. This result can be explained by the integration of two French sites at the end of 2022.
- At the end of 2023, 46% of non-hazardous waste was recycled or reused compared to 27.5% in 2021* (1).

Reporting on all indicators is being deployed for the NAM zone.

(1) This result covers 100% of the 2023 operational control *Reference year

*Reference year



WATER & POLLUTION

Policy

A Group environment policy, reviewed annually, has existed since 2019. Its last update dates from November 2023 and it is signed by the CEO. It is communicated internally and applies to all Clayens sites.

Water & Pollution Issues:

- **Monitor and advise subsidiaries on their water consumption**
- **Improve waste management through the deployment of good practices, favoring recycling and reuse**
- **Identify, raise awareness and transversalize good environmental practices in terms of pollution**

Actions taken & to be taken

Monitor and advise subsidiaries on their water consumption

Since January 2021, all sites have reported their water consumption to the Group maintenance EHS department on a monthly basis. The results are analyzed to determine any anomaly such as deviations, overconsumption, or leaks, and thus enable the rapid implementation of corrective actions.

The deployment of real-time leak detection technology is currently being investigated. This monitoring is done via measuring devices placed directly on the water circuits and which result in a general water cut-off in the event of a leak detection.

The main source of water consumption on the Group's sites is domestic water. The Group's industrial water consumption is almost zero. All sites are equipped with a closed loop on their industrial water circuit intended for cooling. Wastewater from the sites, mainly from sanitary water, is discharged into separate networks. This step allows wastewater to be separated from rainwater, and thus transported to the nearest public treatment stations.

The condensate discharge water from the air compressors is filtered via a water-oil separator then discharged into the rainwater network. The water-oil mixture, resulting from this filtering, is evacuated in the same way as hazardous waste in dedicated channels.



WATER & POLLUTION

Still with the aim of preserving the environment, our Hungarian site, which is the largest consumer of water in Clayens, is equipped with an OverSpray system in open circuit, on its paint line.

This, so-called “water curtain” system, makes it possible to capture VOC emissions from paints, recover dried paint sludge, but also reduce the amount of water added to the circuit. In fact, 90% of the water used in this system is recycled, and then reintroduced into the circuit.

Improve waste management through the deployment of good practices, favoring recycling and reuse

All of the Group's subsidiaries separate hazardous and non-hazardous waste. To date, there have never been any reportable spills of hazardous waste into nature.

In order to always be proactive, hazardous and non-hazardous waste are then sorted again into separate channels. This step allows the material recycling of recoverable waste. Likewise, the Group's hazardous waste is all treated in dedicated, approved and adapted channels to receive this type of waste. All subsidiaries monitor their reject rate per press directly in order to be able to intervene on machine settings, and thus reduce the quantity of waste produced. At the end of 2023, 46% of the Group's waste is recycled compared to 27.5% in 2021*. Awareness training, aimed at employees on the issue of waste management, is provided in 100% of subsidiaries.

When possible, Clayens directly reuses its production waste after grinding it to make injectable raw material. To date, 1% of the raw materials consumed across the Group come from the reuse of internal regrinds. The sites keep a register up to date to monitor the quantities of outgoing waste and the treatments they undergo.

This register also makes it possible to identify waste that requires border crossing to be processed. To date, no waste from the group is processed outside its country of origin.

To reduce the quantity of soiled materials, whether rags or absorbents, 60% of sites (1) use washable and reusable textiles via the services of an external company.

The installation of this type of material, for cleaning oil or chemical products, makes it possible to reduce the quantity of hazardous waste to be treated by approximately 10%.

*Reference year

(1) This result covers 100% of the 2023 operational control



WATER & POLLUTION

In order to promote the treatment of waste starting from reuse, the injection cores are directly reinjected, when possible, via crushers at the press base.

Scrap thermoplastic parts are regrinded directly on site via grinding plants when technically feasible.

When recycling of waste materials is not possible, Clayens favors thermal recovery. On the NP Vosges site, thermosetting waste, which has a high calorific value, is transformed by an external service provider, then sent to the cement plant.

In an effort to recycle even more types of waste, actions are being carried out at subsidiary and Group level to find new processing channels.

To guarantee traceability and compliance with defined treatments, specifications exist on waste management to select more qualitative service providers. This good practice is currently being deployed in Clayens' foreign subsidiaries. These specifications also set conditions in terms of Health and Safety for Clayens employees and operators of external companies. It is specified that the subcontractor undertakes to provide Clayens with equipment that complies with current safety regulations, as well as to respect the Group's internal rules when its operators work on sites.

Identify, raise awareness and transversalize good environmental practices

The Group promotes feedback on environmental issues, with the aim of translating good practices or advances in environmental terms to as many people as possible. A quarterly EHS club is organized with EHS representatives from EMEA sites to share and discuss the Group's latest environmental news and trends (waste management, feedback following ISO 14001 audits, developments in issues, etc.)

The Clayens Group's policy, in terms of pollution, is oriented towards risk prevention. In addition to the environmental issues identified by the Group, ISO 14001 certified sites carry out an analysis of the environmental risks specific to their site and their context. 63% of the Group's sites have carried out their environmental risk analysis.

Each site director, whether certified in the environment or not, takes environmental aspects into account when establishing their strategy. These aspects are then included in specific action plans with an indicator on the rate of progress which is reported monthly to Group Management.



WATER & POLLUTION

The primary objective is to prevent risk at the source and to provide each of the Group's employees with the means and training necessary to respond to these risks. This is why, in order to prevent possible pollution of the ground or water, spill tests are carried out on ISO 14001 sites, i.e. 63% of subsidiaries. Instructions for emergency reactions in the event of a liquid or solid spill or other pollution risks exist on the sites, depending on their identified risks. Measures to reduce odors, noise and dust emissions generated by operations have also been put in place, such as the installation of noise barriers and filters at the exit of site outlets, where possible.

Air leak research campaigns are also carried out each year on the sites, to reduce the noise emitted as well as the electricity consumption lost by feeding these leaks. The proper functioning of these prevention measures is checked regularly with analyzes carried out by recognized external service providers.

The quality of discharged water is analyzed on the Group's Moroccan, Tunisian, Polish and Hungarian sites. These sites must annually verify their aquatic discharge in accordance with their legal obligations. However, all sites analyze the quality of the water contained in the closed cooling circuits annually, to avoid any risk of bacteriological contamination or accumulation of sediment or mud. To date, there have been no incidents of non-compliance associated with water quality permits, standards and regulations.

As a major player in plastic processing, Clayens faces its responsibilities regarding pollution linked to plastic granules in the seas and oceans. In 2022, 100% of French subsidiaries concerned by the GPI decree* have passed an audit carried out by AFNOR. All were certified to comply with these regulations. Not wanting to stop at the borders of its French sites, the Group has decided to deploy the prevention of the loss of GPI in the environment, on 100% of its foreign subsidiaries in the EMEA zone, by the end of 2024.

*French law about industrial plastic granules regulation



ECO-DESIGN & CIRCULAR ECONOMY

WHAT ARE WE TALKING ABOUT?

- ↳ **Eco-conception**
- ↳ **Use of products**
- ↳ **End of life and circular economy**

OUR GOALS

1

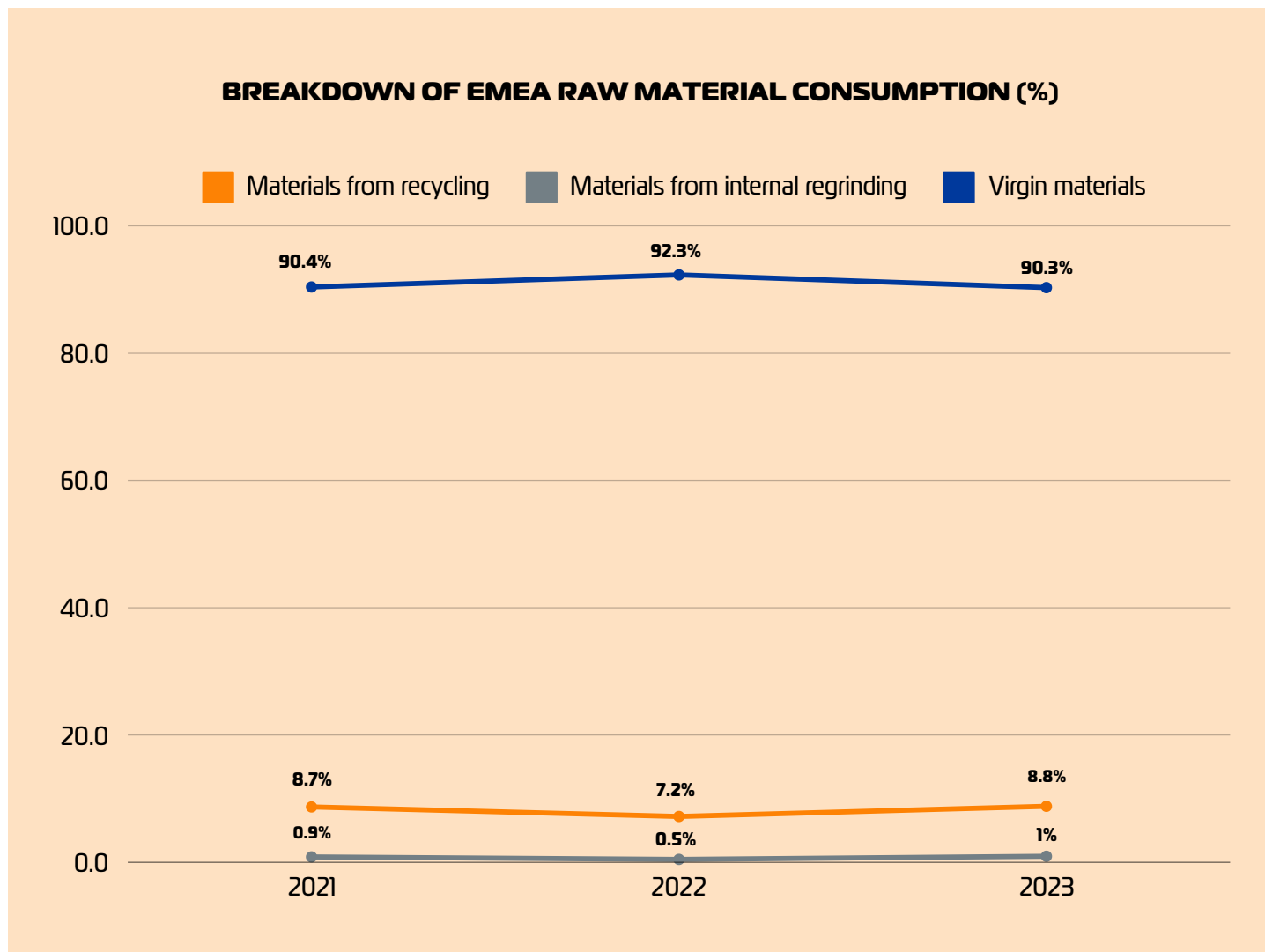
100% of new projects have an assessment of the carbon footprint of their finished product

2

Identify new outlets for the treatment of the Group's waste



KEY PERFORMANCE FIGURES



- In 2023, the share of use of materials from recycling and internal crushing is 9.7% (9.6% in 2021), or 1933T, of which 1753.6T comes from recycled materials.
- The share of internal regrind consumption increased between 2023 and 2021 : 0.95% in 2023, compared to 0.85% in 2021.

ECO-DESIGN & CIRCULAR ECONOMY

Policies

A Group environment policy, reviewed annually, has existed since 2019. Its last update dates from December 2023, and it is signed by the CEO. It is communicated internally, and applies to all Clayens sites.

R&D challenges :

- The R&D department takes into account the different aspects linked to the product life cycle when co-designing it.
- During their development phase, project managers carry out Life Cycle Analysis (LCA) approaches to determine what levers they can use with the client to reduce the impacts of the final product.

Actions taken & to be taken

Supporting customers to reduce the environmental impact of finished products

Clayens' economic model does not allow the company to intervene from the original design of the products it manufactures. The majority of its clients' projects are designed upstream, and the Group is consulted during the start of the project phase and prototyping.

However, each new product development is accompanied by the implementation of an internal LCA approach. This approach makes it possible to take stock of the stages and sub-stages of the product life cycle on which the Group can have an impact on the project. Once this analysis has been carried out, and in order to reduce the impact of the project on the environment, project managers can implement actions directly with the client, or with the site which will host the project.

This is why, when it is technically feasible and does not create risks for consumer safety, the Group will always favor the "green" materials offered by its customers, or will itself be a driving force in offering another range of materials more virtuous to its customers. Project managers can also undertake actions to reduce single-use packaging by setting up a transport loop for parts in plastic bins instead of cardboard boxes. The parts produced are placed in suitable and reusable plastic bins. They are then transported to the customer who then returns the empty bins to Clayens, so that they can be used again.



ECO-DESIGN & CIRCULAR ECONOMY

In 2022, the Group set up a work team called “3D AM Team”, which seeks to develop additive manufacturing within Clayens.

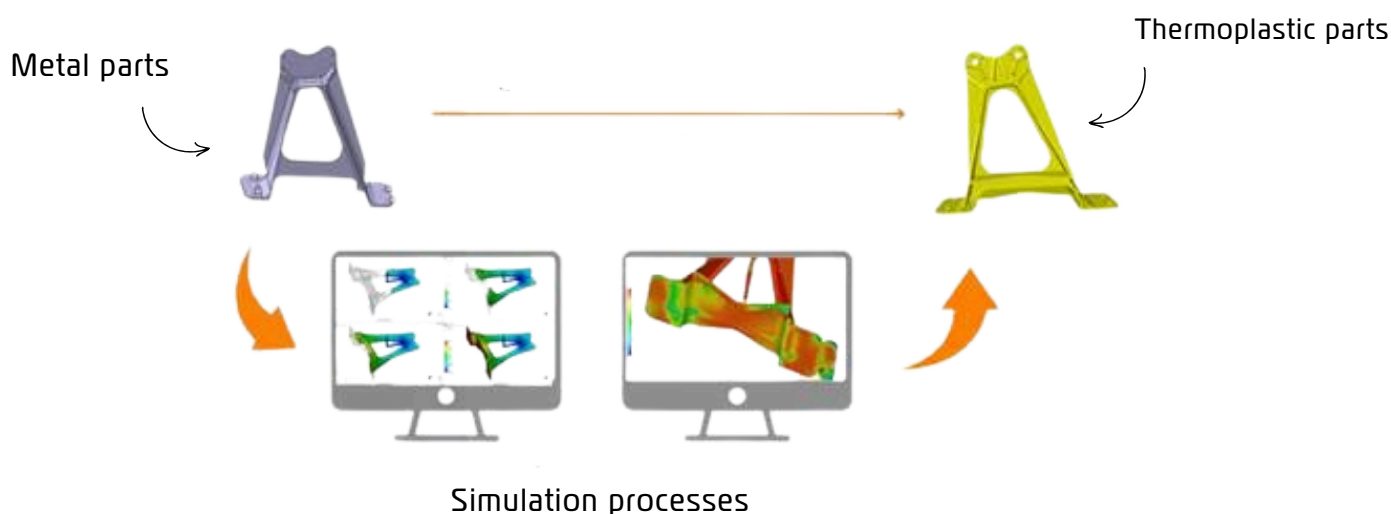
Additive manufacturing, also known as 3D printing, allows the creation of even the most complex parts by adding thin layers of materials. All you need to do, before printing, is create the 3D part you want using software. This technology avoids the manufacture of specific tools, and adapts to various projects and needs.

Today, the manufactured parts are mainly used internally on various projects such as the production and control of molded parts. The advantage of additive manufacturing is multiple: reducing material loss, optimizing manufacturing times, gaining autonomy within the Group itself, but also producing more complex parts thanks to tailor-made 3D printing, and to the freedom of design offered by this technology.

The Group is also positioning itself in the design of plastic parts intended to replace parts currently produced in metal.

Here is, for example, a project developed with a French company, with the aim of replacing fuel pipe supports, made of aluminum with plastic parts (see illustration below). The project has a double interest: that of lightening the weight by 20% with the change of material, while maintaining the performance of the part.

In addition, this new product will avoid the production of metal alloy parts, the shaping of which is very energy-intensive, and for which the extraction of raw materials has a strong impact on the environment.



ECO-DESIGN & CIRCULAR ECONOMY

Develop eco-designs to reduce the use of petroleum-sourced raw materials and improve the impact of the end of life of our products

For several years, Clayens has worked in collaboration with its customers on the incorporation of more sustainable materials for the environment. From the outset, the Group's work focused on adding recycled materials to its production. For 5 years, Clayens' actions have also focused on the use of biosourced materials, or biodegradable materials. This strategic positioning makes it possible to work both, on the upstream phase of a product to reduce the use of raw materials derived from petroleum, as well as on the end of the product's life to reduce the volume of plastic waste present in the environment. .

Clayens constantly strives to provide sustainable solutions to the industry. This is why, beyond recycling its waste, the company is looking into the use of biodegradable materials.

Projects are being developed to create coupon holders, here for discounts, intended for large stores. Thanks to the switch to a compostable material, these supports can be thrown away with the papers to be composted. This new material has been approved by our client. Currently, this type of plastic parts is thrown away with household waste, which is not recycled or recyclable.

Concerned about the impact that its products can have in terms of consumption of natural resources, Clayens tracks as much as possible the percentage of recycled or regenerated raw materials.

This percentage identifies the share of injected raw materials from recycling (waste crushed and reconditioned by a service provider), or from the purchase of materials from regenerated materials. The ground material is transformed by extrusion into threads, which are then cut after reaching the ideal temperature, to obtain granules of constant dimensions.

At the end of 2023, the share of recycled raw materials used is 8.8%. Clayens plans to consolidate reporting, at Group level, of the quantities of waste reginded internally and recycled. To date, the share of production waste reginded internally and reused directly is 0.95% of the total tonnage of raw materials consumed in the Group (1).

(1) This result covers 100% of the 2023 operational control



ECO-DESIGN & CIRCULAR ECONOMY

Promoting the circular economy

The aim of this consolidation is twofold: to know the percentage of virgin raw materials consumed and to identify possible non-recycled internal waste streams which could be used as raw materials. Indeed, if a site is able to reincorporate a grade of material while another site does not recycle waste from this same grade, they are then put in contact to pool their waste, and also have a common source of recycled raw materials.

Since 2019, Clayens has obtained the More Label annually. Under the leadership of POLYVIA, the MORE Label ("Mobilised to Recycle") rewards manufacturers who work in an approach to innovation and the circular economy. It is the first European label promoting the action of plastics manufacturers in integrating recycled plastic materials into their production. These materials are raw materials from post-industrial and post-consumer waste. In fact, it is not waste from Clayens that is reincorporated directly, but materials from the recycling of consumer goods waste (post-consumer) and/or industrial waste (post-industrial).

CLAYENS participates with 3 manufacturers and laboratories in the PLAIRE R&D project. The objective of this 4-year subsidized project is to develop a new way of physico-chemical recycling of parts made of dissimilar materials (example : PA/PP), which are currently non-recyclable. The process studied will make it possible to recycle previously buried waste, while offering materials with new properties and the lowest possible costs. This project was supported in a joint framework between the french government under the France 2030 Program and the french regions.



SOCIAL ISSUE

S



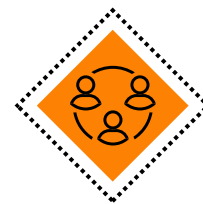
CONTEXT

2023 was a pivotal year for Clayens with a context of strong development via numerous external acquisitions in North America (NAM).

The group has accelerated its development with the acquisition since January 2023 of 13 manufacturing sites in the USA and Mexico. These acquisitions have enabled Clayens to strengthen its presence in North America by diversifying its customer portfolio, and integrating new technologies, particularly in Healthcare.

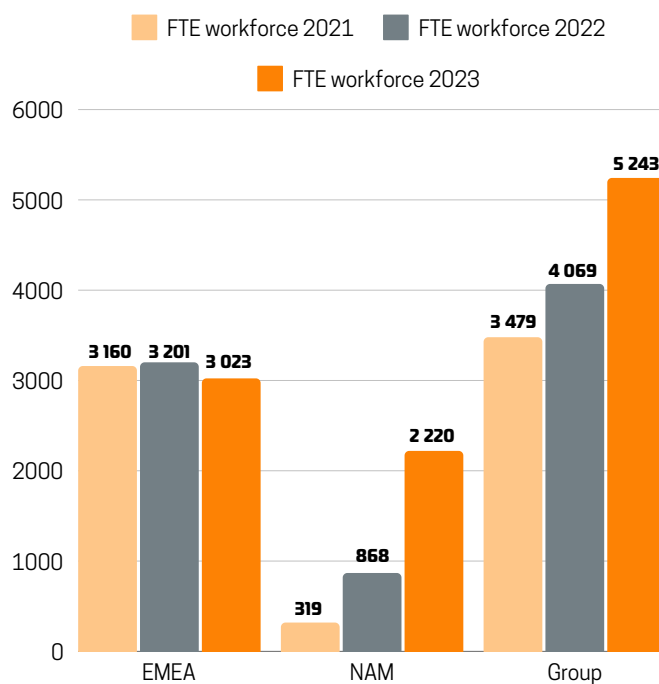
Clayens thus acquired the American precision plastic parts manufacturer Parkway Products LLC ("Parkway"), present in the United States and with a Mexican site based in Saltillo. Clayens has also taken over the activities and the plastic injection plant at the Crystal Lake site (Illinois, United States) from a large group in the health sector. Finally, the group has also integrated a complementary site located in the city of Chihuahua in Mexico.

These recent acquisitions give a new dimension to Clayens, which experienced growth in its overall workforce of 28.8 points over the year 2023.

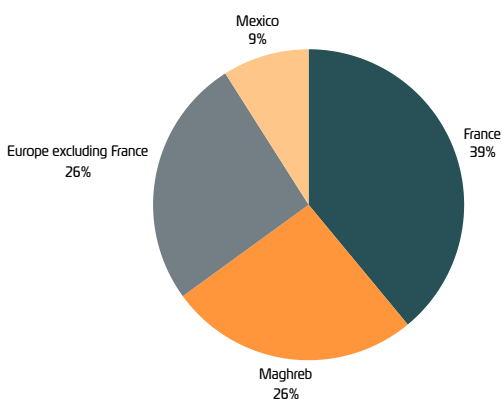


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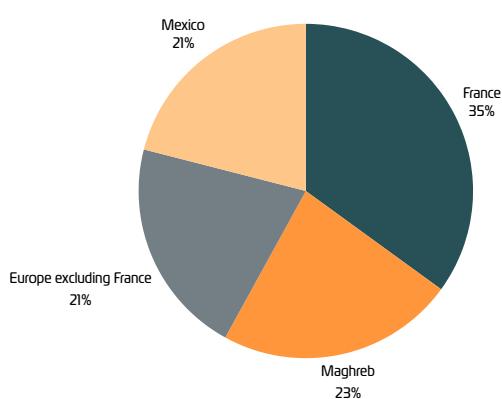
Employees in 2023
VS 4,069 in 2022



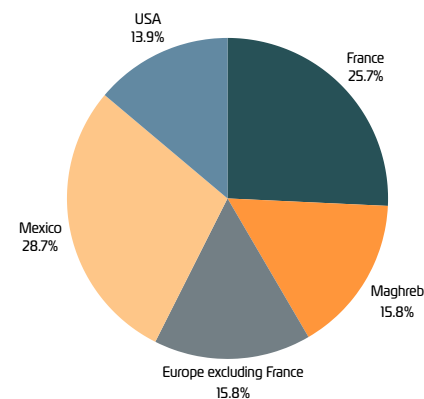
FTE: Full-time equivalents



DISTRIBUTION OF WORKFORCE IN 2021



DISTRIBUTION OF WORKFORCE IN 2022



DISTRIBUTION OF WORKFORCE IN 2023



CONTEXT

At the start of 2023, and as part of its development, Clayens launched a major project: the deployment of its HRIS across the Group (SAP Success Factors*).

A genuine collaborative tool for employees, managers and the HR function, the HRIS will make it possible to streamline relationships and exchange of information between everyone, allowing the employee to play an active role in their career at Clayens, and the manager to strengthen their involvement in the management, monitoring and development of its teams.

This large-scale project pursues numerous objectives:

- Align our HR processes across all Group sites by promoting the successful integration of our new subsidiaries;
- Improve the employee experience: a unique tool allowing instant access to all of your information;
- Support our managerial teams: simplified management of our “People Management Cycle”;
- Modernize our current processes: abandoning paper forms and Excel files, reducing the number of emails;
- Optimize administrative management: reduction of tasks with low added value, reduction of the risk of error;
- Make data reliable: reliable data allowing real-time analysis of our data;
- Ensure our compliance with the GDPR: centralization and security of this personal data.

The implementation of Success Factors at Clayens will also allow us to align our HR processes within all our subsidiaries. It is planned to deploy it on all of our sites, in two phases:

1. Pilot phase: configuration and deployment on the pilot sites which are Clayens NP Genas, NP Jura, NP Polska, NP Slovakia, NP Hungaria and NP Morrocco.
2. Deployment to other subsidiaries of the group.

Several modules have been identified as mandatory for all of the Group's subsidiaries: Core HR, Recruitment, Onboarding, Performance and Objectives, Succession and Development, Compensation and Training. In addition to these modules, the People Doc** solution will be deployed in parallel, in order to ensure the proper management of employee files.

To ensure the best possible experience for everyone, everything will be translated into the different languages of the Group.

Once deployed, interfaces with local payroll systems will be studied, with the aim of automating the transfer of information and avoiding double entry (reducing the risk of error).

Deployment status: At the end of 2023, the configuration of the Core HR, Recruitment and Onboarding modules is currently underway with our pilot sites. The implementation of these first three modules will take place during the second quarter of 2024.

The deployment of the complete suite within the pilot sites will be completed during the last quarter of 2024.

The launch of the project for the other subsidiaries will take place at the end of 2024, for full deployment at the end of 2025.

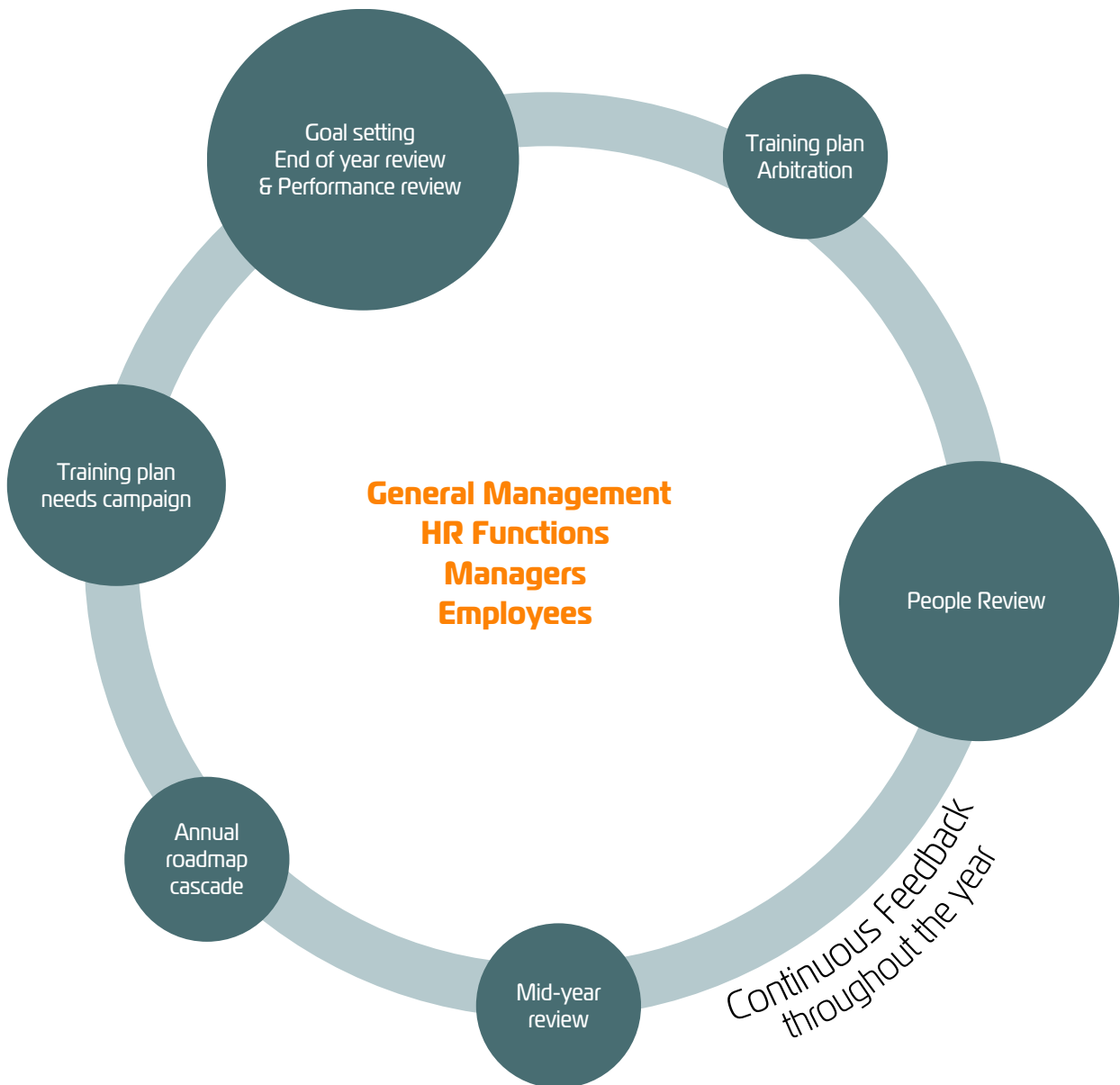
*Success Factors: Name of the HRIS solution from the SAP publisher

**People Doc: Cloud platform (SaaS) for centralizing HR documents

CONTEXT

In conjunction with the project to implement its HRIS, Clayens is starting the alignment of HR processes on a global scale via the implementation of a "People Management Cycle", an HR management cycle common to all. The objective is for this to be effective at the end of 2025, when Success Factors will be deployed within all of the group's subsidiaries.

"PEOPLE MANAGEMENT CYCLE"*

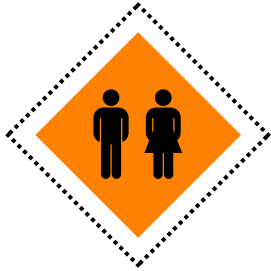
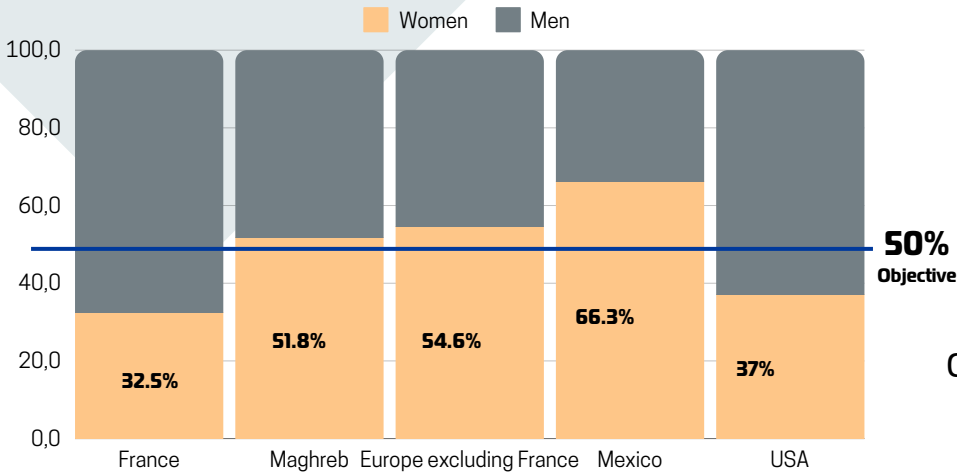


*People Management Cycle: HR management cycle



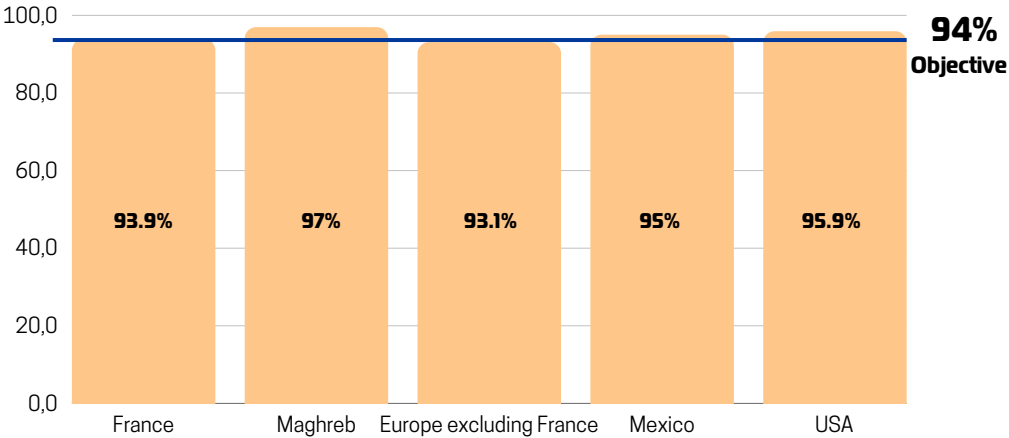
OUR HUMAN RESOURCES IN A FEW FIGURES

MALE/FEMALE DISTRIBUTION IN 2023 (%)



50% Objective
51% - 49%
 Group distribution Men/Women 2023
 VS 52%-48% in 2022 and 2021

ANNUAL PRESENTEEISM RATE IN 2023 (%)



94,89%
 Annual Group presenteeism rate 2023
 VS 94.61% in 2022 and 94.67% in 2021

WORKERS' RIGHTS



WHAT ARE WE TALKING ABOUT ?



Freedom of association

Forced labor

Child labor



Illicit work

Decent salary

OUR GOALS

1

Pay 100% of Group employees above the legal minimums in force in each country where Clayens is present

2

Ensure that no minor works illegally in the Group

3

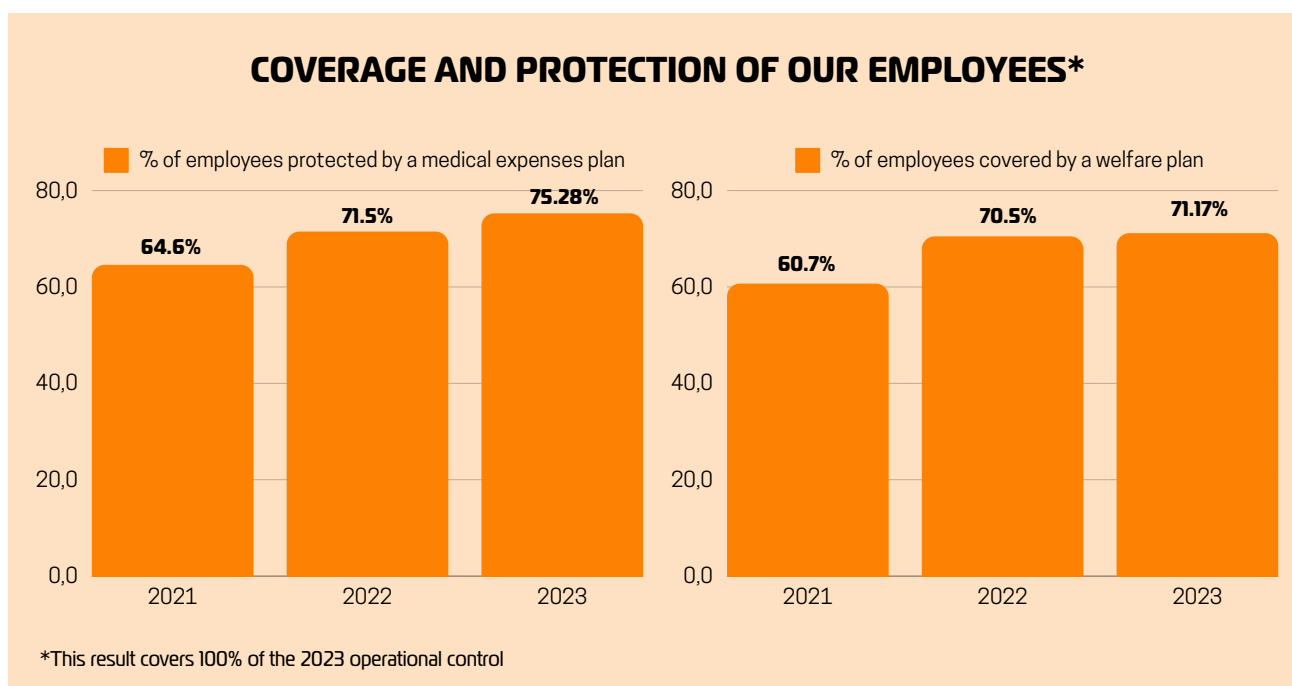
Ensure health coverage accessible to 100% of employees

4

Train 100% of our managers on good practices in social law with one theme covered per year by 2026 (priority launch in the France zone)



KEY PERFORMANCE FIGURES



➤➤➤ A working group began in 2022 and is still underway on employee welfare and medical expenses in order to ensure generalized social protection for all Clayens employees. Currently, welfare and medical expense guarantees are negotiated every year with the necessary legal documentary traceability.

Following the integration of our subsidiaries in the NAM zone, the project expanded with the aim of deploying a multinational pooling system* to the entire group.

This project aims to pool the results of our various international social protection contracts, allowing our Group HR teams to better manage them and move towards harmonization of guarantees for our employees. This system will allow the pooling of results in an international profit-sharing account. Thus, the beneficiary countries will compensate for any losses of deficit countries, and any profits will be redistributed to local entities.

➤➤➤ In 2023, no child worked illegally in the Group. This result is identical to 2021 and 2022.

NB: The term "child" means within Clayens, that the company authorizes the work of minors from the age of 16, if and only if they do not carry out dangerous work. Indeed, within the meaning of the International Labor Organization, these people must be supervised by an apprenticeship or work-study contract (France). In 2023, two apprentices under the age of 18 were hired while respecting this legal framework.

*Multinational pooling system: system allowing the pooling of health insurance coverage placed in several countries

WORKERS' RIGHTS

Policies

A Group HR policy exists and applies to all Clayens sites. It is reviewed annually and its last update dates from October 2023. It is signed by the CEO and is communicated internally.

Worker rights issues:

- **Guarantee respect for workers' rights**
- **Raise awareness and inform employees about their rights**

Actions taken & to be taken

Guarantee respect for workers' rights

The Clayens Group has adopted a Group Human Resources policy to ensure that employee rights are respected, regardless of their location.

The risks of human rights violations within multinational companies being numerous, Clayens recognizes that it has a responsibility to respect these rights, which is why the company attaches importance to the positive role it can play in the communities in which it operates. To this end, the conduct of its international activities is in accordance with the United Nations Universal Declaration of Human Rights and the ILO* Declaration on Fundamental Principles and Rights at Work. This desire is reflected in Clayens' membership of the Global Compact since 2004.

Each Group employee benefits from an employment contract, which includes the employee's date of birth, as well as a job definition. Photocopies or scans of the person's identity documents are requested. It is never required to send the originals to employers, in order to verify the age of the employee and to avoid child labor, hidden work and forced labor. Any modification to the definition of an employee's job is made after consultation and agreement with the employee.

On these same principles, the Group assumes its duty of vigilance with regard to child labor as well as forced labor within its organization, but also among its subcontractors.

*ILO : International Labor Organization



WORKERS' RIGHTS

Clayens defines "child", according to the standards of the International Labor Organization, as any person under the age of 18.

The Group may authorize people under the age of 18 to work on its production sites if they are over 16 and if they do not carry out dangerous work, as defined by the ILO. These people are governed by an apprenticeship or work-study contract. The contract clauses of which must be respected by the company.

A performance indicator is managed by the Group Human Resources Department to ensure that no child works in illegal conditions (absence of contract, night work, working hours beyond current legal requirements). In 2023, no child worked at Clayens outside the legal framework. This result is the same every year.

In order to guarantee a decent salary for all of its employees, Clayens pursues a salary policy beyond the social minimums in force in each country where the group is present. The rules applicable in each country take into account local realities and the sector of activity, while respecting a principle of fairness.

All sites outside France benefit from salary scales for each position, in compliance with local regulations. Comparisons with remuneration studies are also carried out.

The Group HR department ensures consistency of salaries between contracts via an annual review.

In addition, in France, each site sets its social minimums by following the collective trade agreements that concern them (plastics or metallurgy), and follows the various legal developments that apply.

Raise awareness and inform employees about their rights

When arriving at Clayens, each new arrival receives a set of documents which they must read. After reading, he undertakes, against signature, to respect the explicit instructions.

The documents sent to the new arrival include:

- **The Group's IT charter**

It is adapted according to the legislation of each country where Clayens is present. The charter specifies the rights available to a user within the company.



WORKERS' RIGHTS

- **The Group's Code of Ethics**

The cornerstone of Clayens' fundamental principles, the Code of Ethics must be read by the employee and signed by our executive employees and department managers. The code sets out the exemplary and ethical requirements, based in part on labor law, which it must respect. The ethical code must also allow employees to question practices, while providing decision support.

As part of the project to implement our HRIS, and in particular our future Onboarding module, new employees will have access to the Group's Code of Ethics in their language for signature, via their Onboarding platform, even before their integration.

- **The host site's internal regulations**

It governs the rules regarding health, safety and discipline within the host company. It also informs employees of their rights and notably mentions the whistleblower protection system.

The Group's employees also receive awareness training on sexism as well as moral and sexual harassment upon their arrival, and whenever legislation changes. Awareness-raising sessions cover the right of withdrawal in countries where it applies, as well as the right to alert. These moments are integrated directly into the job awareness-raising, in the form of an in-room presentation.

As part of the Sapin II law (French law), an alert procedure (P63) has been set up worldwide with a confidential email address. The purpose of this procedure is to give the possibility to any natural person, member of staff or external and occasional collaborator of the company (temporary staff, intern, service provider, employee of a subcontracting company, etc.), to reveal or report disinterestedly and in good faith a crime or a serious and manifest violation of the law, the Clayens ethical code or any serious threat to the general interest of the company of which it has personal knowledge. This alert procedure makes it possible, for example, to report possible problems of child labor and/or forced labor. This system has been communicated to all employees and is recalled in the internal regulations. Alert monitoring is in place. The entry point for these alerts is the CEO and EMEA HR Director. In 2023, no alerts have been reported via this system.

Always with the aim of raising employee awareness as much as possible about safety and related law, 100% of French sites have organized external training on the health and safety roles and responsibilities of managers. This training includes, among other things, a module on the regulatory framework in Health and Safety, more specifically focused on labor law, and on the civil and criminal liability of managers. The aim is to inform staff supervisors of their rights and obligations as team leaders.



RETENTION & ATTRACTION, SOCIAL DIALOGUE & WELL-BEING AT WORK

WHAT ARE WE TALKING ABOUT ?



OUR GOALS

1

Limit turnover by zone:

- France : 10,80%
- Europe hors France : 16,68%
- Maghreb: 8.04%
- Mexico: 90%

2

Limit the group's absenteeism rate to 6%

3

Establish a retention indicator after hiring by 2026: % of I.L. (1) employees in position after 1 year

4

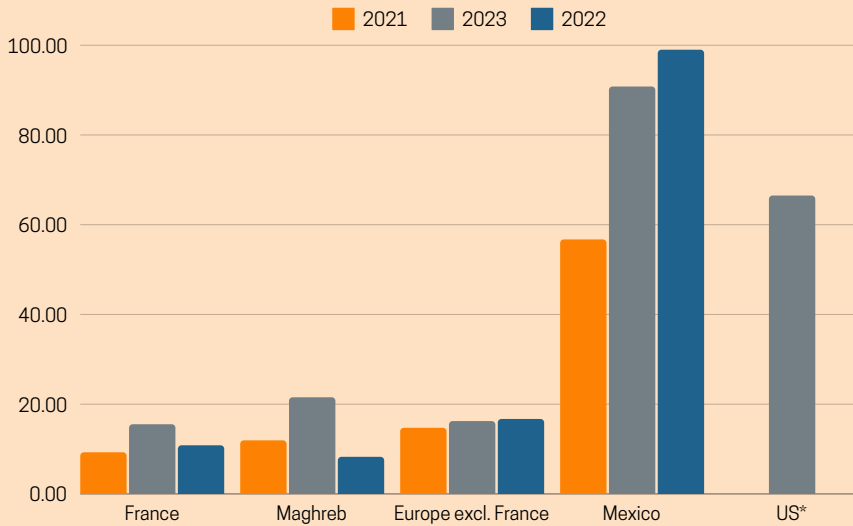
Implement a group-wide social survey by 2026

(1) I.L. : Indirect labor



KEY PERFORMANCE FIGURES

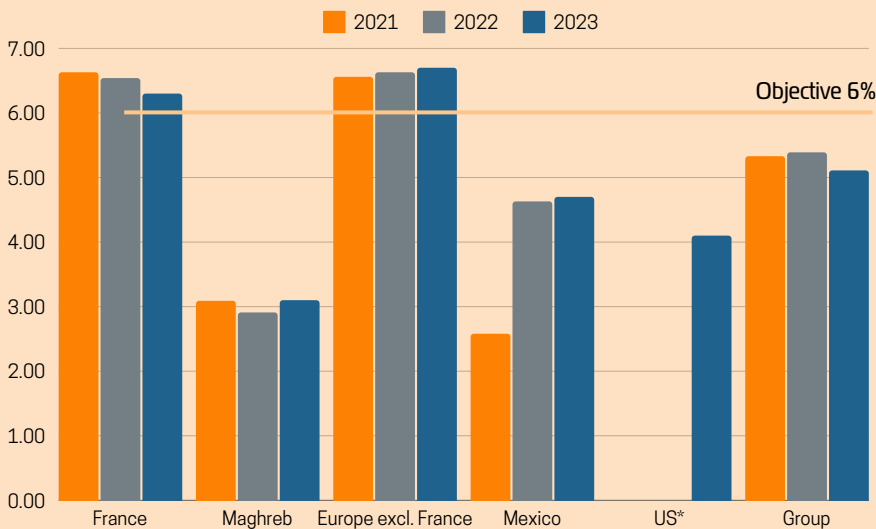
ANNUAL TURNOVER RATE (%)



Objective turnover rate

France : 10,80%
 Europe excl. France : 16,68%
 Maghreb : 8,04 %
 Mexico : 90%

ANNUAL ABSENTEEISM RATE (%)



5,11%

Group annual absenteeism rate
 VS 5.39% in 2022 and 5.33% in 2021

*No retroactive consolidation for US plants in 2021 and 2022.

➤➤➤ The context of numerous acquisitions by Clayens in 2023 has had a significant impact on turnover rates within the group. Concerning the Mexico zone, the company NP Plastibell North was acquired at the end of 2021 with the objective of creating a second site within this subsidiary the following year, resulting in a high staff turnover rate in 2022 and 2023.

➤➤➤ NB regarding the absenteeism rate: The data for the Mexico zone in 2022 includes our subsidiary NP Plastibell North, i.e. 471 full-time equivalents (FTEs) on average over the year, versus 1,503 FTEs in 2023 due to acquisitions made. Concerning the US, the data is not taken into account in 2022 due to the acquisitions being made at the beginning of 2023.



RETENTION & ATTRACTION, SOCIAL DIALOGUE & WELL-BEING AT WORK

Policies

A Group HR policy exists and is reviewed annually. Its last update dates from October 2023 and it is signed by the CEO. It is communicated internally and applies to all Clayens sites.

Retention & Attraction, Social dialogue & Well-being at work issues:

- **Encourage social dialogue and collective negotiations**
- **Guarantee and improve working conditions and balance between professional and personal life**

Actions taken & to be taken

Encourage social dialogue and collective negotiations

For Clayens, the management of social dialogue and the progress that results from it has always been a major challenge. Through its various activities and global locations, Clayens responds to six territorial collective agreements in France. Indeed, Clayens meets those of the plastics and metallurgy industries in France, but also equivalent conventions in countries outside France.

These conventions define:

- The working conditions to be respected by the employer (maximum duration of working time, minimum duration of rest between two shifts);
- The right to training and professional development;
- The right to join a staff representation committee (union, SEC);
- Guarantee of compliance with legal safety conditions (provision of personal protective equipment, safety training, provision of a health and safety committee).

Social relations are decentralized and conducted in each country in compliance with staff representation rules.



RETENTION & ATTRACTION, SOCIAL DIALOGUE & WELL-BEING AT WORK

All French sites have a social and economic committee (SEC), whose staff representative members are elected by employees. Similar organizations exist within our Moroccan and Tunisian subsidiaries.

Even if they are not included in specific committees, all of the Group's sites have staff representatives.

In France, at least 6 Social and Economic Committee and 4 HSWCC (Health, Safety and Working Conditions Committee) meetings take place per year. For sites outside France, the Social Committees meet at least once a quarter. In parallel with these local staff representation committees, in France, a Group Committee was set up in December 2022. This receives information on the financial situation, developments and annual or multi-year employment forecasts and preventive actions correlative to these forecasts.

Salary negotiation meetings are opened annually between site management and employee social representatives. Their conclusions are communicated to all employees through reports. All employees are informed of the revised salary scales and pay scales.

The Group keeps a close eye on possible changes in the various collective bargaining agreements, in order to anticipate any necessary compliance actions. By way of example, in 2023, an action plan was deployed to meet the new provisions, applicable from January 1, 2024, for the metallurgy collective bargaining agreement.

Actions at Group level are also being carried out to negotiate agreements applying to all Clayens employees and allowing them to improve their social benefits.

One of the notable achievements in 2022 was the establishment of a standard agreement relating to home-office by the Group HR department which was subsequently deployed on all sites, aiming to grant one day of home-office per week (while leaving an additional margin of flexibility) to employees whose function is compatible with this mode of operation.

Guarantee and improve working conditions and work-life balance

Clayens is committed to guaranteeing fair working hours and rest periods for every employee. At Group level, production operates in shifts (2x8h or 3x8h) depending on the production sites and workshops.

Working hours are monitored using badge readers and overtime is paid. Working and rest times are in accordance with collective agreements or internal regulations.



RETENTION & ATTRACTION, SOCIAL DIALOGUE & WELL-BEING AT WORK

Likewise, to ensure that the balance between employees' professional and personal lives is as fair as possible, vacation agreements are established at each site, in compliance with local regulations. In France, agreements to reduce working hours are in place in addition to the paid vacation days provided for by legislation.

In the EMEA zone, the Group's sites close for at least two weeks in August and one week in December. Closure cycles are defined by each site and the social partners are informed in advance, including any additional planning that could take place during the year. An agreement on disconnection exists to guarantee respect for employees' working hours.

In France, in order to ensure that executives on a daily rate benefit from a correct balance between personal and professional life, mandatory interviews are carried out annually.

As part of its HRIS implementation project, Clayens plans to extend the same interview form to all of the group's subsidiaries, with an annual frequency, subject to validation of the project scope.

With the aim of improving the working conditions of its employees, Clayens has implemented a health and safety policy at work, including a component on ergonomics at work (see Health & Safety at work). In 2021, a Group-wide study was carried out with Clayens' insurer to work on the ergonomics of the various workstations, which will be followed by a 2-year action plan. In total, over 2021 and 2022, the Group carried out around thirty workstation studies in its French production workshops. The aim of these studies is to detail all the tasks that an employee must perform, to observe the associated postural constraints, and the elements of the work environment that may hinder movement or cause health and safety risks.

In order to deploy ergonomic studies across all its sites, the Group plans to develop a simplified tool for job study and screening of musculoskeletal disorders. Employees performing sedentary work are made aware of the risks of working on screens and the ergonomics of an office workstation. As part of occupational risk assessments, psychosocial risks are also assessed in order to detect which positions would be most exposed.

In 2022, the Group began training its managers on moral harassment to help detect potential cases and enable them to adapt their management to create healthy and peaceful environments for their employees.

Similarly, Team Building events are held each year by department to strengthen team cohesion and allow time for discussion between managers and their employees. In France, any alerts regarding well-being at work are reported to site management via the social and economic committees.

RETENTION & ATTRACTION, SOCIAL DIALOGUE & WELL-BEING AT WORK

A specific questionnaire for outgoing employees was also launched in 2022. By identifying the main causes of voluntary employee departure, Clayens aims to improve and increase its chances of retaining its key talents. This exit questionnaire on the causes of resignation was launched in 2023, on pilot sites in the EMEA zone for the analysis of the causes of departure. It will be extended in 2024 across the entire EMEA zone, and depending on the successful deployment of our processes in the NAM zone.

With the aim of continuous improvement, employees can express their opinions and ideas to improve their working conditions. This is done in 2 possible ways:

Directly, during exchange meetings with their management which take place according to frequencies determined by the sites themselves (from quarterly to annual).

These meetings are an opportunity for management to communicate company trends on different topics, but also moments of free expression for employees with their director(s), particularly on their working conditions.

Indirectly, via a system of award-winning improvement proposals (financial compensation) in place, allowing employees to express themselves on different themes: improving working conditions, achieving energy savings, improving costs, improving safety at work, improving quality, improving productivity.

In general, quarterly, the sites put a theme in the spotlight during a given period, and the bonus amounts are doubled on these themes. In addition, there is a podium system in some sites with a prize-giving ceremony to create engagement among employees.

Company agreements are put in place on the sites, on the subjects of holiday and end-of-year bonuses linked to absenteeism, the amount paid is indexed via a detailed scale and communicated to all employees. On some sites, calculation processes are put in place to remunerate employees in relation to the company's profits, but also, according to quality and safety performance indicators at work.



ATTRACTION & DEVELOPMENT OF INTELLECTUAL CAPITAL

WHAT ARE WE TALKING ABOUT ?

- ↪ **Partnerships with universities, job market and local impact**
- ↪ **Integration of new hires**
- ↪ **Forecast skills and workforce management (FSWM) and training**

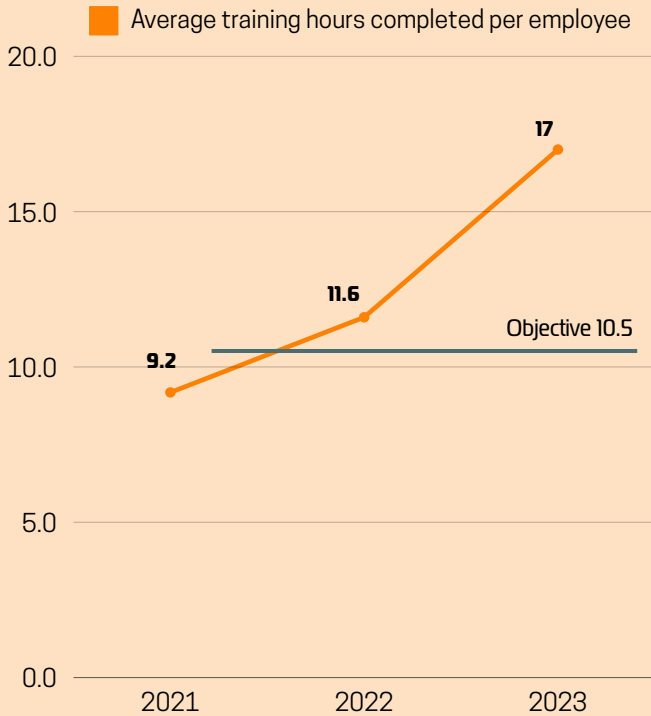
OUR GOALS

- 1 Provide 10.5 hours of training per year per employee
- 2 100% of N-1 management teams (group and subsidiaries) reviewed and 100% of group management
- 3 Support 100% of “Key Talents” detected through an individual development plan from 2024
- 4 Establish a Clayens’ “Experts” network to promote the transfer of skills by 2026
- 5 100% of managers trained in good managerial practices by 2025



KEY PERFORMANCE FIGURES

TRAINING HOURS PER EMPLOYEE



NUMBER OF EMPLOYEES EVALUATED IN PEOPLE REVIEW



➤➤➤ In 2023, the number of training hours per employee is 17 hours for a target of 10.5 hours/employee. The average in the EMEA zone is 14.3/employees and 22 hours/employees in the NAM zone.

➤➤➤ In 2022, 100% of group directors and site service managers were evaluated by the people review.

In 2023, and as part of the start of the alignment of our subsidiaries on the new “People Management Cycle” planned for 2025, the HR Department teams have postponed the completion of the People Review until April 2024 (at place of the month of October). The estimated number of employees affected by the people review evaluation is 465 people.

This delay in the campaign made it possible to work on the continued evolution of our process.



ATTRACTION & DEVELOPMENT OF INTELLECTUAL CAPITAL

Policies

A Group recruitment policy exists and is reviewed annually. Its last update dates from October 2023 and it is signed by the CEO. It is communicated internally and applies to all Clayens sites. A recruitment process and a staff development process are in place at Group level.

Attraction & Development of intellectual capital issues:

- **Attract talent and facilitate employee integration**
- **Detect internal talent and train employees**

Actions taken & to be taken

Attract talent and facilitate employee integration

Since 2021, the renewal and management of talent within the Group has become one of the major challenges for improving the human resources strategy. With the acquisition of new entities and the evolution of companies, the Group must position itself to identify its key talents, and attract new generations of employees.

In 2022 and then in 2023, the Group HR Department was expanded to integrate global processes in terms of recruitment and skills development, processes previously delegated to sites' HR managers and not standardized. Good practice guides are appended to the process, and are now available to users ("Telephone interview", "Interview guide", "Referencing" etc.) To support this change, Clayens has acquired in 2022 an ATS (see Glossary) for recruitment in France in order to centralize candidate data, multi-distribute our advertisements and ensure better monitoring of our candidates.

As part of the configurations of the recruitment module of our future HRIS, the process will evolve for more automation, active participation on the part of managers and internal control. In addition, our career site will evolve into an automated system linked to our HRIS. An internal career site will also be deployed, offering full visibility of opportunities within the group to all employees. The primary objective is to be able to develop the internal mobility of our employees.

If a system of referral bonuses can be in place in certain subsidiaries in order to encourage employees to recommend people from their network, one of our objectives between now and the deployment of the HRIS is to set up a common process for the whole group.



ATTRACTION & DEVELOPMENT OF INTELLECTUAL CAPITAL

Likewise, new bonus processes (profit sharing bonuses, performance bonuses, profit-sharing agreements) have been put in place in French sites in order to best meet the new expectations of candidates.

In 2022, a multidisciplinary working group, bringing together representatives from the HR, Health, Safety, Environment and Communication functions, met over several sessions to determine Clayens employer brand's strong and weak points to attract new talent.

This working group resulted in an in-depth reflection on Clayens' values: Trust, Reputation, Integrity and Rise, as well as on its promise "A World of Opportunities". Since then, the group has strengthened its internal and external communication around these elements.

The Group's attractiveness is also reinforced thanks to the communication carried out by its employees on social networks during charitable actions linked to local associations, or during awareness-raising carried out on certain subjects such as, for example, invisible disability, or on environmental issues.

The integration process for new employees was also reworked in 2023 with the implementation of a "Welcome Book" and a sponsorship system. This system, which was tested on the Clayens NP site, is currently being deployed to the group's other subsidiaries.

The new hire is thus given a complete and individualized integration guide before their arrival within the company. In particular, he will find key information about Clayens, its site, values, key processes, tools available to him/her, advice and best practices, as well as contact details for his sponsor.

The appointment of this person is made by the manager. His/Her main mission is to guide and support the new recruit in their first steps at Clayens to encourage meetings with other departments, so that the new employee can build a first internal network, to help them in appropriation of the group's culture.

In addition, reinforced monitoring of the employee's acquisition of skills is carried out when they take up their position, as well as feedback on their integration through a surprise report.

During the first four months following hiring, a monthly interview is carried out between the manager and the employee in order to evaluate the acquisition of his/her skills, determine the knowledge necessary to develop, and the possible areas of training to be planned for the employee.

ATTRACTION & DEVELOPMENT OF INTELLECTUAL CAPITAL

This interview is formalized through an internal Group document and transmitted to the Human Resources department of the site concerned. At the end of the four months, this interview is then carried out every two months until all skills are acquired.

Detect internal talent and train employees

Since the implementation of a “People Review” process within the group in 2021, the HR Department teams have developed tools allowing the detection of our internal potential, with the aim of objective evaluation . The population reviewed concerns all members of Management (group and subsidiaries) as well as all their N-1s (direct reports, managers or not). In specific cases, it may include some key N-2 positions.

The “People Review” at Clayens is designed as a key and proactive process of its development policy, making it possible to combine the aspiration, potential and performance of employees, on the one hand, and the needs of the company, on the other. As a real operational tool, another objective is to respond to organizational challenges in the short, medium and long term: replacement organization charts, unfilled positions, risks of loss of knowledge, critical positions, etc.

A potential assessment grid is now in place and completed by the manager/HR pair for each of the employees concerned by this review. It evaluates the employee's potential based on criteria that are important for the employee's development within Clayens: strategic vision, change management, intellectual agility and relational agility. Using a grading around 16 sub-criteria, but also the evaluation of performance and respect for the group's values, the employee can be detected or not as Key Talent or Expert (see Glossary).

The objective for the 2023/2024 People Review is to further refine this detection with the introduction of a personality assessment questionnaire for employees detected as potential Key Talents. This online questionnaire analyzes personality traits, motivation levers and decision-making. It will, among other things, improve our understanding of how our talents work: their strengths, their objectives, what motivates them professionally, the management they expect.

At the end of this People Review process, a consolidated conclusion is communicated to members of management and HR teams, as well as the associated action plans at group level.

For example, Clayens launched management training on a global scale in 2023, following the conclusions drawn from the 2022 people review. This conclusion and its associated action plan must also serve as a basis for the construction and deployment of action plans at regional and local scale.



ATTRACTION & DEVELOPMENT OF INTELLECTUAL CAPITAL

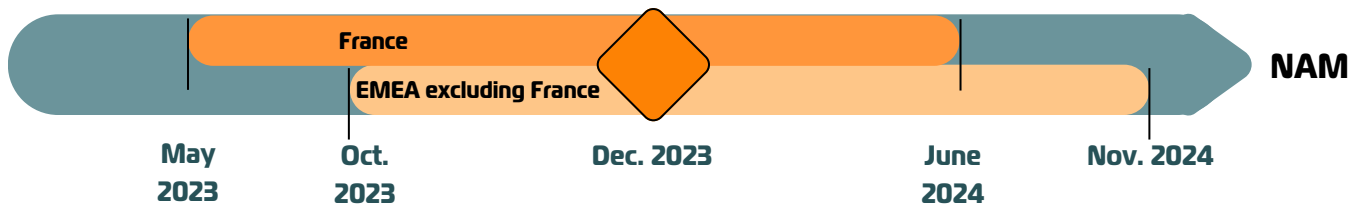
In 2022, a particular focus was placed on leadership training for our senior executives.

As a continuation of this, and following the annual People Review campaign, the group HR teams have built and started the deployment of similar training adapted to all of our N-1 managers.

This 35-hour training course, spread over 9 months, is structured around individual coaching sessions, face-to-face training sessions, e-learning modules, and evaluation questionnaires.

The key elements addressed include empowering your team, embodying managerial courage, the ability to say no and announce a difficult decision, eurythmic communication, setting SMART objectives, developing trust and motivation, conflict management, or the recruitment and integration of new employees.

Status



Training aimed at enhancing the skills of the Group's HR managers is also being considered. The implementation of awareness-raising and legal monitoring actions for our HR Managers in France has also been approved for 2024.

At the same time, work to set up an e-learning platform is currently underway, the aim being to facilitate access to training for all staff. Clayens relied on the experience of one of its clients, via the online training platform that it developed for its internal use, to try this system: Clayens NP Hungaria was the pilot site for this project e-learning in 2022. The analyzes of this as well as the implementation of an HRIS, push us to look for a platform that better meets our needs.

Individual and professional interviews, annually or every two years depending on the country, are carried out throughout the Group. During these interviews, the manager and the employee discuss the latter's training needs and expectations for professional development. As part of the implementation of our future HRIS, these will be made annual and digital for everyone.

ATTRACTION & DEVELOPMENT OF INTELLECTUAL CAPITAL

Training programs for all staff are in place at each of the Group's sites with a collection of overall needs for the months of September and October.

A performance indicator with a training monitoring objective, in number of training hours provided per employee per year existed in our KPIs. This is managed on each site, and is consolidated by the HR Direction. To provide feedback and improve the training offered to its employees, each participant completes a satisfaction questionnaire upon completion of the training, and then a second three months following it ("on-the-spot " and "cold" evaluations).



DIVERSITY & INCLUSION

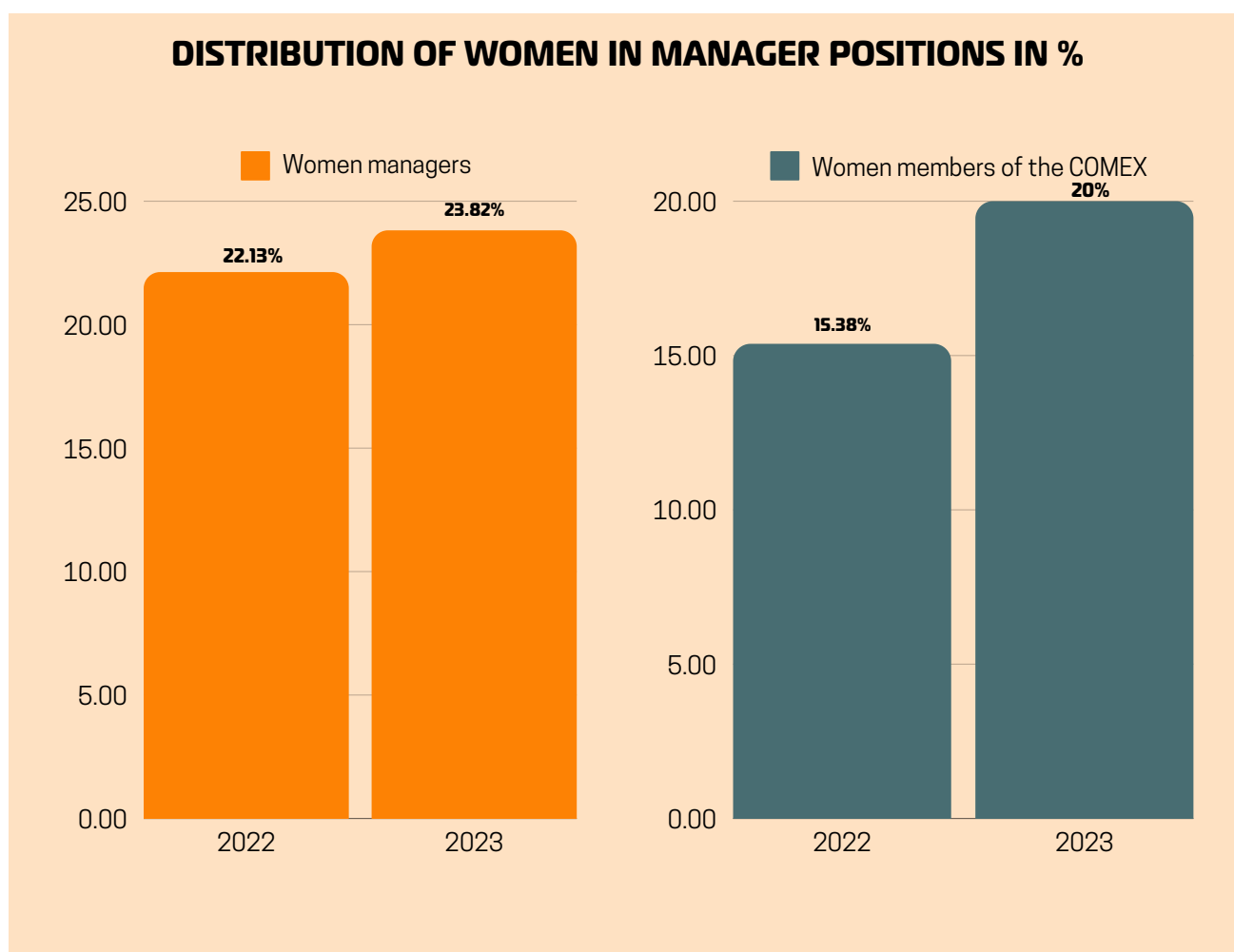
WHAT ARE WE TALKING ABOUT ?

- Gender equality
- Equality between generations
- Inclusion of people with disabilities
- Cultural diversity

OUR GOALS

- 1 Reach 30% of female managers by 2026
- 2 Stabilize the distribution of women/men to get as close as possible to 50%
- 3 Detect and train 1 disability representative per country by 2026
- 4 Train HR Managers and raise awareness among all managers of the notion of non-discrimination in hiring

KEY PERFORMANCE FIGURES



- In 2023, 20% of the group's COMEX members were women compared to 15.4% in 2022.
- In 2023, 23.8% of managers across the group were women compared to 22.1% in 2022.
- In 2023, 87.5% of our French subsidiaries concerned by the calculation of the gender equality index (companies with more than 50 employees) obtained an index greater than 80%.
- 80% of sites in the EMEA region have a sexual and sexist harassment representative. An inventory is underway in the NAM zone, with the aim of deploying a similar system.
- In 2023, there were 82 disabled workers in the EMEA zone and 28 in the NAM zone, either 110 group-wide. Employees with disabilities are subject to special monitoring (in collaboration with Occupational Medicine for our French subsidiaries). Workstation adjustments are made when necessary.

DIVERSITY & INCLUSION

Policies

An Ethics code and a Group Disability policy exist and are reviewed annually. Their last update dates from March 2023, and is signed by the CEO. They are communicated internally, and apply to all Clayens sites.

Diversity & Inclusion Issue:

- **Facilitate the inclusion of workers with disabilities**
- **Promote diversity**

Actions taken & to be taken

The Clayens Group has an alert procedure for all breaches of work ethics, including discrimination against gender, origin or disability. This procedure applies to all sites, and any alerts are sent directly to an independent email box which can only be consulted by the Group's CEO and the EMEA Human Resources Director. They are the ones who will take direct management of these possible disputes. To date, this procedure has never been used for a case of harassment or discrimination.

Facilitate the inclusion of workers with disabilities

Much more than a commitment, the promotion of diversity and inclusion is an integral part of our strategic vision for the development of the Group. We want to offer our employees and future employees a fulfilling work environment, where everyone can feel free to be themselves and recognized for their uniqueness. Also, through the Group Disability Policy, we wish to promote the inclusion of people with disabilities within CLAYENS and its subsidiaries.

We are convinced that diversity and inclusion are the richness of our company and the strength of our teams.

Clayens mentions in its communications that our jobs are open to everyone, and in particular, to people with disabilities. Candidates are encouraged to indicate when applying, if a specific job adjustment is required. This mention promotes the projection of the candidate in the Clayens environment. As part of the future deployment of the recruitment module of our HRIS, Clayens wishes to systematically distribute its advertisements on job sites specializing in the recruitment of workers with disabilities, when these exist in the country concerned.



DIVERSITY & INCLUSION

Clayens launched an awareness campaign on invisible disabilities in 2023. The main objective of this, beyond informing and getting our employees to think on the subject, was to change perceptions of disability and break stereotypes. This campaign was deployed on all French sites. It consisted of a disability awareness kit, awareness posters, and a quiz on this theme.

In addition, our subsidiary NP Simonin has been part of this approach for several years by participating in the “DuoDays” system: duets between people with disabilities and company employees volunteers for a day in order to discover our company and a job.

For 2024, Clayens intends to go further, by setting up an ambassador system in France.

Clayens' objective is for a disability representative to be present in each country where the Group operates by 2026. The function of disability representative brings together 4 aspects:

- Be a “trusted third party”, whose role is to provide information, guide and support employees with disabilities, particularly at certain key moments (entry into training, return after a long leave, support for recognition of the status of disabled worker).
- Be a facilitator, who creates a link between the various internal and external actors. It organizes the consideration of disability, throughout the recruitment and integration process (recruitment or reception within the framework of internships, provision of materials, etc.)
- Manage actions, projects and build action plans (objectives, indicators and budgets), which can be formalized within the framework of an agreement or convention with an external organization.
- Be an “ambassador” for the employment of people with disabilities. It organizes information and awareness-raising actions (key concepts in the field of disability and employment, available service offers, etc.) aimed at all employees or actions on targeted functions (management committee, recruiters, managers, support services).

Promote gender diversity

Clayens began taking steps several years ago to become an organization with more diversity, and identified the representation of women in its workforce and leadership as a major issue in its human resources policy.

In France, the gender equality index is calculated each year, and collective agreements relating to professional equality between women and men have been in place for several years. The Group tends to deploy these best practices across all of its entities.

In 2023, the salary gap between men and women for our executive population in the EMEA zone is 8.8%, compared to 8.6% in 2022 (vs. 13.1% in 2021). The NAM scope is being integrated into this reporting.

DIVERSITY & INCLUSION

At the same time, the overall pay gap between men and women amounts to 42% when we take into account the entire population of the group. This method of calculation is however not representative, because our female population is less present in managerial functions. We are therefore working to establish a more coherent indicator to measure salary gaps.

Although, significant progress has been made in the representation of women (49% women compared to 51% men), the Group recognizes that there is still work to be done on the share of women in management, the rate of female managers being 23.8% at the end of 2023. This is why Clayens is keen to maintain its male-female distribution rate from year to year, but also to increase the share of female managers to reach 30% by 2026 .

To achieve this objective, Clayens strives to maintain an ever more inclusive recruitment process, avoiding biases linked to the world of industry. For example, in France, our advertisement titles as well as their writing must promote the neutrality of the text or inclusive writing.

Non-discrimination training will be rolled out in 2024 across the group, for our HR teams and managers.

Clayens implemented a monitoring indicator in 2023 concerning the gender of employees recruited. Currently being deployed, it will allow us to obtain the first complete analyzes in 2024. In addition, the implementation of our future recruitment module (HRIS) will allow us to refine our indicators for 2025, from the application stage. These more in-depth analyzes will allow us to implement targeted action plans according to the countries or sites, and according to the causes detected.

In 2022, and as part of our annual People Review campaign, 39% of our Key Talents* were women and 30% of our Experts* as well. Our 2023/2024 campaign (see page 86) should allow us to go further in detection, support, and to build ambitious career plans for them.

Communications in the format of “testimony” interviews with women from different sites, different positions and hierarchical levels are carried out each year on International Women’s Rights Day. Workshops and ceremonies to honor our employees are also held within our subsidiaries.

Through its internal newsletter, published in all the group's languages and distributed to all of our subsidiaries, Clayens ensures that it highlights all initiatives in favor of inclusion and diversity, and carries out quarterly portraits of the members of the Management, working to promote the careers of both men and women.

However, Clayens wants to go further, by offering inspiring content on the subject both internally and externally. Beyond acting within its organization, Clayens wishes to act more generally across its sector of activity.

*see Glossary

DIVERSITY & INCLUSION

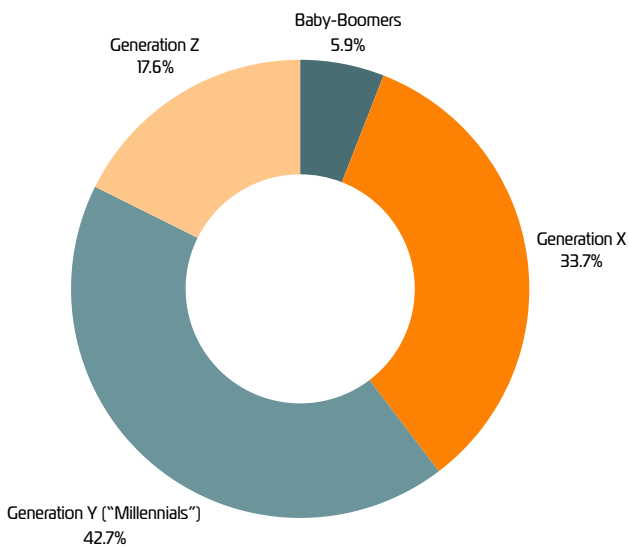
In France, a sexual and sexist harassment representative is designated within each SEC, and each member of the SEC is trained. The Group also aims to raise awareness among its employees about the notions of diversity and inclusion. The implementation of our future e-learning platform should allow us to significantly extend these actions on a global scale by 2025.

Promote generational diversity

Clayens wishes to promote lifelong career development, and knowledge exchange for and between all generations in order to stimulate learning and innovation. The tutoring and sponsorship systems put in place contribute to this transfer of skills.

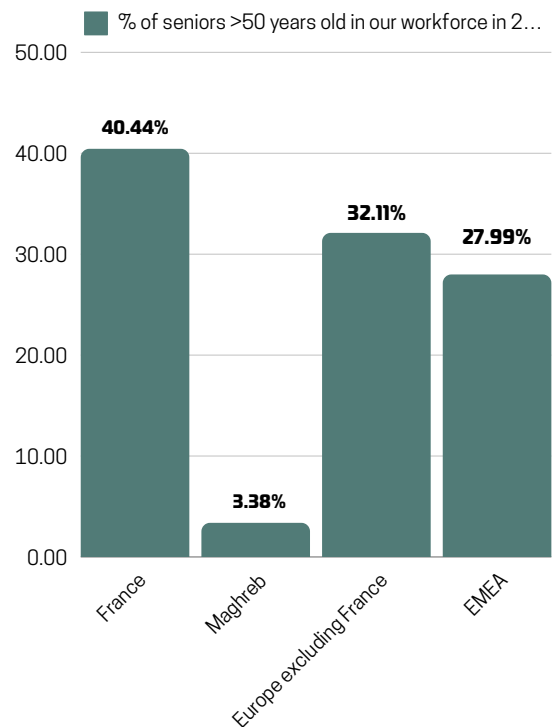
For many years, Clayens has been particularly committed to apprenticeships, and has forged close ties with training establishments in order to attract young talents.

Distribution by generation in 2023 (EMEA)



Baby boomers: born between 1945 to 1965
 Generation X: born 1965 and 1980
 Generation Y ("Millennials"): born between 1980 and 1995
 Generation Z: born after 1995

Distribution of seniors in 2023 (EMEA)



HEALTH & SAFETY AT WORK

WHAT ARE WE TALKING ABOUT ?

- Prevention and reduction of risks
- Prevention of occupational diseases

OUR GOALS

1

Reduce the number of work accidents to 0

2

Maintain the Group's frequency rate below 16.29

3

Maintain the Group's severity rate below 1.26

4

Maintain the occupational disease frequency index below 6.28

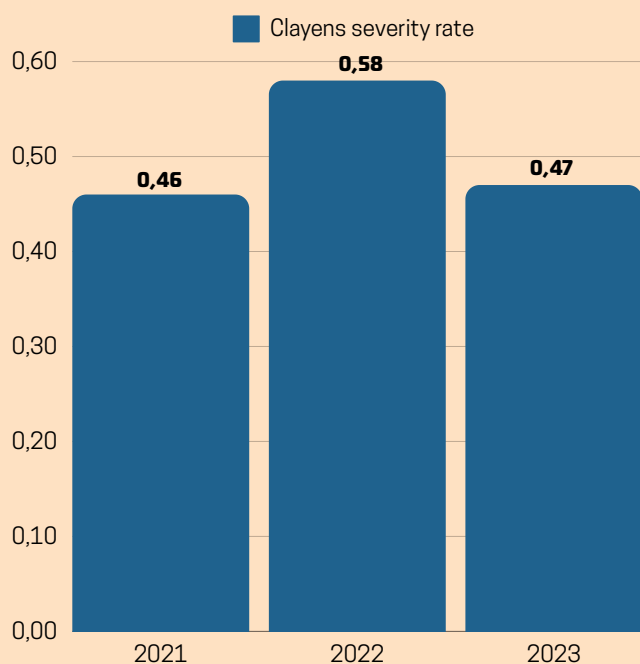
5

Train all targeted people on the concepts of moral harassment by the end of 2024



KEY PERFORMANCE FIGURES

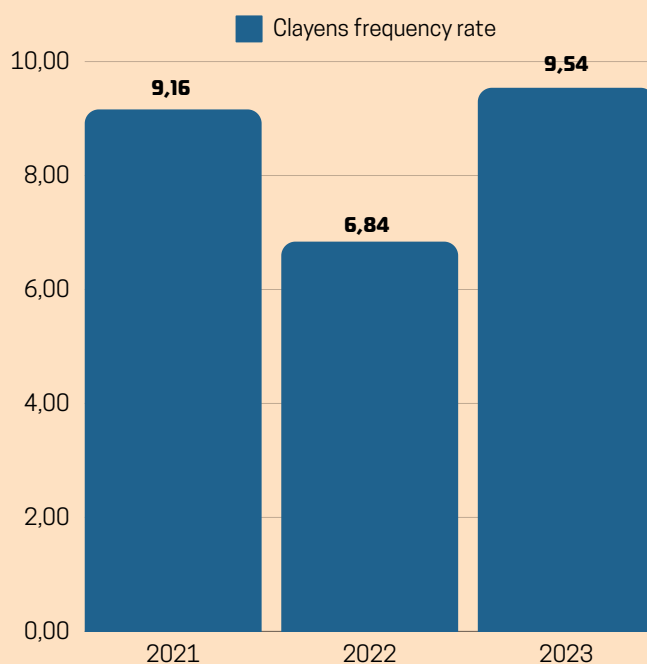
CHANGE IN THE GROUP'S SEVERITY RATE



Objective
1,26

Severity rate index for the
French profession - 10%

EVOLUTION OF THE GROUP FREQUENCY RATE



Objective
16,29

France profession frequency rate
index - 10%

- In 2023, there were 86 work-related accidents.
- In 2023, the Clayens' Occupational Disease Index was 1.33 compared to the rate for the profession, which was 6.28.
- In 2022, 75.7% of HR managers and site directors were made aware of the concepts of moral harassment. As part of our deployment of an HRIS, it is also planned to integrate an e-learning platform in order to deploy this awareness to all of our managers by 2025.



HEALTH & SAFETY AT WORK

Policies

A Group Occupational Health and Safety Policy has existed since 2019, and is reviewed annually. Its last update dates from January 2023, and is signed by the CEO. It applies to all Group subsidiaries. When they work on site, subcontractor companies are trained in the rules to follow in terms of Health and Safety arising from this policy.

Health and Safety Issues:

- **Reduce work accidents and occupational illnesses**
- **Work to continuously improve working conditions**
- **Integrate employees into the deployment and implementation of its Health and Safety policy**

Actions taken & to be taken

Comply with regulations on health and safety at work

The Group's objective is to structure itself in such a way as to anticipate the various regulatory developments as well as to be proactive on the subject. Monitoring is ensured to anticipate, as early as possible, new legislative texts that could apply in its various subsidiaries. French sites have monitoring software for monitoring OHS issues. For subsidiaries outside France, monitoring is carried out either by local monitoring software, or by internal monitoring via the government sites of each country.

Quarterly, EHS clubs are organized with all EHS managers of EMEA subsidiaries. These meetings aim to transpose good practices in terms of health and safety at work. They allow direct discussion between the EHS - Maintenance department, and sites' EHS representatives on topics related to health and safety, performance indicators, and operational feedback.

Reduce work accidents and occupational illnesses

The Clayens Group aims to enable all its employees and external stakeholders to work in a secure environment, and with good working conditions.

In order to prevent as early as possible the risks to which its employees may be exposed, Clayens deploys revised Professional Risk Assessments as many times as necessary on its EMEA sites, which corresponds to 100% of French sites and 86% EMEA's sites. The final objective being 100% of the EMEA sector covered in 2024 with the completion of the EVRPs of NP Germany and NP Polska.



HEALTH & SAFETY AT WORK

Each employee undergoes their periodic medical examination according to the regulations in force. Employees subject to reinforced monitoring carry out visits on a more regular basis depending on the risk associated with their working condition such as exposure to electrical risk or night work.

Each Group employee becomes aware of the risks of their job, and the rules to follow via the work instructions for their position. They are written in the local language of the country where the site is located.

Concerned about guaranteeing optimal working conditions for its employees, each site has the obligation to provide and maintain Personal Protective Equipment (PPE) or Collective Protective Equipment (CPE) in good condition.

In order to best adapt each PPE/CPE to the exposure situation and to inform employees of the risks involved, safety sheets are in place at each position. On each sheet, we find indications relating to the training to be carried out in response to the identified risks, such as noise awareness or the ergonomics of a screen workstation.

Work to continuously improve working conditions

The Clayens NP Genas site (head office) was OHSAS 18001 certified for 15 years, and has been ISO 45001 certified since 2021. This certification allows the Group to constantly improve its health and safety management system thanks to feedback from audits of this site.

In order to position the Clayens working environment among the safest in the sector, the group analyzes and processes 100% of accidents, incidents, and near-incidents declared and detected.

The aim of this analysis work is to take concrete and transversal actions on all of its sites, with a view to achieving “zero accidents”. Risk analyzes are carried out when modifying or implementing a new process or work process. These analyzes are carried out from the start of the project in order to put in place, if necessary, new prevention rules.

The Group also deploys workstation ergonomic studies, in order to detect and anticipate future occupational illnesses that its employees could face. More ergonomic workstations are set up based on its analyzes and the problems detected. A simplified MSD detection module is being developed. It will allow adaptability across all subsidiaries but also to be able to carry out a greater number of risk screenings per year.



HEALTH & SAFETY AT WORK

To check whether all the preventive measures that have been put in place are effective, and remain in effect over time, site's Health and Safety managers regularly conduct workshop tours using checklists. The aim is to check the presence and condition of technical, human and organizational means of prevention, but also the absence of risks in the employees' working environment.

Likewise, work equipment is inspected regularly, either according to regulations in force relating to the equipment, or according to good practices defined internally.

To improve the detection of professional and chemical risks, the Group is looking for more efficient assessment tools that are more adapted to changes in processes and working methods.

The Group is also continuing its efforts to standardize its approach to risk by implementing "Golden Health and Safety Rules" throughout the Group in 2024.

Always with the aim of protecting its employees, the Group ensures that all sites with a social and economic committee have at least, one sexual and sexist harassment representative.

These representatives are generally the HR managers of the sites, but can also be volunteers who are part of the social and economic committee.

The name and role of these people are communicated to each employee so that they can, if necessary, contact people capable of receiving their testimony. They are trained on what to do in such cases. These people are also present in the event of a dispute to ensure the protection of victims, whistleblowers and witnesses on these issues of harassment.

Integrate employees into the deployment and implementation of the Health and Safety policy

With the aim of improving safety culture, each new arrival receives awareness/training according to defined needs, linked to the risks relating to their position. This initial training is reinforced and renewed over the years in view of needs and reassessments of risk levels by position.

In 2022, and always with the aim of raising employee safety awareness as much as possible, 100% of French sites have organized external training on the health and safety roles and responsibilities of managers.

Employees are encouraged to be proactive in improving working conditions through "Improvement Proposals" including a health and safety component. They also participate in professional risk assessments, so that these are as close as possible to their working conditions.

HUMAN & WORKERS' RIGHTS IN THE VALUE CHAIN

WHAT ARE WE TALKING ABOUT ?

Freedom of association

Forced labor

Health & Safety at work

Child labor

Illicit work

Diversity & Inclusion

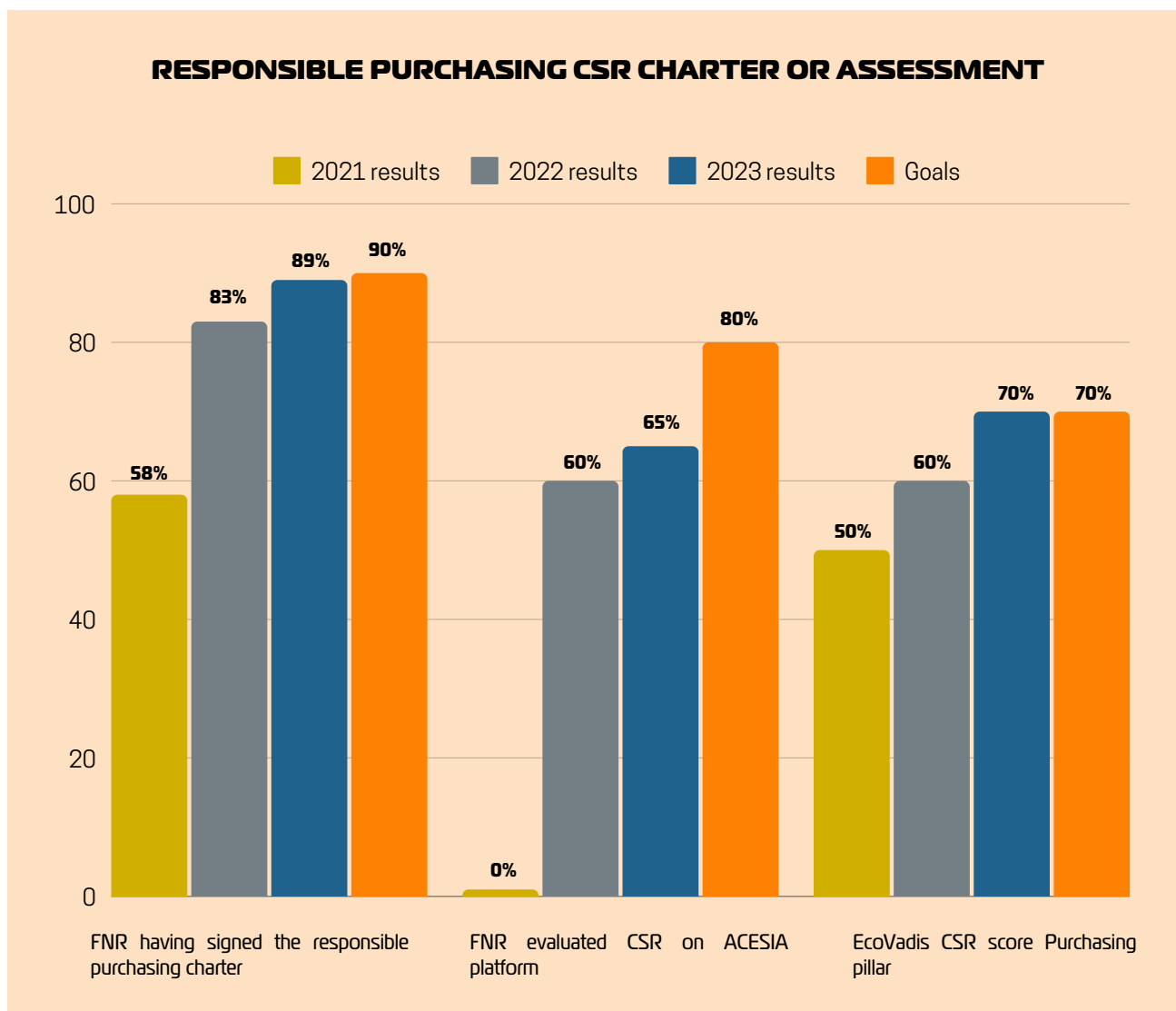
OUR GOALS

1

Achieve, by the end of 2024, 90% of signatures of the responsible purchasing charter by strategic suppliers in order to increase their rate of engagement on human rights issues



KEY PERFORMANCE FIGURES



➤➤➤ At the end of 2023, 89% of strategic suppliers have signed the Clayens responsible purchasing charter, containing requirements to respect the human rights and work of their workforce

HUMAN & WORKERS' RIGHTS IN THE VALUE CHAIN

Policies

A Responsible Procurement Charter for sustainable development exists since 2014, and is reviewed annually. Its last update dates from March 2023, and is signed by the CEO. It applies to all of the Group's buyers as well as the Group's suppliers and subcontractors.

Human Rights & Workers' Rights Issues in the Value Chain:

- **Guarantee respect for human and labor rights with suppliers and subcontractors present in the upstream and downstream value chain**
- **Ensuring the safety of subcontractor workers and the value chain**

Actions taken & to be taken

Guarantee respect for human and labor rights with suppliers and subcontractors present in the upstream and downstream value chain

A responsible procurement policy has been in place since 2021. In addition to this policy and in line with the objectives set therein, a "Responsible procurement charter for sustainable development" is publicly available on the Group's website. In 2022 and 2023, the Group decided to offer a new version of this charter to its suppliers (first charter published in 2021).

This Supplier Charter strengthens the link between Clayens' expectations of its suppliers, its code of conduct and its new CSR objectives on the purchasing side. This charter, signature of which is mandatory, commits suppliers and subcontractors to adhere unreservedly to the following principles:

- Prohibition of child labor: They must under no circumstances employ people under the legal minimum age, nor support child labor, except as part of an official approved youth training program by public authorities
- Elimination of forced and compulsory labor (fundamental ILO conventions)
- Compliance with all applicable laws regarding remuneration, benefits and working hours (fundamental ILO conventions)
- Respect for freedom of association, and the right to collective bargaining



HUMAN & WORKERS' RIGHTS IN THE VALUE CHAIN

- Eliminating discrimination at work
- Respect for the right to development
- Respect for health and safety at work
- An explicit and affirmed environmental commitment

By signing this charter, stakeholders in the Clayens value chain undertake not to be complicit in human rights violations, and to combat any form of modern slavery.

In this regard, it is their responsibility to ensure that systems are in place to guarantee proper compliance with labor standards on their sites and, where applicable, on those of their own suppliers.

In the event of non-signature, the supplier is identified as being at risk for the Group. This charter also includes a sanction in the event of non-compliance in the paragraph "Compliance Commitment – Breaches". In the event of non-compliance with the CSR principles mentioned in the CSR clause, the CLAYENS group reserves the right to stop the contractual relationship with its suppliers.

Clayens monitors the commitment rate of its strategic suppliers to its Responsible Purchasing Charter for sustainable development, and has a set objective as a percentage of signature of this Charter. At the end of 2022, 83% of the Group's strategic suppliers have signed the responsible purchasing charter for a target of 90% by the end of 2024. Each employee receives and undertakes to respect the Clayens code of ethics. The Group's executives, department managers and buyers must sign it.

This contains a section relating to the rules to be respected with commercial partners, including suppliers and subcontractors, and sets the following rule: "Clayens requires its suppliers and subcontractors to strictly comply with all legal provisions relating to their activities and their professional environment. The Group asks its suppliers and subcontractors to sign its Responsible Purchasing Charter for Sustainable Development, which requires respect for human rights, employee health and safety, and ethical rules – particularly in the area of prevention against corruption and competition law – environmental protection, as well as compliance with applicable laws and regulations. Clayens puts in place measures to ensure compliance with these commitments, during the selection and during the completion of contracts."



HUMAN & WORKERS' RIGHTS IN THE VALUE CHAIN

This is why, during calls for tenders, CSR criteria are taken into account for the selection of suppliers and suppliers identified as being at risk, are reviewed quarterly during a responsible purchasing committee in order to decide on actions to be carried out: follow-up to sign the Clayens responsible purchasing charter, risk analysis, possibility of ending the relationship or launching an action plan.

Ensuring the safety and inclusion of subcontractor and value chain workers

Clayens is committed, in its Group occupational health and safety policy, which applies to all of its subsidiaries, to ensuring the safety of external companies that work directly within its subsidiaries either on a permanent basis (for example : premises cleaning companies present during the day and all working days of the sites), or on an ad hoc basis (for example: troubleshooting or maintenance companies for production equipment). To do this, each work carried out by these external companies is governed by a prevention plan carried out between the different stakeholders, even in countries where regulations do not require it. The aim is to train external companies on the risks incurred within the Group's factories, but also to communicate to them the rules and best practices that they must respect in terms of health, safety and the environment.

Clayens encourages inclusion among its subcontractors. Purchasing chart includes diversity, equity and equal opportunity criteria. Indeed, in its responsible purchasing policy, the Group undertakes to take into account diversity and inclusion criteria, such as in the employment of employees with disabilities, via establishments and work assistance services (EWAS), or companies adapted (CA) (see Responsible purchasing).



6

**VALUE CHAIN AND
PRODUCT ISSUE**



SUSTAINABLE PROCUREMENT

WHAT ARE WE TALKING ABOUT ?

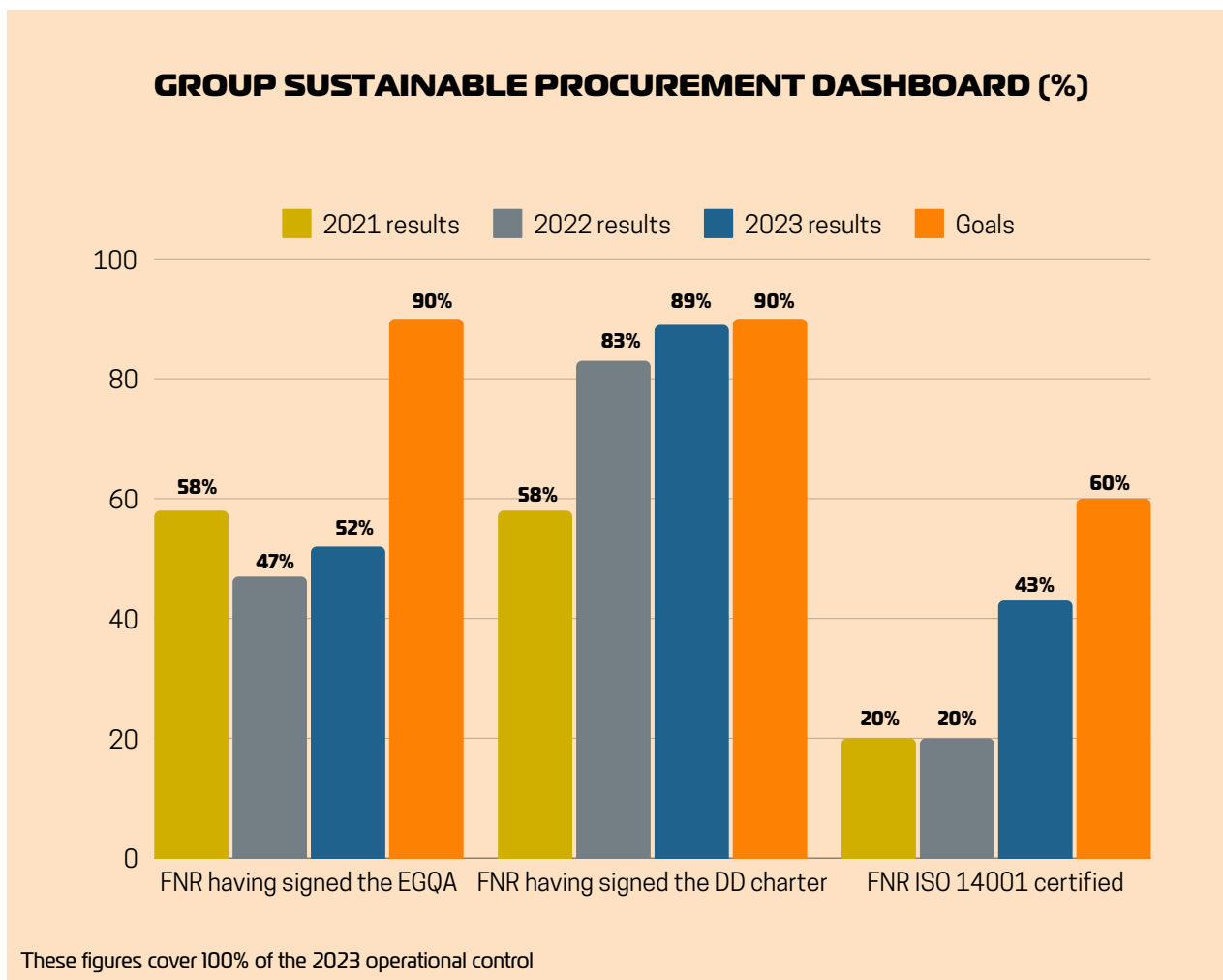
- Environmental criteria
- Social criteria
- Relations with suppliers

OUR GOALS

- 1 Increase the commitment rate of strategic suppliers in compliance with the Clayens sustainable procurement charter to reach 90% by the end of 2024
- 2 Increase the share of strategic suppliers certified ISO 14 001 to reach 60% by the end of 2024
- 3 Reduce the Parts Per Million rate of strategic suppliers by 50% by the end of 2024 compared to 2021
- 4 Support strategic suppliers to achieve a supplier service rate of 95% by the end of 2024

The Sustainable procurement section will only include figures from the EMEA sector due to the recent acquisition of subsidiaries in the NAM zone.

KEY PERFORMANCE FIGURES



- In 2023, the percentage of PPM on the strategic supplier panel decreased by 9% from 659, in 2022 compared to 600 in 2023, which leads to a reduction in the risk of customer complaints and the quality of finished products, which generates additional quality costs.
- In 2023, the rate of services on the strategic supplier panel increased by 3.4 pts (91% in 2022 compared to 94.4% in 2023). This increase in service rates leads to a reduction in the risk of production stoppages at our sites, as well as the termination of contracts for customers.

SUSTAINABLE PROCUREMENT

Policies

A Sustainable Procurement Policy exists since 2021, and is reviewed annually. Its last update dates from March 2023, and is signed by the CEO. It applies to all Group buyers.

Sustainable Procurement Issues:

- **Control the supply chain through the selection of suppliers in an ethical and sustainable procurement approach**
- **Monitor the CSR performance of our buyers and suppliers**
- **Develop a lasting, quality relationship with our suppliers**
- **Increase awareness among employees and suppliers of CSR issues**

Actions taken & to be taken

Control the supply chain through the selection of suppliers in an ethical and responsible purchasing approach

A sustainable procurement policy has been in place since 2021. In addition to this policy, and in line with the objectives set therein, a “Sustainable procurement charter for sustainable development” is publicly available on the Group's website. It is systematically sent to suppliers for signature. In the event of non-engagement, the supplier is identified as being at risk for the Group. This charter also includes a sanction in the event of non-compliance in the paragraph “Compliance Commitment – Breaches”. In the event of non-compliance with the CSR principles mentioned in the clause, the CLAYENS group reserves the right to stop the contractual relationship with its suppliers.

The Group is committed to being exemplary in terms of loyalty regarding the practices of integrity and fair treatment of its suppliers, and partners with clear and factual selection criteria, including CSR criteria. For example, suppliers aiming to control their carbon footprint and having logistics strategies limiting their environmental impacts are favored through this rating.

In addition to this system, Clayens has integrated, into its offer comparison system, a “sustainable procurement” criterion including current or completed ISO 14 001 certification, and the signature of the Group's Sustainable Procurement Charter.



SUSTAINABLE PROCUREMENT

The Group's policy also sets a target of 20 suppliers from the protected sector (ESAT, EA, or the presence of companies managed by women) on the panel. For the 2023 financial year, the Group has 27.

Clayens is keen to promote diversity among its suppliers. This results in taking into account inclusion criteria such as the employment of employees with disabilities.

Monitor the CSR performance of buyers and suppliers

The Group implements the necessary means to assess the CSR performance of its strategic suppliers via the AFNOR ACESIA self-assessment module. This measurement tool assesses the social and environmental risk of a supplier based on 3 themes: "Vision and Governance", "Human Resources and Social Aspects" and "Environment". The CSR evaluation campaign has been extended to suppliers considered at risk (Stamping Procurement, Packaging, Painting), according to the evaluation of the AFNOR Purchasing categories, in 2023.

At the end of his self-assessment, the supplier has access to a summary of his responses accompanied by recommendations allowing him to improve his score. This evaluation of suppliers makes it possible both to identify possible suppliers at risk for the Group and categories of purchases at risk, but also to raise awareness among suppliers who have not yet started a CSR approach on the aspects to be taken into account to structure their strategy.

At the end of 2023, 64.8% of strategic suppliers have been evaluated via this platform, or have been monitored by an external organization in terms of CSR. This evaluation in collaboration with ACESIA is supplemented by on-site supplier audits.

A summary of all the evaluations and the progress of the objectives linked to sustainable and ethical procurement is distributed every six months by the Procurement Department, to the General Management and the Regional and Sector Directions.

Clayens plans to integrate sustainable procurement criteria into the evaluation of the individual performance of buyers, at the end of 2024. Likewise, internal control and actions to reduce purchasing outside the standard Clayens process are being developed.



SUSTAINABLE PROCUREMENT

Develop a lasting, quality relationship with suppliers

The Group ensures that it respects the conditions and payment deadlines of suppliers with a focus on French VSEs and SMEs, which are the most sensitive to excessively long payment deadlines (>60 days). Clayens also ensures compliance with the LME law (French): Economic Modernization Law. The LME law makes possible to protect SMEs and VSEs and to fight against the excesses of power of large contractors.

Apart from this particular focus, the Group monitors payment conditions in countries outside France and Europe. The 2023 report only notes 5 payment conditions exceeding 90 days. Clayens also supports 100% of its suppliers who request it, with financial difficulties.

To achieve a delivery service rate in line with the set objective of 95%, the Group supports its suppliers presenting difficulties in compliant deliveries, whether in terms of deadlines, quality or quantity. This monitoring of the upstream part of its supply chain allows the Group to anticipate and deal with possible problems, which could subsequently impact its entire value chain. Thus, Clayens remains attentive to the supply difficulties of its suppliers and implements operational solutions to support their production capacity, and the management of logistical crisis situations. Periodic monitoring by scorecard of suppliers includes an exchange on possible support solutions to engage. These constant exchanges with its suppliers allow Clayens to maintain a lasting relationship of trust with them.

Increase awareness among employees and suppliers of CSR issues

Clayens develops the knowledge of its employees and suppliers in terms of sustainable procurement. In 2023, 75% of the Group's buyers have completed sustainable procurement training.

At the same time, 60% of strategic suppliers were made aware of the CSR-Clayens module. Clayens also plans to raise awareness among its strategic suppliers about ISO 14 001, ISO 50 001 and ISO 9 001.

To improve its performance, Clayens aims to raise awareness, and train its Group procurement department as well as subsidiary buyers annually, on ethics and CSR themes.

Individual sustainable procurement objectives, for each Clayens buyer, will be put in place from 2024. This will allow employees to become increasingly involved in their social responsibility.



SUSTAINABLE PROCUREMENT

This is why the Group is planning several target training courses since 2023:

- Anti-corruption training for all subsidiary buyers before the end of 2024. (28% have already been trained in 2023)
- Monthly awareness raising on CSR risks by procurement category, currently being deployed for June 2024
- Training on LME (French law) and country-specific payment conditions for all Group buyers, whether based at headquarters or in subsidiaries.

Other awareness and support projects for suppliers are planned. Raising awareness on the responsible sourcing of conflict minerals and supporting strategic suppliers not registered on the ACESIA platform, will be deployed in 2024. Raising awareness among suppliers will also focus on measuring the carbon footprint. As Clayens' greenhouse gas emissions reduction strategy has been certified by the SBTi, the Group also encourages its raw material suppliers to measure and provide their own GHG assessments.

The aim of this commitment is initially to collect the data available from suppliers who have already worked on the subject. This will improve the finesse of Clayens' Scope 3 measurement. It will also involve suppliers, who have not yet taken this criterion into account, to start the implementation of the necessary means to decarbonize their process.



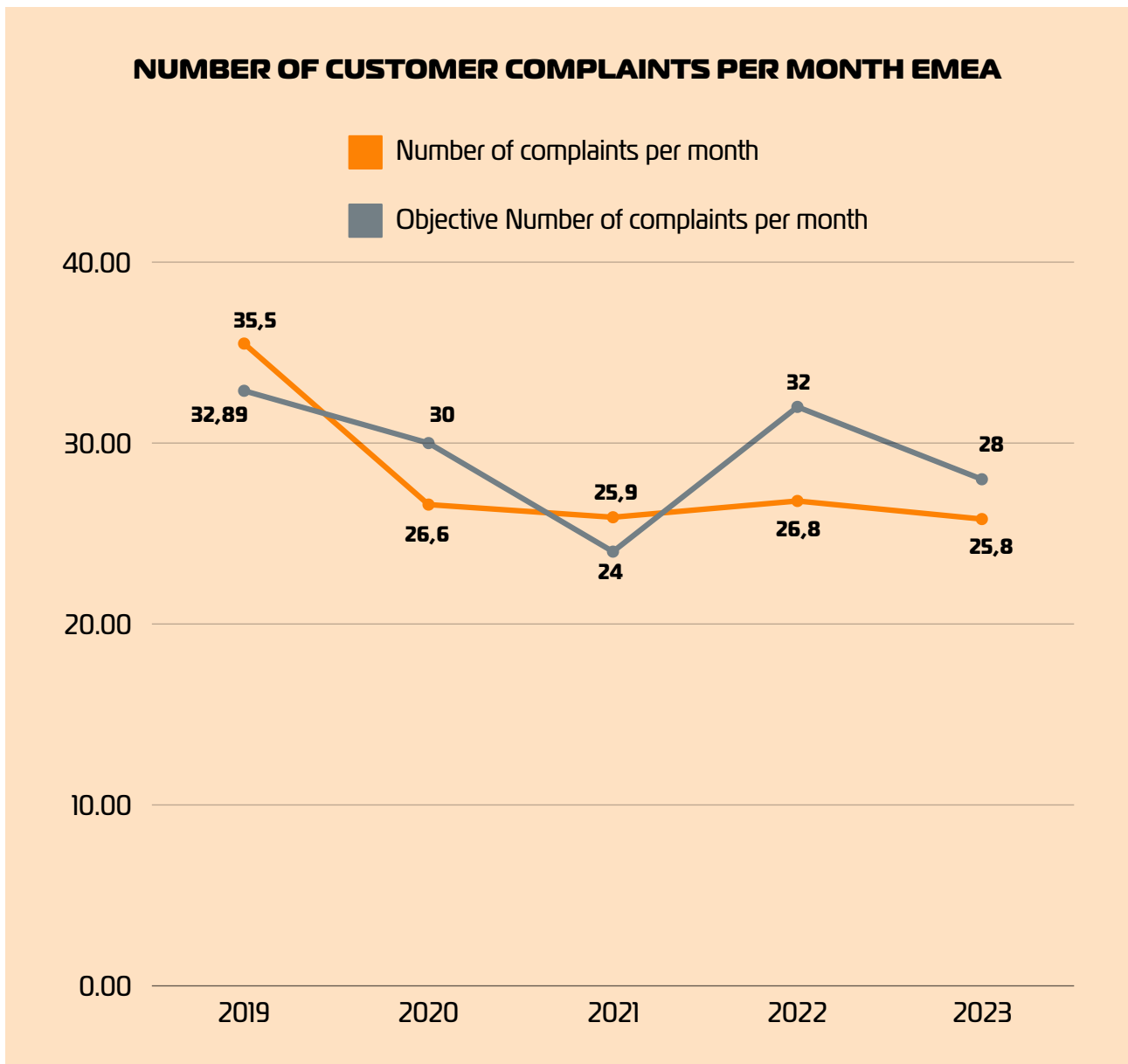
HEALTH, SAFETY & PRODUCT QUALITY

WHAT ARE WE TALKING ABOUT ?

- **Impact of products on health**
- **Impact of products on safety**
- **Product quality**

OUR GOALS

- 1 Process 100% of requests formalized by our customers, on our finished products, by the end of 2027
- 2 Reduce customer incidents by 10% per year
- 3 Reduce the customer PPM rate by 50% per year

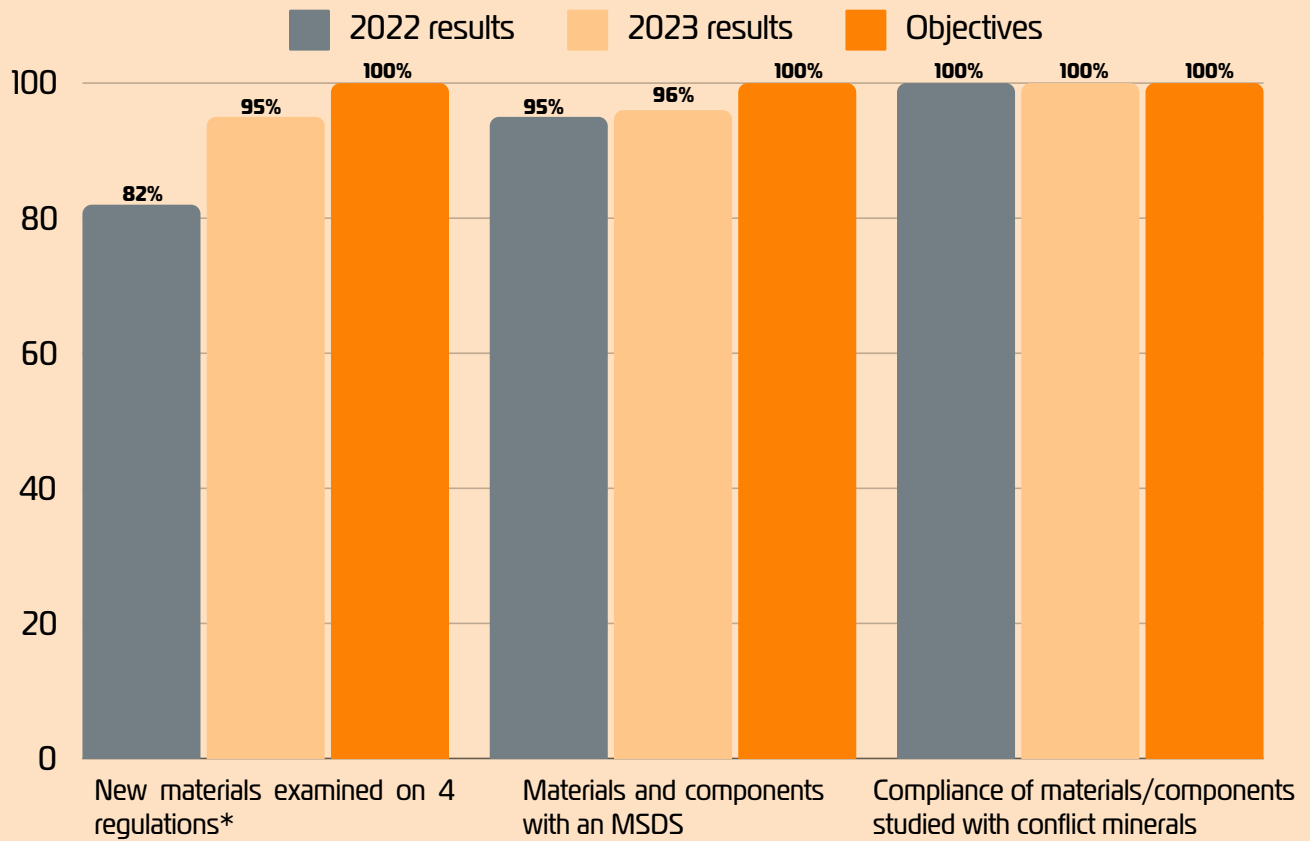


➤➤➤ At the end of 2023, the Group's PPM rate is 223 compared to 130 PPM in 2022, an increase of 60%(1). The year 2022 was a particularly weak year in terms of PPM. It should also be noted that, between 2022 and 2023, the scope of the group has changed from 23 to 32 subsidiaries.

(1) Estimated result because the Group's scope changed between 2022 and 2023 (2022: objective of 200 ppm for 23 companies / 2023: objective of 100 ppm for 32 companies)

KEY PRODUCT SAFETY PERFORMANCE FIGURES

MONITORING OF REGULATIONS FOR RAW MATERIALS AND COMPONENTS (%)



*REACH / ROHS / SVHC / Conflict Minerals



HEALTH, SAFETY & PRODUCT QUALITY

Policies

A Group environment policy, reviewed annually, has existed since 2019. Its last update dates from December 2023, and it is signed by the CEO. It is communicated internally, and applies to all Clayens sites. It has an axis dedicated to the Health and Safety of finished products to ensure the prevention of the health and safety of the end consumers of our products.

A management declaration exists and is reviewed annually. Its last update dates from January 2023. It includes quality issues and continuous improvement in customer satisfaction.

Actions taken & to be taken

Ensuring the prevention of the health of end consumers of our products

Requirements, particularly related to the use of chemical substances, can impact the environment as well as the health of consumers and Group employees: REACH Regulation, RoHS Directive, End-of-Life Vehicles (ELV) Directive, Conflict Minerals, PFAS ...

The Clayens Group has a products regulatory compliance department, whose mission is to ensure that products delivered to the Group's customers comply with various regulatory and customer requirements. The team that manages this section is the direct interface with the client, to respond and to provide the necessary elements for their requests, for proof of compliance with their requirements.

This department is also responsible for ensuring the non-use of conflict minerals in the Group's various productions. The Group send a Conflict Minerals Reporting Template (CMRT) to the suppliers concerned, and studies the response received from them to decide on the conformity of the article.

This issue is taken into account from the project phase. When registering a new material on the panel, the Group's Compliance Department systematically ask the supplier to send them the MSDS of the material, its certificate of conformity with REACH, its certificate of RoHS conformity and its compliance with the regulations on conflict minerals. As specified in the Responsible Purchasing policy as well as in the Clayens EGQA, the supplier must make available to the Group any response concerning the origin of tantalum, tin, tungsten, gold, as well as other minerals contained in the products they supply. They must ensure that the import of these minerals and metals comes exclusively from responsible sources, and that they do not come from conflict zones.



HEALTH, SAFETY & PRODUCT QUALITY

By the end of 2023, informations on conflict minerals is available for 100% of the suppliers surveyed. Of all the certificates received and studied, 100% of the Group's materials or components do not contain conflict minerals. The metals used in the Group's components come from recycling or scrap dealers.

Clayens also ensures compliance with the requirements for raw materials and components, imposed by customer specifications (IMDS Declaration, Specific Business Directives, etc.).

When a project reaches the pre-production phase, the client concerned sends Clayens a list of its requirements in terms of restriction of substances based on existing environmental and safety regulations and directives. These requirements are studied jointly between the compliance center and the Group quality department to decide on the conformity of the product. This verification is then updated following receipt of a formalized request from a customer throughout the serial life of the product.

To date, the response rate to customer requests has not been measured. A monitoring indicator is being deployed for a start in July 2024.

The Compliance department also monitors the updating of MSDS and regulatory certificates for the Group's raw materials, chemicals and components. At the end of 2023, around 99% of suppliers had submitted their various certificates on the regulations, following Clayens' request.

At the end of 2023, Clayens ensured compliance on the basis of 4 standards (Conflict Minerals, REACH, RoHS and ELV) for 95% of new materials included in the Group panel.

For 2024, the Group plans to recruit an additional person to expand the product compliance department. The objective is to ultimately be able to respond to 100% of the requests received by its customers, for parts that the Group has delivered to them over a given period. To date, there has never been a need to resort to the Clayens product recall procedure.

Ensuring the prevention of the safety of our employees and the end consumers of our products

A chemical risk assessment is systematic for French sites. It makes it possible to monitor the exposure of Clayens employees to risks linked to the use of raw materials, components and chemical products. All products are evaluated using an INRS tool.

This evaluation is kept up to date as new products are integrated onto the sites.



HEALTH, SAFETY & PRODUCT QUALITY

Before introducing a new product or material on site, the MSDS and a request for safety advice (internal Group document) are sent to the Group EHS department for the assessment of the product's health and safety risk. If the product or material is categorized as dangerous, the first action taken is to seek replacement in agreement with the customer, if necessary.

For non-French sites in the EMEA zone, the subsidiaries base themselves at least, on the product MSDS and the regulations in force in their country to assess the risk, and put in place the necessary protective equipment.

A new chemical risk analysis tool is being deployed for start-up in January 2024, in the EMEA scope.

To complement the specific actions taken in different departments, all employees are trained in the handling and storage of chemicals.

Clayens produces plastic parts; some of which are subject to safety restrictions linked to the use of the final product. This is particularly the case for so-called "SR" parts - Safety / Regulations - which concern the automotive sector.

The monitoring of these parts is integrated into a dedicated process governed by a specific work instruction.

This process includes:

- Identification of parts by a logo representing an inverted triangle within a circle
- Notification of these parts and their special characteristics in site monitoring plans
- Carrying out annual internal product audits
- Raising awareness among the personnel concerned about the risks linked to SR parts, via support available on the Group intranet, which is supplemented by internal supports at the sites concerned.

A specific PSRC qualification will be provided to all Quality Managers on EMEA sites in 2024.

In the medical sector, the parts concerned are subject to specific information procedures with the health authorities. These are based on Materiovigilance. Via these procedures, Clayens notifies the health authorities in the event of non-compliance observed in its raw materials, which could create a health risk.

The site Quality managers are responsible for reporting information. To date, Clayens has never needed to resort to these procedures.



HEALTH, SAFETY & PRODUCT QUALITY

An escalation process, called “Red Alert”, is in place in the event of a security crisis, or other major event involving risks for staff and/or customers. This is ensured via our industrial management software Fabriq, which is then passed on to Group functions, including General, Regional and Sector Management.

Whatever the sectors of activity, site’s quality managers are representatives of the safety of products. Risk Control Plans as well as FMEAs are established from the design phase in order to assess the potential risks linked to these products. The aim of these risk studies is to be able to anticipate, as early as possible, problems and points of vigilance to be implemented on the manufactured parts. To date, there have never been any legal proceedings related to product safety.

The Group carries out planned annual tests for certain products when necessary or required by the customer (stress resistance test, pull-out test, electrical insulation test, etc.). External qualifications on safety product management, called PSRC, are being deployed and are planned for 2024 for all Quality managers at sites working in the automotive sector.

A training program specific to the aeronautics sector is also being studied.

Product quality management

Clayens is certified through its subsidiaries on 6 different Quality standards.

The Group's sites are, at a minimum, certified to the specific standard of its own sector(s) of activity: IATF 16 949 for the automobile industry, ISO 13 485 and/or ISO 15 378 for the medical sector, EN 9 100 for the aeronautics, AQAP 2 110 for defense.

In addition to these certifications, certain sites are certified on the common core ISO 9001, which represents 82% of the Group. Each site is autonomous in managing the quality of its products, while complying with the Group's standards.

Customer satisfaction performance indicators are managed by each of the Group's entities and a progress plan, linked to the pursuit of defined objectives. It is established annually.

The Group's subsidiaries carry out 2 management reviews per year to assess the progress on their action plans and their performances, in relation with their overall objectives.



HEALTH, SAFETY & PRODUCT QUALITY

Once a year, the Group Quality Department brings together all site Quality managers for an annual review of results, as well as a projection for the coming year. Assessments and feedback on certification audits are presented, including improvement guidelines. Part of this meeting is also used for workshops promoting time for discussion on improving the system.

To ensure the effective approach to continuous improvement of the sites, in addition to the various reports, the Group Quality Department pilots internal processes audits.

Monthly reporting allows sites to report key operational indicators to the Group, which allows the latter to monitor it throughout the year. In order to allow real-time feedback on the performance of each site, the Group has adopted specific Group software (FabriQ software), implemented in 2023 and which will be operational in January 2024 for all EMEA sites.

For several years, Clayens has been stepping up its digitalization. This commitment is reflected today in the development of "factory 4.0". This approach is based, among other things, around the deployment of touch screens on each of the presses, thus facilitating dematerialized access to documents and production declarations. As mentioned previously, this IT deployment is also supplemented by a monitoring and reporting tool for all of the site's management and performance indicators, aimed at drastically reducing email and paper exchanges.



7

BUSINESS ETHICS

ISSUE



CORRUPTION & FIGHT AGAINST MONEY LAUNDERING

WHAT ARE WE TALKING ABOUT ?

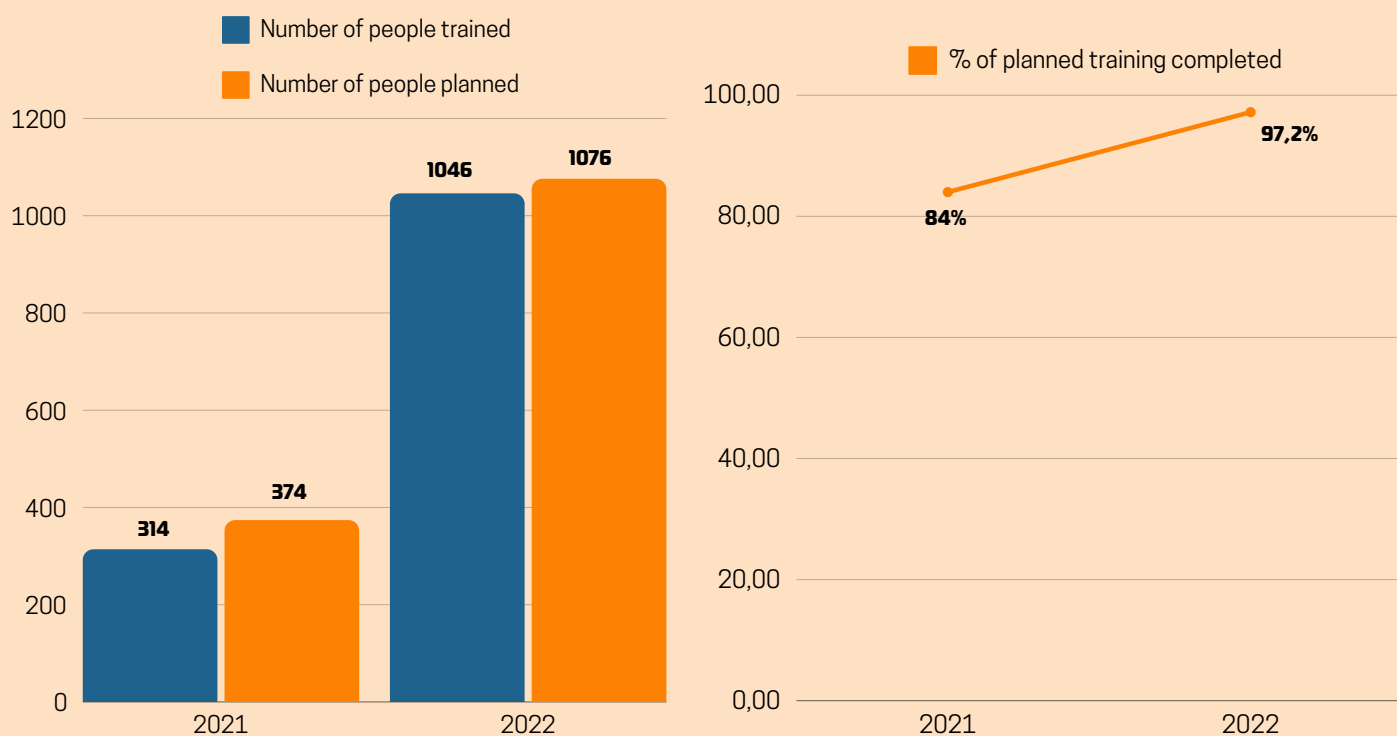
- ↪ **Fraud**
- ↪ **Fight against money laundering**
- ↪ **Fight against corruption**

OUR GOALS

- 1** Keep 100% of targeted people trained in anti-corruption
- 2** Have less than 1% of strategic suppliers in the red zone, according to the Corruption Perception Index (CPI)
- 3** Have 0% of strategic suppliers in the black zone, according to the Corruption Perception Index

KEY PERFORMANCE FIGURES

EVOLUTION OF EMPLOYEES TRAINED IN ANTI-CORRUPTION



NB: there was no anti-corruption training during 2023, because the e-learning platform used was being tested. This expired at the end of 2022. A project to set up a new e-learning platform is currently being considered, and should make it possible to relaunch the subject by the end of 2024.

- 100% of executives and department managers (outside the NAM zone) sign the Code of Ethics worldwide.
- 100% of buyers at Group level (outside NAM zone) are trained in anti-corruption.
- 0.04% of strategic suppliers are in the red zone, according to the CPI.
- 0% of strategic suppliers are in the black zone, according to the CPI.

(1) This result covers 100% of the 2023 operational control *Reference year

CORRUPTION & FIGHT AGAINST MONEY LAUNDERING

Policies

An Ethics Code exists, and is reviewed annually. The last update dates from March 2023, and is signed by the CEO. It is communicated internally and applies to all Clayens sites. It is available on the Clayens website in all of the Group's spoken languages and on the company intranet.

Corruption & Anti-money laundering issues:

- **Train and raise awareness of ethics and anti-corruption among exposed employees**
- **Assess and prevent the risk of corruption and ethics violations**

Actions taken & to be taken

Train and raise awareness among employees exposed to ethics and anti-corruption

The internal regulations of the Group's various subsidiaries all include an article on work ethics in connection with the Group's code of ethics.

So that each employee is aware of Clayens' requirements in terms of ethics, the Group Ethics Code and the internal regulations of the site concerned are distributed to all employees upon their arrival. In the event of hiring or professional development, executives, department managers and buyers sign the ethical code. The latest version was updated in February 2023, with an addition regarding sensitive transactions and the gift policy. This new version was sent to all employees, and communicated in paper form with the pay slip to workers. At the same time, simplified communications of the code of conduct are displayed on sites, and communicated to employees.

In addition to this document, in France, 2-hour classroom training on anti-corruption was provided to 100% of senior executives and staff, determined to be at risk by a law firm. To determine which staff are at risk, within the scope of actions specific to Clayens, a mapping of corruption risks was established in 2019, in collaboration with the external firm, which also provided the anti-corruption training. The mapping is updated annually by the Group Quality Department, and jointly with the Compliance department.

The latest version dates from January 2022. Clayens salespeople are also trained on how to set correct and ethical prices.



CORRUPTION & FIGHT AGAINST MONEY LAUNDERING

There is no price adjustment beyond market logic nor any price arrangement between the commercial departments of Clayens' competing companies. No bonus is authorized in the event of a contract award. It is planned to update the ethical code during 2024 to make it more visually attractive, and to make corrections or additional information in certain articles. Likewise, in a spirit of cross-functionality and to ensure everyone's understanding of the concepts and issues related to anti-corruption and ethics, an e-learning training module is being deployed. In April 2024, awareness training will be organized by the McDermott Firm as part of the annual meeting of the Executive Committee, for all subsidiary directors as well as for several managers at group level.

A travel and travel expenses policy has existed since 2021. A new version was drafted in 2023. This policy is given and explained to each person, whose role requires regular business travel.

It is also given to any person who must travel as part of a mission or training outside the site where they are attached.

This policy defines the rules to be respected during a business trip, in particular on the advance and reimbursement of expenses, and the definition of what is acceptable or not in terms of gifts and invitations. Concerning the validation of expenses, a double signature procedure, between employee and line manager, is in place. The expenses are then verified by accounting.

Assess and prevent the risk of corruption and ethics violations

The Group acts in compliance with the tax rules of the countries where it is present, and fulfills its tax declaration obligations within the required deadlines. Clayens does not use any complex financial arrangements aimed at obtaining a tax advantage, and does not have a subsidiary in countries on the "list of non-cooperative tax jurisdictions" of the European Union. To date, there have never been any legal proceedings associated with corruption and regulations on anti-competitive behavior against Clayens.

Annual CSR audits, including business ethics, are carried out by several Group stakeholders, including certain shareholders, across the entire Clayens Group. Following these audits, reports are produced taking stock of the Group's CSR maturity level and areas for improvement to be developed, to continually improve its score.

The Purchasing Quality department also monitors two indicators on suppliers located in red or black zones, according to the Corruption Perception Index (CPI).

The CPI is an indicator established by the global organization Transparency International. This index focuses its attention on corruption in the public sector, and defines corruption as the abuse of public office for personal enrichment.



CORRUPTION & FIGHT AGAINST MONEY LAUNDERING

The surveys used to compile the CPI ask questions related to the abuse of official power for personal gain (for example, bribery of public officials, bribery in public procurement, embezzlement of public funds), or questions that probe the firmness of anti-corruption policies, thereby including administrative corruption and political corruption.

This organization assigns a score from 0 to 100, from highly corrupt to weakly corrupt. It offers a graphical representation of countries in 4 color categories, ranging from black to yellow. The black zone corresponds to a score between 0 and 9, and the red zone is between 10 and 39.

Clayens has two objectives regarding the management of its strategic suppliers in relation to the CPI:

- Less than 1% of its strategic suppliers must be located in a red zone
- None of its strategic suppliers must be located in a black zone

At the end of 2023, only 0.04% of strategic suppliers were in a red zone, and none were in a black zone. These figures are identical to those for 2022.

As detailed in the HR “Worker Rights” section, the Group has implemented an alert procedure allowing any feedback on possible abuses of fraud, corruption and money laundering.



FAIRNESS OF PRACTICES

WHAT ARE WE TALKING ABOUT ?

- ↪ **Anti-competitive practices**
- ↪ **Compliance**

OUR GOALS



Respect the legal and CSR commitments of the Group's various stakeholders

KEY PERFORMANCE FIGURES

- No alert on non-compliance with fair practices has been made since the creation of the Group alert procedure.
- 100% of people exposed to the risks of unfair practices have signed the Group's code of ethics (outside NAM scope)

(1) This result covers 100% of the 2023 operational control

FAIRNESS OF PRACTICES

Policies

An Ethics Code exists, and is reviewed annually. The last update dates from March 2023, and is signed by the CEO. It is communicated internally and applies to all Clayens sites. It is available on the Clayens website in all of the Group's spoken languages, and on the company intranet.

Actions taken & to be taken

Agreements and understandings with competitors

Competition law (or “antitrust” laws) guarantees open and fair competition between companies. Open and fair competition is in the direct interest of Clayens, as well as that of its customers, consumers and society as a whole. These laws must be scrupulously respected. Companies and individuals who violate these laws may face civil and criminal penalties.

The Group has had a code of ethics since 2014, which is regularly updated according to changes in regulations and best practices to adopt.

This document is given to all newly hired employees. It is accessible to everyone internally on the intranet, and externally, on the Clayens website. This code sets out several commitments that all Group employees must respect:

- No Clayens employee must participate in agreements with competitors with the intention or result of fixing prices, distorting a call for tender process, sharing a market, limiting production or boycotting a customer or supplier
- Group employees are prohibited from exchanging sensitive information with competitors, as this constitutes a violation of competition law.
- Clayens employees must avoid any situation that creates, or could create a conflict between their personal interests (or those of their family members) and those of the Group. To protect employees and Clayens from a real or apparent conflict of interest, employees must not hold interests or investments in the business of a supplier, customer, competitor or consultant of Clayens, nor in any partner company, if its interests or investments are likely to influence the commercial decisions taken on behalf of Clayens



FAIRNESS OF PRACTICES

- An employee must not deal directly with a business partner – customer, supplier, agent, consultant or any other third party – if he or a member of his family has an interest in these businesses. If the case arises, the employee must inform the manager of his unit of the situation in a transparent manner, and an arbitration will take place to define whether the file must be reassigned to another person.
- No employee must accept external work offered by a supplier, client or competitor, nor carry out an external mission that could harm their performance or their judgment in the exercise of their functions at Clayens. Employees must inform their manager of any employment carried out outside the company.

Respect for competition is also present within the Purchasing Quality requirements, and in the Responsible Purchasing Charter, which are transmitted to the Group's suppliers and subcontractors and which must be signed by them.

The Group Purchasing Quality department establishes a risk map every six months by purchasing category according to 3 possible CSR impact categories: fairness of practices, the environment and human rights and social conditions. After rating from 1 to 4 (4 being the highest level of risk) on these 3 criteria, each category obtains a gross risk score: risk on the category depends on the Clayens activity if no action is taken by the Group. This score is then re-evaluated to obtain the net risk: residual risk taking into account the control measures taken by Clayens (for example: establishment of requirements on working conditions, establishment of specific specifications with conditions on CSR). The objective is to reduce the net risk score after action to a score below 50, which is the trigger threshold used by Clayens.

Clayens requires its suppliers and subcontractors to strictly comply with all legal provisions relating to their activities and their professional environment. The Group puts in place measures to ensure compliance with these commitments, during the selection and during the execution of contracts. As detailed in the HR “Worker Rights” section, the Group has implemented an alert procedure allowing any feedback on possible abuses of fraud, corruption and money laundering.

A Compliance division in 2023 has been created within the Group. This independent division, which reports directly to the General Direction of Clayens, is responsible for identifying risks linked to regulatory compliance, particularly on subjects linked to ethics, free competition, anti-corruption and proposing a compliance program of actions enabling the Group to strengthen its position on these themes. This division will also be in charge of restructuring Clayens' compliance approach by defining the new rules to apply, supporting the subsidiaries and structuring internal controls.

INFORMATION SECURITY & CONFIDENTIALITY

A large, light blue shield with a white padlock icon in the center, positioned behind the title and the 'WHAT ARE WE TALKING ABOUT?' section.

WHAT ARE WE TALKING ABOUT ?

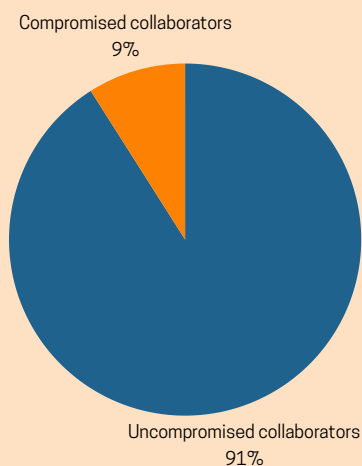
- ↪ **Data Privacy**
- ↪ **IT security**

OUR GOALS

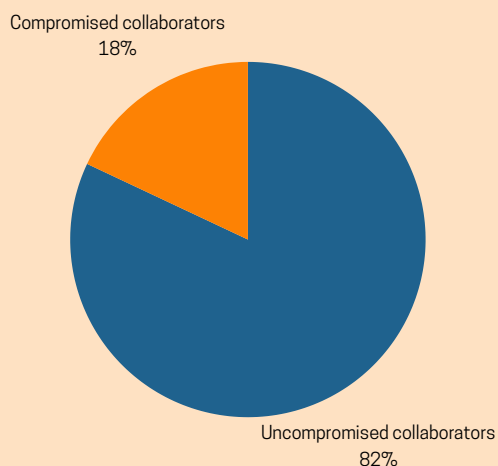
- 1 Train 100% of people with access to IT resources by 2025 in IT security
- 2 Carry out 4 annual internal phishing campaigns
- 3 Reintegrate 100% of people who failed a first phishing campaign into a second campaign

KEY PERFORMANCE FIGURES

RESULTS OF THE 4TH PHISHING CAMPAIGN 2022



RESULTS OF THE 4TH PHISHING CAMPAIGN 2023



- In 2023, 38.5% of employees followed a cybersecurity awareness, compared to 3% in 2022.
- In 2023, 4 phishing campaigns were carried out. This figure is identical to the year 2022.
- 100% of people who failed a first internal phishing campaign were reinstated in a second campaign.
- NB: A compromised employee is a person who proceeded to a malicious behavior such as credentials sharing, link opened, attachment downloaded, etc...

INFORMATION SECURITY & CONFIDENTIALITY

Policies

A Group Information Security policy has existed since January 2022, and is reviewed annually. The last update dates from December 2023, and is signed by the CEO as well as both CIO and CISO. It is communicated internally, and applies to all Clayens sites.

Security & Confidentiality of information issue:

- **Raise awareness and train users of IT services within the Group**
- **Ensuring compliance with data protection**

Actions taken & to be taken

Train and educate users about IT services

At Clayens, each new arrival, whose position requires the use of any IT system, follows a cybersecurity training during their integration process. Awareness needs are identified before the person actually arrives on site via an internal Group document. This document lists both the computer equipment needs necessary for the employee, but also the different access rights to be granted to them.

Upon arrival, the Group's IT Charter is communicated to them via a welcome booklet. There follows a training period with the module on the subject of IT security. Within this cybersecurity training, the different threats that a user may encounter (phishing, account violation, hacking of data while roaming in particular) are presented. An explanation on the detection of these threats and a list of advice and best practices are given to them. The aim of the module is to provide the key points to adopt in order to have good behavior guaranteeing the security of the data held or processed.

To evaluate the effectiveness of the training provided, periodic internal phishing campaigns are carried out by the IT department. The results of these tests are communicated to the various sites accompanied by comments reminding the correct reflexes to have in the event of an attack of this type. People who fail these tests are automatically reinstated in the list of people to be retested during subsequent campaigns. The last test dating from the end of 2023, achieved a success rate of 82% (out of 1980 emails sent). Subsequently, people who failed the first attempt were retested, and there was an 80% success rate in this second phase.



INFORMATION SECURITY & CONFIDENTIALITY

From 2024, actions to raise awareness of the GDPR and cybersecurity will be organized via e-learning in order to be able to increase the number of training courses carried out per year, and thus be able to achieve the set objective, which is to train 100% of people concerned on cybersecurity risks.

Ensuring compliance with data protection

A dedicated team within the Group IT department, made up of 4 people, is responsible for ensuring the continuous improvement of cybersecurity. This data protection system prevents attacks from outside, but also internal that could, for example, come from Group users. Only hardwares or softwares that has been authorized by the IT department can be installed on each employee's machines.

The tasks performed on the user's machine are constantly recorded in order to detect, and alert on potential security risks.

Web access is filtered according to the Information Security policy.

Any critical equipment is monitored, and an alert is automatically triggered in case of suspicious behavior. More generally, the entire IT system is protected from threats such as malwares or advanced attacks. This additional protection is provided by the active supervision of a dedicated team from an external service provider, 24/7.

Within each site, computers and servers are updated regularly to ensure that they have the latest protections. Internal and external audits are carried out every two years to test the Group's robustness against a targeted attack. Those intrusion tests have been carried out by an external firm since 2018.

Rules to guarantee compliance with the GDPR are applied on each European site of the Group. Subsidiaries outside the European Union have data protection policies specific to the regulations in force in their country. A GDPR analysis is carried out on each site according to its regulations, by payroll, to guarantee compliance with communication rules, the retention schedule and alert rules.

Since 2023, with the desire to face the risks of threats on mobile devices (mobile phones, tablets, laptops) and the growing role of teleworking in new organizations, multi-factor authentication to access VPNs from Clayens was deployed. Likewise, access to "public cloud" applications can only be done via multi-factor authentication.



SASB

8

CORRESPONDENCE

TABLE



SASB CORRESPONDENCE TABLE

Given the specificity of the Group's activities, namely the manufacturing of plastic parts for 6 different fields of activity and the fact of being a tier 2 supplier for the automobile and aeronautics industries, Clayens does not belong to any specific category of the Sustainable Accounting Standards Board (SASB).

The Group has therefore selected the following two most representative sectors:

- Electrical and electronic equipment
- Chemical products

Subject	Accounting measure	Category	Unit of measurement	Code	Answers
Energy management	(1) Total energy consumed, (2) Percentage of electricity that comes from the network, (3) Percentage of renewable energy (4) Percentage of self-produced energy	Quantitative	Gigajoules (GJ), Percentage (%)	RT-EE-130a.1	(1) Total energy consumption of the Group: 309,258 GJ or 85.905 GWh (2) 91% (3) 9% (4) 0.5% cf. 4. Environmental Issue – Climate and energy p.47 and 49
Product safety	Number of (1) recalls issued and (2) total number of units recalled	Quantitative	Name	RT-EE-250a.1	(1) and (2): 0 There has never been any recourse to the Clayens product recall procedure cf. 6. Value chain and products issue - Health, Safety, Product quality p.117
	Total amount of financial losses resulting from legal proceedings related to product safety	Quantitative	Devises de reporting	RT-EE-250a	0€ There have never been any legal proceedings related to product safety cf. 6. Value chain and product issue - Health, Safety & Product quality p.119
Hazardous waste management	Quantity of hazardous waste generated, percentage recycled	Quantitative	Metric tons (t), Percentage (%)	RT-EE-150a.1 RT-CH-150a.1	357.6T of hazardous waste of which 5% recycled cf. 4. Environmental Issue - The environment in a few figures p.45
	Number and total quantity of spills to be reported, quantity recovered	Quantitative	Number, Kilograms (kg)	RT-EE-150a.	0 kg there were no spills to report so no quantity to report cf. 4. Environmental Issue - Water & Pollution p.58



SASB CORRESPONDENCE TABLE

Product lifecycle management	Percentage of products, by recipe, containing substances declarable according to the IEC 62474 standard	Quantitative	Percentage (%) by turnover	RT-EE-410a.1	0% Clayens reviews its products to comply with the RoHS directive and REACH regulations. There is no specific report according to the IEC 62474 standard in the Clayens CSR Report. cf. 6. Value chain and product issue - Health, Safety & Product quality p.116 and 117
	Percentage of eligible products, by recipe, certified in energy efficiency	Quantitative	Percentage (%) by turnover	RT-EE-410a.2	0% Clayens does not place its own products on the market. The Group therefore does not have any products certified for energy efficiency.
	Revenues from products related to renewable energy and energy efficiency	Quantitative	Percentage (%) by turnover	RT-EE-410a.3	0% Clayens does not produce parts intended for renewable energies and energy efficiency
Supply of materials	Description of risk management associated with the use of critical materials	Discussion and Analysis	S/O	RT-EE-440a.1	Clayens does not use critical materials as defined by the National Research Council. However, the Group monitors the origin of its metal materials. cf. 6. Value chain and products issue - Health, Safety & Product quality p.116 to 119
Business Ethics	Description of policies and practices for the prevention of: (1) corruption and (2) anti-competitive behavior	Discussion and Analysis	S/O	RT-EE-510a.1	cf. 7. Business Ethics Issue p.123 to 129
	Total amount of financial losses as a result of legal proceedings associated with corruption	Quantitative	Devises de reporting	RT-EE-510a.2	0€ To date, there have never been any legal proceedings associated with corruption against Clayens. cf. 7. Business Ethics Issue - Corruption & Fight against money laundering p.125
	Total amount of financial losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	Devises de reporting	RT-EE-510a.3	0€ To date, there have never been any legal proceedings associated with regulations on anti-competitive behavior against Clayens. cf. 7. Business Ethics Issue - Corruption & Fight against money laundering p.125



SASB CORRESPONDENCE TABLE

Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in high or extremely high baseline water stress regions	Quantitative	Thousands of cubic meters (m ³), Percentage (%)	RT-CH-140a.1	(1) 35,569 m ³ , 0% (2) 35,569 m ³ , 0% cf. 4. Environmental Issue - Water & Pollution p.56
	Number of non-compliance incidents associated with water quality permits, standards and regulations	Quantitative	Name	RT-CH-140a.2	0 There have been no incidents of non-compliance associated with water quality permits, standards and regulations. cf. 4. Environmental Issue - Water & Pollution p.60
	Description of water management risks and discussion of strategies and practices to mitigate these risks	Discussion and analysis	S/O	RT-CH-140a.3	cf. 4. Environmental Issue - Water & Pollution p.56 to 60
Greenhouse gas emissions	Gross global scope 1 emissions, percentage covered by regulations limiting emissions	Quantitative	Metric tonnes (t) of CO ₂ -e, Percentage (%)	RT-CH-110a.1	1 822,4 TeqCO ₂ 0% of scope 1 emissions are covered by regulations limiting emissions cf. 4. Environmental Issue p.44
	Discussion of the long- and short-term strategy or plan for managing scope 1 emissions, emissions reduction targets and an analysis of performance against these targets	Discussion and analysis	S/O	RT-CH-110a.2	cf. 4. Environmental Issue - Climate & Energy p.44 and from 47 to 54
Employee health and safety	(1) Work accident frequency rate (TRIR) (2) Mortality rate for (a) direct employees and (b) salaried employees	Quantitative	Rate	RT-CH-320a.1	(1) 0.58 (2) (a) and (b) 0 There were no fatal accidents among direct employees and salaried employees of Clayens. cf. 5. Social Issue - Health & Safety at work p.97
	Description of efforts to assess, monitor and reduce employee and contract worker exposure to long-term (chronic) health risks	Discussion and analysis	Devisé de reporting	RT-CH-320a.2	cf. 5. Social Issue - Health & Safety at work p.96 to 100



SASB CORRESPONDENCE TABLE

Air quality	Atmospheric emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) Volatile Organic Compounds (VOCs) (4) Hazardous Air Pollutants (HAPs)	Quantitative	Metric tons (t)	RT-CH-120a.1	The subject and associated measures were omitted due to their inapplicability for the Clayens group. Clayens is a plastics processor and uses diffuse and non-continuous discharge processes. There is no specific measurement campaign that can be carried out other than a frequency control on the paint booth at its site in Hungary.
Product design	Recipes for products designed for resource efficiency during the use phase	Quantitative	Reporting currency	RT-CH-410a	The subject and associated measures were omitted due to their inapplicability for the Clayens group. In most cases, Clayens is never the designer of the products he sells. Prior to the production phase, Clayens' customers have designed the entire finished product that the company will have to produce.
Safety and environmental stewardship of chemicals	(1) Percentage of products containing substances hazardous to health and the environment of categories 1 and 2 according to the Globally Harmonized System of Classification and Labeling of Chemicals (GHS), (2) Percentage of these products for which a risk assessment has been carried out	Quantitative	Percentage (%) by turnover	RT-CH-410b.1	The subject and associated measures were omitted due to their inapplicability for the Clayens group. Clayens does not place chemicals on the market. However, all of the chemicals handled during its operations by its employees have undergone a risk assessment.
	Discussion of the strategy for (1) managing chemicals of concern and (2) developing alternatives that reduce the impact on people and/or the environment	Discussion and analysis	S/O	RT-CH-410b.2	cf. 6. Value chain and products issue - Health, Safety & Product quality p.113 to 119
Genetically modified organism	Percentage of products, by recipe, containing genetically modified organisms (GMOs)	Quantitative	Percentage (%) by turnover	RT-CH-410c.2	The subject and associated measures were omitted due to their inapplicability for the Clayens group. Clayens does not place chemicals on the market.
Legal and regulatory environment management	Discussion of corporate positions related to government regulations and/or policy proposals addressing environmental and social factors affecting the industry	Discussion and analysis	S/O	RT-CH-530a.1	To date, only regulations prohibiting the use of PFAS in the future may represent a threat to certain finished products of the Group. cf. 1. The Clayens company - Threats p.12

SASB CORRESPONDENCE TABLE

Operational security – emergency preparedness and response	Number of process safety incidents (PSIC), Total process safety incident rate (PSTIR), Process safety incident severity rate (PSISR)	Quantitative	Number, Rate	RT-CH-540a.1	The subject and associated measures were omitted due to their inapplicability for the Clayens group. Clayens does not produce chemicals but is a producer of plastic parts. It does not use chemical processes.
	Number of transport incidents	Quantitative	Name	RT-CH-540a.2	0 There were no transport incidents to report in 2023, according to the European Agreement relating to the International Transport of Dangerous Goods by road nor according to other specific non-European regimes.

Activity measurement	Category	Unit of measurement	Code	Answer / Section and page
Number of units produced by product category Production by sector to declare	Quantitative	Number Cubic meters (m³) and/or metric tons (t)	RT-EE-000.A RT-CH-000.A	The Group has more than 13,000 catalog product references across several product families. It is therefore difficult to quantify the number of products per category. This is why a ratio of turnover per market share is represented here. In 2023, the Group's turnover is €380 million. It is broken down as follows by sector of activity: - Electrical and Infrastructure 21% - Automobile 19% - Industrial & Equipment 19% - Medical 17% - Home & Life 11% - Aeronautics & Defense 7% - Other sectors 6% cf. 1. The Clayens Company - Our markets p.7
Number of employees	Quantitative	Name	RT-EE-000.B	5,243 employees cf. 1. The Clayens Company p.4

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**METHODOLOGICAL
NOTE**



METHODOLOGICAL NOTE

Selection of indicators

The CSR performance indicators have been defined with regard to the Group's activities as well as the resulting social and environmental issues.

They enable operational management of the progress of the approach on each of the areas of progress that Clayens has defined. They also make it possible to report transparently on the Group's extra-financial performance, in this annual report, as well as to the Group's various stakeholders, both internally and externally. The Clayens CSR program is part of the SASB. Through its CSR strategy, the Group contributes to 12 of the 17 sustainable development goals defined by the United Nations. The calculation, measurement and analysis methods used comply with appropriate national or international standards where they exist. As part of its CSR strategy, the Group has set around twenty more or less long-term objectives (from 2024 to 2030). The results of these selected key performance indicators are available in the "CSR approach" section. These performance indicators are subject to an analysis of their progress, namely whether they are compliant or not. This allows you to see if they are stable or currently being deployed.

Reporting management

The Executive Committee is responsible for coordinating the reporting process and centralizing the indicators collected from the different businesses. He guarantees compliance with the reporting schedule and organizes, in consultation with the business departments, the external communication of data, in particular within the framework of audit questionnaires and the Group's annual report. The business departments ensure the overall consistency of the reporting and are the preferred contacts for the external auditors. The collection of CSR indicators is managed by these same business departments in their respective areas of expertise. The departments rely on their network of local experts who are the contributors of the data.

Consolidation and internal control

The business departments ensure internal control of the data for which they are responsible, validating their consistency and plausibility. To do this, they carry out consistency tests on the appropriate indicators (highlighting and justifying variations from one year to the next, calculating ratios allowing the performance of different entities to be compared, etc.) . The significant gaps identified are the subject of an in-depth study, in consultation with the contributor of the data; and are possibly corrected.

The business departments are also responsible for consolidating the data collected in order to generate the Group indicators (present in this report), which they communicate to the Executive Committee.



METHODOLOGICAL NOTE

Reporting tools

The data is reported and consolidated through several collection systems, under the responsibility of the business departments which manage them.

All data relating to environmental indicators are collected by the Group Health, Safety and Environment Department, using an Excel EHS reporting tool developed by the company OïD Consultants and the majority of calculations are carried out there.

Most of the data related to employee Health and Safety is collected by the Group Health, Safety and Environment Department, via the same Excel EHS tool used for the environment.

Most of the data relating to social indicators, with the exception of data related to Health and Safety, is collected via internal spreadsheets and payroll software within the Group's French scope by the Group Human Resources Department.

Some data comes from information systems deployed within the Group, for example, our SAGE X3 integrated management software package or by direct evaluation, particularly for responsible purchasing reporting.

Scope and reporting period

The data published for the year 2023 concerns all Group entities and subsidiaries integrated as of December 31, 2023, with some exceptions. The data collected covers the period from January 1 to December 31, 2023.

According to the indicators, these are:

- an annual consolidation of data from January 1, 2023 to December 31, 2023
- the data measured as of December 31, 2023

Social and Health Safety of own workforce

Clayens' social reporting covers all of its industrial sites and subsidiaries (in France and abroad) including at least one employee on a fixed-term contract (CDD) or indefinite-term contract (CDI) during the period from January 1 to December 31, 2023 (except for exceptions if mentioned).



METHODOLOGICAL NOTE



Environment

Environmental reporting includes all industrial sites of the Group and its subsidiaries.

The water consumption indicator is reported on a headcount basis.

Direct impacts of subcontractors' and suppliers' activities carried out within the sites are accounted for by the site. Impacts of subcontractors' and suppliers' activities carried out outside the sites are not accounted for by the sites. Subcontracted production activities are not accounted for.

The emission factors linked to electricity consumption for the Maghreb and Mexican sites come from ADEME.

The emission factors linked to consumption for French and European sites come from the residual mix report of the Association of Issuing Bodies (AIB), available on their website.

For fuel oil, natural gas and propane, refrigerants, gasoline and diesel, the emission factors are those of ADEME.

The method for calculating the carbon footprint of Scopes 1, 2 and 3 is that of the Association Bilan Carbone, based on the method developed by ADEME.

The evaluation was carried out using a method based on primary data collected internally, for Scope 1 and 2, and externally, for Scope 3.

For Scope 3, the calculation is based, in part, on primary data from our external stakeholders, in particular for business trips, the distances traveled come from the reporting of our travel agency. For staff travel (home-work), the data was collected via a survey of employees.

All GHG measurements are compliant, and validated as such by the SBTi in its Group strategy validation report, with the GHG protocol.



10

GLOSSARY



GLOSSARY

LCA : Life Cycle Analysis

FMEA: Analysis of Failure Modes, Their Effects and Their Criticality

ATS: Applicant Tracking System (applicant management tool)

EXCOM: Executive Committee

VOC: Volatile Organic Compounds

CMRT (Conflict Minerals Reporting Template): Report template for conflict minerals

SEC : Social and Economic Committee

CSRD : Corporate Sustainability Reporting Directive

HSWCC: Health, Safety and Working Conditions Commissions

HW: Hazardous Waste

HR : Human Resources

AC: Adapted companies

EGQA (General Purchasing Quality Requirement) : Internal charter

EMEA: Europe, Middle East and Africa Sector

GHG emissions: Greenhouse Gas Emissions

CPE: Collective Protective Equipment

PPE: Personal Protective Equipment

PRA: Professional Risk Assessments



GLOSSARY

FTE: Full-Time Equivalents

WSES: Work Support Establishments and Services

Expert: employee with proven experience in one or more technical fields allowing them to develop autonomy, train employees and transfer their know-how. He has one or more rare skills, essential to the functioning of the company. This expertise is assessed during the annual assessment interview.

MSDS: Material Safety Data Sheet

GPI: Industrial Plastic Granules

EHS: Environment, Hygiene, Safety

CPI: Corruption Perception Index

IT: Information Technology

Key Talent: employee with high performance (assessed during the annual interview and who has at least one year of seniority in the company) and high potential (over the current year).

KPI: Key Performance Indicators

Antitrust laws: law giving the right to competition to avoid monopolies

LME: Economic Modernization Law

I.L. : Indirect Labor

NAM: North America Sector (United States and Mexico)

ILO: International Labor Organization

PA : Polyamide

PI: Proposal for improvement



GLOSSARY

People Doc: Cloud platform (SaaS) for centralizing HR documents

PFAS: Perfluoroalkyl and polyfluoroalkyl substances

Phishing: a technique used by unintentional people to obtain personal information in order to usurp your identity

SME: Small and Medium Enterprise

Multinational pooling system: system allowing the pooling of health insurance coverage placed in several countries

PP: Polypropylene

PPA (Power Purchase Agreement): Electricity Purchase Agreement

PPM: Parts Per Million

PSCR: Product Safety and Compliance Representative in the automotive industry

R&D: Research and Development

REACH : Registration, Evaluation and Authorization of chemical substances

RFQ (Request for Quotation): A request for a price offer

GDPR: General Data Protection Regulation

RoHS : Restriction of hazardous substances in electrical and electronic equipment

CSR: Corporate Social Responsibility

SASB : Sustainability Accounting Standards Board

SBTi : Science Based Targets



GLOSSARY

Scorecard: Evaluation sheet

HRIS: Human Resources Information System

SR: Safety/Regulations

Success Factors: Name of the HRIS solution from the SAP publisher

OHS: Health and Safety at Work

SVHC : Substances of Very High Concern

SWOT : Strength, Weakness, Opportunities and Threats

MSD: Musculoskeletal Disorders

VSE: Very Small Business

Turnover: Rate of turnover of a company's staff

ELV: End of Life Vehicles

VPN : Virtual Private Network

VPPA (Virtual Power Purchase Agreement): Virtual Electricity Purchase Agreement



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CLAYENS

