



NOTE

- This document provides information on the extra-financial performance of the CGW Packaging Group*, in response to regulations : decree n°2017-1265 of 9 August 2017 issued for the application of order n° 2017-1180 of 19 July 2017 on the publication of non-financial information by certain large companies and certain groups of companies.
- The information relates to 2022. Given the date of publication of the document, information relating to the beginning of 2023 is also included when available.
- This Extra-Financial Performance Statement (EFPS) constitutes the mandatory annual CSR reporting of CGW Packaging (The Group). It is also available for a period of 5 years on the website of the Group and its subsidiaries.

*CGW Packaging (The Group) is the trading name of the legal entity of the Cartonnerie Gondardennes group.

EDITORIAL FROM THE CHAIRMAN



Dear shareholders,

Our Group is the fruit of an entrepreneurial adventure that began in 1897 with the creation of **Cartonneries de Gondardennes**. Shaped by a long history, our family group is resolutely focused on the future and the major social and environmental challenges of the 21st century.

As a player in the circular economy, our raw material being essentially recycled paper, our Group has long been committed to an environmentally-friendly approach and has been able to prepare for the current challenges: decarbonisation of the business, reduction of the environmental footprint, energy mix, while at the same time making significant investments and creating new jobs in the Audomarais basin.

Changes in regulations are forcing a growing number of companies to publish "CSR" information, i.e. information relating to Corporate Social Responsibility. The "Declaration of Extra-financial Performance" (DEFP),

introduced into the French Commercial Code by the transposition into French law of the European directive known as the NFRD (Non Financial Reporting Directive), concerns not only listed companies but also unlisted companies with more than 500 employees or net sales in excess of €100 million.

This new report will enable us to highlight the CGW Packaging Group's operational performance in its CSR approach, while responding to the demands of stakeholders and supporting our vision:

"reveal corrugated board as the virtuous packaging material of our future".

This document is dedicated to you but will also be freely available, as required by law, on websites for 5 years.

Sincerely,

Benoit DUVAL

Chairman and CEO, Holding Le Roux-Masson
Chairman of the Board of Directors, Cartonnerie Gondardennes

FOREWORD

2022 was a very volatile year from

a geopolitical and economic point of view: war in Ukraine, economic uncertainty, inflation of raw materials (starch, packaging, transport...) and above all an unprecedented increase in the price of energy.

Our market, which was solid in the 1st semester, turned downwards from the summer onwards, slowing significantly at the finish of the year.

The situation has changed: the increase in paper production capacity can put pressure on our supplies of waste paper and keep energy costs high.

More than ever, the answer to this high level of volatility and uncertainty lies in our ability to adapt.

We are increasingly aware of the risks associated with the effects of climate change, which means that we must continue to prepare for a sustainable and profitable future.

In order to provide our customers with the best possible service, The CGW Packaging Group can draw on its strengths to meet these different challenges and adapt to this changing

environment:

- over a century of expertise in our markets
- independent French family capital, with a long-term vision
- a strong regional base
- a buoyant, virtuous market that is evolving in the circular economy: corrugated board
- a historic commitment to the ecological transition
- continuous and visionary investment. Our energy mix, for example has cushioned this volatile environment.

This is our first Declaration of Extra-Financial Performance (DEFP).

This gives us the opportunity to formalise a long-standing policy for Cartonnerie Gondardennes, but also to lead Cartonneries Lacaux and Ondaine towards the convergence of a group CSR policy.

Cartonnerie Gondardennes is also the most frequently cited example, but this will change with each new edition of the DEFP. It should be noted that the name "CGW Packaging" does not correspond to a company name but to a

commercial name.

Our CSR mission "to work together to build a sustainable future for our territories by being at the heart of a circular economy" is based on these 4 pillars:

- proposing sustainable products
- combating climate change
- working for our collaborators
- working for our regions

Our commitments or "challenges" will be detailed later in this EPFD.

I'm firmly convinced that, in the face of the major challenges facing us, and on the strength of a history that has proven us right, the development of CSR within our Group will strengthen our agility and relevance by making a positive environmental, social and societal impact on our territory.



Laurent FISCHER

Managing Director of Cartonnerie Gondardennes (CGW Packaging group)

BUSINESS MODEL



VISION

Revealing corrugated board as the virtuous packaging material of our future.



VALUES

Trust | Respect | Team spirit
Professionalism | Customer Commitment.

01 RESOURCES

HUMAN AND INDUSTRIAL RESOURCES



+1 century of experience

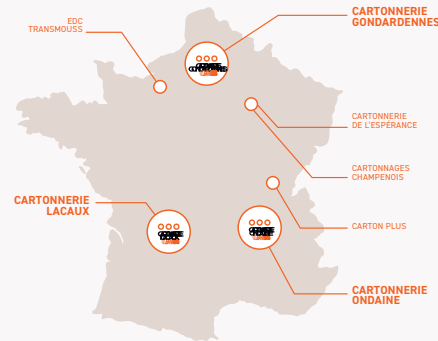


710 employees



6 production sites in France

+€15 M industrial investments subsidiaries rooted in their local communities



ENVIRONMENTAL RESOURCES



Water: 985,000 m3



Energy: 629,000 MWh eq. gas

FINANCIAL RESOURCES



Stability of an independent French family shareholder base
Shareholders' equity = €97 M

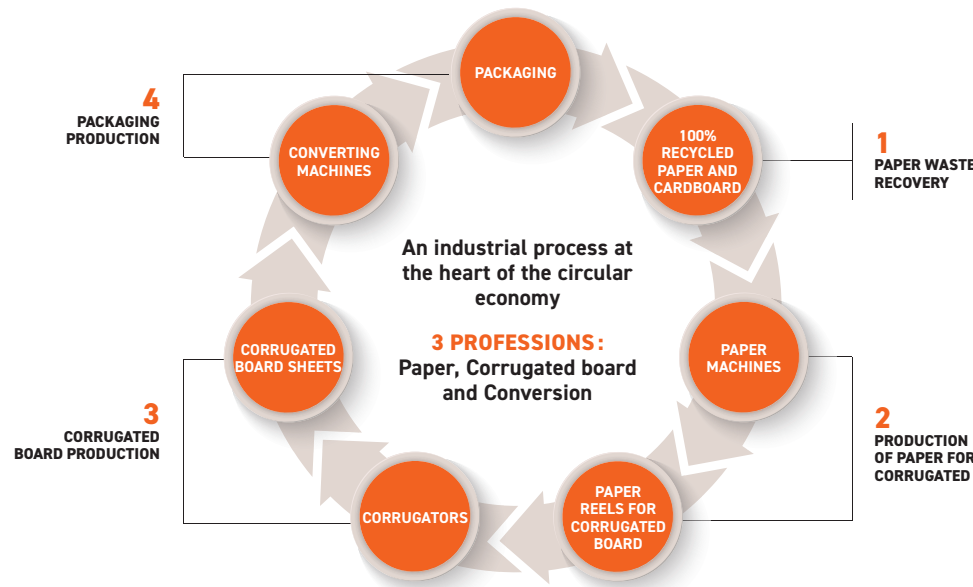
02 VALUE CREATION



MISSION

CGW Packaging is a family-owned industrial group with a long history of respect for the environment and a strong focus on people. The Group offers, designs and produces

innovative corrugated sheetboard and packaging solutions. It offers its customers the widest range on the market by transforming and adding value to recyclable and recycled materials.



3 PRODUCT RANGES



Transport packaging



POS and Ready to sell



Consumer packaging

03 SHARED VALUE



€247 M in sales by 2022, of which 20% from exports



1500 customers delivered in Europe



Average satisfaction of 3 cardboard mills = 94%



Personnel expenses = €39 M
1 Group-wide safety day



38% of employees benefited from training



31 apprenticeship and vocational contracts

FOR THE ENVIRONMENT



Reduction in CO2 emissions (scope 1+2) = -12% or -9166 tons between 2021 and 2022



100% recyclable packaging or biodegradable

FOR OUR REGIONS



> 5 tons of cardboard donations (Humanitarian associations, le secours populaire, les restos du cœur, international emergency firefighters, schools)



taxes and duties = €8 M

GOVERNANCE

Founded in 1897 and 100% family-owned, CGW Packaging is one of the last French independents in the corrugated board packaging sector.

The Holding Board is made up of 11 family directors, representing the various branches of the Group. They put their skills and availability at the service of the family business, and act as the link between the Group and its shareholders.

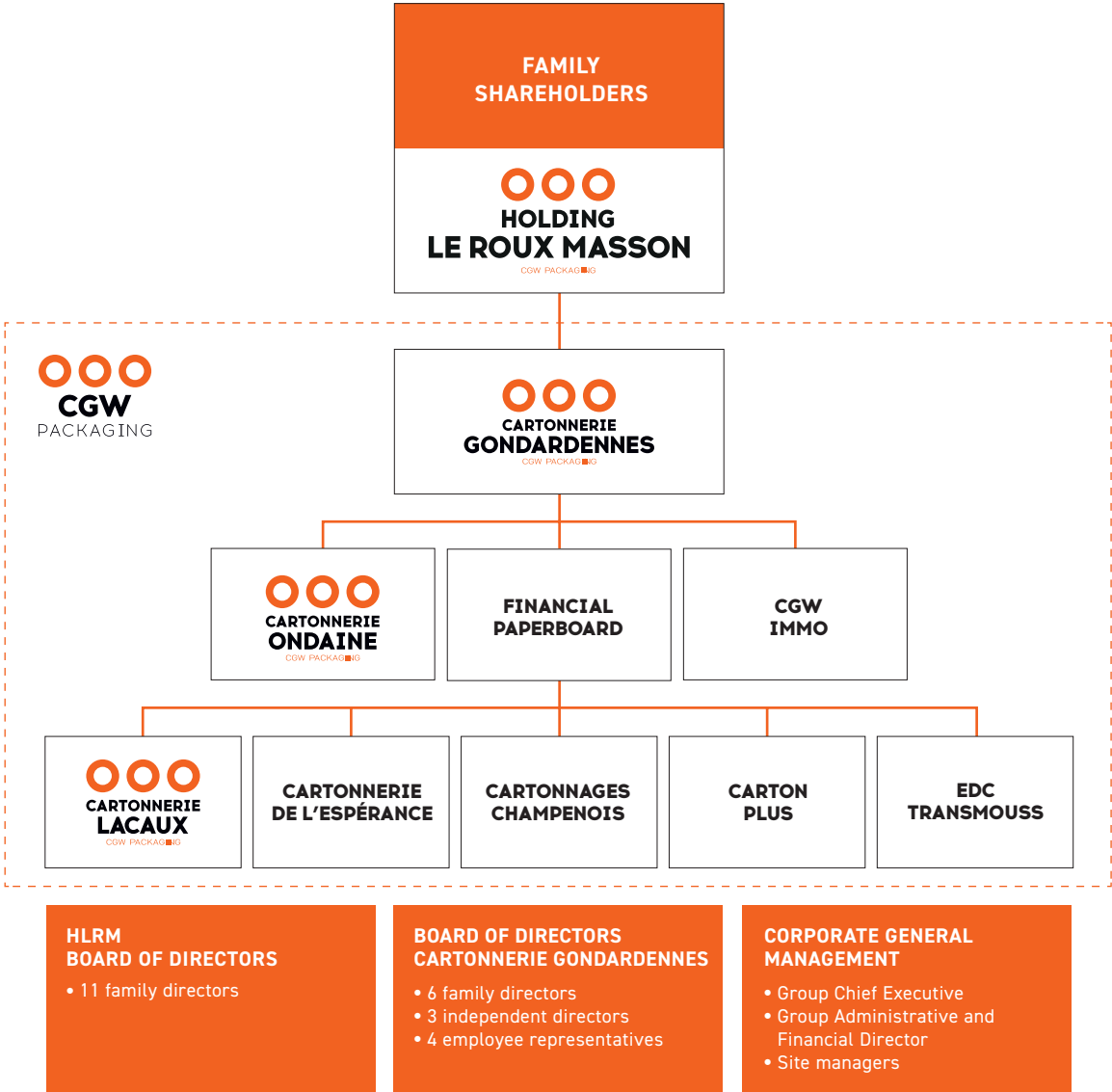
6 of these family directors are also members of the Cartonnerie Gondardennes Board of Directors and participate in the Group's strategic decisions, assisted in this mission by the expertise of 3 non-family directors.

The **Board of Directors of Le Roux Masson Holding** aims to safeguard the interests of shareholders, organise and ensure the liquidity of shares, and reinforce the Affectio societatis. It is also responsible for ensuring effective financial and non-financial communication between shareholders and the Holding Company.

The Board is the link between shareholders and the Group, they pass on information, but must also listen to shareholders and answer their questions.

Transparency and proximity guide the work of the Board of Directors. A number of communication initiatives have been put in place:

1. THE QUARTERLY NEWSLETTER
2. THE GENERAL MEETING OF SHAREHOLDERS
3. THE SHAREHOLDERS' MEETING
4. FACTORY VISITS



OUR APPROACH TO CSR



A Native Americans legend says that one day, there was a huge wildfire.

All the animals gazed at the disaster terrified, distressed and helpless.

Only the little hummingbird was hurrying, going to find a few drops of water with his beak to extinguish the fire.

After a moment, the armadillo, flustered with all the agitation, said, in a derisory way, "Hummingbird! Are you crazy? You won't extinguish the fire with those drops of water!"

And the hummingbird answered, "I know! But I'm doing my part."

Popularised Native Americans legend
Pierre Rabhi



OUR CSR MISSION

Building together
a sustainable future
for our regions
by being at the heart
of a circular economy

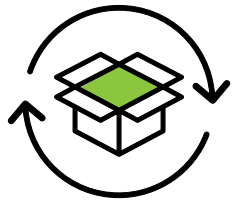
- **Group DNA**
- **4 pillars**
- **12 Commitments**
- **24 Indicators**



Building together a sustainable future for our regions by being at the heart of a circular economy

1

Propose sustainable products



Designing circular product

Recycled materials
100% recyclable



Designing products from local raw materials

Local sourcing



Offering products with a low environmental impact

Food contact
FSC® certification

2

Fight against climate change



Preserving resources

Exemplary water management

Waste reduction and recovery



Continued decarbonisation

CO2 reduction

Renewable energy



Developing energy efficiency

ISO 50001 certification

Reducing energy consumption

3

Work for our employees



Protecting health and guaranteeing safety

Safety

Working conditions



Improving quality of life at work

Quality of life at work



Developing skills

Training

4

Work for our regions



Buying responsibly

positive social and environmental impact



Passing on our expertise

Apprenticeships -
Worklinked training



Supporting our region

Social and environmental projects

OUR EXTRA-FINANCIAL RISKS

Law L. 225-102-1 defines a list of mandatory topics.

The DEFP 2022 addresses the following issues :

- Information on the impact on climate change of the company's activities and the use of the goods and services it produces.
- Corporate commitments to sustainable development.
- The circular economy.
- Actions to combat discrimination and promote diversity and measures taken in favour of disabled people.

The following themes will be addressed in the DPEF 2023 under issue 3.2

"Improving quality of life at work" (see below and p.11):

- Collective agreements concluded within the company and their impact on the company's economic performance and employees' working conditions.
- Actions to promote physical activity and sport.

The Steering Committee considered that these issues were not included in the list of its main identified risks :

- Combating food waste and food insecurity.
- Respect for animal welfare and responsible, fair and sustainable food.

Consequently, no comment is made on these items in this report.

The identification of priority extra-financial issues for the CGW Packaging Group was the subject of work carried out with a specialist consultancy. The risks were analysed using a sector benchmark and a CSR diagnosis. Four main pillars and three issues per pillar were identified, giving a total of 12 extra-financial issues.

As this is our first Declaration of Extra-Financial Performance, we have chosen to deal with eight main issues. The hierarchy of these eight issues was established with the help of another specialist consultancy, based on the importance of the issue for the company and its stakeholders, and on the direction of the Group's CSR strategy.

Ultimately, our ambition is to address all 12 extra-financial risks in our report.

The 4 risks not covered in this DEFP, but which are the subject of policy within the Group, are as follows:

- Offering products with a low environmental impact.
- Improving quality of life at work.
- Buying responsibly.
- Supporting our region in a spirit of solidarity.



MATERIALITY MATRIX

The materiality analysis identifies the Group's major CSR challenges. It is represented by a matrix, which takes into account both the expectations of stakeholders (shareholders, customers, suppliers, partners, employees, etc.) and the way in which these issues are taken into account by the company's management committee.

By correlating these two axes, we can identify the company's priority CSR issues and adjust its strategy.

For each issue, the associated risk has been assessed and cross-referenced with an estimate of the level of stakeholder expectations.

Note: these CSR issues are all exclusive priorities, so they are all concentrated in the same sector of the matrix.

For the DPEF 2023, we will carry out a stakeholder questionnaire and update the matrix as necessary.

1. Offering sustainable products



- 1.1 Designing circular products
- 1.2 Designing products from local raw materials
- 1.3 Offering products with a low environmental impact

2. Combating climate change



- 2.1 Preserving resources
- 2.2 Furthering decarbonisation
- 2.3 Developing energy efficiency

3. Working for our employees

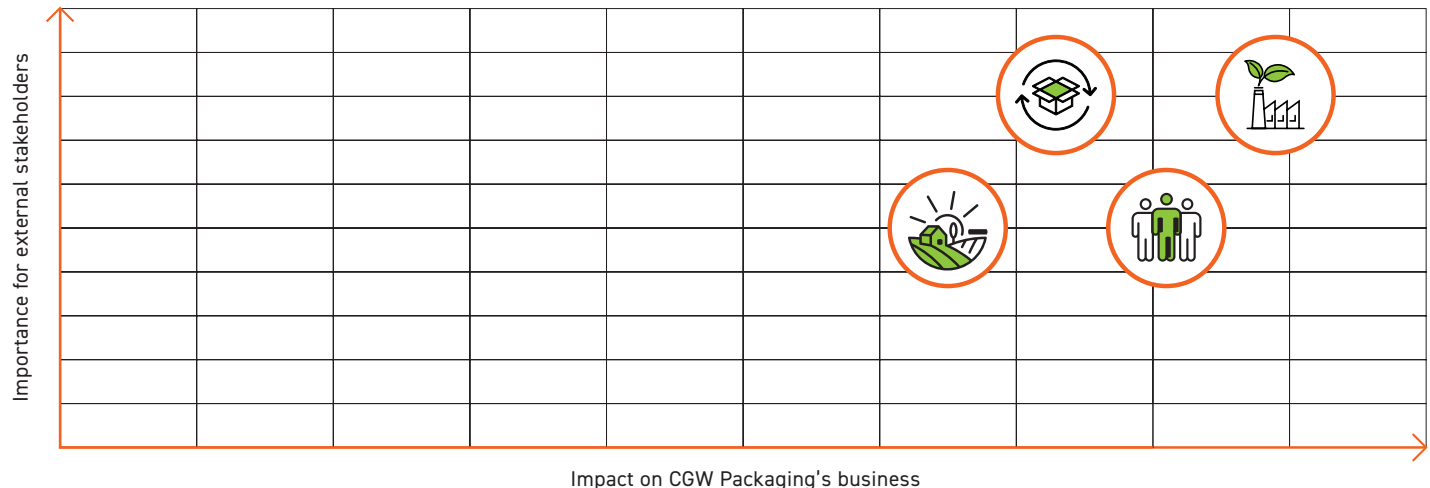


- 3.1 Protecting health and guaranteeing safety
- 3.2 Improving quality of life at work
- 3.3 Developing skills

4. Working for our regions



- 4.1 Buying responsibly
- 4.2 Passing on our expertise
- 4.3 Supporting our region



Impact on CGW Packaging's business



01 OFFER SUSTAINABLE PRODUCTS

ISSUE 1.1 | DESIGNING CIRCULATORY PRODUCTS

The growing scarcity of natural resources calls for greater responsibility in production and consumption. The unsustainable use of resources is a global concern, so it is necessary to opt for circular models of production where materials, energy and water are conceived as circulating goods, defining, thus, new fluxes of value.

The paper and cardboard business is part of a circular economy, so it's in the CGW Packaging Group's DNA to optimise and recycle the resources we consume.

THREATS:

- Shortage of recycled paper
- Transition to circular economy more difficult.
- Not meeting the expectation of a more responsible way of life: the desire of citizens to move towards more environmentally friendly consumption and ecological waste management, in particular by strengthening sorting at source.

OPPORTUNITY:

- Making savings by reusing consumed resources.
- Reduced environmental impact.

OUR RISK MANAGEMENT POLICY:

The entire production of corrugated base paper, made from recycled waste paper, is consumed by the Cartonnerie activity, thus promoting the transition towards a circular economy for packaging.

- Around 200,000 tonnes of waste paper are recovered within a 250 km radius and recycled to our sites (≈ 30 lorries a day).
- The paper purchased by the Group is FSC® certified, which means that all the fibre in the product comes from an FSC®-certified forest. FSC®-certified forests are managed with respect for people, wildlife and the environment. They are independently audited to ensure compliance with the FSC® Principles and Criteria of Forest Management. 100% FSC® products are processed using the FSC® transfer system.

Packaging placed on the market must meet the essential requirements of the Packaging Directive 94/62/EC, and in particular the specific requirement relating to design, manufacture and composition (Prevention by reduction at source as described in Standard NF EN 13428). We also meet the regulatory requirements linked to the implementation of the French Anti-Waste and Circular Economy Act (AGEC).

The Group is clarifying its ambitions for packaging by committing to the development of its eco-design to reduce the risk of overproduction of waste.

Eco-design:

The design phase of a project incorporates eco-design, i.e. packaging must be designed and manufactured in such a way as to limit its volume and mass to the minimum necessary to ensure a sufficient level of safety, hygiene and acceptability, both for the packaged products and for consumers.

The Design Office's task is to develop, optimise, mechanise and innovate:

The aim is to design original packaging that meets the customer's requirements, can be produced on our machines and is easy to assemble. This eco-design approach is systematically integrated into our approach.

The cost of the raw material (corrugated board) represents a significant proportion of the cost of packaging, in the region of 40% to 60%. Tailoring quality to just the right needs therefore becomes a major competitive advantage for packaging manufacturers and users.





01 OFFER SUSTAINABLE PRODUCTS

ISSUE 1.1 | DESIGNING CIRCULATORY PRODUCTS

That's why we designed a digital decision-making tool in conjunction with the **CTP** (Centre Technique du Papier) and **CAP** (La fédération du cartonnage et des articles de papeterie, which brings together converters):



Optibox is a tool for choosing the most suitable quality of corrugated board in terms of ECT (Edge Crush Test) in relation to the packaging's RCV or BCT (Resistance to Vertical Compression or Box Compression Test).

<https://www.webctp.com/fr/optibox>

OUR KEY ACTIONS FOR 2022:

- **All waste materials are recycled in the paper manufacturing process**

When the latest converting machines were installed in April and November at Cartonnerie Gondardennes, a connection was made to suck up and transport the trim from the cardboard sheet cutting process so that they could be sent directly to the paper mill to be reintegrated into the pulp production cycle.

• Cartonnerie Gondardennes has also worked on:

- Reducing weight by producing lighter papers with improved performance.
20 years ago the average weight was 120g/m², now it is 90g/m²
- Replacing wooden pallets with cardboard pallets: Paleco®.
- An alternative to kraft paper, which is made from 100% virgin fibre: "KS" quality.
- Implementation of reverse logistics with Cartonnerie Ondaine, repatriating customers' paper and putting it back into the loop.

EARMARKED RESOURCES:

Purchasing Director, Industrial Director, Paper Mill Director, Cardboard Director, Quality Director, Sales Director, Design Office Manager



RESULTS AND PERFORMANCE INDICATORS:

% recycled materials in finished products

86,3%

86,5% in 2021 - Evolution: -0,2 pts

Target ≥ 80 %

% of our finished products recyclable

100%

100% in 2021

Target: 100 %



01 OFFER SUSTAINABLE PRODUCTS

ISSUE 1.2 | DESIGNING PRODUCTS FROM LOCAL RAW MATERIALS

As integrated ecosystems at the heart of a region, industrial sites help to make the most of agricultural plant resources, as well as regional technical expertise: they are therefore a source of growth and jobs.

It's also a fundamental societal trend that explains the boom in "made in France", but also in "100% local", which nonetheless has a double economic advantage in that it favours short circuits and the proximity of suppliers in terms of services.

THREATS:

- Increase greenhouse gas emissions from transport.
- Losing responsiveness and lead times.

OPPORTUNITY:

- Bringing life to the region.
- Developing long-term partnerships.

OUR RISK MANAGEMENT POLICY:

We have a long tradition of working with local suppliers, encouraging dialogue and incorporating CSR criteria into our calls for tenders and consultations.

However, we note that our suppliers are not at the same stage of progress in this approach. We are working hard to support them in this development. For example, we work with a large number of transporters, including local family-run SMEs. Not all of them are familiar with CSR, eco-driving or alternatives to fossil fuels. So we share with them the best practices or the types of service from which we already benefit that meet these criteria.

OUR KEY ACTIONS FOR 2022:

- Creation of a code of conduct for suppliers to ensure that they apply high standards when it comes to working conditions, fair and respectful treatment of employees, and ethical practices.

- Include specific points in the awarding of tenders on locality and sustainability criteria, to make it easier for small players to take them into account.
- Develop a voluntary drop-off system for used cardboard and paper: at the Wardrecques site a test with a skip for packaging waste has been set up for employees (see below).
- Manage the amount of purchases made locally (<250 km) and value it in relation to the total amount.
- Cartonnerie Lacaux offers and develops special papers for French partners.

EARMARKED RESOURCE:

Purchasing Director

TRIAL SKIP FOR STAFF PACKAGING/CARDBOARD WASTE

As part of our CSR approach aimed at recovering our waste in order to preserve resources, Cartonnerie Gondardennes, in partnership with Baudalet Environnement, has been offering all its employees the opportunity to deposit their cardboard packaging waste in a 15 m3 skip since 12 April 2023.

This initiative offers two advantages:

- Enable all staff to save time by not having to take their waste to a sorting centre.
- Recycle this waste on site and use it to make paper pulp.

RESULTS AND PERFORMANCE INDICATORS:

% of our paper mill raw material inputs produced within a 250 km radius

90,9%

92,2% in 2021 - Evolution: -1,3 pts
Target ≥ 80 %



Non-hazardous waste | Closed bins





02 COMBATING CLIMATE CHANGE

ISSUE 2.1 | PRESERVING RESOURCES

CGW Packaging is committed to the economical management of water resources in its territories.

These issues are all the more important today given the effects of climate change, which is increasing agricultural and urban needs in particular, but also the pressure on the most fragile local resources.

We are therefore aware of our responsibilities and are taking action to ensure that the development of our activities is compatible with the challenges of climate change.

THREATS:

- Water shortage.
- Climate change.
- Impact on our industrial process.

OPPORTUNITIES:

- Preserving water resources.
- Recovering resources through recycling.

OUR RISK MANAGEMENT POLICY:

Cartonnerie Gondardennes understood this issue very early on and anticipated government directives by installing a closed water circuit as early as 1992. Since then, the Cartonnerie has developed other processes and made various investments. Through its sound water management, the Group combines economic performance and environmental protection.

Preserve water resources with zero discharge of process water into the environment.

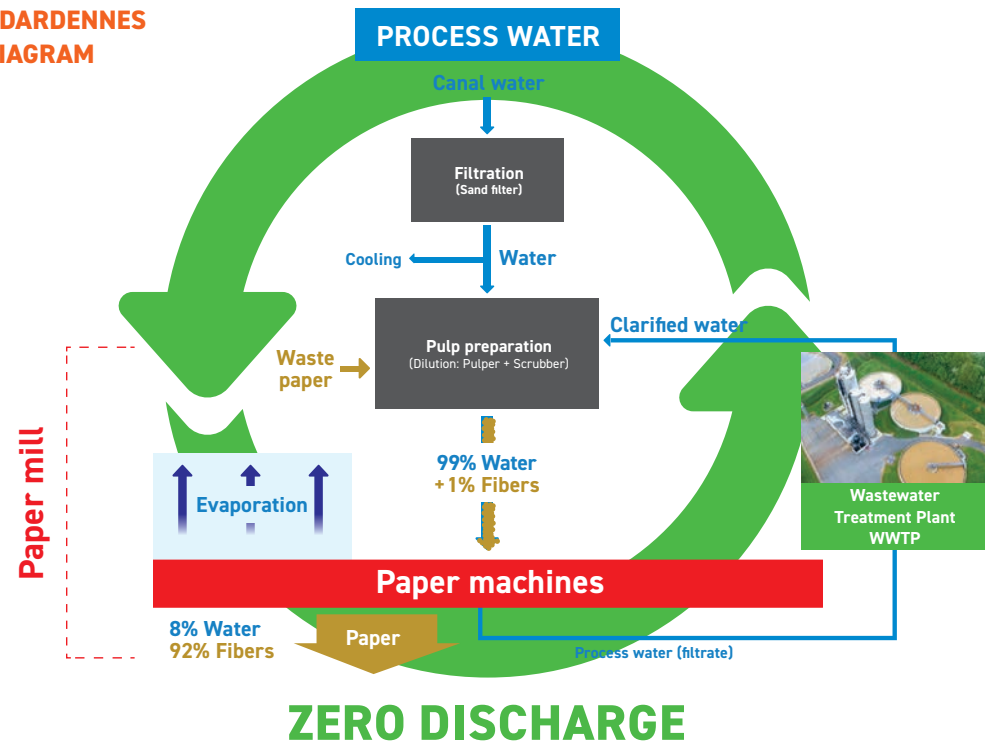
Cartonnerie Gondardennes is one of the very first paper mills in Europe and one of the very few in France to have stopped discharging process water into the natural environment. Cartonnerie Gondardennes is proud to have been, and still is, a forerunner as a "zero discharge company" on water since... 1992 !

Pulp preparation, using recovered waste paper, is carried out using canal water, which is filtered and then injected into the manufacturing process. Post-production water residues are sent to a wastewater treatment plant and then used again in the pulp production chain.

A paper mill consumes an average of 10 m³ per tonne of paper produced, whereas Gondardennes uses just 3.66 m³ ! This low consumption performance is achieved thanks to the installation of two water circuits.

Evaporation of process water is compensated for by canal water extraction. The closure of process water circuits at Cartonnerie Gondardennes is a strong mark of its visionary commitment to preserving water resources, with consumption 2/3 lower than at an open-circuit paper mill.

CARTONNERIE GONDARDENNES PROCESS WATER DIAGRAM





02 COMBATING CLIMATE CHANGE

ISSUE 2.1 | PRESERVING RESOURCES



OUR KEY ACTIONS FOR 2022:

- Rainwater harvesting project

Cartonnerie Gondardennes plans to invest more than €2 M in 2023 to further reduce its water consumption, and is launching ambitious works to recover rainwater from all the roofs on its Wardrecques production site (11.5 ha).

Once this project is up and running, Cartonnerie Gondardennes will be completely closed-circuit for both process and cooling water.

The investment, supported by the Artois-Picardy Water Agency, amounts to €1.4 M.

- Optimising the operation of the wastewater treatment plant.

In addition, the Cartonnerie will invest €900 K to optimise the efficiency of the wastewater treatment plant connected to the site.

These two industrial investments will save 125,000 m³ of canal water per year.

The Water Agency has declared:
"Your project was presented as an exemplary model".

- Cartonnerie Lacaux has a study project underway to also work in a closed circuit.

EARMARKED RESOURCES:

Industrial Director, Site Directors, Paper Mill Director and Energy and Environment Manager



RESULTS AND PERFORMANCE INDICATORS:

Water discharges

2,20 m³/T

2,02m³/T in 2021 - Evolution: +9,1%
 Target ≤ 2,50

Water withdrawal

4,75 m³/T

3,66 m³/T for Cartonnerie Gondardennes

4,27 m³/T in 2021 - Evolution: +11,3%
 Target ≤ 5,00

% ultimate waste

8,3%

7,5% in 2021 - Evolution: +0,9 pts
 Target ≤ 9%



02 COMBATING CLIMATE CHANGE

ISSUE 2.2 | FURTHERING DECARBONISATION

Our paper and cardboard industry is a virtuous one, since it fits perfectly into a circular economy, with cardboard as a raw material that can be recycled and recycled many times over. Nevertheless, to enable this virtuous cycle, our industrial processes require energy. It is therefore essential to work on decarbonising this energy.

THREATS :

- Damage to goods and raw material resources, or even to the industrial process
- Non-compliance with environmental regulations.
- The impact of rising energy prices and taxation on the Group's financial health.

OPPORTUNITIES :

- Security and sustainability of our business from a financial, regulatory and customer impact point of view.
- A source of attraction for new talent, as it reflects well on the company.
- The CSR and decarbonisation approach is becoming a selection criterion for customers in their responsible purchasing choices.

OUR RISK MANAGEMENT POLICY :

The paper and cardboard industry is part of a circular economy, and therefore has an inherently positive impact on climate change. However, CGW Packaging is aware of the need to reduce the environmental impact and decarbonise the industrial processes involved in its operations. Scope 1, 2 and 3 carbon audits have been carried out at the Group's three sites, enabling us to update our "Low Carbon" strategy.

OUR KEY ACTIONS FOR 2022 :

- For Cartonnerie Gondardennes :
 - Operation of the "Flamoval" heating network for 10 months, using low-carbon steam energy and avoiding more than 24,000T of CO2 emissions (see details).
 - The production and use of biogas generated by the wastewater treatment plant has decarbonised nearly 3.5% of our total gas consumption.
- Carbon footprint (scope 1, 2 and 3) carried out at Cartonnerie Ondaine after having established those of Gondardennes and Lacaux in previous years.
- Cartonnerie Lacaux has validated a corrugator process heat recovery plan to be implemented between 2023 and 2024.
- Cartonnerie Ondaine has approved the project for a boiler burner (completion in 2023).

- Thanks to the relevance of its commitment to decarbonisation and the actions it has already taken, the CGW Packaging Group was one of the few French companies to win 2 "Expedite" and "ACT" experimental studies on decarbonisation of industry, supported and financed by Ademe (the French Environment and Energy Management Agency) to lead France towards carbon neutrality by 2050.

Flamoval heat network : a virtuous example of decarbonisation through a public-private partnership (Cartonnerie Gondardennes)

To decarbonise its industrial process, Cartonnerie Gondardennes has turned to "green energy" through a heat network thanks to a partnership agreement signed in 2018 with the Syndicat Mixte Flandre Morinie (SMFM).





02 COMBATING CLIMATE CHANGE

ISSUE 2.2 | FURTHERING DECARBONISATION

The principle of the CVE (Energy recovery centre) is, via a 3.7 km insulated network, to send water from Cartonnerie de Gondardennes to SMFM, which returns it in the form of steam at 230°C required for the company's industrial process.

In fact, the heat released by the combustion of CVE waste is recovered in a process consisting of an economiser/steamer/superheater which converts the water sent by the Cartonnerie into steam. This process has the advantage of drastically reducing CO2 emissions by substituting steam from waste combustion for steam from gas combustion.

In addition, solid waste from the sorting of waste paper (+400T/year) is partly sent to the CVE and then burned to produce energy once again, creating a virtuous loop.



In 2022, Cartonnerie Gondardennes consumed more than 80,000 MWh of energy generated by the CVE thus reducing its emissions by more than 24,000T its CO2 emissions, i.e. by 38% !

Biogas : or how to decarbonise our energies by using industrial process water effluents (Cartonnerie Gondardennes)

As early as 2007, the Group was a pioneer in Europe with the installation of a methanised process water treatment plant (STEP).

Through the action of bacteria in an anaerobic and aerobic environment in the STEP, water from the paper-making process is filtered, cleaned and reinjected into the paper mill's process circuit.

This high-capacity treatment plant filters more than 3,000 m3 of water per day, equivalent to the needs of a city of 150,000 inhabitants like Clermont-Ferrand. It represents the plant's true "kidney", preserving water resources while guaranteeing "zero discharge" of process water into the environment.

Finally, the action of the bacteria in the methaniser generates biogas (methane) which, when used locally to produce steam, helps to decarbonise almost 3.5% of the Wardrecques site's energy needs.

EARMARKED RESOURCES :

Energy and Environment Manager, Industrial Director, Site Director, Quality Director

RESULTS AND PERFORMANCE INDICATORS :

CO2 emissions (scope 1+2)

67 800
T. EQ. CO2

76 965 t. eq. CO2 in 2021
Evolution : **-12% or -9166 tons**
Target : **75 000**

% renewable energy for heat production

36,2%

27,3% in 2021 - Evolution : **+8,9 pts**
Target **≥ 30%**



02 COMBATING CLIMATE CHANGE

ISSUE 2.3 | DEVELOPING ENERGY EFFICIENCY

Our manufacturing processes, and in particular our paper mills, are relatively energy-intensive. Controlling the use of this energy, and therefore its costs, is of paramount importance to our Group, and an essential condition for its long-term competitiveness, all the more so after the explosion in prices in 2021/22.

CGW Packaging is committed to continuous improvement of its energy performance through ISO 50001 certification, which gives us an obligation to achieve results.

Indeed, a paper mill's activity is classified as a "UES - significant energy use", i.e. representing a significant proportion of energy consumption and/or offering considerable potential for improving energy performance.

Cartonnerie Gondardennes has been ISO 50001 certified since 2021, and Cartonnerie Lacaux has committed to the process in 2022, with the aim of obtaining certification in 2023.

THREATS:

- Rising and volatile energy costs.
- Regulatory obligations.
- Loss of competitiveness.
- Shortage of fossil fuels.

OPPORTUNITIES:

- Saving and preserving energy resources to combat climate change.
- Energy efficiency and sobriety.
- Market relevance and appeal.
- Reduced energy costs.

OUR RISK MANAGEMENT POLICY:

The Group has always worked on its energy efficiency while decarbonising its business. Today, it benefits from industrial choices that translate into a favourable energy mix: district heating, cogeneration and biogas (see "Pursuing decarbonisation" challenge).

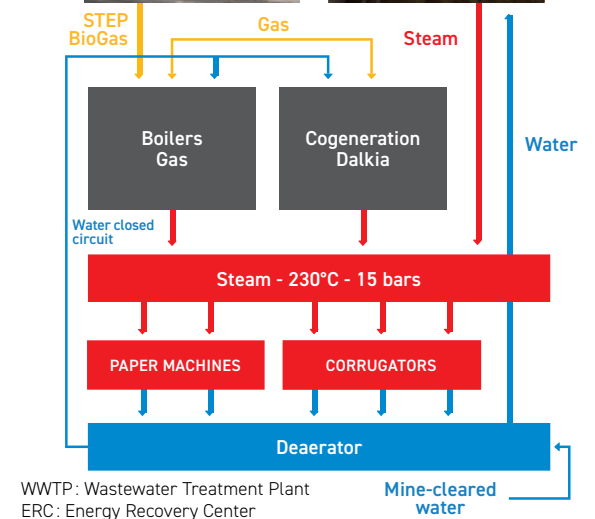
However, we are faced with the problem of our ageing fleet of machines, which were designed at a time when energy efficiency was not always a priority. We have therefore implemented a large number of actions in this direction.

OUR KEY ACTIONS FOR 2022:

- Iso 50001 :
 - Continuous improvement of energy efficiency through the ISO 50001 process at the Gondardennes site.
 - Development underway at Cartonnerie Lacaux, to be completed in 2023.
- For Cartonnerie Gondardennes :
 - New energy audit of our paper machines and dryer following the one carried out in 2015.
 - For optimum operation of the treatment plant: effluent conditioning using a hot water generator supplied with biogas from the same treatment plant (STEP).
 - Study validated to ensure total consumption of biogas produced by the wastewater treatment plant (project 2023), leading to electricity production via a biogas engine.

- Study on the automation of the optimal management of gas boiler burners, enabling the boiler minimum to be lowered while extending the operating range.
- Compressed air study validated (project 2023) to optimise :
 - production by integrating an automated compressor fleet management system
 - compressed air consumption by installing flow meters.

Cartonnerie Gondardennes' energy mix





02 COMBATING CLIMATE CHANGE

ISSUE 2.3 | DEVELOPING ENERGY EFFICIENCY

- Cogeneration:
Cartonnerie Gondardennes is a forerunner in this field, since the Wardrecques plant has been using cogeneration facilities (gas turbine and steam turbine) since the early 1980s, generating electricity while recovering heat to supply steam to the paper machines, thus creating a highly favourable energy balance.
- Plan to change converting machine engines: greater efficiency and lower emissions (Cartonnerie Lacaux).
- LED lighting:
 - Cartonnerie Lacaux: LED lighting deployment underway.
 - Cartonnerie Gondardennes: replacement of all the lighting in our 11 hectares of covered buildings



with LED bulbs, representing an annual saving of over 3,000 MWh.

Some warehouses, particularly storage warehouses, are not very busy, and traditional lighting is not virtuous. In addition to increasing luminosity, modern, homogeneous lighting improves the general environment, employee well-being and safety, while also having a strong impact on energy efficiency. In 2022, following an in-depth analysis, we upgraded our systems with intelligent lighting for all our buildings. The use of energy-efficient LED lamps and the installation of presence and luminosity sensors have enabled us to reduce our electricity consumption by more than 3,000 MWh.

EARMARKED RESOURCES:

Quality Director, Energy and Environment Manager, Industrial Director, Site Director

*A primary energy source is a form of energy available in nature before any transformation, e.g. gas. We use MWh eq. gas for all energy inputs (gas, electricity and steam).

RESULTS AND PERFORMANCE INDICATORS:

Number of sites certified 50001

1

1 in 2021
Target: 1

Primary energy consumption*
(Paper mill)

2,57 MWh eq. gaz / T paper

2,57 in 2021 - Evolution: 0%
Target ≤ 2,70

Primary energy consumption*
(Cardboard factory)

0,25 MWh eq. gaz /
1000m² cardboard

0,23 in 2021 - Evolution: +7,2%
Target < 0,30



03 WORKING FOR OUR EMPLOYEES

ISSUE 3.1 | PROTECTING THE HEALTH AND SAFETY OF OUR EMPLOYEES

Employee health and safety is a top priority for the Group. In an industrial sector where risks to employee health and safety are significant (workplace accidents, fires, etc.), the Group strives to offer its employees healthy and safe working conditions.

THREATS:

- Damage to the health and physical integrity of our employees.
- Risk of deterioration in working conditions and impact on the well-being of our employees.
- Disruption of teams due to work stoppages.
- Risk of skills mismatch.
- Employer's breach of responsibility.

OPPORTUNITIES:

- Guaranteeing the health and safety of our employees.
- Improving quality of life at work.
- Operational efficiency.
- Preserving our human resources.

OUR RISK MANAGEMENT POLICY:

Place health, safety and well-being at the heart of our concerns by continuing to deploy a health and safety system, and by developing a culture in which personal safety is paramount.

In 2022, the Group strengthened its organization by creating the position of Safety and Security Manager, with a cross-functional role at subsidiary level.

On April 28, 2022, the Group celebrated World Day for Prevention and Safety at Work and, for the 1st time, deployed a safety communication campaign within each subsidiary.

Safety Day
April 28, 2022



000
CARTONNERIE
GONDARDENNES



000
CARTONNERIE
ONDAINE



000
CARTONNERIE
LACAUX



Lucie Paque, Safety and Security Manager, and her assistant Anthony Hudry





03 WORKING FOR OUR EMPLOYEES

ISSUE 3.1 | PROTECTING THE HEALTH AND SAFETY OF OUR EMPLOYEES

We educate and train our employees in workplace risks. We monitor our performance on a regular basis and analyse workplace accidents in order to implement effective and sustainable prevention measures.

OUR KEY ACTIONS FOR 2022:

- Coordination of safety indicators at Group level.
- Cartonnerie Gondardennes :
 - Study of an automated packaging line project at the Wardrecques site.
 - Investment in ergonomic equipment to reduce musculoskeletal disorders (MSDs).
 - Implementation of a PPE (Personal Protective Equipment) plan, tested in advance by employees.
- Cartonnerie Lacaux :
 - Implementation of a gesture and posture plan (TMS).
 - Noise reduction.
 - Redevelopment of walkways (reel stock).
- Cartonnerie Ondaine :
 - Fire training (extinguisher handling) 49 people.
 - Renewal of PPE.
 - Purchase of removable safety barriers.

EARMARKED RESOURCES:

Safety and Security Manager, Human Resources Director, Industrial Director, Site Director

Safety Day

June 8, 2022 at Cartonnerie Lacaux



*Frequency rate = number of lost-time accidents x 1,000,000 / number of hours worked.

**Severity rate = Number of days off work x 1000 / Number of hours worked

RESULTS AND PERFORMANCE INDICATORS:

Frequency rate*
of lost-time accidents

44,1

56,8 in 2021 - Evolution: -22,3%
Target ≤ 37

Severity rate**
of lost-time accidents

4,15

4,10 in 2021 - Evolution: +1,1%
Target ≤ 3,5

Number of actions carried out

47

30 in 2021 - Evolution: +17
Target: 40



03 WORKING FOR OUR EMPLOYEES

ISSUE 3.3 | PROTECTING THE HEALTH AND SAFETY OF OUR EMPLOYEES

This involves the professional and personal development of employees, with a view to their employment, integration and employability, as well as their performance and commitment within the company.

THREATS :

- Risk of shortcomings in human capital development and difficulties in attracting and retaining our employees.
- Weakening of skills.
- Reduced employee commitment.

OPPORTUNITIES :

- Contributing to the company's development through listening and dialogue.
- Loyalty of our employees.
- Strengthening the commitment of our employees by developing their skills.

OUR RISK MANAGEMENT POLICY :

The Group empowers its employees by encouraging listening and dialogue, fostering commitment and developing skills.

Training is a key factor in the professional and personal development of employees, enabling the company to improve its performance.

At the crossroads between the needs of the company and those of its employees, it enables us to respond to the demands of internal and external developments, whether related to professions or technologies, whether technical or non-technical, and to support the company's strategy, while maintaining and reinforcing the employability of employees.

The aim is to encourage a culture of performance and development. To this end, the Group has deployed a training plan to enable all employees to keep their skills and knowledge up to date, to develop and

progress, thus serving the strategy and contributing to the company's performance.

We set up training programs based on the needs of our employees and the company. These are not exclusively identified during professional interviews. We organize in-house training as soon as a new employee arrives.

We deploy thematic training programs specific to our businesses, most of which are carried out in-house: transmission of the company's knowledge and expertise by our most experienced employees.

OUR KEY ACTIONS FOR 2022 :

- Cartonnerie Gondardennes :
 - Communication of the training plan to all social partners.
 - Training programs :
 - For the Box making activity on the machines: maintenance and innovation, offered by suppliers.
 - For the paper mill business, particularly in terms of processes.
 - For supervisors: tutoring, management...
 - Project to digitise the skills development plan (operational by 2024).
- Cartonnerie Lacaux :
 - as part of its CAP 22 plan (to increase production capacity), a complete corrugator and paper machine team was recruited, and other employees became multi-skilled, for a total of over 40 people who received training.

EARMARKED RESOURCES :

Human Resources Director, Managers



Mr Kevin Robert joined Cartonnerie Lacaux as a temp at the end of 2017.

Recruited as a machine operator, he became a multi-skilled operator on several machines just one year later. His managers recognised that he had the profile to move into administrative functions: there were opportunities in sales administration, and at the end of 2020 he became an administrative and sales assistant.





04 WORKING FOR OUR REGIONS

ISSUE 4.2 | PASSING ON OUR EXPERTISE

We work in a technical, complex but exciting world. The French paper and cardboard industry is having trouble attracting, recruiting and retaining staff, even though the job market has turned upside down.

THREATS:

- Loss of competitiveness, loss of expertise and experience, especially technical expertise.
- Team discontinuity, a source of disorganisation and customer dissatisfaction.
- Unattractive to new entrants.

OPPORTUNITIES:

For the company:

- Staying competitive, not losing the expertise and experience that are key to the company.
- To be able to rest on solid foundations and look to the future.
- Maintain the achievements and organisations that have proved their worth in terms of quality, reliability, safety, efficiency, etc...
- Ensuring continuity.

For employees:

- Maintaining the role and cohesion of workgroups.
- Empowering and rewarding "knowledge transfer" employees.
- Taking into account professional wear and tear among experienced employees.
- Make the company "more attractive" to new recruits, and encourage their integration and loyalty.

OUR RISK MANAGEMENT POLICY:

Our policies and commitments aim to generate value for all by combining economic performance with social performance in the regions where we operate.

We have strong local roots and a positive impact on local communities: we guarantee equal treatment for all, and locally develop the employability of men and women in our employment areas. For the CGW Packaging Group, employment is part of a proactive approach in favour of regional development, customer performance and employee professional fulfillment.

Our actions benefit the integration of a wide range of

local populations: long-term jobseekers, recipients of minimum social benefits, disabled workers and untrained young people...

Cartonnerie Gondardennes is a company resolutely committed to employment and training. Our history is illustrated by the creation 30 years ago by Alain Lamiot of the Bac Pro "paper industry", which became "MSMA" for Maintenance of automated systems - with a specialisation in Pulp and Paperboard in Saint-Omer.

CGW Packaging intends to promote and develop work-study programs for young people (professionalisation or apprenticeship contracts) as a genuine "springboard to employment", offering young people the opportunity to gain experience of the company through long-term learning situations linked to their professional projects and the acquisition of their diploma.

We also promote inclusiveness, especially for people with disabilities:

For more than 20 years, Cartonnerie Gondardennes has been working with an Establishment and Work Assistance Service (ESAT): "Les Pérides". More than a dozen young people are mobilised 2 to 3 days a week on the Wardrecques site. Cartonnerie Lacaux works with ESAT MAGNAC and LES SEILLES as well as ADAPEI Charente.



Jordan Evrard

Former trainee, followed a CQP (Professional Qualification Contract) training course as a transformation driver assistant, employed by Cartonnerie Gondardennes.



Sylvain Dissaux

A former apprentice, Sylvain has been working for Cartonnerie Gondardennes since 1994. In addition to his role as preparation manager at the Papeterie, he acts as tutor for all Papeterie apprentices..



04 WORKING FOR OUR REGIONS

ISSUE 4.2 | PASSING ON OUR EXPERTISE

To highlight our career paths and opportunities, talk about our commitment to integration and our corporate culture, we have carried out several initiatives in partnership with Afifor.

Afifor is the joint industry association dedicated to initial training and apprenticeships in the paper and cardboard industry. It brings together the industry's specialised schools and CFAs to implement the branch's apprenticeship policy.

In particular, we have produced testimonial videos for broadcast on our social networks, jobteaser and at job fairs...

Finally, we are planning to create a Career Area on the new Cartonneries websites and to strongly develop our employer brand.

We visit partner schools to present our company and our businesses.

We offer work-study positions.

OUR KEY ACTIONS FOR 2022 :

- Participation in recruitment forums with schools and job fairs.
- Collaboration with Pôle Emploi as part of the "First steps in the cardboard industry" program.
- Presentation of school activities for Cartonneries Lacaux and Gondardennes.
- Cartonnerie Lacaux talks to vocational high school teachers about safety and the industrial world.



Marie WYART, Sales Assistant

Marnie Menuge, Human Resources Manager



5th graders from Bosmie-L'Aiguille school visit a factory.

EARMARKED RESOURCES :

Human Resources Director, Marketing and Communication Director and managers

RESULTS AND PERFORMANCE INDICATORS :

% of work-study employees

4,3%

2,0% in 2021 - Evolution: +2,3 pts
Target : 5%

METHODOLOGY

SCOPE OF CONSOLIDATION

Quantitative social data have been consolidated at Group level for the 2021 and 2022 reporting periods.

Quantitative environmental data have been harmonised at Group level.

The environmental impact measured in terms of energy consumption, greenhouse gas emissions and waste concerns the Wardrecques, Bosmie-l'Aiguille and Andrézieux-Bouthéon production sites.

DATA COLLECTION METHOD

Data collection for 2021 and 2022 is organised as follows:

- Identification of the resources needed to collect quantitative and qualitative social, societal and environmental data from each site, in order to optimise data collection.
- Classification of source documents received according to three fields: social, societal and environmental. These documents are then made available to the Independent Third Party.
For the construction of this DEFP, data collection was organised with resource persons identified internally: resource persons identified by site to coordinate, when possible, and transmit quantitative and qualitative data for the social, environmental and societal fields.
- A project to set up a platform and reporting tool dedicated to the DEFP is currently under study.



SUMMARY TABLE OF INDICATORS

PILLAR	ENJEU	INDICATOR	ADDITIONAL INFORMATION ON THE INDICATOR	UNIT	PERIMETER	CONSOLIDATION MANAGER
1. OFFER SUSTAINABLE PRODUCTS	1.1 Designing circulatory products	Quantity of recycled paper Quantity of paper used	Tonnage of recycled paper consumed Tonnage of paper consumed	Tons Tons	- -	- -
		% recycled materials in finished products Production of recyclable corrugated board Total corrugated board production	- Tonnage of recyclable corrugated board Tonnage of corrugated board produced	% Tons Tons	CGW / LX / OND - -	CFO - -
	1.2 Designing products from local raw materials	Tonnage purchased (VP, starch) within a 250 km radius Total tonnage purchased (VP, starch)	Tons of waste paper (WP), starch	Tons Tons	- -	- -
		% of our finished products recyclable	-	%	CGW / LX / OND	Quality Director
		% of our MP* paper mill inputs produced within a 250 km radius	-	%	CGW / LX	CFO
2. COMBATING CLIMATE CHANGE	2.1 Preserving resources	M3 of process and cooling water discharged Tons of paper produced	GEREP statement -	m3 Tons	- -	- -
		Water discharges M3 of water withdrawn Tons of paper produced	- GEREP statement -	M3/T m3 Tons	CGW / LX - -	Industrial Director - -
		Water withdrawal Quantity of waste recycled Quantity of waste	- GEREP statement -	M3/T Tons Tons	CGW / LX - -	Industrial Director - -
		% of final waste	-	%	CGW / LX	Industrial Director
	2.2 Further decarbonisation	CO2 emissions CO2 emissions (scope 1+2)	Scope 1 + Scope 2 -	T.CO2 %	- CGW / LX / OND	- Industrial Director
		Quantity of heat from renewable sources Total heat quantity % renewable energy to produce heat	- - -	MWh steam MWh steam %	- - CGW / LX / OND	- - Industrial Director
2.3 Developing energy efficiency	Number of sites certified 50001	-	-	-	CGW / LX / OND	Quality Director
	Primary energies eq gas Paper production (Tons) Primary energy consumption (Paper mill)	- - -	MWh eq. gaz Tons MWh eq. gaz / ton	- - CGW / LX	- - Industrial Director	
	Primary energies eq gas Cardboard production (1000m²) Primary energy consumption (Cardboard mill)	- - -	MWh eq. gaz 1000 m² MWh eq. gaz / 1000m²	- - CGW / LX / OND	- - Industrial Director	
3. WORKING FOR OUR EMPLOYEES	3.1 Protect health and safety	Hours worked Accidents with lost time Days off work due to accident	Theoretical hours worked (excluding interims) Excluding interims Accidents with lost time only -	Hours Accidents Working days	- - -	- - -
		Lost-time accident frequency rate Lost-time accident severity rate	No. of lost-time accidents * 1,000,000/No. of hours worked No. of days off work * 1000/No. of hours worked	- -	All All	Safety Manager Safety Manager
		Number of shares Number of actions carried out	- Number of actions carried out	Number Number	- All	- General Manager
	3.3 Skills development	Number of employees Number of employees trained % of employees trained during the year	- Employees who received at least 1 training course during the year -	FTE Employees %	- - All	- - HR Director
Number of hours of in-house training Number of hours of external training Training hours per employee		- - -	Hours Hours Hours / FTE	- - All	- - HR Director	
4. WORKING FOR OUR REGIONS	4.2 Passing on our expertise	Number of employees on work-study contracts Total workforce % of work-study employees	Apprentis et contrat pro - -	FTE (including temp agencies) FTE (including temp agencies) %	- - All	- - HR Director

FTE = Full Time Employee | MP* = Raw materials | T = Ton | CGW = Cartonnerie Gondardennes | LX = Cartonnerie Lacaux | OND = Cartonnerie Ondaine

