



DECLARATION OF EXTRA-FINANCIAL PERFORMANCE 2023





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 2023. Given the date of publication of this document, information relating to the start of 2024 is also included where available.
- This Extra-Financial Performance Declaration (EFPD) constitutes the mandatory annual CSR reporting of CGW Packaging (the Group). This is the second EFPD, updated from that of 2022 by integrating all the achievements of 2023. It is also available for 5 years on the Group's website and its subsidiaries.

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

EDITORIAL FROM THE CHAIRMAN



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, with 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 Audomarois and Limoges areas.

Changes in regulations are forcing a growing number of companies to publish "**CSR**" information, i.e., information relating to Corporate Social Responsibility.

The "Extra-Financial Performance Declaration" (EFPD), 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 second edition of the EFPD gives us the opportunity to highlight the CGW Packaging Group's CSR performance in 2023, 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 our website for 5 years.

Sincerely,

Benoit DUVAL

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

FOREWORD

2023 saw a slowdown in the Paper and Cardboard business under the impact of geopolitical and economic situation.

After an excellent 2022, the market contracted sharply in 2023.

Despite the late fall in energy costs at the end of 2022, inflation was reinforced by the unstable international and geopolitical conditions in our customers' business.

In addition to market volatility, we need to be vigilant and prepared for what I would call "climate volatility". Our industry in the Audomarois basin experienced extremes last year with the vagaries of the weather : in the summer of 2023, the prefecture of Pas-de-Calais declared a state of drought vigilance.

A few months later, the department experienced exceptional floods that were widely publicized, which had a major impact on the population and our industry.

These phenomena are concrete consequences of climate change... which means that we must continue to prepare for a sustainable and profitable future by making our contribution.

In order to better serve its customers, the CGW Packaging Group can draw on its strengths to meet these various challenges and adapt to this changing context :

- over a century of expertise in our markets
- independent French family capital with a long-term vision
- strong local roots
- a buoyant, virtuous market that is evolving in the circular economy: corrugated board
- a long-standing commitment to the ecological transition
- ongoing, visionary investment.

This is our second Extra-Financial Performance Declaration (EFPD).

The Cartonnerie Gondardennes, Lacaux and Ondaine entities, as well as the Group's cardboard companies, converge towards a CSR policy whose actions you will find in the following pages the concrete in 2023.

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 EFPD.

I am 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

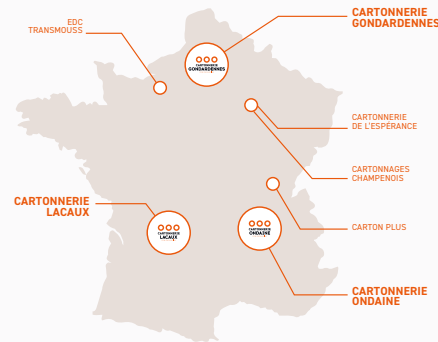


725 employees



6 production sites in France

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



ENVIRONMENTAL RESOURCES



Water: 901 000 m3



Energy: 512 000 MWh eq. gaz

FINANCIAL RESOURCES



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

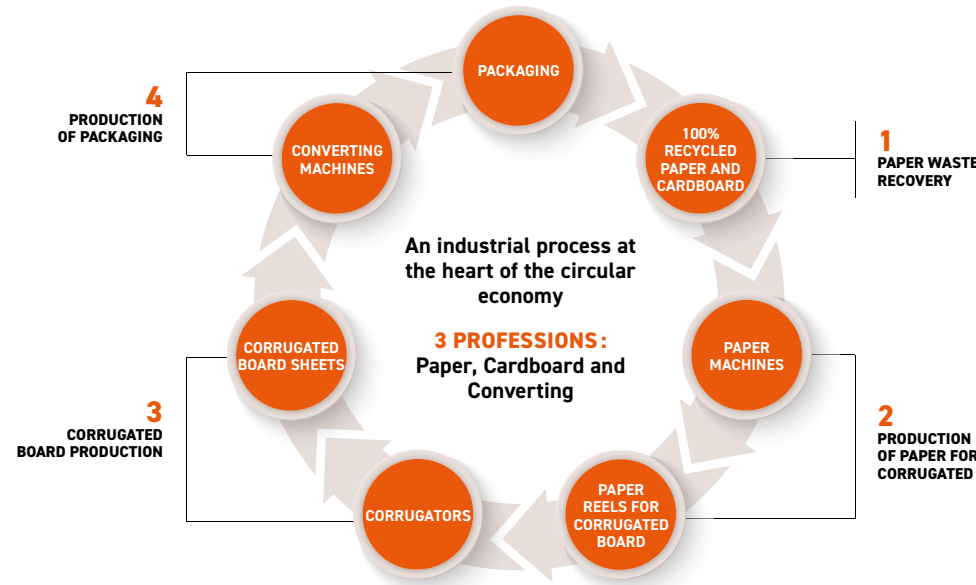
02 VALUE CREATION



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.



HISTORICAL PROFESSIONS

STRATEGIC DEVELOPMENT

3 PRODUCT RANGES



Transport packaging



POS and Ready to sell



Consumer packaging

CGW Packaging is the market leader in corrugated sheetboard. Our strategy is to better integration of the downstream value chain.

03 SHARED VALUE



€193M in sales by 2023, of which 17% from exports



1500 customers delivered in Europe



Average satisfaction of 3 cardboard mills = 93%



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



64% of employees benefited from training



18 apprenticeship and vocational contracts

FOR THE ENVIRONMENT



Reduction in CO2 emissions (scope 1+2) = -10% or -7040 tons between 2022 and 2023



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 = €3M

GOVERNANCE

Founded in 1897 and 100% family-owned, CGW Packaging is one of the last French independent companies 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.

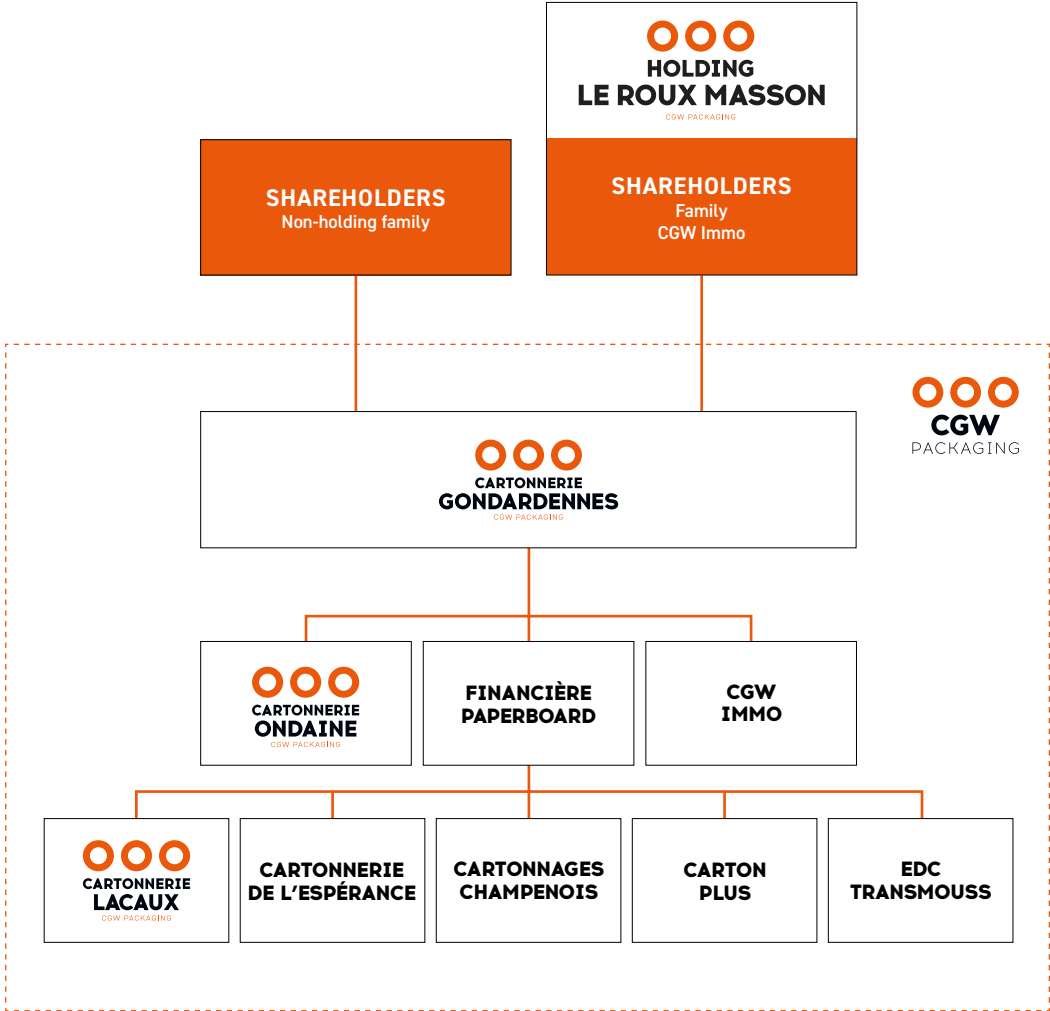
6 of these family directors are also members of the Cartonnerie Gondardennes Board of Directors and participate in the Group's strategic decisions, assisted in this mission by the expertise of 3 non-family directors.

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, passing on information, but also listening to shareholders and answering 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



HLRM BOARD OF DIRECTORS

- 11 family directors

BOARD OF DIRECTORS CARTONNERIE GONDARDENNES

- 6 family directors
- 3 independent directors
- 4 employees representatives

CORPORATE GENERAL MANAGEMENT

- Group Chief Executive
- Group Administrative and Financial Director
- Site managers



OUR APPROACH TO CSR



One day, legend has it,
there was a huge forest fire.

All the terrified, appalled animals
watched helplessly as the disaster unfolded.

Only the little hummingbird
was busy, fetching a few drops with
its beak and throwing them on the fire.

After a while, the armadillo, annoyed by
this ridiculous fuss, said to him:

“Hummingbird! You’re not mad, are you!

You’re not going to put out the fire
with those drops of water!”

And the hummingbird replied:
“I know that, but I’m doing my bit.”

Popularised Amerindian legend
Pierre Rabhi



OUR CSR MISSION

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

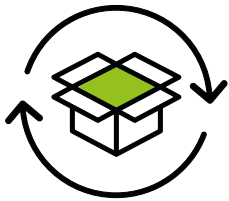
- **Group DNA**
- **4 pillars**
- **12 Commitments**
- **24 Indicators**



Eco-pasture at Cartonnerie Gondardennes.

Working together to build a sustainable future for our regions, at the heart of a circular economy

1 Submit 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

SUSTAINABLE DEVELOPMENT GOALS



The CGW Packaging Group is committed to the 17 Sustainable Development Goals (SDGs) defined by the United Nations.

The goals cover the 3 dimensions of sustainable development: economic growth, social inclusion and environmental protection.

The Sustainable Development Goals are a universal call to action to end poverty, protect the planet and improve the lives and prospects for everyone, everywhere.



VISIT THE WEBSITE



WE HAVE CHOSEN TO CONTRIBUTE TO 6 OF THEM:

PILLAR 1: OFFERING SUSTAINABLE PRODUCTS WITH SDG #12:



- **Responsible consumption:** introducing sustainable consumption and production. Avoiding waste, reducing waste and consumer goods (books, clothes, etc.) by reducing, reusing and recycling.

PILLAR 2: COMBAT CLIMATE CHANGE WITH:



- **SDG #6:** Access to safe water and sanitation. Guarantee access to water and sanitation for all and manage water resources sustainably.



- **SDG #7:** Use of renewable energy. Guarantee access for all to reliable, sustainable and renewable energy services at an affordable cost.



- **SDG #13:** Combat climate change. Take urgent action to combat climate change and its consequences.

PILLAR 3: WORKING FOR OUR EMPLOYEES WITH SDG #8:



- **Access to decent jobs:** Promote sustained, shared and sustainable economic growth full and productive employment and decent work for all.

PILLAR 4: WORKING FOR OUR TERRITORIES WITH SDG #4:



- **Access to quality education:** Ensure that everyone has access to education and promote quality learning opportunities under equitable conditions throughout life.

OUR EXTRA-FINANCIAL RISKS

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

The EFPD 2023 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 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 analyzed 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.

Our first edition covered 8 out of 12 commitments, this new edition is complete. The EFPD 2023 describes the actions and results of all these commitments.



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.

An update of the materiality matrix with stakeholder mapping and stakeholder interviews will be carried out in 2024 as part of the preparatory work for the Corporate Sustainability Reporting Directive (CSRD), which will replace the EFPD.

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 Further decarbonisation
- 2.3 Developing energy efficiency

3. Working for our employees

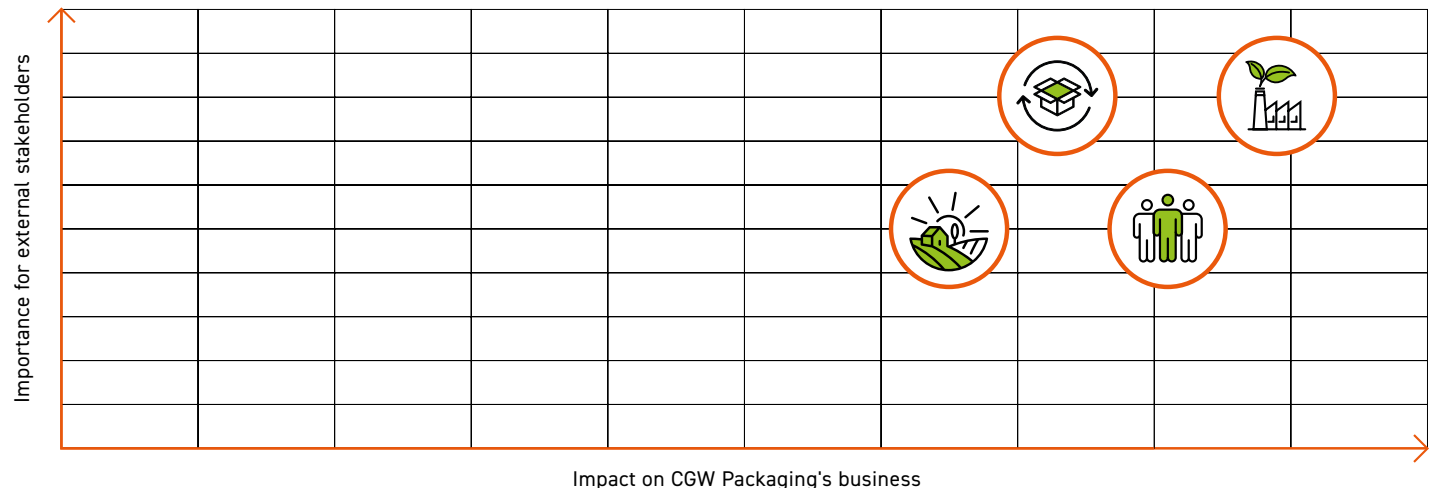


- 3.1 Protecting health and guaranteeing safety
- 3.2 Improving quality of life at work
- 3.3 Developing skills

4. Working for our regions



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





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.

OPPORTUNITIES:

- 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 cardboard factory 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 (recycled fibre or virgin fibre from forestry) are FSC® certified: this means that the fibres are recycled or come from an eco-managed forest FSC® certified, taking into account people, fauna and the environment. They are independently audited to ensure compliance with the standard. Finally, FSC® products are transformed into cardboard sheet packaging using an FSC® credit 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, optimize, mechanize 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, around 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

We have designed a digital decision-making tool in conjunction with the CTP (Paper Technical Center) and CAP (the cardboard industry federation):



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 2023:

- **Cartonnerie Gondardennes:**
 - Reducing weight by producing lighter papers with improved performance. Twenty 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 fiber: "KS" quality.
 - Cartonnerie Gondardennes was the 1st French industrial site to offer packaging with a new-generation paper tear strip: Tesa® 51344. This new tear strip makes recycling easier: the strip can be recycled directly with the packaging without having to be discarded during the pulp preparation process.



- **Cartonnerie Ondaine:**
Implementation of reverse logistics with Cartonnerie Gondardennes: all trimmings and paper waste from the corrugator and the converting machine go to the baling press where they are shredded and then returned to the lorries once these have been emptied of the paper reels, to Cartonnerie Gondardennes, where they are reused in its paper pulp production. The cores from the paper reels will also soon be integrated.
- **Cartonnerie Lacaux has recruited a Packaging Engineer, whose duties will include eco-design and the carbon impact of packaging solutions and compositions.**

EARMARKED RESOURCES:

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

RESULTS AND PERFORMANCE INDICATORS:

% recycled materials in finished products

86,1%

86,3% in 2022 - Evolution: -0,2 pts
Target ≥ 80 %

% of our finished products recyclable

100%

100% in 2022
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.

OPPORTUNITIES:

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

OUR RISK MANAGEMENT POLICY:

We have a long tradition of working with local suppliers, encouraging dialog 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 2023:

- The deployment of the supplier code, the purpose of which is to ensure that suppliers apply high standards of safety, working conditions, fair and respectful treatment of employees, and ethical

practices, is currently being rolled out. More than a dozen suppliers have signed up to it for Cartonnerie Gondardennes.

- Voluntary collection of cardboard and paper used for packaging waste from employees at the Wardrecques site amounted to 3.6 tonnes, which was reintegrated into the corrugated paper production process.
- Cartonnerie Lacaux recycles customer waste: cardboard is reused in the paper-making process and pallets are restored by a local workshop.
- Cartonnerie Ondaine: the raw material comes from Cartonnerie Gondardennes because it has no paper mill. The design office is shared with Cartonnerie Gondardennes.

EARMARKED RESOURCES:

Purchasing Manager and 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 Baudelet 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

92,3%

90,9% in 2022 - Evolution: +1,4 pts
Target ≥ 80 %



Non-hazardous waste | Closed bins





01 OFFER SUSTAINABLE PRODUCTS

ISSUE 1.3 | OFFER PRODUCTS WITH A LOW ENVIRONMENTAL IMPACT

We design products within an industry that is part of a circular economy (see 1.1) with the aim of reducing our ecological footprint throughout their life cycle.

We therefore aim to reduce the consumption of natural resources and greenhouse gas emissions, while limiting emissions, waste production and promoting sustainable practices at every stage of the value chain.

THREATS:

- Reputation: products whose environmental impact is neglected can damage the company's reputation.
- Regulation: changes in environmental regulations may impose additional costs or restrictions on the production and marketing of certain products.
- Competition: failure to meet growing end-consumer demand for environmentally-friendly products can lead to loss of market share.

OPPORTUNITIES:

- Innovation: designing products with a low environmental impact can stimulate innovation and open up new markets.
- Competitive advantages: offering more environmentally-friendly products can enhance a company's reputation and give it a long-term competitive edge.
- Cost savings: adopting more sustainable production practices can lead to cost savings (energy efficiency, waste reduction, etc.).

OUR RISK MANAGEMENT POLICY:

CGW Packaging is committed to reducing the consumption of resources, greenhouse gas emissions and waste production.

Cartonnerie Lacaux has been certified ISO 14001 in 2023 (environmental management system).



Khadija Sougraty, Jérôme Pizzinat and Auriane Imbert from Cartonnerie Lacaux

Certification of the Gondardennes site is under consideration.

We are working closely with suppliers to ensure compliance with environmental standards throughout the supply chain.

All our cardboard mills are FSC® certified:

Cartonnerie Lacaux has been certified since 2009 and was the 1st paper mill in France to obtain it! Cartonnerie Gondardennes obtained it in 2011 and Ondaine in 2021. They therefore meet the requirements of the Forest Stewardship Council by:

- Carrying out the necessary checks on paper suppliers.
- Promoting products from forests that respecting the principles of sustainable management.

Cartonnerie Gondardennes is committed to an ISO 22000 food safety program to develop its Converting activity. We regularly check that the recycled paper we manufacture complies with current regulations.

We closely monitor legislative and regulatory developments and adapt the company's practices accordingly.

Our environmental performance is measured via 19 key indicators, which can be found on pages 38 and 39.

OUR KEY ACTIONS FOR 2023:

- We have reduced the use of unsustainable materials, giving preference to recycled or biodegradable materials. For example, for water treatment sulphuric acid and soda are no longer used to demineralize the water in the steam circuit, this water is now treated by an osmosis unit. In addition, we use water-based inks for our converting machines, which are less polluting than conventional inks.
- The Purchasing department invests in researching new, greener products, more sustainable alternatives that are just as suited to our industrial needs.
- Cartonnerie Gondardennes:
 - Listing of a paper tear strip to replace plastic (cf. 1.1)
 - Trial of paper tying as an alternative to plastic tying for small packaging batches.



01 OFFER SUSTAINABLE PRODUCTS

ISSUE 1.3 | OFFERING PRODUCTS WITH A LOW ENVIRONMENTAL IMPACT

- Cartonnerie Ondaine has set up a biocide production project, launched in 2022, which will avoid the need to handle 200-litre drums of chlorine, and also to benefit from a regular supply of the product, leading to more regular treatment of the water used to prepare glue.



- Cartonnerie Lacaux has initiated a process aimed at using a multi-purpose maintenance product that is neither solvent-based nor in aerosol form.
- Employees have been made aware of the need to adopt sustainable practices : water, electricity, waste, etc...
 - Cartonnerie Ondaine launched its '0 waste' program, which is being applied in all departments. For example : stop using single-use glasses ; use of washable cloths and mops instead of single-use products. Next year, plastic strapping waste will be resold.
- Cartonnerie Lacaux, thanks to its recent ISO 14001 certification, is up to the expected standard.

- We work with institutions (Ademe, Agence de l'Eau Artois-Flandre) and environmental experts to assess and improve our environmental impact : CTP, CarbonFlash 4, JPC Partner, Greenflex, Cabinet de Saint-Front, Meaneo, etc.
- Transport : the Group gives preference to carriers using biofuels and with CSR certification. Cartonnerie Lacaux is working on a project for an electric truck to shuttle customers to and from the remote stock. Cartonnerie Ondaine applies a reverse logistics with its waste, which is sent to the Cartonnerie Gondardennes paper mill (see 1.1).
- Cartonnerie Gondardennes communicates on the environmental performance of its products by including the carbon footprint in their technical data sheets as well as in our online corrugated packaging design tool : **Optibox**.

EARMARKED RESOURCES :

Purchasing Manager and Director, Site Directors, Industrial Director, Paper Mill Director, Cardboard Factory Director, Quality Director.

RESULTS AND PERFORMANCE INDICATORS :

Number of FSC® certified sites

3

3 in 2022
Target : 3

Number of ISO 22000 certified sites

0

0 in 2022
Target : 1





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 demands 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 4.34 m³! This low consumption performance is achieved thanks to the installation of two water circuits.

The evaporation of process water is compensated by drawing water from the canal. Closing the process water circuits at Cartonnerie Gondardennes is a strong marker of its visionary commitment to preserving water resources, with consumption down by over 50% compared with an open-circuit paper mill.



Rainwater harvesting project promoted by the Flandres Artois water agency in TV commercials on the France Télévision group channels.



[WATCH THE VIDEO](#)



Rainwater recovery project at the Wardrecques site.



[WATCH THE VIDEO](#)



02 COMBATING CLIMATE CHANGE

ISSUE 2.1 | PRESERVING RESOURCES



1.7M invested at the Gondardennes site to recover rainwater over 11 hectares.

OUR KEY ACTIONS FOR 2023:

Significant investments have been made to water resources.

Cartonnerie Gondardennes has invested €1.7 million to reduce its water consumption even further and launched ambitious works to recover more than 125,000 m3 of rainwater from all the roofs of its Wardrecques production site, covering an area of 11.5 hectares. This investment will reduce water consumption to 2.7 m3/T vs 4.34 in 2023 per tonne of paper paper produced, which is almost 75% lower than a conventional paper mill.

The French Water Agency stated that "your project was presented as an exemplary model project".

Cartonnerie Gondardennes has also invested more than €900k to continue optimising the efficiency of the wastewater treatment plant connected to the site.

- Cartonnerie Lacaux has invested around €150k in the preservation of water resources to work on reusing its process water, drawing on the experience of Cartonnerie Gondardennes. With the support of the CTP (Paper Technical Centre) the 1st objective stage is to go from 8 m3 to 4.5 m3 by recovering treated effluent from the STEP into the paper mill's production process.
- Cartonnerie Ondaine recovers condensates glue in the corrugator production process.

EARMARKED RESOURCES:

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



The Group is joining World Water Day as a reminder of its commitment to preserving water resources (22 March 2023).

RESULTS AND PERFORMANCE INDICATORS:

Water discharges

2,73 m3/T

2,20 m3/T en 2022 - Evolution: +24%
Target ≤ 2,50

Water withdrawal

5,48 m3/T

4,75 m3/T en 2022 - Evolution: +15%
Target ≤ 5,00

% ultimate waste

5,4%

8,3% in 2022 - Evolution: -2,9 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 are becoming a selection criteria 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 2023:

• Cartonnerie Gondardennes:

- Operation of the "Flamoval" heating network network for 6 months, enabling the use of decarbonated steam energy and avoid more than 15,500T of CO2 emissions (see below).
- The production and use of biogas generated by the wastewater treatment plant has made it possible to decarbonise almost 2.07% of our total gas consumption. A new biogas engine project will recover and decarbonize 100% of the flared biogas.

• Cartonnerie Lacaux:

- Invested nearly €250k in energy and decarbonisation and successfully participated in various projects selected by ADEME. Cartonnerie Lacaux has twice won the Industry Zero Fossil Fuel call for projects: Decarb IND and Decarb Flash.
- Winner of the Decarb Flash call for projects aimed at to finance rapid action to reduce fossil fuel consumption in small industrial sites: energy savings in the manufacturing processes, etc. For example, the project to heat the water entering the MAP using wastewater from the Step. This initiative is eligible for European funding.

- Cartonnerie Lacaux has also set up a system for treating and recovering the heat generated by the corrugator to replace the existing natural gas radiant and unit heaters. The project involves installing a system to recover hot air from the corrugator and redirect it to several points in the workshop. A temperature regulator will also be installed. The environmental benefits will amount to around 150T of CO2/year.



Laurent Fischer, Group CEO, here at the European Parliament in Brussels in April 2023 was able to present to Members of the European Parliament Cartonnerie Gondardenne's commitment to the climate as a winner of the reinvest2050 event, organised by cepi (the european confederation of the paper industry).





02 COMBATING CLIMATE CHANGE

ISSUE 2.2 | FURTHERING DECARBONISATION

[Focus]

Flamoval Heat Network: a virtuous example decarbonisation through a public-private partnership (Cartonnerie Gondardennes).

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

The principle of the CVE (Energy recovery centre) is, via a 3.7 km insulated network, to send water from Cartonnerie 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 2023, Cartonnerie Gondardennes consumed more than 72,200 MWh of energy generated by the CVE thus reducing its emissions by more than 15,500T its CO2 emissions, i.e. by 35%!

[Focus]

Biogas: or how to decarbonize 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 2.07% of the Wardrecques site's energy needs.

EARMARKED RESOURCES:

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



Cartonnerie Gondardennes wastewater treatment plant

RESULTS AND PERFORMANCE INDICATORS:

CO2 emissions (scope 1+2)

60 760
T. EQ. CO2

67 800 t. eq. CO2 in 2022
Evolution: **-10% or -7040 tons**
Target: **75 000**

% renewable energy for heat production

29%

36% in 2022 - Evolution: -7 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 in 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 since 2021, Cartonnerie Lacaux has also committed to the process in 2022, with the aim of obtaining certification in 2024.

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: heat network, cogeneration and biogas (cf. 2.2).

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 towards this goal.

OUR KEY ACTIONS FOR 2023:

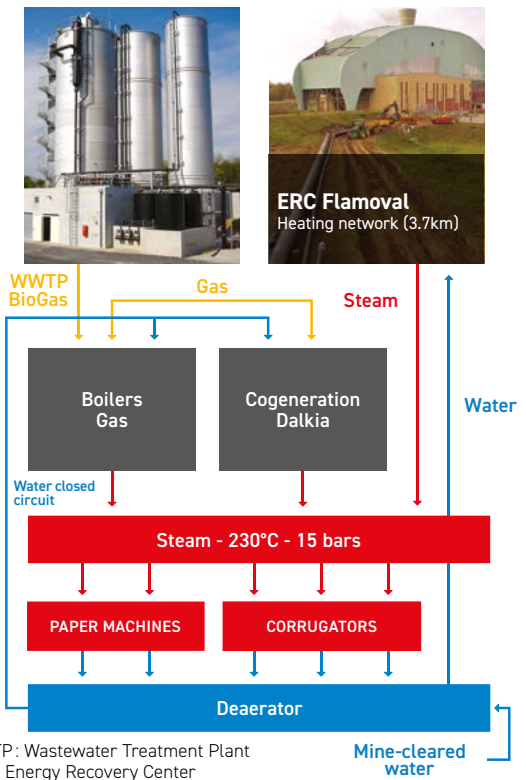
• Cartonnerie Gondardennes:

- A new engine project will make it possible to use biogas produced by the wastewater treatment plant to produce electricity.
- Compressed air projects have been set in order to optimise:
 - production by integrating an automated system compressor fleet management system.
 - compressed air consumption by installing flow meters.
- The objective of automating burner management is to make the boiler more efficient by more precise management of gas combustion, while offering greater flexibility in its power levels. By extending the operating range, the boiler can better adapt to the demand for heat while energy savings.

• Cartonnerie Lacaux:

Objective of ISO 50001 certification by the end of 2024. Installation of LED lighting throughout the site. The complete relamping of the site, eligible for energy saving certificates, will save 236 MWh/year.

Cartonnerie Gondardennes' energy mix





02 COMBATING CLIMATE CHANGE

ISSUE 2.3 | DEVELOPING ENERGY EFFICIENCY

Steam: installation of two new steam flowmeters, the aim of which is to be able to better measure the steam supply to the corrugator and steam input to the glue station.

This operation is part of the implementation of a system for measuring energy performance indicators (EPI) in the boiler room. This management tool is expected to generate 1% savings.

● Cartonnerie Ondaine :

The entire site has been operating with an adaptive adaptive LED lighting system. The boiler uses a micro-modulating burner, enabling it to use just what is needed, with optimized efficiency. Finally, Cartonnerie Ondaine has entered the ISO 50001 certification process with a view to obtaining it in 2025.



Flamoval energy recovery center

[Focus]

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.

EARMARKED RESOURCES :

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



Cartonnerie Gondardennes committed to eco-efficiency.



WATCH THE VIDEO

*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 2022

Target : 1

Primary energy consumption*
(Paper mill)

2,57 MWh eq. gaz / T paper

2,57 in 2022 - Evolution : 0%

Target ≤ 2,70

Primary energy consumption*
(Cardboard factory)

0,27 MWh eq. gaz /
1000m² cardboard

0,25 in 2022 - Evolution : +8%

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 28 April 2023, the Group celebrated World Day for Prevention and Safety at Work and deployed a safety communication campaign within each subsidiary.

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 2023:

- **Cartonnerie Gondardennes:**
 - Acquisition of ergonomic equipment to reduce musculoskeletal disorders and relieve weight-bearing: 2 "exoskeletons" with back belts.
 - Ergonomic improvements to administrative workstations: replacement of office equipment (chairs, footrests, etc.).
 - Deployment of the PPE (Personal Protective Equipment) plan is scheduled for 2024.
 - Site security project.
 - Organization of a safety meeting dedicated to supervisory staff to develop managers' commitment to "safety culture" issues in their teams: root causes? how to get teams on board?

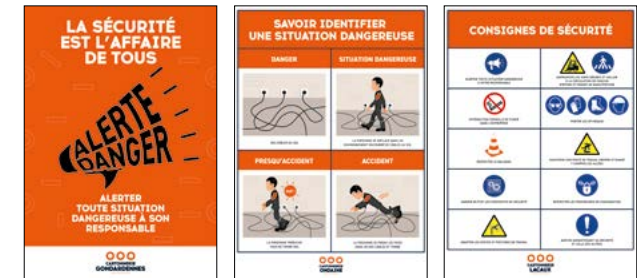
• Cartonnerie Lacaux:

Cartonnerie Lacaux celebrated on 28 April World Day for Safety and Health at Work, which promotes the prevention of accidents and illnesses. Cartonnerie Lacaux wanted to make this day an opportunity for compulsory information for all employees.

The training was organised around different stands: "Safety results", "Personal protective equipment", "Means of protection against environmental risk", "Risk prevention" and "Employee commitment" and ended with a moment of conviviality. This training course was an opportunity to remind participants of the rules, labour law, criminal law

and the responsibility of each individual in the field of safety.

As we were reminded at a booth: **"We don't come to work to get hurt"**.





03 WORKING FOR OUR EMPLOYEES

ISSUE 3.1 | PROTECTING THE HEALTH AND SAFETY OF OUR EMPLOYEES

On the shaping side, 2 exoskeletons are being tested.

A fitting centre has been installed on the corrugator's exit to avoid handling pallets by hand.

A quarterly safety review meeting has been set up for all employees.

"Safety discussions": this is a questioning session on a person's job carried out by pairs of members of the HSE unit, management and supervisors.

The aim is to carry out 70 of these per year, half of which were completed by 2023.

For some years now, employees have been drawing up prevention reports in the event of a risk or near-accident situation: the safety coordinator then deals with the matter.

• Cartonnerie Ondaine :

A study with an ergonomist and occupational physician from Sud Loire Santé au Travail was carried out on the processing machine.

MSD prevention on the compactor : operators have to make an over-the-shoulder to place the mandrels in the compactor, so a conveyor belt is installed to bring the reel cores and paper into the compactor, without having to make any movement.

Equipment has been purchased or replaced: cutters long blades by safety cutters; furniture for storing PPE in production; replacement of high safety shoes offering optimum protection for the foot, heel and ankle, administrative post arrangement...



EARMARKED RESOURCES :

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

*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

43,71

44,76 in 2022 - Evolution: -2%

Target ≤ 37

Severity rate** of lost-time accidents

3,24

4,21 in 2022 - Evolution: -23%

Target ≤ 3,5

Number of actions carried out

49

47 in 2022 - Evolution: +2

Target : 40



03 WORKING FOR OUR EMPLOYEES

ISSUE 3.2 | IMPROVING THE QUALITY OF LIFE AT WORK

We strive to create a healthy, fulfilling and balanced working environment where employees feel valued, supported and motivated. This encompasses various aspects such as health and safety at work, work-life balance, professional development, internal communication, and recognition of employees contributions.

THREATS:

- Employee disengagement, deteriorating social climate: an unfavourable working environment can lead to a lack of motivation, productivity and employee loyalty.
- High employee turnover: poor working conditions can lead to high staff turnover, which can be costly in terms of recruitment and training.
- Disputes and litigation: unresolved health and safety issues can lead to legal disputes and lawsuits, affecting the company's reputation and finances.

OPPORTUNITIES:

- Improved employee commitment, which translates into better performance and retention.
- A stronger employer brand to attract and retain talent in the marketplace.
- Innovation and creativity: fulfilled employees are more likely to be creative and come up with innovative ideas to improve processes or products.

OUR RISK MANAGEMENT POLICY:

We have initiated the development of a Group HR policy aimed at improving the Quality of Life in the workplace in line with the Group's CSR policy. CGW Packaging's occupational risk prevention policy aims to:

- Protect the physical and mental health of employees.
- Anticipate legal requirements in terms of health and safety at work.
- Contribute to the company's sustainable performance.
- Contribute to the quality of social dialogue.

The occupational health and safety approach is governed by agreements and action plans in the fields of Health and Safety, Quality of Life at Work, negotiated with social partners, which provide for the implementation of associated indicators and the monitoring of their implementation.

We promote a balance between employees' professional and personal lives. Each of the group's subsidiaries has its own

performance recognition and reward system to recognise the contribution. We regularly invest in the training and professional development of our employees to promote their growth and development within the company. In the CGW Packaging Group, 64% of employees were trained in 2023.

OUR KEY ACTIONS FOR 2023:

• Cartonnerie Gondardennes:

A reference agreement aimed at strengthening and improving professional equality between men and women has been signed. This agreement also aims to balance between professional and personal life.

For all employees, the implementation of an HRIS tool in January 2023 aims to simplify the employee/company relationship by offering a single portal for all legal provisions and work organisation: provision of contractual documents, monitoring of holidays, monitoring of attendance





03 WORKING FOR OUR EMPLOYEES

ISSUE 3.2 | IMPROVING THE QUALITY OF LIFE AT WORK

schedules (teleworking, face-to-face, travel, training), change of contact details, request for certificates etc...

• Our results in terms of diversity in 2023 :

The proportion of disabled employees is 6.43%. In addition, we have been working with labour support institutions or services for around twenty years (see 4.2).

The age pyramid is relatively balanced : 33% of employees are under 39, 50% are between 40 and 54 and 17% over 55.

The staff turnover rate is 6.9%, which is a moderate score that reflects both stability of internal staff movements, while maintaining a certain dynamism.

For the 2024 gender equality index calculated over 2023, Cartonnerie Gondardennes scored good result of 84/100, due in particular to perfectly equal pay for men and women for equivalent job categories as defined in the Collective Agreement.

The index cannot be calculated for other entities of the Group.

• Cartonnerie Lacaux :

The workshops are heated more efficiently and more ecologically by recovering the heat produced by the industrial activity.

Forty employees have already taken part in a 3-day health and safety training course.

Access to teleworking has also been encouraged for some of the administrative staff.



New workshop heating system.

From now on, vehicles used by mobile workers will be automatic gearbox to make driving easier and reduce tiredness.

• Cartonnerie Ondaine :

For making industry more attractive, Cartonnerie Ondaine has been offering for 20 years a 32-hour week, then 38 hours to 35 hours over a cycle of 2 weeks. Employees will then benefit from more recovery and more ease in arranging administrative or medical services, for example.

In particular, teleworking measures for administrative have been offered to pregnant women.

Because of the high temperatures in summer, the organisation of production has been adapted so that people can cool off in the control room, where an adiabatic air cooler (cooling of ambient air by evaporation, an entirely natural process requiring no polluting refrigerant) has been installed.

Finally, intra-group mobility is encouraged such as Mr Frederic Leporq, 24 years seniority at Cartonnerie Gondardennes, wanted to and joined Ondaine to bring all his skills.



Mr. Frédéric Leporq.

EARMARKED RESOURCES :

All directors, managers and supervisors.



03 WORKING FOR OUR EMPLOYEES

ISSUE 3.3 | DEVELOPING SKILLS

This involves the professional and personal development of employees, with a view to their 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, thereby contribute to the company's performance.

In addition to initial training when a new employee arrives we set up training programs tailored to their needs.

We offer themed training courses specific to our businesses, most of which is done in-house: passing on the company's knowledge and know-how by our most experienced employees.

OUR KEY ACTIONS FOR 2023:

- **Cartonnerie Gondardennes :**
 - Communication of the training plan to all social partners.
 - Training programs :
 - For the packaging 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 :** strengthened its HR department with a person in charge of launching and monitoring employee training
- **Cartonnerie Ondaine :** has trained more than 80% of its employees: production, energy, boiler rooms electrical risk, first aid and CSE (Social and Economic Committee) training, excluding mandatory training (bridge crane, CACES® permits, etc.).



Kevin Robert joined as a temporary employee at the end of 2017 at Cartonnerie Lacaux.

Recruited as a shaping operator, he became a multi-skilled driver. At the end of 2020, he moved into administrative and commercial roles.

EARMARKED RESOURCES:

Human Resources Director, Industrial Director, Sales Director



*after correction of 2022 data



04 WORKING FOR OUR REGIONS

ISSUE 4.1 | RESPONSIBLE PURCHASING

Stakeholders (customers, employees and shareholders) are becoming increasingly sensitive to the issues of sustainability and responsibility. Attentive to what they buy, they expect companies to be more transparent about the environmental and social impact of products. Companies that are able to provide accurate answers to these questions see their brand confidence grow.

By making progress together with our suppliers, we want to make purchasing an essential lever for the CGW Packaging and its ecosystem in terms of social responsibility.

THREATS:

- Reputational risks: purchasing products or services from suppliers involved in unethical or unsustainable practices can damage the company's reputation.
- Operational risks: suppliers who are unreliable or do not comply with quality and sustainability standards can cause disruptions in the supply chain and affect operational performance.
- Additional costs: the purchase of responsible products or services can sometimes result in higher costs, which can affect the company's profitability in the short term.

OPPORTUNITIES:

- Competitive advantages: adopting responsible practices can enhance a company's reputation, attract new customers and suppliers, and confer a long-term competitive advantage.



- Innovation: the search for alternative and sustainable solutions can stimulate the development of innovative new products and services.
- Risk reduction: working with reliable and responsible suppliers can reduce the risk of supply chain disruption, legal disputes and reputational damage.

OUR RISK MANAGEMENT POLICY:

The role of the Purchasing Manager/Director has become paramount. They help to steer the company's strategy so that it is sustainable, responsible and profitable.

Responsibility issues need to be taken into account in the following areas product design, manufacturing and distribution, throughout the value chain: implementation of sustainable solutions, particularly in terms of product end-of-life management, energy supply and carbon-free transport.

Purchasing must guarantee the availability of supply and the proper management of contracts and specific purchasing requirements for categories with a high environmental impact.

For the sake of consistency and as part of an ethical approach, the company must set an example and comply with the requirements it places on its suppliers and build balanced relationships with them.

The Group is committed to implementing and constantly improving purchasing practices within its various entities, particularly in the following areas:

1. the integrity of the purchasing process
2. the fairness of the supplier relationship
3. management and prevention of the risk of dependency
4. knowledge sharing and mutual development
5. improving the CSR expertise of purchasing professionals.



04 WORKING FOR OUR REGIONS

ISSUE 4.1 | RESPONSIBLE PURCHASING

Our supplier commitment charter

Since its establishment in 2022/23, the Supplier Commitment Charter has been a crucial component of purchasing contracts, ensuring that suppliers and service providers adhere to CGW Packaging's policy. It is based in particular on continued respect for:

- The Universal Declaration of Human Rights;
- The eight fundamental conventions of the ILO;
- The ten principles of the UN Global Compact;
- The United Nations Guiding Principles on Business and Human Rights.

The Supplier Code establishes the frame of reference for fair and transparent business practices. It stipulates that suppliers undertake to comply with the Group's requirements on human ethics and the environment.

There is also an alert mechanism for receiving reports of risks or behaviour that does not comply with the Group's operating principles or Duty of Vigilance requirements.

OUR KEY ACTIONS FOR 2023:

• Cartonnerie Gondardennes :

Developing a responsible purchasing culture : raising awareness among buyers and extending to other players in the purchasing process (operational...)

We renewed our registration with Sedex, a collaborative platform for sharing responsible sourcing data relating to production chains.

We have started to roll out our Supplier Code, with more than a dozen signatures. Resources will be put in place to enable faster deployment.

• Cartonnerie Lacaux :

An environmental charter detailing the requirements expected of suppliers has been created : the areas concerned are those relating to design and manufacture, waste and emissions, transport, safety and respect for the environment. 66 suppliers have signed the charter.

• Cartonnerie Ondaine :

The vast majority (90%) of our purchases concern raw materials, sourced from the Gondardennes paper mill. Other purchases, such as maintenance, pallets and "small" purchases, are few in number. However, we give preference to local suppliers within a 40 km radius whenever possible.

EARMARKED RESOURCES :

Purchasing Manager/Director, Industrial Director.





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.
- Lack of attractiveness 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 favoring 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 "Paper Industry" vocational baccalaureate.

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 Perides". More than a dozen young people are mobilised 2 to 3 days a week on the Wardrecques site.

Cartonnerie Lcaux works with ESAT MAGNAC and LES SEILLES as well as ADAPEI Charente.



Jordan Evrard
Former trainee, has completed a CQP (Professional Qualification Contract) as an assistant converting employee of Cartonnerie Gondardennes.



[WATCH THE VIDEO](#)



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 the 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 Affor.

Affor 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 ATCs (The Apprenticeship Training Centre) to implement the branch's apprenticeship policy.

In particular, we have produced videos of testimonials broadcast on our social networks, jobteaser as well as job fairs...

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

We give talks in partner schools to present our company and our jobs. We are opening up work-linked training positions.

OUR KEY ACTIONS FOR 2023:

To ensure continuity in the transmission of know-how, the Group recruited and trained about 20 work-study students in 2023.

- **Cartonnerie Gondardennes**: participated significantly in recruitment forums and in the presentation of its activities to schools and job fairs in 2023 and the 1st quarter of 2024.

Presentation at the Lycée Blaise Pascal in Longuenesse to present our professions with the Campus des métiers (30/03/2023).

Trade fair for secondary school students in Hazebrouck with IPC (04/10/2023).

Job dating with Capso and La Station in Saint-Omer (29/06/2023).



We have joined the GEIQ METALLURGIE association INDUSTRIE HDF - GESMI HDF confirming our commitment to sustainable employment and training. GESMI HDF is a group of employers specialising in the Metallurgy and Industry. They rely on GESMI's expertise for recruitment, training and support. GESMI goes further than the GEIQ by offering higher qualifications.

- **Cartonnerie Lacaux**: exchanges with vocational high school teachers on safety and the industrial world. Every year, we organize a safety talk for BTS and Lycée Pro teachers during their pedagogical meetings.



The Lycée Renoir is hosting an Erasmus exchange with a school in Denmark working on a circular economy project.

In addition, Cartonnerie Lacaux opens its factory to visits to stakeholders: business club, Chamber of Commerce and Industry (CCI), local authorities, prefecture, etc.





04 WORKING FOR OUR REGIONS

ISSUE 4.2 | PASSING ON OUR EXPERTISE

- **Cartonnerie Ondaine** : to mark its 40th anniversary all stakeholders were invited to a tour of the site and a moment of conviviality.



[Focus]

Cartonnerie Gondardennes takes part in the creation of a new BTS (vocational training certificate).

Our HR team has worked **on the creation of a BTS in "Process Control"** entirely dedicated to the cardboard industry. The creation of this BTS in Saint-Omer is original : it was supported by the Paper Industry (Afifor and IPC), the Laho Artois-Douaisis training centre in Leulinghem, the AFI-LNR in Rouen and approved by the French Ministry of Education... in less than a year, providing a highly flexible response to a crucial need for future employees trained in the specific technical skills in the paper and cardboard industry in the Audomarois basin.

The first class has 10 members, including 8 work-study students and 2 Cartonnerie Gondardennes employees.

Training young people is part of the history of Cartonnerie Gondardennes.

30 years ago Alain Lamiot - former head of Cartonnerie Gondardennes and former president of the Saint-Omer CCI - created the "Paper Industry" Bac Pro. This Bac Pro later became "MSMA" for "Automated Systems Maintenance", with a specialization in "Pulp, Paper and Cardboard"; then "Production Line Management", supported by the Brockus training center in Saint-Omer, now called Laho, which has enabled Cartonnerie Gondardennes to recruit, train, develop and retain its employees.

It should be remembered that this project came to fruition thanks to the commitment of the various stakeholders: Arnaud Vasseur and Evelyne Doulrens (Laho), Isabelle Margain and Sophie Dion (IPC Formation) Walter Milhamont, Bruno Courquin, Maria Boulet and Caroline Le Louarn (Manpower).

[LISTEN TO THE PODCAST OF THE INTERVIEW](#)



1st year of the "Process Control" BTS.



Cartonnerie Gondardennes wins PAPAWARDS for the best "jobs" initiative.

EARMARKED RESOURCES:

Human Resources Director, Marketing and Communication Director and managers.

RESULTS AND PERFORMANCE INDICATORS:

% of work-study employees

2,5%

4,2% in 2022 - Evolution : -1,7 pts

Target: 5%



04 WORKING FOR OUR REGIONS

ISSUE 4.3 | SUPPORTING OUR REGION

We are committed to actively contributing to the economic, social and environmental development of our region. This includes taking part in local development initiatives, supporting local players such as SMEs, associations, local authorities and citizens' initiatives.

THREATS:

- **Misperception:** involvement in solidarity actions can be perceived as opportunistic by the local community if they are not aligned with real needs or if they are not accompanied by a real desire for change.
- **Budgetary constraints:** investment in solidarity projects entail additional financial costs in the short term.
- **Partnership risks:** working with local players may involve conflicts of interest.

OPPORTUNITIES:

- **Strengthening community ties:** supporting local initiatives can strengthen ties of trust and solidarity with local community, which the company's image and its relations with its stakeholders.
- **This commitment federates, fosters pride and loyalty, and thus strengthens the commitment of employees.**
- **Competitive advantages:** a commitment to involvement can give the company a competitive advantage by enhancing its reputation, attracting and retaining customers who are sensitive to local issues.

OUR RISK MANAGEMENT POLICY:

The Group provides financial and material support to local initiatives such as educational programs, environmental projects or humanitarian initiatives. Each entity is autonomous to assess its local needs in a way that is consistent with the Group's commitments and values.

We are developing a Group sponsorship policy which will be operational in 2024.

We communicate transparently on the solidarity actions undertaken on our social networks or in the Group's in-house magazine "Le Mag".

The Group promotes local employment by favouring local suppliers and service providers wherever possible wherever possible (see 1.2).

OUR KEY ACTIONS FOR 2023:

• **Cartonnerie Gondardennes:**

We loaned equipment to help our colleagues who were affected by the historic flooding in the Audomarais basin.

Every year, our "Emballage Papier Carton en Fête" organised by the "Syndicat Régional de Papiers et Cartons" promote the industry's actions in favour of sustainable development and the environment was a resounding success: dozens of pallets were distributed to teachers, cultural associations, town halls, etc. in the Hauts-de-France region.

For the 3rd year running, we have renewed for the creation of handmade Christmas baubles by the Terre de Verre association in partnership with Arc. A great way to showcase Arc's glassmaking expertise and the creativity of Cartonnerie Gondardennes for the packaging.



Operation "Carton en fête".



Christmas baubles operation with Arc et Terre de Verre for UNICEF.

The cohabitation of glass and cardboard, noble materials and both recyclable, highlights the region's heritage and industries. Profits from sales are donated to Unicef, which protects the rights of every child.



04 WORKING FOR OUR REGIONS

ISSUE 4.3 | SUPPORTING OUR REGION

Biodiversity: we have commissioned a service provider to carry out an inventory of the environments and species in order to draw up a diagnosis and the necessary proposals for action. The conclusions are expected by the end of 2024.

Eco-pasturing: for the 4th year we have sheep on part of the site.



Eco-pasturing at Cartonnerie Gondardennes.

• Cartonnerie Lacaux :

made donations in kind to Secours Populaire, Restos du coeur and other organisations helping people in difficulty (over €8,000).

• Cartonnerie Ondaine :

• opened its doors to institutions, local political players, suppliers and customers to help them rediscover the company, its history and how it serves its region through a product from the circular economy: corrugated cardboard.



40 years Cartonnerie Ondaine.

• The Group supports and promotes sport :

• Cartonnerie Gondardennes sponsors the "wasc attitude" association, which organises the annual "foulées Wardrecoises" and the Wardrecoques youth football team.

• Cartonnerie Lacaux has made donations to the Handball Club (ABC entente Bosmie-L'Aiguille) and the Sports Club (ASPTT Limoges). Cartonnerie Lacaux is supporting Adrien Thévenet, a judoka who is a member of the ASPTT Limoges and a three-time French champion in his Para Judo Adapté category (under 66kg), by funding his licence and travel.

Finally, it also organised a visit to the site for the St Junien basketball business club.

• Cartonnerie Ondaine sponsors the "Etoile Sportive de Veauche" football club near the site (U7 category).

EARMARKED RESOURCES :

General Manager, Human Resources Director, Marketing and Communication Director, Site Directors, Industrial Director, Human Resources Director.



Sponsoring Cartonnerie Gondardennes.



Sponsoring Cartonnerie Ondaine.

METHODOLOGY

SCOPE OF CONSOLIDATION

Quantitative social data have been consolidated at Group level for the 2022 and 2023 reporting periods.

Quantitative environmental data have been harmonized at Group level.

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

DATA COLLECTION METHOD

Data collection for 2022 and 2023 was 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 were then made available to the Independent Third Party. For the construction of this EFPD, 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.



METHODOLOGICAL SUMMARY TABLE

PILLAR	ISSUE	INDICATOR	ADDITIONAL INFORMATION ON THE INDICATOR	UNIT	PERIMETER	CONSOLIDATION MANAGER
1. OFFER SUSTAINABLE PRODUCTS	1.1 Designing circulatory products PAGE 14-15	Quantity of recycled paper	Tonnage of recycled paper consumed	Tons	-	-
		Quantity of paper used	Tonnage of paper consumed	Tons	-	-
		% recycled materials in finished products	-	%	CGW / LX / OND	DAF
		Production of recyclable corrugated board	Tonnage of recyclable corrugated board	Tons	-	-
	Total corrugated board production	Tonnage of corrugated board produced	Tons	-	-	
	% of our finished products recyclable	-	%	CGW / LX / OND	Quality Manager	
1.2 Designing products from local raw materials PAGE 16	Tonnage purchased (VP, starch) within a 250 km radius	Tons of waste paper (WP), starch	Tons	-	-	
	Total tonnage purchased (VP, starch)	-	Tons	-	-	
	% of our MP* paper mill inputs produced within a 250 km radius	-	%	CGW / LX	DAF	
1.3 Offer products with low environmental impact PAGE 17-18	ISO 22000 certification for the Wardrecques site	-	Number	CGW	Quality Manager	
	Number of certified sites	-	-	-	-	
	Number of sites concerned	-	-	-	-	
Maintaining FSC® certification	-	Number	CGW / LX / OND	Quality Manager		
2. COMBATING CLIMATE CHANGE	2.1 Preserving resources PAGE 19-20	M3 of process and cooling water discharged	GEREP statement	m3	-	-
		Tons of paper produced	-	Tons	-	-
		Water discharges	-	M3/T	CGW / LX	Industrial Manager
		M3 of water withdrawn	GEREP statement	m3	-	-
		Tons of paper produced	-	Tons	-	-
		Water withdrawal	-	M3/T	CGW / LX	Industrial Manager
	Quantity of waste recycled	GEREP statement	Tons	-	-	
	Quantity of waste	-	Tons	-	-	
	% of final waste	-	%	CGW / LX	Industrial Manager	
	2.2 Further decarbonisation PAGE 21-22	CO2 emissions	Scope 1 + Scope 2	T.CO2	-	-
		CO2 emissions (scope 1+2)	-	%	CGW / LX / OND	Industrial Manager
		Quantity of heat from renewable sources	-	MWh steam	-	-
Total heat quantity		-	MWh steam	-	-	
% renewable energy to produce heat	-	%	CGW / LX / OND	Industrial Manager		
2.3 Developing energy efficiency PAGE 23-24	Number of 50001 certified sites	-	Number	CGW / LX / OND	Quality Manager	
	Primary energy eq. gas	-	MWh eq. gas	-	-	
	Paper production (Tons)	-	Tons	-	-	
	Primary energy consumption (paper mill)	-	MWh eq. gas / ton	CGW / LX	Industrial Manager	
	Primary energy eq. gas	-	MWh eq. gas	-	-	
	Cardboard production (1000m²)	-	1000 m²	-	-	
Primary energy consumption (cardboard mill)	-	MWh eq. gas / 1000m²	CGW / LX / OND	Industrial Manager		

FTE = Full Time Employee | PR* = Raw Materials | T = Tonne | CGW = Cartonnerie Gondardennes | LX = Cartonnerie Lacaux | OND = Cartonnerie Ondaine.

OF INDICATORS

PILLAR	ISSUE	INDICATOR	ADDITIONAL INFORMATION ON THE INDICATOR	UNIT	PERIMETER	CONSOLIDATION MANAGER
3. WORKING FOR OUR EMPLOYEES	3.1 Protect health and safety PAGE 25-26	Hours worked	Theoretical hours worked (excluding interims)	Hours	-	-
		Accidents with lost time	Accidents with lost time only (excluding interims)	Accidents	-	-
		Days off work due to accident	-	Working days	-	-
		Lost-time accident frequency rate	Number of lost-time accidents * 1 000 000 / Number of hours worked	%	All	Safety Manager
		Lost-time accident severity rate	Number of days off work * 1000 / Number of hours worked	%	All	Safety Manager
		Number of shares	-	Number	-	-
	Amounts invested	-	€	-	-	
		Reducing drudgery and the risk of accidents	Number of actions and investments	-	All	General Manager
	3.2 Improve quality of life at work PAGE 27-28	Quality of life at work survey	-	-	-	-
Measuring quality of life at work		-	-	All	Human Resources	
3.3 Develop skills PAGE 29	Number of employees	-	FTE	-	-	
	Number of employees trained	Employees who received at least 1 training course during the year	Employees	-	-	
	% of employees trained during the year	-	%	All	Human Resources	
	Number of hours of in-house training	-	Hours	-	-	
	Number of hours of external training	-	Hours	-	-	
	Training hours per employee	-	Hours / FTE	All	Human Resources	
4. WORKING FOR OUR REGIONS	4.1 Responsible purchasing PAGE 30-31	Number of purchases with a positive social and environmental impact	-	Number	-	-
		Number of responsible purchasing actions	-	Number	-	Purchasing Director or Manager
	4.2 Passing on our expertise PAGE 32-34	Number of employees on work-study contracts	Apprentices and professional contracts	FTE (including temp agencies)	-	-
		Total workforce	-	FTE (including temp agencies)	-	-
		% of work-study employees	-	%	All	Human Resources
	4.3 Supporting our region PAGE 35-36	Number of hours worked by ESATs	-	Hours	-	-
		Number of hours ESAT	-	Hours	All	Human Resources
		Number of actions in support of environmental (biodiversity) / local / sponsorship projects...	-	Number	-	-
		Number of social and environmental projects	-	Number	All	General Manager

FTE = Full Time Employee | PR* = Raw Materials | T = Tonne | CGW = Cartonnerie Gondardennes | LX = Cartonnerie Lacaux | OND = Cartonnerie Ondaine.

Purchasing Director or Manager*: depending on the site, the Purchasing function is split between the Purchasing Director, the Site Director, the Supply Chain Director and/or the Industrial Director. The term "Purchasing Director or Manager" is therefore intended to be generic.

