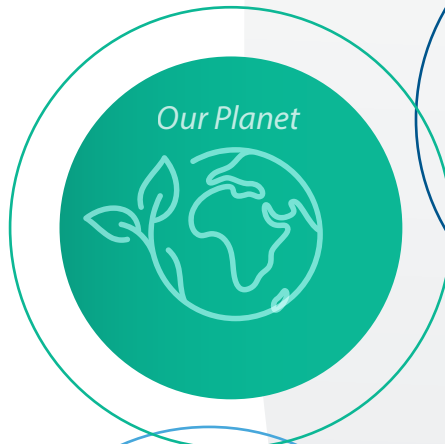




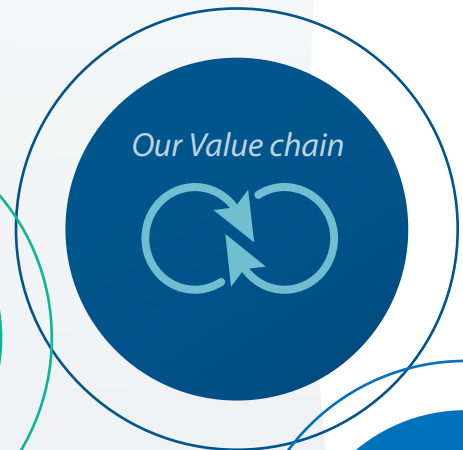
MORE THAN FASTENING

CORPORATE SOCIAL RESPONSIBILITY

COMMUNICATION ON PROGRESS 2021



Our Planet



Our Value chain



Our Behavior



Our Societies



Our People

TABLE OF CONTENTS

WORD FROM OUR CHIEF EXECUTIVE OFFICER	p. 03
ABOUT ARaymond	p. 04
ARaymond, A WORLD LEADER IN FASTENING AND ASSEMBLY SOLUTIONS	p. 05
OUR KNOW-HOW	p. 06
A WIDE RANGE OF MARKETS	p. 07
INNOVATION IS IN OUR DNA	p. 10
CORPORATE SOCIAL RESPONSIBILITY	p. 12

OUR BEHAVIOR

- CSR Governance
- Culture and mindfulness
- Ways of Working
- Ethics and compliance

p. 16

OUR PEOPLE

- Health, safety and Well-being
- Diversity and inclusion
- Jobs and skills development
- Social dialogue

p. 29

OUR SOCIETIES

- Human rights
- Local development
- Community involvement

p. 42

OUR PLANET

- Carbon
- Energy
- Materials
- Water
- Waste

p. 46

OUR VALUE CHAIN

- Sustainable purchasing
- Sustainable solutions
- Customer relationship

p. 59

LOOKING AHEAD	p. 68
---------------------	-------

WORD FROM OUR CHIEF EXECUTIVE OFFICER



Antoine RAYMOND | CEO

THE ARAYMOND NETWORK LINKS 7480 PEOPLE IN 25 COUNTRIES.

Our enterprise expertise for generations is to fasten and assemble.

Our purpose is to link people through a meaningful beautiful entrepreneurial adventure.

Our aim is to generate useful and sustainable value for our collaborators, our customers, our partners, and all people and communities concerned by our activities.

We are responsible for the precious life present on our unique and fragile planet

In our enterprise each person is a person, each role matters, and we believe in the efficiency of individual engagement in strong collaborative mode based on shared values.

In 2021 one of our priorities worldwide has been to protect and insure the health and safety of all our collaborators in the context of a long lasting COVID pandemic.

We continued our engagement for Economic Peace as active member of the Chair Mindfulness and Peace in Economy of Grenoble Ecole de Management (GEM). For the 11th year we actively participated in its professorship and academic research program.

We continued to develop and extend our "Servant Leadership" and "Nonviolent Communication" trainings and practices worldwide.

We pursued the deployment of our Corporate Social Responsibility policy worldwide.

With the support and advices of the enterprise "Carbon 4" we did our first Carbon Footprint evaluation. We started to build afterward our CO2 emissions reduction roadmap globally and entity by entity.

All new buildings and constructions we erected in 2021 must be "LEED" certified. We pursue this internal obligation with the next building projected in 2022 and for the coming years.

To reduce our carbon footprint linked to building and constructions in concrete we launched our first plant in container and started to study the feasibility to build according to the modular "offsite" building principles using lighter materials as textile.

In 2021 we decided to actively participate to the CEC (Convention of the Enterprises for the Climate). This initiative gathers 150 enterprises wishing to actively contribute to reduce the pace of the global warming reinventing their business model to the most regenerative possible one. This convention is quite demanding in term of presence and time investments. Each CEO and a planet champion of each enterprise (300 people) committed to meet in presence during 6 seminars of 2,5 days. In addition, several intercessions are organized in form of Visio conferences.

We continued to deploy everywhere our ARaymond Total Management System program (ATOMS) in order to increase the direct contribution and participation of each collaborator to make them actors of our continuous improvement and Lean organization policy.

We continued to finance and develop locally charity initiatives linked to education, social and professional integration.

All those initiatives and actions are fully supported by our shareholders and the 45 members of our Executive Committee.

ARaymond has been a supportive member of the Global Compact since 2003 and renews its commitment for 2022.

A handwritten signature in blue ink, likely belonging to Antoine Raymond, the CEO. The signature is stylized and fluid, written on a white background.

ABOUT ARaymond

With more than **7,480 employees in 25 countries** around the world, the ARaymond Network designs, manufactures and markets assembly and fastening systems.

Created in 1865 and the inventor of the press-stud, this family business based in Grenoble, France, has always put human values at the heart of its success. Based on the conviction that the well-being and empowerment of its employees is essential to its continued success and development, ARaymond has chosen an inclusive management model founded on trust and respect: Servant Leadership. Guided by innovation and value creation, the ARaymond Network is today one of the global leaders in fastening and assembly solutions for the automotive market.

ARAMOND WORLDWIDE



25
countries



7,480
employees



29
manufacturing
plants



1.2 B.
net sales 2021

ARaymond, A WORLD LEADER IN FASTENING AND ASSEMBLY SOLUTIONS

From press-studs to fasteners for the automotive market and solar panel fastening systems, **the story of ARaymond is the story of a family and a team of entrepreneurs driven by the desire to innovate and work meaningfully together to serve a wide range of sectors.**

Identifying high-potential new markets in which we can apply our expertise and innovation skills to the full has been the guiding principle for our operational expansion to date. Guided by innovation since decades, we use our know-how in engineering and assembly of metal and plastic to find smart innovative solutions for a wide range of other industries.

FASTENING AND ASSEMBLY EXPERTISE

The ARaymond™ brand is recognized in the automotive industry for its tool-free clipping assembly solutions and Quick Connectors. Where traditional mechanical fastening and assembly prove too complex, ARaymond develops innovative bonding solutions to address the latest assembly trends in the automotive industry.

SMART CLIPPING



Providing clipping solutions using injection-molded plastic, metal or combined-material clips is the core business of ARaymond. Our easy-to-assemble screwless solutions are the smart alternative to conventional screw or bolt assembly and help to reduce production costs.

SECURED FLUID CONNECTION



ARaymond Quick Connectors provide a fast and secure connection for all types of fluid delivery system. The connectors are compact, short and easy to use. Our comprehensive range of Quick Connectors helps to reduce the number of components and assembly steps, while also lowering costs.

UNRIVALLED BONDING SOLUTIONS



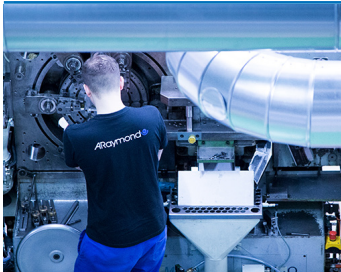
Bonding is a mounting technique suitable for situations where traditional mechanical fastening is difficult. We offer a complete service that includes analyzing the existing production process to identify the most appropriate adhesive and equipment. Once the process is in place, we provide maintenance, logistics, training and support for as long as the solution is in use.

OUR KNOW-HOW

INDUSTRIAL EXCELLENCE

Over our long history, we have mastered the technologies and tools needed to address the fastening and assembly challenges of a very broad spectrum of industries.

METAL PROCESSING



ARaymond has industry-leading knowledge and experience of major metal transformation processes, including cutting, bending and stamping. Our plants worldwide handle design, production, surface treatment and quality control in-house.

PLASTIC INJECTION



From high-volume injection to continuous injection and bi-material injection on the same machine, we run molding processes compatible with more than 300 thermoplastic materials in-house.

ADHESIVE TECHNOLOGY



ARaymond has developed a proprietary adhesive technology and produces the adhesive in its own facilities. The adhesive and associated fasteners are ideal for materials that are difficult to drill or weld, such as glass, composites and painted metal.

ASSEMBLY PROCESSES



Our manufacturing plants are equipped to handle manual, semi-automated, cycle-time optimized automated assembly and motion assembly to meet customer needs.

Providing complete assembly solutions

With our in-depth knowledge of a wide range of fastening and assembly solutions backed by expertise in chemical, mechanical, and industrial engineering, we provide an end-to-end service that delivers optimal assembly solutions tailored to the unique needs of our customers.

Our Bonding Solutions Architects are a great example. They begin by analyzing the unique demands of your production line and your target results as the basis for recommending the best possible system. They also supply the necessary robots, machinery and adhesives, backed up with training and user support.

We partner with our customers every step of the way to ensure that their bonding solutions deliver maximum performance and satisfaction throughout their lifetime.

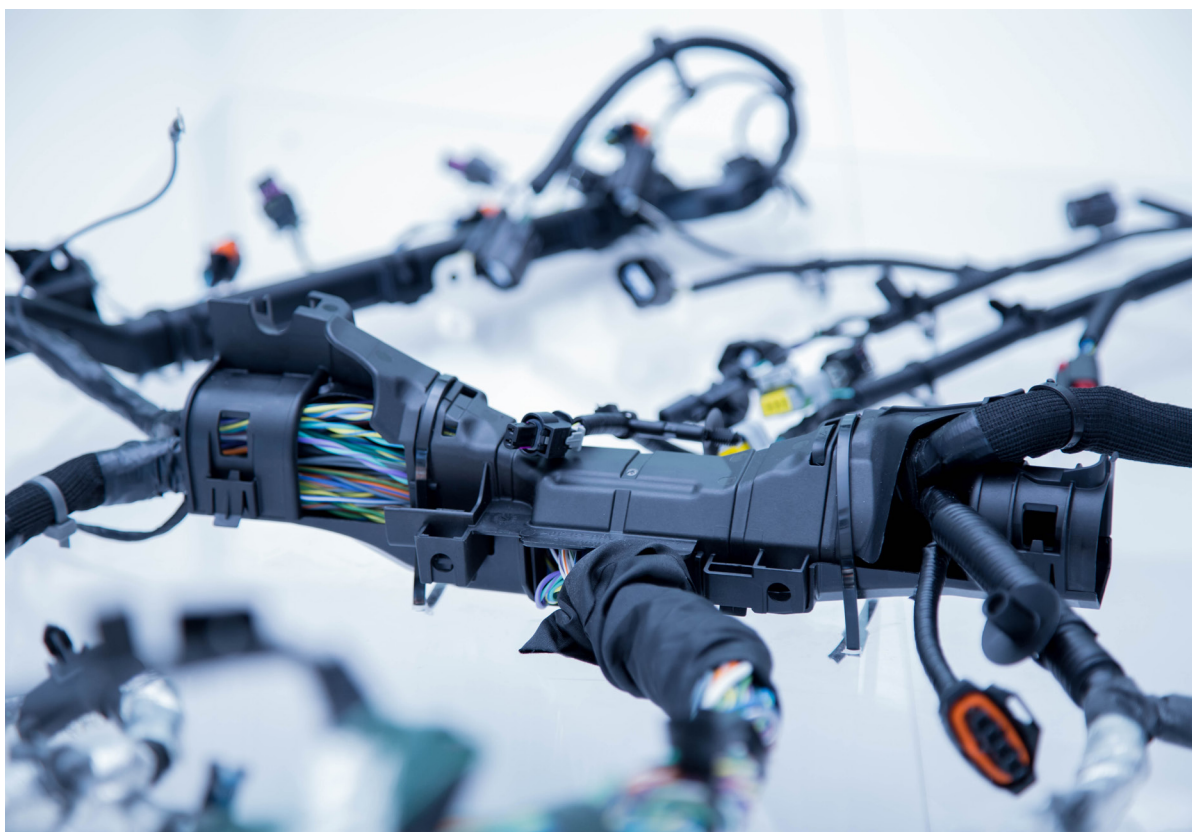
A WIDE RANGE OF MARKETS

Identifying new markets that recognize **expertise and the potential for innovation** has been the common thread of ARaymond's business development throughout its history.

As one of the world's fastening and assembly solutions providers to the automotive industry, the ARaymond Network has gradually transposed its expertise and skills to the new markets of Trucks, Industrial, Energy, Agriculture and Life.

AUTOMOTIVE & COMMERCIAL VEHICLES: OUR CORE BUSINESS

ARaymond's fastening, bonding and connecting expertise spans a broad range of automotive applications, including car body trim, power distribution systems, powertrain, fluid-handling systems and glazing. We also offer specific solutions for commercial vehicles, off-road vehicles, heavy-duty machinery and industrial and equipment manufacturers.



For more information: www.ARaymond-automotive.com

INDUSTRIAL MARKETS

ARaymond Industrial offers fastening solutions that streamline the assembly of manufactured products like domestic appliances, HVAC equipment, industrial machinery, consumer goods and lighting to meet the needs unique to those markets.



For more information: www.ARaymond-industrial.com

CLIPPING SOLUTIONS FOR SOLAR ENERGY

ARaymond Energies provides the solar energy market with cost-effective clipped fastening solutions. We design screwless, tool-free solutions that make photovoltaic panel assembly and installation faster, easier and more reliable.



For more information: www.ARaymond-energies.com

FASTENING SOLUTIONS FOR CROPS

ARaymond Agriculture designs and manufactures innovative, value-added, environmentally-friendly fastening solutions for greenhouse crops, tree nurseries and vineyards. Our innovative smart fasteners help growers simplify their processes, maximize yields and reduce labor costs.



For more information: www.ARaymond-agriculture.com

PHARMACEUTICAL PACKAGING

ARaymond Life develops and manufactures innovative custom packaging solutions for pharmaceutical, medical and cosmetics companies.



For more information: www.ARaymond-life.com

INNOVATION IS IN OUR DNA

Ingenuity and creativity are part of our DNA.

We are proud to bring the most advanced value-added parts and solutions to the market and to deliver effective responses to the unique needs of our customers' assembly processes and applications. Our innovation specialists and engineers are constantly exploring new and emerging trends such as new and lightweight materials, digital technologies and mechatronics.

445

inventions
currently
patented

More than

1,000

new fastening
solutions
created in 2020

6%

of annual
revenue
invested in R&D



INNOVATING THROUGH COLLABORATION AND PARTNERSHIPS

ARaymond's Advanced Research and Development Center has sites in Europe, in Saint-Louis (France), and in the USA, in Rochester Hills (MI).

Our advanced engineering teams work closely with the R&D specialists of the ARaymond Network and our customers worldwide.

Our innovation specialists and engineers envision, design and assemble solutions that meet the needs of tomorrow, drawing on their experience in fields as diverse as connectivity and digital technology, advanced manufacturing and lightweight materials. They use their expertise in automation, mechatronics, manufacturing technologies, simulation and new materials with the support of specialist labs.

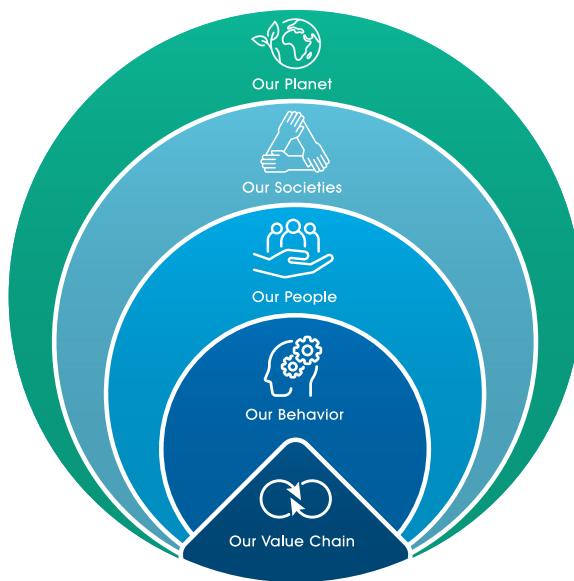
Recent developments include multi-material joining interfaces for composite materials. To support our customers in their transition to Industry 4.0 and the IoT (Internet of Things), our advanced development teams are also investigating how augmented reality tools can improve assembly processes.

The members of our multicultural teams include permanent engineers and R&D specialists from across the Network. Our Center of Expertise regularly welcomes customers, who bring their needs and problems to us and entrust co-development of solutions to ARaymond. The projects conducted here help to develop the company's offering and improve existing skills. Remember that we employ around 300 people in R&D and the ARaymond Network reinjects 6% of its revenue into this highly strategic aspect of its business.



CORPORATE SOCIAL RESPONSIBILITY

Through its Corporate Social Responsibility (CSR), ARaymond aims to create shared sustainable value in response to the needs of all its stakeholders (employees, shareholders, local communities, customers, suppliers, strategic partners, and the planet). We aspire to support systemic change and leverage our business models to address the social and environmental transitions in which ARaymond can make a difference



Our CSR approach sets out five key pillars underpinning the network's CSR policy:

- ▶ We strive to act with respect, integrity and care, in a climate of economic peace (OUR BEHAVIOR)
- ▶ We are an open collaborative network in which employees can thrive (OUR PEOPLE)
- ▶ We have a positive impact on human communities and surrounding territories (OUR SOCIETIES)
- ▶ We contribute to the preservation of our planet through meaningful creations and actions (OUR PLANET)
- ▶ We deliver innovative and sustainable solutions through value-driven supplier-customer collaboration (OUR VALUE CHAIN)

CSR ROADMAP

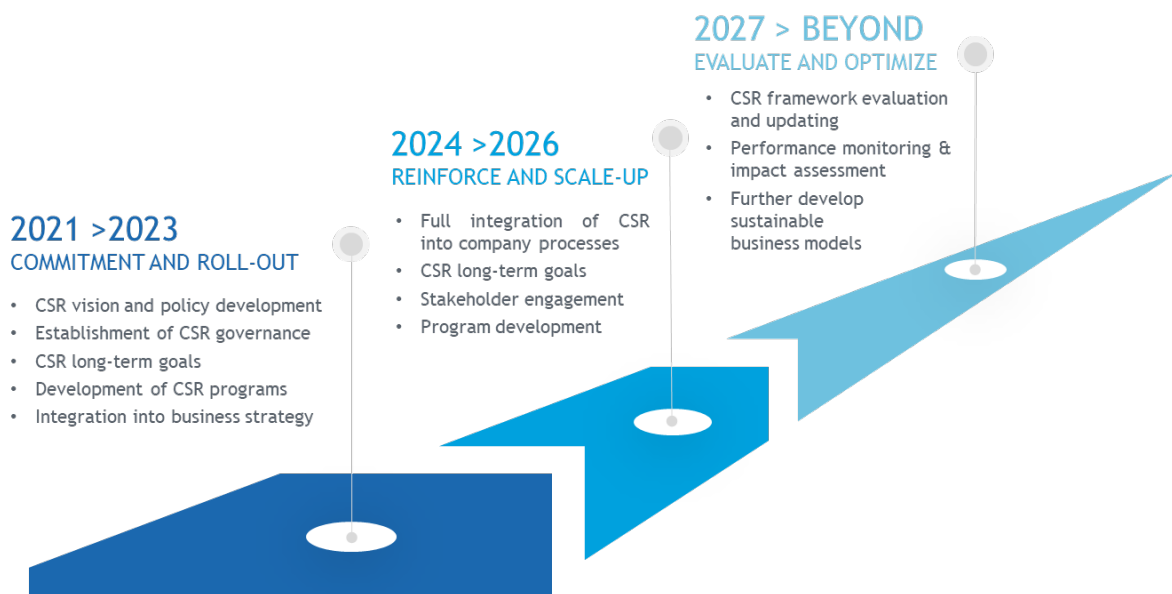
Because everyone in the ARaymond network must be able to contribute, our global and collaborative approach to CSR allows each employee and each entity to get involved and open up new avenues. This will provide the consistency we need to have more impact.

To make this possible, we have defined a roadmap that gradually develops CSR to anchor it in everyone's activities on a daily basis, in all the entities of the Network. 2021 to 2023 are the years in which we will build the CSR vision, policy, governance, make commitments on long-term objectives and develop the programs that will enable the company to achieve its ambitions, in collaboration with its stakeholders.

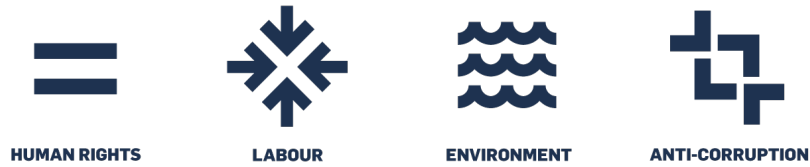
In 2021, following the launch of the new structure of the CSR approach, we made progress on many topics, to name a few global ones:

- Publication of the [ARaymond CSR Charter](#)
- Integration of CSR into the business strategy
- Proven CSR governance that works well
- Development of the CSR skills of many teams, including ARaymond's Executive Committee
- Implemented the first carbon footprint of the Network, all entities
- Deployment of a new comprehensive employee health, safety and well-being program
- Creation of a "sustainable purchasing champions" team, trained and equipped
- Employee involvement in CSR topics throughout the year

In addition to these global subjects which involved the entire network, many entities carried out local actions with regard to their own issues at the social, societal and environmental levels. This report provides an illustration.



COMMITTED TO THE UNITED NATIONS GLOBAL COMPACT



Contribution to the Sustainable Development Goals

OUR BEHAVIOR



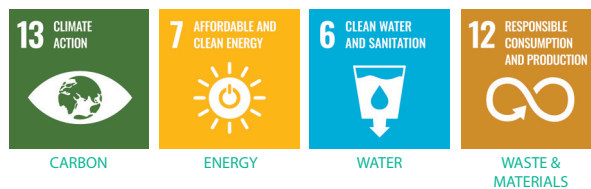
OUR PEOPLE



OUR SOCIETIES



OUR PLANET



OUR VALUE CHAIN

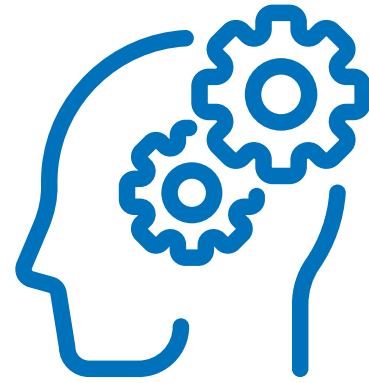


SITUATION / CERTIFICATIONS AS OF JANUARY 2022

Entities	ISO 9001	IATF 16949	ISO 13485	ISO 14001	ISO 50001	OHSAS 18001	ISO 45001
AR Brazil, Vinhedo, Brazil							
AR Automotive, Hamilton, Canada							
AR China, Zhenjiang, China							
AR Czech Republic, Jablonec, Czech Republic							
AR Fluid Connection, Grenoble, France							
AR France, St Egrève, France							
AR France, Grenoble, France							
AR Fluid Connection, Bremgarten, Germany							
AR Germany, Weil, Germany							
AR India, Chennai, India							
AR India, Pune, India							
AR Italy, Carisio, Italy							
AR Japan, Hadano, Japan							
AR Korea, Hwaseong, Korea							
AR Singapore, Singapore							
AR Thailand, Bangkok, Thailand							
AR Life, Saint Egrève, France							
AR Automotive, San Luis Potosi, Mexico							
AR Morocco, Casablanca, Morocco							
AR Russia, Dzerzhinsk, Russia							
AR Spain, Sant Fruitós de Bages, Spain							
AR Turkey, Gebze, Turkey							
AR Ltd, East Malling, UK							
AR Automotive, Flemingsburg, USA							
AR Automotive, Logansport, USA							
AR Rayconnect, Rochester Hills, USA							
AR Automotive, Rochester Hills, USA							
Raybond, Meyzieu, France							
Raybond, St Louis, France							
Rayce, St Louis, France							
RayGroup, Grenoble, France							
RayMold, Chatte, France	in progress						
Raynet, Grenoble, France							
Pacific Sight Holdings Ltd, Shenzhen, China							
AR Energies, Grenoble, France							

Since 2011, all the new and/or extended sites around the ARaymond network has to be LEED Silver.

OUR BEHAVIOR



SUSTAINABLE BEHAVIOR IS INSPIRED BY CULTURE OR BY CONSCIENCE

We strive to act with genuine respect, integrity and care. This is the basis of the trust we have within our company and with our business partners, guaranteeing the long-term sustainability of our company.

OUR ASPIRATION is to align our actions to our core values in a climate of economic peace, in which value creates benefits for employees, shareholders, communities, customers, partners and civil society.

OUR APPROACH is to conduct all our activities in “the right way”, adopting virtuous business practices and Ways of Working, to succeed respectfully and with pride.

OUR PRIORITIES are to bring the company culture and people’s mindfulness to life, to develop effective Ways of Working in line with our values, to adopt high ethical standards and be compliant with applicable laws and regulations, and to ensure that our governance results in a company that has meaning for future generations.



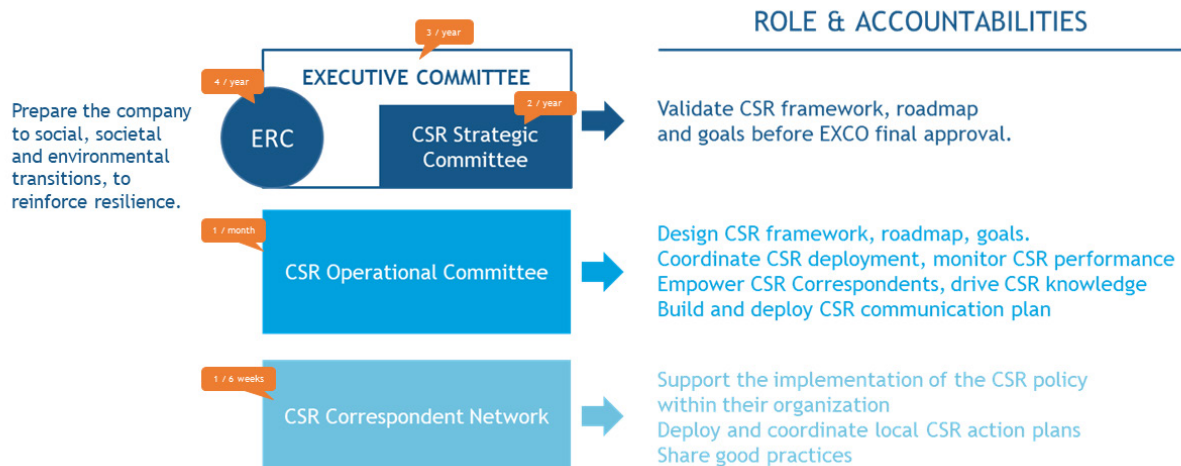
CSR GOVERNANCE



ARaymond CSR governance is part of the Network's corporate governance. CSR is discussed at each of the Executive Committee meetings (at least three times a year). In addition, CSR is one of the functions represented in the Enterprise Responsibility Committee (ERC), one of whose missions is to help the network be consistent with the commitments and duties everyone needs to fulfill.

The CSR governance is specifically composed of three committees:

- The CSR Strategic Committee, composed of Officers and Managing Directors (11 people)
- The CSR Operational Committee, composed of managers representing the various functions of the organization (14 people)
- The network of CSR Correspondents (30+ people)



CULTURE & MINDFULNESS



COMPANY CULTURE

At ARaymond, we wish to act as entrepreneurs to perpetuate the company over generations. As we have been inspired by previous generations, we want to inspire future generations who will continue to build this extraordinary company adventure. The future we want to create, reflected in our vision, our core values, and our convictions, gives the spirit of our business philosophy and guides our actions:

- We want to develop an enterprise of the future with a deep sense of purpose and with the human at its heart.
- We connect ourselves and other collaborators, suppliers, partners and communities with care, pleasure, and solidarity.
- We connect ourselves to our planet and the nature from which we get our resources – to preserve it.
- We contribute to generate a meaningful life for ourselves and others.
- We believe attitude beats skills: respect, active listening and care are catalysts for collaboration.



Our core values:
Respect, Collaboration,
Innovation, Entrepreneurial Spirit,
Value Creation, and Pleasure

The Network's Corporate Social Responsibility (CSR) approach is grounded in these intents, that have been fundamental to ARaymond for a long time.

AWARENESS OF SOCIAL AND ENVIRONMENTAL SUSTAINABILITY

As soon as our CSR approach was structured at the beginning of 2021, it appeared essential to CSR Committees to raise awareness, without delay, among all employees on climate change and environmental issues.

Two events have been organized in the year in order to raise interest and encourage concrete actions:

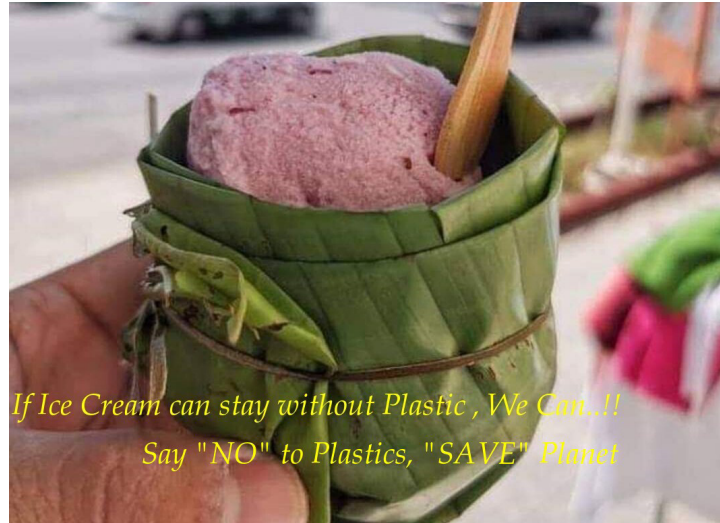
- A photo contest organized on World Environment Day, in June 2021
- European Sustainable Development Week, in September 2021

During these events, CSR correspondents (more than 30 people worldwide) were involved and acted as custodians of the ARaymond CSR policy in their entity and really empowered local people to move toward more sustainability.

• World Environment Day, photo contest



Happy Environment Day by Ganesh Jagtap



If Ice Cream can stay without plastic, we can! by Anup Honrao



*Nothing is lost, everything is transformed
by Emeline Scheffler*



Save the earth by Salunke Shivaji

• European Sustainable Development Week

In mid-September, more than 250 participants enjoyed learning and thinking up ideas to care for their environment through many activities and actions proposed during the European Sustainable Development Week:

- Conferences
- "Clean your mile" and "Clean your data" challenges
- Awareness sessions on climate change and biodiversity erosion through Climate Fresk workshops
- Object collection for "Ulisse Grenoble Solidarité"

Clean your Kilometer and Clean your Data Challenges

During the sustainable development week, two challenges were carried out to engage our employees in the environmental cause:

- **The Clean your Mile Challenge**, which involved collecting waste around ARaymond sites



- **The Clean your Data Challenge**, which involved cleaning up digital storage spaces

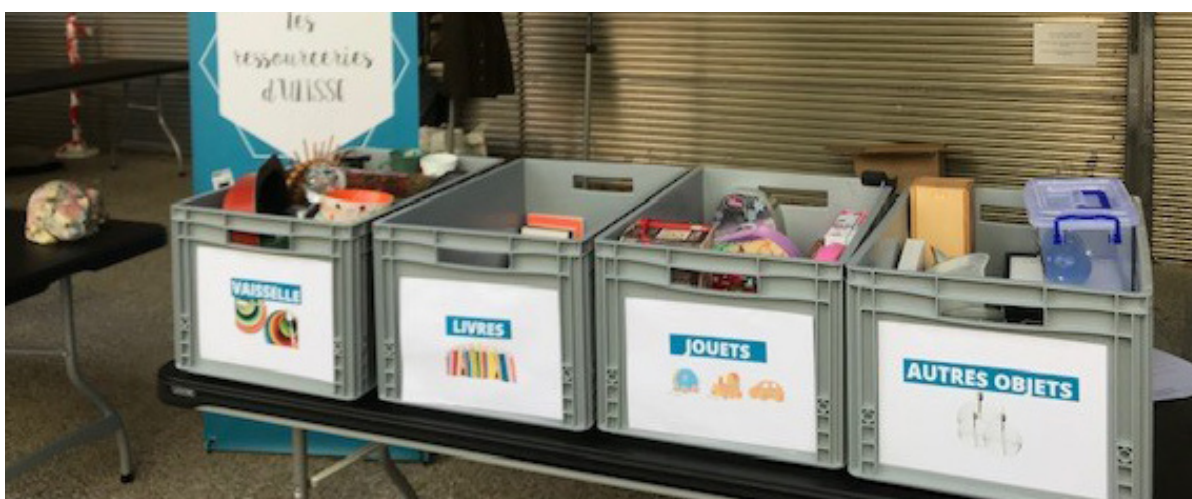
After the challenges, the teams were rewarded according to the amount of waste collected or storage space released.

Object Collection to Support Ulisse Solidarity Economic Group

Since 1984, the Solidarity Economic Group ULISSE has aimed to help people engaged in a process of social and professional integration return to employment. The support is carried out within the framework of the various work situations offered by the group. In particular collecting and processing of donations and then selling in special shops.

The Grenoble ARaymond sites supported this approach by organizing collections of clothes, small objects, books, etc. during the week of sustainable development. This project has made it possible to support a charitable action while giving a second life to objects and thus encouraging a logic of circular economy.

A total of 598kg of donations were collected.



• Fresks Deployment in ARaymond Network

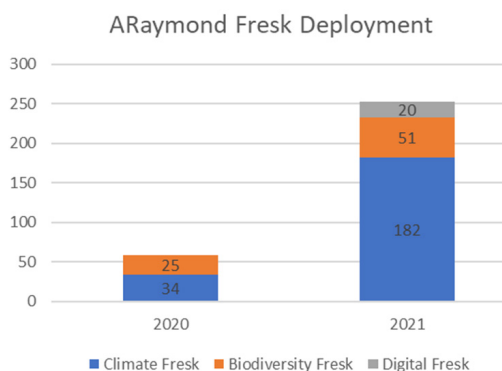
“Fresks” are serious games based on scientific data and aimed at raising awareness of different themes in a playful way. These kinds of collaborative and active learning sessions have been chosen within the ARaymond Network to be one of the key elements to raise awareness regarding environmental issues.

The aim is to give the opportunity to all employees to better understand the causes and consequences of climate change and biodiversity depletion, and empower them to change their way of living, working and create a more sustainable contribution to the company and society in general.

By the end of 2022, our ambition is to enroll 20% of ARaymond employees in these workshops.

During 2021, more than 29 sessions were organized and 224 people from everywhere in the world participated at least in a climate, biodiversity or digital Fresk. Besides, 23 internal facilitators have been trained to lead remote or face-to-face sessions. This internal deployment is very consistent with global ARaymond’s wish to increase internal facilitation skills and is a means to anchor environmental awareness within the organization.

During 2021, the emphasis has been put on Climate Fresk workshops in order to support carbon footprint deployment. The workshops have been led mainly remotely due to the health restrictions.



Following in the footsteps of the strategic and operational CSR Committees and local CSR correspondents, the 45 EXCO members were invited to take part in a two-hour session in November 2021. This demonstrates how important it is for ARaymond to get everyone involved, raise collective awareness, and ensure change takes place with a direct impact on business decisions. ***“Everyone was keen to participate and had lots of innovative ideas – from the energies business to customer-oriented CSR. They all agreed that ARaymond must act rapidly to be ready for the changes ahead. I’m looking forward to helping roll out the training session for the rest of the Network,”*** explains Nicolas Moreux, Business Integration, RAYNET and Fresk facilitator.

Feedback has been positive, and participants enjoyed this active learning approach and the opportunity to discover together. ***“It was interesting to see the impact of small changes on the entire value chain and confront different points of view. The format was engaging and interactive, revealing what we can do in both our everyday lives and business,”*** highlights Manish Padharia, Managing Director, ARaymond India.

ARAYMOND ENGAGED IN THE BUSINESS CLIMATE CONVENTION (CEC).



ARaymond has been selected to participate in the Business Climate Convention (CEC - Convention des Entreprises pour le Climat), a French private initiative held from September 2021 to July 2022.

The CEC ambition is to leverage the collective intelligence of 150 business leaders to imagine an economy compatible with a livable and biodiversity-rich future. Another ambition is to build bridges between CEOs and political and institutional leadership in France and the EU.

The CEC brings together 150 CEOs from a wide variety of sectors, to help them measure the challenge of a 55% reduction in GHG emissions by 2030 and support them in the co-construction of roadmaps to achieve this.

Thanks to his contribution to the CEC, Antoine Raymond hopes to find more radical, pragmatic solutions to curb the acceleration of the accumulation of CO2 emitted into the atmosphere, to transform the ARaymond offer toward low-carbon markets such as new electric mobility and decarbonize ARaymond operations. And ensure that these solutions inspire other French, European and global companies.

Link: <https://cec-impact.org/interview/interview-dantoine-raymond/>

Link: <https://cec-impact.org/la-convention/>

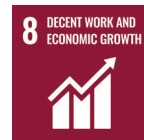
Ethical vouchers

In France, employees customarily receive a gratuity from their company's works council at the end of the year, in the form of vouchers that can contribute to extra gifts or treats for the holiday season. In the ARaymond Network's project incubator RGPI in Grenoble, France, the management adopted a novel and socially responsible approach to this practice by teaming up with the organization Ethi'Kdo. This not-for-profit organization issues gift cards redeemable in a range of retailers that have been specially selected for strong CSR values such as sustainability, fair trade, zero-waste and second life.

Employees were offered the choice of receiving all or part of their allowance in the form of these ethically conscious vouchers, which, instead of being spent on goods, can also simply be donated to a project developed by a partner charity.

Through this initiative, RGPI raised its team members' awareness to these alternative retail choices by enabling them to discover new forms of consumption in line with their personal values and reflecting several of the Network's CSR principles.

WAYS OF WORKING



As technology is evolving very fast, working methods must adapt accordingly. The lifespan of skills is becoming shorter and lifelong training is beginning to overtake traditional ways of learning to create a workplace which fosters the development of new skills. ARaymond is developing effective Ways of Working in line with our values, especially Servant Leadership and Servant Facilitator and Business Excellence practices (ATOMS).

SERVANT LEADERSHIP

What is Servant Leadership?

"The great leader is seen as a servant first." Robert K. Greenleaf

Robert K. Greenleaf launched the modern Servant Leadership in his essay *The Servant as Leader*, in 1970. This model bet on the man and the fact that an organization relies first on each of its members. Research shows that the development of a leading servant attitude encourages mutual aid and creative behaviors, well-being, individual and collective performance and the feeling of satisfaction of all stakeholders. The notion of service is at the heart of the Servant Leadership philosophy which can be resumed by this sentence:

What can I do for my team rather than what can my team do for me?

The 10 characteristics of the servant leadership philosophy:

- Listening
- Empathy
- Awareness
- Commitment
- Stewardship
- Conceptualization
- Building Community
- Persuasion
- Foresight
- Healing

THE 6 PILLS OF ARAYMOND SERVANT LEADERSHIP

With its multicultural and multi-trades dimension, the ARaymond Network is committed to a general collaborative perspective. To support that, it was important that the management style evolves.

Since 2012, ARaymond adopted the Servant Leadership approach paving the way for a new "managerial humanism". The servant leadership management model draws out talent innovatively, encourages collaboration and often develops bonds between collaborators.

Today, the Servant Leadership appears in the ARaymond strategic plan, Raymotion.

For the ARaymond Network, the Servant Leadership is founded on six essential pillars identified as being in-line with our values: listening, taking care, dialogue, encouragement, trust and delegation.



LISTENING

- **To dedicate** time with all my attention
- **Not to interrupt** nor judge (prejudice)
- **To respect** any point of view, even if not matching mine



ENCOURAGING

- **To develop** necessary competencies to increase team's autonomy and confidence
- **To promote** initiatives, consider mistakes as an opportunity to learn, and celebrate success
- **To behave** positively to feed motivation

DIALOGUE

- **To provide right** conditions for effective and objective exchanges
- **To take all** ideas into account to build the most efficient collective solution
- **To give frank** and appropriate feedback face to face



TAKING CARE

- **To support** on a daily basis the well-being of everyone including myself
- **To stimulate** a positive working environment to enable constructive relationships
- **To support** collaborators' own development

DELEGATING

- **To select** appropriate missions (limited in time) to propose to the appropriate collaborators
- **To negotiate** a mutual agreement, detailed objectives, timing, means, and control frequency
- **To allow growth** of collaborators and success by sharing knowledge, expertise, experiences and following up



TRUST

- **To be consistent** and fulfill promise
- **To share** essential information with transparency
- **To build** confidence based on a mutual reliability
- **To be committed** and reliable



This year, an online training course was created to introduce employees to the pillars of Servant Leadership at ARaymond.



Next year we will celebrate 10 years of the ARaymond Servant Leadership Program.

Servant Leadership Program

In India, the Network continued to pursue its Servant Leadership application and awareness programs. Introductory training in Servant Leadership is provided at a local level to selected employees. In addition, the Network's global training program was delivered to four second-tier managers at ARaymond India who qualified for the course due to their seniority and supervision perimeters.

Also over the course of 2021, the entity held theme-based Monthly Communication Meetings (MCM) dedicated to Servant Leadership pillars. This approach was intended to be more proactive than the information channels used up until then, such as posters on display boards and files on the entity's IT server.

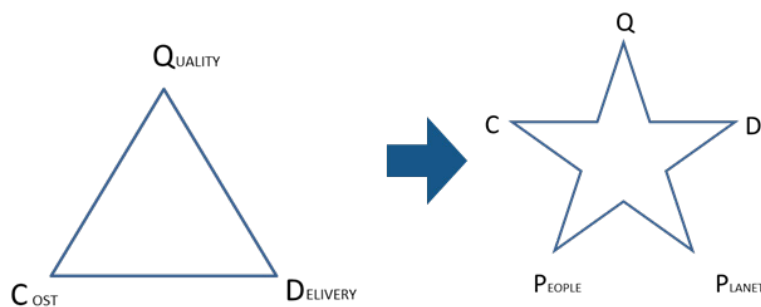
Due to social distancing requirements, these MCMs were conducted online. White-collar employees joined the call on their computers, while shopfloor colleagues were invited to watch the presentations on a screen in the factory. This meant that the approximately 400 employees in the entity could be informed about the goals and principles of Servant Leadership, leading to higher motivation and engagement.

ATOMS

The aim of the ATOMS (ARaymond Total Management System) initiative is to optimize the way each entity is organized and the way we work, to boost agility and flexibility, customer satisfaction and employee engagement.

In 2021 we pursued the evolution of ATOMS, moving from a QCD approach to a QCD People Planet approach.

Thanks to our ATOMS autonomous teams working on continuous improvement, we could engage the collaborators with their local responsible HSE to bring about improvement to the environmental aspect as well.



We already shared many local initiatives to minimize the environmental impacts of our plants.

Some of them are illustrated in the “*our Planet*” Chapter.

Our ambition is more than sharing good local practices, we are building cross-entity projects to tackle some of our impact at a broader level.

■ ■ Integration of CSR criteria for projects within RGPI

The ARaymond Network created a business accelerator platform in 2019 entitled RGPI (for Rapid Growth Project Incubator). This organization allocates a budget to dedicated teams and team leaders with a strong drive and entrepreneurial spirit to incubate and accelerate promising projects outside ARaymond’s current core competences.

Candidates are invited to apply to RGPI for support by submitting a documented business case. In October 2021, to fully reflect the Network’s vision of its role in wider society, RGPI added selection criteria relating to ARaymond’s corporate social responsibility ambitions. Candidates will be required to demonstrate how their project supports the ARaymond CSR commitment, whether by cutting carbon emissions or increasing the use of sustainable materials.

In 2022 it is expected that at least six projects will apply this framework in their submissions, whether under the auspices of RGPI or as part of bolt-on development plans.

ETHICS & COMPLIANCE



An ethical employer and partner

Whether in terms of how we engage with people or the environment, ARaymond has always maintained the highest standards of responsible and ethical behavior in its operations. We also seek similar commitments from our suppliers and partners. We strive to work with integrity and respect in all our operating countries. These commitments reflect our fundamental values, while also providing us with a long-term vision and a sustainable future for our company, its employees and the environment.

After the challenges due to Covid, 2021 is a year where digitalization has served Ethics & Compliance

After the difficulties during 2020 due to the management of the Covid situation ARaymond has engaged heavily to push forward our Ethics and Compliance initiatives through increased digitalization and shared online platforms. These platforms allow us to work together effectively wherever we are based in the world.

This digitalization takes many forms including: a one-stop platform for Risk & Compliance using AREngibox, e-learning training modules, Internal Control & Audit evaluation questionnaires and work management as well as online collaborative tools to help making the project team interactions as agreeable as possible and even fun.

New Agence Française Anti-Corruption (AFA) recommendations

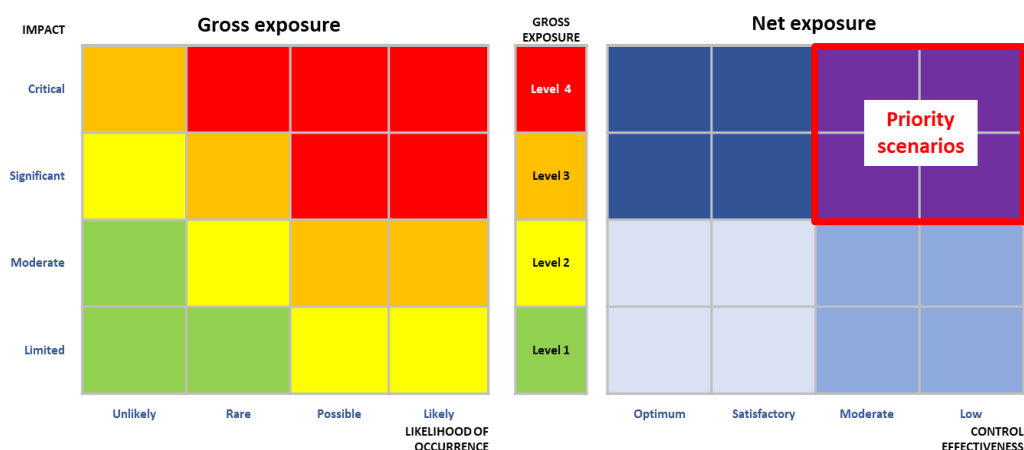
In January 2021, the AFA published an updated version of its recommendations thereby helping French owned companies to further improve their performance in their fight against corruption.

As the ARaymond Network has always tried to construct its compliance system to meet these recommendations, this new version provided us with the opportunity to further improve and enrich our current operations.

We defined our three main objectives for 2021 as follows:

- Deploy new Corruption Risk Mapping recommendations to all ARaymond Entities
- Improve our ARaymond Network Third Party Evaluation process
- Train ARaymond Personnel & Business Partners with respect to Ethics & Compliance objectives and solutions

Thanks to the support from the ARaymond Presidency, the Entity MDs & Management teams as well as the Risk & Compliance Community within our Network, all of these objectives have been fully attained in 2021. A result that testifies to the personal engagement of everyone to maintain the highest standards of responsible and ethical behavior in our operations.



Corruption Risk Mapping and Prevention & Mitigation Action Plans across the ARaymond Network

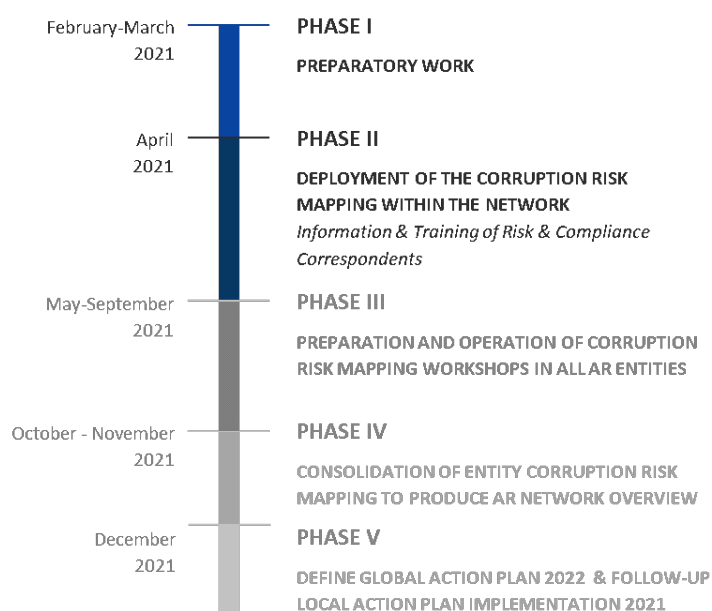
Using the experience and knowledge from the previous Corruption Risk Mapping exercises in 2017 & 2019, the 2021 campaign was both ambitious and as exhaustive as possible.

Based on the updated AFA recommendations and using the AREngibox digital platform all ARaymond Entity teams were able to prepare the necessary information for the different corruption scenarios, evaluate the control activities and prepare the individual management team evaluations and final workshop.

During the final workshop, each scenario was discussed and evaluated with respect to likelihood, potential impact and level of control.

A dedicated action plan was defined for each ARaymond Entity with respect to the priority scenarios identified.

The consolidation of the ARaymond Entities Corruption Risk Maps also enabled us to define a global action plan.



ARaymond Network Third Party Evaluation process

Currently, the ARaymond screens almost 100% of third parties with respect to ethical and compliance issues.

The Corruption Risk Map also allowed the ARaymond Network to better define and prioritize the categories of third parties used in the evaluation process.

Again, using the updated recommendations from AFA, the ARaymond Network with the Purchasing, Business Development and Finance teams, reviewed the current third party evaluation process and defined a more robust process and invested in the tools to enable the proper due diligence to be completed.

The new process, tools and digital platforms will become operational during 2022.

ANTI-CORRUPTION TRAINING

Training – What, why and how?

ARaymond is committed to conduct its business with integrity and respect. To do so requires that we explain “What that means. Why it is so important and how each of us can support and participate in meeting this objective”.

An anti-corruption program has been initiated to build a robust compliance culture within ARaymond’s Network.

Thereafter the question is “Who do we need to train?” The simple but ambitious answer within the ARaymond Network is that everyone needs to understand this commitment and how they can play their part. Moreover, ARaymond has implemented the resources necessary to not only train all its personnel but also the personnel of our business partners where it is deemed necessary.

Two platforms, one clear objective

With the implementation of our ARaymond Network internal e-learning platform, OneHR, all our personnel now have access to the three Ethics & Anti-corruption training modules. Moreover, in order to facilitate access and understanding these training modules are available in all twelve languages used with the Network.

The external e-learning platform, Upility, allows us to provide access to our Ethics & Anti-Corruption training modules to the personnel with the companies of our business partners wherever they are in the world, at any time of the day or night.

These two e-learning platforms are in addition to the half-day full training module and thereby supply ARaymond with quality training solutions.

In this way, ARaymond Presidency is pushing to ensure that everyone working with the ARaymond Network to produce high-quality parts and solutions is also engaged to do so with the highest level of integrity, ethics and respect.

Three Anti-corruption e-learning modules

Compliance outlines the basic principles which have to be respected by all employees in order to secure the legal and ethical correctness of business operations with the goal to exclude the civil and criminal liability while preserving the company’s reputation at the same time.

ARaymond’s three compliance training sessions have been deployed on our internal e-learning platform, available in twelve different languages.

- **Code of Conduct & Ethics:** This online learning module, that is introduced by Antoine Raymond, reflects ARaymond’s ethical values and describes the basic rules of conduct expected by the ARaymond Presidency for all its activities, personnel and its external partners.
- **Anti-Corruption:** This training module provides an overview of anti-corruption laws and general principles through clear and practical examples on ways to combat corruption. The aim of this module is to give everyone simple and practical tools to make the right ethical decisions in difficult situations.
- **Frederic Pierucci’s testimony on the fight against corruption:** This former executive experienced firsthand knowledge of the consequences of being part of a corruption scheme. This training module helps explain what both the company and personnel really risk with respect to corruption.
- [Code of conduct](#)

OUR PEOPLE

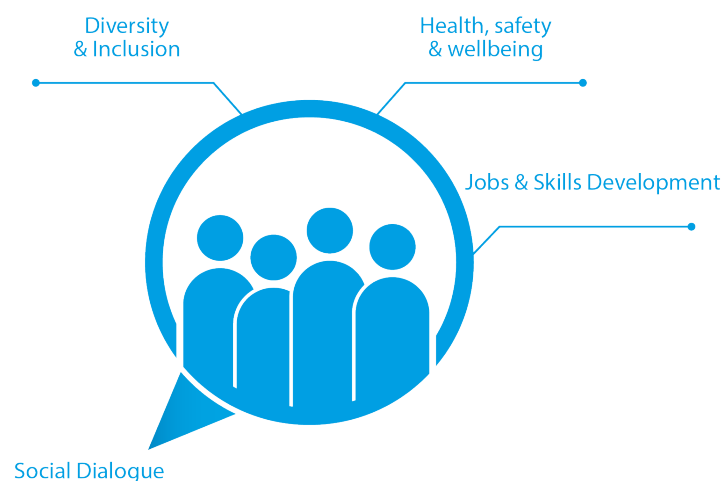


MOTIVATING AND ENGAGING EMPLOYEES IS CRUCIAL TO OUR SUCCESS

OUR ASPIRATION is to develop an open collaborative network in which people and talents will work with efficiency, care, agility and pleasure.

OUR APPROACH to management puts people first, encouraging dialogue, collaboration and empowerment, based on a culture of Servant Leadership.

OUR PRIORITIES are to provide a working environment in which all employees feel included, healthy and safe, and to provide the conditions in which employees can learn, develop and grow.



HEALTH, SAFETY & WELL-BEING



DEPLOYING THE ALL-IN HEALTH, SAFETY & WELL-BEING PROGRAM ACROSS THE NETWORK

Health, safety and well-being are part of our values of protecting our people and providing them with a safe environment and secure working conditions which has always been one of our biggest concerns.

From the very beginning of the CSR journey more than two years ago, safety was scored priority number one by the ARaymond Executive Committee!

It is one of the priorities of the CSR pillar "Our People" as:

- Ensuring our employees' health is of utmost importance especially during a crisis like the pandemic we all experienced worldwide
- It is a question of business continuity and performance to have healthy and safe employees
- The economic burden of poor occupational safety is today underestimated
- Extending initiatives beyond traditional health & safety issues can have important social benefits

Nevertheless, the world of safety is undergoing significant transformation and we foresee the emergence of changes which will influence how we manage health and safety over the coming years.

Anticipating and mitigating the potential causes of workplace injuries and illness is a continuous and complex task, it starts – but is not limited to - with making sure all employees return safely home after work.

Implementing a **comprehensive Health & Safety program** will enable ARaymond to make a leap forward in employee health and safety, with benefits for both the individual and the company. A comprehensive Health & Safety program satisfies six categories:

1. By ensuring **physical safety**, by continuously striving to prevent and reduce work-related injuries, illnesses, and **keeping fatalities at zero**
2. By reducing stress and fostering **mental well-being**
3. By mitigating the effects of work-related health issues or accidents through **health coverage**
4. By implementing a **smoke-free work environment**
5. By encouraging good **nutrition habits**
6. By fostering **physical activity**

Physical safety in the workplace

- Controls are in place to identify, assess, and eliminate or control hazards including:
 1. Chemical, biological and physical hazards
 2. Ergonomic, mechanical, energy and mobile hazards
- A risk assessment and mitigation program has been implemented, and all staff have access to information, training and (where applicable) tools addressing workplace risks that affect them, and documentation on associated internal controls
- Workplace safety policies and activities are regularly monitored for new hazards, and improvements are made accordingly

Mental well-being

- Zero tolerance regarding bullying and harassment
- Flexible working conditions – flexible time and location – allowing work-life conflicts to be managed, associated with the right to disconnect
- Access to informational guidance or supporting resources to help address psychosocial risks at work such as a primary source of stress or mental burden

Health coverage

- Formalized policies to support, or financially compensate employees whose ability to work is affected by a work-related health issue or incident, that is implemented in the ARaymond “common basic benefits” package

Smoke-free work environment

- All work environments are smoke free
- All communal areas both inside and outside are smoke free (the company may provide designated areas as long as they are set up to ensure non-smokers do not come in contact with “second-hand” smoke.)
- Occupational physicians encourage non-smoking during employees’ medical visits

Nutrition habits

- The company provides employees access to healthy eating options on-site or within reasonable distance
- The company does not encourage snacking/soda consumption on-site
- The company allows sufficient time and space for lunch or other meal breaks (shifts)

Physical activity

During business hours:

- Encourage muscle awakening before starting work activities
- Employees are permitted to take breaks to ensure vigilance and physical fitness. Timing and length of work breaks are flexible to facilitate exercise
- Outside business hours, the company supports the practice of physical activity (e.g. contributing toward registration fees for sport activities, participating in intercompany sport contests)

• What do we want to achieve ?

- Pursue implementation of an “All-in” Health & Safety program
 1. “All-categories-in”: all six categories are implemented
 2. “All-employees-in”: all employees*, all levels, in all Entities, have access to the program
- Prevent and reduce work-related injuries (incidents and illness)



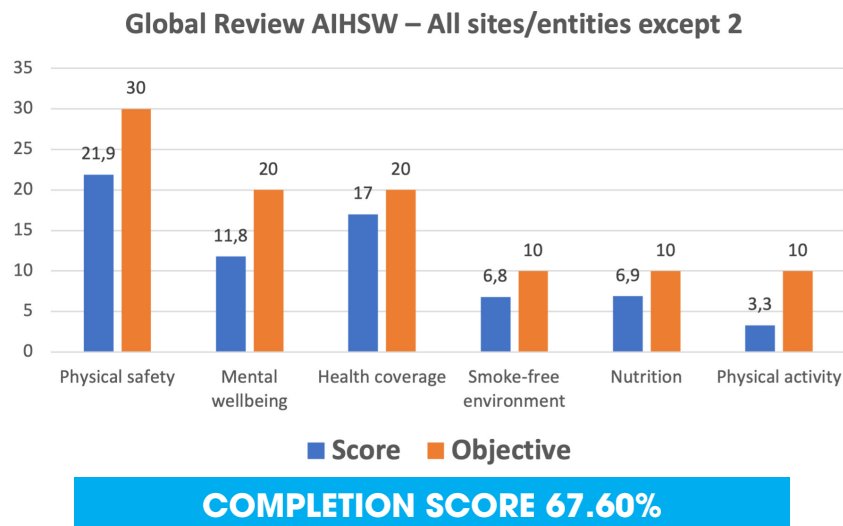
ALL-IN HEALTH & SAFETY PROGRAM
Six categories included
Accessible to all employees* worldwide



WORK-RELATED INJURIES
Reduce incidents & illness rate as far as possible
Remain a “0-fatality” company

The HSE network has been deeply involved in 2021 in the roll out of this program and in self-assessing according to the six categories, making it clear that with a completion score of nearly 70% we already do quite well but still have room for improvement and especially for the categories we did not tackle in the past. That is why it was decided in 2022 to have a specific focus on nutrition.

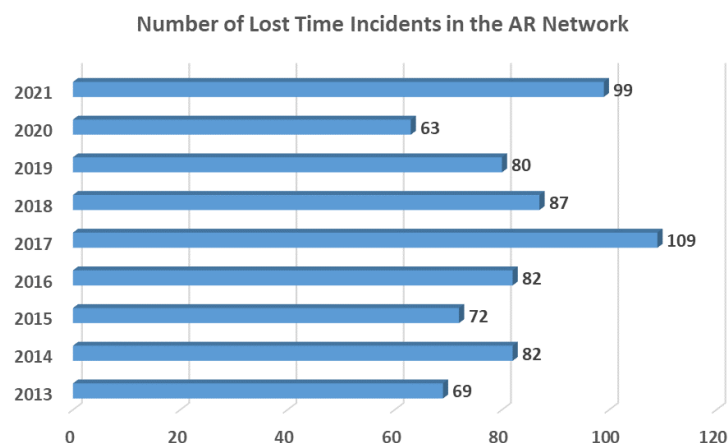
Below the level of implementation of our new program across all six categories and the completion score of 67.60%.



Regarding the work-related injuries - including lost time incidents and illnesses - a global reporting tool was implemented early 2021 to measure the Injury Frequency Rate (IFR). The IFR for 2021 is 9.62 (9.8 in 2014 and 10.3 in 2015) for a total number of 7,400 employees.

Having a glimpse at the work-related incidents over the years, a “positive” impact of Covid in 2020 can be explained thanks to the widespread working from home resulting in fewer on-site incidents. For 2021, some countries in the network who did not report in our global tool, started to register their injuries which explains the increase in the figures.

For the sites which did not report before, actions are in place mainly to increase awareness of personal protection equipment wearing and the implementation of formalized documents at the workplace. For the other sites, there are actions to increase safety visits, to organize and/or pursue management training and to improve safety awareness in specific departments, like external logistics for example.



Safety celebration

In 2021, ARaymond Italy and ARaymond North America in Rochester Hills (Michigan) both reported that they reached a significant milestone for occupational safety: three years without lost time due to injury. In Rochester Hills, the 65 shop-floor employees are constantly reminded of the number of days without lost time through display monitors inside and outside the break room. In addition, every near miss is treated as a positive step toward zero accidents, and is inspected, repaired and shared with the team. To reward workers' commitment to their safety and that of their colleagues, management held a pizza party for all concerned, which will continue to be an annual occasion moving forward.

In Italy, the entity marked the achievement in May 2021 by gathering its 150 employees for two coffee celebrations. As occupational safety is a high-focus topic in Italian society, the entity aims to leverage this result on professional social media. It thus plans to promote ARaymond as a safe place to work, making the company attractive to future employees and reaffirming its status as a corporate citizen.

Employee satisfaction and care

During the second Covid wave in France and with many people working from home, ARaymond Fluid Connection France wanted to detect and prevent occupational stress among its Grenoble office staff. To do so, the entity used the flexible and customizable Bloom at Work surveying tool, asking 165 employees to answer six questions about their attitudes to the company and their working environment. Each survey concluded with the same seventh question – “How are you doing?” to gauge the general trend in morale during lockdown.

Ten surveys were issued over the space of six months, concluding at the end of the summer when people returned to the office. This campaign was popular among employees with a constant 80% participation rate. Participants also appreciated the “send a bloom” function allowing them to pass on congratulations, thanks or compliments to a colleague. The survey was used as a management tool to confirm and highlight areas to keep an eye on and help line managers take appropriate actions. Following this successful trial, Bloom at Work will be reintroduced and extended to shopfloor workers by the end of 2022.

QVT week - a focus on quality of life at work – ARaymond Fluid Connection

In October 2021, ARaymond Fluid Connection France organized a week-long event on work-life quality. “We scheduled a series of workshops in the office, on topics suggested by our employees,” explains Manon Rocarpin, HR specialist. “Their chosen topics were diet, sleep, physical activity and digital disconnection”. For each of these topics, an external contributor was invited to share their expertise and advice: a nutritionist, a sophrologist, a sports coach and an expert on digital dependency. Over 170 participants attended the workshops. Some after-hours sessions were also set up for employees on night or weekend shifts. “The event generated great feedback, with sleep and physical activity getting the most attention”, says Manon Rocarpin.

“The QVT Week is a great illustration of ARaymond’s new Group-wide All-in Health, Safety and Well-being program, that will see a number of similar events take place across the Group in 2022”.

Marie-Laurence Gilbert, environment and safety coordinator, Raygroup.

• Improve working conditions in home offices

Since the breakthrough of the Covid-19 pandemic early 2020, specific groups to manage the crisis have been created in the whole ARaymond Network to adapt the working conditions and ensure a safe environment for our employees. Protection protocols were adopted as soon as issued by local governments in all our entities and strictly applied.

One of the immediate actions was to have people working from home on a large scale wherever possible, while having Human Resources and managers keeping close contact to discuss a potential rise in personal issues and how to deal with them.

In this context for some French entities, sessions about working from home were organized which tackled the following issues:

- Being aware of the risks linked to working from home and how to address them during a health crisis
- Being aware of the “rules” on how to adapt the working environment at home
- How to apply them at home with specific feedback from the attendees

These awareness-raising sessions emphasized the following good practices:

- Having a dedicated and quiet space to be able to work in good conditions and to limit musculoskeletal disorders
- Organizing the working time by anticipating the work load during the week, by having regular breaks and by keeping close contact with colleagues and managers
- Respecting a fair usage of the communication tools

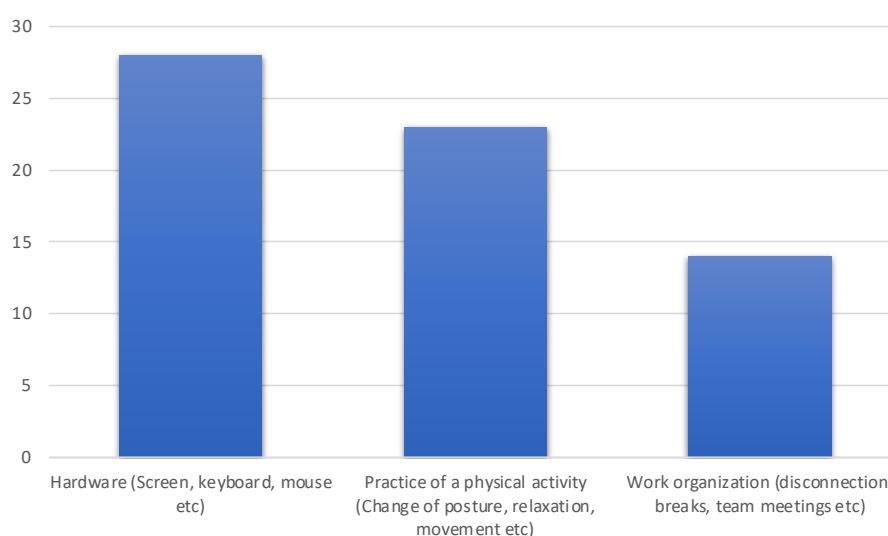
While underlining the managers’ role in these very specific times:

- Ensuring regular contact with collaborators and listening to signals which could reveal potential suffering
- Respecting the right to disconnect
- Adapting - if necessary - annual objectives and the activity follow up
- Continuing or organizing virtual “meetings” between colleagues of the same department
- Maintaining the established rituals in a remote way
- Mitigating potential tensions resulting from different situations especially between people who can work from home and those who can’t

After the sessions a survey was sent to the attendees to measure their satisfaction and to have their feedback on actions taken to improve their working conditions.

Among the results:

- 28% answered that they improved their working conditions by adapting their equipment (chair, screen, keyboard/ mouse, etc.)
- 23% managed some physical activities during the day
- And 14% modified their work organization (disconnecting, breaks, team meetings, etc.)



• ARaymond keeps connected and connecting during Covid-19

Discover three examples of how ARaymond entities are adapting to these challenging times:

Enabling collective intelligence online

Set up by the ARaymond University, the Servant Facilitator training program aims to drive collective intelligence and synergies by providing the skills to create a safe, productive environment for everyone to contribute. As the number of virtual meetings and cross-border projects flourished, it was clear that digital facilitation also had an essential role. An interactive training module was ready to be piloted when Covid-19 took remote working to unprecedented levels.

Based on a learning-by-doing approach, the module highlights differences between facilitating on-site and remote events, as well as exploring how to adapt existing tools to retain interest and create dynamic virtual exchanges.

“43 facilitators have already taken part. Keen to continue learning together, we’re now discussing how to set up a dedicated community to share experiences, maintain our toolbox and provide a facilitation service for the entire network,” explains Anne-Laure Dalban-Pilon, Learning Architect at ARaymond.



Connecting and caring with virtual encounters

Committed to a One Team Philosophy and geographically dispersed over the EMEA region, ARaymond Industrial quickly realized the importance of reaching out, reducing loneliness and laughing together.

Every Tuesday, the 15-minute Coffee Conversation gives one collaborator the opportunity to share an interest or passion – from movies to cooking recipes and cycling. Offering an alternative way to get to know each other, this popular initiative is still going strong.

Other activities included Be fit, Be connected afterwork fitness classes and virtual teambuilding sessions run by different departments including a virtual Christmas lunch and escape games.

Weekly internal training and the Quarterly Communication were maintained and reinforced with the spirit of bringing the team together.

Although there is no obligation and everyone is free to choose when and how they want to take part, participation remains high.

“These initiatives enable us to share together in and beyond a purely work context. For us, it’s important to promote them because we care about the well-being of our people. Moving forward, we’re exploring new formats and events to stay connected,” explains Carme Nova, People Manager EMEA at ARaymond.



Celebrating 25 years from the comfort of home

Due to social distancing and the importance of protecting the health of collaborators, ARaymond Brazil was unable to organize an on-site event for the entity’s 25th anniversary. But they still wanted to celebrate the contribution made by each employee to this successful adventure.

So, they decided to give each collaborator a special food package to celebrate at home with all the family - and also fill their pantries. The pack contained staple foods - like rice, pasta and coffee - and sweet treats, as well as a thank you letter, cap and polo shirt. **“The pandemic has made life difficult for many families, including the need for basic food. This initiative enabled us to celebrate collectively while taking care of our collaborators in line with our values,”** explains Antonia Matias, HR Manager.

In the same month, ARaymond Brazil implemented a company retirement plan, as part of a sustainable approach to collaborator well-being.

DIVERSITY & INCLUSION



GENDER

The age pyramid in 2021 continues to be imbalanced in favor of men.

We face recruitment issues for women due to our Automotive activity.

Nevertheless, the will of ARaymond is to promote diversity within the network as well as gender equity.

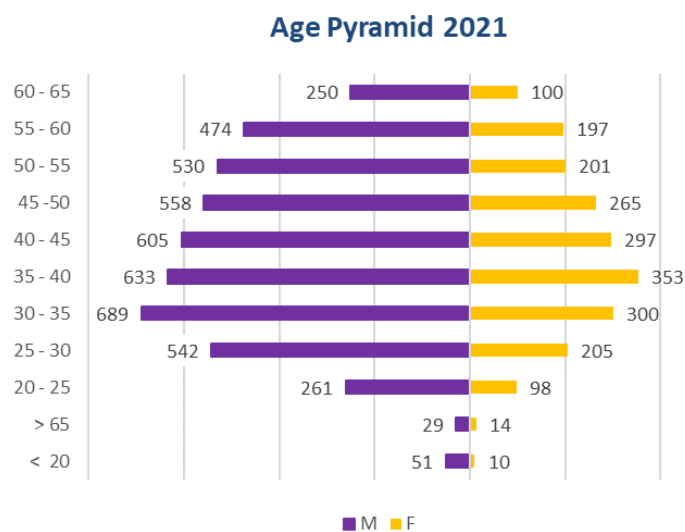
In terms of gender balance, 30.6% of ARaymond's employees are female, better than the Automotive industry in 2021 (with 26% of women).

The gender balance for executive positions is lower (22% in 2021) but aligned with the Automotive industry in 2021 (22% too).

ARaymond welcomed its first two women as Managing Directors in 2021 and early 2022. These appointments are a strong signal for all women in our network and are an important lever to change our mindset.

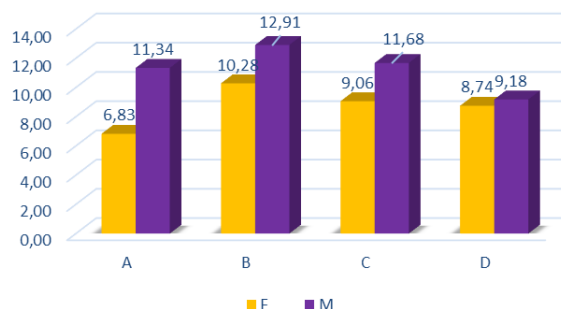
ARaymond NETWORK 2021

Age & Gender Distribution

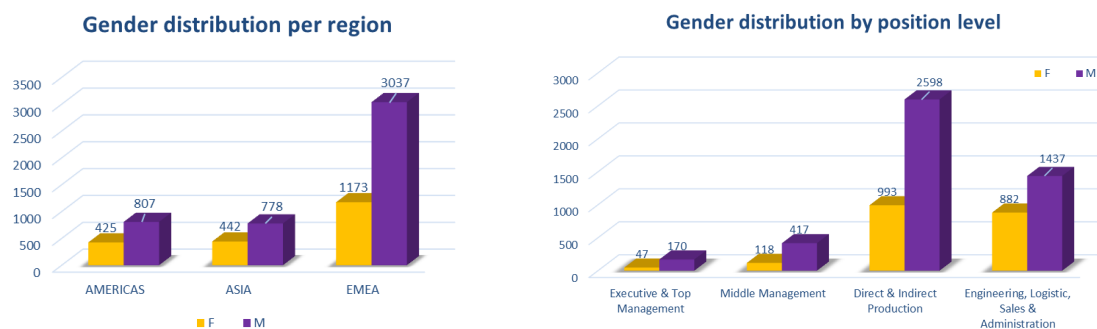


SENIORITY 2021

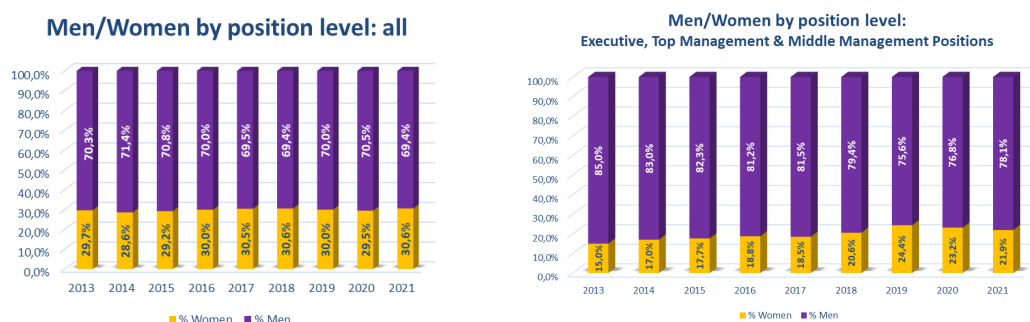
Average Seniority by position level 2021



GENDER DISTRIBUTION 2021



GENDER BY LEVEL OF POSITION 2013-2021



Our ambition is to move forward on gender equity. ARaymond has started working on different actions to reach this ambition.

DIVERSEABILITY

At ARaymond we have chosen to speak of DiverseAbility instead of disability! This term better reflects the notion that we all have diverse abilities, and conveys respect and the desire to integrate this diversity.

This year, we carried out a self-assessment to find out, at the level of the worldwide ARaymond network, the organizations in place and the various laws applied in the countries where we are located.

The main objectives are to:

- make an inventory of what is proposed today in terms of disability policy in the network
- propose, from 2022, an organization that makes it possible to strengthen and share good practices between group companies.

A survey was also conducted within the ARaymond Network bringing up the following elements:

50% of responding entities request advice from internal employees when work is done on buildings or work areas

50% have already provided adaptations

60% propose awareness measures

84% are connected to other companies (mainly internally) or state authorities

The aim for the coming years may be to involve more entities to share ideas and projects between all actors in the Diverse-Ability subject.

This year, during the **European Week for the employment of disabled people**, three subsidiaries in the Grenoble area brought in the company ANDYAMO.

ANDYAMO produces a route calculation tool for people with diverse abilities: by entering their type of handicap (motor, visual, etc.), the calculator searches for the most suitable route.

Employees were also able, for two weeks, to fill in the map of the neighborhoods around their companies: lowered passage to allow wheelchairs to pass, central island in the middle of a street, etc.

Making everyone an actor of inclusion is essential.

Finally, during this awareness week, the Valentin Haüy association made our employees aware of visual impairment by putting them in the situation of what a blind person experiences on a daily basis at work.

We will also communicate about the digital accessibility of our tools (Office 365 Suite).



ESAR Progress Activator - Bridging the disability gap

In March 2021, ARaymond France was awarded a 'Progress Activator' award during a ceremony by AGEFIPH, an organization that promotes employment for people with disabilities. This prize rewards ARaymond France's initiative to create a workshop where disabled people can participate in the manual assembly and sorting of connector parts and potentially get a full-time job with the company. The initiative creates a new opportunity for people with disabilities to get back into the labor market. It also promotes a culture of diversity in the work space among ARaymond employees.

JOBS & SKILLS DEVELOPMENT



FOSTERING NETWORK-WIDE LEARNING - ARAYMOND UNIVERSITY

On June 24, ARaymond University opened the e-doors of its online offer giving collaborators access to a selection of learning content.

ARaymond University is at the heart of the Network's commitment to learning and connecting. Under a dedicated Steering Committee and the guidance of two sponsors, the initiative is based around three pillars: developing people, ARaymond specific know-how and preparing for the future.

Built on the Oracle platform, ARaymond University is based on two types of support, divided into four universes (see below). The "Factory" designs and builds training sessions including e-learning, interactive workshops, and face-to-face events. Some of this content is off-the-shelf, much of it is home-made, like the Mobility/Electric Vehicle module co-created with ARaymond experts.

The "Consulting" support offers all ARaymond entities advice and guidance to create their own content and instill a learning culture. ***"We aren't experts in everything. What we want to do is enable ARaymond people to share their knowledge based on an 'all learner, all trainer' approach. Moving forward, we will increasingly focus on training the trainers, so we can boost learning strategies across the Network,"*** highlights Pascale Lagarde, ARaymond University Manager and People Development Manager.

The ARaymond University space currently contains a curated selection of twenty or so e-learning modules based on a self-service concept.

Managers and HR are also encouraged to invite collaborators to complete specific topics.

Divided into four universes, the e-learning modules explore key themes and values:

My self-development: self-awareness and personal growth

My team: collaborating and working together better

My company: specific skills and processes like EV, 3D printing, Servant Leadership

Open to the world: wider themes like design thinking



ONEHR: GROWING AND EVOLVING TOGETHER



The Human Resources Information System underpins all HR processes at ARaymond, whether you are an HR collaborator, manager, or team member. A single platform brings together every step of the HR journey from annual performance evaluations to onboarding, access to ARaymond University and internal mobility offers.

One platform, multiple career paths

To symbolize the desire to give all ARaymond collaborators the same opportunities to build and shape their own career, ARaymond decided to rebrand the platform—previously called Oracle. Following a brainstorming session, the name “OneHR” was chosen.

Deployment is overseen by a dedicated team of Raynet and Raygroup collaborators. Already rolled out across 55% of the Network, moving forward, the platform will be made available to all connected collaborators. To prioritize personal learning paths, access to ARaymond University is already available to everyone with an email address.

“To reach all our collaborators, including those with no email address, Raynet is currently running a pilot project. The aim? Provide shopfloor teams with a digital identity to access the platform via one of the computers in communal areas. We want to make this a platform for everyone, regardless of country or job role,” highlights the Global HRIS & Payroll Manager.

OneHR aims to bring together every step of the HR journey on a single digital platform. To reach all collaborators and provide access to global learning programs, Raynet and HR took up the challenge of extending access to the shopfloor.

“OneHR is a solution for everyone, regardless of country or job role,” highlights Nathalie Rodriguez, HRIS Business Process Owner & Payroll Manager. So, when ARaymond US implemented the Performance & Goals module for annual appraisals, it was important to ensure shopfloor collaborators had easy, secure access via communal computers. Local and global HR and Raynet teams joined forces to develop an approach that could be used across the Network, as well as applied to different use cases. The Kiosk Project kicked off in early 2021.

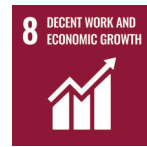
“Employees already used communal computers to access the payroll and self-service portal, request time-off, and for the ATOMS suggestion program. By providing hourly employees with a Windows log-in, all employees will now also have access to OneHR,” explains Lindsay Nicholson, HR Director, North America.

Fast, secure and available to all

Tested internally by Raynet France over summer 2021, the solution has been rolled out in the US, Canada, and Mexico – enabling 400 shopfloor collaborators to complete their annual appraisals this fall. This vast pilot is being monitored closely to quickly resolve any issues and optimize performance. “Changes to the global IT system, including moving to Microsoft 365, made it easier and more cost-effective to provide fast, simplified access based on a user-centric approach, while also ensuring security and compliance,” explains Yves Blanc, Project Manager, Raynet.

Moving forward, this solution will be available – on request – to other ARaymond entities who are interested in extending access to OneHR, e-learning and, potentially, Microsoft 365 applications online. Today, 5,000 employees already have access to the learning modules.

SOCIAL DIALOGUE



During 2021, social dialogue within the Network remained highly conditioned by the health situation due to Covid-19. At local level, many meetings had to be organized to discuss about working conditions' adaptation, in connection with the measures taken by the governments of the countries in which we are present.

Due to the very restrictive health conditions and the implementation of telework, some professional elections had to be postponed.

At European level, the annual plenary meeting of the EWC was organized in a remote mode, as we did in 2020 with advanced technical means, in particular to ensure simultaneous interpretation of the exchanges in the five languages of the EWC: French, Spanish, German, Italian and Czech.

Quality of the exchanges was rich and not impacted by the distance due to the trust built over the years before between employee representatives and top management.



OUR SOCIETIES

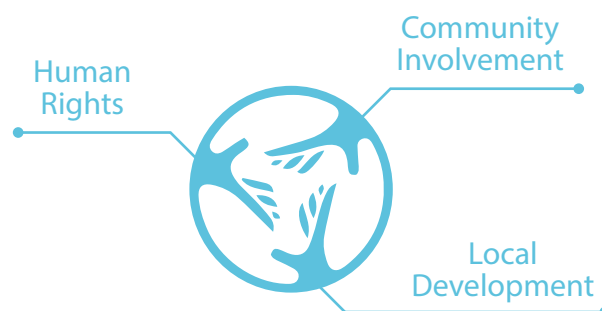


**AS A FAMILY BUSINESS THAT DEEPLY CARES ABOUT PEOPLE,
WE WANT TO CONTRIBUTE TO IMPROVING LIFE FOR HUMAN BEINGS**

OUR ASPIRATION is to improve human existence and positively impact the populations and territories surrounding our sites.

OUR APPROACH is to prevent potential human rights abuses resulting from our activities and, in every region in which we operate, to actively participate in developing education, the local economy and communities.

OUR PRIORITIES are to promote the understanding and integration of human rights within our company, to contribute to local development and to develop community involvement through our activities and with our employees.



HUMAN RIGHTS



Human rights are universal and every person in the world deserves to be treated with dignity and equality. As stated in our Code of Conduct and Ethics, ARaymond respects and supports the protection of internationally proclaimed human rights in line with the Universal Declaration of Human Rights. Our actions are to promote the understanding of human rights by our employees, and to integrate the respect of human rights in our business processes. Local initiatives make voluntary and positive contributions in support of human rights.

LOCAL DEVELOPMENT



CLOSE TO OUR CUSTOMERS EVERYWHERE

Over recent years, the ARaymond Network has invested in the construction of more and more manufacturing sites and Advanced Research and Development centers around the world to ensure that it remains physically close to its customers. We do not outsource production of our components. We have made the conscious decision to manufacture locally for domestic markets.



COMMUNITY INVOLVEMENT



Relief to Covid victims

With India facing severe difficulties in securing oxygen supplies during the Covid crisis, ARaymond contributed to several initiatives to provide oxygen equipment to hospitals.

In May and July, the Network received the support of a Grenoble-based healthcare organization which donated its unneeded oxygen concentrators to the ARaymond cause. Twenty-two machines were sent in two air shipments to India, one of which was paid for by ARaymond's freight partner who wanted to contribute to the initiative. The remaining transport, administration and customs costs were covered by the Network. These concentrators were donated to local charity hospitals, sourced by ARaymond India's HR and Administration departments, which had limited social exposure and therefore poor access to funds and resources.

In addition, ARaymond India donated funds to "France's solidarity mission" sponsored by the French Government, consular authorities and chambers of commerce, coordinated through the NGO CARE India. Secondly, the same entity responded to an appeal to corporates and individuals from the Maharashtra Chamber of Commerce, Industries and Agriculture (MCCIA) in Pune, to raise funds also to buy oxygen generation equipment for hospitals.



Flood relief activity

In the Indian state of Maharashtra, the town of Chiplun was hit by serious flooding in July 2021. The Vashishti River burst its banks following heavy rainfall, hitting homes, vehicles, shops, livestock and the livelihoods of more than 70,000 people. Flooding rose to 16ft in some areas, and several parts of the city remained under water for almost three days.

In the immediate aftermath of the worst flooding, ARaymond India, located in Pune in the same state, carried out its CSR Drive to support flood-affected families in and around Chiplun. With the help of local NGOs "Rajgad Sanvardhan Mohim", "Nisargachya Paul Khuna" and "Disha", two ARaymond representatives delivered flood relief kits, purchased by the entity, to 500 families in several communities located along the flooded river. These kits included enough grain to feed a family for a week, other staples such as tea, sugar and salt, a plastic "chatai" mat, water purification tablets and first aid medication. This was the second time in two years that the entity has come to the aid of a flood-hit community.



ARaymond Germany - River Wiese Cleanup

Good corporate citizenship means caring for the environment, which includes the immediate environment in the towns and cities where the Network operates. As part of European Sustainable Development Week in September 2021, ARaymond Germany organized a cleanup operation along the banks of the River Wiese in the town of Lörrach (Baden-Württemberg). The 3-km section between two bridges, located just a few hundred meters from the company's facilities, is a popular place for locals to walk and relax. Lörrach town hall provided the group of volunteers with grabbers to pick up the waste and litter along the banks and footpaths on both sides of the river. Held on the afternoon of September 22, the operation took around two hours to complete and yielded several tens of kilos of detritus, including a car tire and a bike. Some of this litter had been carried downriver by flooding a few days earlier. This initiative showed

that volunteering for just a few hours can make a big difference to residents' enjoyment of local beauty spots. This successful operation will be repeated in 2022.



Bringing holiday cheer to the community - ARaymond Services North America

This holiday season, ARaymond Services employees organized a gift collection on behalf of Operation Good Cheer, a Michigan charity dedicated to making a difference to the lives of foster children in the local community. Around fifteen employees donated gifts that were then wrapped and dropped off at a central Michigan airport ready to be delivered by volunteer pilots to various collection points across Michigan. This is the second year running that ARaymond Services employees have been part of the operation which aims to ensure foster children can enjoy the magic of the holiday.



Charitable donations

In the Network's North American entities, many initiatives exist to help and support the underprivileged members of the community. Despite a lower staff presence in the offices in 2021 due to teleworking during the Covid crisis, actions and programs continued throughout the year, all resulting from suggestions made by employees.

A school supply drive was organized to provide backpacks and equipment to families facing hardship at this expensive time of year. Employees were invited to donate articles which were then passed on to a partner organization for distribution. Other actions included food drives, and programs to 'adopt a family' at Christmas, offering them gifts and food.

North American operations support a variety of causes, among which children's hospitals in Canada and the non-profits United Way and Grace Centers of Hope.

One permanent program run by employee volunteers is the Caring & Sharing fund, where most of Rochester Hills' 400 employees voluntarily contribute \$1 a week from their pay packet, thus making charitable giving a natural reflex for everyone.



Winter clothing campaign

When winter approaches and temperatures drop, vulnerable members of society suffer more than usual. To help them, ARaymond Brazil plays its part as a responsible corporate citizen by running a winter clothing campaign. Between the end of May and early June, employees are invited to donate one or several articles of clothing, shoes, blankets, etc. that they no longer use. The items collected are sorted by type of article and are first offered to the less privileged employees within the company. The remaining items are sent to shelters for the elderly or the homeless, orphanages, or NGOs that distribute aid to people in need.

The campaign has been held every year since 2009, apart from 2020 when it was prevented from happening due to the Covid lockdown. The average number of donated articles grew from about 500 to about 900 over this period. 2021 was a breakthrough year, with 1,008 items collected and distributed.

OUR PLANET



MINIMIZING OUR ENVIRONMENTAL IMPACTS OR HELPING OTHERS TO DO THE SAME CONTRIBUTES TO THE PRESERVATION OF OUR PLANET

OUR ASPIRATION is to contribute to the preservation of our planet's environment through meaningful creations, development and actions.

OUR APPROACH is to minimize or achieve a “net zero” impact by adopting environmentally friendly activities and by implementing regenerative systems whenever possible.

OUR PRIORITIES are climate change mitigation and related shifts in energy usage, the sustainable use of resources, particularly water and input materials, and the prevention of pollution.



CARBON



The systematically **increasing concentration of GHG** in the atmosphere, resulting from combustion and other human-caused processes, is contributing to **climate change**. **Industry is a large emitter of GHG** therefore, even if nature can safely absorb some GHGs every year, it is imperative for companies to **eliminate all operational GHG emissions**.

By monitoring and decreasing their carbon footprint, industries can:

- **Reduce operational costs**: identify GHG emissions hotspots in business activities, excessive energy usage or other inefficiencies. More and more companies have to pay a price for every ton of CO₂ emitted (carbon tax).
- Stimulate and capitalize on **low-carbon innovation opportunities**, **rethink business models** toward more sustainable products and practices.
- **Meet increasing customer demands**; customers are concerned about the carbon footprint of the products / services they buy, produce and commercialize.
- **Create a good reputation among stakeholders**, attract valuable employees, increase morale among personnel, stay in the “competition game”.
- **Comply with regulations**: today, there are over 1,260 climate laws, of which a large number focus specifically on reducing GHG emissions (and penalize companies who fail to do so).

In addition to all the reasons listed previously, ARaymond should do its fair share in the industry's low-carbon transition and in achieving the goals of the Paris Agreement.

WHAT DO WE WANT TO ACHIEVE?

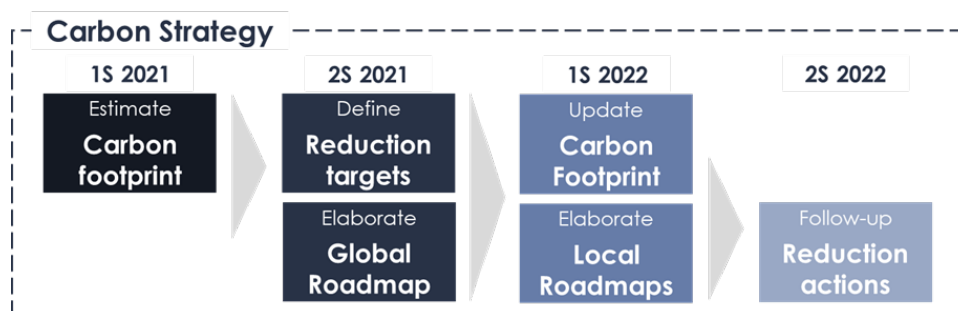
In all the countries where ARaymond is present, our ambition is to manage our carbon footprint to evolve toward a **Net Zero Carbon approach** [1].

ARaymond will not claim for any carbon neutrality (at company / site / product level) as it is not a relevant concept, carbon neutrality can only be achieved at the planetary level.

The Net Zero approach requires work on three components:

- Reducing the Greenhouse Gas emissions caused by our company activities across all scopes (1 + 2 + 3) [2]
- Contributing to avoiding emissions in our value chain (outside company scope)
- Increasing carbon sinks

With this objective in mind, ARaymond has set a plan, which is deployed by a cross-functional team through its Network:



In 2021 ARaymond has performed its first Carbon Footprint [2] of the entire network with data from 2019 which constitutes the baseline from which we will calculate long-term reduction targets according to the Paris Agreement [3]. This exercise has been conducted with the support of external experts.

In 2021, ARaymond has calculated the full Network carbon footprint, has started to define the emission reduction trajectories in line with the Paris Agreement[3], and has developed a high-level carbon-reduction roadmap.

In 2022, ARaymond plans to update the carbon footprint, finalize the carbon-reduction trajectories, develop local carbon-reduction roadmaps for each entity, and implement carbon-reduction actions.

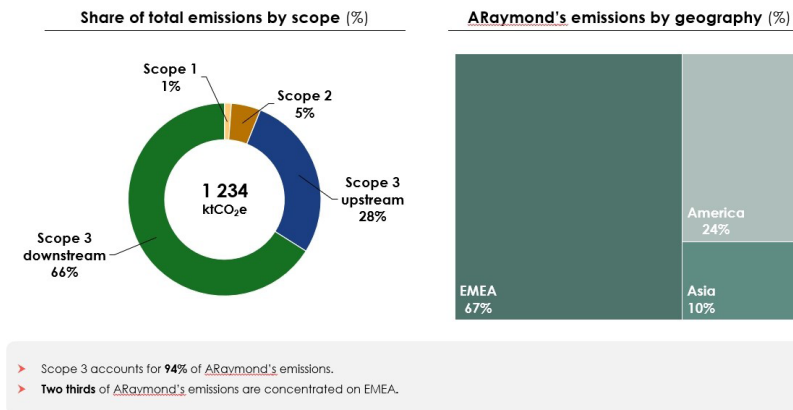
[1] According to Net [Zero Initiative by Carbones4.](#)

[2] [Greenhouse Gas Protocol \(ghgprotocol.org\)](#)

[3] The international agreement was drafted in 2015 at the COP21 in Paris, and has since been signed by almost all the world's states to reach a common objective: "To hold the increase in global average temperature to well below 2°C above pre-industrial levels and to ensure that efforts are pursued to limit the temperature increase to 1.5°C."

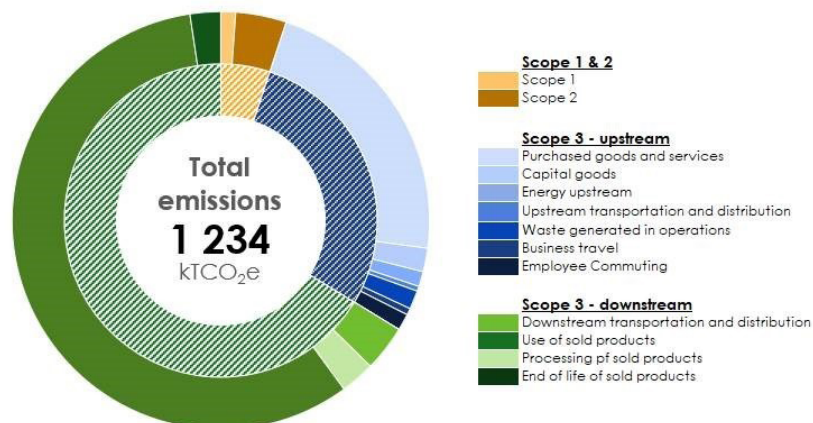
ARaymond's Carbon Footprint

Breakdown by scope and by geography



2019 ARaymond's carbon footprint

Share of total emissions by scope and by category





● Reduction in truck mileage by changing from courier to milk-run - ARaymond Japan

In ARaymond Japan, the current truck mileage to our main customer from our plant was reviewed and the transportation company was changed to make the distance shorter.
This means a reduction of 38.5km per delivery.



Old Route : 324.5km to Sumitomo Riko Komaki Logistics (Yamato Courier)
New: 286.3km by changing to Milk-Run (Hokkoh Unyu)
Reduction of truck mileage = 38.2km/truck x 220 days = 8,404km/year (a)
Truck Light Oil consumption 1L/8km (b)
(a)/(b) = 1,050L/year
CO₂e Reduction by reducing mileage of delivery trucks = -1,050L/year x 2.619g = 2,750.95kg/year
Annual Transportation Cost Savings 10,000EUR

■ ■ Carbon reduction: Greener car policy – France

As part of its ongoing efforts to reduce carbon emissions, the Network in France modified its company car policy in 2021. Choosing a car is a personal preference, and depending on use and available infrastructure, may not be the most

pertinent mobility solution. However, the goal here is to encourage people, when they are offered a new company car, to shift from petrol and diesel engines to plug-in hybrid (PHEV) and battery electric (EV) models.

To reflect the different cost structure of electric cars, the price scale was revalued and expressed in terms of total cost of ownership instead of purchase price; while the trade-in interval rose from three years to four. The Network also pays for the installation of a home charging station for PHEV and EV adopters and has issued a tender for vehicle charging card providers. With around 110 vehicles in the fleet, 17 converted across to electric or hybrid in this first transition year, making a total of 22 with alternative powertrains. The policy will continue to be adjusted in the future to reflect changing uses and availability of services.



Tree plantation - ARaymond India



Every year in the month of June, on World Environment Day, ARaymond India, plants trees, equivalent to the total number of employees it has on that day. This activity has been conducted from its inception.

Since the beginning of this initiative, ARaymond has planted around 2,000 trees.

The plant also takes care of maintenance of these trees such as watering them, and taking care of them regularly.

Generally the trees are planted in the closeby vicinity of the company which is an industrial zone and having trees in this area is not a common scenario.



Flowered meadow – Rayce



This year, the Rayce entity decided to plant flowered meadows instead of regular lawn, the aims and benefits of this initiative are to:

- Avoid the regular grass mowing
- Reduce pollution
- Save maintenance money
- Save watering
- Increase biodiversity: more vegetation and insects
- Improve esthetics
- Carbon sink

The grass was buried last October except spontaneous wild orchids, the meadow has been sown during November and now we can see the beginning of growth. We look forward to seeing the final result next spring.

ENERGY



There is no longer any doubt that the systematically increasing concentration of **greenhouse gases (GHGs)** in the atmosphere resulting from combustion and other human caused processes is the major reason contributing to **climate change** and ocean acidification. As an **energy intensive** business, ARaymond can accelerate the transition to an affordable, reliable and sustainable energy system by **investing in renewable energy resources**, prioritizing **energy-efficient** practices, and adopting **clean energy technologies** and infrastructure.

- By ensuring **energy comes from renewable sources**, ARaymond will not contribute to the demand for fossil fuels and their associated emissions.
- Energy efficiency makes us a **company for the future**: When employees see their employer investing in energy efficiency initiatives, they see an employer that is socially responsible and taking steps to move its business forward.
- Energy savings generate positive impacts on our financial result by increasing our **operational efficiency** and by decreasing our **dependency** on the volatile energy market.
- Last, investing in energy efficiency and renewable energies is a way for ARaymond to contribute fairly to the **energy transition** and related innovations.

Implementing a **Renewable Energy Program** will enable ARaymond to reduce its dependency on fossil fuels, increase its energy efficiency, and help to reach its global goal of minimizing greenhouse gas emissions.

As a network of interconnected Entities, ARaymond should ensure that **all the energy it consumes** – as electricity, heat or fuel – **is derived from renewable energy sources**: solar, wind, ocean, hydropower, geothermal resources, and biomass. Achieving the **“100% renewable energy”** objective will also require **energy efficiency**.

WHAT DO WE WANT TO ACHIEVE?

Pursue a **renewable energy procurement** strategy

- Progressively shift energy sourcing from non-renewable to **renewable sources**, and at the same time implement **self-generation of renewable energies** on our sites.

Increase our energy efficiency in our activities and in the creation of physical products

- Implement **energy-efficient equipment, processes and behaviors** in all our sites (R&D, operations, offices).

Today 14% of the energy we use is renewable and we plan to increase this rate in the future.

We have calculated the energy efficiency baseline for 2019 and from 2022 we will be able to start monitoring the evolution of our energy efficiency.

Energy Efficiency: Implementation of an automatic control of consumption, and the creation of processes to reduce energy call on high-energy consumers' equipment – ARaymond Fluid Connection

Following its ISO 50001 certification in 2019, ARaymond Fluid Connection introduced the automatic control of its consumption and created processes to reduce requirements for energy intensive equipment in its Grenoble plant. To do so, an ad hoc Energy team was created, made up of contributors from areas including production, maintenance, new projects and purchasing, all with an energy focus in their jobs. They examined the areas where energy was consumed, and how this consumption could be reduced without adversely impacting normal operation. In 2021, the company bought a system from a local supplier which monitors the plant's consumption in real time. Today, 89% of the system is linked up to this software solution. The corrective action taken following initial observations led to a reduction of

almost 1,000,000kWh in energy consumption between 2019 and 2021. The energy monitoring solution will be used in the future to model the energy consumption of the plant according to different strategies, with a view to optimizing energy purchasing.



Efficiency study and improvement in cooling tower pumps by replacing conventional pumps with high velocity low KW pumps

ARaymond India ran a study on improving the energy efficiency of its cooling tower pumps. These open-loop conventional pumps used to function constantly, exerting pressure in line even when pressure and cooling water were not required. The team investigated the possibility of fitting a variable frequency drive (VFD) onto the pump, and trials concluded that this would save substantial energy.

Instead of retrofitting a VFD onto the existing pumps, the entity invested in new pumps (one working, one standby) including a VFD and sensors, replacing the old ones, which were becoming obsolete. These new pumps today function with less energy (half the horsepower capacity, 70% less consumption), and reducing line pressure without affecting the hydraulic temperature performance of the injection machine. In addition to energy savings, the return on investment is estimated at less than a year.

Additionally, data is visible on the pumps' screens, allowing operators to monitor it in real time and where necessary take proactive action for their maintenance.

MATERIALS



Purchasing of materials typically focus on identifying the most cost-effective and efficient means of acquiring goods and services, sometimes at the expense of **safety, human rights or environmental concerns**.

- By **limiting the use of materials representing hazards to people and the environment**, companies can help build sustainable supply chains.

The **choice of material** used can have a wide impact on its **long-term availability** and on the **environment** (linked to how it is extracted or processed, how much resources and energy are required in manufacturing, how it is transported, and how it is treated at its end of life). The **scarcity** of some natural resources can **undermine future business**.

- By **using more recycled and bio-based materials**, companies can help ensure that resources are not endangered and remain available for the next generation.

In addition to the reasons above, being part of a global movement toward more responsible materials:

- Fits with **market trends** and evolutions in our value chains (suppliers, customers, business partners)
- Enables **innovation**
- Complies with current and anticipates future **regulations** (Circular Economy)
- Can bring **cost savings** (and optimize the Total Cost of Ownership of our solutions)

The rational management of materials is a key element of a **circular economy**. By using recycled and bio-based materials, we help **to close loops** and we can grow without increasing the consumption of resources: waste of others becomes our materials, our waste becomes the materials of others.

- By working with suppliers, customers and other actors (academics, public authorities, the state, recycling channels, etc.), ARaymond should control and increase the use of sustainable materials.
- By strengthening internal sourcing and product development / production processes, ARaymond should control and decrease the use of sensitive materials and substances.

WHAT DO WE WANT TO ACHIEVE?

For the materials used to produce our primary products and solutions:

Control and increase the rate of sustainable materials

- **Push the incorporation or the use of recycled and bio-based materials instead of virgin materials.**

Control and decrease the rate of sensitive materials

- **Limit the use of sensitive materials and substances as much as possible (when cannot avoid).**



SUSTAINABLE MATERIALS

Input materials are, as much as possible, from recycled and bio-based sources



SENSITIVE MATERIALS

Limit the use of sensitive materials and substances

MATERIAL DATABASE

ARaymond deploys a sustainable purchasing approach to materials that is made in collaboration with all partners and based on client exigence, our core values, and that cares about the impacts and issues.

ARaymond has implemented a materials database which centralizes and regularly updates, in a single repository, the materials data (Product Safety Datasheet PSDS).

With this initiative ARaymond wants to:

- Enable the sustainable materials identification in our products and solutions.
- Enable the sensitive materials identification in our products and solutions.

The objective is that, year by year, we:

- Increase the rate of sustainable materials in our solutions
- Decrease the rate of sensitive materials in our solutions

ARAYMOND AGRICULTURE CONFIRMS COMMITMENT TO THE ENVIRONMENT —



ARaymond's range of biodegradable solutions certified as EN 14995

In order to meet the growing demand from clients for efficient and recyclable products, the ARaymond Agriculture team has developed a range of biodegradable fastening solutions. In keeping with our company values, these biodegradable products meet the same high standards of quality and efficiency as our plastic range. Dedicated to producing innovative products, our aim is also to help producers reach their environmental goals. In 2018, ARaymond's biodegradable clips and twine were certified as NF EN 14995.

Awarded using internationally-recognized standards, the NF EN 14995 label guarantees biodegradability in industrial composting conditions. We are proud to confirm that this label has been awarded to ARaymond's entire range of biodegradable greenhouse clips and supports. Adaptable and sustainable, the ARaymond biodegradable solutions include Easy and Classic greenhouse clips for tomato, cucumber and pepper crops. Flextruss and Twinhook supports for plant protection in addition to our 100% compostable, biodegradable twine. Additionally, the ARaymond biodegradable range enables producers and growers to streamline the composting process while benefiting from tax incentives. As our biodegradable products can be safely recycled with greenhouse waste, there is no need to sort the clips and fasteners separately. This ensures that no harmful chemicals are released into the soil or water source during the waste treatment phase.

In addition to our range of biodegradable products, our environmental commitment strategy has also seen our in-house ARaymond Agriculture team focus on developing new ways to produce our original line of plastic fastening solutions. ARaymond's entire line of greenhouse clips and supports is now made from recycled plastics thereby helping to reduce our carbon footprint and that of our customers. By reusing plastic products to produce new fastening solutions, our aim is to preserve resources and energy while substantially reducing the amount of plastic.

Scrap recycling and reuse - ARaymond Italy

To meet automotive client expectations regarding the use of recycled material, ARaymond Italy launched a process to source recycled plastic for its fastening systems. Having first selected a supplier, the teams also started recycling the plant's own scrap raw materials. In September 2021 a pilot scheme was conducted with a ton of scrap nylon, which was sent to a supplier who ground it down and reformulated a new material that matched the required technical data sheet characteristics. This new nylon was then used on the production line, and the products were tested by an independent laboratory to ensure they met the same quality standards as those made from virgin plastic. This initiative contributes to the circular economy, addresses the problem of recycled material supply shortages, and saves money. Due to strong demand, recycled plastic market prices are as high as those of premium plastic. It is planned that this procedure will be extended in the future to other scrap materials such as polypropylene and rubber, which are currently sorted and sold to recycling companies.

WATER



Access to clean water and sanitation are basic human rights, as water is crucial to people's health, drinking, cooking and sanitation. Through excessive withdrawals of water, discharge of polluted wastewater, or by adversely affecting the characteristics of any withdrawn water before returning it to nature, a company may undermine the quantity, quality, and availability of water that flora, fauna and communities rely upon.

Water poses one of the greatest threats to the economy and is increasingly reported as a material risk to the private sector. Water scarcity, floods, droughts, and other water risks can cause operational and supplier disruptions, higher operational costs, brand damage and heightened regulatory uncertainty.

Business can commit to the alleviation of these water challenges by adopting a water stewardship strategy that addresses the economic, environmental, and social dimensions of water thus contributing to the following Sustainable Development Goals of the United Nations:

Support efforts to achieve universal access to safe and affordable drinking water and sanitation for all, efforts to improve water quality by reducing pollution, eliminating dumping and minimizing the release of hazardous chemicals and materials, and efforts to substantially increase water-use efficiency and reduce the number of people suffering from water scarcity by ensuring sustainable withdrawals and supply of freshwater.

ARaymond should continuously seek to minimize water consumption in its commercial and industrial activities, ensure its discharges do not degrade the water quality of receiving watersheds, and strive to make a positive contribution to improved water and sanitation management. Implementing a Water Stewardship Program is a way to manage the complexities of balancing our own water footprint with the needs of communities and nature.

WHAT DO WE WANT TO ACHIEVE?

- **Have the least disruptive effect possible on water quantity, quality, and availability** to local communities and ecosystems, with the ultimate aspiration to have zero measurable effect.
- **Manage Water as a sustainable renewable local resource.**



WATER CONSUMPTION

Eliminate water consumption from water-stress sources for commercial / industrial activities



WATER DISCHARGES

Ensure that water discharges meet safe characteristics before returning them to the nature



WATER & SANITATION MANAGEMENT

Make a positive contribution by supporting local projects that improve access to safe water and sanitation

WATER RISK ASSESSMENT

In 2021, ARaymond has measured its impact on water quality and its dependence on water resources regarding the different entities' location. Moreover, ARaymond conducted an external study on Climate Physical Risks Screening. Through its Water Risk Assessment and the Climate Physical Risks Screening, ARaymond Network was able to identify several high-risk sites regarding water stress.

In 2022, ARaymond plans to write a Water Stewardship Program action guide to run with 100% of the high-risk sites identified.



Water consumption equipment Hamilton, ON, Canada

Alongside electricity and natural gas, water is a closely monitored resource in the Network's industrial operations. In Hamilton (Ontario - Canada), where ARaymond Tinnerman Manufacturing Center makes metal fasteners, management and the maintenance team took further steps this year to reduce water consumption.

With the progressive three-year phased-in implementation of new PLC controls on all three Can Eng furnaces, we had the possibility to modernize the operation of the rinse tanks. These programming and water process control changes were fully realized in October, 2021. First results indicate savings of up to 50% in the volume of water used on these lines and we continue to monitor and confirm this over a longer observation period with regular utility reporting.

Reducing utilities consumption without affecting equipment reliability and product quality remains a constant focus, and all industrial upgrades and new features seek to comply with government regulations and make a positive environmental impact. This initiative aligns with the Hamilton facility yearly OneHR performance objectives for cost savings initiatives while favorably contributing to our environmental aspects and impacts.

WASTE

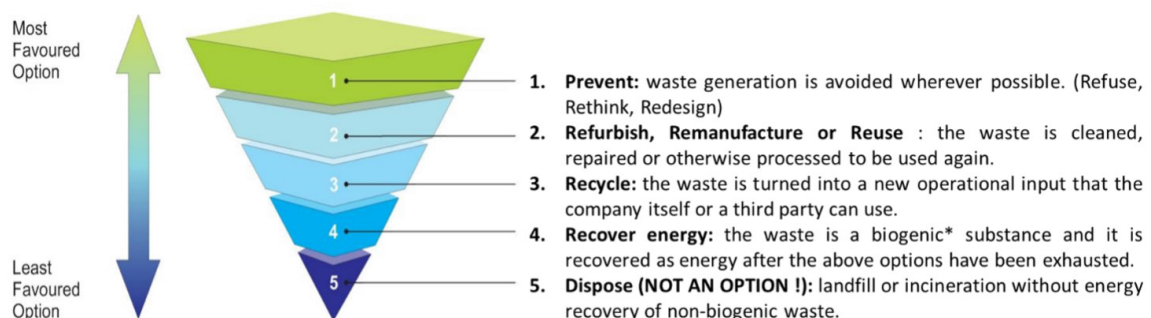


The world's resources are finite. Many renewable resources are consumed faster than they can regenerate. Demand for virgin resources can be mitigated if materials are repurposed, rather than discarded. Repurposing also eliminates costs – financial, environmental and human – that waste disposal incurs:

- Waste affects **ecosystems and our health**: Directly or indirectly, waste affects our **health and well-being** in many ways: methane gases (emitted in landfills) contribute to **climate change**, **air pollutants** are released into the atmosphere, ocean and **freshwater sources** are contaminated, **crops** are grown in contaminated soil and fish ingest toxic chemicals, subsequently ending up on our dinner plates...
- Waste also represents an **economic loss**: Whatever the type or volume of waste our company generates, it is all the same in one respect - it is costing us money! The **true cost** of waste can not just be the cost of disposing of our waste. By consuming and throwing away less, we will reduce the need and cost of handling, treating, and disposing of waste.

Implementing a Waste Management system will enable ARaymond to eliminate all avoidable waste generation, and then repurpose all remaining forms of waste in ways that minimize quality loss (and thus prolong the life of the materials concerned).

As a network of interconnected Entities, ARaymond should eliminate all avoidable waste generation, make sure all remaining waste is reused, recycled or recovered, and avoid waste disposal. Remember that ARaymond is responsible for its waste until the end. Specifically, we should prioritize the following, in descending order of preference:



WHAT DO WE WANT TO ACHIEVE?

In all our activities, and in the design / production of our solutions:

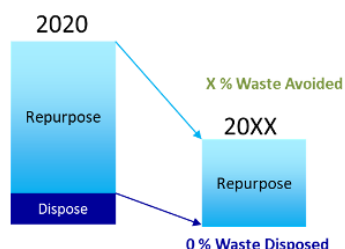
Prevent waste creation

- Waste is avoided wherever it is possible and as early as possible in the process
- The most effective way to reduce waste is to not create it in the first place!

Phase out waste disposal

- Repurpose all non-avoidable waste by reusing/recycling/recovering

Long-term aspirations to be carried out in parallel:



In 2021 ARaymond has calculated the total amount of waste of the entire network with data from 2019 which constitutes the baseline from which we will calculate long-term reduction targets.

WASTE (in k-tons per year)	
Hazardous waste (in k-tons per year)	2019
Non-recycled hazardous waste	6,19
Non-hazardous waste (in k-tons per year)	2019
Recycled non-hazardous waste	17,16
Non-recycled non-hazardous waste	3,98
Total waste (in k-tons per year)	27,33

Mask collection and recycling system - France

In France, as people returned to the office following the 2021 lockdown, face masks were used and thrown away in large numbers. As they are made of recyclable material, the Network in France began examining the possibility of having its used masks recycled. A nationwide solution was sourced, with a focus on selecting local service providers, and preferably ones that pursue other responsible initiatives, such as sheltered employment. The ELISE material recycling network was chosen based on its commitment to developing the employability of people with disabilities, in this case, people with hearing problems. Furthermore, ELISE has branches in all regions of the country, meaning that masks could be collected from all the Network's sites in France, covering approximately 1,500 ARaymond employees in total. The initiative was launched in July across the Network's sites. In a nod to circularity and the Network's mother industry, recycled masks can be used in the manufacture of car bumpers.

Production waste reduction and widening of recycling portfolio Fluid Connection

In addition to the Design Office's efforts to improve ecodesign so as to avoid waste, ARaymond Fluid Connection France has deployed a Green Team to study and implement ways of managing waste in its offices and plants. Also following the premise that "the best waste is the waste you don't produce", the team listed the different types of waste and determined which could be recycled, regenerated or sold on to entities to make other articles. The final aim was to keep the amount of landfill waste to a minimum. Hazardous waste is now regenerated or transformed into a fuel source, and plastic polyamide scrap from the plant is sold to a material recycler to be made into new plastics, incidentally generating a new revenue stream. ARaymond Fluid Connection will also soon collect and recycle cigarette butts through a specialist processing company. Through the awareness initiatives conducted and the actions implemented, the entity recycled 10kg of face masks per month in 2021, while the amount of non-hazardous waste (plastic included) dropped by 24.5% between 2019 and 2021.

Reuse scrap in the molding process

At the Rochester Hills plant (Michigan, USA), ARaymond Services North America started a program to reuse all of the scrap generated in the molding process. They gather this scrap by plastic type and send it out for re-pelletization for less than \$0.30/lb. It is then blended with virgin resin material, reducing the plant's consumption by 20–30% of the virgin material, and saving over \$150,000 annually. The next intended step is to make additional savings by re-pelletizing this scrap in-house through the purchase of a machine, which is planned for late 2022. While scrap recycling is not revolutionary or new in general, all the scrap generated in Rochester Hills previously went to landfill.

OUR VALUE CHAIN

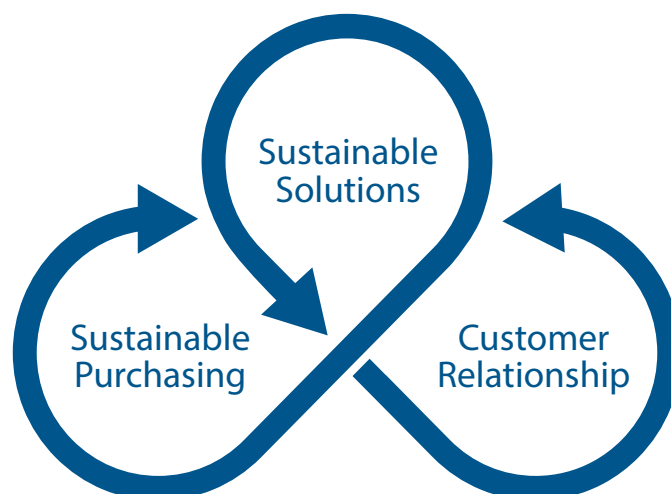


CULTIVATING AN OPEN DIALOGUE AND A CLOSE COLLABORATION WITH OUR BUSINESS PARTNERS WILL ENCOURAGE THE ENTIRE VALUE CHAIN TO INNOVATE FOR SUSTAINABILITY

OUR ASPIRATION is to deliver innovative and environmentally sound assembly solutions that meet our customers' challenges, now and in the future (quality, cost, delivery time, environmental and social performance).

OUR APPROACH is to create these sustainable solutions with our customers and strategic partners, through agile co-innovation partnerships based on transparency, a win-win environment and respect.

OUR PRIORITIES are to deliver sustainable solutions, to foster sustainable purchasing and to deepen relationships with our customers, taking into account the entire life cycle.



SUSTAINABLE PURCHASING



Putting sustainability at the heart of the procurement process will be our ambition for the coming year.

Through its purchasing approach and ambition, the procurement team aims to create sustainable value, by taking into consideration ARaymond's core values, social and environment impacts, as well as customer requirements.

Our vision of responsible buyers:



Teams who are rooted to ARaymond **core values** and corporate social responsibility,



Knowledgeable and skilled teams who **act ethically and care** about the environment and the people, and integrating those impacts in their decisions (environmental impact of products and processes, working conditions, ethic...),



Teams who **collaborate** with their suppliers and the whole **ecosystem** (internal and external) to improve their own performance and the performance of ARaymond.

In 2021, the Network of Sustainable Purchasing Champions, with representatives in each ARaymond country, worked on three key ambitions:

- boosted their skills with **technical training sessions** which were ecodesigned with the Ecolearn start-up.
- formalized the Sustainable Purchasing Policy in a **responsible buyers handbook** which aims to help manage supplier relationships in line with CSR priorities.
- worked on a **global roadmap** which was co-defined during working sessions with the objective of promoting and deploying it locally in their local purchasing roadmap during the year 2022.

Moving forward, the champions will continue to work locally to strengthen this commitment in 2022 and 2023.

TO GO DEEPER, ILLUSTRATION OF WHAT WAS DONE IN 2021: _____

• Boost our technical skills

An interactive online training session has been co-designed with Ecolearn, with the goal of training leaders in implementing sustainable procurement transformation.

This means having a broad understanding of the CSR / supply chain context, mastering the steps / methodologies to implement a sustainable procurement approach and developing a vision of the sustainable procurement of tomorrow.

Skills, knowledge
& mindset for
sustainable
transformation

Eco-Learn

Sustainable purchasing training from October 2021 to December 2021

- 16 champions
- 5 lessons
- Weekly follow up webinars (45 min)
- Take Away during each webinar

Feedback from satisfaction survey: 3.9/5 global satisfaction on the program

What people liked about it:

"It increased awareness of sustainable purchases"

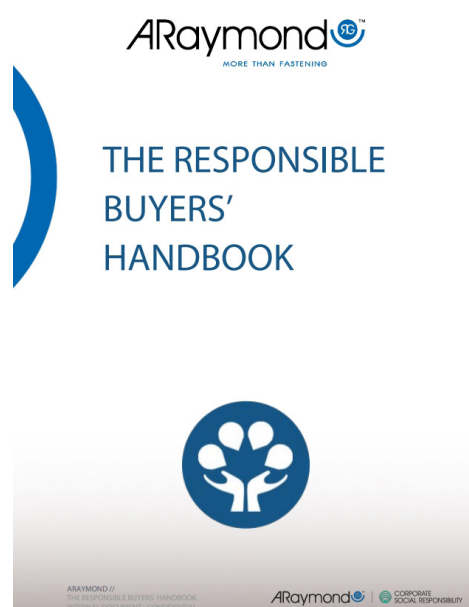
"The interactiviness"

• Responsible buyers handbook

This first internal document was designed to introduce ARaymond's network of buyers to the full range of resources available to them and help them to use those resources as effectively as possible to achieve maximum autonomy in terms of responsible purchasing within their own entities.

It therefore addresses several goals:

- To act as a reminder of the network's responsible purchasing policy framework
- To introduce all the tools available, and explain their purposes and the way they complement each other
- To identify those points in the purchasing process where these tools can - or must - be used, and for what purpose
- To facilitate the management of Corporate Social Responsibility (CSR) in the context of supplier relationships

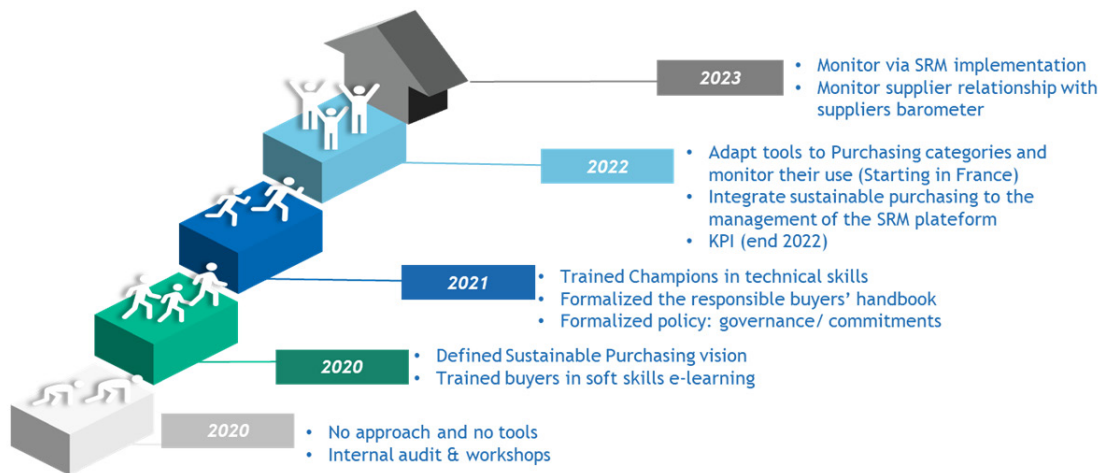


CONTENTS

INTRODUCTION.....	3
1. The purpose of this guide.....	4
2. The ARaymond definition of Sustainable Purchasing.....	5
3. The ARaymond Vision of Sustainable Purchasing.....	6
4. Sustainable Purchasing Governance.....	7
RESOURCES FOR BUYERS.....	9
1. General resources.....	11
1.a. Code of Conduct and Ethics.....	11
1.b. The standard CSR clause included in our French terms and conditions of purchase.....	12
2. Supplier Risk Management Resources.....	13
2.a. IntegrityNext.....	13
2.b. Risk Methods (Prewave from January 2022 onwards).....	13
3. Resources specific to individual purchasing families.....	14
3.a. CSR topics overview.....	14
3.b. CSR criteria sheets.....	16
4. The compliance process.....	17
THE PURCHASING PROCESS: HOW IT WORKS / WHICH TOOLS TO USE?.....	18
1. New suppliers.....	20
2. Strategic suppliers.....	21
3. Other suppliers.....	22
CONTACTS.....	23
GLOSSARY.....	23

- Define process, global roadmap, toolbox and process

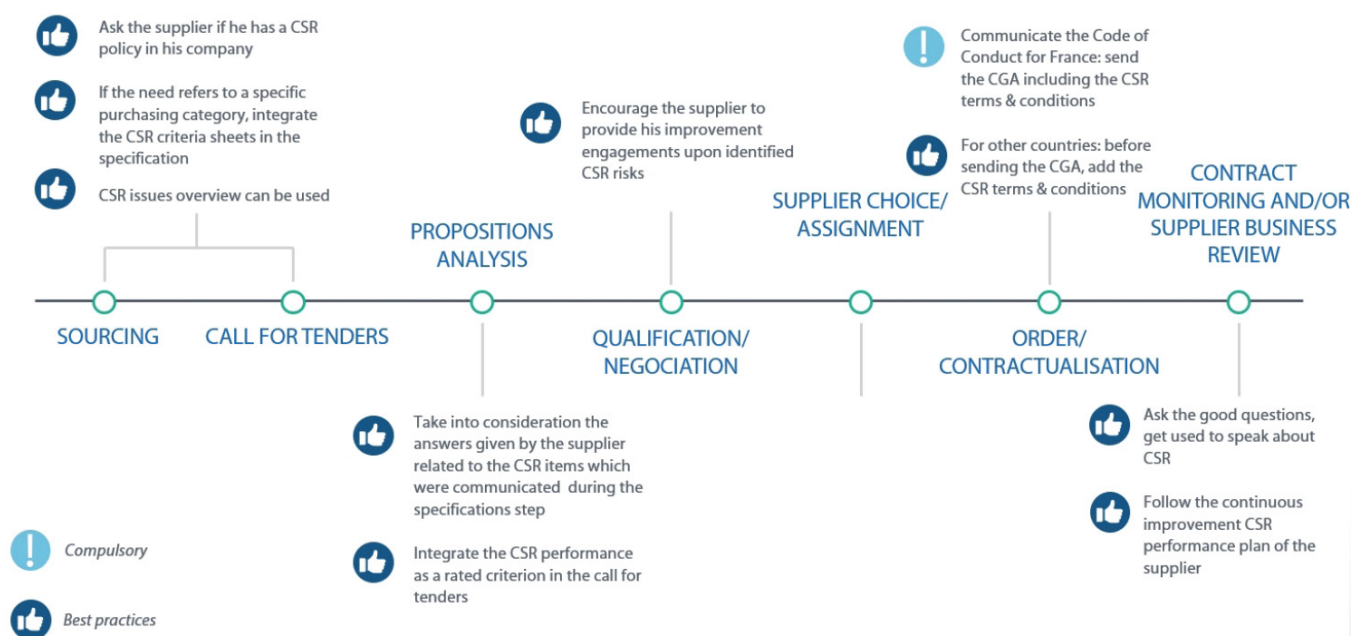
SUSTAINABLE PURCHASING ROADMAP & DEPLOYMENT



SUSTAINABLE PURCHASING TOOLBOX



SUSTAINABLE PURCHASING PROCESS



Made in France masks purchasing - France

Every two years, a selection of ARaymond countries takes part in the Network's customer satisfaction survey. This year, it was the turn of France, Germany, China, Turkey, the Czech Republic, and India to reach out to customers through an online questionnaire. Phone interviews were also conducted to obtain more detailed answers.

Based on the 735 questionnaires received, the overall level of customer satisfaction improved from 93.8 to 95.7%. Quality is the biggest area of progress, increasingly from 85% to 93.4%, largely thanks to the dedicated action plan implemented in recent years. Although ARaymond is recognized for its products, development capacities and innovation, some clients felt that teams could be more responsive on a day-to-day basis – an area for improvement in 2022.

"The results have been compiled into a report for each country, as well as a global version, with concrete recommendations to inspire improvement plans. And we are going to centralize and share best practices to ensure everyone benefits," explains Anne Hayum, Global Market Intelligence & Research Leader, Raygroup.

SUSTAINABLE SOLUTIONS



We cARe

The strategic initiative We cARe develops and implements cross-cutting programs and projects that will enable the achievement of the environmental performance objectives.

We cARe helps deliver

- the business strategy (the Future we want to create)
- the CSR ambitions (the Impacts we want to have).

The mission of We cARe is to support the growth of our Network through environmental values, human responsibilities and ethical behaviors. The implementation of this strategy will allow us to develop products, processes or services which will bring a sustainable performance.

The We cARe strategy is composed of four pillars:

Life cycle management: we design sustainable solutions

Industrial and territorial ecology: we produce through sustainable flows

Green Performance Enablers: we offer sustainable performance

Culture and behaviors: we have a sustainable mindset

From these four pillars, we defined two ways to become more sustainable:

- We DESIGN FOR SUSTAINABILITY taking into consideration the full life cycle of our products.
- We PRODUCE FOR SUSTAINABILITY by improving the environmental impact of our internal flows

(what happens inside ARaymond plants) and our external flows (our relationship with the local ecosystem such as suppliers, customers but also communities living in our territories).

One of our missions is also to support our customers in their new challenges related to the end of life of their products.

We want to OFFER SUSTAINABILITY: new solutions for our customers taking into consideration assembly, usage but also disassembly.

WHAT IS A SUSTAINABLE SOLUTION?

At ARaymond, a sustainable solution meets one or more of the following criteria:

- It is ecodesigned, produced with eco-friendly processes in eco-friendly facilities
- It enables our customers to increase their own sustainability -
- It contributes to ecological and societal transitions for a more sustainable world

Starting with ecodesign, the question could be: When can we say that our product is ecodesigned?

This is a pretty broad concept considering the number of criteria (global warming, water consumption, pollution prevention, resources depletion, etc.) and the scope of the study (from cradle to grave, cradle to gate, cradle to cradle).

The methods used to measure, calculate and report the result can also be very different from one company to the next.

As a reminder, before being able to offer sustainable solutions, we need to:

- Assess our main product lines (life cycle assessment)
- Identify the main impacts and room for improvement

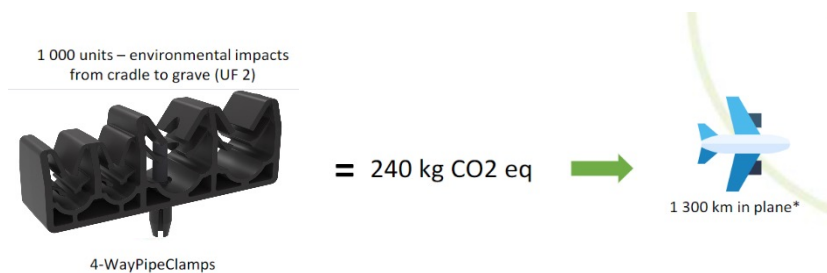
- Build ecodesign projects/approaches to validate some ideas
- Apply those ideas/recommendations to new product development

For ARaymond, the impacts of an ecodesign project are numerous, and beyond the strict product scope.

- Involving suppliers and customers in an ambitious ecodesign project can strengthen our relationships and open doors for future collaboration.
- Finding alternative materials, reducing energy usage, optimizing the weight of parts – these examples of ecodesign guidelines can have a positive impact on product costs!
- More generally, being able to know where we can improve our solutions, propose alternatives and apply them to some of our product range is an exciting target, helping the entire company to commit to sustainability.

The target is not to conduct a Life Cycle Assessment on every product manufactured by ARaymond. It is more to capture the biggest contributors within our products portfolio and identify actions to reduce their environmental impact. This would help us to design sustainable products and improve our communication concerning the impacts of our solutions.

This year, additionally to Fluid Quick Connectors (one of our main product lines), we assessed a plastic tube holder.



What we learned

Main environmental impacts of this plastic pipe holder are:

- The material used in our product (plastic)
- The production phase, especially due to the electricity mix from manufacturing processes
- Use phase (considering that most of our parts equip vehicles) which directly related to part weight
- End of life and shipping can also be significant on certain indicators

Results showed that the main design recommendations for this product family would be:

- Changing raw material from Nylon 6-6 to a more eco-friendly material or injecting recycled materials in inputs.
- Light-weighting the clip can lead to a lesser impact on clip production (less raw materials needed).
- A change in electricity mix (more renewable energy or decarbonized energy) can lead to an impact reduction.
- A change in the end-of-life treatment (recycling) could reduce the end-of-life impacts of the clip.

These are the very first findings from this LCA. They confirm what we knew based on our Quick Connector life cycle assessment and could be the first steps in our Ecodesign Golden Rules we are currently designing to change our way to design new solutions.

ARAYMOND ACQUISITIONS

In November 2021, ARaymond announced the acquisition of CGA Technologies, a leading Italian manufacturer of high-performing thermal cooling plates. This step follows the acquisition, early October, of Castello Italia S.p.A. a company specialized in plastic tube extrusion for pneumatic applications within transportation and specific industrial market segments.

These acquisitions are not just about broadening the ARaymond product offering but about scaling up complete and tailor-made plug-and-play solutions. The goal is to design and deliver optimized thermal management systems within the mobility and selected industrial sectors.

“As a leader of fastening and assembly solutions for more than 155 years, we continuously strive to reinvent ourselves and stay ahead in the fast-moving markets that we operate in. The automotive industry is shifting to electric and autonomous vehicles and we want to actively contribute to this extraordinary transition. To meet our customers’ evolving demands, we have a clear vision that agility and time-to-market are critical and that our customers are expecting complete solutions. For all these reasons, the acquisitions of CGA Technologies and Castello Italia S.p.A. are an ideal fit.

With this expansion we are building up our Network to create sustainability for the future. This includes putting the well-being of our collaborators and the protection of our environment at the forefront of our priorities for our future generations. We want to provide a service and product offering of the highest quality that meets both our customers and employees demands for long-term growth and sustainability”, explains Antoine Raymond, the CEO.

The future of ARaymond is about creating sustainable, complete, and quality solutions, that increase assembly efficiency, while being driven by its core commitments to human values and protecting the environment.

URBAN CANOPEE – ARAYMOND SOLUTIONS AT THE SERVICE OF A SUSTAINABLE PROJECT



Adapting ARaymond’s resilient fastening technologies from the automotive world, Urban Canopee’s eco-friendly plant canopies and urban furniture help city designers respect the environment while providing attractive and high-tech landscaping.

At first glance, a start-up working to battle climate change through its series of high-tech plant canopies would seem to have little in common with a 155-year-old global automotive fastener supplier. But in the case of France’s Urban Canopee and supplier ARaymond, the pair was able to find common ground.

Urban Canopee’s innovative solutions fight against the effects of climate change by deploying plant canopies over cities to help combat heat, restore urban biodiversity, fight against air pollution, and improve the quality of life for citizens. They also offer the world’s first range of plant-based urban furniture.

With the wind and other elements at play, finding adequate fastening solutions to achieve these goals can prove difficult. After the two companies first connected in 2017, a partnership was put into motion for ARaymond to adapt its automotive fasteners to fit the needs of Urban Canopee.

“A long phase of testing must take place for Urban Canopee to develop a perfect fixing and assembly solution that resists wind, weight, and

is flexible enough to be folded for delivery and to fit different structures,” said Hubert Michaudet of Urban Canopee. “Through our work with ARaymond, we were able to find the solution to these fastening issues and are excited to find a partner committed to using their engineering expertise to support our efforts to battle climate change.”

“We never stop evolving,” said Stéphane Gelibert of ARaymond. “This partnership with Urban Canopee shows how an industrial company can use its experience and infrastructure to support a young start-up in making an idea become a reality. Urban Canopee’s idea to cool down cities with plants is in line with the core values of ARaymond, which holds a strong belief that we are part of the global ecosystem. We take responsibility for protecting our environment, both now and for future generations.”

CUSTOMER RELATIONSHIPS



SATISFACTION SURVEY: BUILDING STRONGER PARTNERSHIPS

Every two years, a selection of ARaymond countries takes part in the Network's customer satisfaction survey. This year, it was the turn of France, Germany, China, Turkey, the Czech Republic, and India to reach out to customers through an online questionnaire. Phone interviews were also conducted to obtain more detailed answers.

Based on the 735 questionnaires received, the overall level of customer satisfaction improved from 93.8 to 95.7%. Quality is the biggest area of progress, increasingly from 85% to 93.4%, largely thanks to the dedicated action plan implemented in recent years. Although ARaymond is recognized for its products, development capacities and innovation, some clients felt that teams could be more responsive on a day-to-day basis – an area for improvement in 2022.

"The results have been compiled into a report for each country, as well as a global version, with concrete recommendations to inspire improvement plans. And we are going to centralize and share best practices to ensure everyone benefits," explains Anne Hayum, Global Market Intelligence & Research Leader, Raygroup.

"These very positive results are a source of great satisfaction for us. Congratulations to everyone, as each of us contributed! We did well during an unprecedented and challenging period. Being customer oriented, and recognized as such by our customers, is of utmost importance to meet all our upscale objectives in the coming years. There is usually a strong correlation between customer satisfaction and company profitability. These results will help finance our future projects." Christine Coupe, Chief Marketing Officer

TOOLBOX FOR CUSTOMER'S QUESTIONNAIRES

Awareness to sustainable development is constantly increasing and more and more customers are asking us to complete questionnaires to confirm our CSR commitment. We have therefore set up a Toolbox to help our teams respond to requests from customer. This is a project that we are currently developing and which should enable the majority of our sites to be involved in this process.

We are proud of our plant in Weil am Rhein (Germany) which obtained a score of 91% on the NQC questionnaire in 2021

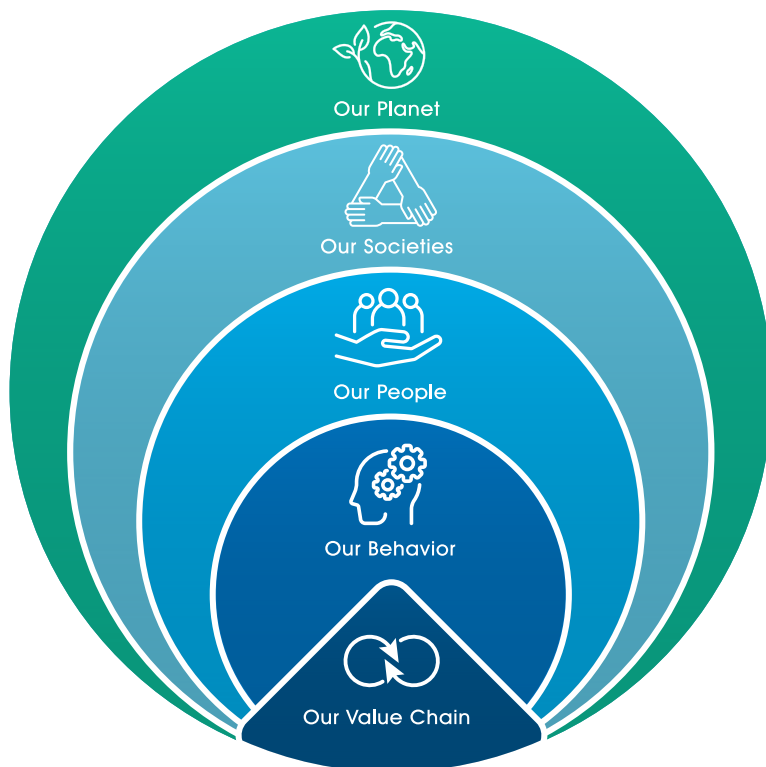
LOOKING AHEAD

2021 has been an incredibly rich and engaging year for CSR. A year of findings during which we built the foundations of many topics and measured our impacts, a year of commitment of employees with sincerity and enthusiasm, a year of mobilization of entities in the global roadmap, with the involvement of all members of the Executive Committee and the Presidency.

In 2022, we are pursuing this momentum and will place particular emphasis on:

- Defining the purpose of the ARaymond Network
- Exploring new economic models conducive to circular or even regenerative systems.
- Understanding through a large part of the employees of their role and their contribution in the transformation toward these models.
- The in-depth integration of CSR into the company's strategic initiatives
- Constructing of ESG indicators and integrating them into the company's economic performance dashboards
- Consolidating roadmaps on environmental issues in particular climate and carbon
- Implementing an ecodesign approach to our new products and communicating their environmental impacts

After 2021 when we framed, defined and started measuring, in 2022 we will accelerate the deployment at the level of operational entities and dedicated teams.



www.araymond.com

FOR QUESTIONS ON THIS UNGC COP REPORT

Carole Neyrinck

Carole.neyrinck@araymond.com

Marie-Laurence Gilbert

Marie-Laurence.Gilbert@araymond.com