

EXSYMOL

MONACO



**CSR REPORT
2020**

Review 2019

A MESSAGE FROM THE GENERAL MANAGER

2019 appears to have strengthened global awareness among the public and international bodies regarding the environmental challenges we face.

Fires at the heart of the Amazon rainforest and in the Australian bush were the major climate-related events of the year and provoked a public outcry. More than ever before, people spoke out in favour of safeguarding biodiversity, preserving natural resources and protecting the environment.

It is evident that the world is looking for specific measures. Exsymol embarked on a responsible approach long before the turn of the decade, and our commitment in this area has been part of the company's DNA since it was founded in 1972. Without limiting the impact of our business on the environment, acting with respect for people and in accordance with corporate ethics, we could not have flourished sustainably in the Principality.

People, whether colleagues, customers or partners, are important to us. Working to have a positive impact on society is of course a great thing. Doing so with happy employees is even better.

The unprecedented health crisis we are currently experiencing reinforces, if there was any need to be convinced of it, the need to put people back at the center of the equation.

One way in which we demonstrate our commitment is through our membership of Monaco's National Energy Transition Pact and by protective measures for our employees.

In addition, our approach was recognised with a second Gold scorecard from EcoVadis in 2019. We do not intend to rest on our laurels, however. Exsymol must continually improve both its industrial and CSR performance.

Nothing is set in stone, nothing is perfect. The process of evolving never ends.

Pierre BONDON,
General Manager



A MESSAGE FROM OPERATIONS

Evolution is a process shared by both living beings and companies. It represents movement which is both inexorable and essential to durability.

As with living beings, the evolution of a company depends on its environment, and of course we must acknowledge that our environment prompted us to opt for the path of sustainable development at a very early stage.

Manufacturing in the Principality of Monaco means overcoming the constraints of location, logistics and overcrowding. Given our limited space, the complexities involved in having our waste collected and a sense of respect for neighbouring companies, reducing our waste to a minimum was always a necessity rather than a choice. This simple fact led us to make recycling our solvents internally a routine part of business more than 20 years ago.

This is just one of many examples that illustrate how our immediate environment pushes us to continually improve our practices. Just one proof among many highlighting that sustainable development is a mainstay of Exsymol's history.

Would our history have been the same if we had not been independent?

We are not linked to a major group or dependent on external shareholders, so we retain the freedom to follow the paths that chime closely with our values as a company.

All of this perhaps stems from the fact that Exsymol has never had any option but to take a sustainable approach, or from the deep conviction of those who have helped Exsymol to grow over time.

Whatever the reason, what we see today are the results. The goals that we set ourselves in 2017 for 2022 were achieved in 2019, thanks to constant evolution and a long-standing commitment.

I have no doubt that Exsymol, with its rich history and the strength of all the people who make it, has not yet finished exceeding its targets and will continue to surprise with its capacity to anticipate and adapt.

Nicolas MARQUIS,
CSR Manager



RESPONSIBLE DEVELOPMENT



DEVELOPING RESPONSIBLY

Our development is based around treatment cosmetics with applications to meet all of our clients' needs.

We use our scientific excellence to develop or extract innovative molecules, drawing our inspiration from the living world, and then to prove their effectiveness.

OUR VALUES:

- ◆ **INDEPENDENCE**
- ◆ **HARNESSING OUR RESOURCES AND CULTIVATING OUR TALENT**
- ◆ **CREATING INNOVATIVE SOLUTIONS**
- ◆ **DETERMINEDLY FORWARD-LOOKING**
- ◆ **SCIENTIFIC EXPERTISE**
- ◆ **PRODUCT QUALITY, SAFETY AND PERFORMANCE POLICY**
- ◆ **CUSTOMER INTIMACY**
- ◆ **CSR POLICY**



OUR COMMITMENTS

IN 2017, we decided to focus our efforts on the following priorities for 2022:



Reducing our carbon footprint



Controlling our waste



Building our clients' trust



Implementing sustainable innovation and responsible procurement



Improving workplace safety

OUR GOALS



We set our goals within the context of an international approach

Our approach and our goals tie in with 9 of the 17 United Nations Sustainable Development Goals



OUR COMMITMENTS

It would be impossible to achieve our goals and our vision for Exsymol in 2022 without a strong commitment. We make this commitment to our clients, but also to local partners.

The National Energy Transition Pact



In 2020, the National Energy Transition Pact moves into its second phase, and incorporates even more ambitious actions, including a commitment to introduce 'green office' actions intended to reduce the impact of office activities to a minimum.

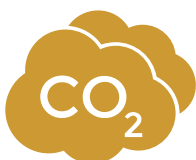
Exsymol once again emphasises its commitment to the Principality's initiative, putting in place the actions associated with manufacturing.

The aim of the National Pact is **to achieve carbon neutrality** in the Principality by 2050.

Exsymol has made the decision to join the Principality of Monaco's carbon neutrality initiative.

As part of this commitment, and to minimise the carbon impact of our travel, Exsymol has opted to replace one of the company's combustion-powered vehicles with a **rechargeable hybrid**.

Similarly, to **reduce our paper consumption**, we have embarked on projects to switch information to electronic format.



OUR COMMITMENTS

Green energy – local impact

The equivalent of our site's electricity consumption is reinjected into the grid in the form of renewable electricity.

With most of this coming from hydropower sources, this commitment is part of a carbon neutral approach.

We are conscious that non-recovered waste can have an enormous impact (fermentation and emission of greenhouse gases, pollution of water through leaching, reduction in available waste storage capacity), and so we take advantage of the opportunities offered by the Principality to recover our non-hazardous, non-recyclable waste. The latter is used to generate energy, directly supplying the Fontvieille district where our site is located.



CSR PERFORMANCE

ecovadis

To obtain an external view of our CSR performance, we ask the independent body EcoVadis to assess our actions. This assessment enables us to establish where we sit within the market and to better identify areas for improvement.

In 2019, Exsymol once again achieved a Gold scorecard, recognising the company's investment in the field of CSR.

Our performance is assessed in three areas:

ENVIRONMENT

SAFETY

SOCIAL AND HUMAN RIGHTS



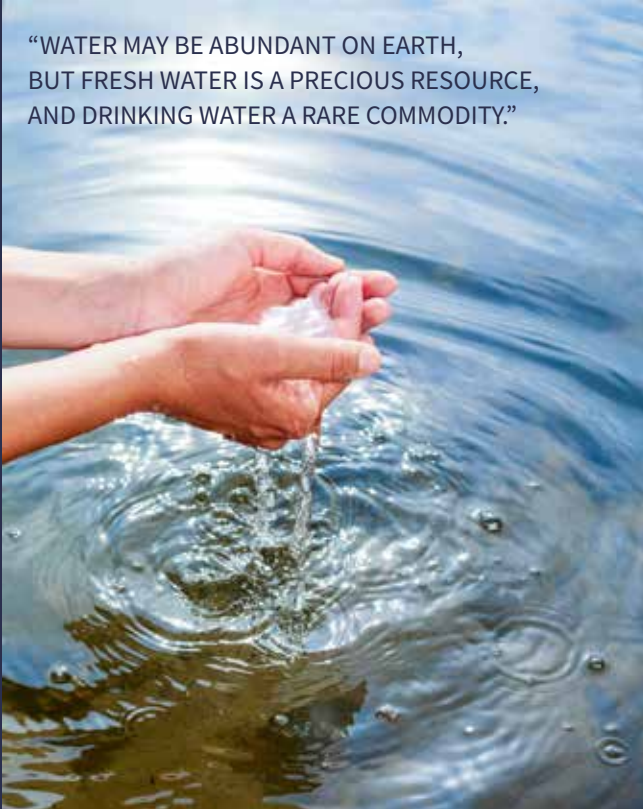
ENVIRONMENTAL PERFORMANCE





ENVIRONMENTAL PERFORMANCE

"WATER MAY BE ABUNDANT ON EARTH,
BUT FRESH WATER IS A PRECIOUS RESOURCE,
AND DRINKING WATER A RARE COMMODITY."



Water...

Our location in the Principality of Monaco means that water consumption is a major challenge. The majority of our facility's supply comprises water that is fit to drink. We are conscious that drinking water is rare, and so we make every drop count.

We are engaged in an initiative to reduce water consumption.

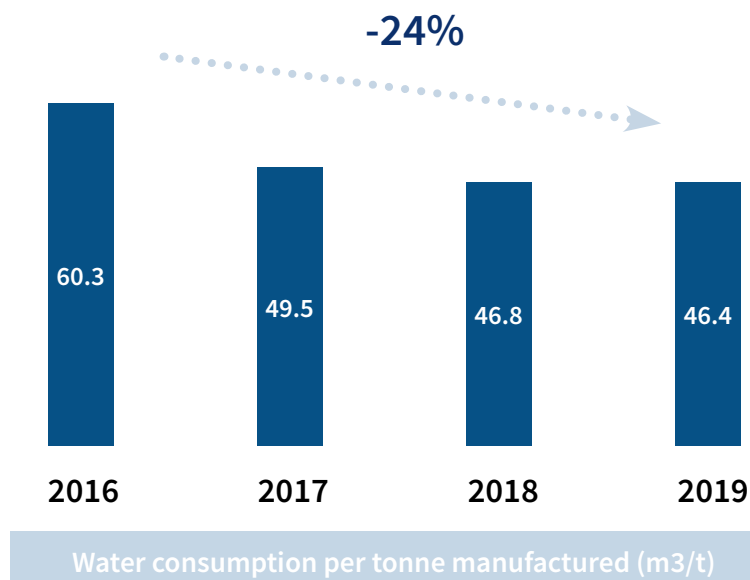
At the national level, the Principality is implementing actions to conserve water resources, including by ensuring that the entire distribution network is 95% watertight.

To limit our impact on water consumption, we are focusing particularly on **streamlining our cooling systems**. We have increased our cooling generation capacity to enable us to better control our water consumption.

A promise kept:

In 2017, we committed to reducing our water consumption by 15% by 2022.

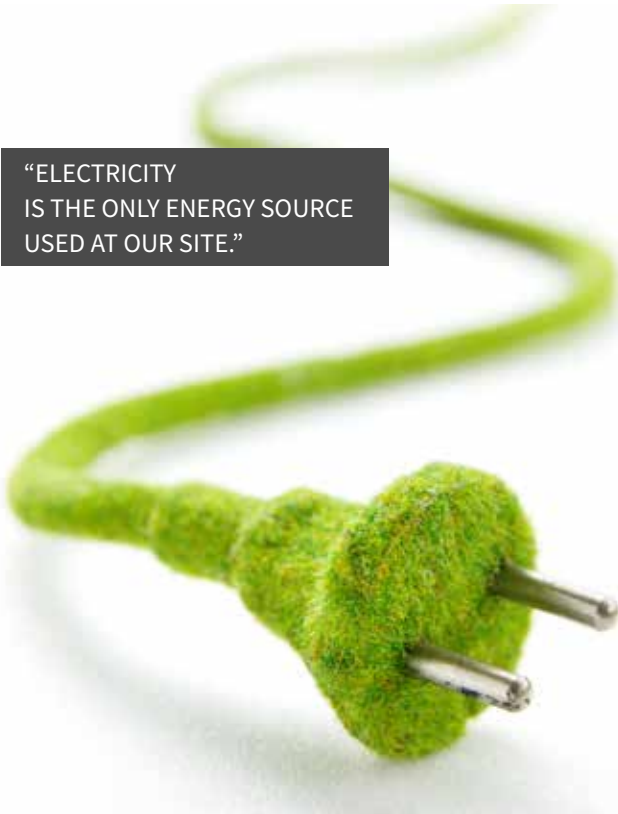
By 2019, we had already cut our water consumption per tonne of product manufactured by 24% compared with 2016.





ENVIRONMENTAL PERFORMANCE

"ELECTRICITY
IS THE ONLY ENERGY SOURCE
USED AT OUR SITE."



Electricity...

Exsymol has chosen to obtain its supply through a contract which provides certificates of origin.

The equivalent of our site's electricity consumption is reinjected into the grid in the form of **renewable electricity**.

Our main sources of consumption are heating for our processes, as well as vacuum and compressed air generation.

To optimise heating conditions, the insulation of a 700 L reactor was completely redesigned in 2019. This helps us to limit the electricity required for heating.

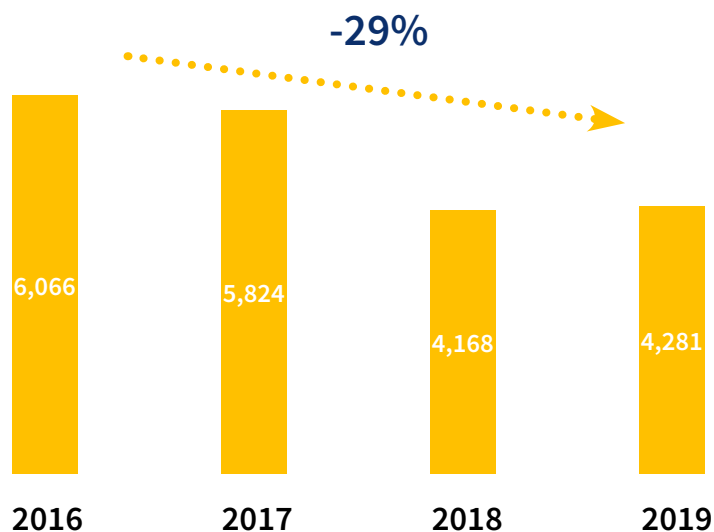
But there are also quick, simple actions that we are taking to reduce our electricity consumption.

The neon lighting used in some corridors, for example, has been **replaced with LEDs**, which **are much more energy efficient**.

A promise kept:

In 2017, we committed to reducing our electricity consumption by 15% by 2022.

By 2019, we had already cut our electricity consumption per tonne of product manufactured by 29% compared with 2016.



Electricity consumption per tonne manufactured (kWh/t)



ENVIRONMENTAL PERFORMANCE

Waste

The Principality of Monaco is strongly committed to sustainable development. One consequence of this is that the rules on sorting recyclable waste were changed in 2019.

Paper, plastics, metal and packing boxes are now separated downstream of collection. In addition, to reduce the incineration of plastics, the combustion products of which can be difficult to treat when they leave the incinerator, all plastic packaging (including food wrap) is collected in a single container.

Our location in Fontvieille district also allows our non-hazardous, non-recyclable waste to be recovered and turned into energy that is used by locals, creating a truly virtuous circle for our waste.



This performance is achieved by reminding people of best practices to be followed, as well as periodically raising awareness about how best to recycle waste.

However, the best waste is waste that is not produced in the first place.

Since the 1990s, therefore, we have been recycling our solvents in a bid to reduce the amount of waste we generate as well as the number of road journeys made to supply us. Each year, our solvent recycling **prevents the generation of 2.4 tonnes of waste.**

But we continue to look for ways to improve.

One project for 2020 is to work on the disposal of waste drums.

These could go back and forth between our site and the provider which processes our hazardous industrial waste, reducing waste of these drums and making

our provider's route more profitable.

Every action counts!

Zero plastic target!

In a measure that is open to all and less dependent on role, Exsymol has provided all of its employees with a reusable glass bottle.

No more plastic bottles lurking on desks, glass can be recycled indefinitely!

In addition, to reduce our use of plastic, the production of which uses fossil fuels, plastic consumables have been withdrawn in favour of recyclable alternatives made from cardboard and bamboo. Exsymol has always made reusable plates, glasses and crockery available to everyone to keep the use of single-use plastic crockery or cardboard plates to a minimum.



**FROM MAJOR PROJECTS TO SMALL CHANGES,
WE ARE WORKING EVERY DAY TO REDUCE
OUR IMPACT ON WASTE GENERATION.**

SAFETY PERFORMANCE





SAFETY PERFORMANCE



Safety indicators

A company's primary resource continues to be its employees, and it is for this reason that we are committed to a **zero accident policy**.

In 2019, we did not record a single lost time accident on site.

However, we must maintain our focus on prevention to ensure that we achieve this same result every year.

The attention paid to workplace safety has also led to an increase in the number of near misses and incidents recorded on site. It is not that there have been more incidents, but rather that they are reported more often. They are systematically recorded and reviewed to update the on-site risk analysis. This feeds into the continuous improvement of practices at the site.





SAFETY PERFORMANCE

Feedback

Feedback continues to be one of the most powerful tools for continuously improving performance. We have put in place a **feedback** mechanism for undesirable incidents assessed to be significant.

The assessment of these incidents is not necessarily based on the actual consequences of the situation, but on an **evaluation of the potential consequences**.

Measures that would allow an undesirable incident to be controlled, or that would reduce its impact, are thus consolidated into our operations.

Improving the safety of our processes requires a better understanding of our tool and an ongoing review of the possible problems.

A manufacturing process evaluation committee therefore periodically reviews processes in operation.



SOCIAL PERFORMANCE





SOCIAL PERFORMANCE



Gender equality

Women's access to employment continues to be a relevant issue. For Exsymol, ensuring gender equality is an important factor, and this is why we do everything we can to maintain equality in recruitment. Thus, in 2019: **66%** of the managers we recruited were **female**.



Combating harassment

To ensure a conflict-free work environment, meet legal expectations and enable people to flourish within Exsymol, a **point of contact for harassment** was appointed in 2018. Their role is to support individuals who report incidents of harassment, provide **mediation** between the parties concerned, and ensure that there is an impartial and fair arbitrator if disciplinary sanctions need to be taken.



SOCIAL PERFORMANCE



Training

Expertise is not something you acquire once, but a status that must be constantly renewed, and so training is a vital part of the approach that has been developed at Exsymol.

Exsymol employees completed **1,414 hours** of training, or more than 30 hours per person over the course of the year.

Training covers technical aspects, practical know-how and soft skills, which are every bit as important as technical knowledge, and take in all of the various roles at Exsymol.



Safeguarding jobs

In 2019, **more employees joined Exsymol than left** the company, **with 33% arriving and 15% leaving**.

The figures are clear: **84% of employees have more than five years' experience** with the company. The most experienced Exsymol employee has even grown up with the company - she celebrated **40 years with us** in 2019.



SOCIAL PERFORMANCE



Our CSR commitment

To encourage everyone to engage in this initiative, **a CSR day was established.**

This is a day of leave granted to all staff depending on the company's overall performance in one area of CSR.

A company is first and foremost the **result of a joint endeavour.** A company's purpose is to realise projects that go beyond an individual's efforts.

This is why the **Corporate Social Responsibility** initiative is also built through the day-to-day actions of everyone.

It is a commitment that is woven into the DNA of Exsymol employees!

GREEN TRANSPORT

66% of Exsymol employees have opted for more **sustainable forms of transport to get to work!**

(Car sharing, walking, cycling, public transport, electric scooter or car).



They also take part every year in Monaco's major charity event:

NO FINISH LINE

This charity race celebrated its twentieth anniversary in 2019.

Exsymol took part in the charity meal held to celebrate the anniversary, which helped to raise more funds for sick children and charity projects.

The principle behind the race is simple:
It lasts for 1 week

For every 1 kilometre run, €1 is donated to the charity Children & Future.

Although the race was disrupted by terrible weather in 2019, which meant that the circuit was closed a day earlier than planned, the Exsymol-Sédifa team answered the call. The 36 registered runners covered more than 800 km, raising €846.79 and pushing us up to 89th place out of 347 teams.



LAUNCH OF THE SC RANGE



The ISO 16128 standard aims to harmonise the language used by the cosmetics industry to talk about natural or organic ingredients. It allows ingredients to be classified according to their degree of natural origin. An ingredient is considered to be of natural origin if it contains more than 50% natural ingredients.

The active ingredients in EXSYMOL'S SC range have a high degree of natural origin, equal to or greater than 95%.

**NEW,
HIGHLY NATURAL
SC RANGE!**



WHEN EXSYMOL GOES HAND IN HAND WITH NATURE



**ALGISIUM SC
DSH CN SC
HYDROXYPROLISILANE SC
ASCORBOSILANE SC**

Forthcoming
**EPIDERMOSIL SC
SIRHAMNOSE SC**



**GLISTIN SC
ALISTIN SC**



**ENTADINE
ARCT'ALG SC**

With thanks to all colleagues behind this sustainable development report, who are critical to the momentum of ethical progress required for Exsymol to develop.

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