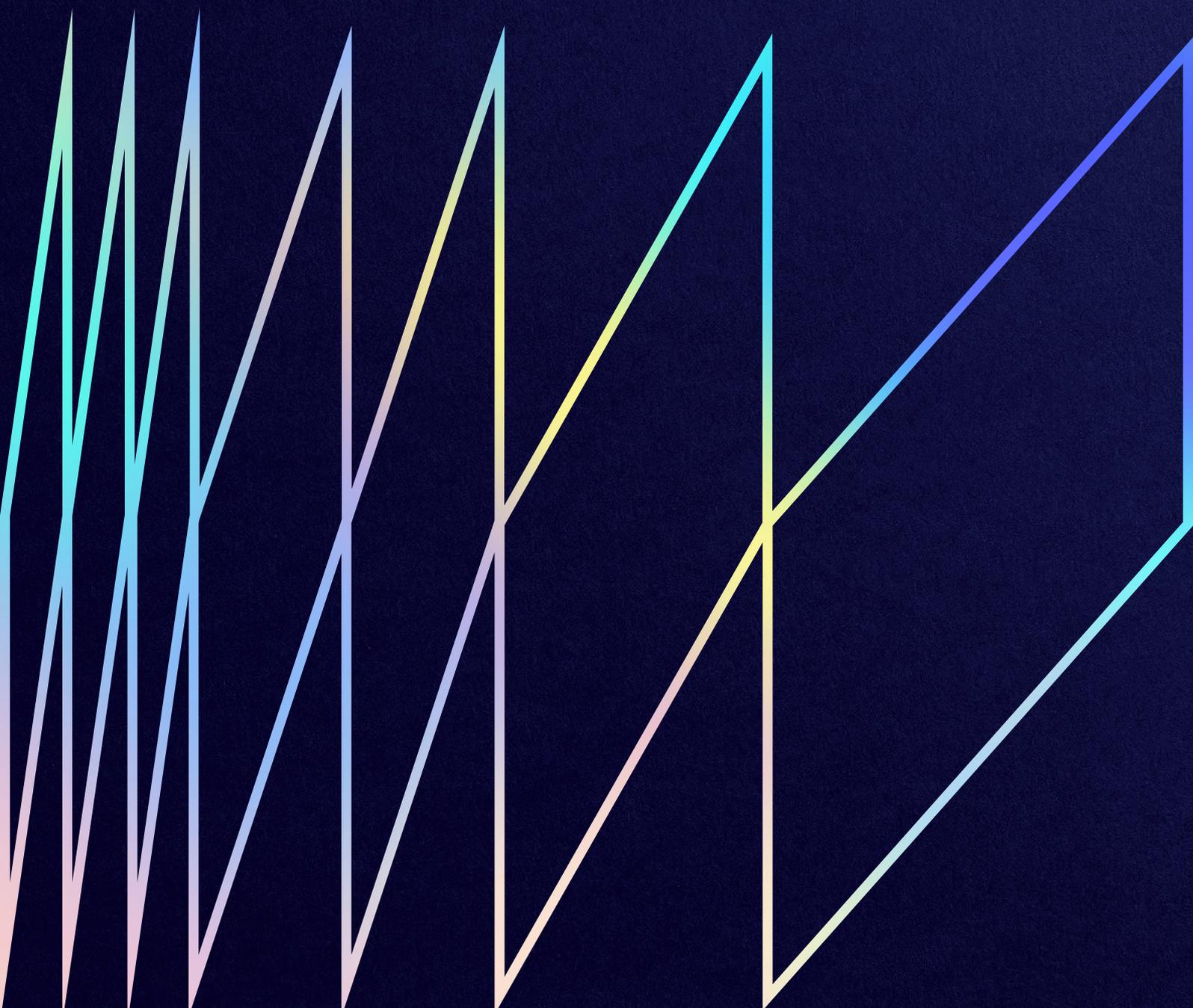


# SEQENS

## COMMUNICATION ON PROGRESS

2017-2018

*United Nations Global Compact*



# SEQENS

## PRESIDENT INTRODUCTION



*In 2003, SEQENS was composed of 3 French chemical sites and 400 employees. After completing 9 strategic acquisitions and numerous organic growth projects since 2010, SEQENS is today a global leader in pharmaceutical synthesis and specialty ingredients, with 24 industrial plants spread over 10 countries and 3 continents, 3 200 employees and a revenue of more than 1 billion euros.*

*End 2018, we brought together all our people and activities under the same name in order to create a strong sense of belonging between our various subsidiaries and to define a new brand positioning that corresponds better to the group's current activities and future evolution. Our priorities for the coming years will be to leverage on our new identity to consolidate the group organization, clarify SEQENS positioning and increase SEQENS visibility as an integrated player.*

First, we want to focus on completing the integration of the most recent acquisitions and harmonizing the organization in order to achieve all the expected synergies. This will be possible with the implementation of a robust and clear organization and by leveraging all existing good practices from every business unit in order to make our operations more efficient. Efforts planned on IS deployment and process digitalization will further catalyze group harmonization and efficiency.

Secondly, we want to continue to reinforce our positioning in pharmaceutical synthesis and high value-added specialty ingredients.

The acquisition of PCI Synthesis completed in June 2018 is fully in line with the strategy to widen our offering to the pharmaceutical industry and to accelerate our development in North America. PCI Synthesis and SEQENS operate complementary CDMO activities and share common values such as entrepreneurship, operational excellence and customer focus.

**Also, we want to continue to leverage our strong and international industrial footprint to foster numerous organic growth projects, such as SEQENS new developments in Billingham, as well as CDMO pharmaceutical projects.**

Finally, in order to support our sustainable growth, we want to continue to reaffirm our values and maintain a high level of commitment on:

- Safety and integrity for all employees, stakeholders and assets;
- Quality, to guarantee our clients the highest standards of Good Manufacturing Practices;
- Risk Management and Compliance, to ensure SEQENS is conducting its business with integrity wherever it operates in the world;
- Sustainable Development and Corporate Social Responsibility, to minimize the environmental impact of our processes and products and make sure our operations follow the fast-changing regulations, especially in Asia.

I am confident our organization will be able to fully support the fast, profitable and sustainable growth of each business unit and I want to thank all and each of our employees for their strong commitment to this common objective.

**PIERRE LUZEAU**  
**SEQENS CEO**

# SEQENS SUPPORTS UNITED NATIONS GLOBAL COMPACT INITIATIVES

*SEQENS as a signatory of the UN GC since 2008, is committed to do everything possible to develop its business sustainability within the respect of the ten principles of the United Nations Global Compact*



In order to succeed in this approach, to share and convey this vision within its organization, SEQENS deploys its strategy related to sustainable development through enforcing specific governance principles and implementing its road-map on the fields of social and societal responsibility, environment protection and economic performance.

The aim of this document is to present a large number of the actions carried out within SEQENS, without claiming to be exhaustive. It also aims at demonstrating how SEQENS assumes its societal responsibility and integrates year after year the principles of the global compact and the unavoidable concepts of sustainable development.

## The Ten Principles of United Nations Global Compact

### *Human Rights*

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights;

**Principle 2:** Businesses should make sure that they are not complicit in human rights abuses;

### *Labor*

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:** Businesses should uphold the elimination of all forms of forced and compulsory labor;

**Principle 5:** Businesses should uphold the effective abolition of child labor;

**Principle 6:** Businesses should uphold the elimination of discrimination in respect of employment and occupation;

### *Environment*

**Principle 7:** Businesses should support a precautionary approach to environmental challenges;

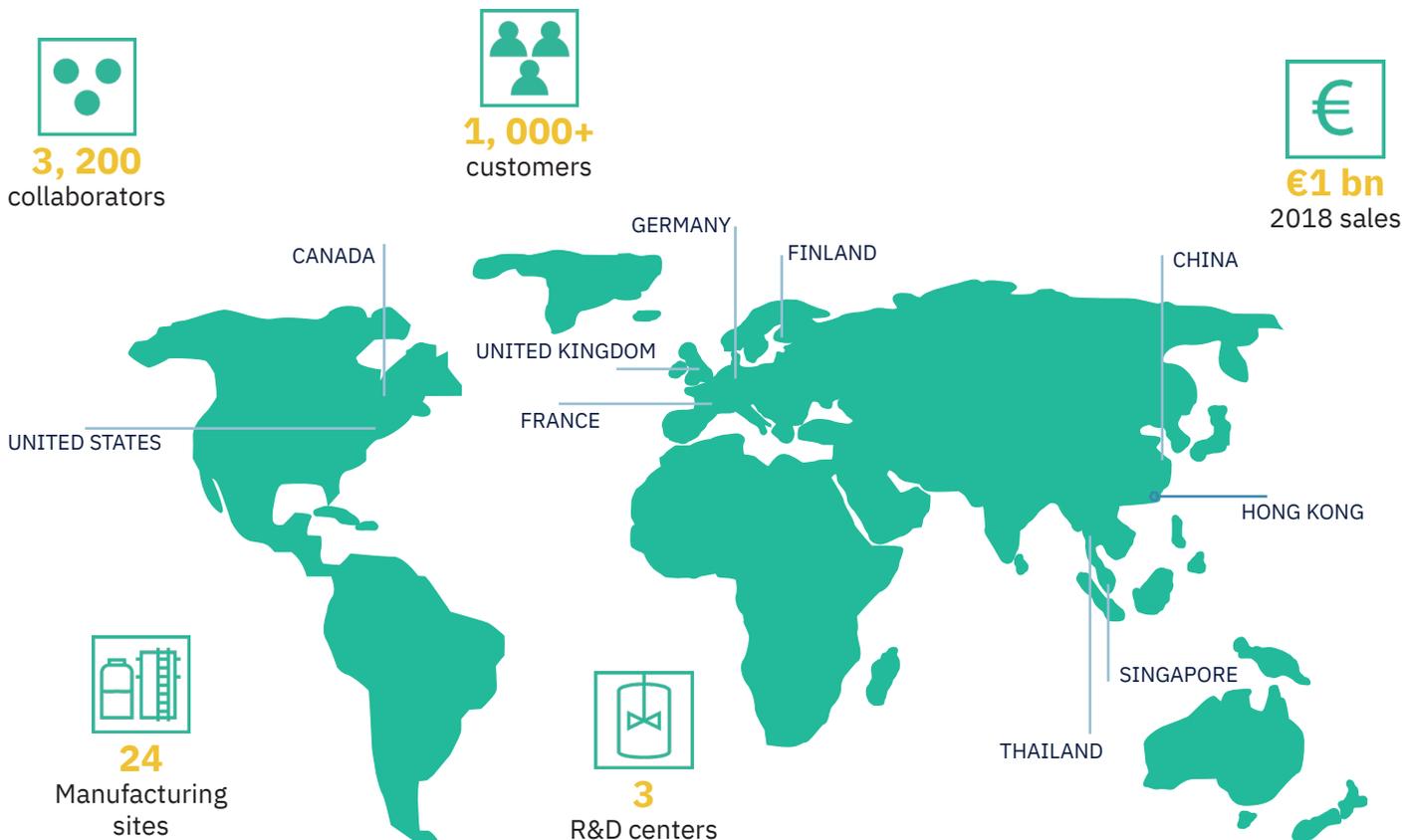
**Principle 8:** Businesses should undertake initiatives to promote greater environmental responsibility;

**Principle 9:** Businesses should encourage the development and diffusion of environmentally friendly technologies.

### *Anti-corruption*

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery

# SEQENS BUSINESS OVERVIEW



## 9 ACTIVITIES serving ...

**SEQENS**

- SEQENS** CDMO
- SEQENS** ESSENTIAL DRUG SUBSTANCES
- SEQENS** CUSTOM SPECIALTIES
- SEQENS** R&D SERVICES
- SEQENS** ADVANCED SPECIALTIES
- SEQENS** SOLVENTS & PHENOL SPECIALTIES
- SEQENS** MINERAL SPECIALTIES
- SEQENS** COSMETICS
- SEQENS** ACID & DERIVATIVES

## 6 END-MARKETS

- Healthcare
- Cosmetic & Fragrances
- Electronics
- Food
- Environment
- Homecare

*Section 1*

**SEQENS CSR  
GOUVERNANCE**

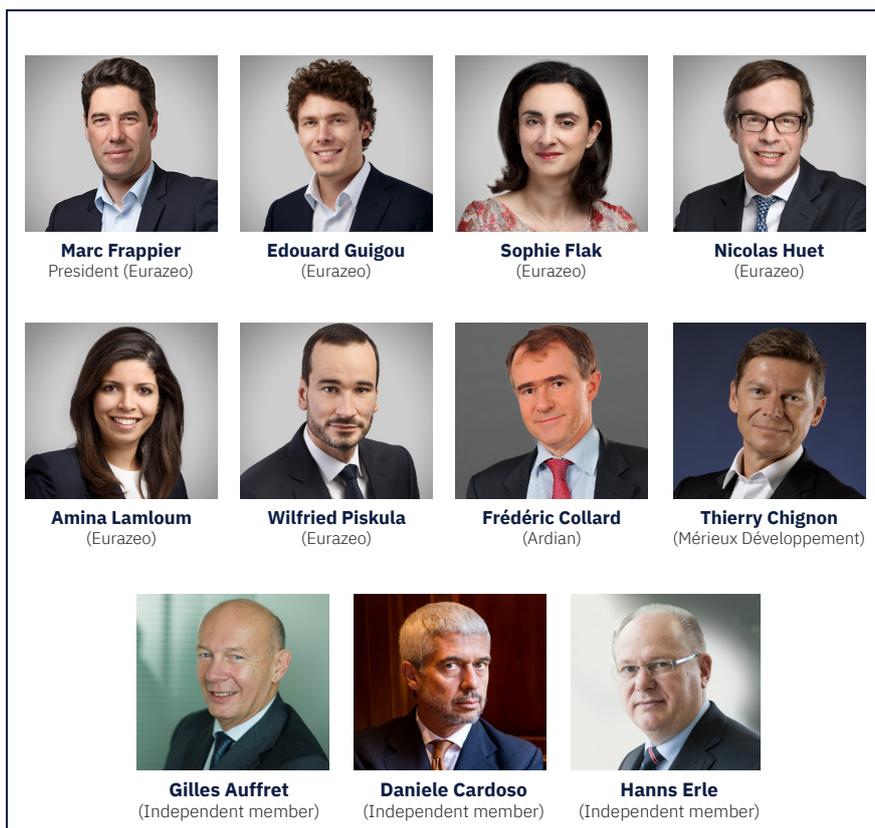


# GOVERNANCE PRINCIPLES

## SEQENS SUPERVISORY BOARD FUNCTIONS AND ITS CSR SUPERVISION

*The Supervisory board, formed by 8 shareholders representatives and 3 independent members, integrates CSR supervision through a specific CSR committee.*

### SUPERVISORY BOARD



The Supervisory Board is a non-executive Board, responsible for supervising and controlling the activity of the Management Board and the CEO in order to ensure SEQENS' long-term sustainability. To manage certain areas of focus, the Supervisory Board has implemented 3 specific committees:

#### **HUMAN RESOURCES COMMITTEE**

The Human Resources committee has the responsibility to assist board members and advise them regarding appointment and compensation of SEQENS' key managers.

#### **AUDIT COMMITTEE**

The Audit committee helps board members fulfill their responsibilities regarding the production and control of financial information, risk management and external audit.

#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility committee provides expertise and recommendations on SEQENS CSR strategy and actions.

# GOVERNANCE PRINCIPLES

## SEQENS MANAGEMENT BOARD & EXECUTIVE COMMITTEE FUNCTIONS INCLUDES CRS MANAGEMENT

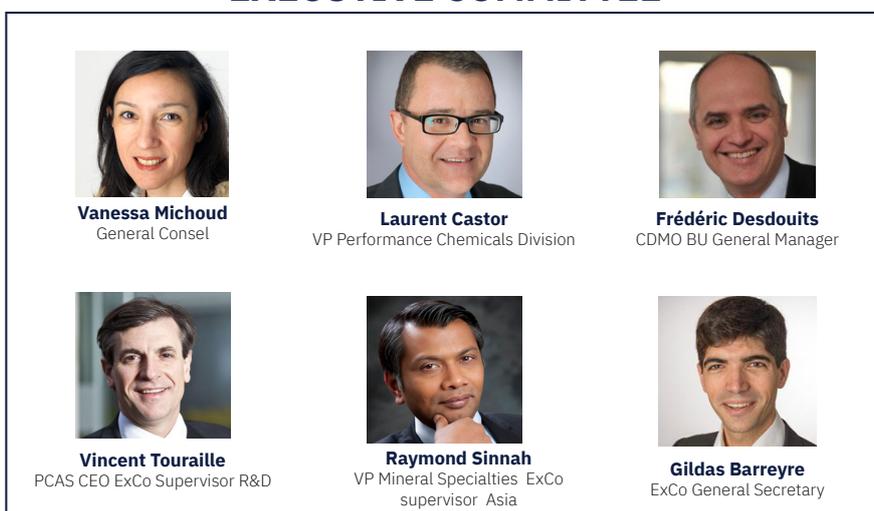
*SEQENS management book has been published to share and convey within SEQENS a common vision and a clear framework to ensure its business development and sustainability.*

### MANAGEMENT BOARD



The management board is responsible for the day-to-day governance of the group and shall implement the appropriate management within the group to ensure the deployment of the policies and decisions approved by the Supervisory Board. In addition, it shall report to the Supervisory Board on the main topics listed above and provide all relevant information needed by the Supervisory board to be able to take the appropriate decisions.

### EXECUTIVE COMMITTEE



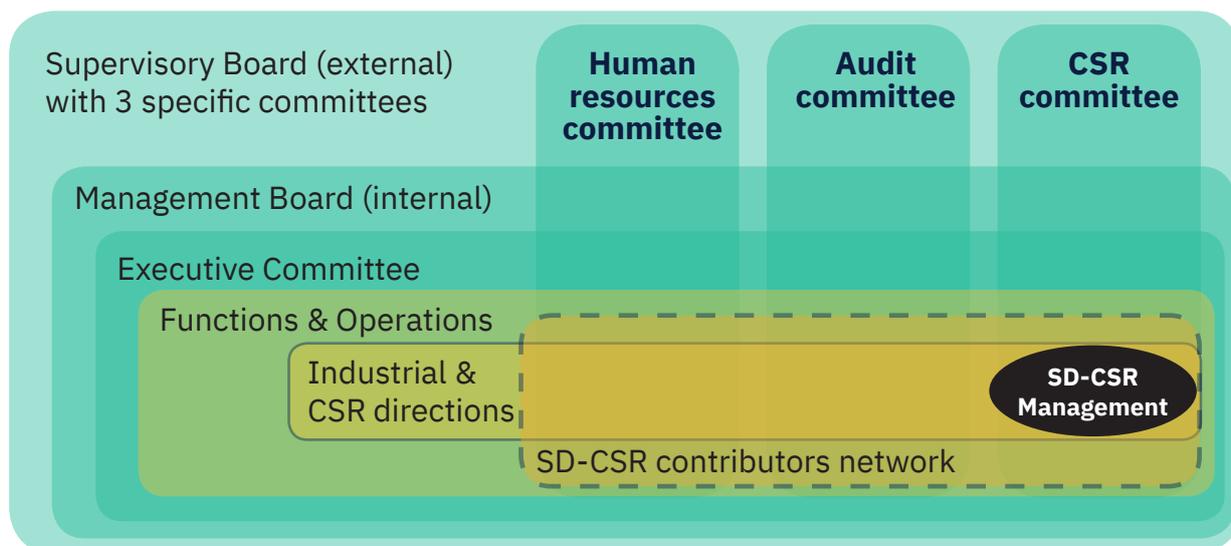
The executive committee is responsible for steering the strategic road-map defined with the Supervisory Board to meet group improvement and development objectives:

- Shaping and preserving SEQENS' strategy, values and assets: its mission includes formulating and implementing the group's strategic vision and objectives. The ExCo also steers the group's business portfolio and is responsible for fulfilling the group's value creation objectives

- Managing Performance: for each of the ExCo members within his(her) scope, to manage performance of BU or Function leaders, allocating group-wide resources and governing the Functions' activities

# SEQENS GOVERNANCE BODIES INTEGRATING CORPORATE SOCIAL RESPONSIBILITIES MANAGEMENT (CSR)

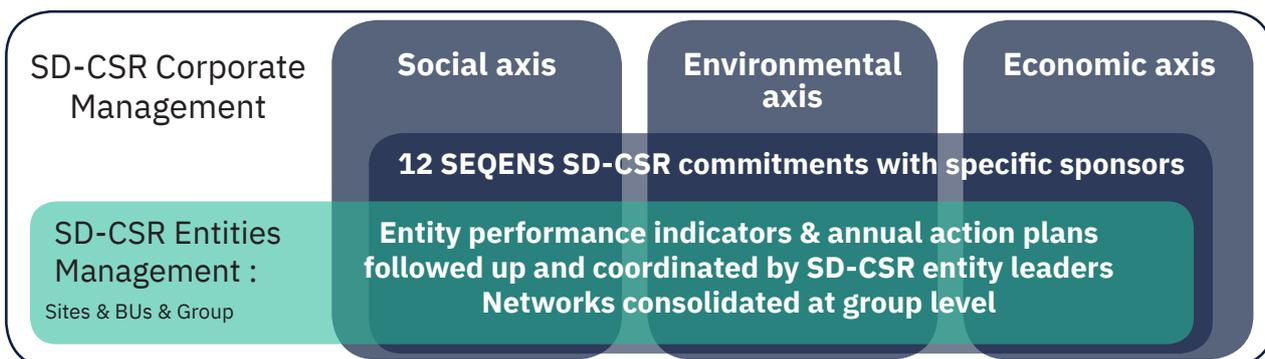
*SEQENS activities are managed by various governance bodies having their specific responsibilities and expertises whose CSR*



**A voluntary approach oriented towards progress and transparency, a clear commitment toward actions and results.**

SEQENS has established a comprehensive sustainable development and corporate social responsibility strategy which relies on:

- The sustainable development policies at group and subsidiary levels
- The implementation roadmap based on a shared sustainable development framework (3 axis, 12 commitments)
- The monitoring of main sustainable development stakes through the implementation of relevant management process including action plans and performance indicators follow-up.
- A network of “12 commitments” Sponsors and site SD-CSR Leaders under group SD-CSR director coordination.



# SEQENS MANAGEMENT BOOK

## SHARE A COMMON VISION

*SEQENS management book has been published to share and convey within SEQENS a common vision and a clear framework to ensure its business development and sustainability.*



The Executive Committee has designed this Management Book in order to help collaborators in their day-to-day work. It provides the best practices of each site to everyone.

This document highlights:

- Key governance principles
- Value System
- Governance bodies
- Reporting
- Group rules & framework including:
  - Compliance
  - Golden rules
  - Approval matrix



### *Compliance*

The Compliance Department aims to go beyond our corporate culture to lay the framework for a clear, shared code of ethics reflecting the company's policies and cohesion when it comes to ethics, which plays a determining role in the success of our business and our people.

### *Golden rules*

These Golden Rules help manage behaviors and actions to:

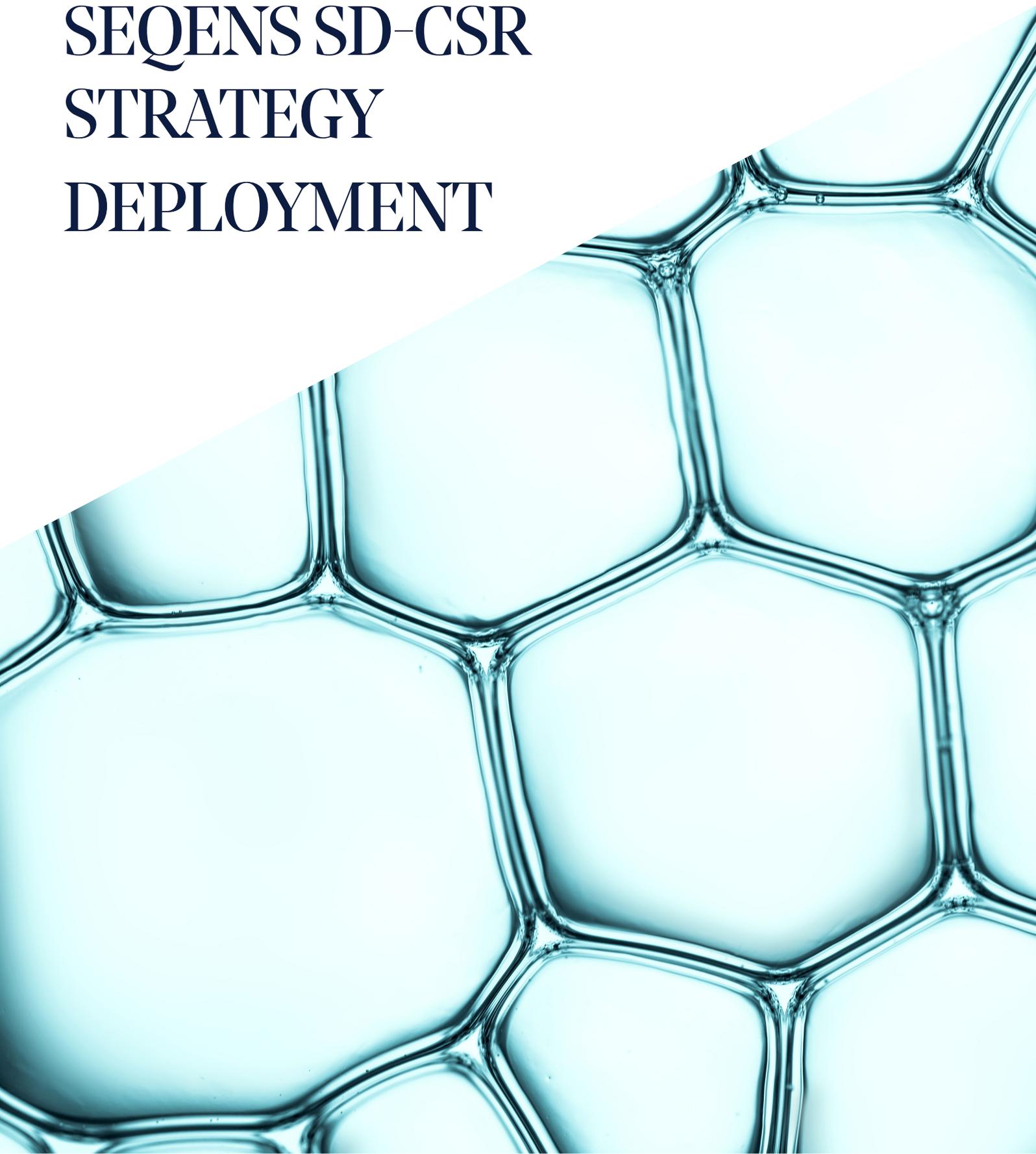
- Mitigate major risks;
- Protect the group's human capital and assets;
- Avoid any action that may be detrimental to the group's image and/or reputation.

### *Approval Matrix*

This matrix reflects the Executive Committee's intention to simplify and extend the delegations granted to the businesses and functions in the context of the current organization of SEQENS.

*Section 2*

**SEQENS SD-CSR  
STRATEGY  
DEPLOYMENT**



# SAFETY FIRST AS A PILLAR OF SEQENS SOCIAL RESPONSIBILITY

*SEQENS considers nothing can be done to the detriment of occupational and process safety.*

## SEQENS EHS POLICY

SEQENS

|                |                    |
|----------------|--------------------|
| Reference      | G-EHS-POL-002-DDC1 |
| Version        | 02                 |
| Effective date | 22-FEB-2019        |

### SEQENS Safety Charter

The Seqens Group is committed to prevent accidents and incidents that could affect the health and safety of its employees, subcontractors, partners and neighbors. Safety is primarily the responsibility of the operational line, the HSE departments supporting the teams. It relies on everyone's commitment to implementing the following fundamental principles:

- Managers are exemplary and integrate safety into any decision made.
- Safety results are part of the assessment of each individual's performance.
- No priority can be exercised to the detriment of safety.
- Malfunctions, unsafe situations and unsafe behaviors are reported and corrected as soon as possible. It is an individual duty and everyone has the authority to do it.
- Incidents and accidents are thoroughly analyzed to learn from them and prevent them from recurring.
- Exposures to hazards are identified and controlled in particular through risk analyses and critical task analyses.
- Our staff and the staff of our subcontractors are informed of the procedures in place and benefit from adequate training and qualification for the tasks they have to perform.
- Safety rules and procedures are adhered to and strictly applied.
- Our units, installation, equipment and tools are kept clean and in good condition.
- Improvement plans are established every year; progress made are reported on a regular basis.

This charter is posted, communicated and commented to all our employees, subcontractors and partners. All Seqens employees and third parties working for Seqens are required to work in accordance with the principles mentioned above.

Reviewed and approved by :

Name: Yann Grevillot  
Position: Group EHS Director  
Date: 15-FEB-2019  
Signature:

Reviewed and approved by :

Name: Pierre Lizeau  
Position: CEO  
Date: 15-FEB-2019  
Signature:

Final Reviewed and approved by :

Name: Laurent Claus  
Position: Corporate Quality Assurance System  
Date: 18-FEB-2019  
Signature:

## SEQENS SAFETY CHARTER

SEQENS

|                |                  |
|----------------|------------------|
| Reference      | G-EHS-POL-003-EN |
| Version        | 02               |
| Effective date | 22-FEB-2019      |

### Seqens EHS Policy

As a global leader in the chemical and pharmaceutical industry, **Seqens is committed to make Sustainable Development (SD) and Corporate Social Responsibility (CSR) a priority.** In accordance with our Sustainable Development policy, health and safety of our employees, contractors, partners and the nearby community together with the protection of the environment are core values for the group.

The company has adhered to the Responsible Care and Global Compact initiatives and we are committed to:

- Make health and occupational safety of our employees and partners one of our key priorities
- Minimize process and product environmental impact at every stage
- Reduce greenhouse gas emissions within planet boundaries
- Master process safety and product transportation
- Reinforce sustainable sourcing and preserve natural resources.

To meet our goals and achieve best in class performance, we:

- Manage activities through a comprehensive and efficient EHS management system
- Ensure competency of our employees and contractors through adequate training, networking and mentoring.
- Develop a strong EHS culture throughout the organization.
- Apply the 12 EHS management golden rules as described in the Seqens Management Book.

Seqens managers are responsible for the rollout of this policy among our employees and partners. All Seqens employees and third parties working on behalf of Seqens are accountable to operate in accordance with the above commitments.

Reviewed and approved by :

Name: Yann Grevillot  
Position: Group EHS Director  
Date: 15-FEB-2019  
Signature:

Reviewed and approved by :

Name: Pierre Lizeau  
Position: CEO  
Date: 15-FEB-2019  
Signature:

Final Reviewed and approved by :

Name: Laurent Claus  
Position: Corporate Quality Assurance System  
Date: 18-FEB-2019  
Signature:

Each SEQENS employee has to apply SEQENS ESH policy as well as respecting SEQENS Safety charter

# SEQENS CSR COMMITMENTS AND POLICY

*Sustainable Development Policy in addition to commitments under the Global Compact, Responsible Care Initiative and Climate pledge underline SEQENS voluntary drive toward alignment and progress on an international scale*

**SEQENS**  
**SUSTAINABLE DEVELOPMENT**  
January 2019

**Preparing and respecting the Future**

As a global leader in the chemical and pharmaceutical industry, **Seqens is committed to make Sustainable Development (SD) and Corporate Social Responsibility (CSR) a priority**. A dedicated organization is managing a structured, shared and responsible program based on 3 axis and 12 commitments to its stakeholders:

**Social responsibility:**

- Make health and occupational safety of our employees and partners our first priority
- Respect human rights, labor rights and practice a high quality social dialogue
- Develop employees engagement, talent and skills
- Dialog and build trust with local communities

**Environmental Protection:**

- Minimize process and product environmental impact at every stage
- Reduce greenhouse gas emissions within planet boundaries
- Master process safety and product transportation
- Reinforce sustainable sourcing and preserve natural resources.

**Economic performance:**

- Be recognized for our strong customer focus and our respect of regulation and quality standards
- Be a compliant, ethical and trustworthy business partner all along our responsible supply chain.
- Foster and deploy sustainable innovations
- Generate significant and sustainable value through Operational Excellence

At the operational level, all our entities implement **QHSE management systems aiming for Excellence**. Our certifications (e.g. ISO 9001, ISO 14001, ISO 50001, OHSAS 18001, HACCP, cGMP as relevant for each entity) demonstrate our strong willingness to comply with the most demanding international standards.

Based on these 12 commitments, **key performance and progress indicators (KPIs)** are monitored; **associated action plans** are designed by each entity and reviewed periodically with Management.

Our active membership in the **United Nations Global Compact**, and in the **Responsible Care** initiative worldwide, a Global Charter created by the International Council of Chemical Associations also demonstrate **Seqens engagement towards Sustainable Development and Corporate Social Responsibility**.

**Seqens managers are responsible for the roll-out of this policy among our employees and partners. They ensure compliance to procedures and working methods, such as Seqens golden rules, as described in Seqens management book.**

  
**Pierre Lizeau**  
Seqens President  
On behalf of all Executive Committee members of NOVACAP Group

**SEQENS**  
www.seqens.com  
SEQENS SAS - 31 Chemin de la Savonnerie, 31040 Epiais-Français Cedex - France  
RCS Lyon - Tel : +33 (0)4 26 99 18 00 - Fax : +33 (0)4 26 99 18 38

**SEQENS**

Au - Secrétaire Général  
Nations Unies  
New York - NY 10017  
Etats Unis

Lyon, le 20 janvier 2019

**Objet : Déclaration de soutien aux principes du Global Compact**

Monsieur le Secrétaire Général,

J'ai le plaisir de vous confirmer que Seqens, anciennement Novacap, membre actif du Pacte Mondial des Nations Unies depuis 2008, renouvelle son soutien aux dix principes fondateurs concernant les droits de l'homme, les droits du travail, la protection de l'environnement et la lutte contre la corruption.

Sous l'impulsion de notre comité exécutif et conformément à notre politique et à notre stratégie de développement durable, valeur fondamentale de Seqens, nous poursuivons le déploiement de notre programme basé sur les trois piliers suivants: la responsabilité sociale, le respect sans équivoque de l'environnement et la performance économique. Au travers de ce programme, l'ensemble de nos collaborateurs et moi-même cherchons au sein de nos propres domaines d'influence et dans chacune de nos opérations quotidiennes, à garantir systématiquement la mise en application des dix principes du Global Compact.

Acteur responsable et transparent, Seqens s'engage à rendre publique annuellement les résultats de ses actions et les progrès réalisés en faveur des dix principes du pacte mondial et à en informer régulièrement ses employés et ses partenaires, qu'ils soient clients, fournisseurs, actionnaires ou membres de la communauté publique.

En conséquence, vous trouverez ci-joint le rapport CoP de Seqens (Communication on Progress), fruit de cet engagement.

Meilleures salutations,

  
Pierre Lizeau

**SEQENS**  
www.seqens.com  
SEQENS SAS - 31 Chemin de la Savonnerie, 31040 Epiais-Français Cedex - France  
RCS Lyon - Tel : +33 (0)4 26 99 18 00 - Fax : +33 (0)4 26 99 18 38

THE INTERNATIONAL COUNCIL OF CHEMICAL ASSOCIATIONS

## Responsible Care® Global Charter

Responsible Care is the global chemical industry's unifying commitment to the safe management of chemicals throughout their life cycle, while promoting their role in improving quality of life and contributing to sustainable development.

As a signatory to the Responsible Care Global Charter my company will actively strengthen the Responsible Care Initiative worldwide and is committed to:

1. A Corporate Leadership Culture that proactively supports safe chemicals management through the global Responsible Care Initiative
2. Safeguarding People and the Environment by continuously improving our environmental, health and safety performance, the security of our facilities, processes and technologies, and by driving continuous improvement in chemical product safety and stewardship throughout the supply chain
3. Strengthening Chemicals Management Systems by participating in the development and implementation of lifecycle-oriented, sound-science and risk-based chemical safety legislation and best practices
4. Influencing Business Partners to promote the safe management of chemicals within their own operations
5. Engaging Stakeholders, understanding and responding to their concerns and expectations for safer operations and products and communicating openly on our performance and products
6. Contributing to Sustainability through improved performance, expanded economic opportunities and the development of innovative technologies and other solutions to societal challenges

  
Company: \_\_\_\_\_  
Date: 01/19 June, 2015

  
Approved by the ICCA Board of Directors, May 29, 2014

Copyright © ICCA. Only the English language version is the official document.

## Novacap

**Le Développement Durable au cœur de nos activités**

Acteur majeur de la synthèse pharmaceutique, de la chimie de spécialité, Novacap est une entreprise de taille intermédiaire qui fabrique et commercialise des produits essentiels à notre vie quotidienne, d'aujourd'hui et de demain. Fort de ses positions de leader sur les marchés en croissance et résilients de la pharmacie, de la santé, de la cosmétique et des fragrances, de l'alimentation et de la nutrition animale, des soins de la personne, Novacap propose une des gammes les plus étendues de produits et de services.

Le groupe Novacap exploite 27 sites industriels et centres de R&D en Europe, en Asie et en Amérique, emploie plus de 3000 collaborateurs et fournit plus de 1000 clients dans le monde.

Novacap est résolument engagé à faire du développement durable et de la responsabilité sociétale de l'entreprise (RSE) une priorité ([www.novacap.eu/fr/engagements/developpement-durable-2/](http://www.novacap.eu/fr/engagements/developpement-durable-2/)).

**Une analyse rigoureuse de notre empreinte carbone**

Novacap s'est lancé dans une démarche ambitieuse d'analyse complète de l'empreinte carbone de l'ensemble de la chaîne de valeur de ses activités – bilan des émissions de gaz à effet de serre scopes 1, 2 et 3 – de l'extraction de matière première à la transformation et l'utilisation de nos produits, au-delà des exigences réglementaires.

Novacap s'est engagé à conduire cette analyse sur plus de 80 % de ses émissions de gaz à effet de serre à fin 2018.

**Des projets ambitieux de réduction de nos consommations énergétiques**

Novacap est engagé depuis de nombreuses années et sur l'ensemble de ses sites industriels dans des projets d'efficacité énergétique :

- Novacap exploite sur ses sites de Lameuveville-devant-Nancy et de Roussillon des cogénérateurs à haut rendement au gaz naturel dont le fonctionnement permet des économies d'énergie primaires de plus de 10 %.
- Les sites industriels les plus énérgo-intensifs du groupe ont mis en place un système de management de l'énergie dans le cadre de la norme ISO 50001 ;
- des plans de performance énergétique ambitieux ont été mis en place sur 90 % de la consommation énergétique du groupe en Europe comme en Chine.

**Une transition progressive vers des énergies bas carbone**

Novacap s'engage dans la transition énergétique en remplaçant de la production d'énergie fossile par de la production d'énergie bas carbone renouvelable ou de récupération :

- sur la plateforme de Roussillon, le GIE OSIRIS a mis en place une chaudière biomasse et envisage d'amener à plus de 30 % d'ici à 2020 la part d'énergie renouvelable ou de récupération dans son mix de production chimier ([www.osiris-gie.com/fr/osiris-engagement/osiris-responsable.html](http://www.osiris-gie.com/fr/osiris-engagement/osiris-responsable.html)) ;
- sur son site de production de carbonate et de bicarbonate de sodium à Lameuveville-devant-Nancy, Novacap s'est engagé, en partenariat avec la société ENGIE CORELY, dans un projet de construction d'une centrale de cogénération biomasse. Le projet doit permettre d'accélérer la transition énergétique en remplaçant 30 % de la consommation de charbon par du bois de récupération et en réduisant de 120 000 tonnes par an les émissions de CO<sub>2</sub> ([www.nowood.fr](http://www.nowood.fr)) ;
- en Thibaudes, sur son site de production d'aspirine, Novacap projette l'installation de panneaux photovoltaïques pour son approvisionnement en électricité ;
- la toute nouvelle unité Novacap de production de bicarbonate du groupe mise en service en 2017 à Singapour respecte les meilleurs standards en matière de développement durable (captation de CO<sub>2</sub>, réduction de la consommation d'énergie et d'eau, réduction des déchets ou recycl minimum).

#OnePlanetSummit | #ClimatePledge

Paris - 11 décembre 2017 63

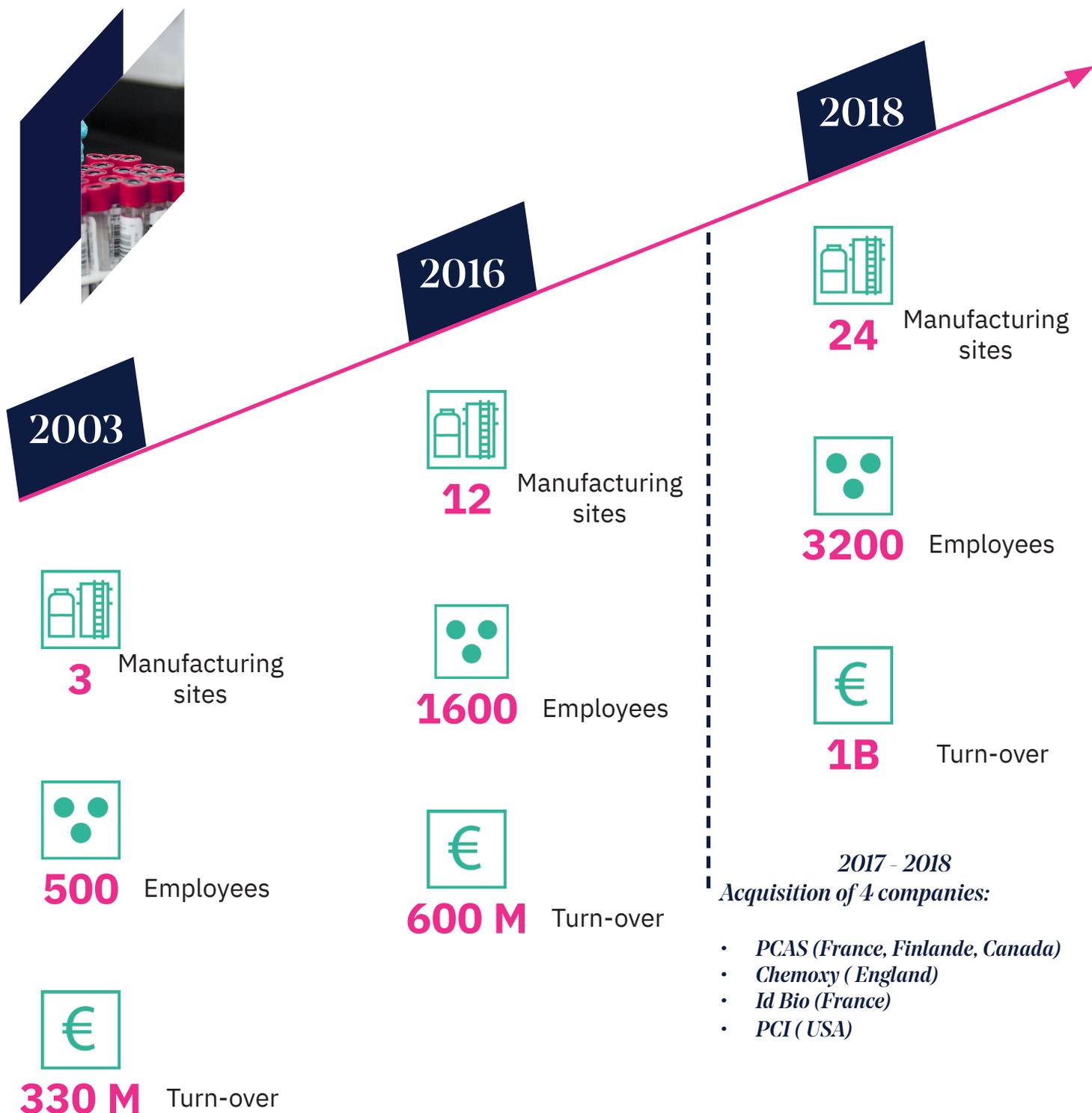
# SEQENS

## STORY FROM 2003 TO 2018

*From Essential  
Chemicals to*

*Specialties  
ingredients*

*moving to  
Pharmasynthesis*



# SEQENS

## CHANGES IN ESG & CSR POLICIES

*SEQENS leveraged on its new shareholders policies to boost its ESG-CSR culture*

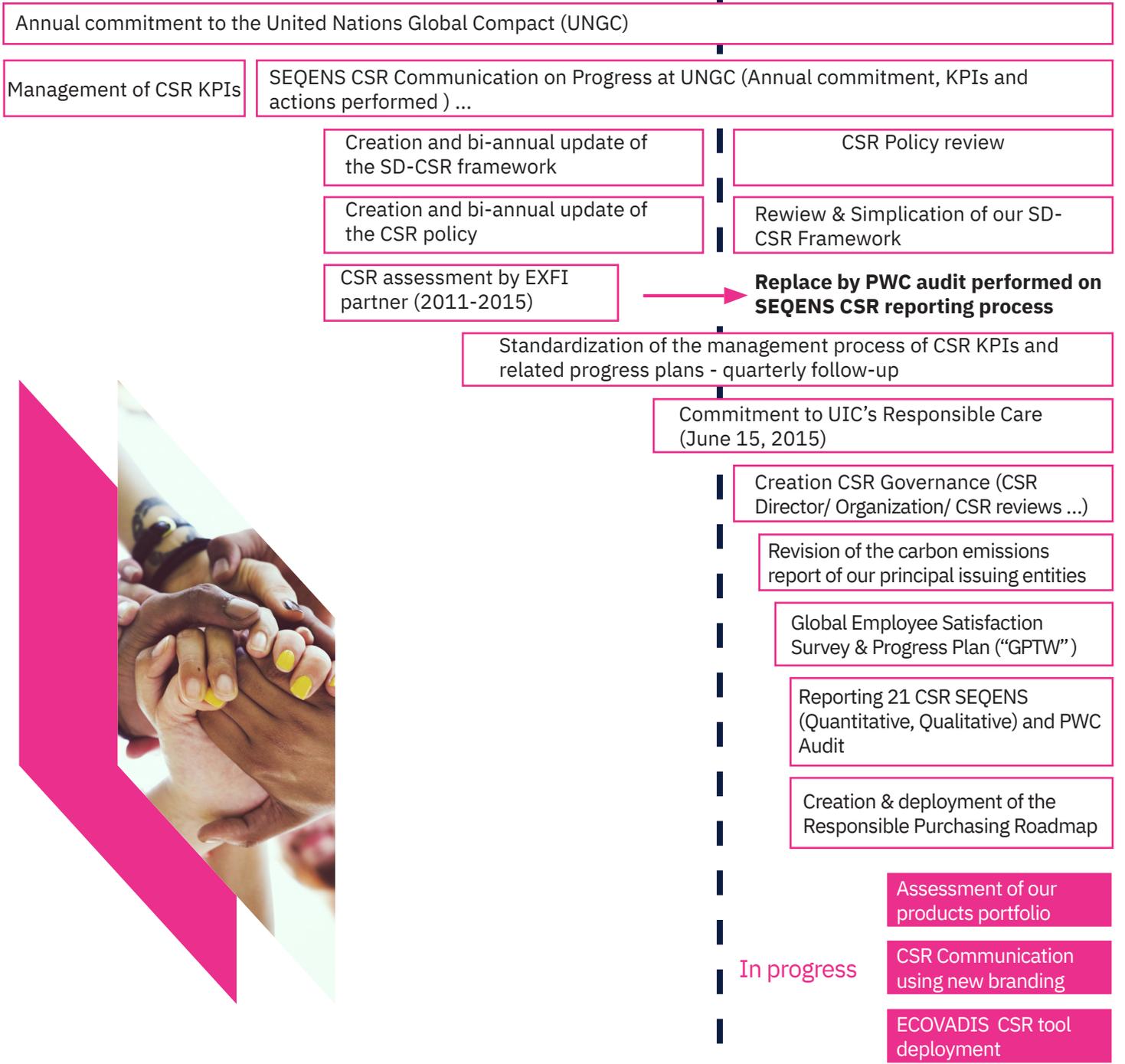
| <p style="text-align: center;"><b>BEFORE</b></p> <p style="text-align: center;">A CSR approach guided by a strong EHS culture and social dialogue</p>   | <p style="text-align: center;"><b>AFTER</b></p> <p style="text-align: center;">An anchored CSR culture based on 3 pillars with a additional focus on Environmental (GHG) and societal Commitments</p>  |
|---|--|
| <p><b>1.</b> Safety, a pillar of SEQENS' CSR strategy (Safety Charter, Safety Policy ... and structured action plans):</p> <ul style="list-style-type: none"> <li>• Health &amp; Safety at work: reduction by 4 of category 1 accidents rate (TF1)</li> <li>• Process safety _ environmental risk management</li> <li>• No critical accidents since its creation</li> <li>• Environmental progress through yield waste gains</li> </ul> <p><b>2.</b> A sustainable development policy with a deploy process based on:</p> <ul style="list-style-type: none"> <li>• Social &amp; societal responsibility</li> <li>• Environmental protection</li> <li>• Economic performance</li> <li>• SD-CSR KPIs management and annual SD-CSR progress plans</li> </ul> | <p><b>1.</b> A global vision of CSR integrating our EHS culture:</p> <ul style="list-style-type: none"> <li>• Specific CSR governance</li> <li>• Management and reduction of environmental impacts</li> <li>• Enhanced reporting (reporting 21)</li> <li>• Development of a simplified &amp; positive communication based on the 3 Ps (People, Planet, Performance)</li> </ul> <p><b>2.</b> Focus on shared priorities with our shareholders:</p> <p>Health &amp; safety at work (people/process safety)</p> <p>The reduction of greenhouse gases</p> <p>Environmental risk management</p> <p>Responsible purchasing</p> <p>A communication valuing CSR initiatives</p> <p>Well being &amp; Commitment at work</p> <p>Any activity serving UNGC objectives (17 SDGs)</p> |



# SEQENS ESG – CSR STORYBOARD SINCE ITS FIRST COMMITMENT TO UNGC.

*SEQENS clearly accelerates its CSR journey with the support of its shareholders focusing on main CSR mega trends*

2008 ... 2011 2012 2013 2014 2015 2016 | 2017 2018 2019 2020 ...



# SEQENS

## SD-CSR FRAMEWORK

*SEQENS SD-CSR Framework structures the deployment of its SD-CSR strategy in accordance to United Nations Global Compact principles*

With the 3 « P » axis and its 12 commitments, SEQENS has a structured approach to deploy its SD-CSR strategy and to get a « win-win » relationship with all its stakeholders . This approach is totally aligned with UNGC principles .

| <b>PEOPLE</b><br><i>Social &amp; Societal Responsibility</i>  | <b>PLANET</b><br><i>Environment Protection</i>  | <b>PERFORMANCE</b><br><i>Economic sustainability</i>   |
|---|---|--|
| <p><b>C1.</b> Make health &amp; occupational safety of our employees and partners our N°1 priority</p> <p><b>C2.</b> Respect human rights, labor rights and practice a high quality social dialogue</p> <p><b>C3.</b> Develop employees engagement, talent and skills</p> <p><b>C4.</b> Dialog and build trust with local communities</p> | <p><b>C5.</b> Minimize process and product environmental impact at every stage</p> <p><b>C6.</b> Reduce greenhouse gas emissions within planet boundaries</p> <p><b>C7.</b> Master process safety and product transportation</p> <p><b>C8.</b> Reinforce sustainable sourcing and preserve natural resources.</p> | <p><b>C9.</b> Be recognized for our strong customer focus and our respect of regulation and quality standards</p> <p><b>C10.</b> Be a compliant, ethical and trustworthy business partner, all along our responsible supply chain.</p> <p><b>C11.</b> Foster and deploy sustainable innovations</p> <p><b>C12.</b> Generate significant and sustainable value through operational excellence</p> |



Principle 1  
Principle 2  
Principle 3  
Principle 4  
Principle 5  
Principle 6

Principle 7  
Principle 8

Principle 9

Principle 10

# SEQENS

## SD-CSR COMMITMENTS & SUSTAINABLE DEVELOPMENT GOALS

*SEQENS SD-CSR commitments are well aligned with Sustainable Development Goals commonly tackled by Chemical and pharmaceutical companies.*



C7. Master process safety and product transportation



C11. Foster and deploy sustainable innovations  
C12. Generate significant and sustainable value through operational Excellence



C3. Develop employees engagement, talent and skills



C5. Minimize process and product Env. Impact at every stage  
C8. Reinforce sustainable sourcing and preserve natural resources



C2. Respect human rights, labor rights and



C6. Reduce greenhouse gas emissions within planet boundaries



C5. Minimize process and product Env. Impact at every stage  
C7. Master process safety and product transportation



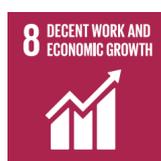
C5. Minimize process and product Env. Impact at every stage



C5. Minimize process and product Env. Impact at every stage



C5. Minimize process and product Env. Impact at every stage



C1. Make health and occupational safety of our employees and partners our n°1 priority  
C2. Respect human rights, labor rights and practices a high quality social dialogue  
C10. Be a compliant, ethical and trustworthy business partner all along our responsible supply chain



C4. Dialog and build trust with local communities  
C10. Be a compliant, ethical and trustworthy business partner all along our responsible supply chain

# SEQENS SD-CSR IMPROVEMENT

*SEQENS implements a process to pilot its SD-CSR improvements based on KPIs monitoring and actions plan follow-up*

**SEQENS process is based on the group strategy and SD-CSR framework targeting a win-win approach with our stakeholders.**

| WHO  | WHAT   | WHEN                |
|--|--|---------------------|
| Supervisory board & CSR committee                  | SEQENS Strategy<br>▼<br>SD-CSR Policy<br>Multi-annual Roadmap  | Yearly              |
| Sites/BUs/Divisions/Group Management teams         | 12 SD- CSR commitments performance & progress KPIs Follow-up *<br>▼<br>CSR Entities action plans follow-up * | Monthly & quarterly |
| Projects teams                                     | Projects management *  | Daily & weekly      |
| SD-CSR team & local contributors<br>Group sponsors | Annual Reports<br>SD- CSR Reporting 21 to Eurazeo*    Communication on Progress for Global Compact           | Yearly              |

\* A specific process in place since 5 years for people recognition

\* For 2 years, SEQENS reports more than 150 social, environmental, responsible supplies & governance indicators



## Ceremony

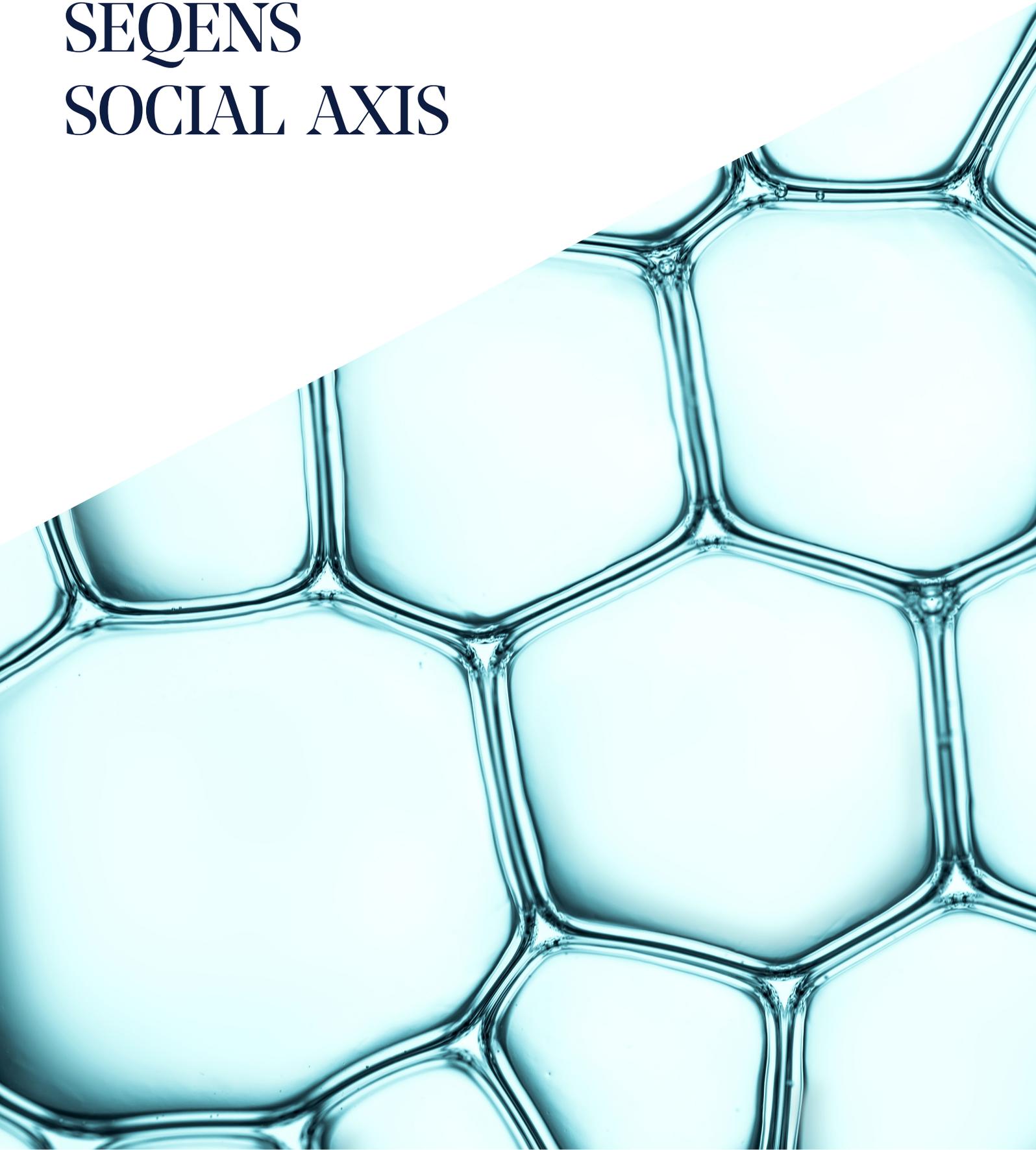
SD-CSR Trophies to celebrate each September the most noticeable projects performed at SEQENS in the 5 fields below.

- Safety (C1-C7)
- Social & Societal (C2-C3-C4)
- Economy (C9-C10-C12)
- Environment (C5-C6-C8)
- Innovation (C11)

*Section 3*

SEQENS

SOCIAL AXIS



# SEQENS

## SOCIAL RESPONSIBILITY CULTURE

*Social and societal responsibility is strongly embed in SEQENS culture.*

As an integrated global leader in pharmaceutical synthesis and specialty ingredients, SEQENS is committed to conducting its business with integrity everywhere the group operates in the world, in strict compliance with its fundamental beliefs in the respect of values and people, earning our partners' trust, and protecting and properly using company assets.

Our goal is to lay out the guiding principles and requirements for daily responsible and ethical conduct, through group Policy and the Code of Conduct both easy to understand and practical to ensure its enforceability.

Everyone who works for or on behalf of SEQENS must adhere to this common foundation of ethical principles and agree to adopt and promote exemplary conduct in line with these principles.

*“Maintaining the highest standard of ethical conduct is absolutely essential to achieving the steady, ambitious growth of our company.”*

Pierre Luzeau

# SEQENS

**Social & societal commitment**

**C1: Make health and occupational safety of our employees and partners our n°1 priority**  
**C2: Respect human rights, labor rights and practices a high quality social dialogue**  
**C3: Develop employees engagement, talent and skills**  
**C4: Dialog and build trust with local communities**



**Sustainable Development Goals**

**SDG 4:** Quality education  
**SDG 5:** Gender Equality  
**SDG 8:** Decent work & economic growth  
**SDG 16:** Peace and Justice Strong Institutions

# SEQENS

## SOCIAL RESPONSIBILITY CULTURE

*C1: Make health and occupational safety of our employees and partners our n°1 priority*



### **SDG 8**

*8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment*

SEQENS makes health and safety of all of its employees and sub-contractors the N°1 priority so that none of them falls victim to an accident, either in its factories or when in transit or anywhere else .

To do so, SEQENS takes the necessary and essential steps to provide training and verify compliance with guidelines and procedures. Convinced safety is managed on shop floor, line management safety inspections are regularly conducted at each of our industrial facilities. Particular attention is paid to preventing workplace accidents by carefully identifying risks in order to prevent them from occurring and, when they do occur, to prevent them from recurring.

### **Some activities and results among a numerous ones performed in past 2 years :**

As for many years, all sites have been completing their own ESH action plan with success, including the companies which have been integrated in SEQENS Group perimeter in 2017.

Among actions and projects carried out in the last 2 years, we may mention:

- Completion of EHS and PS diagnostic of ex PCAS sites
- Review and publication of Group procedures and guidelines as Crisis Management, HAZOP, Critical Tasks Analysis, Management of Change, Confined Space Entry procedures
- Strong focus on LOTO and Line Breaking with audits to identify risks and improvement needs in procedures and their application.
- Development of an incident database and communication work-flow on SharePoint in addition to the exiting one related to occupational accidents.
- EHS Network through an EHS seminars (2 in 2018) for sharing and alignment on good practices
- Pursue of our SEQENS safety days, organized in all sites with a good feedback from participants
- A specific safety culture program with Consultant deployed on ex PCAS & Novacarb sites. Improvements in EHS Communication (positive and more regular)



# C1: Make health and occupational safety of our employees and partners our n°1 priority

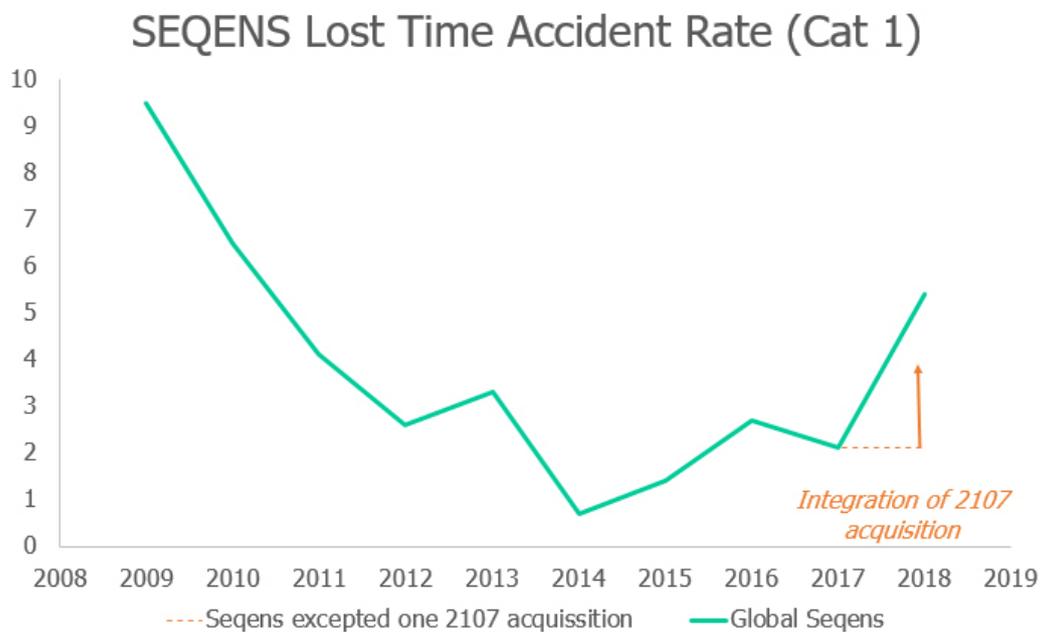


## SDG 8

8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

### A dedicated people to manage EHS:

Around 90 people all over the world (including for process safety). In the last two years, the corporate ESH team has grown from 2 to 6 people with specific expertise's.



After 10 years of good trend on occupational safety with 75% reduction of Lost time accident rate, 2018 results has suffered integration of new companies where safety culture is in development

### 2019 engagements

- Be able to recover its safety level in the 5 coming years with an effective and well anchored safety culture
- Strong focus on 2 identified BUs leveraging on Best internal practices

# SEQENS

## SOCIAL RESPONSIBILITY CULTURE

### *C2: Respect human rights, labor rights and practices a high quality social dialogue*



#### **SDG 8**

*8.7 Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms*

#### **SDG 5**

*5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life*

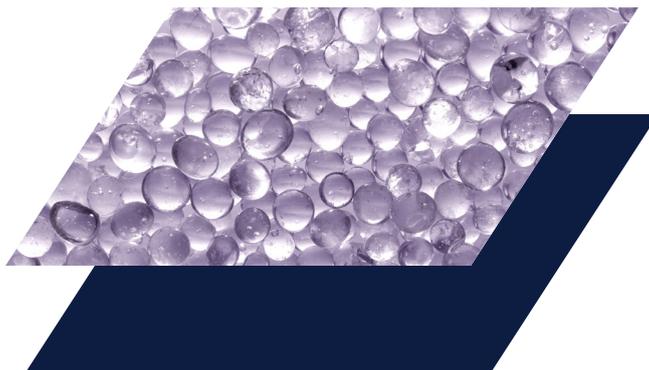
Respecting and protecting human rights is a fundamental value for SEQENS everywhere in the world where the company operates and does business.

At SEQENS, no form of harassment, intimidation, or discrimination, whether sexual, physical, psychological, or otherwise, is tolerated.

As an adherent to the founding principles of the United Nations Universal Declaration of Human Rights, the International Labor Organization, and the United Nations Global Compact since 2008, SEQENS is committed to promoting and ensuring compliance with all of these rules by all of its stakeholders, including its suppliers and subcontractors.

### **Some good practices among a numerous ones performed in the last 2 years:**

- In addition to its Global Compact engagement through its president, SEQENS has publicly committed to promote diversity and equal treatment through its Code of conduct posted on its website and commits to prevent discrimination risks in its various processes (hiring, remuneration, training, promotion, dismissal or retirement).
- Integration of our code of conduct, as well as our management book and its golden rules in SEQENS new comers training to secure its diffusion and application.
- Social dialogue bodies in every sites, even those with less than 50 employees.
- 5 negotiations have been successfully finalized by social agreements with unions at group level and including local negotiations, 33 agreements have been signed in 2018.
- As reminder, some SEQENS entities (Novacarb, Novacyl Novapex) have signed specific agreements on professional equality between women & men.



## C2: Respect human rights, labor rights and practices a high quality social dialogue

### SDG 8

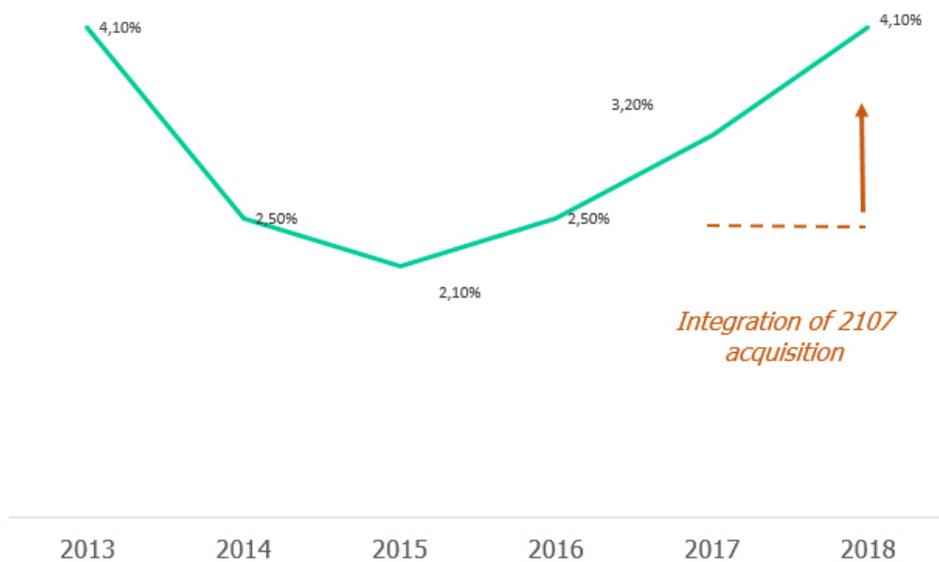
8.7 Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms

### SDG 5

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life



### SEQENS absenteeism



After mastering absenteeism around 2,5% within a context of acquisitions, SEQENS works on integration of one new “comer” in 2017 having higher absenteeism rate (6,5%) .

### Coming years engagements

- Recover our historical level of absenteeism.
- 100% of negotiated collective agreements successfully signed per year in France
- Internal audit on Management book Governance principles and golden rules application with corrective action plan follow-up

# SEQENS

## SOCIAL RESPONSIBILITY CULTURE

### C3: Develop employees engagement, talent and skills



#### SDG 4

4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

SEQENS ensures that everyone has access to equal opportunities in terms of recruitment, training, pay, social protection, internal mobility, and professional development, regardless of their origin.

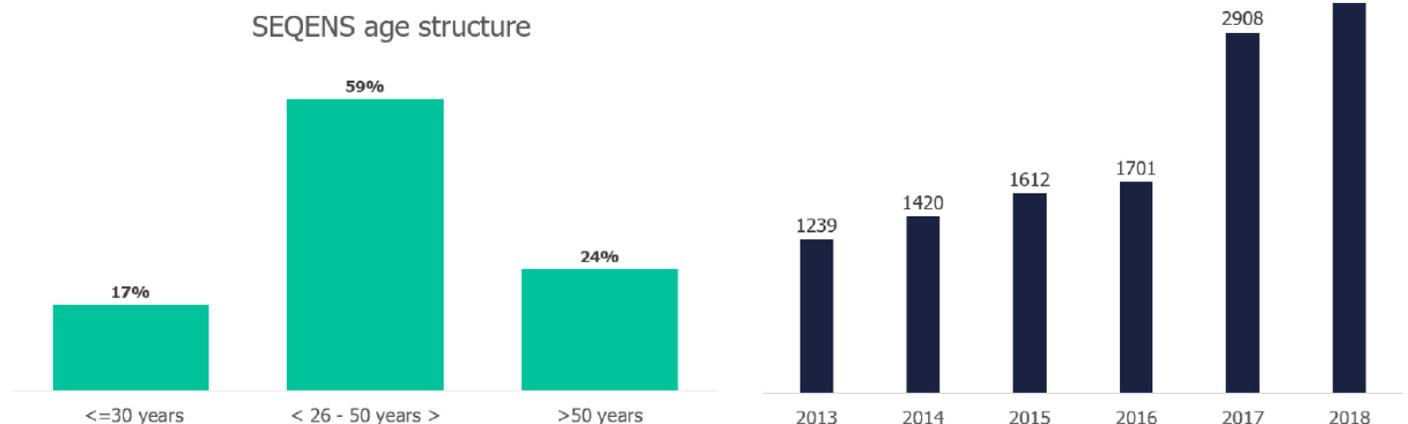
The group offers its employees a stimulating, creative, and non-discriminatory work environment that encourages their personal and professional development and allows them to meet their goals. SEQENS takes the necessary steps to promote and develop teamwork and cultural diversity within its organization and encourages cross-functional dialogue among those working in different professions.

SEQENS puts the necessary structures and processes in place to allow constructive social dialogue, both with trade unions and employee representatives.

#### Some activities and results among a numerous ones performed in last 2 years:

- SEQENS has almost triple its number of employees in 5 years mainly due to 3 acquisitions , 85 jobs creations for new capacity and workshops operations ( Novabay in Singapore, Yangzi in china, Saint Jean de Richelieu in Canada. Regarding the structure of age, it is a little bit “in favor” of seniors.

Number of employees evolution



### C3: Develop employees engagement, talent and skills



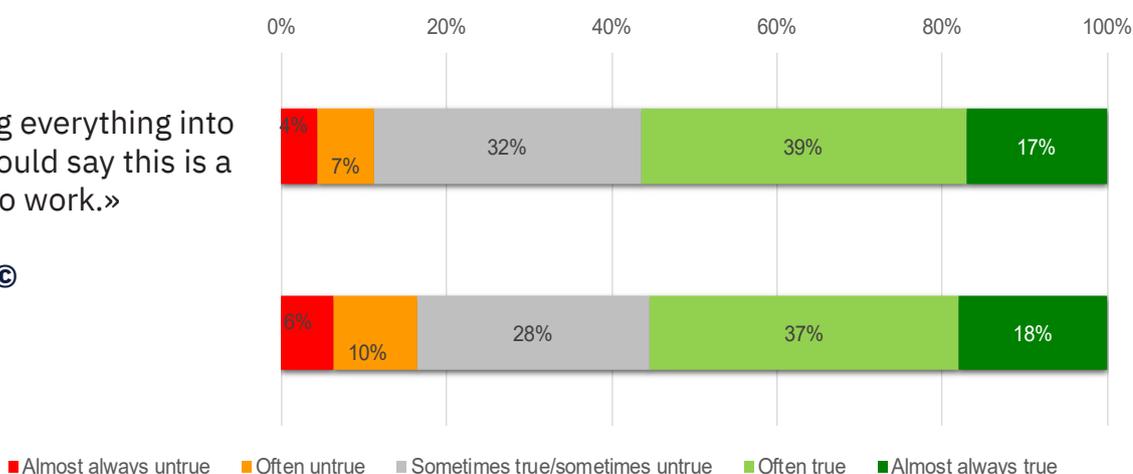
#### SDG 4

4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

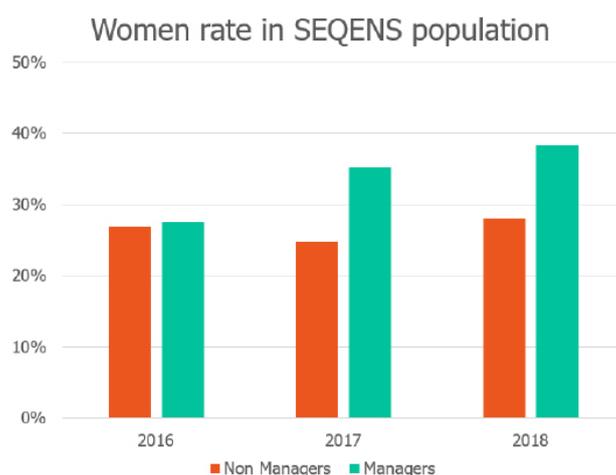
A global survey has been performed in 2017 with Great Place To Work (GPTW) company implementing Trust Index Measurement and generating an action plan aiming a better communication on employees satisfaction points (Autonomy, sense of belonging, people commitment and pride, team results, safety at work...) and improvements relative to well-being at work (more recognition, sincere interest, work life balance, collaboration, management communication, integrity and tasks coordination, equity and management impartiality). Due to the success and the interest of this initiative (81% of participation) a new survey has been performed in the last biggest SEQENS acquisition at end of 2018.

59th « Taking everything into account, I would say this is a great place to work.»

#### Trust Index©



Management is aware gender equality is a necessity. SEQENS complies with French laws regarding equal opportunities between women and men through several agreements signed with French unions. The ratio of women increased in the last 2 years specifically for managers category mainly due to last acquisitions but also due to our hiring care. In the last 2 years, 45% of hired people are women . These values are in accordance with and sometimes better than the ones observed at our peers in Chemicals and pharmaceutical industries.



#### Coming years engagements

- Perform GPTW action plans and increase of our Trust index at around 75%.
- Implement a Human Resource Information System
- Work for more parity

## C3: Develop employees engagement, talent and skills



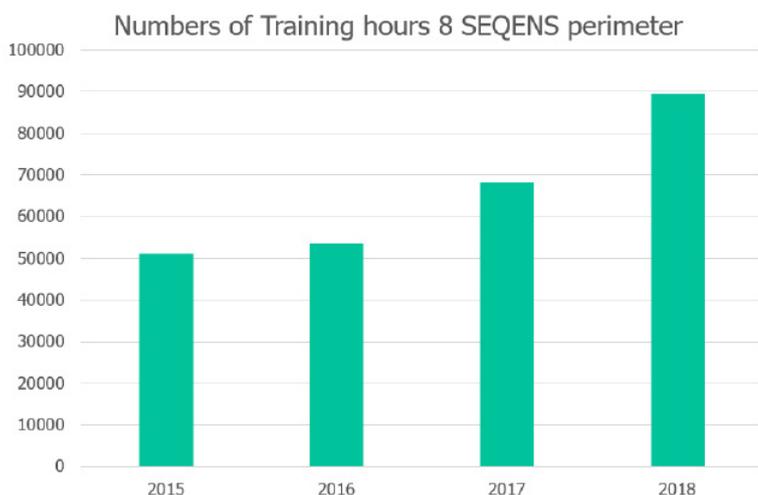
### SDG 4

4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

SEQENS has developed training programs on Safety, Technical, CGMP, Management, languages, lean six sigma, etc...These internal and external programs are offered to all categories of employees and functions through an annual appraisal review and training plan . In accordance with their specific needs, all sites completed successfully their own training plan. In 2018 SEQENS delivered 89650 hours of specific trainings whose more than 42 % related to Safety, which is higher than the previous years according to the necessity versus our ambition to recover our previous safety level.

Training time spent per employees represent in average close to 4 days per year, as for the past 3 years.

In 2018 to accelerate our training effectiveness we put in place a Learning Management System (LMS) starting with Quality and ESH corporate procedures trainings follow-up. It will be deployed in the coming years.



The number of training hours demonstrate SEQENS put people clearly in the center of its development strategy.

Remuneration and incentives. SEQENS is committed to align its policies with local regulations. In France, employees can benefit from a profit sharing agreement, time saving account and saving plan according to their function

Furthermore, managers benefit from a variable remuneration system which can include ESG criteria (health and safety performances for instance).

### Coming years engagements

- Deploy our LMS
- Maintain or increase training level (internally/ externally) to secure people competencies development
- Deploy succession plan
- Integrate more and more CSR in our management practices as for example in managers yearly objectives and appraisals.

# SEQENS

## SOCIAL RESPONSIBILITY CULTURE

### *C4: Dialog and build trust with local communities*



#### **SDG 16**

*16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels*

Chemical companies must work on their reputation and act transparently in order to improve current perception by civil society (pollution, hazardous substances, health and safety risks). Chemical activities may harm the quality of life of its direct neighbors (people as well as other industries).

SEQENS is engaged in various industry-specific initiatives to promote responsible chemistry. The Group is member of Responsible Care, an initiative developed by chemical actors and stands for the development of responsible practices in the sector.

At local scale, SEQENS is involved in the European Chemical industry Council (CEFIC) and in several committees of the “Union of Chemical Organization” (UIC).

SEQENS (ex Novacap) signed the Business French climate pledge in December 2017, SEQENS develops a direct dialogue with its neighbors and local stakeholders through open days or school visits performed at most of the sites.

#### **Some activities and results among a numerous ones performed in last 2 years:**

- Novapex and Novacyl (France) participated to Osiris Platform annual meeting on Sustainable Development with participation of local authorities and many SEQENS platform partners Novapex inaugurated a new workshop in presence of authorities representatives.
- In Uetikon (Germany) developed a chemistry awareness program for young people at Lahr.
- France, Novabion (France) developed a partnership with a local school to revamp a workshop control cabinet with students under SEQENS technician supervision.
- Novacyl-Wuxi (China) sponsored and supported a class of 52 children jointly with Wheat Field Education Foundation, a Chinese NGO. A team of volunteers organize several events at school and on Wuxi site to help disadvantaged children to help children in poverty-stricken area of China to succeed to go to Junior middle school.
- Chemoxy Middlesbrough site (United Kingdom) pursued its works with local community schools over the past 20 years through its Children Challenging Industry project in conjunction with the Centre for Industry Education Collaboration (CIEC) based in the University of York.
- SEQENS participated to a French local program called « Appel des 30 » from regional chemical industries (<http://www.appeldes30.fr/>)
- SEQENS increased its impact within several local communities through jobs creation (85) for new workshops ( Singapore, China, Canada,...) and created its new headquarter at Ecully (France) which has been inaugurated with the participation of the mayor of Ecully
- In September 2018, Our CSR trophies ceremony has been made with the participation of Mayor of Lyon who delivered Awards.

## *C4: Dialog and build trust with local communities*



### **SDG 16**

16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels

Reminder: More than 30 executive managers of SEQENS are either active member, or president or administrator of several regional, national or international associations such as France Chimie, SICOS, FEFIS, UNIDEN, MEDEF, Franco-Chinese Institut (France); BPTF(Germany); CEFIC, EFCG (Europe); CPCIF-MNC(China) , ...

At SEQENS perimeter, the donations and charities is around 35 k€ worldwide. It corresponds to the average of SEQENS yearly donations of the past 3 years, and were mainly dedicated to educational and social organizations and associations.

Among them, SEQENS, official partner of HANDI'AMO CHALLENGE TOUR, supports and serves the development of sport for the disabled and, more generally, the integration of people with disabilities. This is an opportunity to share out of SEQENS perimeter our values of such as equality, diversity, tenacity and unity.



### **Coming years engagements**

Each entity has to manage an action plan to maintain and improve permanently its dialogue with administration and local community including at least:

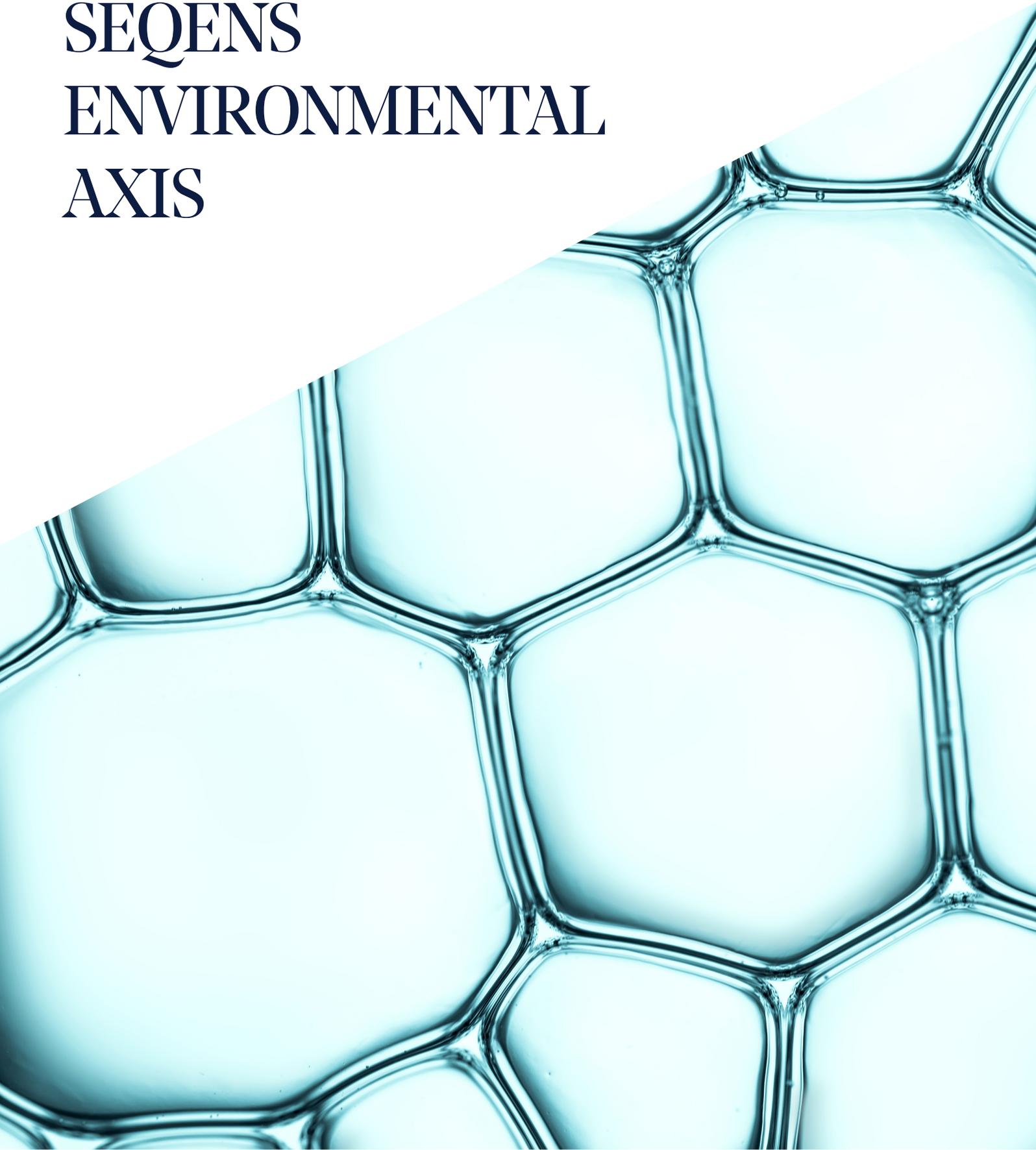
- One donation (or charity) action
- Corrective/preventive actions relative to neighbors or local communities complaints, if any.

*Section 4*

SEQENS

ENVIRONMENTAL

AXIS



# SEQENS

## ENVIRONMENTAL CHALLENGE

*SEQENS is committed to respect the environment by limiting the environmental impact of its activities in accordance to SDG N° 3, 6, 7, 12, 13 and 14*

At Group level, environmental management is under the responsibility of the ESH director, who is under supervision of group industrial director. At local level, subsidiary directors and facilities directors are in charge of the implementation of the policies and management process:

- Environmental Management System (EMS) have been set up in each subsidiary. 8 sites over 13 have been certified against ISO 14001 standards.
- Environmental KPIs objectives with associated action plans are set up each year within each subsidiary and quarterly monitored at upper level.
- Environmental issues are monitored and overseen by HSE-SD managers.

SEQENS conducts crisis management exercises on a regular basis in partnership with local authorities. Some specific training are periodical performed for new comers and in case of necessary recycling.

The mains ESH priorities are:

- To avoid any loss of containment or release of hazardous substances or/and stored energy being able to create environmental impacts
- To monitor and reduce: energy consumptions & GHG emissions, water consumption, waste water effluents, air emissions .... through implementation of action plans and key performance indicators follow-up whose some initiatives are ongoing based on recommendations of Ramboll Environ ESH assessment performed at end of 2015

Promoting local projects: Regarding solid wastes, raw materials consumptions, production recycling monitoring and reduction, specific initiatives when relevant are launched locally. Example: Incinerator of Yangzi for waste burning (Tars) New process flow of external treatment of wastes at Wuxi, Lean Six Sigma projects on many sites...

# SEQENS

## Social & societal commitment

- C5.** Minimize process and product environmental impact at every stage
- C6.** Reduce greenhouse gas emissions within planet boundaries
- C7.** Master process safety and product transportation
- C8.** Reinforce sustainable sourcing and preserve natural resources.



## Sustainable Development Goals

- SDG 3:** Good Health and Well-being
- SDG 6:** Clean Water and Sanitation
- SDG 7:** Affordable and Clean Energy
- SDG 12:** Responsible Consumption and Production
- SDG 13:** Climate Action
- SDG 14:** Life Below Water

# SEQENS ENVIRONMENTAL CHALLENGE

## C5: Minimize process and product environmental impact at every stage

### SDG 6

6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity

### SDG 7

7.3 By 2030, double the global rate of improvement in energy efficiency

### SDG 12

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

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

### SDG 14

14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution

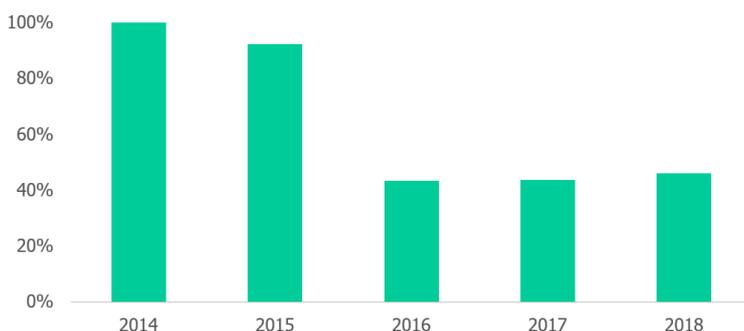


SEQENS works to minimize processes and products environmental impact at every stage. By this commitment, every entity has to work for reducing its activity environmental impact. It's well integrated in SEQENS culture through its ESH management system and the strong willingness to permanently improve processes performance.

### Some activities and results among a numerous ones performed in last 2 years:

SEQENS monitors some main environmental KPIs to secure our compliance with regulatory requirements and improve as far as possible our production costs by reducing or better eliminating all wastes. All our sites are monitoring air emissions through ), volatile organic compounds (VOC) , NOx and SOx measurements when relevant, solids waste and effluents measurements as MES and OCD or equivalents. The graphs below represent the evolution of some these standard indicators. In the last 5 years SEQENS (excepted 2017 new comers) reduced its environmental impact of more than 2400 t/year.

Novacarb (SOx + NOx) in tons base 100% in 2014



Novacarb is the main contributor of SEQENS NOx + SOx emissions and confirmed the good improvement performed in 2016 by implementing a new process to treat gas emissions of its coal boilers (DeSox).

## C5: Minimize process and product environmental impact at every stage

### SDG 6

6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity

### SDG 7

7.3 By 2030, double the global rate of improvement in energy efficiency

### SDG 12

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

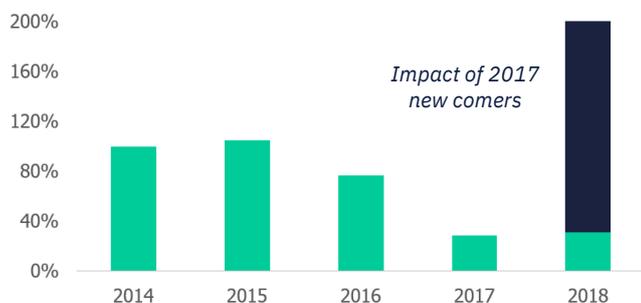
12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

### SDG 14

14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution

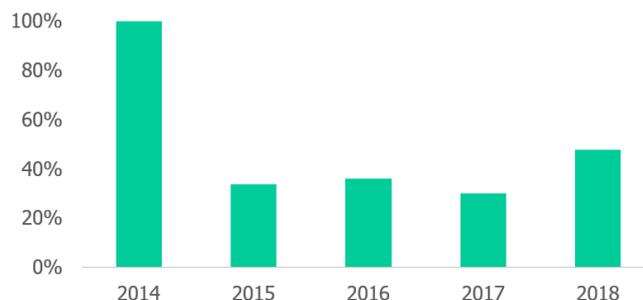


SEQENS OCD in tons base 100% in 2014



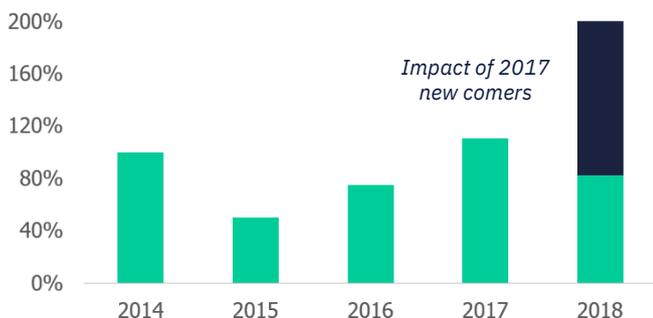
Some good initiatives have been performed in 2017 and 2018 in old SEQENS perimeter dividing by 3 OCD volume. 2017 New comers impacted negatively SEQENS impacts .

SEQENS Effluent Suspended Matters in tons base 100% in 2014



Since 2014 improvements (Novacid improvement) suspended matters volume is stabilized at a low level and coming mainly from minerals processes.

SEQENS VOC in tons base 100% in 2014



New comers impacts SEQENS VOC low level despite a good practice implemented in 5 of their plants: recovering VOC emissions through cryogenic processes using Nitrogen already used consumed in production processes.”

### 2019 engagements

Perform improvements plans to “absorb” new comers impacts and recover lower levels of OCD and VOC as for example the implementation of a Thermal oxidizer to burn them

# SEQENS

## ENVIRONMENTAL CHALLENGE

### *C6: Reduce greenhouse gas emissions within planet boundaries*



#### **SDG 13**

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

Energy Management systems have also been implemented. To comply with French regulation transcribing the European legislation 2012/27/UE on Energy efficiency, several sites from Novapex, Novacarb and Uetikon BUs are certified ISO 50 001.

The Group monitors CO<sub>2</sub> emissions for relevant sites (scope 1 and scope 2). 2 sites are mainly concerned by the European Union Emission Trading Scheme (EU ETS): Novacarb/Novacogé (Nancy) and Novapex (Roussillon).

As per French regulation, those two sites annually report, after certification by certified controlling companies, their CO<sub>2</sub> emissions to the authorities.

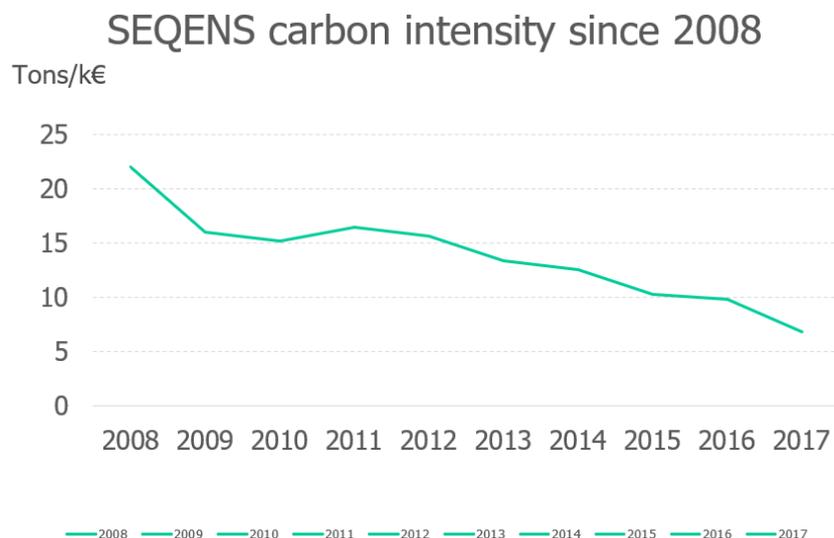
Novacarb is emitting CO<sub>2</sub> from its energy production process supplied mainly by Coal or gas but also from its production process. Novacarb is thus mainly a direct emitter

Novapex purchased vapor to Osiris Roussillon platform, which itself has an energy production plant. Novapex is therefore mainly an indirect emitter.

SEQENS is continuously working to reduce its carbon intensity through :

- Reduction of CO<sub>2</sub> process losses
- Reduction of energy consumption through energy effectiveness plans
- Use of renewable energy or with Lower emission factor of power consumed
- Transformation of its portfolio introducing products with less CO<sub>2</sub> intensity through development and/or acquisitions

SEQENS succeeded to reduce by nearly 4 times its carbon intensity in the last ten years.



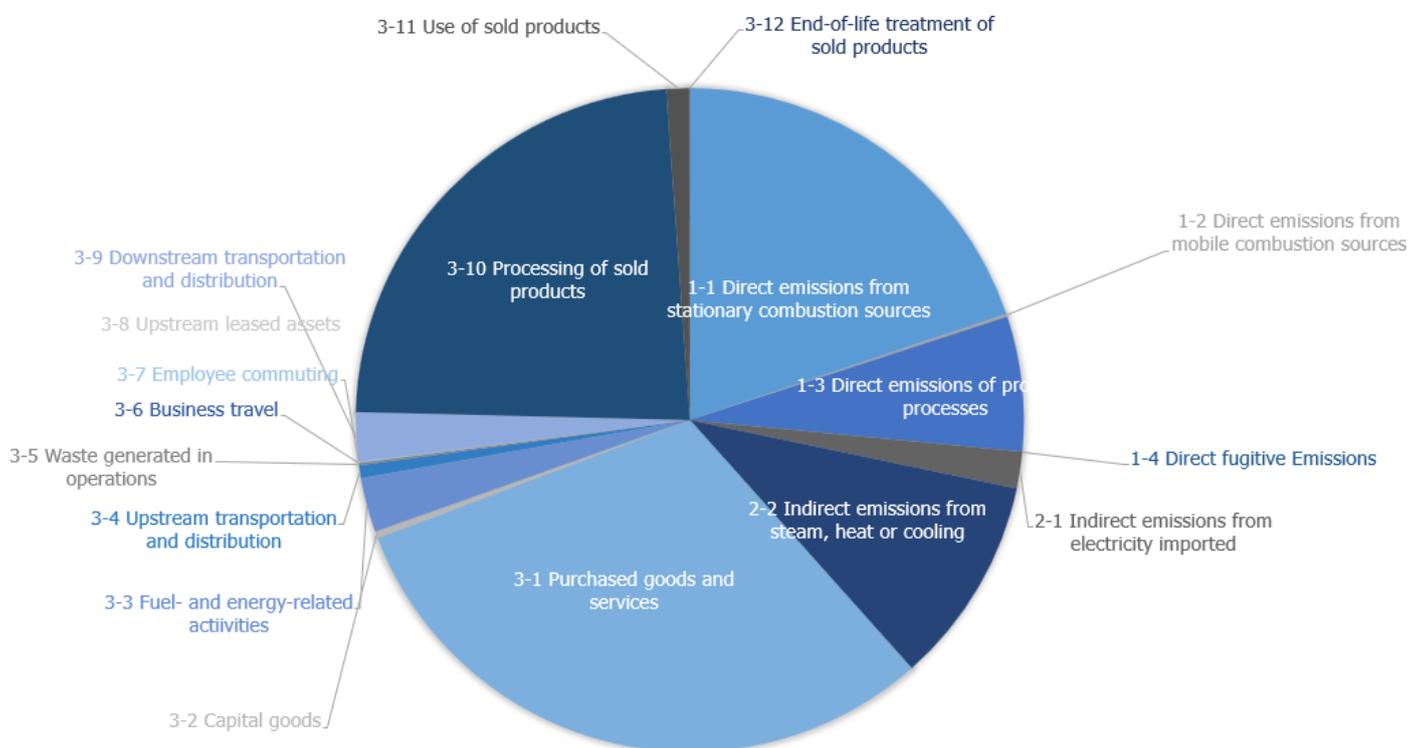
## C6: Reduce greenhouse gas emissions within planet boundaries



### SDG 13

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

#### SEQENS 2017 ESTIMATED EMISSIONS SCOPE 1 + 2 + 3



In 2017 and 2018, SEQENS performed several GHG balances covering all scopes(1,2,3) with the support of the expertise of Schneider Electric Energy & Sustainability Services from Schneider company. With these balances, SEQENS is now covering more than 85% of its new perimeter

## *C6: Reduce greenhouse gas emissions within planet boundaries*



### **SDG 13**

*13.2 Integrate climate change measures into national policies, strategies and planning*

#### **Some activities among others performed in last 2 years:**

In 2017, SEQENS captured 25kt/year of CO<sub>2</sub> atmospheric emissions of its partner as a Raw Material for its New Novabay unit. With this same unit, a new Bicarbonate process has been implemented with a 90% reduction of CO<sub>2</sub> losses compared to its current standard process.

In 2018 Novacarb implemented a new process of CO<sub>2</sub> recycling avoiding 7,5Kt/year of CO<sub>2</sub> emissions. The 2 new units built by Novapex at Osiris platform during the last 3 years are "0" primary energy consuming. It means Novapex increase its portfolio offer and its production volume without any CO<sub>2</sub> emissions increase.

Yangzy, through its energy effectiveness plan (reduction of vapor consumption), succeed to reduce around 11kt/year of CO<sub>2</sub> emission.



At the end of 2018, Novapex supported the signing of a contract of renewable vapor energy supply for Osiris platform. This project will allow Novapex to increase its vapor consumption ratio coming from renewable energy from 1 third to close to 2 thirds.

#### **2019 engagements**

- Succeed the milestones of the two key projects aiming a significant reduction (less 20%) of CO<sub>2</sub> at 2025 horizon.
- Succeed all energy effectiveness plans

# SEQENS

## ENVIRONMENTAL CHALLENGE

### *C7: Master process safety and product transportation*



#### **SDG 3**

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

#### **SDG 6**

6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

As already mentioned previously, Process safety risks management is a priority of SEQENS under the supervision of our ESH organization.

Based on its returns of experience, the regulatory compliance and international standards recommendations and also on several initiatives performed in the last 2 years with the support of external experts as:

- Chilworth process safety assessment,
- Ramboll Environ ESH assessment,
- FMGlobal Insurance assessment.

Each site has a clear action plan to be performed to reduce process safety and environmental risks.

### **Some activities and results among a numerous ones performed in last 2 years:**

#### *For process safety risks*

All our sites have a mapping of its process risks. For high potential risks preventive action plans have been performed on each site to mitigate them.

To support the sites, several corporate actions have been launched or programmed:

- Record, classification and investigations of process safety incidents
- Process Hazard Analysis (PHA) and Crisis management trainings
- Follow-up and coordination of global plan
- Expertise and support on specific projects.
- Edition of Corporate Guidelines as for example, for “safe storage of reactive materials”, “line breaking”,...
- 

#### *For safe transportation*

SEQENS audited some of transport suppliers and get some randomized controls at our own loading stations. These actions have to be reinforced and will integrate the global action plan in construction aiming responsible supplies.

#### **Coming years engagements**

- Maintain and improve the level of process safety with no impacting event , ie no severe, catastrophic or disastrous event
- Treatment of Insurance company recommendations
- Perform action plans coming from Process Hazard Analysis

# SEQENS

## ENVIRONMENTAL CHALLENGE

### *C8: Reinforce sustainable sourcing and preserve natural resources*



#### **SDG 12**

*12.2 By 2030, achieve the sustainable management and efficient use of natural resources*

As a global player in chemical and pharmaceutical industry , SEQENS has always been concerned by this objective and works mainly on 3 topics:

- Efficiency of our intensive energies activities
- Reduction of raw materials and packaging consumption
- Control and reduction of water consumption

#### **Some activities and results among a numerous ones performed in last 2 years:**

##### *Efficiency of our intensive energies activities:*

More than 80% of our energies consumption is coming from to production plants from Novacarb et Novapex. These two plants have already performed some huge improvements. Convinced continuous improvement is never finished, we performed on these two sites energetic efficiency assessments by an external consultant in energy efficiency. Their results confirmed our operations are well managed in terms of energy consumption. Despite this good results, these two sites are also engaged in an improvement actions plan on some specific improvements in accordance to ISO 50001 certification obtained last year.

##### *Reduction of raw materials and packaging consumption.*

SEQENS monitors the specific consumption of all its raw materials and has, at each site level, due to their own processes specificities, an action plan to reduce these consumptions, focusing , among several, on process improvements, waste generation or internal recycling reduction.



## C8: Reinforce sustainable sourcing and preserve natural resources

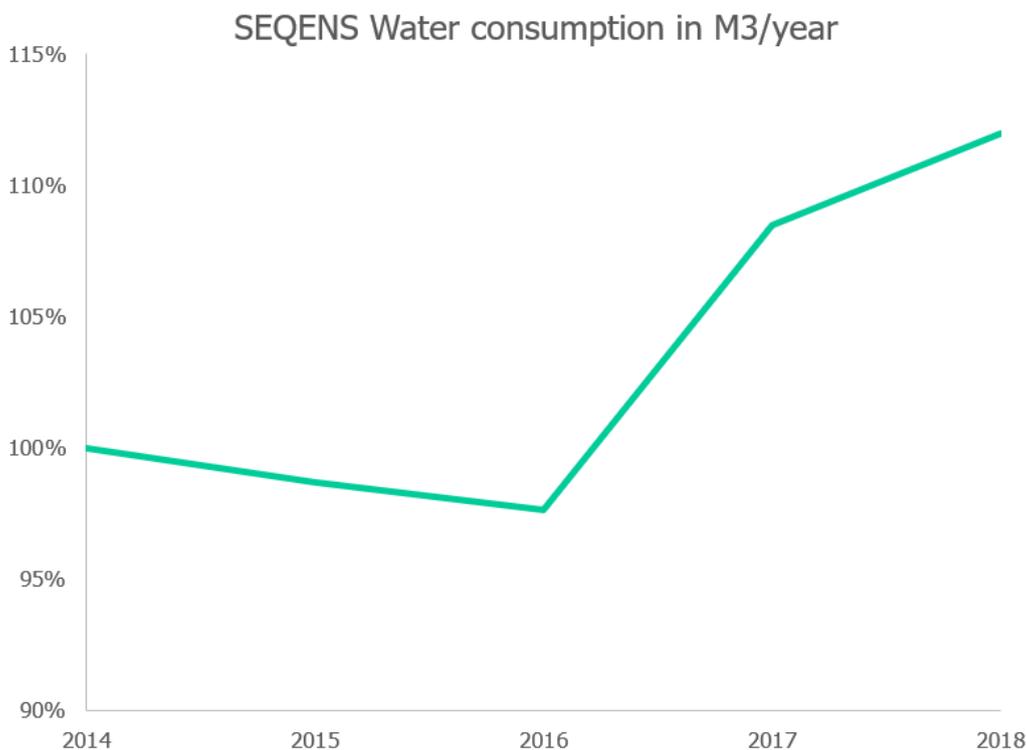


### SDG 12

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

#### **Control and reduction of water consumption.**

Water is, as energy, one of the most important resources for any chemical process and SEQENS put on this resources all the necessary attention to avoid any waste and non optimized utilization.



Even if water consumption has been impacted by increase of production volumes in the past 3 years, several SEQENS processes are very depending of season temperatures for cooling water. Water consumption will be clearly an issue for SEQENS for the next coming years

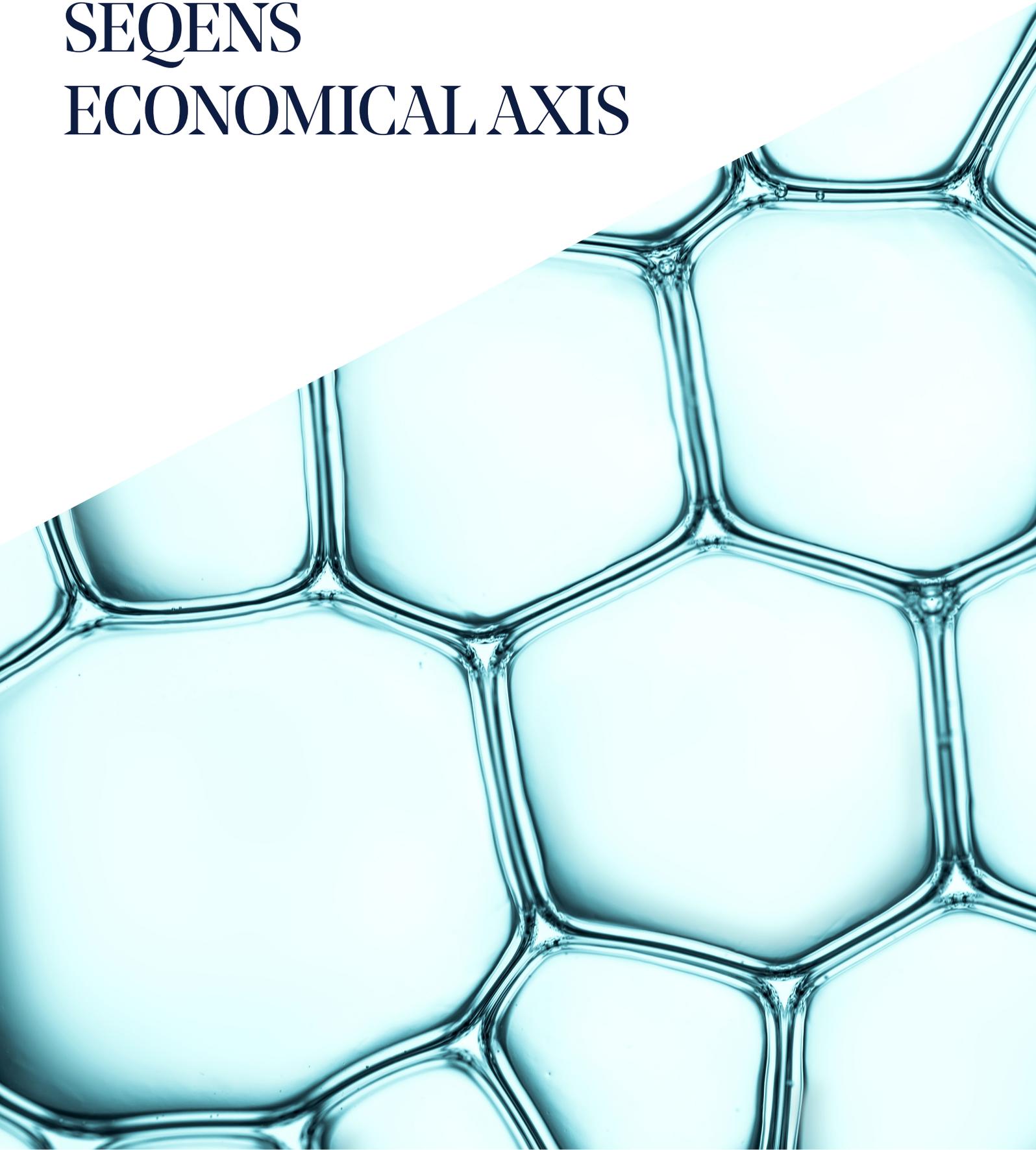
#### **Coming years engagements**

- Master water consumption and pursue continuous improvement plan
- All sites manage a water consumption reduction plan starting with a water mass balance

*Section 5*

SEQENS

ECONOMICAL AXIS



# SEQENS

## SUSTAINABLE BUSINESS

### *SEQENS Sustainable Business passes necessarily through best practices implementation*

In terms of our economic performance, our first priority is a complete and long-term customer satisfaction through a reliable, high-quality product offering with no risk to consumers. In order to maintain our Group's competitiveness, we have made a number of essential commitments, including:

- Guaranteeing compliance with regulatory requirements, quality standards and current Good Manufacturing Practices;
- Behaving ethically within our businesses in accordance with our code of conduct, our management book and responsible purchasing practices;
- Fostering and deploying our innovations through: technological benchmark, good connection to R&D ecosystems, innovation process ( INOVA) and tools implementation for project management, internal transversal team work, communication and rewards... within an administrative, financing and legal environment;
- Seeking out operational excellence by continuously improving efficiencies through implementation of: rigorous management system, good practices and tools in technical processes including problem solving and improvement projects, robust people competencies development system

## SEQENS

### **Social & societal commitment**

**C9.** Be recognized for our strong customer focus and our respect of regulation and quality standards

**C10.** Be a compliant, ethical and trustworthy business partner, all along our responsible supply chain.

**C11.** Foster and deploy sustainable innovations

**C12.** Generate significant and sustainable value through operational excellence



### **Sustainable Development Goals**

**SDG 3:** Good Health and Well-being

**SDG 8:** Decent Work and Economic Growth

**SDG 9:** Industry, Innovation, and Infrastructure

**SDG 16:** Peace and Justice Strong Institutions

# SEQENS

## SUSTAINABLE BUSINESS

### *C9: Be recognized for our strong customer focus and our respect of regulation and quality standards*

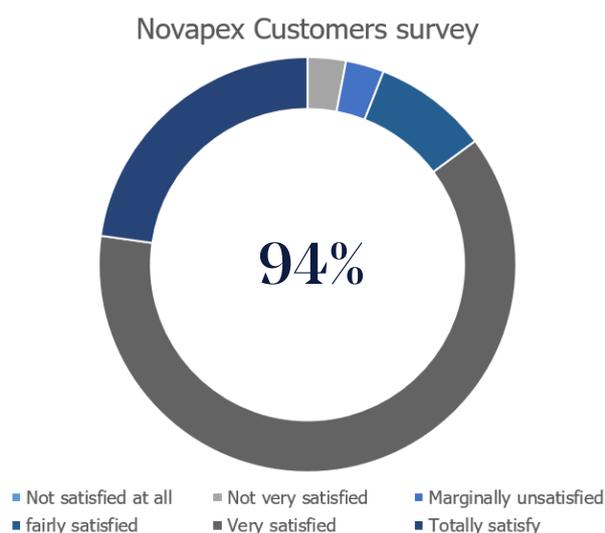
SEQENS is convinced customers satisfaction passes necessarily through the following activities:

- Manage activities through a comprehensive Quality Management System (QMS) in compliance with international standards (cGMP / ISO) and applicable regulations and guidelines;
- Meet all their expectations;
- Perform operations in a manner which ensures product quality and safety;
- Continuously improve reliability and efficiency of operations;
- Develop qualification, skills, behaviors and effectiveness of our personnel through training programs designed to develop individual potential of each person.

### **Some activities and results among a numerous ones performed in last 2 years:**

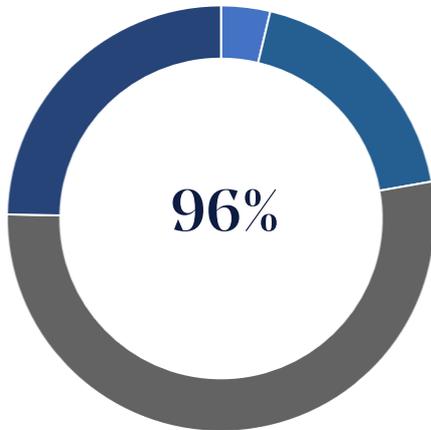
Most of our operational entities have implemented an effective management system and are so far certified regarding relevant standards as ISO 9001 , ISO 14001, ISO 18001, ISO 50001, cGMP, HACCP, ... During the last 2 years, all audits have been performed with success.

Regarding customers satisfaction, SEQENS BUs performed customers surveys at least once every 3 years. The last surveys performed in the last 2 years within the perimeter of Novacarb, Novapex and Uetikon targeting 6 fields : product and Quality \_ Business relationship \_ Order & Delivery \_ Technical support \_ Communication and price, demonstrate a good customers satisfaction .



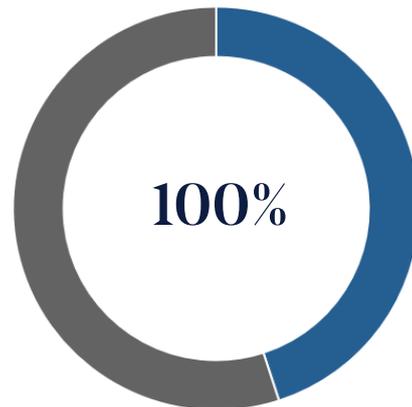
***C9: Be recognized for our strong customer focus and our respect of regulation and quality standards***

Uetikon Customers survey



■ Not satisfied at all   ■ Not very satisfied   ■ Marginally unsatisfied  
■ fairly satisfied   ■ Very satisfied   ■ Totally satisfy

Novacarb Customers survey



■ Not satisfied at all   ■ Not very satisfied   ■ Marginally unsatisfied  
■ fairly satisfied   ■ Very satisfied   ■ Totally satisfy

**2019 engagements**

- 100% success of inspections & audits
- Completion of sites production process stability program in accordance with their plan.
- Perform Customer’s surveys as often as necessary

# SEQENS SUSTAINABLE BUSINESS

*C10: Be a compliant, ethical and trustworthy business partner all along our responsible supply chain*



**SDG 8**

8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms

**SDG 16**

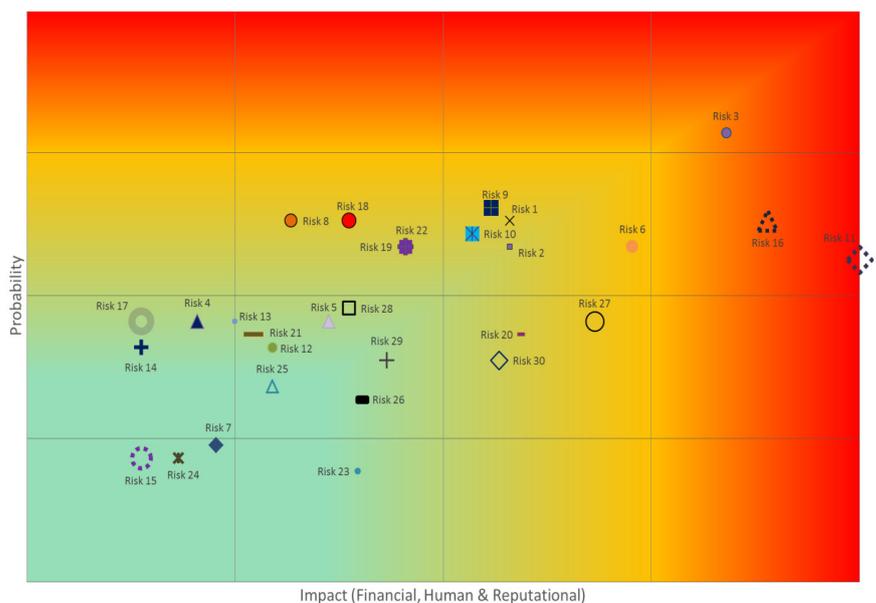
16.5 Substantially reduce corruption and bribery in all their forms

Very concerned to be a recognized partner for its ethics and compliance practices, throughout its business, SEQENS created 3 years ago a compliance committee to supervise activities of our Compliance Department. Its goals aim to go beyond our corporate culture to lay the framework for a clear, shared code of ethics reflecting the company’s policies and cohesion when it comes to ethics, which plays a determining role in the success of our business and our people. Within the frame, several initiatives, among plenty of them, have been performed such as:

- Edition and implementation of Its Management Book with Golden Rules
- Edition and implementation its “Guidance and Good Practices” relative to Competition & Corruption (DO and DO NOT)
- Edition and implementation edition of its “Code of Conducts” for all SEQENS collaborators and Partners
- Realization and analysis of Its “risks map”

Some key actions have been carried in 2018:

- Update of SEQENS Management Book and SEQENS Management Golden Rules (second edition).
- Assessment of all our entities in terms of Golden Rules application and implementation of action plans in case of deviations or lack of evidences.
- Revision SEQENS risks mapping to avoid or, at least, mitigate potential impacts which could jeopardize its level of performance and durability.



Risks map

***C10: Be a compliant, ethical and trustworthy business partner all along our responsible supply chain***



**SDG 8**

*8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms*

**SDG 16**

*16.5 Substantially reduce corruption and bribery in all their forms*

**Compliance team is tackling risk matrix through four modules**

| <i>Societal</i>   | <i>Environment</i>  | <i>Business Conduct</i>   | <i>Assets protection</i>  |
|---|---|---|---|
| <ul style="list-style-type: none"> <li>Respect for individuals: illegal work and equal treatment;</li> <li>Health - Safety: risk of occupational accidents; Asbestos exposure and compliance with ICPE standards</li> </ul> | Use and control of polluting and hazardous substances; Quality: compliance with quality rules; product Compliance, compliance with the recommendations of the authorities | <ul style="list-style-type: none"> <li>Corruption ;</li> <li>Competition;</li> <li>Embargo;</li> <li>Subcontractor and suppliers: compliance with CSR standards and risk of laundering</li> </ul> | <ul style="list-style-type: none"> <li>Intellectual property ;</li> <li>Personal data ;</li> <li>Strategic information;</li> <li>Risk of insider trading</li> </ul> |



**2019 engagements**

- Follow-up action plan securing SEQENS Golden rules application
- Periodically re-assess SEQENS risks and mitigate them as much as possible.

## ***C10: Be a compliant, ethical and trustworthy business partner all along our responsible supply chain***



### **SDG 8**

*8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms*

### **SDG 16**

*16.5 Substantially reduce corruption and bribery in all their forms*

**In addition to the mapping of the risks, SEQENS need to get a compliance system to prevent and detect violation**

### **Preventing violation**

This charter and the codes of conduct and other policies have been approved by SEQENS's Executive Committee. Every manager should display exemplary conduct in terms of complying with basic ethical principles and promoting the rules of compliance among their staff, ensuring that employees understand these principles. Every manager is responsible for identifying risks and putting the necessary processes and organization in place to mitigate them. Any employee who believes in good faith that a law, regulation or principle laid out in this charter has been or could be violated must report it to his or her supervisor or to SEQENS's compliance department. SEQENS will protect the employee's anonymity and keep the information confidential. No employee may be penalized or discriminated against for having reported an infraction, as long as the report was made in good faith and without malicious intent, even if the facts reported prove to be inaccurate or no further action is taken.

### **Detecting violation**

Any employee may freely use the email address [codeofconduct@SEQENS.com](mailto:codeofconduct@SEQENS.com) to ask questions or report suspicious behavior. Any employee may also directly contact his or her manager, the compliance department, the internal audit department or the human resources department. Every SEQENS employee is required to uphold the highest standards when it comes to respecting the ethical principles laid out in this charter. Every employee must:

- s Read and understand the information provided in this charter and the associated codes and policies
- s Attend and participate in the training provided to help you better understand risks and suspicious situations
- s Make use of the whistle blowing system in the event of suspicious behavior
- s Contact his or her supervisor or the legal department, or the internal audit & compliance department or the human resources department, if he or she has any questions concerning the application of these rules (particularly concerning the charter, the anti-bribery and the antitrust codes, and SEQENS's policies).



## ***C10: Be a compliant, ethical and trustworthy business partner all along our responsible supply chain***



### **SDG 8**

*8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms*

### **SDG 16**

*16.5 Substantially reduce corruption and bribery in all their forms*

Earning our partners' trust to create lasting relationships requires not only complying with regulation on free competition but also prevention of all forms of corruption and interest conflicts.

### **Preventing all forms of corruption and conflicts of interest**

SEQENS does not tolerate any form of corruption and vigorously condemns any payment or practice that violates international and national anticorruption laws, in any country where the company operates. Any person who violates these laws on behalf of SEQENS exposes the company and its management to serious penalties and risks as an individual to significant criminal penalties, including imprisonment. Knowing that any employee may be confronted with situations in which his or her personal interests could conflict with those of the company, SEQENS encourages its employees to be aware of situations in which the objectivity of their professional decisions could be compromised. SEQENS provides all of its employees and partners with a code of conduct describing risky situations and rules to follow when faced with particular situations.

### **Complying with regulations on free competition**

SEQENS ensures compliance with laws and rules on free competition. Any practice that distorts competition and particularly the exchange of any sensitive information (price, volumes, strategic plan) with a competitor is prohibited, as is any pricing agreement with one or more competitors on a small or large scale. We select our suppliers based on objective criteria such as quality, reliability, price competitiveness and behavior. Complying with rules on free competition is in everyone's interest in order to promote and encourage innovation, ensure the quality and integrity of the products we manufacture and build a relationship of trust with our customers, suppliers and partners. Any violation of these regulations exposes SEQENS as well as its employees and representatives to serious penalties, including imprisonment.



## ***C10: Be a compliant, ethical and trustworthy business partner all along our responsible supply chain***



### **SDG 8**

*8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms*

### **SDG 16**

*16.5 Substantially reduce corruption and bribery in all their forms*

Earning our partners' trust to create lasting relationships requires also rules on donations and sponsorship, securing the financial process to avoid any money laundering and being able to apply embargo.

### **Sponsorships and donations**

A sponsorship is the company's support of a person, organization, or charitable activity for business purposes. Eligible sponsorships must meet the criteria approved by the compliance department and the Executive Committee. Donations made in accordance with laws and regulations are authorized and as defined by the Executive Committee. However, as a politically neutral company, SEQENS strictly prohibits any donation of a political nature with the primary goal of disseminating political or religious information or ideas. SEQENS has developed a donations policy with which all employees must comply.

### **Money laundering and embargo**

Money laundering is a process that aims to disguise the origin of funds acquired by the perpetrator of a felony or misdemeanor (drug trafficking, terrorism, etc.). SEQENS condemns any direct or indirect involvement in money laundering activities and ensures the integrity of the service providers with whom the company works. SEQENS requires its employees to pay attention to how payments are made in order to identify any irregularities or suspicious behavior by a partner. For this purpose, SEQENS has developed a kyc/aml policy that establishes the necessary procedures for reporting any suspicious situation. All employees must comply with the kyc/aml policy. SEQENS agrees to comply with local, national, and international laws and regulations and any similar provisions establishing embargo or other restrictions on the sale of goods or services. For that purpose, SEQENS has established a procedure to verify the company's business activities with countries under embargo. Any employee involved in a business activity must comply with this procedure and, where necessary, check with corporate counsel to ensure that he or she fully understands it.

Any violation of this rule could result in serious penalties for SEQENS and the individuals concerned.



## ***C10: Be a compliant, ethical and trustworthy business partner all along our responsible supply chain***



### **SDG 8**

*8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms*

### **SDG 16**

*16.5 Substantially reduce corruption and bribery in all their forms*

As SEQENS protects company assets to secure its economic performance, SEQENS is also committed to protect personal data of its employees.

### **Protecting personal information, a good practice respecting values and people**

SEQENS pays particular attention to protecting the personal information of its employees and partners in accordance with national and international regulations.

Personal information may only be collected for legitimate purposes and may only be used for the purposes for which it was originally collected, and by individuals whose positions and responsibilities absolutely require it. These individuals, with the right to access the information, are listed.

The handling and protection of personal information is closely supervised by two designated compliance officers, responsible for Europe/U.S. and Asia, respectively, in order to ensure compliance with local laws.

Personal information may not be kept longer than the legal time limit.

Any individual whose personal information is handled in a file has the right to have a say on how said information is handled.



# SEQENS

## SUSTAINABLE BUSINESS

### *C11: Foster and deploy sustainable innovations*

#### **SDG 9**

9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending



### *Seqens Foster and deploy sustainable innovations with several initiatives related to “Green Chemistry”*

SEQENS is very engaged in process improvements to reduce their environmental impacts reducing energy consumption, developing circular economy, performing process intensification and innovating through clear, green and sustainable chemistry.

**SEQENS produces and sells products used in environmental protection**, among them :

- Ferric chloride used in sewage treatment plants, for suspended matters. Ferric chloride replaces aluminum-based controversial products (assumed to be harmful). Ferric chloride account for roughly 20% of Novacid Business unit production in tons.
- Sodium Bicarbonate enters into the composition of environmental protection products: water treatment, fume treatment, waste treatment, manufacture of “Green types”, detergency. These materials account more than 30% of the minerals activity portfolio.

### **Some activities and results among a numerous ones performed in last 2 years:**

**SEQENS is committed to reduce its energy consumptions by enhancing its energy efficiency:**

- Novapex , Novacarb, Uetikon, certified against ISO 50 001 standards in addition to some new comers are performing Energy effectiveness plan.
- SEQENS owns several co-generation units fueled by natural gas (Novacogé and Osiris)

**SEQENS is engaged in circular economy:**

- Many projects have been performed within the concept of circular energy:
- Yangzy salted waste water (12kt/year) revalorized to NaOH production
- Novapex produces DIPE from its by-product Acetone for Novacyl Consumption
- Novabay new plant launched in 2017 capture CO2
- Waste or solvents as combustive incineration generating vapor (UET/YAN...)
- Waste or by-products as raw materials for other process (IPAC, Salty ...)
- CO2 atmospheric capitation to feed Novabay unit
- Many energy recycling & water closed loop to avoid natural resources consumption.
- Use of consumed N2 as cryogenic source to collect COV and significantly reduce COV emissions

## *C11: Foster and deploy sustainable innovations*

### **SDG 9**

*9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities*

*9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending*



### **Protéus, a SEQENS Group subsidiary, develops bio-catalysis solutions as an alternative metallo-catalysis.**

This entity is a leading biotechnology company in the field of industrial proteins. Its activities are at the heart of the current growth of biotechnologies, which consist of developing enzymes or proteins tailored for the production of products, particularly in the life sciences, chemistry and agri-food sectors. It thus makes it possible to increase the competitiveness of industrial processes through:

- Clear, green and sustainable chemistry
- Flow-chemistry (process intensification applied to pharmaceutical industry)

### **SEQENS produces and develops vegetal-based cosmetic ingredients through its subsidiary Id Bio.**

The Group is committed to develop bio sourced ingredients for the cosmetic sector to meet an increasing demand. Indeed, major cosmetic actors are eager to find suppliers who offer bio sourced materials.

The Group has an innovation corporate coordination whose a part of its mission is to develop bio-sourced solution.

At the time of this report, in SEQENS pipeline, four projects is aiming to develop bio-sourced alternatives to large scale petrol based products for cosmetic, lubricant and solvent applications.



# SEQENS & FRENCH ACADEMY OF SCIENCES COLLABORATION

*SEQENS is an active member of the French Academy of Sciences through its participation to the Scientific committee*

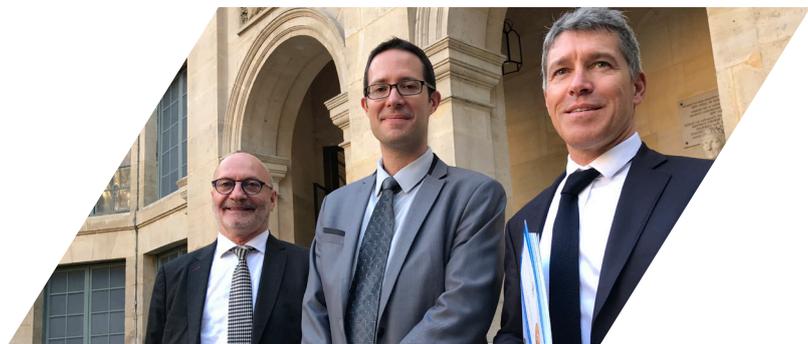


Géraldine MASSON  
*November 21st, 2017*

2nd class Research Director at the CNRS, at the Institut de Chimie des Substances Naturelles of Gif-sur-Yvette. Geraldine Masson received the “SEQENS Prize” for her work on new and effective methods in the field of catalysis, mainly organic.

Julien NICOLAS  
*October 16th, 2018*

Research Director at the CNRS at the Institut Galien Paris-Sud. He received the “SEQENS Prize” for his outstanding contributions to the design of new Polymers & materials for biomedical applications



# SEQENS & COSMETIC VALLEY

*SEQENS through its subsidiary ID Bio, is recognized as exemplary in CSR by the Cosmetic Valley association*

ID bio was rewarded in June by the Cosmetic Valley, which gave it three peonies, a sign of a strong commitment to sustainability.

ID bio, a subsidiary of the group, received an award symbolizing the achievement of the exemplary level of the eco-responsible charter established by Cosmetic Valley \*. The progress made and presented to the certification body has been diverse in nature but is always guided by a continuous improvement approach.

ID bio has worked to:

- limit its impact on water
- optimize waste management
- strengthen its culture of eco-gestures in-house

This distinction enables it to reaffirm its commitment to this aspect, which is fundamental for its partners, its stakeholders but also its collaborators. Indeed, the environmental and societal aspect is at the heart of the company's strategy and has, among other things, been highlighted by the ISO 14001 certification.

Séverine Portier, Quality, Safety and Environment Manager, said: "We are proud to have obtained this distinction and even more to belong to a sector that is sensitive to the environment". Next step targeted internally: achieve the highest quality level of Excellence.



# SEQENS SUSTAINABLE BUSINESS

## *C12: Generate significant and sustainable value through operational Excellence*



### **SDG 9**

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

Earning our partners’ trust to create lasting relationships requires also rules on donations and sponsorship, securing the financial process to avoid any money laundering and being able to apply embargo.

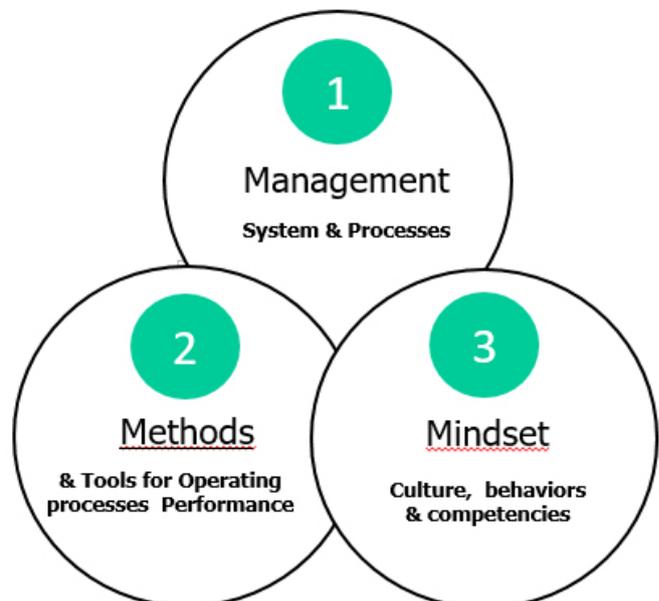
**No CAPEX relative to existing workshop without previously performing technical improvements projects aiming substantial benefits ( CQD, SD) in terms of Quality, Productivity, Stability, Reliability and flexibility**

Based on these 3 momentums and in accordance to its strategy , SEQENS defined and implements a clear roadmap to achieve the Operational Excellence which relies on:

- Operational excellence principles deployment
- Operational Excellence assessment of each site
- Key Performance Indicators by entities (KPIs with Balanced Scored Card)
- Benchmark gap analysis for the 3 axis and Improvement projects pipe identification
- Management and review of each pipe
- People model development including trainings on Operational Excellence including Lean Six Sigma methods and tools (sponsors, project leaders as Black Belts, Green Belts, Yellow Belts,...)
- “Performance dialogue or review” deployment at each level of the organization
- Operational Excellence network development
- Recognition of success with trophies celebration

### **The 3 “M”omentum of SEQENS Operational Excellence**

- 1.** Optimization of organization and process Management aiming efficiency in all activities.
- 2.** Recognized Methods to accelerate performance improvements of physical assets and manufacturing operations minimizing losses and increasing value
- 3.** Development of people Mindset and behaviors, individually and Collectively to reach an enterprise culture of Excellence



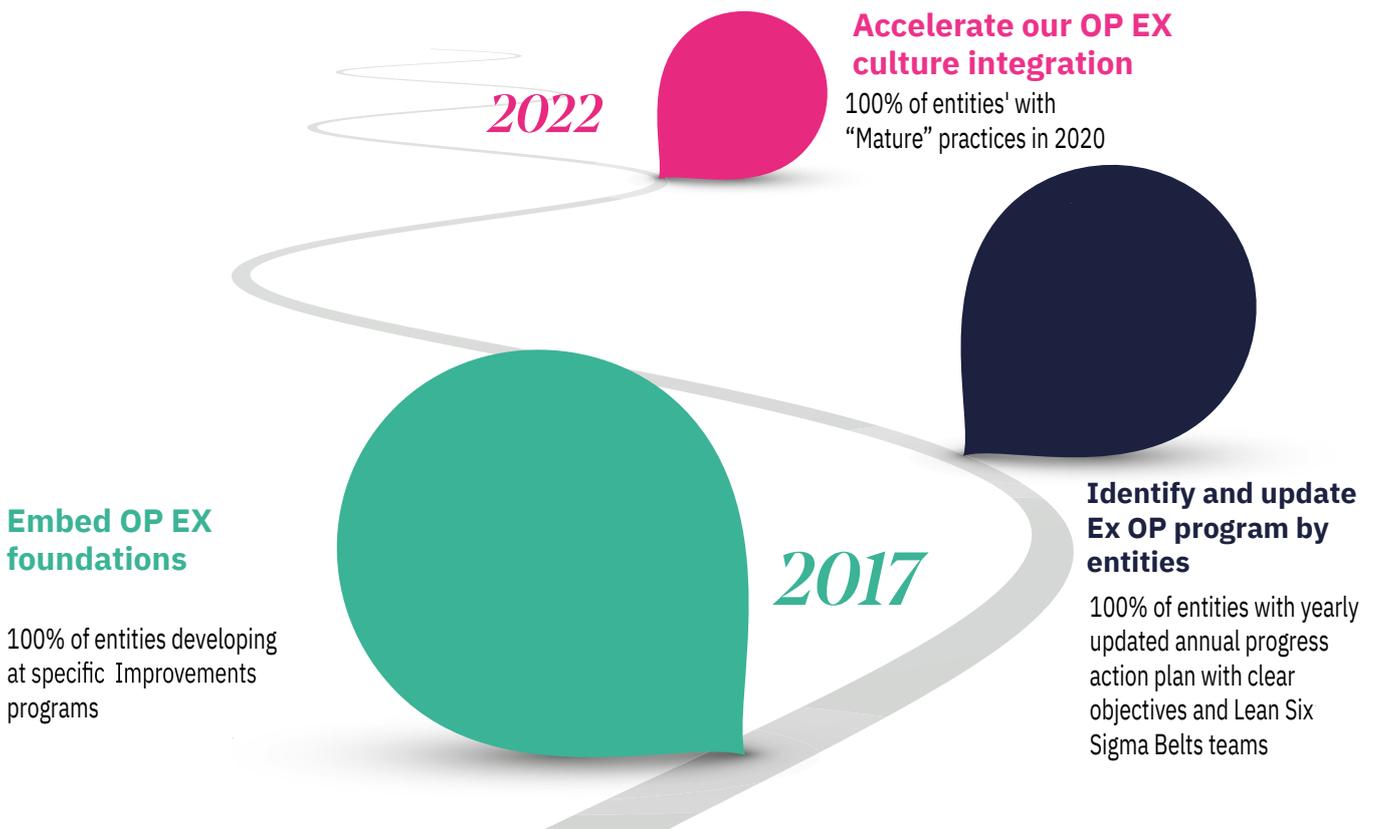
# C12: Generate significant and sustainable value through operational Excellence



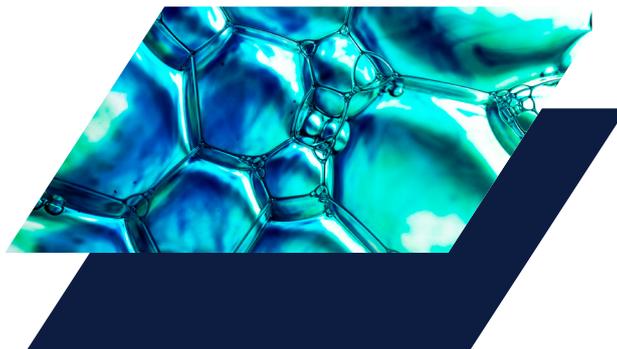
## SDG 9

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

### SEQENS 2017-2022 Operational Excellence Roadmap



***Operational Excellence is when the right people do the right thing at right cost at right first time and every time.***



## *C12: Generate significant and sustainable value through operational Excellence*

CSR-SD trophies are organized every year to promote good CSR initiatives

A good practice for sharing sustainable development initiatives & strengthen employees' sense of belonging

### **Since 2014, SEQENS organized CSR-SD Trophies at Group level.**

In September 2018 occurred the 5th edition in presence of all executive managers of the group.

This event aims at awarding relevant projects regarding their sustainability impacts:

Projects were eligible in 5 categories: Safety, Social & Societal, Environment, Innovation and Economic. 3 projects are nominated and 1 winner were rewarded in each category

Each year jury is established and chaired by Sophie Flak, President of SEQENS Corporate Social Responsibility Committee. The jury selection criteria relied on the 12 commitments framework defined in SEQENS SD Strategy.

Moreover, "implementation criteria" were also considered:

- Method used and implementation quality
- Commitment of stakeholders and employees participation
- Ability to be transposed within the Group
- Clarity of the communication / documentation

CSR-SD trophies participation shows a successful involvement of SEQENS employees. For 5 years, around 200 projects were submitted involving more than 20% of collaborators.

In 5 editions, (from 2014 o 2018 ) we succeed to double the consolidated savings obtained through the achievement of the submitted projects.

In 2018 the winners were:

- Safety : Chemoxy – « Journey to safety excellence »
- Social & Societal : CDMO / Chem. Spec. – « Professional qualifications to favor particular career path »
- Environment : Novacarb – « CO2 recycling process of Bianca Unit »
- Innovation : Chemoxy – « Chemoxycare® changing paradigm in functional cosmetics ingredients »
- Economic : Chem. Spec. – « GO FAST »
- Audience award : Chemoxy – « Children challenging industry »



# SEQENS

*For United Nations Global Compact*

2017-2018

