



CSR
REPORT
2023

Oberthur
■ ■ ■ ■ ■ Fiduciaire



EDITO

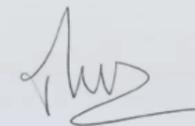
In recent years, the concept of responsible business practices and corporate social responsibility (CSR) has gained significant traction. Enterprises across various industries are realizing the importance of adopting ethical, sustainable, and socially conscious practices. Oberthur Fiduciaire has been at the forefront of these initiatives. Responsible business practices encompass a broad spectrum of activities aimed at minimizing negative impacts while maximizing positive contributions to society and the planet. It involves integrating social, environmental, and economic considerations into all aspects of business operations. As presented in our first CSR report last year, we have been a pioneer in our industry in this field and we strive to improve constantly.

One of the key pillars of responsible business practices is environmental sustainability. Climate evolution and resource depletion are urgent global challenges that demand action from all sectors. As a forward-thinking group, we have been and are implementing measures to reduce our carbon footprint, conserve energy and water, and promote the use of renewable resources. By embracing sustainable practices, we can contribute to the global effort to mitigate global warming and protect our ecosystems.

Another vital aspect of responsible business practices is social responsibility. This involves prioritizing the welfare of our employees, fostering diversity and inclusion, and engaging with local communities. By ensuring fair labor practices, providing safe working conditions, and supporting employees well-being, we can enhance productivity attract talent, and build long-lasting relationships with our workforce, through our sustainable lean approach “Oberthur Production System”.

Ethical governance and transparency are also fundamental to responsible business practices hence our Code of Ethics. We have established robust ethical frameworks, adhere to legal and regulatory standards, and maintain transparency in our operations. By upholding high ethical standards, we can build trust with our stakeholders, including customers, investors, and the public at large. In conclusion, responsible business practices are no longer optional; they are an essential part of the corporate landscape. Embracing sustainability, social responsibility, and ethical governance is not only the right thing to do, it also makes good business sense.

THOMAS SAVARE
President



CONTENTS

1
CSR
Strategy

2
Environmental
commitment

3
Social
commitment

4
Governance

5
The future: call
for contributions



CSR Strategy

Conscious of our impact on society, in 2008 we took the decision to deploy an incorporated certified programme called 'Earth 365', which would drive our societally responsible CSR approach. It aligns with our values of 'Expertise, Trust, Innovation, Respect, and Integrity'.

This commitment saw us join the United Nations in 2021, and then in 2022, develop a global, coherent, and ambitious ESG strategy at Group level. It is part of a continuous improvement process, which aims to meet the needs and expectations of our shareholders.

Oberthur Fiduciaire is committed to contributing to 12 of the 17 Global Compact objectives:



Environmental commitment



The Group is committed to sustainable products and services and takes action to reduce its environmental impact.

The François-Charles Oberthur Group has always been committed to improving its procedures and products while being mindful of its impact on the environment, its clients and employees, communities, family shareholders, and suppliers.



We have taken concrete measures to reduce our environmental impact in order to contribute to a more sustainable future for all. We will continue to work this way to diversify our initiatives and strengthen our environmental commitment.

2



Reduce our water consumption

We contribute to the preservation of water resources.

In 2018, we implemented a plan to reduce our drinking water consumption. We continue to invest in water saving equipment.

Thanks to an innovative procedure, we are now capable of recycling and reusing water used in our production procedures in our factory in Chantepie (France). In our site in Sofia (Bulgaria), we have put a monitoring system in place (close supervision using counters) to reduce our consumption.

On our printing sites in Chantepie and Sofia we have also deployed awareness-raising campaigns because 50% of our water consumption is linked to sanitary purposes.



Recycling and reusing water from our production procedures

We have installed foam meters and other flow-limiting equipment on taps in our Sofia factory to reduce our instantaneous water consumption by 70%.

In doing this, we aim to promote a more responsible behaviour on an individual level and apply it in the home environment.



From an industrial point of view, all our investments involve taking water and energy efficiency into account.

**70 %
water**

Réduction with flow limiters



Optimise our consumption of energy, using renewable energy

We improved our energy efficiency by 12% between 2017 and 2022 by implementing innovative practices and an energy management system.

In 2017, we rolled out an energy management programme based on ISO 50001, this means that since 2022, all sites have been subject to monthly performance monitoring using indicators associated with production and CO₂ emissions.

In 2022, we used 100% renewable energy on our Chantepie site (hydroelectricity and bio methane) with traceability proven by certificates of origin.

Cool roof technology



Osmosis



Panneaux solaires



We have:

- energy check lists for controlling our equipment
- a time delay for lighting
- an LED drying qualification for letterpress inks on Super Numerota machines

and have also:

- adopted a benchmark temperature of 19°C outside production workshops
- continued with the exterior insulation of buildings
- continued renovating our premises to improve their energy performances.





Developing innovative solutions for waste-to-energy conversion

We reuse and recycle, promoting the circular economy and local synergies.

In 2022, with the help of local partners, in order to meet clients' expectations, we developed innovative solutions for recycling banknote waste. The low-tech, easy-to-use solutions use bio-sourced additives and contribute to reducing the environmental impact of the products used during our manufacturing process.

Other solutions are currently being qualified, for example insulating bricks and panels which offer both thermal and acoustic performance.

At the same time, we are exchanging best practices through the networks that we have developed in both the environmental, social and industrial sector.

We present our results and best practices through seminars, regional and international events.



Insulating brick made of shredded banknotes in partnership with Fabrick®



Shredded banknotes



Moulded cellulose containing shredded banknotes



Biochar produced using shredded banknotes





Reducing our carbon footprint

We are continuing to reduce our CO₂ emissions.

We began evaluating our carbon footprint in 2010. This allowed us to identify the sources of the emissions and to define action plans to reduce them. CO₂ emissions are monitored on a monthly basis on all our sites, and included in our strategic monthly reports. Providing training and awareness-raising initiatives for our employees on the importance of reducing our carbon footprint allows us to better control our impact.

The flagship action of 2022 was the collection and treatment of all solvent emissions from the printing equipment using an oxidiser. The solvents are burnt and treated. This process allows us to reduce our CO₂ emissions associated with COV by 92.6% on our Chantepie site.



Oxidiser



Developing sustainable products and limiting our consumption of raw materials

We always propose products and solutions that respect the environment.

So that it can offer ever more sustainable products, the Group has decided that for each of its new security products it will carry out a lifecycle analysis to measure the contributions of the innovations developed.

The lifecycle analysis is the most advanced tool in terms of global, multi-criteria evaluation of environmental impact. This standardised method allows the measurement of quantifiable effects of products or services on the environment.

Highlink



Our commitment to a sustainable cotton banknote is shown through major developments such as our Green Highlink™ product:

The concept of Highlink™ paper lies in the strength of the fibres, which act like super glue. It enables the fibres to remain linked more durably during the mechanical stresses to which it will be susceptible over the course of its life. The Green version bio-sources the Highlink™ additive, so that we can offer our clients a more sustainable solution while conserving the standard cohesive properties of Highlink™.



Social commitment, our expertise, and our know-how



All our teams are dedicated to promoting and respecting international law protecting Human Rights in our sphere of influence.
A Group that respects fellow human beings.



We strongly believe that companies are responsible for creating safe and inclusive work environments, respecting human rights, promoting diversity and equal opportunity, and positively contributing to society. With this in mind, we have implemented policies and programmes that aim to improve our social practices and track our performance through indicators.

We are proud of our transparent and collaborative approach towards CSR and would like to share our achievements, challenges and ambitions with you.

Testifying to our unique expertise, Oberthur has been recognised as an 'Entreprise du Patrimoine Vivant' (EPV); a label awarded by the French government to French craft and industrial businesses with rare and exceptional knowledge.

3



Health & Safety at work

We put safety at work for employees at the heart of all our actions.

As part of this, in 2022 we implemented a “zero accident target” approach, to reduce the number and seriousness of accidents on our sites.

As the driving force behind this genuine culture of safety, this approach has been extended through the whole group with the implementation of real actions and regular communications with employees through variously themed quarterly periods.



On our site in Sofia, there have been no accidents since June 2021



Noise risk prevention quarter

Above a certain threshold, noise at work can pose a health risk for employees. It can contribute to fatigue, concentration difficulties, or even communication difficulties. For these reasons, the Group wanted to pay particular attention to the prevention of noise-related risks and has set a target of staying below 70 dB in production zones.



Chemical risk prevention quarter

Chemical products are used in our manufacturing processes, in cleaning and maintaining our production equipment, quality control, and more. During these different uses we have to handle and store these products and also treat them as waste when they are used or have come to the end of their product life. They represent a health risk to our employees, so we have actions in place that enable us to substitute certain dangerous products and also raise awareness of employees.



Quality of life whilst at work

We take action to promote well-being at work.

Being mindful that we should enhance our employees' well-being at work, we have commenced around forty initiatives to improve their working conditions and strengthen our ties.

Examples

A personal trainer at work, company restaurant, ergonomic workstations, fruit breaks, end of career flexible working arrangements, health insurance, free osteopath session...



A message from our personal physical activity coach on site at Chantepie: “On site, I provide assistance in finding solutions for musculoskeletal disorders and improving well-being at work. Many roles involve repetitive movements. It is important to pre-empt risks linked to physical activities. This is why I work on-site with employees, explaining to them how to practise exercises and techniques that will prevent pain and discomfort at the end of the day. »



Challenge mobil'acteurs 2022



With the whole Group able to take part, this low impact movement challenge brought employees together to participate in an activity aimed at reducing Oberthur's carbon footprint.

With one out of five employees taking part and covering 24,820 km using low impact transport, this challenge was a huge success for the Group!



Parity and inclusion



We are committed to diversity, equal opportunity, and the development of an inclusive environment.

Our business sector is traditionally male-dominated. To promote the employment of women, we have taken a number of steps. For example, we have signed a gender equality agreement and put in place measures to support parenthood.

We are committed to being an ever more inclusive Group, notably through our participation in 'Duo-Day'. The concept is to create a duo between a person with disabilities and one of our employees so that the employee may show their partner their role on a day-to-day basis.



Skills development

As an 'Entreprise du Patrimoine Vivant', we are constantly developing our skills and expertise: key assets for our Group.

We offer training courses and support our employees as they develop their skills, with regular monitoring of their performance levels.

Additionally, each year, we welcome a number of work-study students and interns with a view to eventually employing them.

We also carry out research thesis to contribute to the innovation process and to exchanges with research laboratories.

30 h

average training per employee

55

Interns and work-study students

19 years

average age

Governance



We act ethically, fairly, and professionally in our relationships with all market figures.

A Group with values

- that complies with the laws in force,
- that acts with integrity,
- that respects its clients and suppliers,
- that protects personal data.



A key component of our strategy is corporate governance. It is centered around responsible and ethical management practices and responsible and ethical leadership. Corporate governance concerns decision-making procedures, organisational structure, policies and procedures, risk management, ethical standards, and stakeholder responsibilities.

In this section of our CSR report, we focus on how our Group manages these elements and how we work to ensure responsible and transparent management to maximum long-term value creation for all stakeholders.

To measure the maturity level of our company, we scheduled an assessment of the Group in terms of ISO 26000 in the first quarter of 2023.



4



Compliance and integrity

We respect the core values of the Group which are set out in our code of ethics.

We are committed to respecting existing laws and regulations as well as the strictest of ethical standards.

We have put policies, procedures and training in place to guarantee compliance with these principles, which apply to all our activities.

We maintain a zero-tolerance policy against corruption, money laundering, and any other fraudulent practices. We encourage our employees and partners to report any potential violation of these principles through a whistle-blowing system.



Risk prevention poster



Lean Durable® training

We promote a culture of continued improvement and operational excellence.

Launched in 2021, the Lean Durable® approach and its application throughout the Group is at the heart of our continuous improvement approach, allowing us to raise issues more easily and make communication simpler and more efficient. This recognised methodology makes for a swifter solution to problems through the creation of a network of short meetings which focus on problems encountered by employees.

Across our three sites (Chantepie, Sofia, and Ugchelen), we rely on methods that set management performance in place, seeing a problem as an opportunity to learn and progress.

The objective is to work together with our teams so that we can identify areas in the field that may need improvement. Our progress on each site is assessed every month, because it's not about putting tools in place, but about developing a global, sustainable approach.

Lean Durable® puts humans at the heart of the continuous improvement approach through daily performance rituals spaced at short intervals to highlight any problems in the field.

Lean Durable® firmly integrates social aspects in the same way as economic benefits. This is how Lean Durable® today represents a relevant approach to continuous improvement, combining competitiveness and employee fulfilment. The aim is to ensure that every activity uses the minimum number of unnecessary operations, as these may make the activity more cumbersome and less efficient, with the underlying principle: see a problem as an opportunity to learn.

The Lean Durable® approach was launched across all our production sites in 2022.



Climate Fresk

We raise awareness among our employees of the importance of protecting the environment.

At the end of 2022, we designed and prepared a Climate Fresk training course in order to be able to present the causes and consequences of climate change.

Intended for use across the whole Group in 2023, this workshop allows us to raise awareness and further develop our corporate culture in terms of sustainable development so that we may better understand it and anticipate the issues of tomorrow.



Climate Fresk



Sustainable investments

We are committed to supporting the local economy, choosing local suppliers for our purchases of goods and services.

We work in collaboration with people from the region to develop long-term partnerships and promote local innovation. We strongly believe that staying firmly rooted locally improves our performance while also reducing our carbon footprint associated with transport.





Digital responsibility

We have implemented data protection policies that comply with current laws and regulations. We are committed to respecting the privacy of everyone we are dealing with.

To address risks of cyber-attack and exfiltration of data, through using the ISO 27001 standard we have a team dedicated to ensuring the protection of information, raising staff awareness of digital risks, and responding to digital incidents. This team carries out regular technical and organisational audits to verify the security levels in place. It also participates in digital evolution projects alongside the IT teams and is responsible for identifying and controlling any risks to our IT system. We are proud of our commitment to data protection. It builds trust with our stakeholders.



Community commitment

We support research, innovation, and educational projects. We have a passionate desire to unite those who wish to change the way we see the future.

We support educational, cultural, environmental and social projects. We are also involved in local economic development projects.

By doing this, we contribute to the strengthening of the relationship between the Group and local communities, and also respond to local needs and promote sustainable and equitable development.



The future: CALL FOR CONTRIBUTIONS

In 2023, we are committed to progressing our global and harmonised approach at Group level in the various domains of our sphere of influence.

Because our approach has been designed in collaboration with our stakeholders, we thank you in advance for your comments and suggestions.

SEND US AN EMAIL:
earth365@fcof.com



5



Headquarters & Sales office
Oberthur Fiduciaire SAS
7, avenue de Messine - CS 30003
75384 Paris Cedex 08, France
Tél. +33 (0)1 42 99 77 00
Fax. +33 (0)1 42 99 77 90

banknotes@fcf.com
www.oberthur-fiduciaire.com