



Groupe



NON FINANCIAL
REPORTING STATEMENT

2021



Running a company in an industrial environment often means having to reconcile opposites, which could be summed up simply as doing more or better with less. If we add to this a crisis in supply (raw materials, resources), combined with the challenges of the energy transition, we find ourselves in an unprecedented situation... but isn't it said that innovation is born of constraint? Even more than that, we have to give meaning; this is what our consumers expect in terms of characterising the act of buying, but also for our employees to seek commitment. Whether we like it or not, the reform of the industry is well underway, since at the very least everything must change so that nothing changes.

Fiscal year 2021 will continue to be marked by the CoVid crisis, and one of our priorities has of course been to protect the health and safety of our employees, while at the same time ensuring the continuity of our operations, in a tense environment... this is also what we call responsible performance.



Guided by the United Nations Sustainable Development Goals, we have embarked on a systemic and process-based drive to reduce our Group's footprint to contribute to carbon neutrality.

We are also encouraged in our approach by the level of evaluation obtained according to the Ecovadis reference system, Platinum, which tends to prove that the societal model we are building is a source of progress. We are proud to share it here, with our employees, our customers and our stakeholders.

Claude Bercq
C.E.O.



MORE THAN 165 YEARS EXPERTISE

Groupe

206 M€
turnover
for the Group



Headquarters
in France



9 subsidiaries



**NORTH AND
CENTRAL AMERICA**
CONDAT CORPORATION



FRANCE
LUBRIFIANTS
CONDAT SA
COSMÉTIQUES
LABORATOIRES BEA
LABORATOIRES SICOBEL



SOUTH AMERICA
CONDAT DO BRASIL



CHINA
CONDAT CHINA



● production units ● commercial subsidiaries



ISO 9001 certification on 6 production sites

OUR STAFF:



668
Employees worldwide
of which **564** in France

3%
of the wage bill
dedicated to training
in France



**2 POLES
OF ACTIVITIES:**

20%
Health and
Beauty



80%
Lubricants
industrial and
Special products



LUBRICANTS AND SPECIAL PRODUCTS

30
technologies and know-how
in formulation

4 300
product references

42
markets and fields of application

75%
of export turnover

HEALTH AND BEAUTY

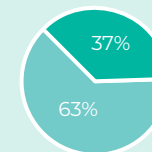


DISTRIBUTION

4 400 outlet

52 brands:

own brands
distributed brands



845 products



63% of products
certified BIO⁽¹⁾ or natural
origin

Labels Cosmos, Nature et Progrès, AB, Ecocert
Co-founding member of Cosmebio



99% cosmetics
of own brands
made in France

⁽¹⁾ Outside the beauty institut circuit



PRIVATE LABEL

176 customers

4 subcontracting expertises:
Cosmetics, liquid and solid Soaps
and Perfumes



632 references
certified Cosmos / Ecocert
BDIH / NOP / RSPO

Certified site **ISO 22716 (BPF)**



100% of products
made in France

54%
of export turnover

This document presents the activities of the CONDAT Group on the French, American and Brazilian sites.

The CONDAT Group has been committed for more than 20 years to the development of solutions that are more respectful of individuals and the planet. This commitment, carried by all our employees, is based on the Group's strong values.



BUILD TO LAST

It means **undertaking**, with the common objective of achieving **responsible performance** that takes into account social and environmental issues. It means **bringing to life a corporate culture that dates back more than 160 years**, by sharing our **experience** and **know-how** to achieve our **respective ambitions** together; always with a view to protecting our ecosystem.



RESPONSIBLE

It is **developing respectful and ethical solutions**. It is about **educating** to increase awareness of the respective **responsibilities** of all towards the planet. It is also about developing and expressing a long-term vision by listening to our stakeholders.



COMPANY IN MOTION

It means ensuring the **long-term future** of our Group through a strategy of **diversification** and **specialisation**. It means anticipating technical and societal issues and finding new capacities for **innovation** in these present and future **challenges**, in order to guarantee our customers and employees a **dynamic** of continuous progress.



RELATIONSHIP QUALITY

It means placing **people** at the heart of our exchanges, because we are convinced that it is first and foremost the quality of the relationship that makes **the collaboration effective**. We seek the **fulfilment** of our employees, partners and clients.



In accordance with its values, the CONDAT Group has defined its purpose, **its reason for being**:

ENCOURAGE SOCIAL AND ENVIRONMENTAL COMMITMENT BY OFFERING A SAFE, EFFICIENT AND LOW-IMPACT PRODUCT RANGE.

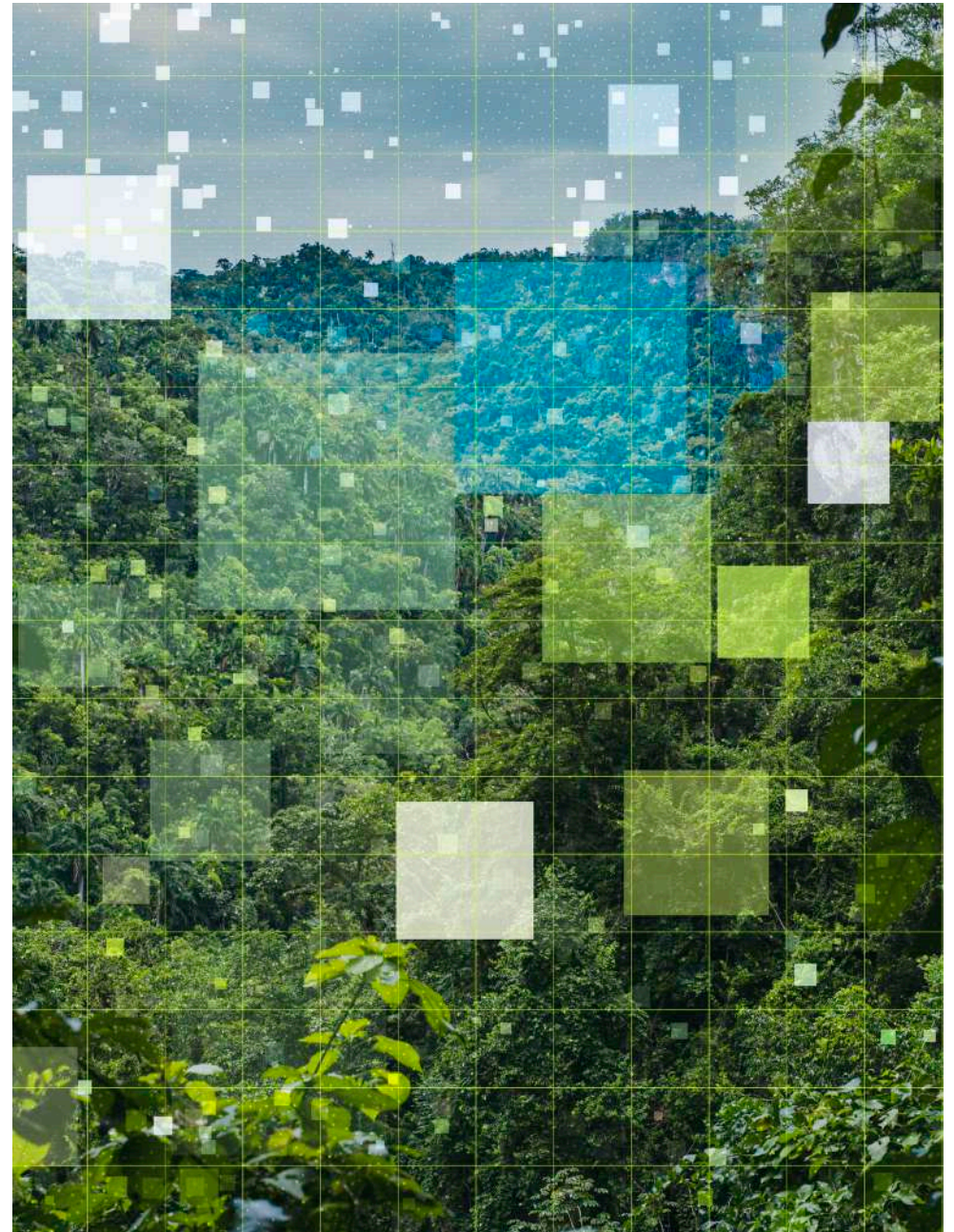
ENCOURAGING SOCIAL AND ENVIRONMENTAL COMMITMENT

- ▶ Committed company
- ▶ Successful and ambitious social model
- ▶ Shared and sustainable value creation

A SAFE, EFFICIENT AND LOW-IMPACT PRODUCT OFFER

- ▶ Anticipation of regulatory risks and rigorous monitoring of these requirements
- ▶ Product technicality and innovation
- ▶ Sustainable and eco-designed offer

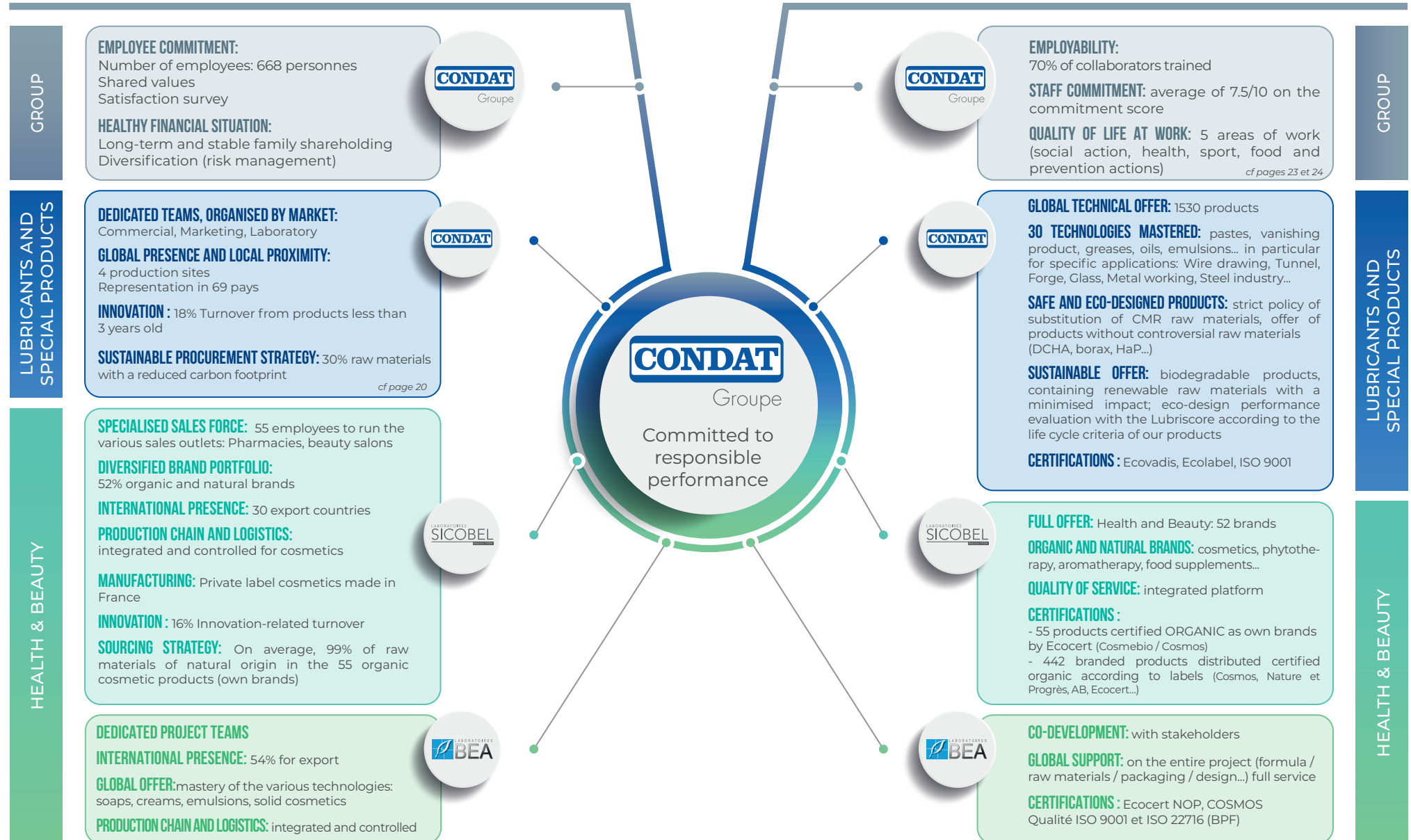
It is indeed a desire for leadership at all levels of its value chain that the Group wants to exercise in its product development, responsible performance and social performance missions.



BUSINESS MODEL

OUR RESOURCES

VALUE CREATED



OUR COMMITMENTS

Already involved in many responsible initiatives, the CONDAT Group places its CSR commitment at the heart of its activities by structuring it with a policy based on 5 commitments. These 5 commitments reflect the Group's major challenges, selected according to their importance for internal and external stakeholders and their impact on the Group's economic success.

CSR Governance that ensures that CSR is taken into account as a strategic axis of development and that it is implemented in each of the Group's processes with a view to continuous improvement.

Leadership and co-developments that reflect CONDAT's desire to influence its entire value chain (customers, suppliers, partners) through the implementation of a joint responsible development approach.

Eco-products and Eco-production that allow us to reduce our ecological footprint and that of our customers, by offering high-performance solutions produced in a responsible manner.

For the Lubricants and Specialty Products business unit, the offer has included, for more than 20 years, biodegradable products, based on renewable raw materials, non-toxic for the environment and even recyclable.

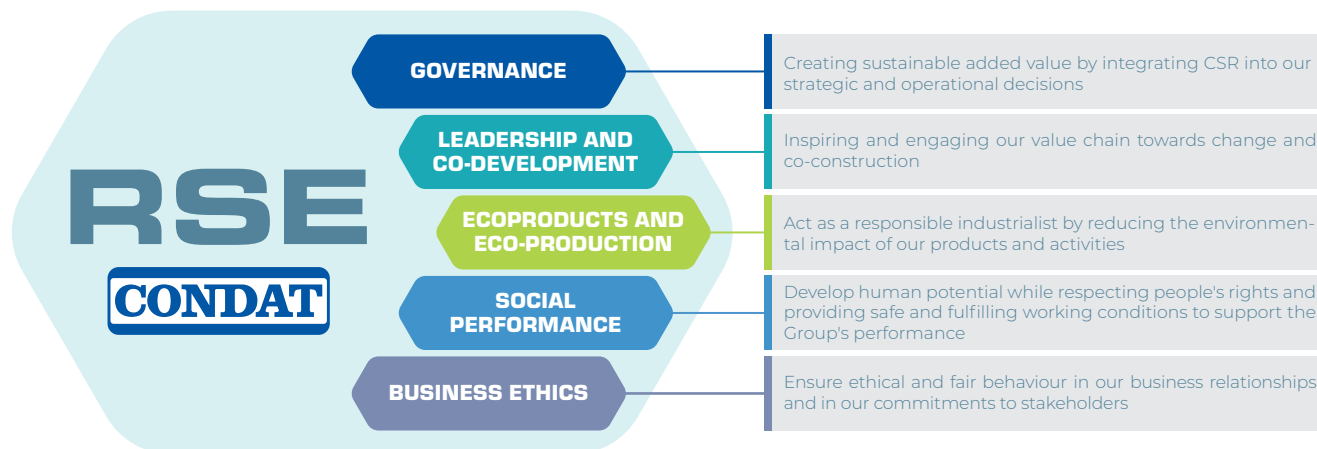
In early 2020, the company introduced a self-assessment method, called Lubriscore®, to rate its eco-designed lubricants according to the criteria of a product's life cycle, with the aim of informing users and communicating transparently about its ecological footprint.

For the Health & Beauty division, the emphasis is on organic cosmetics certified by Ecocert or Cosmos. The selection of natural and organic raw materials is a priority, as are their production conditions. For example, the company selects its supplies of coconut oil according to labels that ensure that it is used in a sustainable manner. The same principles are applied to the selection of the brands distributed, where preference is given to brands that are organic and act in favour of the environment by contributing, for example, to the 1% for the planet movement.

A **social performance** whose objective is to encourage the development of our employees, based on a professional environment that respects health and a fulfilling work environment.

A **Business Ethic**, which ensures constructive and sustainable relationships with all our stakeholders and underpins our demand for product safety.

These five commitments, pillars of the Group's policy, have been translated into objectives in each subsidiary and into action plans in the various departments. They are part of the Perform 2023 corporate project, which is being developed from 2021 to 2023 along three axes: economic performance, social performance and sustainable performance. Built on a principle of continuous improvement, the company project places the CSR policy at the heart of the CONDAT Group's strategy and relays it within each department.



The Group's CSR challenges are also analysed in this document from the perspective of risks as defined by the Commercial Code:

- Social risks (related to people)
- Ethical risks (in relation to business conditions)
- Environmental risks (related to the impact of our activities)
- Societal risks (related to the quality and safety of our products)

Risks related to the rights of individuals are dealt with transversally in the document.

For each of these categories, we have assessed the significance and consequences of the risk, which enabled us to prioritise actions to be implemented in our CSR roadmap.

A significance index (from 1 to 4, with 4 indicating high significance) was applied to each importance) was applied to each priority.



Example Level 3

COMMITTED TO RESPONSIBLE RESPONSIBLE PERFORMANCE

On the Lubricants and Special Products side, the company's commitment and CSR policy is illustrated through its product offering. For each field of application (drawing, machining, maintenance, etc.), CONDAT offers solutions that are more respectful of individuals and the planet. Thus, the range of products is based on the 4 elements (water, earth, fire and air) and enables customers to choose alternatives that contribute to **responsible performance**, offering benefits in terms of productivity, lubricant consumption, employee safety and respect for the environment.



Already a signatory to Responsible Care (a CSR commitment in the CHEMICALS sector), the CONDAT Group is going one step further by signing the Global Compact in 2020, which is based on 10 principles to be respected in terms of human rights, international labour standards, the environment and the fight against corruption.



RISK MAPPING

| CATEGORY OF NON FINANCIAL INFORMATION | RELATED RISKS | STAKE HOLDER | POLICY | LEVEL OF RISK | KPI | REFERENCE |
|---------------------------------------------------------------------|-----------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------------------------------------------------------------------------------------------------------------|-------------------------|
| SOCIAL (issues surrounding men and women) | Accident at work and occupational diseases | Employees | Compliance with regulatory obligations Preventive actions Ban on the use of new CMR references or substitution of the use of existing classified references. | | Number of accidents at work | P.13 ET 26 |
| | Shortage of strategic skills, lack of attractiveness and reduced retention | Employees | Training courses Employee versatility (skills grid) Transmission of skills (tutoring) Digital tools for data capitalisation (CRM, COPTIS, SAP EHS, LMS platform, etc.) | | Number of hours of training % of training budget in total payroll budget Number of career guidance sessions | P.12 & 25 |
| | Decrease in employee motivation / deterioration of the social climate | Employees | Deployment of the Group's values Ensuring a constructive climate and well-being at work Employee satisfaction survey | | Level of employee commitment Number of actions to improve the quality of life at work | P.27/28 |
| | Existence of occupational inequalities and discrimination | Employees | Fight against discrimination of any kind Establishment of a channel for reporting criminal acts or acts that do not comply with the Group's policy. Implementation of a Charter for the Respect of Human Rights. | | Gender equality index | P.14 & 27/28 |
| FIGHTING CORRUPTION (issues around ethics and corruption) | Reputational risk | Civil society / Shareholders / Employees | | | | P.15 |
| | Financial risk (penalties and fines) Criminal risk (company or manager or employees) | Civil society | Managing business relationships in a transparent and responsible manner: - Establishment of a Code of Ethics - Implementation of a whistleblowing platform - Raising awareness among staff and third parties | | | P.15 |
| | Loss of business | Shareholders / Employees / Suppliers | | | | P.15 |

| CATEGORY OF NON FINANCIAL INFORMATION | RELATED RISKS | STAKE HOLDER | POLICY | LEVEL OF RISK | KPI | REFERENCE |
|---------------------------------------------------------------------------|--------------------------------------------|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| ENVIRONMENTAL (issues surrounding the impact of our activities) | Increase global warming (energy waste) | Civil society | Optimisation of the production process (including waste management) | | Electricity and gas consumption | P.16 & 24 |
| | Increase global warming (transport) | Civil society | Adherence to the Fret 21 approach Carrying out a carbon and greenhouse gas assessment (including mobility assessment) and action plan | | Tons of CO ₂ saved in the transport of our finished products | P.18 |
| | Degradation of water, air and soil quality | Civil society | Investment in more efficient production tools, maintenance of installations. | | On site measurement of Emission Limit Values | P.16/17 & 25 |
| | Resource scarcity | Civil society | Optimisation of production processes Search for renewable raw materials Eco-design | | Water consumption % of renewable raw materials Number of eco-designed products, % of turnover achieved through eco-designed products | P.17 & 24 |
| | Industrial accident | Employees / Civil society | Action plan in the event of an accident | | Number of industrial accidents Number of exercises carried out | P.18 |

| CATEGORY OF NON FINANCIAL INFORMATION | RELATED RISKS | STAKE HOLDER | POLICY | LEVEL OF RISK | KPI | REFERENCE |
|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------------------------------------------------------------------------------------------------|----------------------|
| SOCIETAL (the issues surrounding the quality and safety of our products) | Health and safety of users (risk of generating a safety, human health or environmental hazard related to the use of our finished products) | Customers | Product compliance with the law Application of the European standard (REACH, cosmetic regulation), in the absence of local regulations | | Number of health damages related to non-compliance | P.19 & 23 |
| | | | Eco-design (including prohibition of use of new CMR references or substitution of use of existing classified references, improved conditions of use). | | Number of eco-designed products | P.20 |
| | | | Implementation of a policy of collaboration with stakeholders to develop solutions with less impact (safety, environment, etc.). | | Number of co-developments related to CSR | P.20/21 |
| | Purchase of raw materials that are not compliant (environmental impact, laws and regulations) or from non-compliant suppliers | Community / Suppliers | Responsible purchasing policy Control over our suppliers Raw material approval policy by the Product Regulatory Affairs department Carbon footprint | | Number of suppliers committed to CSR (score above 47 in ECOVADIS) 100% of certified raw materials. | P.20 & 22 |

| CATEGORY OF NON FINANCIAL INFORMATION | RELATED RISKS | STAKE HOLDER | POLICY | LEVEL OF RISK | KPI | REFERENCE |
|---------------------------------------|------------------------------------------------------------------------------------|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------|
| HUMAN RIGHTS | Purchasing supplies and services from suppliers who do not respect people's rights | Civil society / Suppliers | Ensuring respect for human rights and international conventions (ILO) in all decision-making and in relations with partners, including - No child labour - Responsible purchasing policy - Establishment of an alert platform - Specific clauses in contracts |  | Number of suppliers engaged in CSR (score above 47 in ECOVADIS or equivalent) | P.22 |
| | Child labour | Employees | | | | |

OUR SOCIAL PRIORITIES : ISSUES AROUND MEN AND WOMEN

ENSURING SKILLS MANAGEMENT

The main risk is to be confronted with skills shortages

Our main actions concern the management of skills, the identification of critical know-how and their formalisation.

Putting people at the heart of the company's management and strategy is an essential principle for our Group. Today, skills management is the lever that will enable a company to ensure its competitiveness, and thus its sustainability. With our different approaches, we are focusing on combining individual skills management, the aspirations of employees in the conduct of their professional careers and the skills needs of the company to achieve the objectives of our business plans. An LMS (Learning Management System) platform implemented in 2021 enables us to coordinate all our training activities in a global manner.

Modern competence management for a constantly changing world based on the following key milestones:

- To have a detailed knowledge of our Human Capital through the identification of critical know-how, competency frameworks, and multiple professional interviews
- Define the skills to be developed and needed for the company of tomorrow
- Define the actions to be implemented to align today's skills with those envisaged for tomorrow: adapt the collective and individual support plans to be put in place and the recruitment operations with an anticipatory vision
- A rewriting of the commercial know-how was undertaken for all the markets of the Lubricants business. An e-learning approach based on short modules has been adopted, allowing regular assessment of acquired knowledge in order to give a strong legibility to the pedagogical progression. This extensive work results in training courses that can be accessed by the various subsidiaries via our training platform. This experience is now being deployed for the training of manufacturing operators.



ENSURING QUALITY EDUCATION AND TRAINING

By devoting 3% of the Group's payroll to training, the company is playing a strong role in increasing the skills of its employees. These training initiatives contribute to the UN's Sustainable Development Goals (SDGs) and more specifically to **SDG 4 - Ensure access to quality education for all**.

The company deploys its actions at all levels of the hierarchy with the implementation of specific courses: CLEA (operators), CHALLENGER (skills enhancement) and MASTER (transformation players).

Each of the sites also builds partnerships with professional integration organizations in order to carry out site visits, discover the professional world, etc.

ENSURING GOOD WORKING CONDITIONS

The main risk is the lack of improvement in working conditions

Our main actions concern the reduction of handling, arduousness and exposure to nuisances in order to reduce the risk of accidents at work.

The CONDAT Group places the Health and Safety of its employees on its sites at the heart of its concerns and ensures that it offers them a healthy and safe working environment by preventing the occurrence of accidents at work, injuries and occupational diseases.

The Group's Health and Safety Policy aims to achieve zero accident by improving safety at work through risk reduction and accident prevention, by implementing Group safety standards in all countries and activities.

The Group is committed to a continuous improvement process to reduce risk situations based on the following priorities:

- Strengthening the Group's safety culture by promoting and raising awareness
- Fire risk prevention
- Prevention of handling risks by improving the ergonomic improvement of workstations
- Prevention of activities specific risks



CONDITIONS AND QUALITY OF LIFE AT WORK

Within the Group, meals are offered at a reduced price (Chasse sur Rhône site) or offered to employees (Brazil), thus contributing more specifically to **SDGs 1 - No poverty and hunger, 2 - Ensure food security, improve nutrition and promote sustainable agriculture.**

Actions have also been taken in terms of health and well-being: a gym room has been available to employees at the Chasse sur Rhône site since 2020, with or without supervised sports sessions. Employees also have the possibility of benefiting from osteopathy sessions that are partly paid for by the Group. We have signed a teleworking agreement at the Chasse-sur-Rhône site, allowing employees to use it on a regular or occasional basis. Other agreements on telework are currently being negotiated.

Awareness-raising actions on various themes (cancer prevention, depression, domestic accidents, etc.) also take place regularly, contributing to the **MDG 3 - Good Health and Well-being.**

ENSURING GOOD RECRUITMENT AND RETENTION

The main risk is twofold: a lack of attractiveness to talent and a decline in retention

Our main actions focus on improving our visibility on job boards and social networks as well as strengthening the quality of our partners' animation.

Faced with a job market that is becoming difficult, we need to be ingenious when recruiting. This already involves offering better visibility of the company on professional social networks. This is a key point for a company like ours, which is primarily BtoB oriented. Accustomed to doing rather than saying, the CONDAT Group must open its doors and highlight its successes, its struggles and its ambitions, which our employees are involved in every day. We are reexamining our practices to meet expectations where the CV is no longer the key element in the recruitment process.

The evolution of professions and skills makes the future need for technical skills uncertain. It is increasingly necessary to learn and train continuously in techniques that are becoming obsolete more quickly than ever before and thus to continue to master one's trade.

In fact, it is less necessary to find "knowledgeable" candidates, but rather candidates who are able to learn. Hence the importance we wish to attach to the soft skills of our candidates: interpersonal skills, behavioural skills, personal qualities, or even cross-disciplinary skills, which are essential levers of performance.

Improve employee loyalty by offering more development opportunities

It is also about strengthening the company's ability to provide an excellent experience, giving employees opportunities to grow while improving their professional skills. Increasing employee loyalty also means being aware of the relationships and collaboration among our human capital. To enable all employees to develop their autonomy, we have initiated the ToGeTher project in 2021. This project, through the training of managers in the principles of empowerment and autonomy, has notably enabled more than 200 employees to be trained in resolving disagreements between peers.

ENSURING PROFESSIONAL EQUALITY & PROMOTION

The main risk is occupational inequality and discrimination

Our main actions concern the development of training courses for all (second chance school) and the fight against wage discrimination.

Change in this area will only come about through concrete actions:

- **Recruitment:** giving the same opportunities to all, without any form of discrimination
- **Training and qualifications:** guaranteeing equal access to vocational training for all
- **Internal promotion:** remove the obstacles to women's professional advancement, young people and those with few or no qualifications
- **Working conditions, health and safety at work:** create the conditions for a discrimination-free environment
- **Effective remuneration:** eliminate all forms of pay inequalities between women and men
- **Work-life balance:** balancing work and private life to enable time to enable optimal professional fulfilment
- **Communication :** develop inclusive communication, free of discriminatory stereotypes

The combination of these measures is the foundation of our social and societal model.

REDUCING INEQUALITIES



Many actions are carried out in the Group to support the personal development and knowledge of employees and contribute to **SDG 10 - Reduce Inequality and 8 - Decent Work and Economic Growth**. French courses are provided to combat illiteracy and for the past three years, books have been offered to employees. A policy on low salaries has been in place for several years to ensure that all employees are paid a decent wage. The improvement of the levels of social security coverage (mutual insurance and/or retirement) is also the subject of sustained attention in the Group. Actions to promote gender diversity in scientific professions are carried out in schools.

OUR ETHICAL PRIORITIES: ISSUES AROUND ETHICS AND CORRUPTION

ENSURING ETHICAL MANAGEMENT OF OUR ACTIVITIES

The main risk is not respecting the ethical rules set by the Group and expected by the stakeholders

Our main actions concern the formalisation of good practices and their dissemination.

The CONDAT Group ensures that its activities are in line with its values, respecting the principles and rules of ethics, integrity and compliance towards all its stakeholders.

In this respect, the Group undertakes to comply with the laws and regulations applicable in all countries where it does business, rejects fraud or corruption in all its forms and seeks to prevent them in its relations with third parties.

The company has therefore adopted a Code of Ethics which bans all acts of corruption. This code sets out the best practices to be adopted by all Group employees and includes the following main points

- No employee shall offer, provide or accept, directly or indirectly, any undue advantage of any kind whatsoever for the purpose of obtaining a business relationship or any other facility. The partners include public officials, business intermediaries, employees of clients and political parties
- Facilitation payments are prohibited
- A definition of the rules to be applied with regard to gifts, conflicts of interest, patronage, donations and sponsorship are defined
- Financing of political or religious parties is prohibited
- All employees must respect the principles of competition law
- All commercial negotiations must be conducted in a climate of mutual respect with the partners involved in the negotiation.

These rules also apply to our relations with third parties, and more particularly with our agents and distributors, and are an integral part of the contract between us.

The Group has also adopted a Human Rights Charter that reiterates its commitment to respecting human rights and providing its employees with a healthy, free working environment that offers them decent living conditions. The Group's employees and stakeholders can report any act contrary to the law and/or the Group's values via the Group's whistleblowing platform.

The concept of ethics also applies to personal data, its collection and use. The Group ensures that it applies the RGPD within its European subsidiaries or any other similar regulation applicable in its other subsidiaries. This commitment is defined in the Group's IT Charter, applicable to all its employees.



OUR ENVIRONMENTAL PRIORITIES: ISSUES AROUND THE IMPACT OF OUR ACTIVITIES

ENSURING A REDUCTION IN OUR GREENHOUSE GAS EMISSIONS

The main risk is to increase climate change

Our main actions focus on optimising energy consumption and reducing waste.

Through carbon and greenhouse gas assessments, levers have been identified to improve our footprints. The revision of our energy modes is a way of reducing greenhouse gas emissions from our operations and ensuring a transition to more virtuous processes. For the Lubricants business, the optimisation of manufacturing processes such as temperature reduction, maximisation of batch sizes and equipment modernisation are being studied with the aim of achieving energy efficiency. The replacement of a compressed air compressor, for example, has enabled CONDAT SA to reduce the electricity consumption associated with this equipment by 20%.

Overall, CONDAT SA's energy consumption reduction target is 15% (by 2023 compared to 2019) and 5% for CONDAT Corp (by 2023 compared to 2020). For BEA Laboratories, the replacement of several compressors has already led to a 60% improvement in their consumption.

In order to avoid fossil fuels that emit large amounts of greenhouse gases, the CONDAT Group opts for renewable energy. Since 2019, 100% of our electricity consumption at the French sites is covered by certificates of renewable origin. Since 2020, CONDAT Do Brasil has been sourcing from a renewable electricity supplier and CONDAT Corp has contracted in 2021 for a wind power supply.

A review of transport methods must also be carried out to meet our greenhouse gas reduction objectives. The FRET 21 commitment at CONDAT SA and Laboratoires SICO-BEL aims to reduce greenhouse gases by 8% over 3 years for their shipments (efforts by 2022 and 2023 respectively).

The teleworking agreement at CONDAT SA also makes it possible to reduce the number of car journeys made by our employees by around 5.5%.

The creation and destruction of materials generates greenhouse gases. It is therefore

important to reduce the waste rate to the lowest possible level. This also helps to protect resources by avoiding the waste of materials. Between 2021 and 2023, CONDAT SA aims to reduce its waste rate by 25%.

Each Group site has an action plan. The primary objective is to reduce the formation of waste at the source, by reducing packaging in production for example. At the same time, the transformation into co-products or the re-use of waste in our manufacturing processes is studied. CONDAT Corp was thus able to revalue 9 tonnes of lubricants.

In the event of waste generation, sorting is organised so as to request the appropriate treatment or revalorisation channel (energy for example) to reduce the impact on the environment.

ENSURING A HEALTHY ATMOSPHERE

The main risk is the emission of pollutants and the degradation of air quality

Our main actions are focused on reducing emissions.

We comply with local exhaust air requirements by upgrading and investing in facilities (improved extraction systems).

Monitoring (via measurements), continuous upgrading and maintenance of exhaust air facilities ensure compliance with regulations.



ENSURE CONTROLLED WATER CONSUMPTION

The main risk is the waste of water

Our main actions concern the optimisation of our production processes.

We are optimising our production processes to reduce water consumption by improving production sequences, rinsing techniques and re-using cooling water. For example, at CONDAT SA grease plant, the water used for cooling was reinvested for other operations, avoiding a loss of 50m³ in the second half of 2021. At CONDAT Do Brasil, cooling during production is ensured by a closed circuit to avoid these losses.

Laboratoires BEA and SICOBEL are promoting solid or waterless cosmetics, which use little water.



COLLECTIVE COMMITMENTS TO THE CLIMATE, WATER AND BIODIVERSITY

Reducing the impact on the environment is a desire that is also illustrated by various initiatives of collective interest, shared by employees, which respond to **SDG 13, Fight against climate change, SDG 14 Aquatic life, SDG 15 Land life**

For the preservation of water, the CONDAT Group is committed to the association Project Rescue Ocean which raises awareness and acts against seas and oceans pollution. It is in this context that the CONDAT Group has participated in the World Clean up day by collecting more than 850 kg of litter in 2021.

To fight against climate change, The Condat Group is limiting greenhouse gases from its factories and sponsors the fund Plant for the Future resulting in 21,000 trees being planted since 2014.

To preserve the biodiversity of the Luberon area, BEA Laboratories have partnered with local actors to grow selected species and relocate the sourcing of raw materials.

The Laboratoires SICOBEL are making their consumers aware of the sorting of cosmetic waste via social networks.

ENSURING A GOOD WATER QUALITY

The main risk is the discharge of pollutants and the degradation of water quality

Our main actions concern the control of the quality of the discharged water.

We comply with water discharge obligations by maintaining our facilities. Compliance is supported by measurement on the discharges and the adherence to a facility maintenance protocol.

ENSURING A SAFE INDUSTRIAL OPERATION

The main risk is related to failures in the prevention of industrial accidents and accidental pollution

Our main actions are the mapping of the major risks to the facilities, drawing up an action plan in the event of a disaster, and preventing accidental pollution.

This is what has been put in place at the CONDAT site, which is an ICPE classified site, not a Seveso site (hazard study, Internal Operation Plan, with at least ten annual exercises). The other subsidiaries of the Lubricants division comply with the requirements of local operating licences, without being considered as classified in the ICPE sense. The sites of the French Health & Beauty division are not classified and are not considered to be concerned by the issue.



RESPONSIBLE CONSUMPTION AND PRODUCTION

As an industrial company, the Group is well aware of the risks and challenges associated with production activities. It addresses them by taking them into account in its R&D policy in order to develop responsible products that contribute to **SDG12, Responsible Consumption and Production, for itself and its customers.**

In line with the **responsible performance** concept mentioned above (p8), the Lubricants and Specialty Products business has been working for many years to develop responsible products that reduce dust emissions in wire drawing mills or reduce lubricant consumption (concentrated or recyclable versions).

In order to guarantee optimised water consumption for our customers, dosing, microspraying and distribution equipment is developed and offered.

Our range of biodegradable or ECOLABEL certified lubricants also prevents any risk of accidental pollution.

A greenhouse gas reduction programme has been launched at Group level and has resulted in CONDAT SA's commitment to FRET 21 and led to a reduction of 465 tonnes of CO2 on our shipments in 2021.

OUR SOCIETAL PRIORITIES: ISSUES AROUND THE QUALITY AND SAFETY OF OUR PRODUCTS

ENSURE THE SAFE USE OF OUR PRODUCTS FOR USERS AND THE ECOSYSTEM

The main risk is to generate a hazard related to the use of the finished products for safety, human health and the environment.

Our main actions focus on monitoring the quality of the products and optimizing them for a safe use.

This is reflected in particular by the maintenance of product certifications (Cosmos) for the Health & Beauty division. And, as far as the Lubricants business is concerned, by :

- A policy of not developing products containing toxic and CMR substances
- A substitution plan in the event of new CMR or toxic classifications
- Product innovations: reduction in the number of oil changes, biodegradable products, Ecolabel, products with few or no Borax, elimination of chlorinated paraffins, elimination of the formation of PAHs (Polycyclic Aromatic Hydrocarbons) or BaP (Benzo[a]Pyrene)

ENSURE THE COMPLIANCE OF OUR OFFER

The main risk is that the compliance of the offer is not guaranteed

Our main actions focus on responsible product.

The design of the CONDAT Group's products is based on exemplary consideration of the safety and environmental aspects of the products, taking into account the classification of substances and the specific regulations for each geographical area and each market of application.

Where countries do not have specific regulations on chemicals, the European REACH regulation is applied by default, as it is one of the most restrictive in terms of safety for humans and the environment. A team of chemical engineers specialised in product regulations and covering all our geographical areas of activity work closely with R&D to anticipate changes in knowledge and classifications of chemical products and to guide design towards safer products.

In the Health & Beauty division, additional specific regulations are taken into account (cosmetics, food supplements) by dedicated and specialised teams (including a qualified pharmacist), reporting directly to the Group's management in order to guarantee the same level of requirements in all our subsidiaries. An objective of zero harm to the health and the environment in connection with non-compliance has also been monitored for the past 5 years and has been achieved.

SYNERGIES BENEFICIAL TO THE GROUP AND ITS PARTNERS

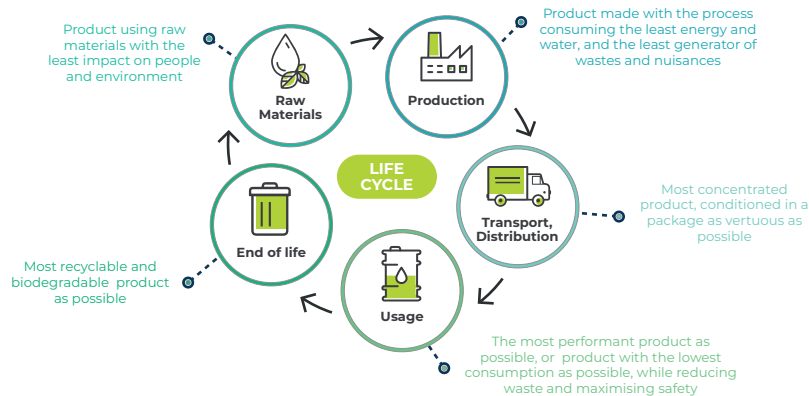
The CONDAT Group is proactive in its various fields of application (for example, by offering neat oils that eliminate the risk of PAH formation, whether in cold heading or heat treatment operations) and in different geographical areas, relying in particular on the synergy between the 'world' and European regulations. Lubricants without titanium dioxide and borax, substances classified as CMR in Europe, are offered to the range worldwide. In addition, a collaborative economy strategy is based on co-development actions with our customers, suppliers and universities with innovation as a prerequisite. This dynamism contributes to the **SDG 9 - Industry, innovation and infrastructure.**



ENSURING VIRTUOUS DESIGN

The main risk is not to offer low-impact products

Our main actions focus on developing eco-designed products.



The R&D and marketing teams are mobilised to design solutions offering the minimum impact throughout the product life cycle.

In the Lubricants and Specialties division, an internal self-assessment system for the eco-design of products (Lubriscore®) has been developed based on the major impacts of products throughout their life cycle. An automatic calculation tool, which can be upgraded and which ensures traceability, makes it possible to quantify the eco-designed nature of products.

In the Health & Beauty division, eco-design criteria are taken into account when drawing up specifications, whether in the case of product development or in the search for brands to be distributed, already based on certification standards such as COSMOS "BIO" or the ISO 16128 standard on naturalness.

To go further, each subsidiary uses a tool to analyse the environmental and social impact of its products, in order to initiate a process of continuous improvement in terms of formula and packaging.

The tool developed for the Group's own brands by the Laboratoires SICOBEL makes it possible, to evaluate the impact of the formula, with criteria of naturalness, environmental impact (including in particular the manufacturing process, the biodegradability of the ingredients and their geographical origin) and the absence of controversial ingredients. It also allows the impact of the packaging to be assessed, with criteria such as recyclability or the use of recycled materials, the origin of the materials and the place of manufacture, or the CSR commitment of suppliers.

The tool developed by the Laboratoires BEA for subcontracting is based on the same principle, but focuses on the formula, with the packaging being the customer's domain. The scoring is based on the naturalness of the ingredients, the reduction in their number, the absence of controversial ingredients and the manufacturing process.

Thus, the whole CONDAT Group is committed to a virtuous process of continuous improvement of the eco-designed nature of products in terms of their impact on the human health, the safety and the environment.



COMMITMENT TO PROGRESS

In 2020, for Lubricants and Specialties, 160 products had been assessed as eco-designed according to the Lubriscore®, with an eco-design rating of 1, 2 or 3 stars. The number of eco-designed products has been increased to 311 by 2021, including our subsidiaries and developments. This enables the sales force to offer more environmentally friendly alternatives to our customers in all our markets. A virtuous circle of continuous improvement has been put in place. Firstly, the eco-design policy demands that any evolution of an existing product can only be done with a Lubriscore® rating higher than or equal to the original product. Secondly, the CSR policy defines, on one hand, an ambition of growth in the range of eco-designed products available (+10 new products in 2021), and on the other hand, an ambition of growth in turnover from eco-designed products of +3% per year and a target of more than 50% of turnover by 2023.

An ambitious eco-design policy is also applied in SICOBEL Laboratories for our own brands. All the products of the Placentor, BcombIO, Thalac BIO and Green Tribu brands have been evaluated using the Cosm'ethnic Score and product improvements as well as new products developed are totally controlled by the scoring tool with a systematic objective of progress. A new specific range with a very high environmental and social score will be launched in 2022. Similarly, targets for the percentage of turnover in organic and "natural" brands have been set from 2021, both for our own brands and for those distributed by PharmUp, with already 63% of organic or "natural" brands in the offer in 2021.

This commitment contributes to **SDGs 3 - Good health, 6 - Clean water and sanitation, 7 - Clean and affordable energy, 12 - Responsible production and consumption and 13 - Fight against climate change.**

ENSURING EFFECTIVE PARTNERSHIP WITH OUR STAKEHOLDERS

The main risk is not anticipating the needs of our stakeholders

Our main actions focus on promoting co-development with our stakeholders.

The CONDAT Group has long applied the principles of co-development and collaborative innovation in the development of its products.

Close links have been established with a network of public and private partners such as engineering schools, universities, public research establishments, technical centres, competitiveness clusters, etc.

This network enables us to develop R&D projects relating to both upstream chemistry (e.g. new biosourced raw materials, sustainable chemistry) and characterisation tests on the performance of our products (e.g. performance optimisation to reduce consumption).

On each of our markets, key research projects are initiated and implemented in partnership with customers to develop specific products particularly adapted to their needs and most often with reduced impact on health and the environment.

Co-development in the Health & Beauty branch is also a common practice. BEA Laboratories' products are developed in partnership with customers, sometimes after several rounds of feedback between our partner and our formulators, until the final product is produced.

For SICOBEL Laboratories, the THALAC brand products are developed in close collaboration with our beauticians and our partner beauty salons. The Placentor and BcomBIO brands benefit from relationships with a wide range of suppliers, to ensure that they evolve according to societal needs and trends.



COMMITTED TO MORE DIALOGUE

By supporting the associations on its territory and promoting open and transparent dialogue with local residents and authorities, the CONDAT Group wants to be part of a relationship of exchange with its stakeholders. In this respect, various actions have been initiated or carried out during the year 2021:

- Charity work for the poorest in the USA;
- Collection of school supplies for Secours Populaire at the Chasse sur Rhône site;
- Collection of Christmas gifts for the most needy with the French Red Cross;
- The Health & Beauty division donates hydroalcoholic gel and beauty products to associations;
- Substitution of sulphur products by non-sulphur products in the United States in order to reduce odor nuisance for local residents.

These actions contribute to **SDGs 8 - Decent work and economic growth, 16 - Peace, justice and effective institutions and 17 - Partnerships for goals achievement.**

RESPONSIBLE PURCHASING

The main risk is not to take into account CSR issues in our purchasing policy

Our main actions concern the sourcing of components with a lower environmental impact and the search for partner suppliers demonstrating a strong CSR commitment.

Purchasing is an essential part of the CONDAT Group's CSR policy. The analysis of the life cycle of our products clearly highlights the main impact of our purchases, particularly in terms of raw materials and packaging. Due to their significant impact on our activity, it is essential that the CONDAT Group's commitments are reflected in a responsible purchasing policy.

The analysis of substances and their classification both from a health and environmental point of view has been practised in the Group for many years, which has enabled CONDAT to offer its customers products that are free of carcinogenic substances, as well as Ecolabel or biodegradable ranges.



THE CHALLENGES OF OUR RESPONSIBLE PURCHASING POLICY ARE THEREFORE BASED ON THE AXES OF OUR CSR POLICY, IN PARTICULAR :

• Act as a responsible industrialist through our commitments in terms of eco-design and eco-production

The first step is to qualify the environmental and health footprint of our raw materials and packaging by rating different criteria in order to list the most impacting products to be substituted quickly and to increase our share of purchases of low-impact materials.

The energy used in our production processes must also be decarbonised. We are committed to measuring and increasing our share of decarbonised energy purchases, particularly electricity.

Use materials from the circular economy: our activities allow us to use raw materials or packaging from recycled products. The emphasis is on increasing the share of use of these products.

• Inspiring and engaging our value chain for change through our leadership

The CONDAT Group, in its value chain, identifies its suppliers as an essential link of its CSR policy. The CONDAT Group therefore expects its suppliers to share a set of fundamental values (beyond legal compliance) based on CSR: in particular, respect for human rights, the environment, integrity and transparency in the conduct of business. We also ensure that our suppliers are aware of the importance of CSR for the CONDAT Group and we measure their perception of our actions through an anonymous survey which showed that almost two thirds of respondents are aware of our commitments.

• Creating shared value over the long term through the requirement to manage performance

It means buying products or services that meet a high level of quality, regulatory and CSR requirements. We evaluate our suppliers on their practices via their ECOVADIS rating (or any other available element) and define with them the action plans to be put in place to remove the critical points. To date, more than 60% of our suppliers have an average CSR rating of over 47/100 and 84% are involved in a CSR approach at CONDAT SA and 100% of the top 10 at CONDAT Corp. Generally speaking, the study was conducted at different levels throughout the Group, increasing the share of suppliers evaluated and contributing to the improvement of their practices being one of our commitments.

CSR GOVERNANCE

The CSR policy defined by the Management is implemented, and monitored by various departments, bodies and functions.

- The CSR Committee is made up of the Chairman of the Group, the CSR manager, and the directions of the following departments : Development & Quality, Marketing, Human Resources and Operations. This committee monitors the deployment of the Group's CSR policy.
- The Group CSR Manager provides the CSR Committee with new ideas to develop the CSR approach, ensures the implementation of the CSR policy and roadmap in all processes, and assists the Process Drivers to facilitate their deployment. She is a member of the Process Management Committee.
- The Process Leaders implement the elements of the CSR policy and roadmap relating to their own activities. Through the Implementation Committee, they ensure the cross-functionality and inter-process coordination of these actions. They report to the Management Committee on progress, deviations and any corrective actions during the Quarterly Process Review, or for subsidiaries, during the bi-annual CSR steering committees.



- The "Quality and Performance" department guarantees the evaluation of the CSR performance of processes in the same way as other key performance indicators (economic, operational, etc.). In order to do this, it uses and deploys the EFQM excellence model, which is perfectly aligned with CSR principles. The Group Quality and Performance Manager has a team of internal quality auditors for assessment and continuous improvement in all areas including CSR, and is also a member of the Process Management Committee.
- The Compliance Department, which reports directly to the Chairman of the Group, ensures the overall regulatory compliance of our activities, particularly in terms of the impact of these activities on our stakeholders, the application of laws, codes and ethical rules and ensures that a risk map is drawn up.

The Groupe also regularly submits to audits of its practices by third party organisations in order to objectively evaluate the results obtained and areas for improvement (ECOVA-DIS rating, customer audits, EFQM external evaluation, ISO 9001 certification in particular).

Thus, Ecovadis has awarded the Platinum medal to CONDAT SA, which is now ranked in the top 1% of the best rated companies in the world by this organisation.



KEY FIGURES

IF NOT SPECIFIED, THE DATA REFERS TO THE ENTIRE CONCERNED AREA.

CSA = CONDAT SA
CCO = CONDAT CORP - UNITED STATES
CDB = CONDAT DO BRASIL - BRAZIL

CONSUMPTION

Electricity and gas

| | | LUBRICANTS | | | | | | | HEALTH & BEAUTY | | | |
|--------------------|------------------------|------------|-----------|------------|-----------|-----------|-----------|------------|-----------------|-----------|-----------|-----------|
| | | CSA 2018 | CSA 2019 | TOTAL 2020 | CSA 2021 | CCO 2021 | CDB 2021 | TOTAL 2021 | 2018 | 2019 | 2020 | 2021 |
| ELECTRICITY | Kwh | 8 369 695 | 8 275 521 | 9 722 303 | 8 552 952 | 1 879 360 | 1 162 002 | 11 594 314 | 2 015 244 | 1 836 265 | 2 015 168 | 2 382 229 |
| | Production volume (*) | 48 835 | 49 827 | 54 639 | 48 698 | 7 487 | 5 346 | 61 531 | 18 346 | 18 122 | 22 967 | 24 186 |
| | Ratio | 171,39 | 166,09 | 177,94 | 175,63 | 251,02 | 217,35 | 188,43 | 109,85 | 101,33 | 87,74 | 98,50 |
| GAS** | Kwh | 7 675 527 | 7 509 170 | 10 038 431 | 8 255 235 | 2 707 106 | 1 189 344 | 12 151 685 | | | | |
| | Production volume (kg) | 48 835 | 49 827 | 54 639 | 48 698 | 7 487 | 5 346 | 61 531 | | | | |
| | Ratio | 157,17 | 150,70 | 183,72 | 169,52 | 361,57 | 222,47 | 197,49 | | | | |

* In tonnes for the lubricants part, in thousands of pieces produced for the Health & Beauty part. In order to approximate the data used operationally, the production volume data for 2018 and 2019 have been retroactively adjusted to 2020 for CSA.

** For CONDAT Do Brasil, this is fuel oil consumption (in litres) expressed in Kwh

The differences between the various sites of the Lubricants division can be explained by different production tools and product mixes, as well as by the impact of the climate on energy consumption (for example, the CONDAT Corp plant in Detroit uses gas heating).

As far as the French site is concerned, the ratio is strongly dependent on the product mix of the year, by workshop.

Efforts to rationalise and modernise the production tool (for BEA Laboratories) are also bearing fruit in the Health & Beauty division.

Concerned about preserving the planet's resources, CONDAT now opts for energies. Since 2019, **100% of the consumption of the French sites is covered by certificates of renewable origin.**

The Brazilian and American sites have also opted for supply contracts with a majority of renewable energies.

Water

| | | LUBRICANTS | | | | HEALTH & BEAUTY | | | |
|--------------|--------------------|------------|----------|---------|---------|-----------------|--------|--------|--------|
| | | CSA 2018 | CSA 2019 | 2020 | 2021 | 2018 | 2019 | 2020 | 2021 |
| WATER | m ³ | 90 678 | 94 099 | 106 157 | 114 705 | 7 717 | 8 299 | 10 389 | 7 822 |
| | Production volume* | 48 835 | 49 827 | 54 639 | 61 531 | 18 346 | 18 122 | 22 967 | 24 186 |
| | Ratio | 1,9 | 1,9 | 1,9 | 1,9 | 0,4 | 0,5 | 0,5 | 0,3 |

* In tonnes for the lubricants part, in thousands of pieces produced for the Health & Beauty part. In order to approximate the data used operationally, the 2018 and 2019 production volume data has been retroactively adjusted to 2020 for CSA.

The evolution of the water consumption ratio in the Health & Beauty division is explained by a change in the product mix during the year in favour of products that require less water (solid cosmetics or emulsions instead of liquid cosmetics or lotions).

REJECTS

Atmospheric emissions

Measurements of atmospheric emissions are carried out in the various production workshops of the French site of the Lubricants and Special Products division as an ICPE (classified installation for the protection of the environment) and transmitted to accredited organisations).

Our investment programme includes annual maintenance and upgrades to minimise emissions to the atmosphere.

Aqueous discharges

The company also complies with regulatory requirements for aqueous discharges:

| | 2018 | 2019 | 2020 | 2021 |
|----------------------|------|------|------|------|
| compliance with ELV* | 97 | 96 | 97 | 98 |

* ELV: Emission Limit Values

SECURITY

With the same concern for **safety**, the Group has an active policy of **preventing accidents in the workplace**, but also of training its employees in fire safety and, more generally, **in the various safety issues**.

| | LUBRICANTS | | | | HEALTH & BEAUTY | | | |
|---------------------------------------|------------|------------|------------|------------|-----------------|------------|------------|------------|
| | CSA 2018 | CSA 2019 | 2020 | 2021 | 2018 | 2019 | 2020 | 2021 |
| Dedicated training budget | 41 993 | 47 127 | 48 110 | 62 644 | 7 955 | 13 543 | 15 828 | 11 819 |
| Total training budget | 181 620 | 254 283 | 183 899 | 162 457 | 100 000 | 67 127 | 55 526 | 42 608 |
| Ratio | 23% | 19% | 26% | 39% | 8% | 20% | 29% | 28% |
| Number of hours of dedicated training | 1 514 | 1 377 | 1 966 | 2 368 | 389 | 485 | 607 | 464 |
| Total number of training hours | 5 975 | 6 400 | 6 264 | 6 637 | 1 207 | 1 763 | 1 265 | 1 513 |
| Ratio | 25% | 22% | 31% | 36% | 32% | 27% | 48% | 31% |

Operating in a **strong regulatory environment**, including REACH¹ regulations for the Lubricants business and BIO certification for the Cosmetics business (own brand or custom work), the Group is also committed to a voluntary approach of anticipating standards or improving its products in order **to limit the exposure of its employees and customers to risks** (in particular the use of raw materials classified as CMR² or Toxic).

This proactive policy is reflected in a **reduction in the number of classified raw materials** used by the Group (substitution of classified raw materials by unclassified raw materials in formulas), but also in the development of specific ranges without CMR raw materials (e.g. borax-free range for wire drawing) and preventive actions for employees (specific PPE, workstation layout)

¹ Registration, Evaluation, Authorisation and Restriction of Chemicals (EU Regulation 1907/2006)

² Carcinogenic, Mutagenic and Reprotoxic substances (category one and two) but also Toxic raw materials

In terms of **work-related accidents**, the efforts made over the past several years in the Health & Beauty division have enabled us to stabilise work-related accidents. As regards the Lubricants division, we are experiencing a slight deterioration in our indicators, which requires us to reaffirm our policy guidelines. Information and awareness-raising initiatives have been launched in order to disseminate good practices, anchor good behaviours, and increase the reporting of any malfunctions.

LUBRICANTS

HEALTH & BEAUTY

| | | CSA 2018 | CSA 2019 | TOTAL 2020 | CSA 2021 | CCO 2021 | CDB 2021 | TOTAL 2021 | |
|----------------------------------------|------------------------------------|---------------------------|------------|------------|------------|------------|-------------|-------------|------------|
| Employees | WORK INJURY RATE | Number of accidents* | 2 | 2 | 4 | 3 | 2 | 1 | 6 |
| | | Number of hours worked | 453 809 | 463 315 | 553 958 | 476 950 | 97 154 | 99 809 | 673 913 |
| | | Rate for frequency | 4,4 | 4,3 | 7,2 | 6,3 | 20,6 | 10,0 | 8,9 |
| | WORK ACCIDENT SEVERITY RATE | Number of days off | 27 | 188 | 299 | 408 | 3 | 15 | 426 |
| | | Number of hours worked | 453 809 | 463 315 | 553 958 | 476 950 | 97 154 | 99 809 | 673 913 |
| | | Severity rate | 0,1 | 0,4 | 0,5 | 0,9 | 0,3 | 0,9 | 0,6 |
| Employees and temporary workers | WORK INJURY RATE | Number of accidents* | 3 | 3 | 5 | 4 | 2 | 1 | 7 |
| | | Number of hours worked | 476 651 | 481 214 | 568 997 | 500 548 | 108 129 | 99 809 | 708 486 |
| | | Rate for frequency | 6,3 | 6,2 | 8,8 | 8,0 | 18,5 | 10,0 | 9,9 |
| | WORK ACCIDENT SEVERITY RATE | Number of days off | 35 | 200 | 307 | 416 | 3 | 15 | 434 |
| | | Number of hours worked | 476 651 | 481 214 | 568 997 | 500 548 | 108 129 | 99 809 | 708 486 |
| | | Severity rate | 0,1 | 0,4 | 0,5 | 0,8 | 0,2 | 0,9 | 0,6 |

| 2018 | 2019 | 2020 | BEA 2021 | SICOBEL 2021 | TOTAL 2021 |
|-------------|-------------|-------------|------------|--------------|------------|
| 6 | 13 | 5 | 0 | 1 | 1 |
| 300 812 | 313 082 | 300 870 | 167 443 | 158 566 | 326 009 |
| 19,9 | 41,5 | 16,6 | 0,0 | 6,3 | 3,1 |
| 244 | 271 | 179 | 49 | 161 | 210 |
| 300 812 | 313 082 | 300 870 | 167 443 | 158 566 | 326 009 |
| 0,8 | 0,9 | 0,6 | 0,3 | 1,0 | 0,6 |
| 6 | 15 | 5 | 1 | 1 | 2 |
| 345 043 | 341 436 | 327 601 | 212 606 | 161 988 | 374 594 |
| 17,4 | 43,9 | 15,3 | 4,7 | 6,2 | 5,3 |
| 244 | 276 | 179 | 52 | 161 | 213 |
| 345 043 | 341 436 | 327 601 | 212 606 | 161 988 | 374 594 |
| 0,7 | 0,8 | 0,5 | 0,2 | 1,0 | 0,6 |

* Excluding commuting, lost time accidents

** The 2020 data have been adjusted for the Health & Beauty division to take into account a methodological change

SOCIAL PERFORMANCE

The survey process is a real performance lever for challenging our day-to-day management practices. It is a regular practice that has now been extended to the entire Group. We want to involve our managers even more closely by allowing them to take ownership of the results and their immediate evolution for a faster and better targeted transformation into action plans.

Training is a key lever for developing our skills. We allot substantial resources to these programmes, since the budget is in the order of 3% of the payroll. Talent and its promotion should not be reserved for an "elite", often already well trained, but for all those who demonstrate aptitudes and above all unfailing motivation. From then on, it is a question of activating the mechanisms of the social lift in the company to allow each person to blossom and grow from his or her experience within the CONDAT Group. This is the approach underlying the CLEA training courses offered to certain CONDAT employees.

LUBRICANTS

| THEME | INDICATOR | CONDAT SA | CONDAT SA | CONDAT SA | CONDAT CORP | CONDAT DO BRAZIL | CONDAT SA | CONDAT CORP | CONDAT DO BRAZIL |
|--------------------------|--------------------------------------------------------------------------------------------------------|----------------------------------|-----------------------------------|----------------------------------|-------------|------------------|-------------------------------------------------------|-------------------|-------------------|
| | | 2018 | 2019 | 2020 | 2020 | 2020 | 2021 | 2021 | 2021 |
| Training | Number of employees trained per year (ratio to total workforce) | 304 (95%) | 272 (84%) | 232 (73%) | 53 (93%) | 50 (88%) | 296 (80%) | 48 (87%) | 61 (94%) |
| Workforce management | Absenteeism (ratio to total workforce) | 4,40% | 3,65% | 3,12% | 2,80% | 5,22% | 4,39% | 2,15% | 6,31% |
| Policy of remuneration | Professional equality (gender equality index in France or % of women managers in foreign subsidiaries) | 81 | 81 | 81 | N/A | N/A | 83 | 23% | 60% |
| Recruitment | Number of recruitments per year (short or long term contract) | 53 | 45 | 32 | 10 | 0 | 38 | 7 | 18 |
| Autonomy and empowerment | % of managers involved in the ToGeTHER program | N/A | N/A | N/A | N/A | N/A | 100% | Planned over 2022 | Planned over 2022 |
| QWL Policy | Investment in health and number of events/year | 96 sessions of sports and health | 160 sessions of sports and health | 57 sessions of sports and health | N/A | 5 topics covered | 3 topics covered (in addition to the sports sessions) | 2 topics covered | 4 topics covered |
| Employee commitment | Satisfaction survey (result) | 93% of employees motivated | 85% of employees motivated | 7,2* | 85% | N/A | 8 | 7,8 | 8,5 |

* The method of the employee satisfaction survey was changed in 2020. The indicator used is now the employee engagement rate (aggregation of different criteria) and no longer the rate of motivated employees (direct question). All companies conducted at least one satisfaction survey during the year.

SOCIAL PERFORMANCE (CONTINUED)

"Mens sana in corpore sano". We work on the body as well as the mind. On the strength of our Health and Safety and investment policies, our QWL policy is based on both the promotion of sport in the company and on-going work on workspaces conducive to well-being. For example, we run between 5 and 10 events per year for all our sites in general. The events are balanced between those relating to health, sport and well-being.

The theme of professional equality is a key issue in an industrial company that is seeking to feminise its functions. To date, women represent 43% of the workforce. We conduct an annual comparative M/F analysis for identical positions and share the results and associated corrective action plans with staff representatives.

HEALTH & BEAUTY

| THEME | INDICATOR | HEALTH & BEAUTY | HEALTH & BEAUTY BEA SICOBEL | HEALTH & BEAUTY BEA SICOBEL | HEALTH & BEAUTY BEA SICOBEL |
|--------------------------|--------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------|
| | | 2018 | 2019 | 2020 | 2021 |
| Training | Number of employees trained per year (ratio to total workforce) | 112 (52%) | 119 (53%) | 104 (47%) | 57 (42%) 69 (51%) |
| Workforce management | Absenteeism (ratio to total workforce) | 4,80% | 5,53% | 5,46% | 2,54% 7,48% |
| Policy of remuneration | Professional equality (gender equality index in France or % of women managers in foreign subsidiaries) | N/A | 96 75 | 96 66 | 93 82 |
| Recruitment | Number of recruitments per year (short or long term contract) | 41 | 58 | 52 | 27 12 |
| Autonomy and empowerment | % of managers involved in the ToGeThe program | N/A | N/A | N/A | Not deployed 100% |
| QWL Policy | Investment in health and number of events/year | 96 sessions of sports and health ^(*) | 160 sessions of sports and health ^(*) | 57 sessions of sports and health ⁽³⁾ | 3 topics covered ^(**) (in addition to the sports sessions) |
| Employee commitment | Satisfaction survey (result) | N/A | 72% of employees motivated ^(**) | 7,9 ^(**) | 7,2 7,3 |

* The method of the staff satisfaction survey was changed in 2020. The indicator used is now the employee commitment rate (aggregation of different criteria) and no longer the rate of motivated employees (direct question).

**Concerns only Laboratoires Sicobel

Our market dynamics and our growth mean that we recruit around 80 people a year for our French sites, and this should be understood to mean a turnover of around 9%. This was again the case in 2021.

Coaching, micro-coaching or training actions: our responses to managerial issues are wide and varied. We adopt a systemic approach and develop tailor-made support by regularly reexamining our pedagogical approaches to meet our ambitions in this area. In 2021, we have built and started the deployment of a training programme for all the Group's managers. 100% of CONDAT SA and SICOBEL managers have been coached and trained on the themes of autonomy and empowerment.

CONDAT

Groupe



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