

## PROGRESS ON DEPLOYMENT OF THE GROUP CORPORATE SOCIAL RESPONSIBILITY PROGRAM

In 2020, Fives redefined its values and reaffirmed its commitment to a virtuous approach to its activities, creating long-term value. To achieve this, the Group relies on a frugal management style, agile governance and strict business ethics.

Current CSR projects are consistent with these values. All the actions implemented, the results obtained in 2020 and the objectives for 2021 are detailed in the table below.



In 2020, the global pandemic of COVID-19 disrupted the economy and reminded us that the world is fragile. This crisis requires industrial companies to accelerate their transformation towards a virtuous industry.

It is in this context that Fives is pursuing its major programs: regionalization of trade, digitization and innovation to address climate change.

And reporting on our actions through the United Nations Global Compact allows us to affirm even more strongly our commitment to “Faire aimer l’industrie”

**Frédéric Sanchez**  
Chairman and CEO of Fives

## THE TEN PRINCIPLES of the United Nations Global Compact



















- 1 Support and respect the protection of internationally proclaimed human rights.
- 2 Not be complicit in human rights abuses.
- 3 Uphold the freedom of association and the effective recognition of the right to collective bargaining.
- 4 Support the elimination of all forms of forced and compulsory labour.
- 5 Support the effective abolition of child labour.
- 6 Support the elimination of discrimination in respect of employment and occupation.
- 7 Support a precautionary approach to environmental challenges.
- 8 Undertake initiatives to promote greater environmental responsibility.
- 9 Encourage the development and diffusion of environmentally friendly technologies.
- 10 Work against corruption in all its forms, including extortion and bribery.

















Source: UNGC













The value of sharing principles

Commitments	Group's objectives	Program and action plans	Level of maturity at end-2020	Achievements at end-2020	2021 Achievements
 Minimizing the environmental footprint of Fives and its customers	<b>Reduce our sites' environmental impacts:</b> GC7 - GC8 	<ul style="list-style-type: none"> <li>Support all our industrial sites towards ISO 14001 certification</li> <li>Reduce the Group's energy consumption by 10% by 2022</li> </ul>	 	<ul style="list-style-type: none"> <li><b>Certification program for the Group's industrial sites:</b> <ul style="list-style-type: none"> <li>80% of the Group's industrial sites ISO 14001-certified</li> <li>50 sites of all types ISO 14001-certified within the Group</li> </ul> </li> <li><b>Energy consumption:</b> <ul style="list-style-type: none"> <li>Monitoring of reduction targets set by companies to achieve the energy reduction objective: -10% on consumption in kWh/hour worked by the end of 2022 (reference year: 2018)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Carry out the first measurement of the Group's carbon footprint.</li> <li>Launching work to define a Group-wide climate strategy with experts.</li> <li>Pursue the work carried out in terms of environmental management at our sites</li> </ul>
	<b>Improve the environmental performance of our customers:</b> GC7 - GC8 - GC9 	<ul style="list-style-type: none"> <li>Help subsidiaries to integrate environmental criteria into their design processes</li> <li>Enhance and develop services that extend the life of our products and clients' equipment</li> </ul>	 	<ul style="list-style-type: none"> <li><b>Conduct a Group-wide inventory</b> of high-performance solutions that contribute to our clients' environmental performance:           <ul style="list-style-type: none"> <li>development of digital solutions to optimize processes: energy and raw material consumption, etc.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Definition of the Group's new roadmap structured around 2 axes :</b> <ul style="list-style-type: none"> <li>To be recognized by our customers for the environmental benefits of our solutions</li> <li>Develop new solutions in both historical and new markets</li> </ul> </li> <li><b>Obtaining the Solar Impulse label for four of our Fives solutions:</b> <ul style="list-style-type: none"> <li>SmartLine, an already multi-distinguished digital solution for steel processing,</li> <li>H.R.A.™ (Heat Recovery Area), a solution in line with the environmental challenges of glass production</li> <li>AMELIOS Suite,</li> <li>Virtuo™ OptiScale.</li> </ul> </li> </ul>
	<b>Apply our expertise to Climate Change and Circular Economy:</b> GC7 	<ul style="list-style-type: none"> <li>Adapt our solutions to meet these challenges</li> </ul>		<ul style="list-style-type: none"> <li><b>Circular economy:</b> <ul style="list-style-type: none"> <li>Ongoing development of the Rhodax® recycling process for deconstruction concrete.</li> </ul> </li> <li><b>Climate change and circular economy:</b> <ul style="list-style-type: none"> <li>Development of a new service: Fives Remote Services</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Innovation : Hydrogen project :</b> <ul style="list-style-type: none"> <li>Mobilization of the Innovation department around hydrogen and its use in industry.</li> </ul> </li> </ul>
 Being a responsible economic actor	<b>Promote fair market behaviour:</b> GC10 	<ul style="list-style-type: none"> <li>Define the new Group compliance roadmap</li> <li>Setting up of the internal alert system</li> <li>Promote social responsibility in our commercial offer</li> </ul>	  	<ul style="list-style-type: none"> <li><b>Business ethics:</b> <ul style="list-style-type: none"> <li>In 2020, the Group Compliance Department continued to roll out the corruption prevention system, providing remote training to nearly 400 employees.</li> </ul> </li> <li><b>Internal control:</b> <ul style="list-style-type: none"> <li>Posting and communication of the Guidelines accessible via the Group's intranet portal.</li> </ul> </li> <li><b>Enhancing the value of the non-financial rating for our clients:</b> <ul style="list-style-type: none"> <li>Improvement of the rating with a Confirmed (Gold) level, 78/100, top 1% of the panel of 35,000 companies rated by EcoVadis in 2020.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Business Ethics:</b> <ul style="list-style-type: none"> <li>Definition of an ethical behavior guide: The Fives Business Ethics Charter sets out the general framework for the professional behavior of each of the Group's employees. This ethical behavior guide details the methods of application and gives examples of situations in which it can be applied.</li> <li>Creation of e-learning training materials on corruption, anti-competitive practices, etc. available on the digital HR platform: Fives&amp;Me. This training will be mandatory for all new employees.</li> </ul> </li> <li><b>Internal control:</b> <ul style="list-style-type: none"> <li>Review of the Group's major risk mapping with an external consultancy firm.</li> </ul> </li> </ul>
	<b>Deploy a "Responsible Purchasing" approach:</b> GC1 – GC2 – GC3 – GC4 – GC5 – GC8 – GC10 	<ul style="list-style-type: none"> <li>Place CSR at the heart of the purchasing process</li> </ul>		<ul style="list-style-type: none"> <li><b>Purchasing:</b> <ul style="list-style-type: none"> <li>Launch of the new CSR Charter for suppliers and subcontractors to all Group subsidiaries</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Purchasing:</b> <ul style="list-style-type: none"> <li>All new suppliers will have to sign the CSR Charter for suppliers and subcontractors, and this will then be extended to the others.</li> <li>Optimization of the CO2 impact of logistics: under study</li> </ul> </li> </ul>

 Non-deployed topic
  Emergent
  In construction
  Defined, with deployment in progress
  Fully deployed

Commitments	Group's objectives	Program and action plans	Level of maturity at end-2020	Achievements at end-2020	2021 Achievements
 Being a responsible employer	<p>Preserve the health and safety of the women and men working for Fives: GC1 – GC2 – GC4 – GC5</p>  	<ul style="list-style-type: none"> <li>• <b>Continue the Group Safety Ambition 2018-2020 program:</b> <ul style="list-style-type: none"> <li>- Reduce the accident frequency rate to 2.5 or below</li> <li>- Reach 0 severe accidents</li> <li>- No fatality (including subcontractors)</li> <li>- Reinforce the safety culture on customer sites</li> </ul> </li> <li>• <b>Ensure the management of the medical and safety assistance program for the travel abroad of the Group' employees:</b> <ul style="list-style-type: none"> <li>Train and support Group companies to prevent and limit the risks to which their employees could be exposed during abroad professional missions on Fives sites or at the customer's site</li> </ul> </li> <li>• <b>Define an Health and Well-being at Work program to prevent accidents and work related illnesses</b></li> </ul>	    	<ul style="list-style-type: none"> <li>• <b>Safety results:</b> <ul style="list-style-type: none"> <li>- a lost-time frequency rate that increases slightly from 3.39 to 2.65,</li> <li>- the severity rate of 0.10 returned to a level close to that of 2018</li> <li>- the Group nevertheless regrets the death of two subcontractors on a site in Mexico</li> </ul> </li> <li>• <b>Group Safety Ambition program:</b> <ul style="list-style-type: none"> <li>- Development of a digital application for safety purposes, allowing for risk analysis prior to the task, direct reporting of incidents, etc.</li> </ul> </li> <li>• <b>Strong mobilization of all Health and Safety teams in the management of the COVID-19 health crisis.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Update of the Group Safety Ambition program:</b> <ul style="list-style-type: none"> <li>- Construction of the Health &amp; Safety 2022 roadmap</li> <li>- Definition of an associated action plan to achieve the chosen objectives</li> </ul> </li> <li>• <b>Quality of work life:</b> <ul style="list-style-type: none"> <li>- Start of a Group-wide reflection.</li> </ul> </li> </ul>
	<p>Promote diversity and guarantee equal opportunity: GC6</p>    	<p><b>Promote diversity and raise awareness of non-discrimination</b></p> <ul style="list-style-type: none"> <li>• <b>Gender equality in the workplace and equal opportunity:</b> <ul style="list-style-type: none"> <li>- To encourage, develop and enhance the place of women at Fives and support their career path</li> <li>- Make our organizations attractive and encourage employees to be ambassadors for the Group to external stakeholders (schools, technical and scientific partners, etc.)</li> </ul> </li> <li>• <b>Professional integration of young people:</b> <ul style="list-style-type: none"> <li>- Increasing the number of young people, including those from the disadvantaged areas, who will be able to discover the company and the industry</li> <li>- Ongoing and strengthening of the system to attract and train young talent</li> </ul> </li> <li>• <b>Employment of people with disabilities:</b> <ul style="list-style-type: none"> <li>- Promote access to employment and secure the professional careers of people with disabilities within the Group</li> <li>- Reinforce collaboration with the adapted and protected sector (EA/ESAT in France)</li> </ul> </li> </ul>	     	<ul style="list-style-type: none"> <li>• <b>Deployment of the Women@Fives program</b> to encourage and support female talent:             <ul style="list-style-type: none"> <li>- Setting-up partnerships with associations to promote women in the industry in France (Elles bougent) and in the United States ((Women in manufacturing),</li> <li>- Analysis the survey sent to all Group employees, across all activities and all countries, to measure their expectations and incorporate certain suggestions into the program,</li> <li>- Deployment of adapted support and development programs in China, France and the United States: individual mentoring, Leadership@Fives group program, etc.</li> </ul> </li> <li>• <b>Female-to-Male Proportion:</b> <ul style="list-style-type: none"> <li>- 16% women among employees</li> <li>- 20% of women on management committees (+5% compared to 2019)</li> </ul> </li> <li>• <b>Professional integration of young people:</b> <ul style="list-style-type: none"> <li>Commitment in the commitment plan "La France, une chance" mainly for the benefit of young people in the City's Priority Neighborhoods (QPV). Ongoing partnership in France with the Nos Quartiers ont des talents (NQT) association.</li> </ul> </li> <li>• <b>Youth welcome at Fives:</b> <ul style="list-style-type: none"> <li>In France :</li> <li>- 97 trainees and work-study students at the end of the program (+11,5% compared to 2019</li> <li>- 17,5% of them were offered a contract, 100% accepted.</li> </ul> </li> <li>• <b>Prevention of discrimination:</b> <ul style="list-style-type: none"> <li>- Ongoing discrimination prevention training (open to managers and mandatory for recruiters).</li> </ul> </li> <li>• <b>Disability:</b> <ul style="list-style-type: none"> <li>- 1,77% of the workforce are people with disabilities.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Definition of a new <b>Group Diversity Charter</b> in line with the CSR policy and the Group's new "Raison d'être": Faire aimer l'industrie - Industry can do it.</li> <li>- Development of a french disability inclusion program</li> <li>- Reinforcement of training courses and modules on non-discrimination and harassment.</li> <li>• <b>Women@Fives program:</b> <ul style="list-style-type: none"> <li>- Adaptation and deployment of specific programs in Italy and other countries.</li> </ul> </li> <li>• Reinforcement of the youth reception system to increase the capacity to receive interns and work-study students in Group companies in France and abroad.</li> </ul>

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 <p>Being a responsible employer</p>	<p>Manage a forward-planning management of jobs and skills: GC1 – GC2</p> 	<ul style="list-style-type: none"> <li><b>Development of a forecast strategy for jobs and organizations in each company:</b> A 4-step program, based on the strategy defined at the activity level:               <ul style="list-style-type: none"> <li>- Determine the business goals and the operational goals</li> <li>- Identify the skills required to achieve these objectives</li> <li>- Qualify existing positions in the company in relation to the required skills</li> <li>- Perform a gap analysis and set up an action plan</li> </ul> </li> <li><b>Human Resources Evaluation and Development Committee:</b> Annual career management committee in each subsidiary, attended by the management team and a Human Resources representative, to:               <ul style="list-style-type: none"> <li>- Determine which measures need to be taken to improve employee performance</li> <li>- Approve personal career plans</li> </ul> </li> <li><b>Training plan and monitoring of employee development</b></li> </ul>	  	<ul style="list-style-type: none"> <li><b>Create and maintain dialogue:</b> <ul style="list-style-type: none"> <li>- 468 people have been received at a Starter interview (assessment carried out 6 to 18 months after the arrival of a new recruit to validate the integration and suitability for the position).</li> <li>- 71% of the workforce have had an annual interview (-5% compared to 2019).</li> </ul> </li> <li><b>Evaluate and develop:</b> Human Resources Evaluation and Development Committee (CEDRE):               <ul style="list-style-type: none"> <li>- 55% of the workforce has been evaluated in CEDRES (-12% compared to 2019).</li> </ul>               The follow-up of action plans has been optimized thanks to the digitalization of these exchanges under the Fives&amp;Me HR information system.             </li> <li><b>Training and support for employee development :</b> The year 2020 was characterized by the need to quickly and efficiently adapt face-to-face training modules into virtual classroom sessions. This necessary adaptation resulted in a 24% decrease compared to 2019, although the training commitment for the year represented a total of 111,208 hours, or approximately 22 hours of training per employee.               <ul style="list-style-type: none"> <li>- 63% of the workforce has taken at least one training course, including :                   <ul style="list-style-type: none"> <li>* 42% technical training;</li> <li>* 49% of safety training;</li> <li>* 5% management training;</li> <li>* 3% linguistic training;</li> <li>* 1% of training in personal development.</li> </ul> </li> <li>- 127 employees trained in the specific Manager@Fives program in China, France, the United States and Italy (675 people trained since the program was launched in 2015).</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Evaluate and develop:</b> Human Resources Evaluation and Development Committee (CEDRE):               <ul style="list-style-type: none"> <li>- Continued improvement in the monitoring of the action plans identified at the heart of CEDRE.</li> <li>- Optimization of career management tools for career paths associated with training paths for certain cross-functional professions</li> </ul> </li> <li><b>Development of the mentoring program</b></li> <li><b>Training and career development support for employees:</b> <ul style="list-style-type: none"> <li>- Evolution of the management and leadership programs of the Leadership Academy</li> <li>- Use by all subsidiaries of the training module integrated into the Fives&amp;Me HR information system.</li> <li>- Deployment of a Group e-learning offer through the elearning@Fives digital platform.</li> <li>- Development of the coaching offer and co-development.</li> </ul> </li> </ul>
	<p>Strengthen the sense of belonging to the Group: GC1 – GC2</p>	<ul style="list-style-type: none"> <li><b>Share the vision and insights:</b> <ul style="list-style-type: none"> <li>- Redesign of the Group intranet Portal and evolution of communication tools and channels to share more visual and verbal information</li> <li>- Group-wide deployment of online collaboration tools that promote exchanges, cross-functional work and opening-up of silos</li> </ul> </li> <li><b>Be attentive to the teams:</b> <ul style="list-style-type: none"> <li>- An opinion survey conducted among all Group employees every three years, designed to measure satisfaction levels and any organizational malfunctions, and which gives rise to the implementation of action plans proposed by employee bodies</li> </ul> </li> </ul>	  	<ul style="list-style-type: none"> <li><b>Redesign Fives' Website:</b> This new site is a master asset to highlight what industry can do to our external stakeholders: customers, prospects, future recruits, journalists, financial community, etc. Each section of the site reflects Fives' Reason d'être and its new brand signature, Industry can do it, and presents the Group's response to environmental, technological, societal and economic challenges.</li> <li><b>Communication of the Group's values:</b> <ul style="list-style-type: none"> <li>- Launch of the communication campaign on Fives' new values.</li> </ul> </li> <li><b>Maintaining contact despite the impossibility of travelling:</b> <ul style="list-style-type: none"> <li>- In order to maintain a point of exchange with employees, and given the impossibility for management teams to travel and meet with employees, an online speaking system was set up. The Chairman made two live presentations during the year in French and English, to share his vision with employees and answer their questions.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Continued development of intra-group collaborative work tools.</b></li> <li><b>Adaptation of new modes of internal communication</b></li> </ul>
<p>Integrate CSR priorities into the organization of all Fives entities</p>	<p>Fives Code of conduct: GC10</p> 	<ul style="list-style-type: none"> <li><b>Acknowledgement of the Code of conduct by all employees, by:</b> <ul style="list-style-type: none"> <li>- the distribution to all employees</li> <li>- the implementation of training tools to facilitate the appropriation of the Code of conduct</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li><b>Revision of the Code of Conduct to make it a reference document.</b></li> </ul>	<ul style="list-style-type: none"> <li>Communication and hand delivery of the <b>new Code of Conduct</b> to all Fives employees in nearly 30 countries from September 2021.</li> <li>Conducting an <b>e-learning course</b> to validate the understanding of the content of the Code of Conduct - end of 2021.</li> <li><b>Creation of content</b> on the various topics covered in the Code of Conduct to deepen employees' knowledge and communicate in greater detail the policies and actions implemented on these subjects.</li> </ul>

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