



SEQENS

OUR SCIENCE FOR YOUR FUTURE

2024 CSR Report

On 2023 informations

NON-FINANCIAL
PERFORMANCE
DECLARATION

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As a major integrated player in pharmaceutical solutions and specialty ingredients, with 16 industrial sites, 9 R&D centers worldwide and more than 3,300 employees, SEQENS launched a concrete and ambitious sustainable development program in 2008, on every continent where we operate.

SEQENS operates upstream of strategic value chains such as healthcare, cosmetics and energy. We support our customers in the development of their molecules and, while our products are absolutely essential, their manufacture can generate impacts, particularly environmental impacts, which it is our responsibility to minimize.

SEQENS has put in place a structured and pragmatic CSR strategy, with shared objectives and a clear roadmap that commit the entire Group. This CSR approach, which is an integral part of the Group's strategy, is designed to ensure the long-term future of both our business and the customers we work with:

- Ensure the safety and integrity of all employees, partners and assets;
- Guarantee good working conditions to attract and retain employees;
- Minimize the environmental and climatic impact of processes and products;
- Ensure product safety, conformity and quality;
- Innovate in sustainable technologies to improve productivity, environmental performance, process and product quality and safety, and create added value for society;

○ To be a recognized player in terms of CSR excellence within its activities and supply chain;

○ Ensure that SEQENS sets an example in terms of business ethics.

In parallel with this CSR strategy, we made public commitments very early on, since SEQENS has been a signatory of the "Responsible Care" charter and the "Global Compact" since 2008, and has also published its objectives in terms of CO₂e emissions reduction as part of the "French Business Climate Pledge". In 2023, SEQENS submitted its letter of commitment to SBTi confirming its CO₂e emissions reduction ambitions. For greater transparency on actions and results linked to the fight against climate change, the Group responded to the Carbon Disclosure Project in 2023.

Over the last 15 years of SEQENS' life, we have always been supported by our shareholders, yesterday Ardian or Eurazeo and today SK Capital, who understand the importance of these issues to continue to maintain and develop our high value-added activities.

This report details our CSR actions and results for 2023, as well as the progress we have made in relation to our objectives. It demonstrates our efforts, which are gradually bearing fruit, as well as the mobilization of our teams around the world in this essential area.

Pierre Luzeau
CEO, Seqens Group

The Group has voluntarily chosen to produce a CSR report in the form of a "Non-Financial Performance Declaration" (NFPD) in order to align itself with the best European standards and to present the progress of its approach and contribution to sustainable growth. This declaration of non-financial performance has been verified by an independent third-party organization.

Period

The information published in this Non-Financial Performance Statement covers the period from January 1 to December 31, 2023.

Perimeter

The scope of consolidation of the information presented in this report :

- Excludes sites acquired during 2023 (CellForCure). These sites will be included in the next CSR report.
- Excludes sites sold or shut down in 2023 (Saint-Jean, Newburyport).
- Excludes certain commercial offices that are not significant in terms of CSR impact: Wayne and Robbinsville in the United States.
- Data from entities over 50%-owned are included at 100% in this CSR report.

Environmental perimeter

The scope of consolidation for the environmental information presented in this report excludes head offices (Ecully, HQ Wavelength), an administrative center (Massy), sales offices (Shanghai), and certain R&D sites (Pune, Alganelle). These sites do not have a significant impact on the Group's environmental data.

The environmental perimeter includes all industrial sites, listed below by country:

- **France:** Aramon, Bourgoin, Couterne, Limay, Limoges, Nimes, Porcheville, Pont-de-Claix, Roussillon (Novapex company), Roussillon (Novacyl company), Saint-Fons, Villeneuve-la-Garenne
- **United Kingdom:** Middlesbrough, Billingham
- **Germany:** Lahr
- **Finland:** Turku
- **United States:** Devens
- **Thailand:** Bangpoo
- **China:** Taixing, Wuxi
- **India:** Hyderabad
- **Israel:** Neot Hovav.

Social perimeter

The scope of consolidation for the social data presented in this report includes all SEQENS Group sites, i.e. all manufacturing, warehousing, logistics and administrative units that are geographically individualized but legally attached to SEQENS. Unlike the environmental perimeter, the social perimeter includes the Ecully head office, the Massy administrative center and all R&D sites (including Devens and Pune), but still excludes sales offices (Wayne, Robbinsville).

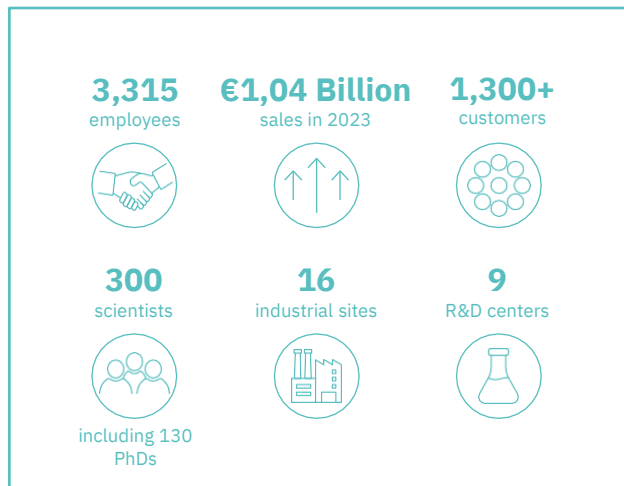
Other perimeters

The scope of consolidation for the ethical, purchasing and quality information presented in this report includes all SEQENS Group sites.



PRESENTATION OF THE GROUP & KEY FIGURES

SEQENS is a world leader in the development and production of active ingredients, pharmaceutical intermediates and specialty ingredients, with 16 industrial sites, 9 R&D centers and 3,315 employees in 10 countries. As an integrated player in the value chain, from raw materials to active ingredients, from R&D to industrialization, SEQENS offers a broad portfolio of products. Driven by a culture of excellence and a strong entrepreneurial spirit, but also by strong values such as unity, agility and responsiveness, the Group's employees are committed to providing over 1,300 customers worldwide with the highest level of service and quality, while acting ethically in line with our CSR strategy.



THE 3 ACTIVITIES OF SEQENS

Pharmaceutical solutions:

SEQENS develops and manufactures active pharmaceutical ingredients (APIs). These active substances are responsible for the curative or preventive properties of a medicine. SEQENS' expertise ranges from the manufacture of generic molecules (off-patent) such as aspirin or paracetamol, to the manufacture of new molecules developed and manufactured specifically to a customer's specifications, under exclusive contract. SEQENS' manufacturing capabilities and technologies for active pharmaceutical ingredients enable projects to be carried out from the initial development phase through to scale-up and commercial manufacture, with a vertically integrated supply chain. This integrated supply chain includes the production of raw materials or intermediates, the production of active ingredients, the production of solvents for the pharmaceutical industry, and essential excipients such as lipids and polymers used in the composition of drugs.

On December 1st 2023, SEQENS acquired the CellForCure site for the development and production of cell and gene therapies, and continues to invest in the expansion of its solutions for the pharmaceutical industry.

The pharmaceutical market is one of the most regulated markets (particularly in Europe, North America and certain Asian markets), with high barriers to entry in terms of product quality and regulatory constraints. SEQENS offers project management support, analysis and quality control capabilities to accelerate customer projects and regulatory filings.

Specialty ingredients:

SEQENS develops and manufactures customized, high value-added specialty chemicals for the most demanding industries (healthcare, fine chemicals, cosmetics and perfumery, additives for technical lubricants, polymers, energy).

The Group operates multipurpose, flexible and dedicated facilities worldwide, with a unique range of technologies, reactions and distillation capacities.

SEQENS offers customized development and manufacturing services, as well as a wide range of high-value catalog ingredients. The Group is renowned for its high levels of reliability, flexibility and responsiveness. Finally, the Group has developed a range of safe, sustainable products for the cosmetics industry, notably with non-traditional preservatives free of parabens, etc.

R&D:

SEQENS offers comprehensive, fully integrated R&D services to support customer projects from initial development through to product commercialization, in compliance with the most stringent quality, safety and environmental standards. This includes R&D support for customers during:

- The molecule development phase (molecule analysis, quality control, verification of process safety and impurities, drug repositioning).
- Process development with the identification of the best synthesis route for any molecule at any stage. SEQENS has a wide range of technologies for finding the best route to synthesis and purification.
- From the transition to industrialization, from a few kilos to several tons, with the supply of clinical batches through our pilot plants.
- Production and commercialization, for example, by optimizing processes, securing supplies and providing regulatory support.

The key to successful value creation is our commitment to providing first-class services.

BUSINESS MODEL

Resources

Financial capital

OPEX invested in R&D:
33.9 million euros

Relational capital

More than 1,300 customers
Nearly 6,500 suppliers

Industrial capital

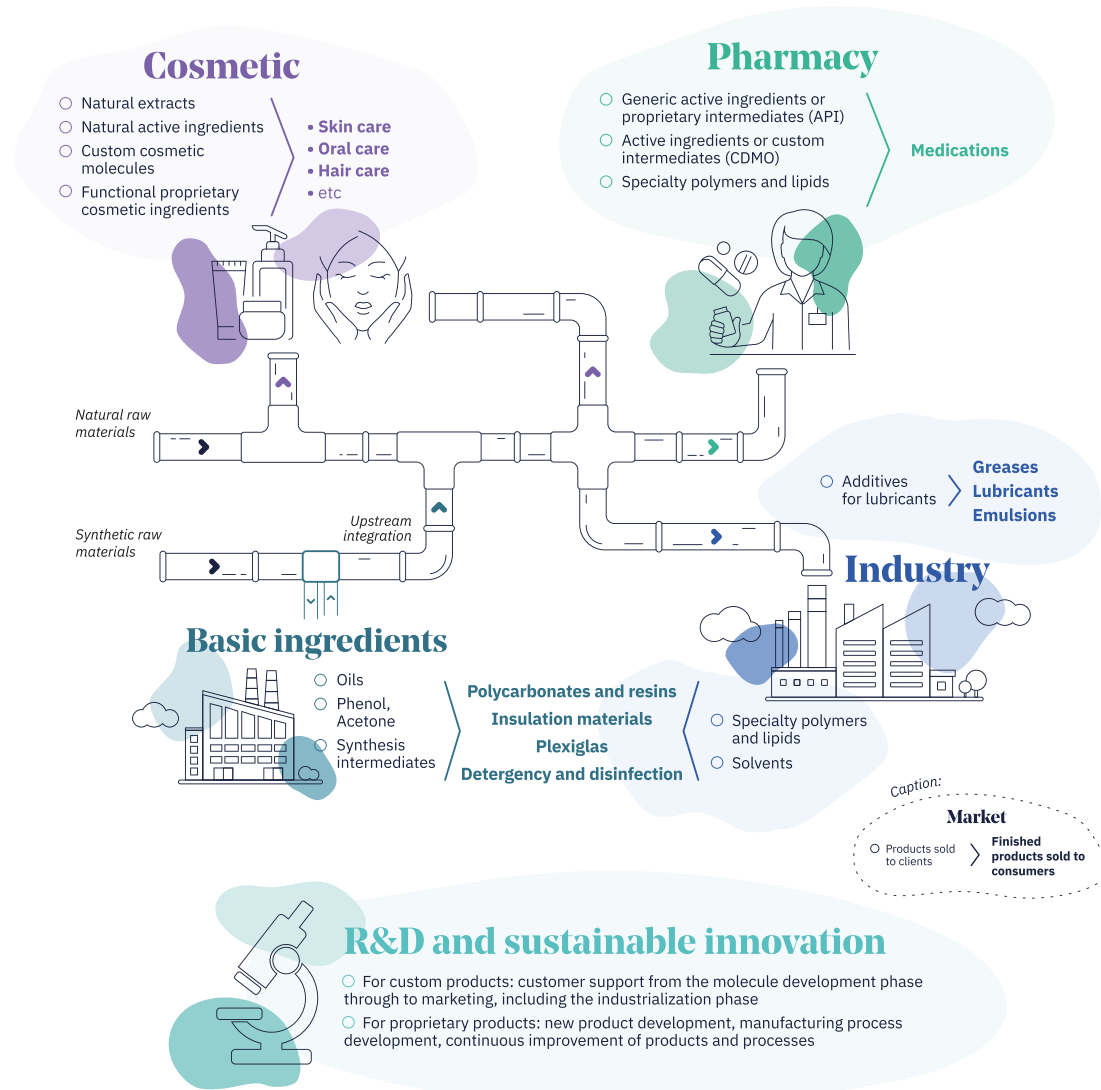
16 production sites
9 R&D centers

Human capital

3,315 employees
29% women
and 71% men

Environmental capital

1,090,870 MWh of energy consumed
16,142,973 m3 of water withdrawn



Values created and sustainable results

Finance

Turnover: €1.036 BILLION

Relational

222 justified customer complaints
49% of purchases covered by a CSR assessment (via Ecovadis)

Industrial

85% of sites with a Platinum or Gold medal (Ecovadis)

Human

Accident frequency rate of 2.7
25 collective agreements signed by 2023
Gender equality index of 86.7/100
93% of employees trained within the year

Environment

74% of total waste recovered
46% renewable and recovered energy
-11% reduction in energy consumption (vs. 2021)
-1% CO₂e emissions on scopes 1+2 (vs 2021)
-14% reduction in water consumption (vs. 2021)

VALUE PROPOSITION

Mission

To provide customers the development and production of active pharmaceutical ingredients, intermediates and specialty ingredients, as well as services at every stage in the life cycle of a pharmaceutical or specialty ingredient - from the earliest stages of development through to marketing - in compliance with the most stringent quality, safety, environmental and compliance standards, with a constant focus on corporate social responsibility.

Ambition

To be the integrated global leader in pharmaceutical solutions and specialty ingredients, offering the most comprehensive range of technologies.

Values

Entrepreneurship
 Agility
 Responsiveness
 Tenacity
 Customer orientation
 Solidarity

Strategy

- Strengthen the positioning of SEQENS' offer and continue to expand its commercial offering.
- Leverage our R&D capabilities, technologies and integrated industrial network to expand our offering.
- Benefit from recent industrial investments in pharmaceutical solutions and specialty ingredients.
- Continue production programs for critical pharmaceuticals and specialty ingredients.
- Pursue growth by implementing innovative projects based on the skills of our teams.
- Continue to develop and invest in R&D centers, industrial sites and resilient pharmaceutical and cosmetics markets.
- Be on the lookout for external growth opportunities to consolidate and expand the PCAS offering.

Major external trends

- Growth in the pharmaceuticals and cosmetics markets
- Growing demand for products with a low environmental footprint
- Relocating critical production

MAIN CSR RISKS

The Group's international presence and the diversity of its activities expose SEQENS to social, societal, governance and environmental risks. These CSR risks, also known as non-financial risks, are identified by the Group with a view to improving their management. This exercise is repeated annually.

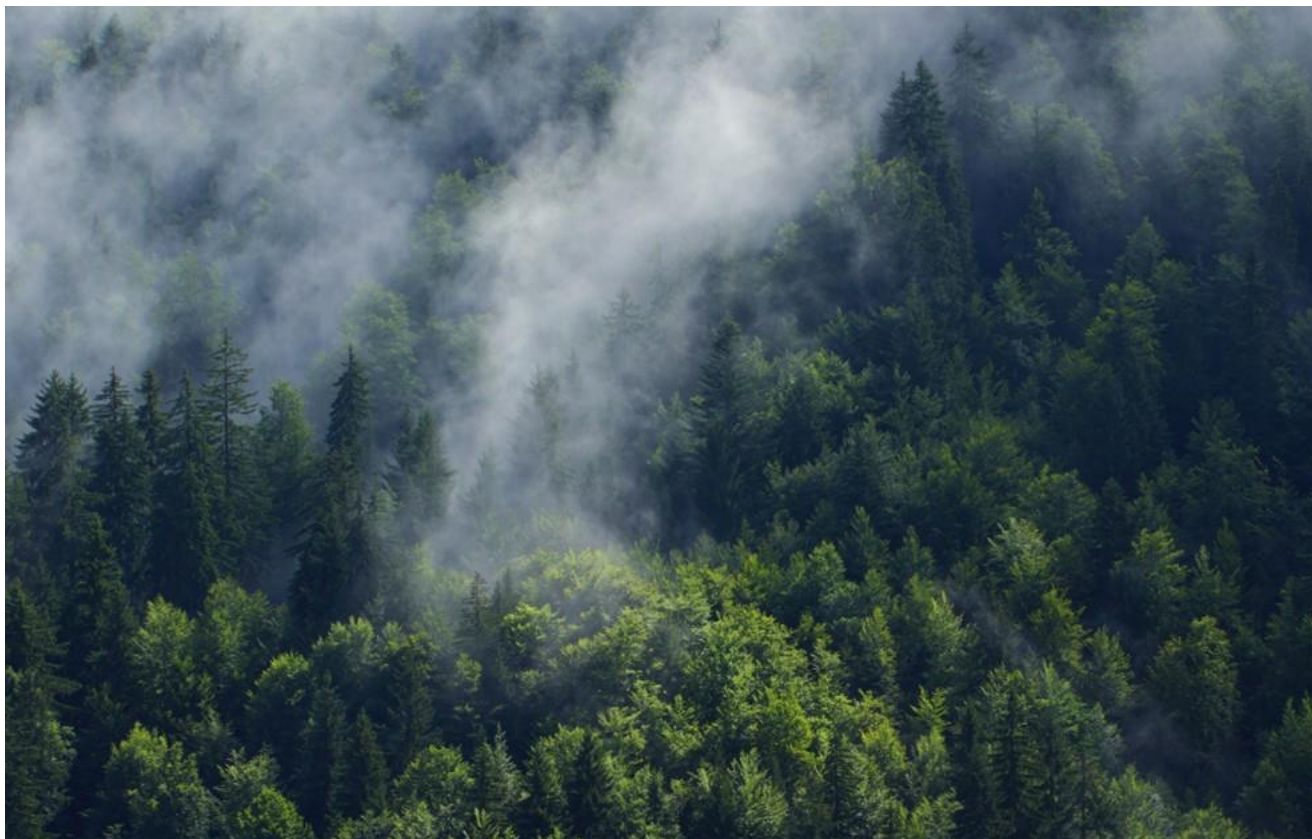
In order to select the most significant non-financial risks for the Group, each risk was assessed according to two parameters:

- Probability of occurrence (i.e. the probability that the risk will occur and result in an impact)
- The potential severity of damage (should the risk materialize). All the consequences likely to affect the Group have been analyzed: financial, reputational, social and environmental.

The assessment of severity and probability enabled us to conclude on the level of importance of each risk, also known as criticality, and to rank the risks in relation to each other.

The due diligence policies and procedures implemented to prevent and mitigate the occurrence of these risks are presented throughout this report, together with the results of these policies, including key performance indicators¹ (KPIs).

Certain themes, such as animal welfare, the promotion of physical activity and sports, precariousness and food waste, which should be dealt with in the NFPD, do not seem relevant to the nature of the SEQENS Group's activities. They are therefore not developed in this report.



Risk name	Description of potential business impacts	Criticality of risk
Major industrial accident leading to lethal and irreversible effects beyond property limits	<ul style="list-style-type: none"> Human risk (injury, death) Business interruption Site closures Civil and criminal liability Impact on reputation Financial impact Loss of customers Environmental pollution 	High
Failure to protect the health and/or safety of employees	<ul style="list-style-type: none"> Human risk (injury, death) Reduced productivity Civil and criminal liability Impact on reputation Financial loss 	Moderate
Energy supply disruption	<ul style="list-style-type: none"> Total/partial business interruption Loss of margin due to higher energy costs 	Moderate
Non-quality products and/or failure to comply with regulatory changes	<ul style="list-style-type: none"> Batch recall Impact on reputation Loss of customers Loss of qualification / suspension of authorizations End product instability Financial loss (contractual penalties, etc.) 	Moderate
Not being able to manage a major cybersecurity incident	<ul style="list-style-type: none"> Financial loss Impact on reputation Civil and criminal liability Loss of information Loss of customers 	Moderate

Risk name	Description of potential business impacts	Criticality of risk
Suppliers questioned for non-compliance with human rights, labor laws and/or environmental pollution	<ul style="list-style-type: none"> Reputational impact Civil and criminal liability Loss of customers Financial loss 	Moderate
Unsustainable use and scarcity of resources	<ul style="list-style-type: none"> Loss of margin due to higher water or waste treatment costs Total/partial business interruption Reputational impact 	Moderate
Be in breach of criminal and/or civil laws and regulations applicable to business ethics	<ul style="list-style-type: none"> Reputational impact Legal liability Financial loss Loss of customers 	Low
Operations not aligned with CSR strategy and market expectations	<ul style="list-style-type: none"> Financial loss Loss of customers Reputational impact 	Low
Failure to combat and adapt to climate change	<ul style="list-style-type: none"> Business interruption or slowdown Loss of operating efficiency Repair costs Loss of margin Financial loss 	Low

Risk name	Description of potential business impacts	Criticality of risk
Difficulty in attracting and retaining human capital	<ul style="list-style-type: none"> Loss of key skills Disruption of business continuity Inability to meet customer needs 	Low
Failure to maintain and develop employee skills	<ul style="list-style-type: none"> Loss of skills Reduced employee employability Reduced employer competitiveness and efficiency Civil and criminal liability 	Low
Inequality of opportunity and treatment	<ul style="list-style-type: none"> Loss of employee motivation Loss of skills Impact on reputation Civil and criminal liability Financial loss 	Low
Missing opportunities to improve profitability, environmental performance, quality and safety of processes and products	<ul style="list-style-type: none"> Lost opportunities Financial loss Loss of customers Impact on reputation Environmental pollution 	Low
Lack of community involvement	<ul style="list-style-type: none"> Impact on reputation Decline in staff attractiveness, involvement and motivation 	Low

CSR POLICY

At the end of 2022, to take account of changes in its scope and based on updated CSR risks, sustainable development objectives and stakeholder expectations, the SEQENS Group updated its CSR policy. It is structured around 4 pillars and 13 commitments.

SEQENS' CSR strategy is based on :

- A CSR policy defined at Group level and deployed in each of its business units;
- Clear governance that engages the entire organization, including shareholders;
- Defining and monitoring key CSR performance indicators with clear objectives;
- Implementation of action plans and specific projects, with follow-up to ensure objectives are met;
- An annual report demonstrating our CSR performance.

Climate change and environment

- Pursuing the decarbonization of our activities
- Preserving natural resources, especially water
- Reduce our environmental impact, in particular waste, effluents and atmospheric emissions

Safety, quality and sustainable innovation

- Preventing major accidents and ensuring the safety of our processes
- Guaranteeing the quality and safety of our products
- Promoting eco-design and sustainable value creation through innovation

Employees and communities

- Ensuring the health and safety of employees
- Implement best practices to attract and retain employees
- Committed to diversity and professional equity
- Maintain and promote our long-standing commitments to associations

Operational integrity

- Conducting business ethically
- Ensuring CSR excellence within the Group
- Strengthen responsible purchasing of raw materials and services

CSR PROGRESS

Climate change and environment

<p>-45% CO₂e emissions on scopes 1&2 per ton of product manufactured 2011-2025</p> <hr/> <p>Result: - 6% 2011 - 2023</p>	<p>- 10% energy consumption per ton of product manufactured 2021 - 2025</p> <hr/> <p>Result: +27% 2021 - 2023</p>	<p>50% renewable and recovered energy in 2025</p> <hr/> <p>Result: 46% 2023</p>	<p>-20% water consumption per ton of product manufactured 2021 - 2025</p> <hr/> <p>Result: +24% 2021 - 2023</p>
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Employees and communities

<p>Category 1 accident frequency rate of 2 in 2026</p> <hr/> <p>Result: 2.8 2023</p>	<p>65/100 GPTW Trust Index Score in 2025</p> <hr/> <p>Result: 61/100 2021</p>	<p>70% of employees trained at least once a year in 2025</p> <hr/> <p>Result: 93% 2023</p>	<p>90/100 on the Professional Gender Equality Index in 2025</p> <hr/> <p>Result: 87/100 2023</p>
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Safety, quality and sustainable innovation

<p>90% completion rate for process safety program Annual</p> <hr/> <p>Result: 110% 2023</p>	<p>-20% reduction in customer justified claims 2021 - 2025</p> <hr/> <p>Result: +11% 2021 - 2023</p>	<p>100% of new proprietary products evaluated according to CSR criteria in 2025</p> <hr/> <p>Result: 0% 2023</p>
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Operational integrity

<p>100% of exposed employees trained in the Code of Ethics Annual</p> <hr/> <p>Result: 44% 2023</p>	<p>90% of sites with a Platinum or Gold medal by Ecovadis in 2025</p> <hr/> <p>Result: 85% 2023</p>	<p>60% of the purchase amount covered by an Ecovadis assessment in 2025</p> <hr/> <p>Result: 49% 2023</p>
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EXTERNAL CSR COMMITMENTS

SEQENS' active membership of the "United Nations Global Compact", "Responsible Care", "French Business Climate Pledge" and its commitment to SBTi underline its commitment to progress on an international scale.



United Nations
Global Compact



Responsible Care®



MEMBRE DU
FRENCH BUSINESS CLIMATE PLEDGE
LES ENTREPRISES FRANÇAISES S'ENGAGENT POUR LE CLIMAT !



SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Global Compact

Since 2008, SEQENS has been a signatory of the United Nations Global Compact. The Global Compact unites organizations and companies around ten universally recognized principles in key areas: human rights, international labor standards, the environment and anti-corruption.

It is also a voluntary commitment to take action to achieve the Sustainable Development Goals (SDGs) by 2030.

Responsible Care Charter

The Group is an active member of the Union of Chemical Industries and, as such, has complied with the Responsible Care® Charter since 2008. The Responsible Care® initiative is a worldwide commitment by the chemical industry to the safe management of chemical products throughout their life cycle, and the promotion of their role in improving quality of life and their contribution to sustainable development.

French Business Climate Pledge

Since 2017, as part of the French Business Climate Pledge, SEQENS has made commitments and implemented actions to reduce its impact on the climate and successfully transition to a low-carbon economy.

Initiated by "the Mouvement des Entreprises de France" (MEDEF), the French Business Climate Pledge is a voluntary commitment by companies based in France to take concrete action to achieve the transition to a low-carbon economy, through innovation and the development of low-carbon solutions, technologies, products and services.

SBTi

To meet the targets set by COP 21 in 2015 and limit global warming to below 2°C above pre-industrial temperatures, SBTi was created. SBTi (Science Based Target Initiative) is a partnership between CDP, the UN Global Compact, the World Resources Institute (WRI) and the World Wildlife Fund (WWF). It provides a common, science-based methodology for companies to define long-term emissions reduction targets that are aligned with the level of decarbonization required to meet the Paris Agreement target.

In May 2023, the SEQENS Group submitted a letter of commitment to the Science Based Target initiative (SBTi). Via this letter, SEQENS has committed to setting long-term, company-wide emissions reduction targets in line with climate science, as part of SBTi.

RECOGNIZED CSR PERFORMANCE

The CSR performance of SEQENS sites and the SEQENS Group is regularly assessed by CSR rating agencies and the Group's customers. These ratings, which are of particular interest to investors, confirm the relevance of our CSR approach and position us among the best-performing companies in our sector.



Ecovadis

Ecovadis is one of the world's leading CSR performance rating platforms. This performance is assessed on 4 themes: environment, social and human rights, ethics and responsible purchasing.

Since 2016, the SEQENS Group has had the CSR performance of its sites proactively assessed annually by Ecovadis.

Find the results in the "CSR Excellence" section of this CSR report.



CDP

The CDP is a not-for-profit organization that encourages companies to publish their environmental data, and evaluates the strategy, involvement and results achieved by companies in the fight against climate change.

SEQENS has been recognized for its management of environmental action, and has been awarded a "B" rating in the CDP 2023 questionnaire for its commitment and results in the fight against climate change.

Among the themes assessed by the CDP, the Group received an "A" score in the "Emissions reduction initiatives and low-carbon products" category.

CSR GOVERNANCE

The SEQENS Group has structured CSR governance to control and implement its CSR approach within the company, with dedicated responsibilities and bodies.

ESG Committee (Environment, Social, Governance)

SEQENS has a two-tier governance structure, with a Supervisory Board (external) and an executive committee (internal).

The Supervisory Board is a non-executive board made up of 8 shareholder representatives and 1 independent member, responsible for supervising and controlling the SEQENS Group's activities over the long term.

To manage certain issues, the Supervisory Board has set up 3 specific committees, including the ESG Committee. This ESG Committee, created in 2016, evolved in 2022 with the change in shareholding. It is now made up of 3 SEQENS shareholder members (2 members of SK Capital, 1 member of BPI France) and 4 members of the SEQENS Group (the Chairman, the Vice-Chairman, the General Secretary, the CSR Manager). It is chaired by a member of the SEQENS Supervisory Board, who is also the Senior Director of SK Capital, SEQENS' majority shareholder since December 2021.

The ESG Committee's general mission is to assist the Supervisory Board in monitoring issues relating to the Group's corporate social responsibility, so that SEQENS can best anticipate the opportunities, challenges and risks involved. It provides expertise and recommendations on SEQENS' CSR strategy and actions.

The ESG Committee meets twice a year to discuss the Group's CSR performance and roadmap.

CSR Department

The deployment and implementation of the CSR strategy within each activity and site is monitored and coordinated by the CSR department. Its main CSR missions are :

- Manage CSR policy, KPIs and associated action plans, and supervise CSR reporting.
- Support and challenge sites in managing their action plans and achieving CSR objectives.
- Promote the Group's CSR results and share best practices.
- Report regularly to management on results and progress.

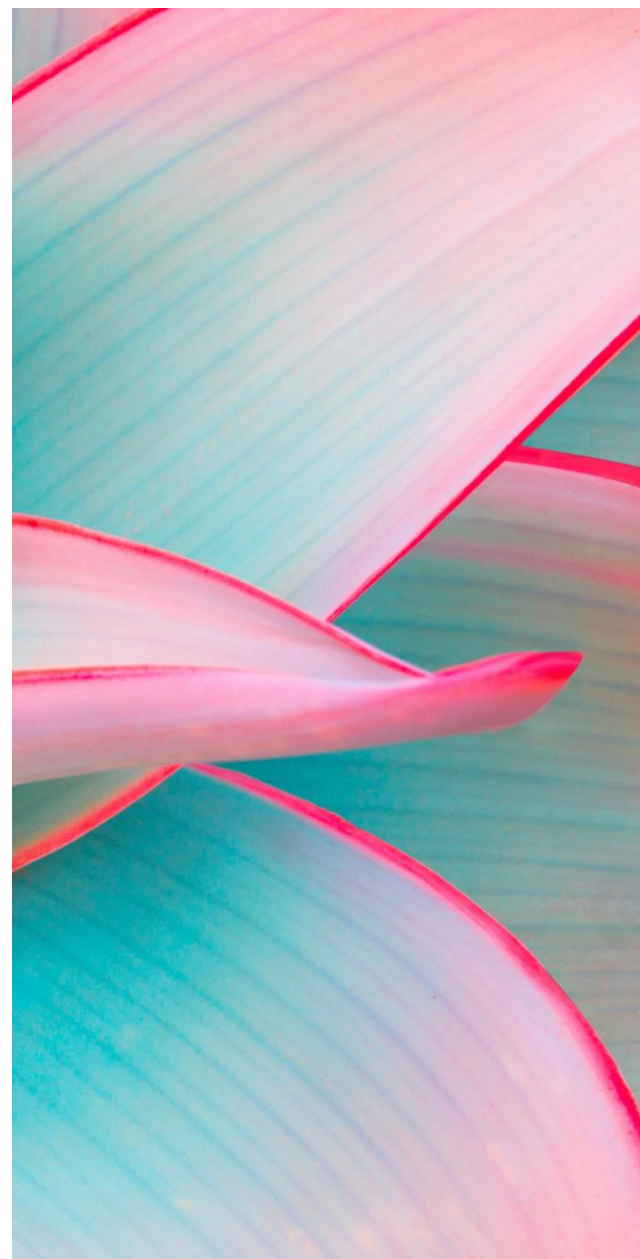
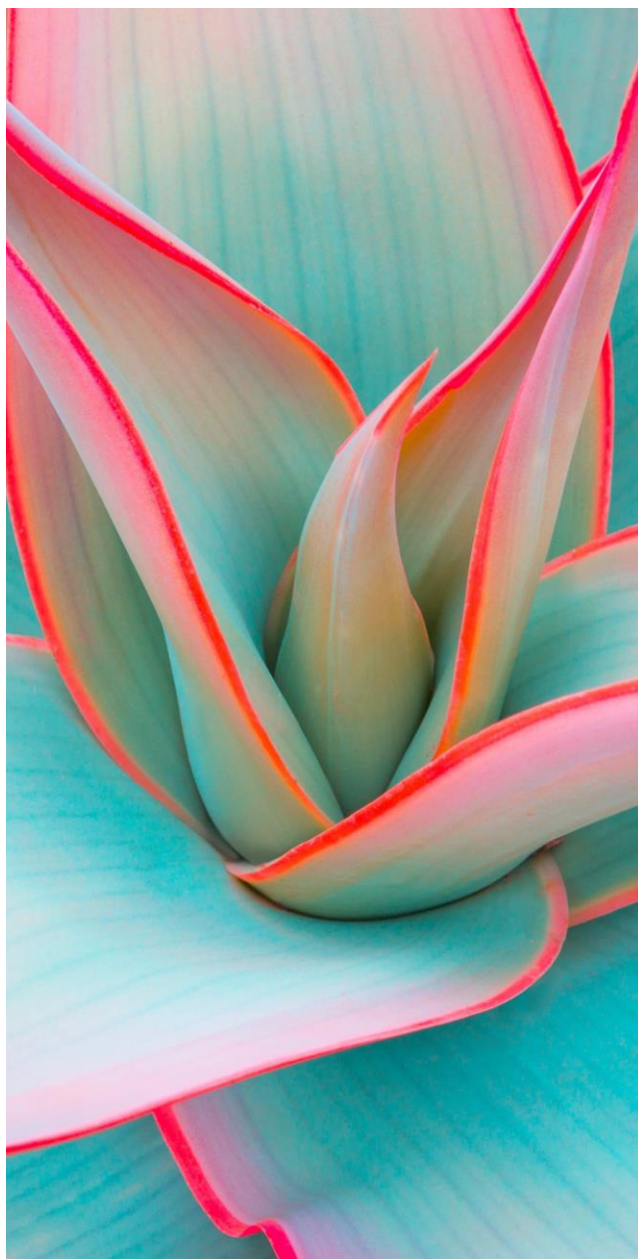
The one-person CSR department reports to the SEQENS Group General Secretariat and is mainly supported by the Group HSE Director, the Group Human Resources Director, the Group Innovation Director, the Group Quality and Regulatory Affairs Director, the Group Purchasing Director, and the Group Compliance Director. Each department ensures that the policy, action plans and reporting of CSR indicators relating to their department are implemented.

Network of CSR referents

The operational deployment of the CSR strategy is then :

- Supervised by each manager of the functions concerned
- Handled at each production site directly by plant managers or delegated to on-site contributors, known as CSR referents, such as Operational Excellence managers or site HSE managers.

The CSR department relies on a network of some twenty CSR referents, at least one at each site.



1

Climate change and environment



As a responsible industrial player, SEQENS cannot dissociate the company's financial performance from the environmental performance of its activities. To limit the direct and indirect impact of its activities and products on the environment, SEQENS has made a number of commitments:

- Preventing pollution
- Improving the energy efficiency of facilities and combating climate change
- Developing production processes with a low environmental footprint
- Reduce the environmental impact of production
- Ensuring rational water management
- Reducing and managing waste efficiently to promote the circular economy



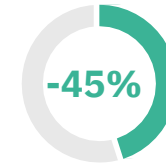
CSR COMMITMENTS

Continuing to decarbonize our activities

Preserving resources, especially water

Reduce our environmental impact, in particular waste, effluents and atmospheric emissions

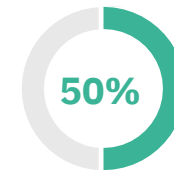
CSR OBJECTIVES



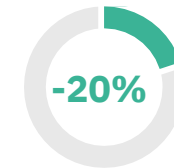
Reduce our carbon intensity by 45% between 2011 and 2025 on scopes 1&2



Reduce our energy intensity by 10% between 2021 and 2025



Achieve a 50% share of renewable and recovered energy by 2025



Reduce our water intensity by 20% between 2021 and 2025

Increase the percentage of waste recovered in the form of materials or energy.
Reduce the amount of hazardous waste per ton of product manufactured.

ENERGY

Commitment

Pursuing the decarbonization of our activities

Risks

Disruption and cost of energy supply

Failure to combat and adapt to climate change

Policy

The chemical industry is an energy-intensive industry. The Group is committed to reducing its energy consumption. These efforts are focused on two main areas:

- Continuous improvement of industrial processes and the performance of associated equipment;
- Optimizing the energy consumption of buildings.

Objectives

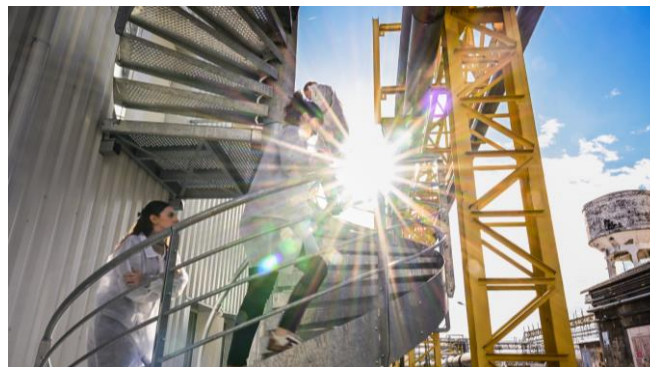
SEQENS has set itself the target of reducing its energy consumption per ton of manufactured product by 10% between 2021 and 2025.

Actions implemented

- Raising employee **awareness** of energy savings.
- **Energy audits** to identify levers for action to reduce energy consumption.
- Implementation of **energy efficiency plans** for the most energy-intensive production units.
- Implementation of **energy** and environmental **management systems** at certain sites.

9 sites certified to ISO 14 001, the standard relating to the Environmental Management

2 sites certified to ISO 50 001, the Energy Management System standard



Achievements 2023

Awareness

○ The Aramon, Roussillon (Novacyl company), Turku and Villeneuve-la-Garenne sites have raised employee awareness of energy consumption (e.g. energy consumption and unnecessary costs associated with not switching off vacuum pumps and chilled water circuits, good practice in using heating in winter and air conditioning in summer).

Energy audit

- The Billingham and Middlesbrough sites carried out an ESOS (Energy Savings Opportunity Scheme) audit to identify various energy-saving opportunities.
- The Roussillon site (Novacyl) underwent an energy performance assessment in April 2023.

Energy efficiency

- The Couterne site has pursued its 2022-2024 energy efficiency plan, with a progress rate of 64% in 2023. This represents the implementation of 17 projects:
 - In order to better monitor energy consumption, a steam metering plan and steam flow meters have been installed.
 - An inventory of inefficient heating systems has been carried out, together with a costing for more efficient systems. The temperature of the heating thermostats is now recorded to optimize heating, and operating times have been set.
 - Insulation blankets have been installed on the piping of some ovens, and the boiler has been insulated to limit energy losses.
 - To reduce compressed air leaks, the round schedule was reviewed and new employees were trained in leak detection. In addition, a specialist with top-of-the-range equipment was brought in to help locate these leaks.

- The Billingham and Middlesbrough sites have implemented a number of measures to reduce their energy consumption:

- To better map energy consumption, monitoring equipment has been installed.
- To identify nitrogen and compressed air leaks, and hence excess energy consumption, an acoustic imaging camera has been purchased. This equipment should enable a 5% reduction in the consumption of these utilities, representing a saving of 61 MW per year.
- In order to reduce energy inefficiencies and identify energy losses more easily, a thermal imaging camera was purchased. It enables the condition of the lagging to be checked without the need to remove the existing lagging to examine it.
- Variable speed drives have been installed to optimize equipment operation and energy consumption.
- The renovation of certain buildings has enabled the installation of LEDs and increased wall insulation to reduce heat loss.
- To reduce energy consumption in the cooling towers, thermostats have been installed to stop the fans when the temperature falls below 10°C. This will reduce fan operation by 25%, thus saving electricity.

- As part of its ISO 50 001 action plan, the Lahr site has carried out several projects:

- A relay was installed to automatically close a valve in a boiler. The electrical savings were estimated at 400 kWh/year.
- Sunshades were installed on a building to reduce energy consumption for air conditioning.
- A new heat exchanger was installed to improve the energy efficiency of the cooling tower.
- LED bulbs have been installed.

- The Roussillon site (Novapex company) has optimized steam consumption on its equipment, replacing a steam economizer with a more efficient one.

- The Roussillon site (Novacyl company) has implemented several energy efficiency projects:

- The use of utilities (steam, water, nitrogen) has been reviewed to reduce their consumption (shutdown of utilities when not in use, optimization of consumption during slowdown and shutdown phases).
- The building's heating/air conditioning system has been designed to limit thermal amplitudes.

- By 2023, the industrialization of the new paracetamol manufacturing process has passed several important milestones, notably with the completion of the "large-scale" pilot and the start of construction of the unit at the Roussillon site (Novacyl). The Group estimates that production from this new unit will cover almost half of Europe's needs.

With the pilot plant, over 10 tonnes of paracetamol have been synthesized, confirming the objectives of drastically reducing the environmental footprint of this product, with a 4-fold reduction in CO₂e emissions for scopes 1 and 2, and a 3-fold reduction in energy consumption, with almost no effluents thanks to the regeneration of solvents.

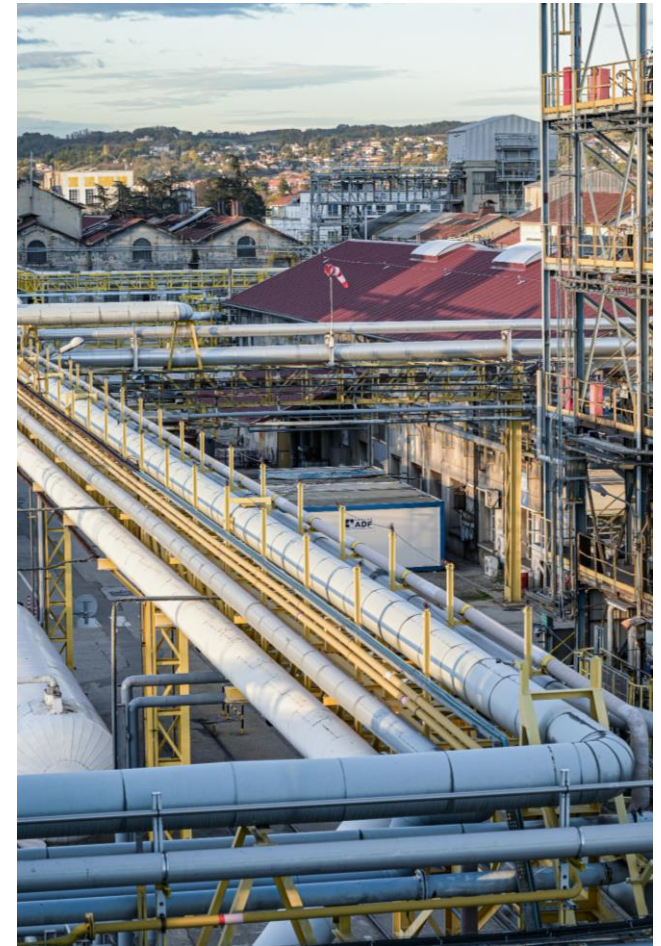
Construction began in early 2023 and will be completed in 2025, with the first customers scheduled for delivery in 2026.

- With a view to reducing energy consumption, the Villeneuve-la-Garenne site has optimized its electricity consumption:

- The rental chillers have been replaced to better match the site's activity and reduce electricity consumption.
- The storage of materials and products has been reorganized, and the number of refrigeration units has been reduced to optimize electricity consumption.
- The temperature of the chillers has been raised from -25°C to -18°C. This is sufficient to reduce power consumption.
- Some of the lighting in the Quality Control laboratory have been replaced by LEDs.

- The Porcheville site, although only an R&D facility, has also taken steps to optimize energy consumption:

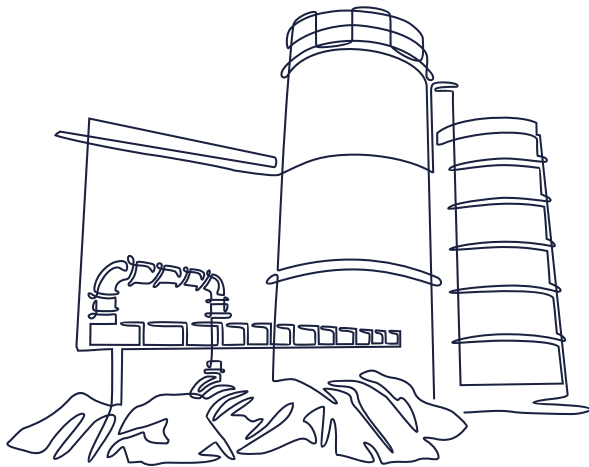
- Electricity meters have been installed in the administration building to better monitor consumption.
- Air handling unit management has been improved (temperature setpoints adapted at weekends and at night, flow rate regulated according to activities throughout the year).



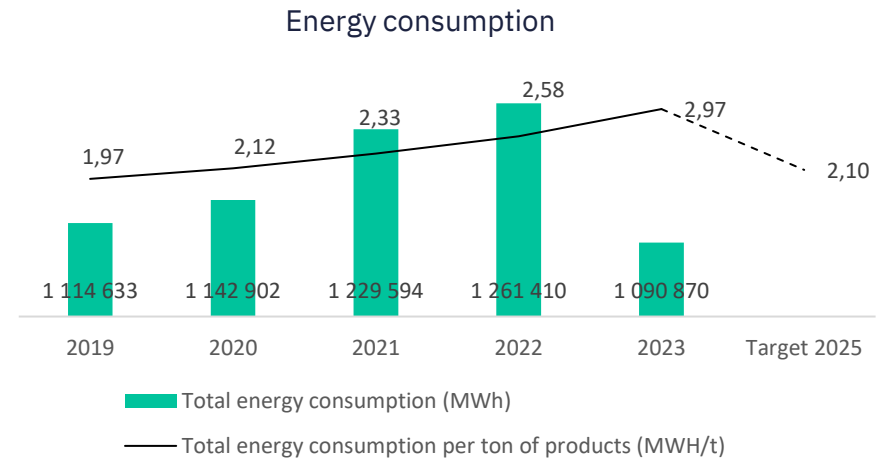
 Indicators

Energy consumption (MWH)	2022	2023
Steam	887 119	762 999
Electricity	200 610	175 441
Gas	163 552	141 022
Heat	5 701	5 676
Biomass	2 907	2 776
Fuels (mobile sources)	NA	1 508
Fuel	1 521	1 448
Coal	0	0
TOTAL	1 261 410	1 090 870

The Group's energy consumption is mainly steam-related (70%). This is why the Group is **concentrating its efforts on reducing steam consumption and recovering it**.



 KPIs



Energy consumption 2021-2023

↓ - 11%

Energy consumption per ton of manufactured product 2021-2023

↑ + 27%

Target 2021-2025:

-10%

In 2023, energy consumption has decreased in absolute terms by 11% compared to 2021 (-14% compared to 2022), while production has decreased by 30% compared to 2021 (-25% compared to 2022).

As a result, the Group reduced its energy consumption in absolute terms, but increased its energy consumption in terms of intensity (per ton of product manufactured). This result is explained by a significant drop in demand from the phenol market from 3rd quarter 2022 onwards, in the wake of the energy crisis and the downturn in the entire European chemical industry. This sharp and sudden drop in activity has resulted in a drop in production at the Roussillon site (Novapex company) that is greater than the drop in energy consumption. In fact, the performance of these under-utilized production units is lower than at full capacity, since a proportion of energy consumption is fixed, whatever the level of production.

The Roussillon site (Novapex company) accounts for 48% of the Group's energy consumption in 2023, and 55% of the total tonnage of products manufactured. The energy efficiency projects implemented by the other sites cannot compensate for the results achieved by Roussillon (Novapex company). Energy intensity has therefore temporarily increased.

LOW-CARBON ENERGY

Commitment

Continuing to decarbonize our activities

Risks

Failure to combat and adapt to climate change

Policy

SEQENS has set itself the goal of combating climate change in its business activities. This involves decarbonizing the energies used, i.e. increasing the use of recovered and renewable energies.

This approach focuses on :

- Switching to less carbon-intensive energy sources (e.g. from gas to electricity).
- The use of recovered energy. Recovered energy is the energy produced by industrial processes that would be lost if it were not used when it is available.
- On-site production and consumption (self-consumption) of renewable energy. As a reminder, renewable energies are those of solar, wind, hydraulic, geothermal or plant origin (wood, biofuels, biogas, etc.).
- Purchasing certified renewable energy from our suppliers.

Objective

SEQENS has set itself the target of achieving a 50% share of renewable and recovered energy by 2025.

Actions implemented

- Recovered energy can come from :
 - The sites' industrial processes. One example is the Lahr site, which recovers heat from its solvent incinerator to heat a large part of its buildings, thus reducing gas consumption.
 - Energy suppliers or the platforms on which the sites are located.

This is the case at the Roussillon platform, where companies use steam or condensate energy to heat reactions. SEQENS has made a major contribution to the implementation of a heat recovery system for the urban incinerator, supplying the Roussillon platform with over 50% of recovered steam.

Over 80% of the steam at the Bourgoin site comes from heat recovered from the urban household waste incinerator.

The heat released by the local incinerator in Taixing supplies almost 3% of the steam consumed on the Taixing site.

- With regard to renewable energy, the Bangpoo site has had photovoltaic panels on the roof since 2019 for self-consumption. And since 2021, the Turku site has been sourcing 100% of its heat, steam and electricity from certified renewable sources.

Achievements 2023

Energy change

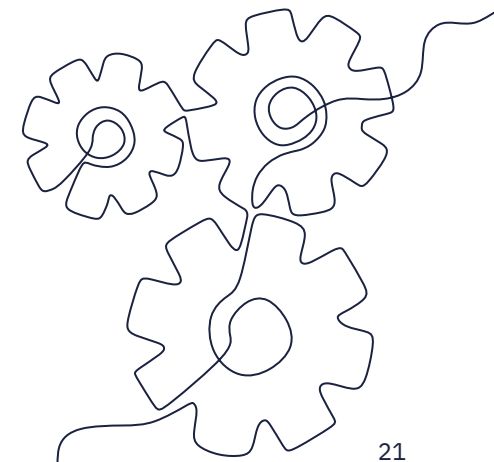
- The Lahr site has switched from gas-fired heating to a heat pump (electricity) in one building.

Recovered energy

- The Bourgoin site has upgraded its office heating system to reuse steam from the workshops. A water-steam exchanger system was designed and installed, replacing the old gas boiler.
- The Couterne site has installed a system for recovering heat from compressors to heat buildings.

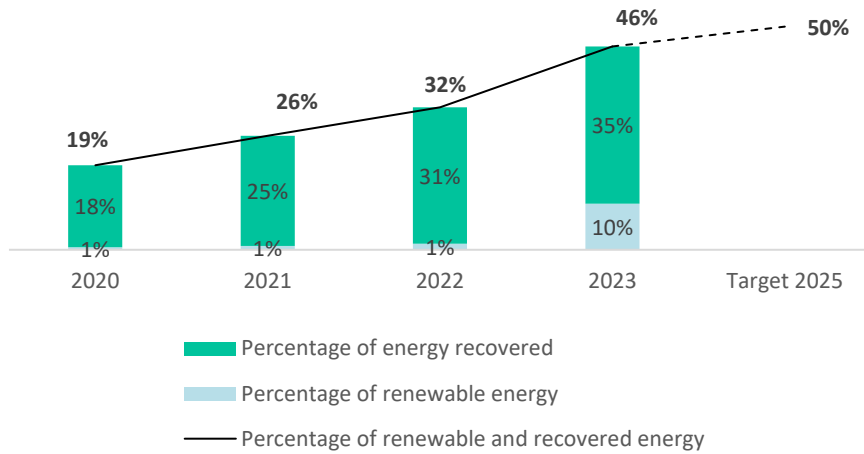
Renewable energy

- The Wuxi site installed solar panels in November 2023, covering a surface area of 6,437 m² and generating 0.9 million kWh per year.





Renewable and recovered energy



Share of recovered and renewable energy in 2023

46%

Target 2025:

50%

In 2023, the Group reached 46% of recovered and renewable energy. This share should continue to rise in the coming years, notably with the installation of 6,437 m² of solar panels on the Wuxi site at the end of 2023, the impact of which will not be visible until 2024.



CO₂e EMISSIONS

Commitment

Pursuing the decarbonization of our activities

Risks

Failure to combat and adapt to climate change

Policy

Convinced that a sustainable activity in the pharmaceutical or cosmetics sectors must necessarily propose an ambitious decarbonization trajectory, the SEQENS Group has been fully mobilized since 2008 to **accelerate its low-carbon transition and reduce its greenhouse gas emissions**. This historic commitment, described in SEQENS' CSR policy, involves measuring its CO₂e² emissions, defining ambitious reduction targets and implementing concrete actions at all its industrial sites. This is all the more important given the constraints posed by the increasing scarcity of fossil fuels, rising energy costs and, of course, the challenge of climate change.

To reduce CO₂e emissions from scopes 1 and 2, SEQENS is focusing on three areas:

- **Improve the energy efficiency** of buildings, processes and utilities (consume less). See the "Energy" section.
- **Decarbonize energy use** (consume differently). See the "Low-carbon energy" section.
- **Develop innovative processes and breakthrough solutions** to reduce the carbon footprint of manufactured products.

² CO₂e=CO₂ equivalent

Objectives

SEQENS has set itself the target of **reducing its CO₂e emissions per ton of product manufactured by 45%** between 2011 and 2025 on scopes 1&2. This objective is complemented by two sub-objectives:

- Reduce energy consumption per ton of product manufactured by 10% between 2021 and 2025
- Achieve a 50% share of renewable and recovered energy by 2025

Furthermore, in order to meet the targets set by the Paris Agreement at COP21, SEQENS submitted a letter of commitment to the Science Based Target (SBTi) initiative in May 2023. Via this letter, SEQENS has committed to setting long-term, company-wide emissions reduction targets in line with climate science as part of SBTi.

SBTi validates CO₂e emissions reduction targets in line with the global effort to limit global warming to 2°C or 1.5°C.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

In 2023, SEQENS was assisted in calculating these targets and defining a new decarbonization plan. Here are the new targets to be submitted to SBTi in 2024:

- Absolute reduction in CO₂e emissions from scopes 1+2 of 46.2% between 2021 and 2031 (1.5°C scenario)
- Absolute reduction in scope 3 CO₂e emissions of 27.5% between 2021 and 2031 (2°C scenario)



EMISSIONS CO₂e ON SCOPES 1+2

Scope 1 corresponds to direct CO₂e emissions from sources owned or controlled by SEQENS. These emissions result from the combustion of energy sources such as gas, fuel oil and biomass; the leakage of refrigerants (mainly from chillers and air conditioners); and CO₂e emissions from other on-site processes such as chemical reactions or on-site waste incineration.

Scope 2 corresponds to indirect emissions linked to the consumption of electricity, steam or heat.



Actions implemented

- As with any business, the Group's activities are exposed to the physical and transitional risks associated with climate change. These risks are linked, on the one hand, to the occurrence of extreme meteorological phenomena such as cyclones or floods, and on the other hand to chronic risks resulting from long-term changes in the climate, such as an average rise in temperatures, a significant change in precipitation levels or a reduction in available water. An increase in these risks could, by disrupting the Group's operations and/or supply chain, impact on the availability of finished products.

SEQENS therefore identifies the company's activities most exposed to climate risks. To do this, the Group uses Weltrisikobericht's WorldRiskIndex. This score indicates the disaster risk associated with extreme natural events and the negative effects of climate change for 193 countries worldwide, and takes into account the country's exposure and vulnerability. Exposure covers threats to the population from earthquakes, tsunamis, coastal and river flooding, cyclones, droughts and sea-level rise.

The risk analysis for 2023 shows :

- 5 sites exposed to a very high risk of disaster due to extreme natural events and the negative effects of climate change. These sites are located in India (Hyderabad), China (Taixing, Wuxi), Thailand (Bangpoo) and the United States (Devens).

- 12 sites exposed to a high risk of disaster due to extreme natural events and the negative effects of climate change. These sites are located in France (Aramon, Bourgoin, Couterne, Limay, Limoges, Nimes, Pont-de-Claix, Porcheville, Roussillon - Novacyl company, Roussillon - Novapex company, Saint-Fons and Villeneuve-la-Garenne);
- 4 sites have a medium risk. These sites are located in the United Kingdom (Billingham, Middlesbrough), Germany (Lahr) and Israel (Neot Hovav).
- 1 site has a very low risk. This site is located in Finland (Turku).
- The annual monitoring of CO₂e emissions on scopes 1 and 2 has been further strengthened to include CO₂e emissions linked to mobile energy sources, in line with the GHG Protocol³.
- The Group continues to **measure the carbon footprint** of its most impact-intensive **products**, or in response to customer requests.

18 Carbon footprint of products produced in 2023

168 Available carbon footprints in 2023 (cumulative)

- With regard to scopes 1 and 2, in addition to actions to **reduce energy consumption** (see "Energy" section) and **decarbonize energy** (see "Low-carbon energy" section), sites are also working to reduce the use of refrigerants or replace them with fluids with lower global warming potential (GWP). This will be the case by 2023 at the Hyderabad, Lahr, Limoges and Villeneuve-la-Garenne sites.

- SEQENS has been recognized for its management of environmental action, and was awarded a **"B" score in the CDP Climate Change 2023 questionnaire** for its commitment and results in the **fight against climate change**.

The CDP is a not-for-profit organization that encourages companies to publish their environmental data, and assesses the strategy, involvement and results achieved by companies in the fight against climate change.

Among the themes assessed by the CDP, the Group received an "A" score in the "Emissions reduction initiatives and low-carbon products" category.



KPIs

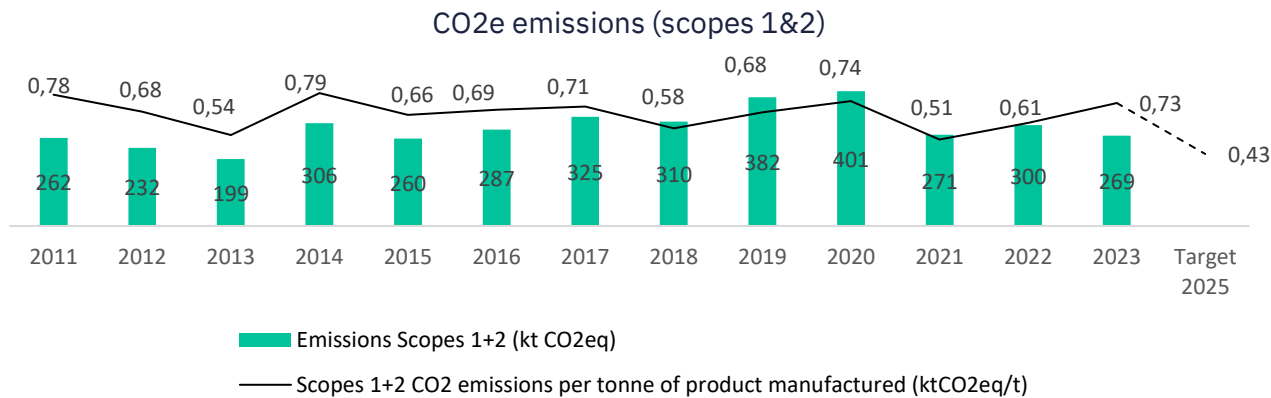
Emissions CO ₂ e (tCO ₂ e)	2021	2022	2023
Scope 1	57 558	72 484	65 556
Scope 2	213 681	227 306	203 288
Scopes 1+2	271 239	299 790	268 844

CO₂e emissions on scopes 1+2 in intensity 2011-2023:

-6%

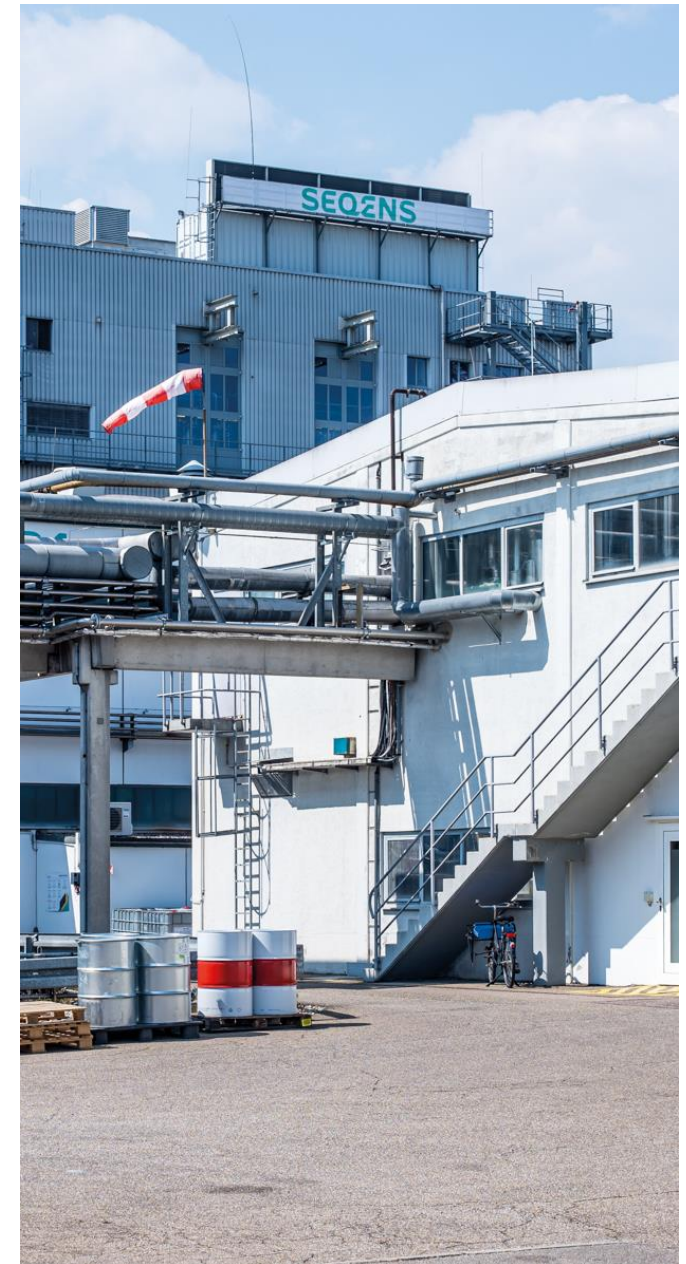
Target 2011-2025:

-45%



By 2023, CO₂e emissions will have decreased in absolute terms ("market based") by 10% compared with 2022, and by 6% compared with 2011, the year in which our target was set. The Group has reduced its CO₂e emissions in absolute terms, but has increased its emissions in terms of intensity (per ton of product manufactured). This result is explained by an unprecedented drop in demand in the phenol market from 3rd quarter 2022 onwards, in the wake of the energy crisis and the downturn in the entire European chemical industry. At Roussillon site (Novapex company), this sharp and sudden drop in activity has resulted in a drop in production that is greater than the drop in CO₂e emissions. As a result, carbon intensity temporarily increased.

The Group's CO₂e emissions are mainly linked to steam (48%). This is why the Group is **concentrating its efforts on reducing CO₂e emissions from steam.**



EMISSIONS CO₂e ON SCOPE 3

Scope 3 corresponds to SEQENS' upstream and downstream CO₂e emissions. This includes CO₂e emissions from raw materials, purchased goods and services, upstream and downstream transport, waste disposal, business travel, employee travel, etc.

Actions implemented

Some sites have been calculating their scope 3 in addition to scopes 1 and 2 since 2017, and drawing up a BEGES (greenhouse gas emissions balance) regulated in France. In September 2022, SEQENS launched a program to quantify CO₂e emissions linked to scope 3 at Group level, based on data for 2021. In May 2023, the SEQENS Group finalized its scope 3 calculation and committed to setting long-term, company-wide emissions reduction targets in line with climate science as part of SBTi. This includes a reduction target for scope 3.

An associated decarbonization plan has been drawn up for all three scopes. For scope 3, the plan focuses on 4 areas of work:

- Reduce CO₂e emissions linked to the purchase of raw materials. This involves four sub-axes:
 - Work with our suppliers to more accurately estimate the carbon footprints of the raw materials we purchase, collect their CO₂e emission reduction plans and ensure that they meet their CO₂e emission reduction targets.
 - Reduce the quantity of virgin raw materials or other inputs purchased by strengthening the circular economy, in particular by reusing waste or co-products in our processes, and by improving the efficiency of our processes.
 - Turn to natural or bio-based raw materials, which generally emit less CO₂e than fossil raw materials.

- Reinforce the deployment of green chemistry and the use of green processes (biotechnology, continuous chemistry, biocatalysis, etc.), in particular to optimize yields and reduce the quantities of raw materials used.
- Reduce CO₂e emissions linked to waste, in particular by recycling and reusing our solvents internally and by optimizing processes.
- Reduce CO₂e emissions linked to the transportation of raw materials and products. This involves four sub-axes:
 - Relocate the production of certain intermediates in France and Europe to reduce CO₂e emissions linked to transport, benefit from the country's low-carbon energy and recreate jobs in France.
 - Promote low-carbon modes of transport (river, sea or rail)
 - Choose more environmentally-friendly transport providers.
 - Replace the fleet of thermal vehicles on site (on-site forklift, transport vehicle between sites, etc.) with electric vehicles.
- Reduce CO₂e emissions linked to employee commuting and business travel. This involves three sub-axes of work:
 - Replace the company's fleet of thermal vehicles with electric ones.
 - Encourage employees to use soft modes of transport such as bicycles, public transport or carpooling when commuting to and from work.
 - Reduce business travel and encourage employees to use low-carbon modes of transport such as the train or carpooling.

Achievements 2023

Relocation

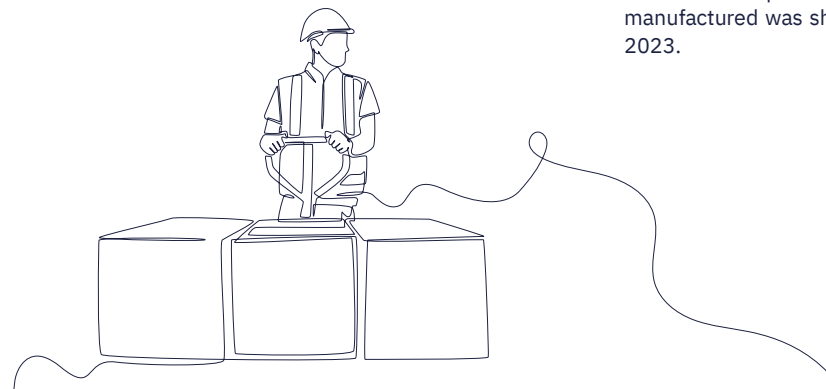
○ Aware of the impact of its production on the carbon footprint of the products marketed by its customers, **SEQENS has launched vast investment programs in Europe**, enabling it to maintain or relocate essential production through the development of innovative processes with a low environmental footprint and access to decarbonized energy. This is notably the case with projects for a new isopropanol or paracetamol unit, which offer an alternative to competitors' carbon-intensive production processes.

4 projects to relocate production of active pharmaceutical ingredients / intermediates in France and Europe in 2023

Freight transport

○ The Pont-de-Claix site optimizes its modes of transport and uses piggyback transport for long distances. Piggybacking is a form of rail transport. It involves transporting trucks or vehicles with drivers on a train from one point to another. In this case, the trucks travel from the site to Lyon, where they board trains to Rennes, before returning to the roads. This mode of transport is used whenever customers are close to rail lines.

○ The Roussillon site (Novapex company) is exemplary in terms of low-carbon transport. The site's two main raw materials arrive 100% by pipeline for the 1st raw material, 75% by barge and 25% by rail for the 2nd raw material. As for downstream product transport, 32% of the tonnage manufactured was shipped to customers by rail at this site in 2023.



Sustainable mobility

- The Bangpoo, Lahr, Pont-de-Claix, Roussillon (Novapex company), Roussillon (Novacyl company), Saint-Fons and Wuxi sites have replaced around ten combustion-powered vehicles (e.g. forklifts, maintenance vehicles) with electric ones.
- The Villeneuve-la-Garenne site has provided employees with two new electric car charging stations.
- The Ecully and Porcheville sites have introduced a bicycle mileage allowance to encourage employees to use low-carbon modes of transport for their home-to-work journeys.
- The Group has revised its travel policy. From now on, when train and plane are available for the same journey, if the time difference between the two modes of transport is less than 2 hours, the train is to be preferred.
- The Middlesbrough and Billingham sites have introduced a financial reimbursement scheme to actively encourage carpooling between the two sites, for meetings or training. Drivers can now indicate that they have taken other "passengers" for business purposes, and are reimbursed accordingly.
- At the Lahr and Villeneuve-la-Garenne sites, employees were encouraged to use bicycles by Jobrad and Two roule respectively.

Digital Responsibility

○ SEQENS' informatic department is committed to a more responsible digital environment. To this end, it has installed the SOPHT software solution at its French sites in June 2022. This solution measures the environmental footprint of the IT ecosystem and proposes a decarbonization trajectory.

In 2023, SEQENS' digital carbon footprint was measured at an average of 55 tCO₂e/month. The manufacture of employee equipment (computers, business phones, etc.) accounts for over 80% of the Group's digital footprint. As a result, the Group has implemented several actions:

- The lifetime of computer equipment has been extended (from 3 to 5 years);
- Cloud services have been optimized;
- The printer fleet has been optimized (reconditioning of machines, pooling of consumables, badge printing, etc.).

 **KPIs**

The GHG Protocol defines 15 categories of emissions associated with Scope 3:

Scope 3 CO₂e emissions by category based on 2021 data		In tCO ₂ e	In %
Upstream	3-1. Products and services purchased	1 134 747	58,8%
	3-2. Capital goods	19 105	1,0%
	3-3. Activities involving fuel or energy consumption (not included in Scope 1 and Scope 2 emissions)	47 106	2,4%
	3-4. Upstream transport and distribution	26 996	1,4%
	3-5. Waste generated by the sites	43 517	2,3%
	3-6. Business travel	146	0%
	3-7. Employee commuting	3 753	0,2%
	3-8. Upstream leased assets	0	0%
Scope 3 upstream		1 275 370	
Downstream	3-9. Downstream transport and distribution	43 607	2,3%
	3-10. Treatment of products sold	1 706	0,1%
	3-11. Use of products sold	8 793	0,5%
	3-12. Treatment of products sold at end-of-life	600 164	31,1%
	3-13. Downstream leased assets	0	0%
	3-14. Franchises	0	0%
	3-15. Investments	0	0%
Scope 3 downstream		654 270	
Total scope 3		1 929 640	

The SEQENS Group has estimated its Scope 3 emissions at 1,929,640 tCO₂e in 2021. This estimate is considered valid for 2023, as there have been no major changes in the Group's activity, and the raw materials purchased are more or less the same as in 2021.

Scope 3 CO₂e emissions are mainly due to direct and indirect purchasing (59%).

WATER

Commitment

Preserving natural resources, especially water

Risks

Unsustainable use of resources

Depletion and/or decline in water quality

Policy

Water is an important component of SEQENS' industrial activity. Utilities (steam, cooling water, process water, etc.) are by far the most important use of water for the Group. It is mainly used as a vector for cooling or heating manufacturing processes.

Water is also used to clean equipment and networks between two production campaigns, in order to comply with quality standards linked to product manufacturing.

However, not all resources are unlimited, and their industrial use must be controlled and limited as much as possible, particularly in areas of water stress. In order to make a positive contribution to the preservation of water resources, SEQENS is committed, in line with its HSE policy, to reducing its water consumption.

Objective

By 2025, SEQENS aims to **reduce its water consumption per ton of manufactured product by 20%** compared with 2021.

Actions implemented

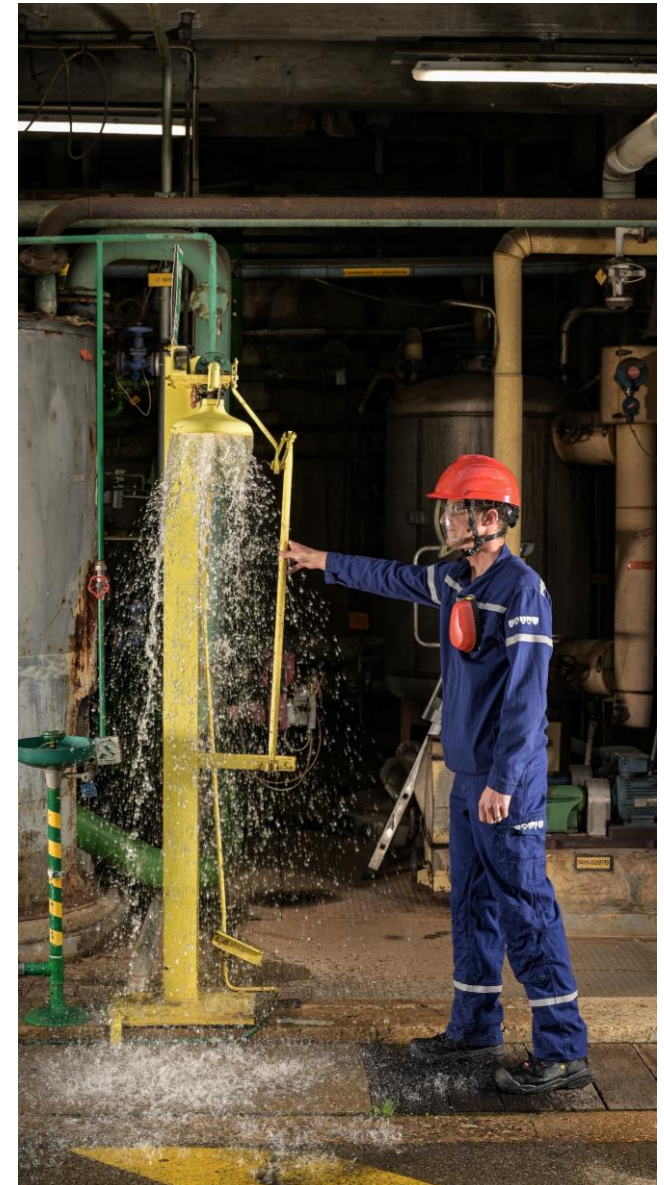
○ Each year, the Group carries out a risk analysis of the watersheds in which its industrial sites operate, in order to identify which of the company's activities are most exposed to **water stress** (when demand for water exceeds available resources). SEQENS uses the Aqueduct Water Risk Atlas tool developed by the World Resources Institute (WRI). In 2023, 4 sites (Hyderabad in India, Bangpoo in Thailand, Taixing and Wuxi in China) out of 23 are exposed to a very high or high risk, while the others have a low-medium or low risk. Water consumption at high-risk sites represents 1,094,005 m³, or 6% of the Group's total water consumption.

○ In France, water stress is managed by means of supplementary prefectural decrees known as "arrêtés sécheresse" (drought decrees), which impose measures for the gradual reduction of activity, the recycling of certain cleaning waters, and the modification of certain operating procedures.

○ In 2022, the HSE department identified areas for improvement in water consumption, mainly at 13 sites. This led to the implementation of an action plan to reduce water consumption at these sites. This point is included in the annual HSE action plans. Management actively supports this program to reduce water consumption, through proactive investment and monitoring of project results.

○ Projects to reduce water consumption focus on two areas:

- The installation of closed loops, particularly for cooling process equipment.
- Optimizing water consumption by installing new, more efficient equipment, automated systems, water-saving equipment, etc.



Achievements 2023

- The Roussillon site (Novapex) has increased the capacity of two of its cooling towers, reducing water consumption.
- The Bourgoin site has installed a remote control for the water supply to a workshop's vacuum pumps. This remote control allows four pumps to be supplied with water only when they are running (vs. constant water supply). The reduction in water consumption should be visible by early 2024.
- The Couterne site has continued its efforts to reduce water consumption:
 - To gain a better understanding of the site's water consumption, we have mapped the use of city and river water.
 - Water consumption linked to the cooling of incinerator flue gases via the cooling towers has been reduced.
 - The parameters of the cooling towers have been adapted to better match the outside temperatures. Cooling towers now have two temperature ranges (summer and winter).
 - The production osmosis unit was removed and the network connected to the new boiler osmosis unit to optimize water consumption.
- The Hyderabad site has installed over 15 flow meters to better monitor its water consumption.
- The Lahr site has installed a relay to automatically close a water valve in a boiler. Estimated savings are 520m³ of water per year.
- The Limoges site has set up a closed-loop cooling system and installed a 1,000-liter rainwater collector for outdoor work (green spaces, exterior cleaning).
- The Pont-de-Claix site has installed a regulating valve on the truck-loading slaughtering column, which means that water is only consumed when products are being loaded, when there are emissions (vs. permanent water consumption).

○ The Limay site has launched a communication campaign to raise employee awareness of drought and water consumption (turning off taps after use, reporting any water leaks on site to maintenance, turning off unused water-consuming appliances).

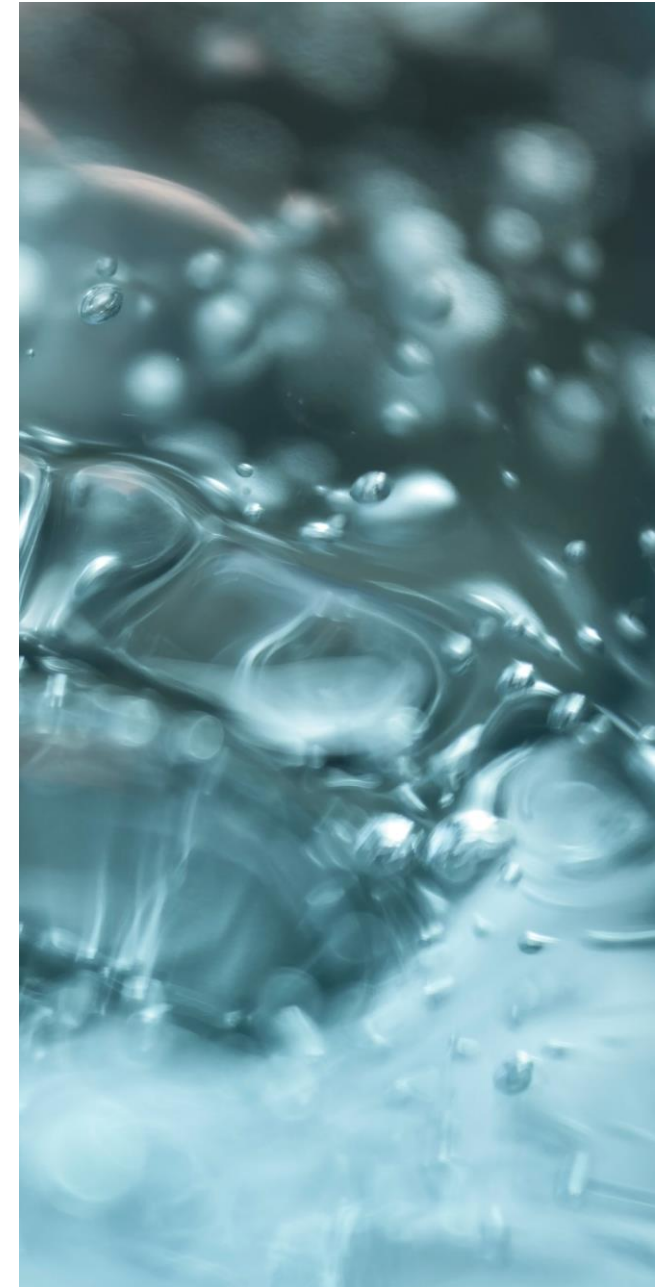
A procedure has also been put in place to better manage drought alerts.

Lastly, six liquid-ring vacuum pumps, which were on a lost-water system, were converted to a semi-closed circuit in 2023. The site's mains water consumption was cut by 50% after the modification.

○ The Roussillon site (Novacyl) has introduced strict monitoring of its total and unit water consumption. In addition, the site has set up lockouts on certain water sources (closing the water valve and identifying the valve) to stop certain consumption, notably cooling water outside the exchanger.

○ The Saint-Fons site has installed new flowmeter measurements to better monitor its water consumption. In addition, four exchangers have been placed in series (vs. in parallel), saving 544 m³ of water/day. Finally, the site has limited the water flow on the crystallizers' exchangers, saving 1,096 m³/day.

○ The Wuxi site has introduced recycling of purge water, which is concentrated in ions and impurities (calcium, magnesium, etc.). Instead of being directly discharged, this water is now used to clean the workshop floor.

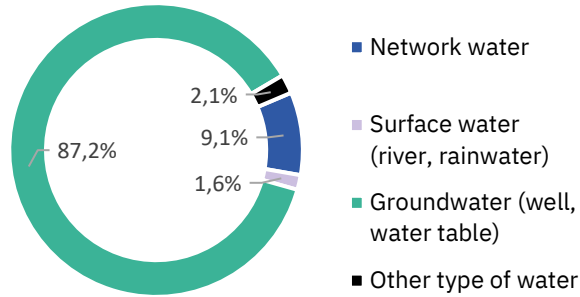




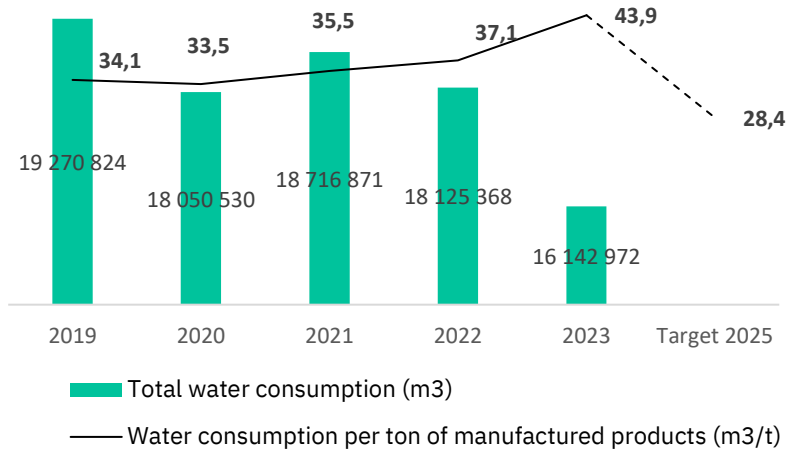
2023 indicators



Type of water consumed



Water consumption



Water consumption 2021-2023

↓ **-14%**

Water consumption per ton of product manufactured 2021-2023

↑ **+24 %**

Target 2021-2025:

↓ **-20%**

In 2023, water withdrawal has decreased in absolute terms by 14% compared to 2021 (-11% compared to 2022), while production has decreased by 30% compared to 2021 (-25% compared to 2022).

As a result, the Group reduced its water consumption in absolute terms, but increased its energy consumption in terms of intensity (per ton of product manufactured). This was due to an unprecedented drop in demand from the phenol market. At the site Roussillon (Novapex company), this sharp and sudden drop in activity resulted in a drop in production that outstripped the drop in water consumption. As a result, water intensity temporarily increased.

The Roussillon site (Novapex) accounts for 56% of the Group's water consumption in 2023, and 55% of the total tonnage of products manufactured. Despite the efforts made by Roussillon (Novapex), the reduction in water consumption is not proportional to the drop in production. As a result, water intensity has temporarily increased.

WASTE

Commitment

Reduce our environmental impact, in particular waste, effluents and atmospheric emissions.

Risk

Environmental pollution

Policy

SEQENS' production activities generate routine waste inherent in the manufacturing and packaging processes. Most of this is hazardous waste, particularly solvent-based liquid waste.

To combat the waste of natural resources and limit the impact of production activities on the environment, SEQENS is committed in its HSE policy to preserving natural resources and reducing the environmental footprint of products and processes at all levels.

The Group's approach is based on the 4Rs:

- Reduce the amount of waste generated
- Reuse directly or, recycle and reuse internally waste whenever possible (reuse as raw material or input in a manufacturing process). This is particularly the case for used solvents, which can be reused in the same production cycles.
- Recovering value from waste, in particular as an internal energy source.
- Recycle or incinerate waste with energy recovery via an external service provider to recover the waste content in the form of materials or energy.

Objective

As part of its CSR strategy, SEQENS aims to **increase the percentage of waste recovered** (recycling and incineration with energy recovery) and to **reduce the amount of hazardous waste per ton of products manufactured**, particularly the quantity of solvents consumed.



Actions implemented

- Identification by the Innovation department of co-products or by-products that can be reused as raw materials in a new manufacturing process, reducing waste generation and contributing to the circular economy.
- Reuse and/or recycling of certain used solvents for re-use in the same production cycles. In the case of recycling, used solvents are distilled internally or externally before being reused. As part of its activities, the Middlesbrough and Billingham (UK) sites use their distillation capacities and expertise to recycle solvents on behalf of our customers. In this way, SEQENS' commercial activities contribute to the circular economy.
- Internal recovery of the calorific content of final waste, as fuel to replace gas in the incinerator at the Couterne and Lahr sites; or to power a steam boiler at the Roussillon platform and Taixing site.
- Reinforce waste management monitoring to identify further avenues for progress.
- Reinforcement of selective sorting of non-hazardous waste to ensure sorting at source and better waste recovery.

374 800 tons of used solvents (redistilled or not) reintroduced into industrial processes by 2023

This avoided generating the same amount of waste.

Achievements 2023

The Mamba project was launched at the end of 2023, enabling the Bangpoo site to recover decommissioned aspirin. This project will make it possible to use 1,000 tons of products already stored for this project as raw materials in another process, thus reducing the quantity of outgoing waste.

The Couterne site has set up the TETA project, a solvent regeneration scheme. Used toluene, a solvent used in one process, is now recycled and reused in hydrate production. In 2023, regenerated toluene was used instead of virgin toluene on 17 batches, saving 146 tonnes of virgin toluene. And all this with no impact on end-product quality or yields.

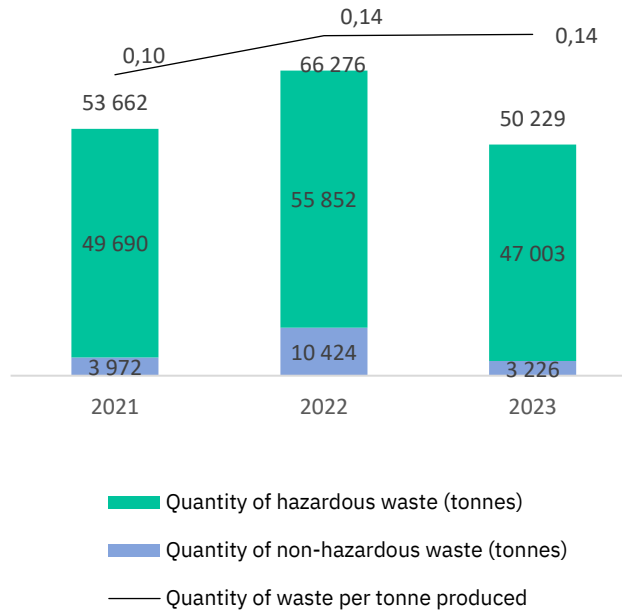
The corporate purchasing department launched an invitation to tender to renew the waste management service provider at its French sites. The new offer will improve the end-of-life of certain types of waste, moving them from landfill or incineration without energy recovery to energy recovery.

The Limay site is working on reducing solvent consumption during cleaning phases. Current methods for determining the quantity of solvents to be used for cleaning or the number of washes are empirical and can be optimized. In 2021 and 2022, the site has added nozzles and cleaning squids to increase pressure during cleaning and thus efficiency. The site has also reviewed equipment materials and slopes. In 2023, new cleaning methods have been developed for the drying section. Tests are underway to ensure reproducibility of results.

The Nimes site organized a waste awareness day. Hazardous and non-hazardous waste service providers visited the site to explain what happens to waste and how to sort it properly.

Indicators

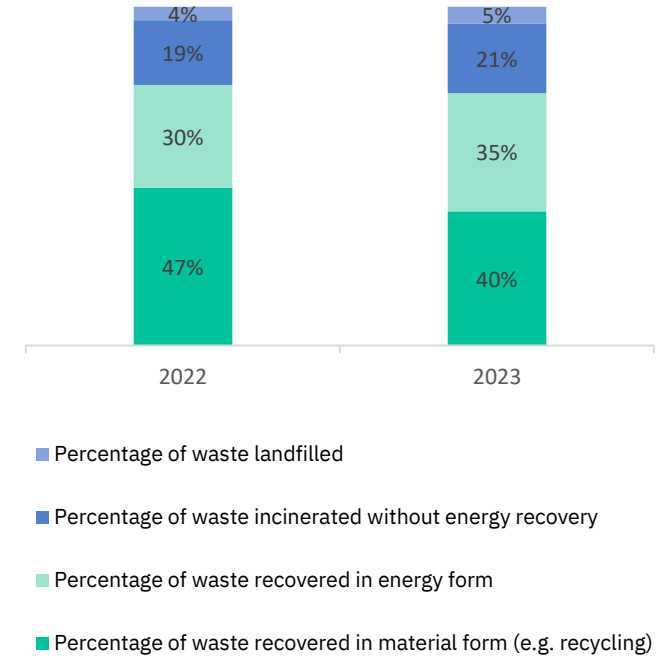
Quantity of waste generated



The SEQENS Group has reduced total waste generation by 24% in absolute terms between 2022 and 2023. This is mainly due to the decline in activity of the entire chemical industry in Europe in 2023.

KPI

End-of-life waste



In 2023, the SEQENS Group has recovered 75% of its total waste in the form of materials or energy.

1 072 Tons of unused/out-of-date products recycled or reprocessed internally in 2023
 This avoided generating the same amount of waste.

ENVIRONMENTAL RELEASES

Commitment

Reduce our environmental impact, in particular waste, effluents and atmospheric emissions

Risk

Environmental pollution

Policy

The manufacture, storage and transport of raw materials, products and waste involve a wide range of potential impacts on the environment and human health from the release of toxic chemicals.

The Group systematically prevents industrial risks and, in particular, the environmental impacts of its activities, whether in terms of atmospheric, aqueous or underground discharges.

Thus, all activities carried out by employees (whether permanent or temporary) are covered by an **analysis of environmental aspects**, including routine and maintenance activities. Preventive measures described in internal procedures must be respected to avoid any pollution (soil, surface water, groundwater, air, etc.).

In addition, **each site has a general environmental analysis** which must be updated regularly and whenever a significant change occurs. Any implementation of new equipment or manufacturing processes, or any modification to industrial processes, is also subject to risk assessment and action plans designed to reduce potential impacts.

Response plans to deal with accidental events are in place, and are the subject of training for the people concerned. Proper implementation of these provisions is verified during preventive visits by insurers and periodic HSE audits.

Objective

Prevent pollution in compliance with regulations



ATMOSPHERIC EMISSIONS

Air quality can be affected by gas pollutants of industrial origin. Some air pollutants are formed as a result of physico-chemical reactions involving sulfur dioxide (SO_x), nitrogen oxides (NO_x) or volatile organic compounds (VOCs). It is important for the Group to control these emissions, particularly the most significant ones, such as VOCs resulting from the use of solvents in extraction and synthesis processes.



Actions implemented

- Control of atmospheric emissions is based on reduction at source, treatment of gaseous effluents and monitoring of emissions. VOC emissions are captured and sent to treatment equipment (condensers, gas scrubbers, thermal oxidizers, cryogenics, activated carbon filtration, incinerators).
- The Group is continuing its efforts to improve the reliability of treatment plant performance and reduce VOC emissions, particularly diffuse VOCs.
- The quantity of VOCs emitted into the atmosphere is calculated annually and communicated to the authorities by all sites (through the "solvent management plan" for French sites).
- A technology watch is maintained, notably through the publication of BREFs (Best available techniques REference document) in Europe.
- Environmental impact studies are regularly carried out at the request of the authorities. These are in addition to the numerous self-monitoring measurements already carried out throughout the year.



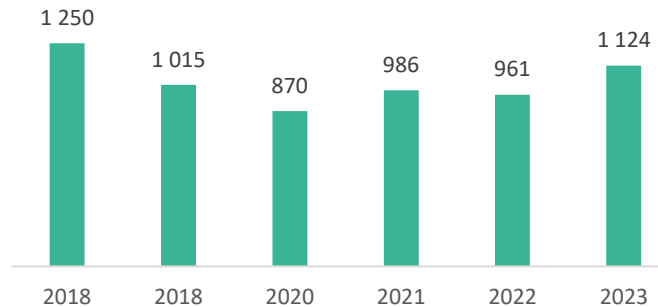
Achievements 2023

- Six French sites (Aramon, Bourgoin, Couterne, Saint-Fons, Villeneuve-la-Garenne, Limay) and two other European sites (Turku and Lahr) have submitted their re-examination dossiers for compliance with BREF WGC. This BREF WGC, which stems from the IED Directive (Industrial Emissions Directive), details the best available techniques (BAT) for gas emissions management and treatment systems in the chemical sector, and has become a binding regulatory reference.
- The Neot Hovav site has upgraded its air treatment system to reduce gaseous emissions. Water filters were installed and some of the system's pipes and exchangers were replaced.



Indicators

VOC emissions (tonnes)



The Group has increased its VOC emissions by 17% between 2022 and 2023⁴ due to a change in accounting methodology at the Roussillon site (Novacyl company).

The Group also emitted 113 tonnes of NO_x and 4 tonnes of SO_x in 2023.



⁴Data is reported with a one-year lag. Thus, the data reported in 2023 for annual CSR reporting are VOC emissions for 2022.

AQUEOUS DISCHARGE

Aqueous industrial effluents from extraction and transformation processes may contain pollutants. In order to comply with the regulatory requirements in force in the various countries concerning the quality of discharged water, SEQENS is committed to controlling its aqueous discharges, by implementing various programs to:

- Reduce waste at source;
- Implement effective treatments at site level.



Actions implemented

Where necessary, wastewater generated by the company's activities is **treated internally before being discharged** into the natural environment or to an external industrial or municipal treatment plant.

SEQENS' own effluent treatment facilities are subject to **ongoing maintenance, monitoring, reporting and performance optimization programs** through modernization projects or improved flow management (treatment at source, flow segregation and dedicated treatment).



Achievements 2023

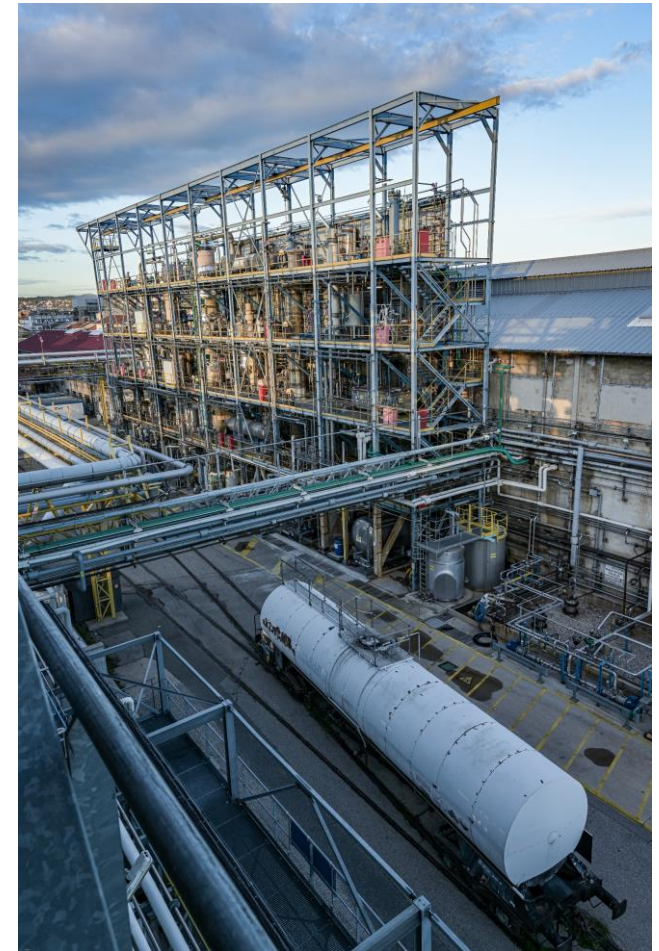
- The Limay site has set up a system for continuously sending T501/T502 production wastewater to the in-house wastewater treatment plant (WWTP). Previously, this water was pumped once a week from the tanks and transported by truck to the site's WWTP. This connection to the WWTP means that the waste can be treated in-house, eliminating the need for a weekly truck trip.
- The Roussillon site (Novacyl company) has improved its discharge monitoring. It has replaced the flowmeter and installed a new sampler. This equipment automatically takes a certain number of discharge samples, making measurements more reliable.



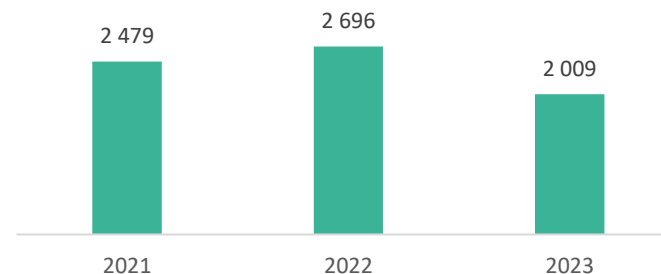
Indicators

Chemical Oxygen Demand (COD) is the most relevant parameter for assessing the quality of aqueous effluents, as an indicator of their overall content of biodegradable or non-biodegradable organic matter.

The overall quantity of COD calculated at the sites' property limits (and not at the point of discharge into the natural environment) appears to be a reliable and relevant indicator of SEQENS' efforts to reduce the environmental impact of its activities on aquatic ecosystems.



Quantity of COD in effluent discharged from the site (tons)



13 360 852

m3 of effluent discharged from Group sites in 2023

SOIL AND GROUNDWATER POLLUTIONS

SEQENS' industrial activities may involve the transport, storage, use, production and disposal of environmentally hazardous substances. To avoid any accidental release of hazardous products into the soil and groundwater, the Group complies with very strict rules.

Actions implemented

- The sites have specific facilities, such as retention systems and collection networks, to prevent infiltration into the ground in the event of accidental spills.
- Preventive maintenance plans are in place at our sites to ensure the integrity of tanks and piping containing hazardous products.
- Soil and groundwater pollution monitoring plans ensure that there is no soil or groundwater pollution, and verify the effectiveness of retention measures in place.

Achievements 2023

- The Roussillon site (Novacyl) has introduced a new resin technology to ensure the watertightness of its sulfuric acid and caustic soda tanks.
- The Limay site has redone the retention of two tanks to ensure that liquids do not seep into the ground in the event of a leak.



ODOUR AND NOISE NUISANCES

The manufacture of chemicals on SEQENS industrial sites can occasionally generate odors and noise. Even if this does not present a risk to the environment or health, SEQENS has put in place a number of measures to limit the inconvenience likely to be caused not only to employees working in odorous workshops or near noisy equipment, but also to local residents living close to the plants.

Actions taken to limit noise

- Workers exposed to noise are provided with personal protective equipment (PPE) such as hearing protection or earmuffs.
- Noisy equipment is soundproofed or, wherever possible, moved away from property boundaries.
- Noise levels at property boundaries are measured to monitor noise nuisance for local residents and take appropriate action where necessary.

Actions taken to limit odors

- Where necessary, odor treatment systems are installed (e.g. activated carbon filtration).
- SEQENS regularly communicates with local residents and municipalities to report any problems encountered.

Achievements 2023

Noise

- The Couterne site has installed compressed-air silencers, after noting that the distributors' exhaust silencers were noisy and only moderately effective. The noise is now almost inaudible.

Odor

- The Villeneuve-la-Garenne site has installed a vacuum air treatment system (vs. charcoal filter) to reduce odors during palladium recycling campaigns, which are highly odorous.

BIODIVERSITY

In the context of biodiversity erosion, companies have a role to play in reducing their impact on biodiversity, but also in restoring and enhancing biodiversity and ecosystems.

Although industrial sites are spaces built and shaped by humans, the majority of sites retain part of their surface area as managed or wild green space (lawns, plants, trees, bushes, fallow land, etc.). These spaces have an ecological value as reserves of flora and fauna contributing to the surrounding ecosystem, while preserving or restoring natural soil functions.

In addition, each site identifies nearby natural areas as part of its activities in order to limit its environmental impact.

25% of green space on all Group sites by 2023

7 sites, i.e. 32% of Seqens sites, are located near a protected natural area in 2023

Realization 2023

- The Villeneuve-la-Garenne site has introduced late mowing of its green spaces. In addition, a project has been launched to install gardening tubs that would both demarcate the pedestrian area and enable plants to be grown.

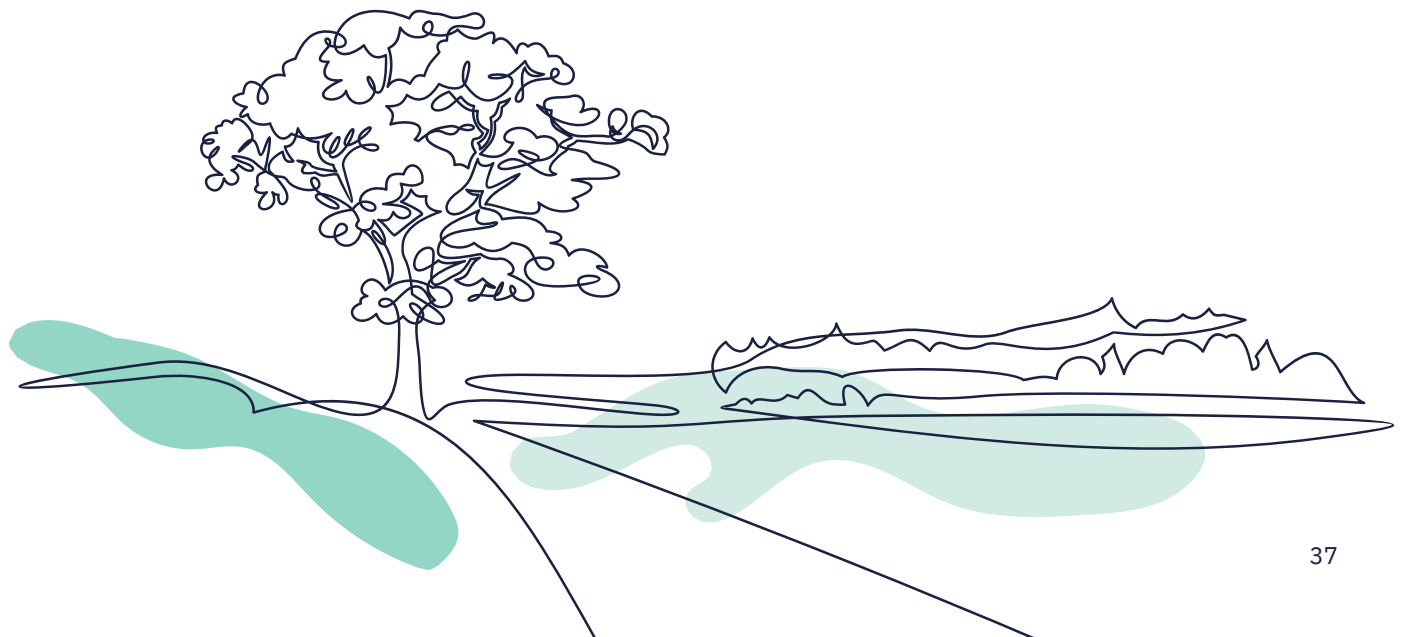
A protected natural area is an area recognized for its environmental interest and whose natural character must be preserved. This includes:

- ZNIEFF (Natural Zones of Ecological, Faunistic and Floristic Interest);
- Natura 2000 areas. These are natural sites designed to ensure the long-term survival of particularly endangered species and habitats with high conservation value in Europe;
- Nature reserves.

For major projects, such as the construction of a new production unit, SEQENS uses diagnostics to evaluate biodiversity whether or not the project will modify the local flora and fauna.

For administrative sites, the Group favors leasing or purchasing sustainable buildings. For example, the headquarters building in Ecully has been awarded BREEAM environmental certification.

In its supply chain, SEQENS strives to ensure the protection of biodiversity and the fair and sustainable use of natural resources. The Group complies with international agreements (e.g. the Nagoya Protocol and the Convention on Biological Diversity).





2

Employees and communities



SEQENS is convinced that the company's success depends above all on the know-how and commitment of its employees.

These are the Group's greatest asset. They enable us to be a major player in the chemical and pharmaceutical industries. SEQENS' objective is to offer them a safe working environment and to encourage their professional fulfillment.

The human resources approach is based on the following guidelines, which are applied from recruitment onwards and throughout each employee's career with the company:

- Ensure hygiene, health, safety and well-being in the workplace;
- Guarantee good working conditions to improve employee commitment;
- Promote our ability to attract and support talent;
- Promoting diversity in the workplace and equal treatment for women and men;
- Develop employees' professional skills.



CSR COMMITMENTS

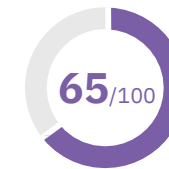
CSR OBJECTIVES

Ensuring employee health and safety

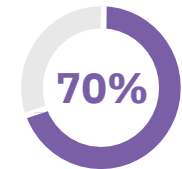


Achieve a category 1 accident frequency rate of 2 by 2026

Implement best practices to attract and retain employees

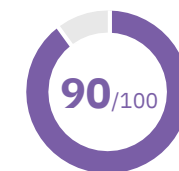


Achieve a GPTW Trust Index score of 65/100 in 2025 and 70/100 in 2028



Train 70% of employees at least once a year

Committed to diversity and professional equity



Achieve a score of 90/100 on the professional equality index by 2025

Maintain and promote our long-standing commitments to associations



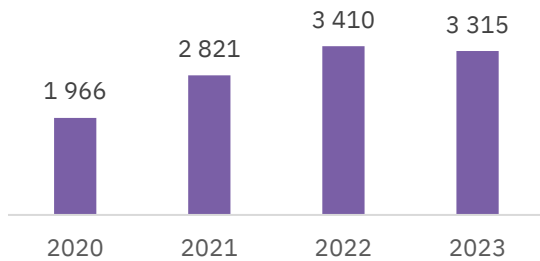
Maintaining our commitment to associations

WORKFORCE

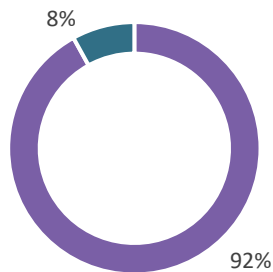
At December 31, 2023, SEQENS will have 3,315 employees⁵, down 3% on 2022. This is due to the sale of the Saint-Jean site in Canada to refocus the Group's activity on the pharmaceutical sector, and the closure of the Newburyport site in the United States.

In December 2023, the Group acquired CELLforCURE, which is not included in this reporting. Taking these new employees into account, the Group's total workforce increased by 2% between 2022 and 2023.

Total workforce at December 31



Total group workforce by contract type

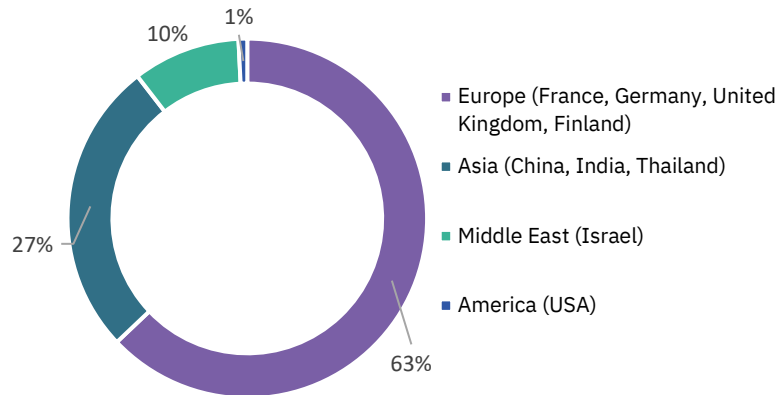


- Total number of employees on permanent contracts
- Total number of employees on fixed-term contracts or similar

92%
of employees have permanent contracts in 2023

CONSOLIDATED WORKFORCE BY REGION

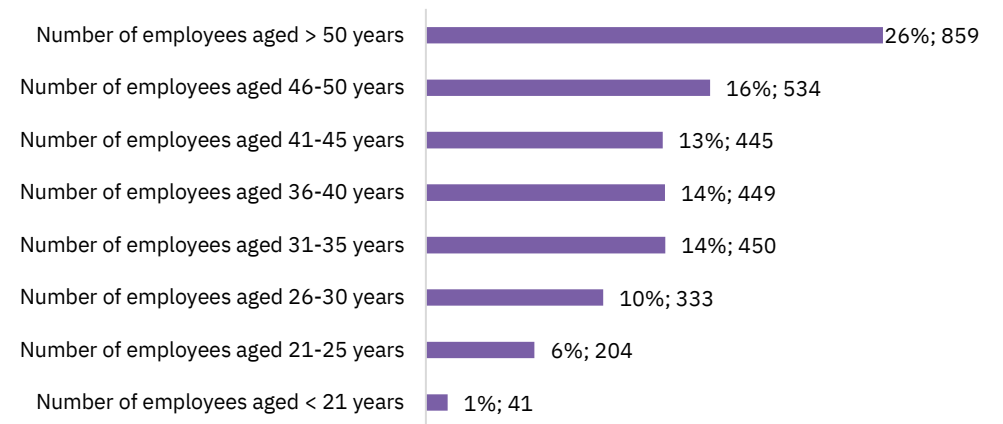
Breakdown of employees by geographic area



The Group provides jobs in 9 countries on 4 continents. In 2023, SEQENS will employ 1,561 people in France (46% of the total workforce) and 2,086 people in Europe (63% of the total workforce). The Group's 2nd employer country is China, followed by Israel and India.

WORKFORCE BY AGE

Distribution of employees by age group



⁵ The headcount includes all employees with permanent or fixed-term employment contracts (including alternating work-study contracts). Interns, temporary staff and subcontractors are not included in the headcount. In addition, the scope of consolidation excludes the new CellForCure acquisition (173 employees), the Wayne and Robbinsville sales offices (5 employees) and the last employees still under contract at the Newburyport site (34 employees), i.e. a total of 212 employees.

HEALTH AND SAFETY

Commitment

Ensuring employee health and safety

Risk

Failure to protect employee health and safety, resulting in workplace accidents or occupational illnesses.

Policy

At SEQENS, no priority can be given to the detriment of people's safety. The Group considers this to be one of the cornerstones of the sustainable development of its activities.

SEQENS is therefore committed to making the health and safety of its employees and partners a top priority. This commitment is clearly set out in the Group's HSE policy, which is further operationalized in a Group Safety Charter.

The employee health and safety approach focuses on the following key elements:

- Prevent serious injuries and fatalities by implementing the « Life Saving Rules » program.
- Continuously improve the management of maintenance work and outside contractors by implementing robust safety practices (site preparation, access to confined spaces, provision of facilities, consignment/unconsignment, hot-spot work, etc.).

- Comply with safety instructions when carrying out operations.
 - Control personal exposure to potentially hazardous chemical substances (hazardous chemical agents, CMR⁶, active pharmaceutical products).
- To meet its commitments and ensure that its policy is fully implemented, SEQENS:
- Manages its activities through a comprehensive and effective HSE management system that defines the minimum requirements applicable to all sites. These requirements may exceed regulatory requirements.
 - Ensures the competence of its employees and subcontractors through appropriate training, networking and support.
 - Develop a strong HSE culture throughout the organization.

HSE policy and programs are drawn up and coordinated by the Group HSE department. In 2023, the Group HSE team will consist of 7 people, supported by a network of over 80 HSE professionals at all our sites.

Objectives

The Group's objective in terms of personal health and safety is twofold:

- 0 serious accidents⁷ or fatalities per year
- Achieve a category 1 workplace accident frequency rate⁸ of less than or equal to 2 by 2026.

SEQENS has defined three types of accident category:

- An accident is classified as category 1 if it leads to serious injury resulting in more than 3 days off work, in addition to the day of the accident.
- An accident is classified as category 2 if it leads to injuries requiring medical treatment by external care services. These injuries may result in time off work (less than 3 days).
- An accident is classified as category 3 if it results in minor injuries requiring first aid but no time off work.

⁶ Carcinogenic, mutagenic and reprotoxic substances

⁷ An accident is considered serious if it leads to injuries resulting in one or more irreversible effects, permanent disability(ies), surgery or long-term hospitalization (greater than or equal to 10 days).

⁸ The category 1 frequency rate is the ratio between the total number of accidents (in the workplace) resulting in death or total disability of at least 3 days (excluding the day of the accident) and the number of hours exposed to the risk (i.e. the number of hours worked), multiplied by 1,000,000.



Actions implemented

- A Group intranet information system makes Group HSE procedures available to all sites, in all geographical zones, and facilitates management of the HSE system. Group HSE standards are deployed uniformly across all Group entities and new acquisitions. Health and safety procedures are translated into the main languages spoken by employees.
- Each year, site HSE action plans are defined in collaboration with site management, business unit managers, operations managers and the Group HSE department.

93% of HSE action plans completed by 2023

- At all management meetings, such as the Supervisory Board, the ESG Committee, the monthly Executive Committee or the quarterly SEQENS Committee, HSE and process safety results, key performance indicators, feedback and action plan follow-up are systematically presented and discussed. Each site organizes a quarterly HSE management review.
- The Group HSE team makes regular site visits, with the main aim of assisting sites in implementing their annual action plans.
- The strict application of Group requirements at all sites is regularly audited either by in-house teams or by external experts appointed by the Group HSE department.
- Safety inspections are carried out on a regular basis by members of Group management at our industrial sites.

- Category 1 and 2 personal injury and process safety incidents are recorded, investigated and, where necessary, remedied. Lessons learned from these events are shared within the Group.
- To reinforce the safety culture, 9 life saving rules were drawn up in June 2021, based on widely-used good industrial practices and the analysis of potentially serious events that have occurred in the Group's plants. These simple rules represent actions that employees and subcontractors can take to protect themselves and others from the risks associated with industrial processes and facilities. These vital safety rules are accompanied by a communication and training plan. The 9 life saving rules are immediately applicable, but each rule is the subject of a specific focus per quarter (training, self-assessment, etc.).

83% of workforce trained in health and safety by 2023

LOTO & LINE BREAKING



I know and apply the rules of LOTO and Line Breaking

HOT WORK



I check for the absence of flammable gases/vapours/liquids, remove or cover combustible materials before performing hot work

WORKING AT HEIGHT



I protect myself and others when there is a risk from working at height

CONFINED SPACES



I will never enter a confined space without permission

SAFE WORK PERMIT



I will not start any work without work permit / special work permits

DANGER ZONE



I keep myself and others out of the line of fire

WALK THE LINE



I check the line before each product transfer

ZERO TOLERANCE TO DANGEROUS ANOMALIES



I never underestimate the hazards. I systematically react to any dangerous anomaly

EMERGENCY PREPAREDNESS



I know what to do in an emergency

○ The industrial hygiene program is continuing. It focuses in particular on monitoring and measuring exposure to hazardous chemical agents, keeping risk analyses up to date and improving workstations (reduction at source, mechanical ventilation, collective and individual protection, medical monitoring of occupational exposure).

○ Safety results form part of the individual performance appraisal of all managers.

○ Health and safety management system certifications are in place at certain sites.

4

ISO 45 001 certified sites, Occupational health and safety management system standard in 2023 (Roussillon - Novacyl, Saint-Fons, Roussillon - Novapex, Taixing)



Achievements 2023

Numerous improvement projects have been carried out at our sites, including:

○ Many sites have improved pedestrian/engine segregation to avoid the risk of collision.

○ The Aramon site has continued to upgrade its gantry crane at the road tanker unloading station to secure access to tanker domes and prevent the risk of falling. The site has also improved safety at the hydrogenation workshop's reactor loading station by installing a pneumatic powder loader (PTS) with a double valve, enabling powders to be loaded in an inert environment.

○ The Limay site has installed anchoring points on the two-cone dryers to prevent the risk of falling.

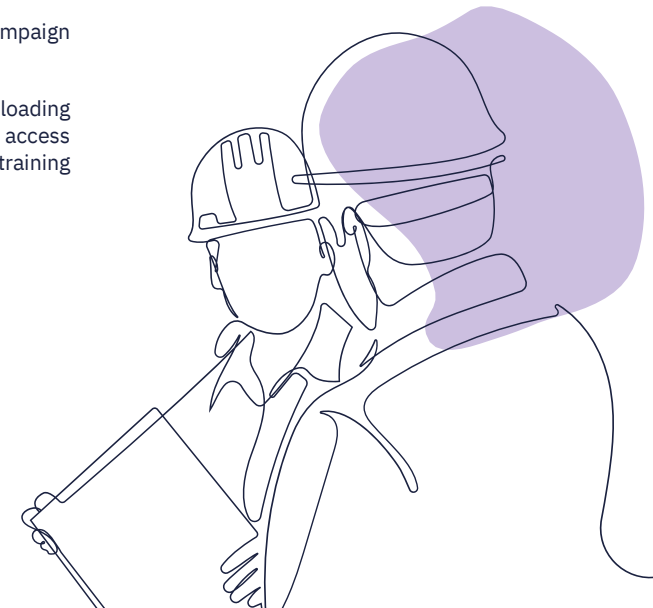
○ The Couterne site has redeveloped its intervention room, with the installation of a space for 10 ready-to-wear self-contained breathing apparatus (SCBA) (time-saving intervention and ergonomic improvement). SCBAs are cylinders used by firefighters and emergency crews in irrespirable atmospheres.

○ The Roussillon site (Novacyl company) has changed its soda pump technology and modified its circuits to prevent leaks and the risk of chemical burns.

○ The Bourgoin and Neot Hovav sites have upgraded their fire protection networks.

○ The Pont-de-Claix site has carried out a relabeling campaign on its product lines to avoid transfer errors.

○ The Turku site has equipped itself with an isolator for loading highly toxic products, and has also secured the means of access at height in its stockyard. The site has also launched a training program designed to reinforce its safety culture.



 **Indicators**

2023

Number of occupational illnesses	1
Number of category 1 occupational accidents	19
Number of hours worked	6 620 585
Category 1 frequency rate ⁹	2,87
Number of days lost	906
Severity rate ¹⁰	0,16

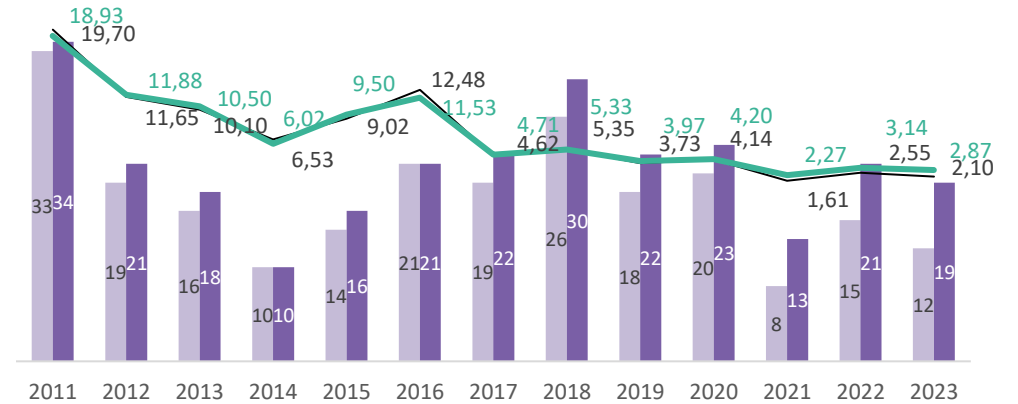
The number of category 1 occupational accidents includes the number of accidents suffered by SEQENS employees, as well as temporary workers and subcontractors. The Group has chosen to include these workers on a voluntary basis, since SEQENS controls their work and/or workplace, and the Group must also take measures to eliminate hazards and reduce risks to protect these workers from harm.

The number of hours worked and the category 1 frequency rate also include temporary workers and subcontractors.



 **KPI**

Accident frequency rate



- Number of category 1 accidents (employees and temporary workers)
- Number of category 1 accidents (employees, temporary workers, subcontractors)
- Category 1 frequency rate (employees and temporary workers)
- Category 1 frequency rate (employees, temporary workers, subcontractors)

Since 2019, thanks to the deployment of the HSE roadmap and the sharing of internal best practices, the SEQENS Group has reduced the category 1 accident frequency rate.

It should be noted that this level is well below the sectoral frequency rate for the French chemical industry, which stands at 8.8 in 2019 (source: France Chimie).

The year 2023 was unfortunately marked by a major accident at our Newburyport site. The team leader lost his life in the accident. Following this accident, a safety diagnostic was carried out on our 12 multi-purpose sites whose activities are comparable to those at Newburyport.

In the second half of 2023, a substantial amount of work has been carried out by all sites, and the commitments made after the Newburyport accident have been met.

⁹ Number of accidents at work resulting in more than three days' absence from work, over a 12-month period, per million hours worked.

¹⁰ Number of days lost per 1,000 hours worked.

ATTRACTION AND RETENTION

Commitment

Implement best practices to attract and retain employees.

Risk

Difficulty attracting and retaining human capital.

Policy

SEQENS is convinced that the company's success and the realization of its ambition depend on the expertise of its employees, who come from a wide range of backgrounds. The Group must therefore offer working conditions that enable it to attract and retain committed and qualified employees, in a talent market that is both tense and highly competitive.

The Group aims to give its employees recognition for their merit and commitment by enabling them to progress in their work. Encouraging internal professional and geographical mobility, a fair remuneration policy, and the creation of a quality working environment all contribute to offering them motivating prospects for professional development and personal fulfillment.

SEQENS' Human Resources function is responsible for deploying the company's HR strategy. Each year, Human Resources roadmaps are defined in collaboration with the Group Human Resources Director, the Group Talent & Organization Management Director and the sites. These roadmaps are then validated by the Executive Board and implemented at site level.

Monthly HR meetings with site HR managers and the Group HR department enable best practices and results to be shared.

In 2023, HR actions focused in particular on:

- Quality of life at work, including the right to disconnect, food-related initiatives and site-specific initiatives;
- The work environment, and in particular the ergonomics of certain workstations;
- New employee induction;
- Workplace relations and social climate, with a focus on internal communication;
- The development of corporate culture through convivial events, and the recognition and highlighting of individual and collective achievements.

These themes are discussed in greater detail below.

Objective

With regard to quality of life at work, the Group has set itself the target of achieving a score of 65/100 in 2025 and 70/100 in 2028 in the GPTW Trust Index® survey.

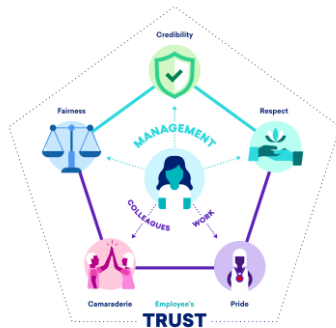


QUALITY OF LIFE AT WORK

Quality of life in the workplace is a key factor in developing a company's attractiveness, improving employee commitment, motivation and loyalty, as well as preventing psychosocial risks and reducing absenteeism.

For SEQENS, quality of life at work means improving the working environment and conditions, promoting social dialogue and strengthening the corporate culture.

In 2017, to go further in improving quality of life at work, SEQENS launched its first "Great Place To Work" (GPTW) survey. The Great Place To Work institute has developed a specific methodology to assess quality of life at work and capture "a snapshot of the employee experience" within volunteer companies. This is the Trust Index®, an anonymous questionnaire sent to employees, comprising 70 questions divided into 5 key themes: credibility, respect, pride, camaraderie and fairness. The company can act on these themes to improve the employee experience and thus contribute to the organization's overall performance.



SEQENS renews this Trust Index® survey, administered by Great Place To Work, every three years. The last survey was conducted in 2021. Exceptionally, the next survey will be conducted in 2025, rather than 2024.

A three-year action plan is deployed after each Trust Index® survey at Group and site level, to continuously improve the quality of life at work.



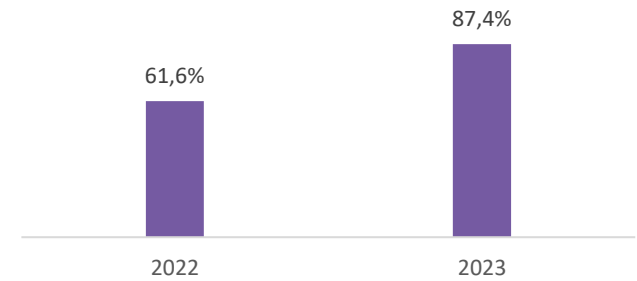
Achievements 2023

- The Group in France has signed a Quality of Life at Work (QWL) agreement. This contains several commitments in terms of QWL:
 - A budget dedicated to quality of life at work will help improve working conditions.
 - Each site is committed to carrying out one QWL action per year.
 - The right to disconnect is clearly written into employee rights.
- The Limay site celebrated "Quality of Life at Work" week in June and July 2023 by providing an app offering challenges on well-being and sport.
- The Aramon and Limay sites have worked on employee nutrition. At the Aramon site, for example, a working group has been set up and has worked with the company restaurant to introduce vegetarian dishes and salads, and has done away with the sale of individual plastic bottles and single doses of salt and pepper.
- The Porcheville site has introduced the distribution of organic vegetable baskets in the workplace.



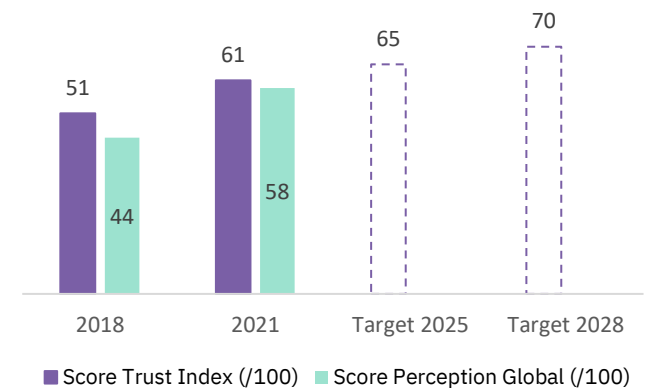
Indicators

Average percentage completion of three-year action plan GPTW



KPI

GPTW survey results



The Trust index is the average of the scores for all the questions.

The overall perception score is the score obtained for the question: "Taking everything into account, I'd say it's a great place to work".

CORPORATE CULTURE

To unite employees around shared values, give meaning to everyone's work, foster a sense of belonging and strengthen team cohesion, SEQENS is committed to reinforcing its corporate culture.

Integration

To ensure that each new employee gets to know the company, its culture and general environment, gets to know his or her team and other colleagues, and understands his or her position and tasks, SEQENS attaches great importance to the integration of new employees.

Achievements 2023

- In 2023, the Aramon, Lahr Limoges, Nimes, Pont-de-Claix and Roussillon sites (Novapex company) have reworked their integration paths.
- The Lahr site introduced the "Get Your Hands Dirty" program in 2023. Almost all the new arrivals in 2023 - around 30 people - came to work in production to gain a better understanding of the site's professions and to find out what their colleagues' typical days are like.
- Several sites, including Lahr, Limoges and Wuxi, have set up mentoring programs for new arrivals.

Values and recognition

SEQENS is driven by shared values and behaviors that are encouraged throughout the Group: entrepreneurship, agility and responsiveness, tenacity, customer focus and solidarity.

Achievements 2023

- The Operational Excellence department communicates internally on successes linked to specific projects. The aim of this approach is to highlight employees and teams, for greater recognition.

○ Similarly, in order to strengthen the CSR culture within SEQENS, a CSR seminar has been held every year since 2015 to reward projects contributing to the realization of the Group's CSR strategy. In April 2023, 52 projects were submitted to the jury across 5 categories: environment, social, safety, quality, sustainable innovation. Of these projects, 18 were awarded a CSR trophy.



- The Bangpoo site has rewarded certain employees for their exemplary behavior (safety culture award, cleaning validation award, first-aid certificate, etc.).
- The Middlesbrough and Billingham sites have set up two recognition systems:
 - A recognition and reward system in which employees can nominate other employees for a cash award for efforts or contributions they have made in areas such as teamwork, safety, quality, and that go beyond their role, or simply for recognition of excellent work. In 2023, this recognition and reward system operated on 185 occasions.
 - A suggestion program where employees submit an idea for improvement that a committee reviews. If the suggestion merits implementation, the person who submitted the idea receives a financial reward based on the suggestion's impact. In 2023, this suggestion program rewarded 43 ideas.
- The Limoges site encouraged its employees to propose HSE and/or CSR actions through a competition. As a result, employees were able to win cinema tickets and help the site move forward. In 2023, several actions were carried out in this context:
 - Installation of a rainwater collector;
 - Setting up a closed water loop;
 - Installation of road markings to improve pedestrian safety;
 - Organization of a "garbage collection" day around the site.

Conviviality

To nurture a sense of belonging and team cohesion, both head office and the sites organize convivial events: SEQENS seminars, integration seminars for new managers, departmental seminars, and so on.

Achievements 2023

In 2023, the SEQENS Group and the Aramon site celebrated their 20th and 50th anniversaries respectively with employees. In the same spirit, the Pont-de-Claix site once again opened its doors to employees' families.

The quest for meaning at work

SEQENS puts the emphasis on internal communication, so that every employee can take ownership of the company's strategy, understand his or her mission within it and find meaning in his or her work.

At Group level, a videoconference called "Seqens group update" is used to share all financial, quality, HSE and CSR news with key managers, as well as Group and business unit priorities and upcoming agendas. Each management committee is then responsible for relaying the information to its teams.

Achievements 2023

At site level, internal communication can take different forms. For example:

- Since July 2019, the head office in Ecully has introduced monthly "P'tit Dej News". These breakfasts bring together all on-site employees; share Group strategy, results and current projects; present the missions of the various departments; and highlight collaborations with associations.
- On the industrial sites, to ensure that everyone finds meaning in their work and feels useful, even in repetitive tasks, emphasis has been placed on internal communication around site news, finished products and customers. Indeed, in addition to working for SEQENS, employees work for customers and patients. In 2023, the Aramon, Porcheville, Lahr, Massy and Turku sites have improved their internal communications, notably on current projects, the products end-use at customer sites, and the markets they serve.

WORKING ENVIRONMENT

To ensure that our employees work in the best possible conditions, SEQENS makes improvements to workplaces, provides more modern equipment at our sites, and creates relaxation areas that encourage conviviality.

In 2023, many sites worked on improving workstation ergonomics.

Achievements 2023

○ The Bourgoin site has carried out two studies of workstations in workshops with AGEFIPH (national association for the management of the fund for the professional integration of disabled people) and CAP EMPLOI (a specialized placement organization carrying out a public service mission in charge of preparing, supporting, providing long-term follow-up and maintaining employment for people with disabilities) in order to obtain and implement recommendations for improving certain workstations, such as handling in workshop R and powder loading in workshop E. To this end, CAP EMPLOI commissioned an ergonomist to study the workstations.

○ The Couterne site has refitted a number of offices and common areas in the quality control laboratory, improving ergonomics (creation of an editorial area separate from analysis equipment, reorganization of equipment according to technical constraints and frequency of use, etc.).

○ The Lahr and Roussillon sites (Novapex company) have improved the ergonomics of seated workers by installing sit-stand desks. The height-adjustable desks enable different postures to be adopted throughout the working day, thus preserving employees' health capital.

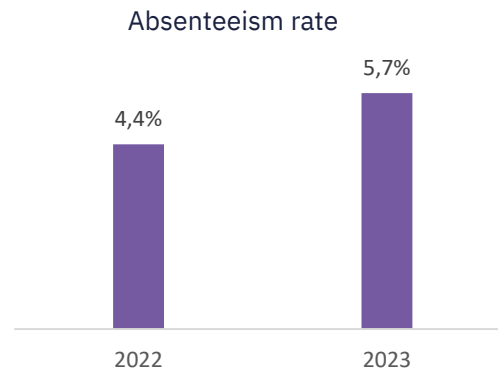
○ The Roussillon site (Novacyl company) has implemented several projects to improve the ergonomics of production work areas, including the installation of a banding machine. A banding machine is used to wrap pallets of products for storage and transport. It applies a plastic film around the pallet. This equipment reduces back-bending effort. A conveyor and lifting table have also been installed to reduce handling.

○ The Saint-Fons site has also made ergonomic improvements to certain production workstations. For example, the capacity of big-bags (large bulk storage bags) has been increased from 500 kg to 700 kg to reduce the number of handling operations.

Indicators

The Group monitors the absenteeism rate, which in part demonstrates the commitment and professional fulfillment of employees within the company.

The absenteeism rate is the number of days of absence during the year in relation to the total number of working days of the workforce initially planned for the same period. Absences may be due to illness, workplace or commuting accidents, occupational illness, unpaid leave, or authorized or unauthorized absence.



In the same way, SEQENS tracks staff turnover, which enables us to reflect the atmosphere in the workplace and measure employee loyalty by tracking who comes in and who goes out:

	2022	2023
Turnover	14,1%	13,6%
Voluntary staff turnover		11,7%
Involuntary staff turnover		9,2%

By 2023, the Group's average turnover¹¹ will be 13.6%. Against the backdrop of a tense labor market (talent shortage, high employee turnover), SEQENS needs to protect and secure its human capital. As an employer, this means attracting and retaining talent.

¹¹ Turnover compares the number of employees coming in with the number going out. The calculation formula is as follows: [Number of departures during the current year + Number of arrivals during the year/2] / Headcount at December 31 of the previous year.

SOCIAL DIALOGUE

Quality of life in the workplace depends not only on the conditions in which employees carry out their work, but also on their ability to express their views on the subject. The Group is therefore committed to ensuring high-quality labor relations. With this in mind, employee representatives and company management meet regularly to discuss, negotiate and reach agreements. The structure of social dialogue varies from country to country (social and economic council, staff representative, trade union, professional branch, etc.). This dialogue can also take different forms (information, consultation or negotiation) and can take place at local, national or company level.

Dialogue with employee representatives and trade unions:

Social dialogue is important at SEQENS in order to maintain a positive social climate that contributes to the company's ultimate performance. This is particularly important in light of local regulations and the social dialogue bodies in place at each site.

In 2023, 25 collective agreements were signed at SEQENS sites. This significant number reflects the quality of social dialogue within the Group's various entities.

Topics covered include employee working conditions (e.g. working hours), employee benefits (e.g. profit-sharing), social dialogue and quality of life at work.

In addition, in 2023, two new collective agreements were signed in France: an agreement on forward-looking management of jobs and skills (GPEC) and an agreement on Quality of Life at Work (QWL).

In addition to the collective agreements signed during the year, SEQENS Group employees are covered by other collective agreements still valid at the end of 2023, which enable each employee to benefit from health and personal accident insurance, and to share in the creation of value through company savings plans (profit-sharing) or group savings plans.

Dialogue with employees :

In addition to negotiations, all employees are also consulted on quality of life at work via the "Great Place To Work" (GPTW) survey, leading to site-specific action plans.

In addition, many sites have a suggestion feedback system. For example, the Turku site sends out a quarterly employee survey to gather ideas for improvement.

In 2023, in order to facilitate exchanges between site management and employees, the Lahr site has set up an "ideas" system for continuous improvement, and has sent employees a survey to find out what they would like to see in the new social area. These proposals will be implemented in 2024.

Dialogue with external professional organizations :

Some SEQENS executives are active members, presidents or directors of regional, national or international associations such as France Chimie, SICOS, FEFIS, UNIDEN, MEDEF, Institut Franco-Chinois (France), BPTF (USA), CEFIC (European Chemical Industry Council), EFCG (Europe), CPCIF-MNC (China)...

Dialogue with neighbors and local stakeholders:

SEQENS is also developing a direct dialogue with its neighbors and local stakeholders through site open days and school visits, as well as participation in university and school forums.

For example, every year the Roussillon platform organizes a Sustainable Development Day open to the public. This year, the Roussillon site (Novacyl) gave visitors a tour of the new paracetamol production unit currently under construction.



Indicators

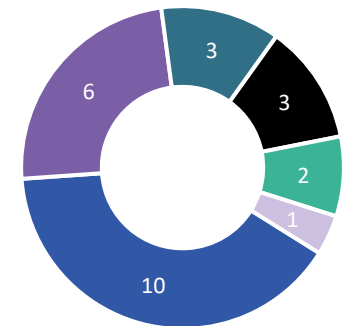
25 collective agreements signed in 2023

86% of employees covered by at least one collective agreement in 2023



KPI

Types of collective agreements signed in 2023



- Concerning working hours or working conditions
- Concerning remuneration
- Concerning social dialogue
- Concerning others themes
- Concerning health and safety
- Concerning quality of life at work

SKILLS DEVELOPMENT

Commitment

Implement best practices to attract and retain employees.

Risk

Failure to maintain and develop employee skills.

Policy

Employee development is a strategic lever for corporate performance and transformation. That's why SEQENS ensures that every employee has the means to carry out his or her tasks effectively and to progress in his or her professional life, by developing each employee's potential and employability.

For SEQENS, the development of employees' professional skills involves training, know-how transfer and the proper assessment of employees' professional aptitudes. This approach also contributes to attracting, engaging and retaining employees.

Objective

The Group's objective is to ensure that at least 70% of employees receive training within the year.

ASSESS PROFESSIONAL SKILLS

In order to identify the needs of each employee, annual appraisal interviews enable employees to meet with their line manager to analyze their training needs and review the past year. This interview is a privileged moment of dialogue between the manager and the employee. The aim of this exchange is to achieve lasting improvements in professional practices, results and behavior. This practice has been extended to all non-managerial staff in 2023.

In 2023, 51% of the workforce (managers and non-managers) benefited from an annual interview or appraisal. These interviews are used to identify employees' training needs and feed into skills development plans. They also enable us to identify potential for internal mobility in relation to open positions.

51% of the workforce had an annual appraisal in 2023

22 inter-site or inter-establishment mobility within SEQENS in 2023

1 international mobility within SEQENS in 2023

DEVELOPING SKILLS THROUGH TRAINING

Actions implemented

In order to maintain and enrich SEQENS' human capital, every 3 years the Group defines training priorities based on the company's needs and strategic orientations. These priorities are reviewed annually and circulated to the sites, which deploy training or skills development plans in line with these priorities.

To meet specific needs and provide information specific to SEQENS, tailor-made training courses are developed. In 2023, the key focuses of these customized training courses were **project management, management, financial culture and negotiation**. These courses have been rolled out to all our sites, and complement the annual in-house training courses provided throughout the Group.

In addition, in 2023, the Group continued to digitalize practices with the roll-out of the "Knowledge" training module. This module will gradually be rolled out to all sites. Employees will have access to a comprehensive catalog of online training courses, promoting the decompartmentalization of services and training. The Group has also identified the "LinkedIn Learning" training platform, which will be deployed in 2024 to harmonize the content of the training courses on offer.

The Group acquired CellforCure on December 1^{er} 2023, opening up new development prospects for our employees, with new jobs on the technology and customer side.

Achievements 2023

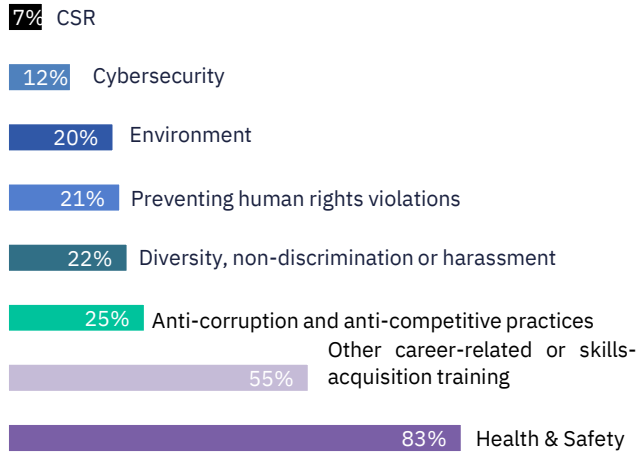
- As it does every year, the HSE department has set up training courses on the 9 life saving rules.
- The Couterne site has set up a training program to develop the safety leadership of site management and safety supervisors. Managers need to instill in their teams a spirit of prudence and performance, which is a prerequisite for the success of establishing a lasting safety culture within the organization.
- The Operational Excellence department at the Villeneuve-la-Garenne site has organized in-house "Yellow Belt" training courses on first-level problem resolution in the field. The aim of this training is to give greater autonomy and meaning to daily actions, while ensuring that problems are resolved as close as possible to where they occurred.
- Several sites have developed their employees' skills to enable them to design and run in-house training courses. At the Aramon, Villeneuve-la-Garenne and Ecully sites, for example, in-house trainer training courses have been organized.
- At the end of 2023, sales and marketing departments were trained in CSR in order to better promote the Group's CSR performance to customers.



Indicators

Employees were trained on a variety of topics:

Percentage of employees trained in 2023 by theme

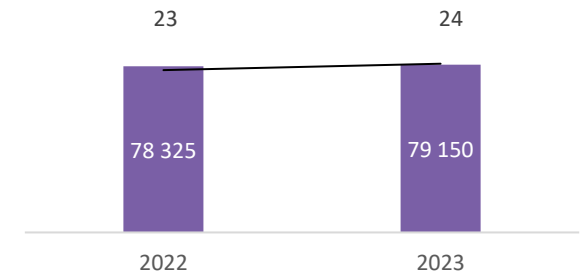


Anti-corruption: Excluding the Group's anti-corruption training program (within the framework of the Sapin II law)

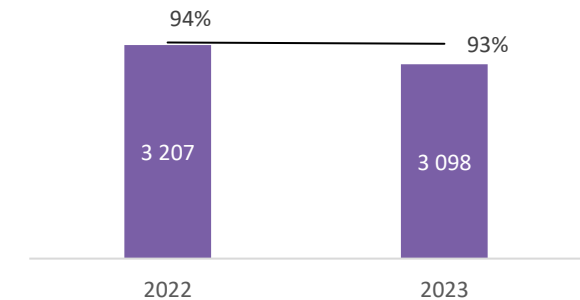
In 2023, employees were mainly trained in HSE (health, safety and environment), but also in training related to skills acquisition (other topics).

221 Trained staff to CSR in 2023

KPIs



■ Total number of training hours
— Average number of training hours per employee



■ Number of employees who received at least one training session during the year
— Percentage of employees having received at least one training course during the year

In 2023, the total number of training hours averaged 24 hours per employee.

In addition, 3,098 employees benefited from at least one internal or external training course in 2023, i.e. 93% of the total workforce. This slight drop compared with 2022 is explained by a change in the period of application of training plans, which now run from May to May instead of January to December. As a result, the indicator does not capture the entire training effort.

DIVERSITY

Commitment

Committed to diversity and professional equity

Risk

Inequality of opportunity and treatment.

Policy

The diversity of profiles, including people of all ages, genders, origins, family situations, sexual preferences, opinions and aptitudes within its workforce is **an essential asset** for SEQENS' performance and sustainable growth, in terms of creativity and knowledge.

SEQENS is committed to offering all its employees a **fair and inclusive working environment**, and to preserving diversity from the moment they are hired and throughout their working lives.

SEQENS' approach to diversity, equity and inclusion is built around **four priority pillars**:

- 1 **Gender:** achieve gender equity at all levels and functions of the company; take action against all types of harassment and violence, in particular sexism and sexual harassment, as well as gender-based violence.
- 2 **Age and generations:** supporting young people in their career paths, encouraging exchange and cooperation between employees across the generations.
- 3 **Disability:** accelerate the inclusion of people with disabilities through targeted initiatives.

4

Cultural diversity: fostering a variety of profiles to create an inclusive, enriching and innovative environment. Culture encompasses a variety of criteria, including but not limited to geographical origin, social background, religion, education, age, ability, language, etc.

In 2023, the Group in France signed a Quality of Life at Work agreement. This contains several commitments in terms of diversity and non-discrimination. Each site in France is required to appoint a harassment referent.

The Group is also committed to signing France's diversity charter¹² in the coming years. The Diversity Charter is a commitment offered for signature by any employer wishing to take a proactive approach to promoting diversity, and thus go beyond the legal framework of the fight against discrimination.

Objective

The Group's objective is to achieve a score of **90/100 on the gender equality index** by 2025. The scope of this indicator is restricted to certain French legal entities, and SEQENS is considering setting up a diversity objective for other sites.

Achievements 2023

Here are just a few examples of the actions taken by our sites to promote cultural and social diversity:

- The Bourgoin site used a simulation-based recruitment method (MRS - recruitment based on skills rather than qualifications) to initially recruit and integrate 7 people into its production workshops on fixed-term contracts. This recruitment system promotes diversity and inclusion and avoids all forms of discrimination.

- The Limay site, together with the Mission Locale du Mantois (an association which supports young people aged 16 to 25 no longer covered by the French national education system), Pôle Emploi (a public administrative body responsible for employment in France) and Interfora (an apprentice training center), has set up a group of chemical operators on fixed-term contracts for 1st time. The aim of the scheme is to alleviate the recruitment difficulties faced by chemical companies, while at the same time providing young people with career opportunities. The Mission locale du Mantois will identify candidates, Pôle Emploi will test them and Interfora will be responsible for training those selected. The aim is to create a class of 7 people.

- The Billingham and Middlesbrough sites sent out a "Diversity and Inclusion" survey to assess the level of employees' awareness of this subject and to collect ideas for implementation. In addition, all line managers have been trained on the subject.

Indicators

39 Different nationalities within the Group in 2023

98 Employees with a nationality other than that of the country in which they work in 2023

GUARANTEE PROFESSIONAL EQUALITY BETWEEN MEN AND WOMEN

With regard to professional equality, SEQENS is careful not to create inequality, particularly between men and women.

The Group aims to increase the proportion of women in its workforce as much as possible, despite its highly industrial and chemical professions. To this end, the Group has set up a communication program aimed at the general public and schools, to promote careers in industry to both boys and girls. The aim is to promote scientific and technical training courses, which are the least attractive to young girls.

At the same time, SEQENS, through its publications, is highlighting women in the chemical world to combat the workforce imbalance that remains, not least because of the persistent image of industry and the arduous nature of the professions. However, technology, innovation and digitalization have transformed working conditions.

To ensure good working conditions for women working at SEQENS sites, the Group has set up appropriate infrastructures.

The Group is also seeking to increase the number of women in corporate governance. The Group Executive Committee, also has 17 members, including four women, i.e. 24% by 2023.



Achievements 2023

○ In 2023, the Group in France signed a Quality of Life at Work agreement. This contains several commitments in terms of professional equality between men and women:

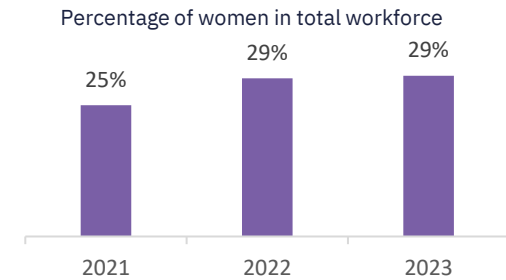
- Particular attention will be paid to salary increases for men and women during the mandatory annual negotiations.
- Teleworking will be encouraged from the 6th months of pregnancy.
- Pension contributions will be maintained on a full-time (versus part-time) basis during parental leave.
- The number of nursery places reserved by SEQENS has been increased to 30 by 2023.

○ The Lahr site conducts an annual training course on gender equality. A special effort has also been made to ensure that communications are gender-neutral.

○ The Turku site has a gender equality plan that covers family leave, salary issues, harassment, promotion, reporting of malfunctions, and so on.

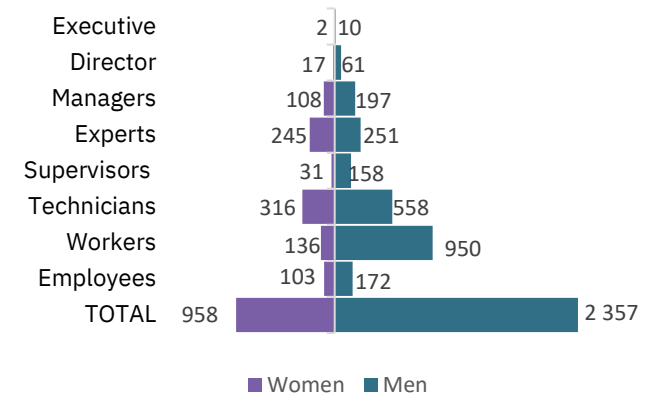


Indicators



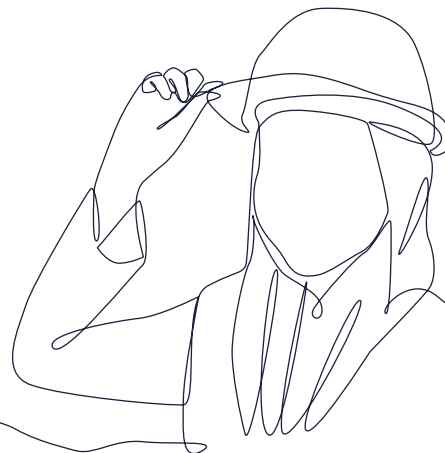
The total percentage of women in the workforce is 29% in 2023.

Breakdown of workforce by gender and professional category



Although women still account for only a small proportion of the production chain, the proportion of female workers has risen compared with 2021 thanks to a recruitment drive.

This ratio is more balanced among experts (49% women among experts) and managers (35% women among managers). SEQENS recognizes that it must pursue its efforts in this area, whether through internal promotion or recruitment.



In addition, SEQENS tracks the unadjusted wage gap between men and women, i.e. the difference between the average gross wages of male and female employees, measured over the period, and transforming this difference into a percentage. This gap does not take into account salary-determining factors such as job function, level of training, professional experience and management responsibilities, but rather the monthly gross salary as a "gross value".

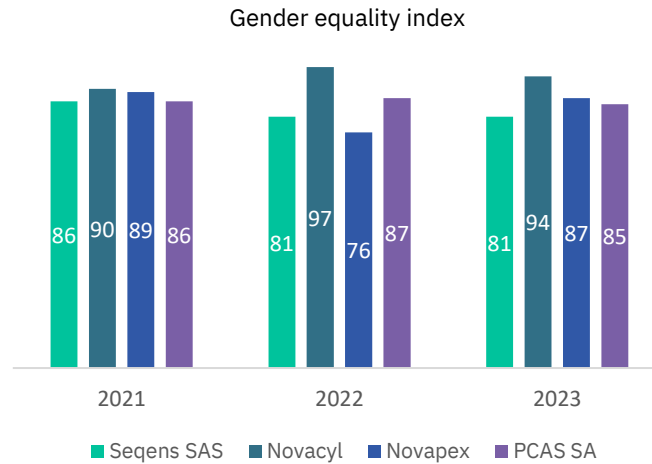
14% Unadjusted wage gap in 2023

In 2023, the unadjusted wage gap is 14%, in favor of women. This unadjusted wage gap has been calculated on a restricted perimeter, taking into account all French sites, Bangpoo, Billingham, Middlesbrough, Lahr and Hyderabad. The scope of this indicator excludes Wuxi, Taixing, Shanghai, Neot Hovav, Turku, Pune and Devens.



KPI

Since 2020, in accordance with the French law for the Freedom to choose one's professional future, the legal entities Seqens SAS, Novacyl, Novapex and PCAS SA have been calculating the gender equality index of their workforce in France.

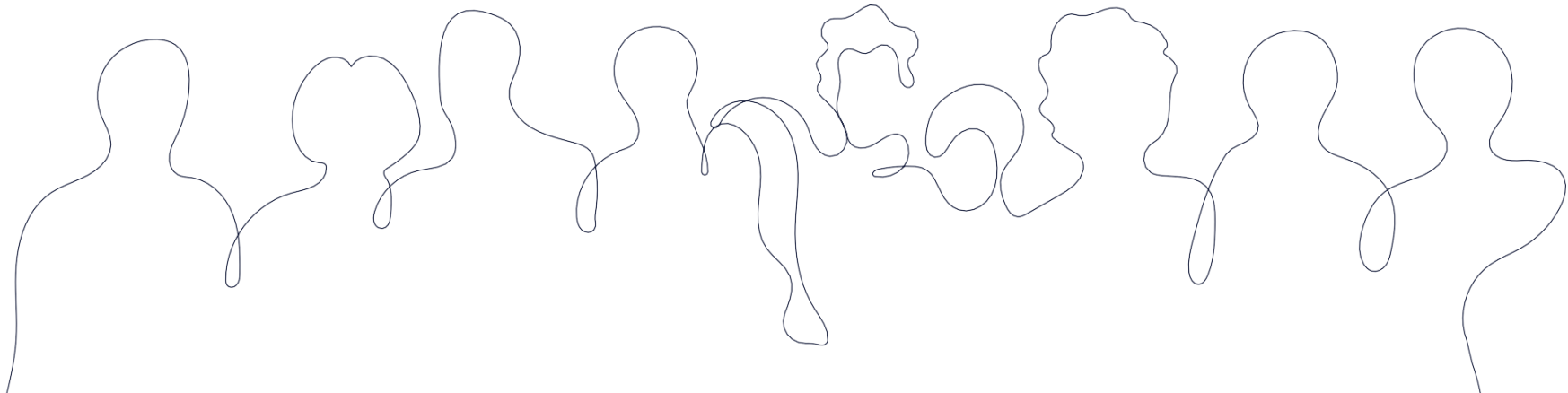


The Index, out of 100 points, is calculated on the basis of 5 criteria:

- The gender pay gap
- The individual increase distribution gap
- The promotion distribution gap
- The number of employees returning from maternity leave with a raise
- Parity among the 10 highest earners

	2021	2022	2023	Objective 2025
SEQENS gender equality index (average)	88	85	87	90/100

In 2023, the gender equality index is between 81 and 94/100, above the minimum threshold of 75/100 set by the French government. The average score for the 4 legal entities is 87/100.



SUPPORTING YOUNG PEOPLE

The SEQENS Group is committed to a policy of encouraging young students, interns and work-study students. The aim of SEQENS' commitment to young people is to support and train the talents of tomorrow and the future employees who will make our industry grow. It is part of an approach based on mutual interests, through concrete actions and commitments that promote professional integration and sustainable employment. This is not only essential at a time when young people are finding it difficult to find an internship or work-study placement, but also important for a group like SEQENS, in order to maintain its skills and know-how.

In 2020, the Group implemented a work-study and internship policy, which aims to :

- Supporting SEQENS' growth;
- Promoting intergenerational solidarity;
- Participate in technical and scientific training;
- Develop the employer brand to increase the attractiveness of SEQENS and its business;
- Generate pools of talent to fill key skills and skills shortages;
- Develop tutoring.

Every year, the Group takes steps to recruit work-study students and interns. Partnerships with schools, site visits, forums and various student events are all ways in which we enable students to interact with players in the pharmaceutical and chemical industries.

Since September 2021, every three months, youth seminars are organized at each site in France to enable the creation of a youth community within SEQENS. This community enables young people to meet, help and share. And since October 2022, the Ecully site has been organizing a special integration day for the new intake of alternates and interns.

SEQENS is also present on the French "**Engagement Jeunes**" platform. This platform is a unique, pragmatic initiative that brings together companies, training schools and young people. The platform :

- Enables companies to share their work-study students, interns and international volunteering in company with their ecosystem (suppliers, partners, local SMEs and other major groups), keep in touch with them and recruit new talent.
- Enables schools to encourage students to look for work-study placements and jobs, and to showcase the range of courses on offer.
- Enables young people to search for an internship, work-study program or training course, and develop their visibility with recruiters. It also offers specific services to young people on work-study programs (driving licenses, language courses, coaching, etc.).

This approach is in line with SEQENS' ongoing commitment to its work-study students and interns, supporting them as they take the next step in their careers.

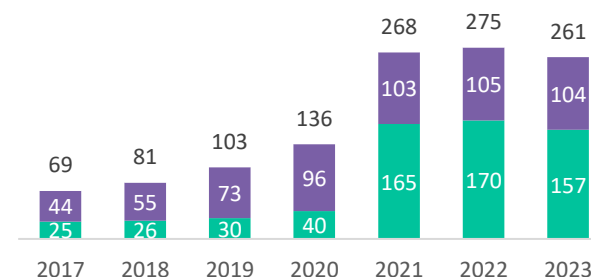
In 2023, SEQENS was once again **awarded the "Best in class" label for "Integration" by the "Engagement Jeunes" platform**. This label is obtained following the evaluation given by young people on the "Engagement Jeunes" platform and the scores obtained according to various criteria.

Work-study students and interns can also share their testimonials on the "Engagement Jeunes" platform. Tutors, for their part, can leave their assessment of the young person they have trained and supported via the platform to optimize their employability. This is SEQENS' way of giving young people a helping hand if it is not possible to offer them a contract at the end of their internship or work-study period.

Achievements 2023

- The Limay site played host to students from the Lycée Lavoisier for a day to introduce them to careers in chemistry.
- The Lahr site has set up an integration day for apprentices, during which they receive training in the soft skills they need to acquire. The site has also set up an "Energiescout" project where students come on site to implement projects with positive environmental impacts.
- The Roussillon site (Novapex company) has set up quarterly follow-up interviews with apprentices to check that they are integrating well into the teams, and to identify any difficulties on either side.

Indicators



- Total number of trainees in the year
- Total number of work-study students during the year

In 2023, SEQENS welcomed 261 interns and work-study students. SEQENS hired 7% of these young people, and renewed the internships and work-study programs of 7% of them.

The insignificant drop in the number of work-study students and trainees is the result of fluctuating internal needs.

A FOCUS ON DISABILITY

SEQENS strives to support people hired with disabilities and to maintain the employment of those who become disabled. This involves adapting workstations where necessary and possible.

The Group is also developing contracts with "adapted companies" or "establishments or services providing assistance through work". These companies are used upon for supplies, subcontracting or services such as waste collection and recycling, or maintenance of green spaces.

Achievements 2023

○ The Group in France has signed a Quality of Life at Work agreement. This contains several commitments in terms of disability:

- Each site is required to appoint a disability representative. SEQENS goes beyond the regulations, which require the appointment of such a representative only for sites with more than 250 employees.
- The employee can take half a day to complete the formalities for recognition as a disabled worker.
- An employee who wishes to attend a meeting on disability can recover 2 hours of his time.

○ The Porcheville site organized an awareness-raising day on disability with the Handicap Yvelines association.

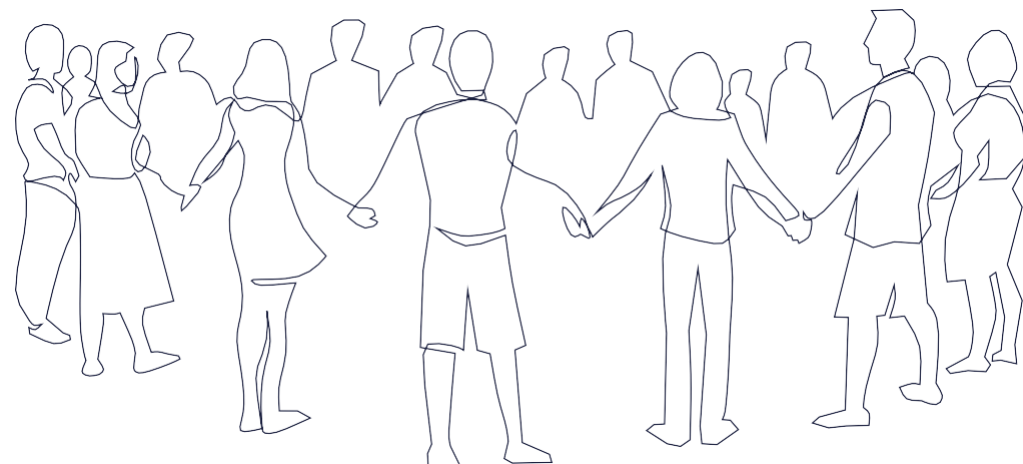
○ The Roussillon site (Novapex company) organized a solidarity day at the Arche de la Vallée home in Hauterives, where 5 employees took part. The Arche de la Vallée association provides homes for mentally handicapped adults.

○ To mark the European Week for the Employment of People with Disabilities, two sites offered employees a disability awareness program each day of the week:

- At the Bourgoin site, employees were able to test their knowledge of disability via the handi-poursuite game, talk to a person with an invisible disability, and learn sign language. In all, some fifty employees were made aware of disability issues.
- The Aramon site used an "establishment providing assistance through work" to supply cookies throughout the week. The site also took part in the French DuoDay in November. This event aims to promote the integration of disabled people into the world of work, and to combat prejudice. A disabled person came to raise awareness among the teams in the departments. The aim of this awareness-raising event is to showcase the qualities and professional skills of disabled people and to affirm the company's social values.

Indicators

1,4% of disabled employees in the workforce in 2023



COMMUNITIES

Commitment

Maintaining and promoting our long-standing commitments to associations

Risk

Lack of involvement with local communities

Policy

SEQENS is not an isolated entity. The Group is present in different territories, ecosystems where economic players are linked by complementary, cooperative or competitive relationships.

In line with SEQENS' value of solidarity, the Group is committed to being an active player in these ecosystems, in particular by supporting local initiatives and civil society over the long term, without compensation.

Support for the local ecosystem can take many forms at SEQENS: donations, partnerships with associations, highlighting associations' missions on our sites, and promoting employees' personal commitment.

Actions implemented

Each site contributes, insofar as it can, to local issues in line with the main pillars of the Group's philanthropic commitment:

- Help for the poor, sick and disabled.

- Training, education and professional integration of young people.
- Support for local public health initiatives.
- Contributing to actions to protect the climate and biodiversity.

More than 20 organizations are supported or helped either by SEQENS or by one or more of its collaborators.

Achievements 2023

○ During "P'tit dej News" events at the Ecully site, the various associations with which the site maintains relations are invited to present their missions to all employees. In 2023, four associations visited the site.

○ The Roussillon site (Novapex company) has been supporting the L'Arche de La Vallée association for 6 years, which provides homes for mentally handicapped adults. In 2023, SEQENS financed the provision of electric bicycles.

○ The Couterne and Porcheville sites contributed to the funding of the "Octobre Rose" event, an annual national communications campaign to raise awareness of breast cancer screening and raise funds for research.

○ The Limay site has made a donation for the "Premiers de Cordée" association, which introduces sporting activities to those who are furthest away from them (hospital patients, disabled people, etc.).

○ The Hyderabad site has made a donation for the construction of a school building and the promotion of education for the "Sri Saraswati Vidya Peetham" educational institution, the "Mandal Parishad Upper Primary School" and the "High School, Mankhal".

○ As part of a partnership with "L'Entreprise des Possibles", employees in the Lyon region donated days off to support local associations. In 2023, Seqens donated €32,506.73, i.e. a total of 27 days donated by 22 employees. L'Entreprise des Possibles is a group of companies and their employees committed to working alongside public bodies and associations to help the homeless and the most vulnerable. Their aim is to mobilize human, financial and real-estate resources to amplify the action of associations in the field.

○ Some sites have also supported employees in their personal endeavors. For example, the Bourgoin site supported the participation of one of its apprentices in a world hip hop competition in the United States (Phoenix). He and his team reached the semi-finals - well done!

The Limay site, to support one of its employees who is a reserve firefighter, has signed an agreement with the fire department to arrange the employee's working hours.

The Roussillon site (Novapex company) supported one of its employees at the Masters France deaf and hearing-impaired tennis tournament. This competition is open to all players with a hearing loss equal to or greater than 55 decibels.

Indicators

81 485 € donation in 2023

39 Local initiatives supported in 2023

3

**Safety,
Quality and
Sustainable innovation**



As a global producer of active ingredients, pharmaceutical intermediates and specialty ingredients, SEQENS stands out not only for the high quality and safety of its products, but also for its culture of excellence, offering its customers the best possible service, while seeking to innovate in order to develop more efficient processes and offer customers products that are more respectful of the environment and people.



CSR COMMITMENTS

Preventing major accidents and ensuring the safety of our processes



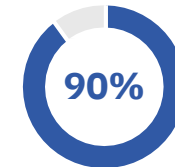
Guaranteeing the quality and safety of our products



Promoting eco-design and sustainable value creation through innovation



CSR OBJECTIVES



Achieve an annual process safety program completion rate of over 90%.



Reduce the number of justified customer complaints by 20% between 2021 and 2025



Assess 100% of our new proprietary projects according to CSR criteria by 2025

SAFETY PROCESSES

Commitment

Preventing major accidents and ensuring the safety of our processes

Risk

Major industrial accident leading to lethal and irreversible effects beyond property limits.

Policy

Controlling technological risk¹³ is our top priority. The Group is therefore committed to controlling the safety of its processes. This commitment is clearly defined in the Group's HSE policy. It is all the more important given that the chemical and pharmaceutical industries must comply with numerous regulations, in particular (but not only) those concerning the prevention of major accidents and environmental protection:

- Seveso Directives in Europe;
- Industrial Emissions Directive (IED) in Europe;
- ATEX Directive in Europe;
- OSHA PSM (Process Safety Management) regulations in the United States;
- PSM regulations in China (China National Administration of Occupational Safety).

In 2023, the SEQENS Group will have 5 sites classified as Seveso high threshold (Bourgoin, Grand-Serre, Roussillon - Novapex company, Roussillon - Novacyl company and Couterne) and 3 sites classified as Seveso low threshold (Limay, Saint-Fons and Aramon). All these sites are subject to authorization under the ICPE regulations¹⁴ and are regularly inspected by the authorities (DREAL¹⁵, DRIEAT¹⁶).

To guarantee a high level of safety, reduce risks to as low a level as possible, and comply with the various regulations, SEQENS deploys a risk-based HSE and process safety management system at its sites.

Objectives

In order to ensure that the management system and practices are sufficiently robust and sustainable that no serious, catastrophic or disastrous events occur, the Group has set itself the following objectives:

- Achieve an annual process safety program completion rate in excess of 90%;
- Achieve an annual completion rate for the process risk analysis program (PHA) of over 90%;
- Continuously improve its mechanical integrity program to prevent loss of containment and the release of hazardous substances.

Actions implemented

- Annual HSE action plans include process safety, as do quarterly HSE reviews.
- Process safety resources have been significantly strengthened in 2023 at both site and Group level.
- The Group's HSE and process safety team includes 4 process safety specialists, who provide support to the sites. Process safety engineers are present at all Group production sites, with the exception of one plant in India (recruitment in progress).
- Process safety data management continues: piping/instrumentation diagrams, action/defect matrix, safety files for implemented syntheses.
- The Process Hazard Analysis (PHA) program has been accelerated, with associated improvements.
- The mechanical integrity program has been strengthened. In particular, it aims to ensure that safety-critical components are identified and included in a robust inspection, testing and preventive maintenance plan.
- Safety practices in the management of internal maintenance work and external contractors are continuously improved.
- Emergency procedures are periodically tested to cope with industrial risks (gas/dust explosion, fire, release and dispersion of toxic substances).

¹³ A major technological risk is an accidental event occurring on an industrial site and leading to immediate and serious consequences for personnel, neighboring populations, property or the environment.

¹⁴ Classified facilities for environmental protection

¹⁵ Regional Department for the Environment, Planning and Housing

¹⁶ Regional and interdepartmental Environment-Planning-Transport Directorate

Achievements 2023

- The Billingham and Middlesbrough sites have further strengthened their safety practices, including pipeline integrity checks before each transfer of hazardous products.
- The Aramon site has improved the safety of its hydrogenation operations by installing a pneumatic powder loader under nitrogen.
- The Saint-Fons site has modified its vibrating screens to prevent any risk of dust explosion.
- The Neot Hovav site has installed a new fire protection system (sprinkler) in the workshop, as well as new safety devices at the anhydrous hydrochloric acid decanting station.
- The Roussillon site (Novapex company) has replaced its propane tank with a fireproof one.
- The Wuxi site has replaced its fire detection system.

KPI

	2021	2022	2023	Annual target
Risk analysis program completion rate processes (PHA)	95%	83%	110%	>90%

The 90% target is met and exceeded, with 56 process risk analyses completed by 2023.



QUALITY

Commitment

Guaranteeing the quality and safety of our products

Risks

Product non-quality: product recalls, regulatory non-compliance (Good Manufacturing Practices, Cosmetics, etc.)

Non-compliance with regulatory and legal changes impacting the Group's activities (REACH, Tox, EcoTox, etc.).

Policy

Product quality and the conformity of associated activities are essential to SEQENS. In its Quality Policy, reviewed in 2023, SEQENS is committed to ensuring that products are always delivered safely and reliably to customers, in compliance with applicable regulations and international standards. This is all the more true for products supplied by the Group to the pharmaceutical markets:

- Manage activities through a comprehensive quality management system that complies with international standards, data integrity requirements, applicable regulations and standards (GMP¹⁷, GDP¹⁸, GxP¹⁹, ISO);
- Remain constantly attentive to regulatory changes and customer expectations to guarantee customer satisfaction and develop new partnerships;
- Manage relations with our stakeholders and suppliers effectively and sustainably;
- Carry out our operations guaranteeing the quality and safe use of products to serve patients and consumers;

- Carry out operations guaranteeing the quality and safe use of products in order to serve patients and consumers;
- Continuously improve the efficiency and reliability of all our activities, in particular through digitalization;
- Develop staff skills, competencies, behaviors and effectiveness through individualized support and training, and encourage empowerment at work.

Quality policy and programs are drawn up and coordinated by the Group's "Quality and Regulatory Affairs" department. It ensures that quality standards are applied and that products comply with the requirements of customers and healthcare regulatory agencies. In this way, SEQENS strives on a daily basis to be recognized for its strong customer focus and its compliance with regulations and quality standards.

Objectives

SEQENS aims to guarantee its customers 100% success in regulatory inspections and certification audits to ensure business continuity; and wishes to be recognized as a major and serious player in the field.

In addition, all Group teams do their utmost to ensure customer satisfaction. SEQENS has set itself the target of reducing the number of justified customer complaints by 20% between 2021 and 2025.

Actions implemented

Implementation of the SEQENS quality management system includes the following measures:

- Product quality, safety and traceability are ensured throughout the manufacturing process, from the moment raw materials are received (supplier qualification process, audits or incoming material controls).

- Most of our operational sites have implemented a quality management system and are therefore compliant with regulatory and customer requirements, certified to applicable standards such as GMP, ISO 9001, HACCP, COSMOS, Excipact ...

12 sites with one or more ISO 9001-certified activities in 2023

13 sites with one or more GMP certified activities in 2023

2 sites with one or more ISO 22 000-certified activities in 2023

1 site with one or more COSMOS-certified activities in 2023

- Industrial sites are regularly audited internally. These audits are carried out by a dedicated "Quality Audit" team, whose mission is to provide General Management with a precise, independent assessment of compliance with SEQENS' Quality Management System. They also aim to ensure the success of customer audits and inspections by national drug safety agencies.

5 sites audited by the Quality Audit team in 2023

100% of national drug safety agency inspections passed by 2023

- Regular quality training and communication activities are organized to maintain and develop the company's quality culture.

○ Each year, site Quality action plans are defined by the Group Quality department in collaboration with site management and the site Quality manager.

90% average completion rate for Quality action plan in 2023

○ A voluntary plan to update REACH dossiers has been set up and will continue until 2026, in line with the wishes of CEFIC²⁰, of which SEQENS is a member.

○ Results and priorities in terms of product quality and safety are presented and discussed at monthly "Quality Points" with the Executive Committee.

○ The digitization of the quality system continues with the deployment of the VeevaVault tool and an electronic document signature tool.

○ The Data Integrity Committee has pursued its actions to continuously improve computerized systems and paper-based processes, in line with health authority requirements, for GMP-certified sites.

○ To ensure that the various regulations on product quality and safety are properly applied, SEQENS is a member of the APIC (Active Pharmaceutical Ingredients Committee) in Europe, SICOS²¹ in France, and the BPTF (Bulk Pharmaceutical Task Force) in the United States.

○ To assess overall customer satisfaction, SEQENS has set up several channels to gather feedback at every stage of the customer journey. In 2022, SEQENS launched a Group-wide customer satisfaction program.

An annual survey is now sent out to all customers to provide a quantifiable and reliable measure of SEQENS' customer commitment, via the Net Promoter Score (NPS), i.e. the percentage of customers who rate their likelihood of recommending SEQENS.

Achievements 2023

○ In February 2023, the Roussillon site (Novapex) obtained its first Excipact certification. The site thus demonstrated that isopropanol was manufactured according to an adapted standard for excipients. This was the first example of its kind at this site.

○ The Wuxi site passed its 1st GMP part 1 inspection in November 2023. This certification authorizes the sale of medicated intermediates in Europe.

○ The Ecully site passed its 1st inspection on good distribution practices (GDP) to confirm the compliance of the distribution system for active ingredients manufactured at Novacyl sites in France, China and Thailand.

○ The Villeneuve-la-Garenne site has deployed a Laboratory Information Management System (LIMS). This software package digitizes the main processes of the quality control laboratory. It manages, for example, field data entry and sample traceability, users, instruments, stocks and supplies, and product and equipment tracking. This system meets the quality and traceability requirements of customers and authorities.

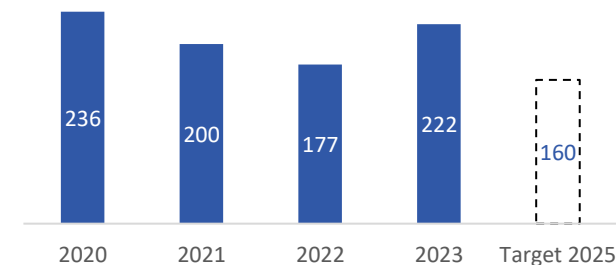
○ A "Quality Council" has been set up at Group and business unit level. Three times a year, this council brings together business unit managers, operations management and quality management to ensure better internal communication, better understanding between the needs of quality and operations, and to discuss quality requirements.

○ The safety data sheets have been updated in line with changes to the Regulation on Classification, Labeling and Packaging of Substances and Mixtures (CLP).

○ Customer queries concerning quality and regulations, product regulations (including REACH) and CSR are gradually being centralized on the OneCRM platform for the various business units. The tool has been deployed at the Turku site in 2022, and at the Lahr and Neot Hovav sites in 2023.

KPI

Justified customer claims



Change in the number of justified customer complaints between 2021-2023

+11%

Target 2021 - 2025:

-20%

SEQENS has increased the number of justified customer complaints by 11% between 2021 and 2023. This is due to an increase in activity and market reorientation for certain sites.

All these complaints have been the subject of an in-depth root-cause analysis and the implementation of corrective and preventive actions aimed at eliminating the recurrence of such events. All site and Group Quality teams are doing their utmost to reduce this number and achieve the target the Group has set itself.

²⁰ European Chemical Industry Council

²¹ Syndicate of the Synthetic Organic Chemical and Biochemical Industry

SUSTAINABLE INNOVATION

Commitment

Promoting eco-design and sustainable value creation through innovation

Risks

Loss of markets due to changes in regulatory, economic and environmental requirements.

Not seizing the opportunity to improve profitability, environmental performance, quality and safety of processes and products.

Policy

Regulatory, safety and environmental issues call for the development of high-performance, reliable and sustainable production processes, from the concept phase through to industrialization.

SEQENS is committed to developing products that are not only effective and safe, but also to improving its manufacturing processes from a CSR perspective. The Group relies on the principles of green chemistry to design and develop chemical products and processes that have minimal impact on the environment and human health, while being cost-effective.

This involves our 9 R&D centers of excellence in Europe and North America, as well as over 300 scientists, engineers and experts working on tailor-made solutions for our customers, right through to manufacturing.

The Strategy & Innovation department also supports this CSR approach. Its main missions are to promote synergies, encourage ideas, stimulate and support the Group's development projects, and optimize the portfolio of products, R&D services and technologies.

Objective

The Group has set itself the target of evaluating 100% of its new proprietary products according to CSR criteria by 2025.

Proprietary products are products developed by the SEQENS Group since their conception and design, and for which SEQENS holds the intellectual property rights. Proprietary products are to be distinguished from products developed under contract for customers.

In the case of custom-developed products, customers approach SEQENS with a specific project. The Group then accompanies the customer from development on a laboratory scale, through to industrialization and production on a commercial scale. For these products, the customer is the decision-maker: he chooses the synthetic voice, which may or may not have a significant impact on the environment and human health.

Actions implemented

- A Lab'com has been set up in 2021 between the CNRS²² and the Seqens'Lab teams in Porcheville. Its aim is to develop new synthesis methodologies, optimize reactions and chemical conditions, in particular by inventing new catalysts to reduce their toxicity, the quantities of reagents used and improve yields.

- A Scientific Council created in 2017 meets three times a year to define SEQENS' scientific strategy, including eco-design topics. This council is made up of high-level scientific experts, mainly from academia, SEQENS management and the Scientific, Technical, R&D and Innovation departments.

- In order to improve the environmental and social footprint of products, SEQENS has developed a methodology for assessing the sustainability impact of products over their life cycle. The INOVA method, developed in 2023, is an innovation project management method applicable to the development of new products, technologies or processes.

This method integrates CSR evaluation criteria from the ideation phase (pre-exploration phase) right through to the project feasibility phase.

In the pilot phase, R&D teams can use the IGAPO tool to assess the CSR impact of their project. The tool can also be used to identify ways of optimizing existing processes.

17 Employees trained in INOVA tool by 2023

○ SEQENS' priorities for improving the sustainability of its products are :

- 1 | Renewable raw materials:** introducing solutions based on plant-based raw materials into product manufacturing processes.
- 2 | Circular economy:** internal reuse of used raw materials (co-products, by-products, waste) as inputs in the same or another production process.
- 3 | Green technologies:** use a range of complementary in-house R&D solutions to minimize the environmental impact of products and processes, including biotechnology.
- 4 | Sustainable solutions:** design and develop innovative solutions tailored to our customers' key challenges, and support them in their quest for sustainable performance.

KPI

The methodology for calculating the percentage of new proprietary products assessed according to CSR criteria was defined in 2023. The first CSR assessments will take place in 2024.

RENEWABLE RAW MATERIALS

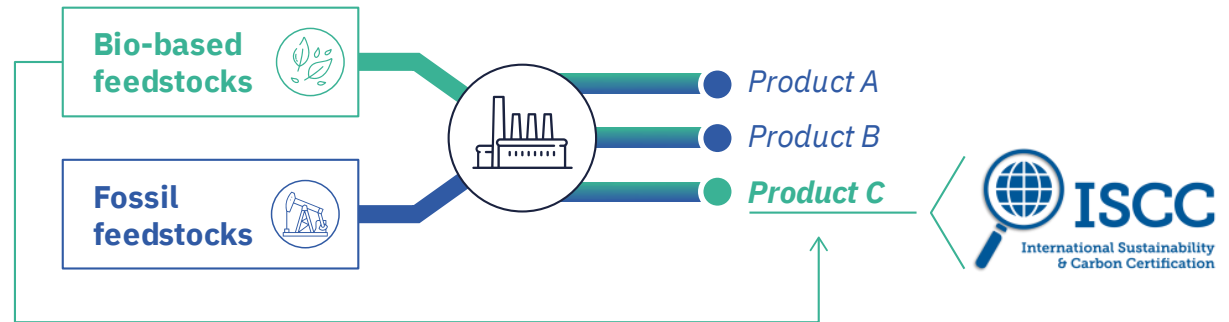
Faced with the increasing scarcity of fossil resources and the CO₂e emissions associated with their extraction, the Group is focusing its research on solutions based on renewable plant-based raw materials, to produce more environmentally-friendly green chemistry. These generally emit less CO₂e than fossil raw materials, and can even absorb CO₂ during the growth phase.

Our R&D department offers several ranges of products derived from bio-based chemistry, with the aim of introducing ingredients derived from biomass (of plant and/or animal origin) into product manufacturing processes:

- **Natural raw materials** of plant origin that have not been transformed, except by traditional mechanical means, in particular for the purpose of extracting the ingredient.
- **Ingredients of natural origin**, commonly referred to as biobased ingredients, manufactured from plant raw materials that have undergone chemical transformation.
- **Mass-balanced ingredients**, when it is not yet possible to obtain a natural or biobased version of an ingredient. This alternative solution, which is not an end in itself, is designed to support the gradual replacement of fossil raw materials used today by renewable resources.

The principle is similar to that which enables consumers to buy “green” electricity. Consumers cannot be sure that the electricity they use at home comes directly from renewable sources, but there is a share of green energy in the overall grid.

Here, "mass balance" certification attests that the supplier has introduced a proportion of biobased raw materials at the start of the production process. It is physically impossible to determine the exact percentage of biobased raw materials in the products delivered, so they are allocated on an accounting basis.



The ISCC-certified mass balance approach



Achievements

- The Roussillon site (Novapex) offers :
 - an ISCC (International Sustainability & Carbon Certification) certified phenol since December 2021;
 - an ISCC-certified solvents, made from ISCC propylene since October 2022.
- Other confidential projects were carried out in 2023 on the development of biosourced versions of petrochemical products.

CIRCULAR ECONOMY

The Group participates in the circular economy by improving the prevention, reuse, recycling and recovery of waste, including the reuse of co-products, by-products or waste as ingredients in other (or identical) production processes, thus reinjecting used raw materials into the economic cycle.

Our R&D and innovation departments focus on 2 main areas:

- **Reduce the amount of waste generated** by optimizing processes and yields;
- **Reprocess and use by-products in other processes or for sale.**

SEQENS more commonly speaks of up-cycling, a process that recovers depleted raw materials and reuses them as raw materials in a new manufacturing process.



Achievements 2023

Reducing waste generation

○ The Porcheville site manufactured a product for a customer, composed in part of a titanium derivative. The process, developed by the customer, generated a very large quantity of waste. The R&D teams reworked the manufacturing process in 2022, which was validated by the customer and implemented in 2023.

Circular product

○ The Bangpoo site has developed a process to offer on the market circular salicylic acid. This circular salicylic acid is derived from downgraded aspirin. The Mamba project was finalized at the end of 2023.

○ R&D teams at Porcheville have been working on the development of a continuous process to produce a product from acetone, a by-product of phenol manufacture. This process is part of the circular economy and uses green technology (flow chemistry).



GREEN TECHNOLOGIES

Green technologies are a set of techniques designed to reduce the impact of processes on the environment by reducing toxic emissions into the air, water or soil, saving resources (energy, water, raw materials) and using renewable resources.

The SEQENS Group has rapidly expanded its activities and know-how through its various acquisitions, and now offers a range of complementary, in-house solutions for minimizing the environmental impact of products and processes:

- **Synthesis:** Flow Chemistry;
- **Biotechnology:** Micro-organisms, Biocatalysis, Micro-algae ;
- **Extraction:** Hydroalcoholic, Enzymatic, Hydroglycolic.

Three of the Group's 9 R&D centers specialize in green technologies:

- The R&D center in Porcheville (SEQENS'Lab), specialized in Flow Chemistry;

SEQENS'Lab

- The R&D center in Nimes (Protéus), specialized in biocatalysis;

protéus
BY SEQENS

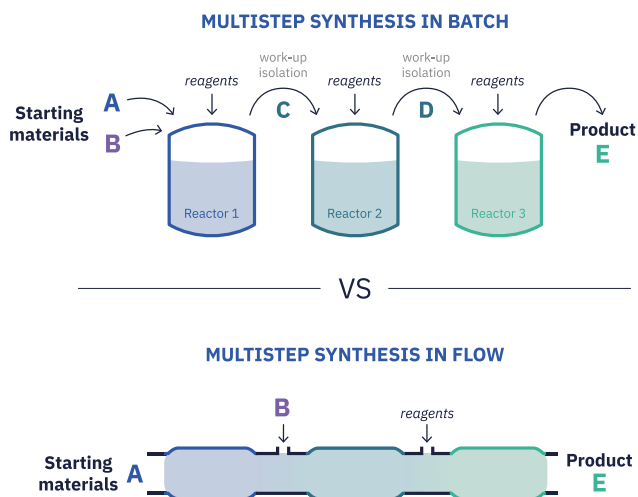
- The R&D center at Bourget-du-Lac (Alganelle), specialized in microalgae, biological synthesis and metabolic engineering.

alganelle
by SEQENS

FOCUS: FLOW CHEMISTRY

Flow Chemistry is a synthesis method involving a chemical reaction taking place in a moving stream, with the reaction progressing as the stream advances through the equipment. In other words, a liquid medium flows through the equipment. Reagents are added to this medium, by pumping, in a mixer, then pass through a temperature-controlled tube, pipe or reactor. At the junction of the tubes, the fluids containing the reagents come into contact with each other and the reaction takes place, progressing according to the flow.

This synthesis method is distinct from conventional batch chemistry, in which reactions take place in the same space, with the initial reactants and subsequent reaction products in contact.



Flow Chemistry offers many advantages from a CSR perspective:

- Process safety is enhanced. Because of the smaller volumes and larger surface area of the devices, which enable temperature control, reactions considered dangerous in batch chemistry because they are too exothermic (releasing a lot of heat) can be carried out safely in Flow Chemistry, and can therefore be carried out on an industrial scale using this type of chemistry.
- Reaction parameters (mixing, heating and residence times) are better controlled, resulting in higher product yields and better control of impurities. This reduces the quantity of raw materials used, and when sufficient purity is achieved, purification steps, which consume large quantities of solvents and generate effluents, can be avoided or reduced. Real-time monitoring of parameters also helps prevent pollution.
- The footprint is reduced by the smaller size of the equipment.

Achievements

- In 2023, the teams commissioned and qualified the performance of the Flow Chem unit on a nitration process, opening the door to the development of processes with a smaller environmental footprint.
- Propofol is a fast-acting intravenous anesthetic used for the induction and maintenance of general anesthesia and for sedation. The shortage of propofol during the Covid 19 crisis prompted a project to relocate the manufacture of this product to France. SEQENS has developed a manufacturing process for Propofol, which is interesting from a CSR point of view, since it uses flow chemistry and generates very little waste (vs. recent scientific publications). A patent application was filed in December 2021 and published in June 2023 to protect this new process. The site produced a demonstration batch of 4kg of propofol in 2023. A project to implement an industrial production unit is currently under study.
- SEQENS has set up the "SeqensFAST" technology offering, which brings together all the technological solutions needed to accelerate the scale-up of innovative continuous chemistry processes.





FOCUS: BIOTECHNOLOGIES

With the use of biotechnologies, enzymatic chemistry and microalgae cultivation, SEQENS has chosen to invest in technologies that have less impact on the environment. These technologies accompany the Group's transition and support the environmental objectives set by SEQENS, while reducing the environmental footprint of its products.

Biotechnology covers all processes involving the use or modification of living organisms - plants and/or micro-organisms - to develop active ingredients with biological activity.

They provide access to valuable natural ingredients while preserving the environment. The ingredients, grown in fermenters, are pesticide-free, GMO-free and do not compete with farmland, ensuring a secure supply.

Our R&D teams develop cutting-edge active ingredients under cultivation conditions that have less impact on the environment.

In 2023, SEQENS has set up the "SEQENS Biotechnologies" offering. This scientific platform brings together complementary technologies for the development of biosolutions such as protein engineering, biocatalysis, synthetic biology and microbiology. These aim to develop renewable processes for the manufacture of high value-added ingredients.

BIOCATALYSIS

Catalysis involves speeding up or slowing down a chemical reaction under the effect of a substance (the catalyst) which does not itself undergo any transformation. It reduces the quantity of raw materials involved in the reaction and improves yields.

One type of catalysis used by SEQENS is biocatalysis. This involves using enzymes to catalyze chemical reactions. Enzymes are obtained by fermenting bacteria or yeast, then isolated or purified, when necessary, for use in a chemical reactor as biocatalysts.

Biocatalysis is interesting from an environmental point of view and can meet up to 9 of the 12 principles of green chemistry:

- Enzymes offer a unique and exceptional combination of selectivities, which considerably limits the production of unwanted by-products.
- Enzymes are highly efficient catalysts, accelerating reaction speeds.
- Enzymes generally work in aqueous media, avoiding the use of solvents except in special situations.
- Enzymes are proteins made up of a sequence of amino acids and are therefore biodegradable. These agents have no significant impact on the environment.
- Enzymes can replace or reduce the amount of metals used, compared with conventional catalysts, and are therefore associated with a lower environmental impact.
- Enzymes operate under mild conditions of pH, temperature and pressure, thus requiring less energy. In addition to their environmental benefits, these conditions also minimize undesirable side reactions.

This bioprocess thus enables SEQENS to take a further step towards ever greener chemistry.

MICROALGAE

The Group became a majority shareholder in Alganelle in July 2022. Alganelle is an innovative biotechnology company specializing in the development and production of high value-added natural molecules from microalgae. These compounds are then used as ingredients by the biomedical, cosmetics and pharmaceutical industries.

This rare know-how in microalgae engineering enables us to offer disruptive synthetic biology solutions.

Microalgae are produced in photobioreactors or fermenters. In addition to their rapid growth, microalgae are energy and nutrient efficient, feeding mainly on light energy and carbon dioxide. This technology ensures the production of components from sustainable processes with a low environmental footprint and a secure supply chain (no use of rare resources, no use of arable land, no seasonality, no use of hazardous solvents or costly chemical reagents, unlike conventional production processes).





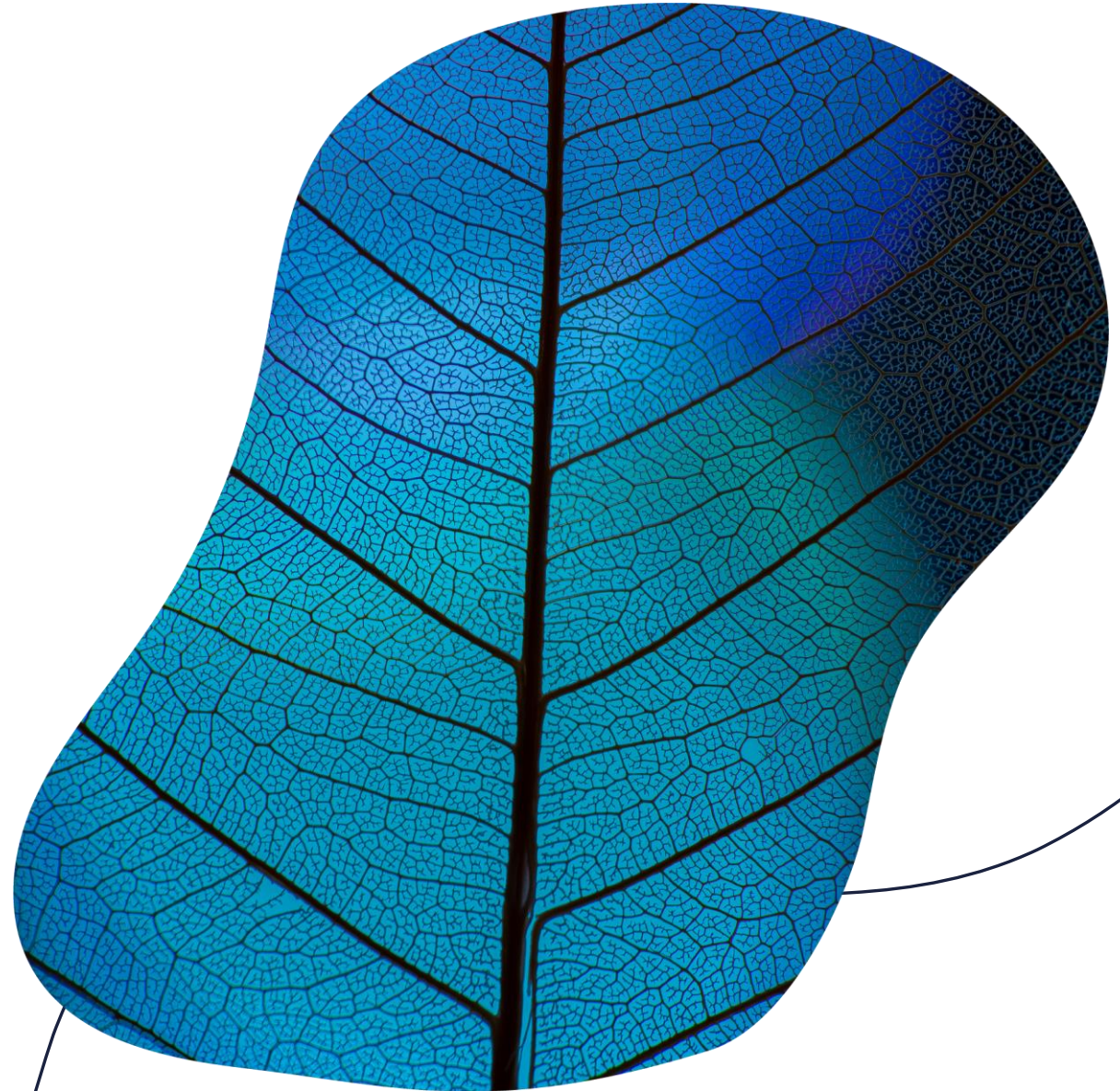
Achievements 2023

Biocatalysis

○ In response to a customer request, our teams in Nimes have developed a green process based on grape seed oil. This product is used in applications designed to facilitate hair growth and limit hair loss. The Nimes teams have developed a solvent-free process involving two biocatalyzed steps using enzymes. The Porcheville teams intervened at the end of 2022 to adapt the process to industrial scale (optimization of treatment steps after the enzymatic reaction to reduce the number of extractions and filtration time). First production took place in 2023.

○ R&D teams have demonstrated that it is possible to produce peptides biologically, from bacteria or microalgae. This study opens up new possibilities for using green technologies to manufacture this compound, and our R&D teams are already working on this.

○ Porcheville's R&D teams have completed a proof of concept - i.e. a concrete, preliminary experimental project demonstrating the feasibility of the project - for the biocatalytic production of estolides.



SUSTAINABLE AND INNOVATIVE SOLUTIONS

SEQENS places solutions for sustainable development at the heart of its innovation policy and the evolution of its product offering. The Group designs and develops innovative solutions tailored to customers' key challenges, and supports them in their quest for sustainable performance.

Achievements 2023

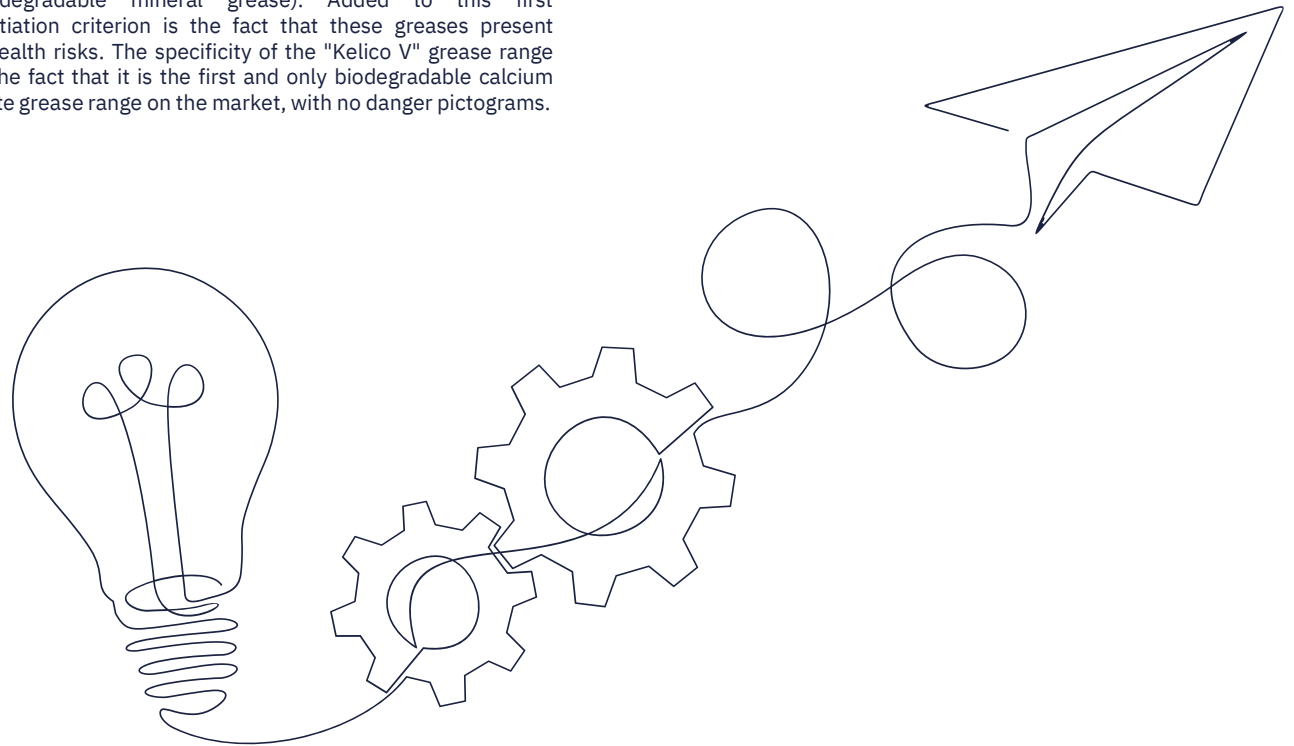
The SEQENS Group is proud to **develop products that have a positive impact on society**, and in particular on the health and well-being of end consumers. The Nimes site has developed a green process (fermentation) to produce an enzyme capable of transforming sucrose (sugar) into fructo-oligosaccharides. The latter are "healthy" prebiotics, with fewer calories but still a sweet taste. The sale of this enzyme contributes to the reduction of sugar and calories in the daily diet, a major public health challenge. Cardiovascular disease is the world's leading cause of death, due in particular to a sedentary lifestyle and an unhealthy diet, with the consumption of increasingly processed and sugary products.

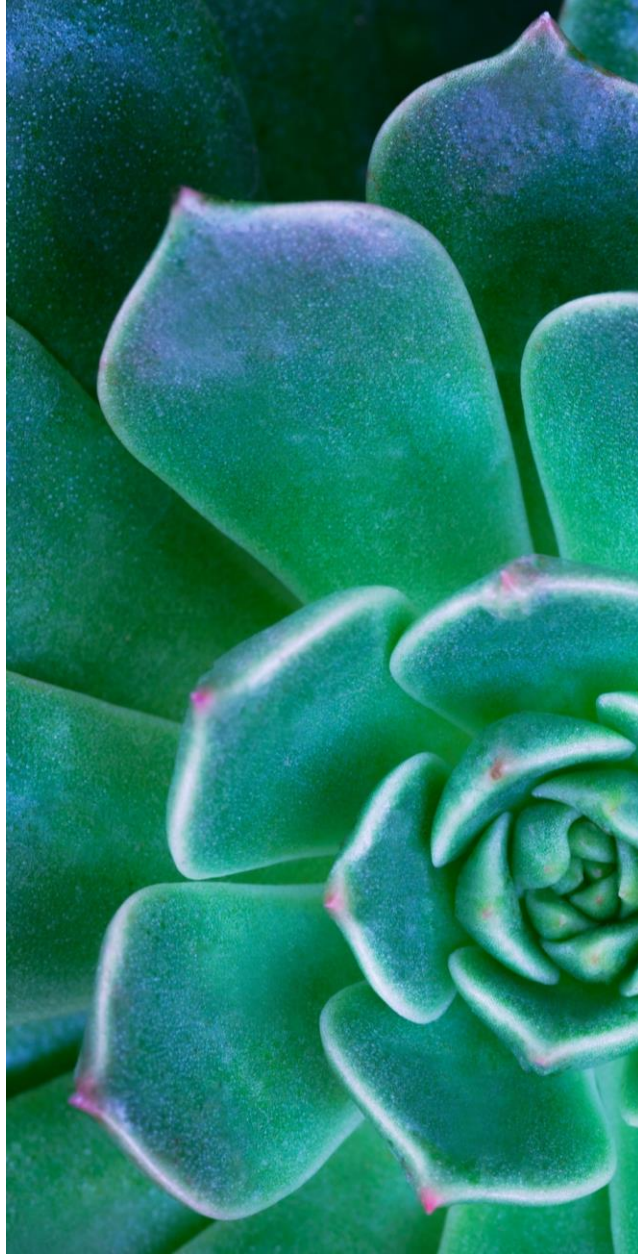
SEQENS also contributes through some of its activities to **developing alternatives to fossil fuels**. For example, the Nimes site has improved the efficiency of certain enzymes present in an enzymatic cocktail, in partnership with an institute. This cocktail improves methanization yields by facilitating access to substrates. Methanization enables farm waste to be recycled and biogas to be released through fermentation. This biogas can then be used as a fuel (to produce energy, heat or electricity) or as a motor fuel. In 2022, the enzymatic cocktail was developed at industrial level, with a targeted increase in methane release of +15% to 30%. It was tested on farms in 2023.

The Group **also supports its customers in the development of solutions that have less impact on the environment and health**. For example, in 2023, the R&D team specializing in lubricant additives completed the R&D phase for an additive compatible with a vegetable oil used in the manufacture of mechanical parts (metalworking) in industry. SEQENS thus enables its customers to switch to a formulation using vegetable oils (versus mineral oils). The additive proposed by SEQENS will be registered on the "LuSC-list" (Lubricant Substance Classification list). This is a list of substances and brands that have been evaluated by a competent body on the lists of biodegradation/bioaccumulation, aquatic toxicity and substance exclusion. Registration of "Sulfad 1717" will enable customers to obtain the European ecolabel for their finished product.

Another example is the extension of the "Kelico V" range to the "lubricant additives" business in 2023. Our R&D teams have developed a process that is unique on the market, enabling us to offer customers biodegradable calcium sulfonate greases (versus non-biodegradable mineral grease). Added to this first differentiation criterion is the fact that these greases present fewer health risks. The specificity of the "Kelico V" grease range lies in the fact that it is the first and only biodegradable calcium sulfonate grease range on the market, with no danger pictograms.

Both products have been selected for presentation at STLE 2023 in California (USA). The annual STLE conference and exhibition provides lubrication professionals with networking and learning opportunities on best practices and technological advances in lubrication engineering.





4

Operational integrity



SEQENS operates in several countries around the world and is committed to conducting its business with integrity. Integrating ethical values into its day-to-day activities is essential to remain true to its commitments to stakeholders, protect its image and reputation, and safeguard its employees.

This business integrity requires, among other things, respect for international human rights law in all our activities. countries where the company operates, the fight against corruption, and exemplarity in terms of CSR performance. SEQENS is convinced that the expression of its ethical principles and convictions, both within the company and with its partners, helps to inspire confidence in its customers.

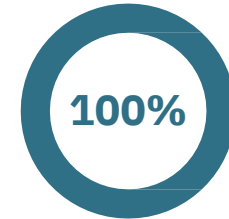


CSR COMMITMENTS

Conducting business ethically

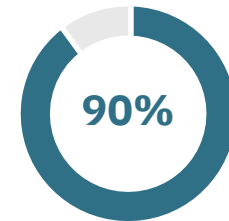


CSR OBJECTIVES



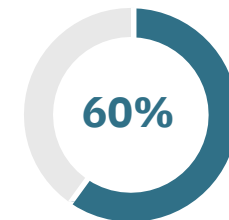
Train annually 100% of employees exposed to the risk of corruption in the Code of Ethics

Ensuring CSR excellence within the Group



Reach 90% of operational sites with a Platinum or Gold medal on Ecovadis by 2025

Strengthen responsible purchasing of raw materials and services



Cover 60% of purchases amount with a CSR performance evaluation by 2025 (via Ecovadis or a CSR questionnaire).

ETHICS

Commitment

Conducting business ethically

Risk

Be in breach of criminal and/or civil laws and regulations applicable to business ethics

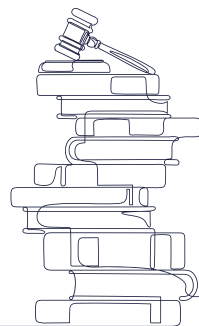
Policy

As a partner recognized for its ethical and compliance practices, **SEQENS is committed to conducting its business in compliance with laws and regulations, with integrity wherever it operates in the world.**

In order to set out the guiding principles and requirements for responsible and ethical day-to-day behavior, the Group's Code of Ethics was updated in January 2021 to integrate into a single document:

- **Code of conduct** (fight against corruption and influence peddling, conflicts of interest, representation of interests, relations with public authorities)

- **The SEQENS Code of Ethics** (anti-money laundering and combating the financing of terrorism, international business practices, health and safety, labor policy, respect for the environment, respect for free competition, protection of personal data, respect for and protection of Group assets).



Objective

SEQENS believes that no **major compliance dispute** can or should impede the management of its business. To this end, the Group ensures that all its employees are familiar with the Code of Ethics, and has set itself the target of training 100% of exposed employees and new arrivals in the SEQENS Code of Ethics.

Actions implemented

- At each Executive Committee meeting, once a month, the Compliance department presents a "**Compliance Flash**", an update on current events and major actions in progress.
- **The Compliance Committee**, comprising the Compliance Department and the Executive Board, meets quarterly to oversee compliance activities. The results and implementation of the action plan are systematically presented and discussed.
- **The Audit Committee**, comprising the Group Finance Department, the Group Accounting Department, the Group Legal and Compliance Department, the Audit and Internal Control and Risk Management Department, as well as the shareholders and statutory auditors, meets twice a year. This Committee deals with the closing of accounts and audit and internal control issues. Within this framework, the Compliance department is invited to present the results in terms of compliance and to present the action plan for validation.
- In 2023, the Group introduced a declaration of interest in which each manager present on the SEQENS Committee must declare any conflict of interest. This new process will come into effect at the beginning of 2024, following notification of the various employee representative bodies in 2023.
- The Group's Code of Ethics is read **by all employees** as soon as they join SEQENS.

- SEQENS has opted for a principled ban on all commercial practices in the 7 regions subject to global international sanctions (Iran, Cuba, North Korea, Syria, Crimea-Sebastopol, Donetsk, Lugansk), and has added 2 further regions in 2023: Zaporijjia and Kherson between Ukraine and Russia.

- For greater transparency, SEQENS is voluntarily registered in the digital directory listing relations between interest representatives and public authorities. Inclusion in this directory, maintained by the HATVP (High Authority for the Transparency of Public Life) in France, implies adherence to ethical rules in lobbies' relations with public authorities. At European level, SEQENS is listed in the "transparency register".

Indicators

	2021	2022	2023
Number of incidents reported via all available channels	2	4	0
Number of incidents constituting a breach of ethics	0	0	0
Of which number of incidents of unethical child labor, forced labor and human trafficking	0	0	0
Of which, number of incidents constituting a breach of ethics concerning non-respect for the human rights of external stakeholders	0	0	0
Of which number of confirmed incidents of corruption	0	0	0



FOCUS: SAPIN II ANTI-CORRUPTION LAW

In 2016, France adopted a law on transparency, the fight against corruption and the modernization of economic life, known as the Sapin II law. Within this framework, SEQENS has strengthened its ethical framework and set up a corruption prevention and detection program, in all its subsidiaries worldwide.

1. Identifying risks

A corruption risk map is used to identify and prioritize the Group's exposure risks. The need to update the map is assessed each year by the Compliance department. Work on updating the map began at the end of 2023, with a view to a complete update in early 2024.

2. Code of ethics

The Code of Ethics, containing the Code of Conduct, is available in hard copy at all sites and translated into the Group's 8 languages. All new employees are required to read it. It is also available on the SEQENS website.

The code defines risky situations, good reflexes and examples of do's and don'ts.

3. Sanctions

The Code of Ethics has been an integral part of the various sites' internal regulations (or equivalents) since 2021, and specifies to all employees the penalties for breaching the code.

4. Ethical alerts

All internal and external stakeholders can confidentially report any behaviour contrary to the Code of Ethics to the Compliance Department via a dedicated e-mail address:

codeofconduct@seqens.com

The Compliance Department relies on an internal Group procedure to deal with alerts received.

5. Evaluation of third parties

The assessment of third parties is carried out by the Compliance department based on the results of the corruption risk analysis and the typology of third parties. Furthermore, in December 2023, implementation of the automatic third-party assessment project began via a new tool. This tool enables us to check our entire database for international sanctions and corruption. The third-party assessment starts with suppliers and will be extended to our customer base.

6. Accounting controls

The process of rolling out Sapin II accounting controls to all sites continued in 2023. Controls relating to customer credit balances and supplier bank details checks, for example, have been stepped up.

7. Ethics training

SEQENS has an anti-corruption training program for the most exposed employees (subsidiaries and head office). And since September 2022, all new employees have been invited to receive training in the Code of Ethics.

8. Monitoring and evaluating the implementation of measures

The Compliance department reports on its activities monthly to management, every 3 months to the Compliance Committee, and twice a year to the Audit Committee.



KPIs

	2022	2023	Annual target
Cumulative percentage of employees exposed to the risk of corruption and trained in the Code of Ethics	95%	44%	100%
Percentage of employees trained in the Code of Ethics (excluding production, cumulative)	17%	33%	

In 2023, for greater practicality, SEQENS changed its methodology for identifying "employees exposed to the risk of corruption", which broadened the scope of exposed employees. In addition, the Code of Ethics training campaign took place in September, and many employees arrived after that date. As a result, the training campaign did not reach all exposed employees, which explains the drop in the percentage of employees exposed and trained in the code of ethics, in cumulative terms (present at December 31, 2023).

However, the SEQENS Group has indeed increased the percentage of employees trained in the ethical code (excluding production, on a cumulative basis) compared with 2022, from 17% to 33% in 2023.

103

Employees trained in the Code of Ethics in 2023 (excluding production and still present on 12/31/2023)



CYBERSECURITY

Commitment

Ensure data protection and continuity of information systems operations.

Risks

Unavailability of an information system or incident affecting data integrity, leading to an interruption in one or more of the Group's activities.

Leakage of confidential information (internal, customer or personal data).

Non-compliance with cybersecurity or data protection regulations applicable to our industry.

Policy

SEQENS wants to build relationships of digital trust with its partners, so the Group implements its cybersecurity program in line with the main market standards, such as NIST (National Institute of Standards and Technology) or ISO 27 001 (international standard for information systems security management systems).

These principles are communicated throughout the Group by means of an information security policy and a digital charter. In addition, the Group is committed to implementing a comprehensive awareness-raising program to help employees apply best practices.

Objective

SEQENS considers that it must be able to manage a major cybersecurity incident, contain its effects and optimize its ability to restore its services. To achieve this, the Group identifies, anticipates and manages the main cybersecurity risks.

By 2023, SEQENS' main objective remains to have no major safety incidents.

For the Group, a major security incident is a cyberattack, i.e. a malicious act against our IT system, which would significantly affect the confidentiality and/or integrity of the Group's information or the availability of the information system, resulting in significant financial losses and/or damage to SEQENS' image and/or significant defense efforts to contain and deal with the attack.

This does not include the number of attempted attacks that have been stopped by the Group's prevention systems.



Actions implemented

- An Information Systems Security Manager (ISSM) has been appointed at Group level.
- A "Cybersecurity Committee", comprising the Finance, Industrial, Compliance, Risk, Legal and Information Systems Departments, meets twice a year to monitor the main cybersecurity risks and the associated roadmap.
- A "Cybersecurity Management Committee", comprising IT, quality and compliance departments, meets every two months to monitor the implementation of the main cybersecurity projects approved by the "Cybersecurity Committee".
- Internal and external assessments, such as audits and intrusion tests, are carried out on a regular basis, leading to remediation plans that are monitored as part of the governance process.
- The Group is also insured to a certain extent against the potential financial fallout of a major cybersecurity incident.
- An information security risk assessment identifies and prioritizes the Group's exposure to cybersecurity risks.

- Technical and organizational measures are in place to ensure data security and prevent disclosure to unauthorized third parties.
- Employees can report a cybersecurity alert via a "Report phishing" button in the e-mail application.

Achievements 2023

- A Security Operation Center (SOC) has been deployed throughout the Group. This platform enables the Group to supervise and administer the security of its information systems, using tools for collecting and correlating events, and for remote intervention.
- Multi-factor authentication has been implemented on all employee IT tools to reinforce security of access.
- Information systems security policies have been reviewed and published.
- A two-cell (management and technical) cybersecurity crisis exercise was carried out. This crisis management exercise enables the assimilation of cybersecurity crisis management automatism and reinforces the structure's resilience.

KPI

	2023	Annual target
Number of major security incidents	0	0

CSR EXCELLENCE

Commitment

Ensuring CSR excellence within the Group

Risk

Operations not aligned with CSR strategy, with no consideration of the social and environmental issues associated with SEQENS' activities.

Policy

A company's CSR performance is increasingly monitored, and is becoming more and more of a demand from our customers and other stakeholders. **Ecovadis** is one of the world's leading CSR rating platforms, and some of our customers have set minimum EcoVadis rating values as a prerequisite for inclusion on their supplier panels.

As a result, all our sites have their CSR performance regularly and proactively assessed by specialized platforms such as Ecovadis or CDP.

Objective

SEQENS' goal is to have 90% of its sites rated Platinum or Gold on Ecovadis by 2025.

Actions implemented

Since 2016, Groupe SEQENS **has had the CSR performance of its sites** proactively **assessed annually** by Ecovadis. The platform assesses how sites have integrated CSR principles into their activities and their impact, particularly on 4 themes:

- Environment;**
- Social and human rights;**
- Ethics;**
- Responsible purchasing.**

Indicators

17 Sites rated by Ecovadis with a Gold or Platinum medal in 2023

85% Sites rated by Ecovadis with a Gold or Platinum medal in 2023

Status of site medals at December 31, 2023

12



5



2



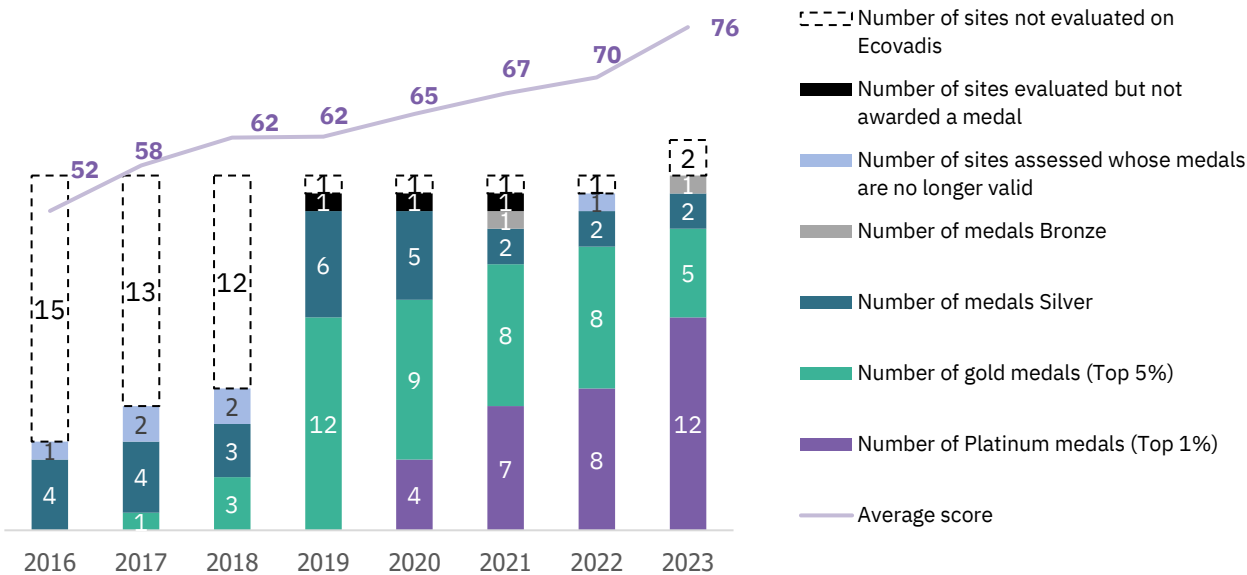
1



KPIs

	2016	2017	2018	2019	2020	2021	2022	2023	Target 2025
Percentage of sites with Platinum or Gold medals	0%	5%	15%	60%	65%	75%	80%	85%	90%

Ecovadis certification status of SEQENS sites



In 2023, **20 of our sites** had their **CSR performance** assessed by **Ecovadis**. We can see a clear progression in the number of medals obtained over the years. In 2023, 12 sites were awarded a Platinum medal and 5 sites a Gold medal, i.e. 85% of sites.

The results are more than excellent, confirming that good CSR practices are being integrated into the sites, with **an average score of 76/100 in 2023**, an increase of 6 points compared to 2022.

In 2023, in-depth work was carried out with each site to improve their understanding of the questionnaire and harmonize response practices across the Group. The Hyderabad, Neot Hovav and Porcheville sites responded to the questionnaire for the first time. Two R&D sites have not yet been evaluated on Ecovadis: Pune in India and Devens in the United States.

In addition, the Roussillon site (Novacyl company) was recognized for excellence in sustainable development performance and named **winner of the "EcoVadis Sustainability Leadership Award 2024 (Europe)"**. The award recognizes small and medium-sized companies that are at the forefront of sustainable development business practices worldwide. The award is based on the EcoVadis rating for 2023.



RESPONSIBLE PURCHASING

Commitment

Strengthen responsible purchasing of raw materials and services

Risk

Challenge suppliers for non-compliance with human rights, labor law and/or environmental pollution.

Policy

As a major industry player, the SEQENS Group is committed to being an ethical, trustworthy and compliant business partner throughout **its supply chain**.

SEQENS attaches great importance to ensuring that all its partners (customers, suppliers, subcontractors and intermediaries) share a common set of rules, practices and principles in terms of business ethics, labor and respect for the environment.

In this respect, and in line with its responsible purchasing policy, the SEQENS Group is committed to implementing responsible purchasing practices, and asks its suppliers to be more transparent about their CSR approach.

Objective

The Group's objective is to cover 60% of purchase amount with a CSR performance assessment by 2025 (via Ecovadis or a CSR questionnaire).



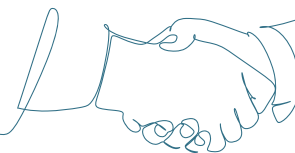
Actions implemented

- All SEQENS suppliers are asked to comply with the ethical principles set out in the Supplier Code of Ethics, and to ensure that their own suppliers and subcontractors respect these principles. In particular, this Supplier Code of Ethics prohibits child labor and forced labor.
- Since 2021, the SEQENS Group has been using the Ecovadis Supplier platform to track the CSR performance of its suppliers, via their Ecovadis score and medal.
- Following the responsible purchasing training given to Group buyers at the end of 2022, an operating procedure was circulated in 2023 reminding them of the process to be followed in terms of managing supplier ethical codes and Ecovadis supplier scores.
- CSR criteria are included in certain calls for tender.
- More generally, SEQENS constantly monitors the sustainability of its suppliers around the world, and thanks to this assessment and the strategies it has put in place, the Group has had very little impact from successive global supply chain crises (health crises followed by war in Ukraine).



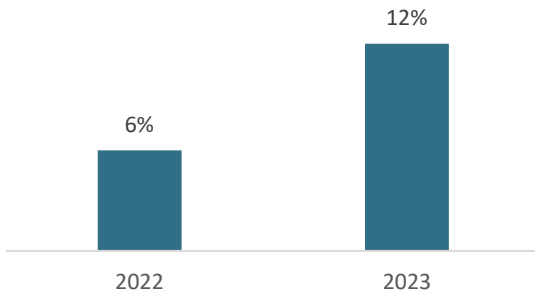
Achievements 2023

- The Roussillon site (Novapex company) has reviewed its supplier approval process and included a criterion on the environmental pollution of the trucks used in its selection criteria for transporters. The percentage of "Euro 6" trucks is now considered and discussed during annual operational reviews. The European Euro 6 standard is an environmental standard designed to limit emissions of certain polluting gases from road vehicles, by forcing manufacturers to produce cleaner cars and trucks. As part of this, manufacturers must comply with ever-lower particulate and nitrogen oxide (NOx) emission levels.
- The Wuxi site has also included a criterion on the environmental pollution of the trucks used in its selection of transporters. From now on, all suppliers' transport vehicles must comply with China's "National Stage V Emission Standard".
- The Group has launched a project to harmonize its printing solutions. The new printers are 3 times more energy-efficient than their predecessors, part of the printer fleet is made from recycled materials with a 5-year guarantee, consumables are sorted and recycled by the manufacturer, and printouts are released by badge (reducing unwanted printing). All sites in France, Neot Hovav, Bangpoo and Wuxi benefit from this new contract.



Indicators

Percentage of active suppliers with a valid code of ethics



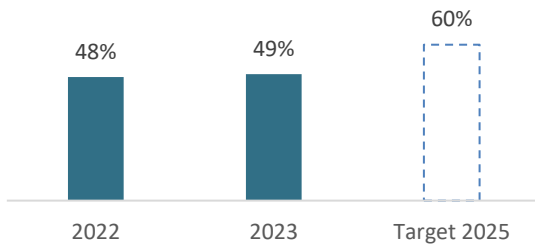
In 2023, a major campaign to send out the SEQENS supplier code of ethics took place, doubling the proportion of suppliers with a valid code of ethics (SEQENS supplier code of ethics signed by the supplier or the supplier's own code of ethics). The Group is continuing its efforts to improve this result.

In addition, in 2023, the Group worked on rationalizing its suppliers and purchasing. As a result, the efforts made to better monitor suppliers' Ecovadis scores are barely noticeable this year, as they are very close to last year's result, with 49% of purchasing covered by a CSR assessment.



KPI

Percentage of purchase amount covered by a CSR performance assessment (Ecovadis)





External verification of the report

(Year ending December 31, 2023)

Statutory auditor's report on the verification of the consolidated statement of non-financial performance

(Year ending December 31, 2023)

Seqens

21 chemin de la Sauvegarde CS331167
69134 Ecully cedex

In our capacity as statutory auditors of Seqens (hereinafter referred to as "the entity") and in response to your request, we have carried out work designed to provide a reasoned opinion expressing a conclusion of moderate assurance on the historical information (observed or extrapolated) of the consolidated extra-financial performance statement prepared in accordance with the entity's procedures (hereinafter referred to as the "Reporting Criteria"), for the year ended December 31, 2023, (hereinafter respectively the "Information" and the "Declaration"), presented in the Group's management report and prepared on a voluntary basis in accordance with the provisions of Articles L.225 102 1, R.225 105 and R.225 105 1 of the French Commercial Code.

Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" section, and on the information we have obtained, nothing has come to our attention that causes us to believe that the consolidated statement of non-financial performance is not prepared, in all material respects, in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is presented fairly in accordance with the Reporting Criteria.

Preparation of the extra-financial performance statement

The absence of a generally accepted and commonly used reference framework or established practices on which to base the assessment and measurement of Information means that different, but acceptable, measurement techniques can be used, which may affect comparability between entities and over time.

Consequently, the Information must be read and understood with reference to the Referential, the significant elements of which are available on request from the company's head office.

Limits inherent in the preparation of information

Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and in the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates used in its preparation and presented in the Declaration.

Responsibility of the entity

It is the responsibility of management to :

- select or voluntarily establish appropriate criteria for the preparation of Information ;
- voluntarily prepare a Declaration in compliance with legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks as well as the results of these policies, including key performance indicators and, in addition, the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- prepare the Declaration by applying the entity's Reference System as mentioned above: as well as
- implement such internal control procedures as it determines are necessary to enable the preparation of information that is free from material misstatement, whether due to fraud or error.

The Declaration was drawn up by the Chairman.

PricewaterhouseCoopers Audit, SAS, Grand Hôtel Dieu 3 Cour du Midi - CS 30259 69287 Lyon cedex
02 Telephone: +33 (0)4 78 17 81 78, www.pwc.fr

Chartered accountancy firm registered with the Paris - Ile de France Order. Statutory audit firm member of the compagnie régionale de Versailles et du Centre. Simplified joint stock company with capital of €2,510,460. Registered office: 63 rue de Villiers 92200 Neuilly-sur-Seine. RCS Nanterre 672 006 483.

VAT n° FR 76 672 006 483. Siret 672 006 483 00362. Code APE 6920 Z. Offices: Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Neuilly-Sur-Seine, Nice, Poitiers, Rennes, Rouen, Strasbourg, Toulouse.

Auditor's liability

It is our responsibility, on the basis of our work, to formulate a reasoned opinion expressing a conclusion of moderate assurance on :

- compliance of the Declaration with the provisions of article R.225-105 of the French Commercial Code;
- the sincerity of historical information (recorded or extrapolated), provided in accordance with 3° of I and II of article R.225-105 of the French Commercial Code, i.e. the results of policies, including key performance indicators, and actions relating to the main risks.

As it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not authorized to be involved in the preparation of the said Information, as this could compromise our independence.

It is not our role to comment on :

- the entity's compliance with other applicable legal and regulatory provisions (in particular with regard to the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy) where applicable, the due diligence plan and the fight against corruption and tax evasion);
- the accuracy of the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy), where applicable;
- compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional doctrine

We conducted our work in accordance with the requirements of articles A.225-1 et seq. of the French Commercial Code (Code de commerce), professional guidance issued by the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) relating to this type of engagement, in particular the technical notice issued by the Compagnie nationale des commissaires aux comptes, *Intervention du commissaire aux comptes - Intervention de l'OTI - Déclaration de performance extra financière*, tenant lieu de programme de vérification and International Standard ISAE 3000 (revised) - *Assurance engagements other than audits or reviews of historical financial information*.

Independence and quality control

Our independence is defined by the provisions of Article L.821-28 of the French Commercial Code and the Code of Ethics for Statutory Auditors. In addition, we have set up a quality control system comprising documented policies and procedures designed to ensure compliance with the applicable laws and regulations, ethical rules and professional doctrine of the Compagnie Nationale des Commissaires aux Comptes (CNCC).

Means and resources

Our work mobilized the skills of 5 people and took place between December 2023 and May 2024 over a total intervention period of 4 weeks.

To assist us in our work, we called on our specialists in sustainable development and corporate social responsibility. We conducted around twenty interviews with the people responsible for preparing the Declaration, representing in particular the CSR, Administration and Finance, Human Resources, Health and Safety, Environment and Purchasing, and Quality Departments.

Nature and scope of work

We planned and performed our work taking into account the risk of material misstatement of the Information.

We believe that the procedures we have performed in the exercise of our professional judgment enable us to provide a moderate level of assurance:

we have reviewed the activities of all the entities included in the scope of consolidation and the main risks;

- we have assessed the appropriateness of the Standards in terms of their relevance, completeness, reliability, neutrality and comprehensibility, taking into account, where appropriate, best practices in the sector;
- we have verified that the Declaration covers each category of information provided for in III of Article L.225-102-1 concerning social and environmental issues, respect for human rights and the fight against corruption and tax evasion, and includes, where appropriate, an explanation of the reasons for the absence of the information required by the 2nd paragraph of III of Article L.225-102-1;
- we have verified that the Declaration presents the information required under II of article R.225-105 where relevant to the principal risks;
- we have verified that the Declaration presents the business model and a description of the principal risks associated with the activity of all the entities included in the scope of consolidation, including, where relevant and proportionate, the risks created by its business relationships, products or services, as well as policies, actions and results, including key performance indicators relating to the principal risks;

- we consulted documentary sources and conducted interviews to :
 - assess the process for selecting and validating the main risks and the consistency of the results, including the key performance indicators selected in relation to the main risks and policies presented, and
 - corroborate the qualitative information (actions and results) that we considered to be the most important presented in the appendix. The related work was carried out at the level of the consolidating entity.
- we have verified that the Declaration covers the consolidated scope, i.e. all the entities included in the scope of consolidation in accordance with Article L.233-16, where applicable with the limits specified in the Declaration;
- we have familiarized ourselves with the internal control and risk management procedures implemented by the entity and have assessed the data collection process aimed at ensuring the completeness and accuracy of the information;
- for the key performance indicators and other quantitative results that we considered the most important, presented in the appendix, we implemented :
 - analytical procedures to check that the data collected has been properly consolidated and that trends are consistent;
 - detailed tests, based on sampling or other means of selection, consisting of verifying the correct application of definitions and procedures, and reconciling data with supporting documents. This work was carried out with the consolidating entity for certain risks, such as ethics, CSR excellence, responsible purchasing, involvement with local communities, sustainable innovation and cybersecurity, and with the entity

and a selection of contributing entities, namely Billingham, Lahr, Middlesbrough, Roussillon Novacyl and Wuxi, for other risks and cover between 20% and 25% of the consolidated data selected for these tests;

- we have assessed the overall consistency of the Declaration in relation to our knowledge of all the entities included in the scope of consolidation.

The procedures performed as part of a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional doctrine of the Compagnie nationale des commissaires aux comptes; a higher level of assurance would have required more extensive verification work.

Neuilly-sur-Seine, May 2, 2024

The statutory auditor
PricewaterhouseCoopers Audit



Nicolas Brunetaud
Associate

Anne Parenty

Anne Parenty
Sustainable
Development Associate

APPENDIX: LIST OF INFORMATION WE CONSIDERED MOST IMPORTANT

Key performance indicators and other quantitative results for the year 2023 :

- Total energy consumption (MWh) of which recovered and renewable, steam-related, energy intensity per ton of product manufactured (MWh/t), CO2 emissions scopes 1+2 in k tCO2e and per ton of product manufactured (k tCO2e/t), total water consumption (in m3 and per ton of product manufactured (m3/t));
- Proportion of waste landfilled, incinerated without energy recovery, recovered in energy form, recovered in material form, out of total waste in tons, tonnage of used solvents reintroduced into industrial processes, tonnage of COD discharged in effluents and tonnage of VOCs discharged;
- Frequency rate and number of category 1 accidents (employees, temporary workers, subcontractors), severity rate of work-related accidents (excluding subcontractors);
- GPTW Trust Index score (/100), GPTW Global Perception score (/100), GPTW three-year action plan average completion percentage, gender equality index score, number of collective agreements signed;
- Total and average number of training hours per employee, number and percentage (of total workforce) of employees having received at least one training course during the year, percentage of employees exposed to and trained in the Code of Ethics (cumulative total workforce);
- Number of local initiatives supported, number of justified customer complaints, number of major cybersecurity incidents, number of reported ethical incidents and percentage of active suppliers with a valid code of ethics;
- Percentage of sites with an Ecovadis Platinum or Gold medal out of the total number of sites assessed by Ecovadis;
- Percentage of purchases covered by a CSR performance assessment (Ecovadis) out of total purchases;
- Number of sites certified ISO 140001, ISO 50001, ISO 45001, ISO 9001, ISO 22000 and GMP respectively;
- Number of product carbon footprints carried out and total number available;
- Number of sites exposed to a very high or high risk of water stress;
- Percentage of green space on total site surface area;
- Headcount at 31/12, percentage of employees on permanent contracts and percentage of women, percentage of disabled employees, number of work-study students, absenteeism rate, percentage of employees having benefited from an annual appraisal;
- Average completion rate of process risk analysis program (PHA), average completion rate of HSE action plans and proportion of total workforce trained in health and safety;
- Number of sites audited by the Quality Audit team and average completion rate of the quality action plan.

Qualitative information (actions and results) :

- Inventory of inefficient heating systems at the Couterne site, installation of thermostats;
- Installation of solar panels on the Wuxi site, upgrading of the heating system in the Bourgoin offices;
- Setting CO2e reduction targets in line with SBTi, measurement of the carbon footprint of the most impacting products, reuse of waste/co-products in processes, encouragement to use a soft mode of transport for home-work journeys, review of the Group's travel policy, optimization of modes of transport with piggybacking at the Pont-de-Claix site;
- Mapping of water use, installation of a connection to the new osmosis plant at the Couterne site, a relay for closing the water valve at the Lahr site, a water measurement system at the Saint-Fons site, a closed-loop cooling system at the Limoges site;
- Launch of Mamba and TETA projects, waste awareness day in Nimes;
- Continuous system for sending production wastewater to the STEP (wastewater treatment plant) and refurbishment of 2 tanks at the Limay site; Installation of air treatment by suction at the Villeneuve-la-Garenne site; Fireproofing of propane storage at the Roussillon site (Novapex) and change of soda pump technology at the Roussillon site (Novacyl); inclusion of process safety in annual HSE action plans;
- BREEAM certification for the Ecully head office, Excipact certification for the Roussillon site (Novapex), "Best in class" label for SEQENS by the "Engagement jeunes" platform and Group QWL agreement;
- Improved pedestrian/engine segregation, major accident at the Newburyport site and safety diagnostics carried out at Seqens' 12 multi-purpose sites;
- Improvement of office ergonomics at the Lahr and Roussillon (Novapex) sites, awards for safe behavior at the Bangpoo site, organization of a garbage collection day in Limoges;
- Simulation-based recruitment at the Bourgoin site, promotion of chemical operator positions at the Limay site, awareness-raising during SEEPH week at the Bourgoin site, gender equality training at the Lahr site and a specific equality plan at the Turku site, presentation of associations during "P'tit dej News" events at head office;
- Implementation of a "Quality Council", centralization of quality customer requests on a platform, digitization of quality, reuse of used raw materials in processes;
- Deployment of the "Knowledge" training module and "Linkedin Learning";
- Prohibition in principle of business practices in 9 regions subject to global international sanctions, and Flash Compliance to each Executive Committee, launch of a new third-party assessment tool, updating of corruption risk mapping and introduction of declaration of interests;
- Monitoring of the Cybersecurity Steering Committee, deployment of a Group-wide Security Operations Center, review of information systems security policies;
- Annual assessment by Ecovadis, raising awareness of the Ecovadis questionnaire at all sites, reminder of ethical procedures in the context of responsible purchasing, ethics code mailing campaign.

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Appendices

87 • SDGs

94 • GRI

SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) are 17 commitments established by the UN in 2015 and form part of the Agenda 2030, which is a universal program for sustainable development. These SDGs cover the full range of sustainable development issues such as climate, biodiversity, energy, water, but also poverty, gender equality, economic prosperity or peace, agriculture, education...

The SEQENS Group contributes to the SDGs in a number of ways:

- **Strategic contribution** to certain SDGs through the implementation of priority CSR objectives in these areas, or through the company's own activities.

The Group has set itself 14 quantitative CSR targets, covering, for example, SDG 13 "Climate action", SDG 7 « Affordable and clean energy", etc.

The Group is also active in the development and production of active ingredients and intermediates used in the formulation of drugs to cure or prevent certain diseases. Through its activities, SEQENS makes an indirect contribution to the SDG 3 "Good health and well-being" on a global scale.

- **Relevant contribution** to certain SDGs resulting from the implementation of voluntary actions. This is the case, for example, with SDG 11 "Sustainable cities and communities", SDG 10 "Reduced inequalities", etc.
- **Non-significant contribution** to certain SDGs that are too far removed from the Group's challenges or business activities. This is the case for SDG 1 "No poverty", SDG 2 "Zero hunger" and SDG 14 "Life below water".




The following pages give details of the Group's contribution to the various SDGs.





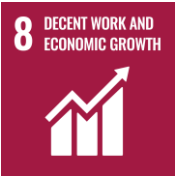


The Group's CSR strategy contributes to 14 of the 17 United Nations Sustainable Development Goals:





1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
No poverty	Zero hunger	Good health and well-being	Quality education	Gender equality	Clean water and sanitation	Affordable and clean energy	Decent work and economic growth	Industry, innovation and infrastructure	Reduced inequalities	Sustainable cities and communities	Responsible consumption and production	Climate action	Life below water	Life on land	Peace, justice and strong institutions	Partnerships to achieve the goals



Climate change and the environment	Pursuing the decarbonization of our activities					●		●		●	●	●	●			
	Preserving natural resources, especially water				●			●		●	●					
	Reduce our environmental impact, in particular waste, effluents and atmospheric emissions							●			●					
Employees and communities	Ensuring the health and safety of employees		●				●									
	Implement best practices to attract and retain employees		●	●		●	●	●								
	Committed to diversity and professional equity			●	●		●		●							
Safety, quality and innovation sustainable	Maintain and promote our long-standing commitments to associations															
	Preventing major accidents and ensuring the safety of our processes		●													
	Guaranteeing the quality and safety of our products		●								●					
Operational integrity	Promoting eco-design and sustainable value creation through innovation		●				●	●								
	Conducting business ethically						●							●	●	
	Ensuring CSR excellence within the Group															●
	Strengthen responsible purchasing of raw materials and services												●	●		

SDG name	SDG targets	SEQENS' contribution to the SDGs
	3.3 By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases.	SEQENS develops and produces active ingredients and intermediates used in the formulation of drugs to cure or prevent certain diseases, in particular antivirals.
	3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.	SEQENS develops and produces active ingredients and intermediates used in the formulation of drugs to cure or prevent certain diseases, in particular anti-cancer drugs.
	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.	SEQENS ensures that every employee has access to the following facilities health and accident insurance.
	3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.	SEQENS protects the health of each and every one of its employees, and monitors their exposure to hazardous chemical substances.
	3.b Support the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health, which affirms the right of developing countries to use to the full the provisions in the Agreement on Trade-Related Aspects of Intellectual Property Rights regarding flexibilities to protect public health, and, in particular, provide access to medicines for all.	SEQENS develops and produces active ingredients and intermediates used in the formulation of drugs to cure or prevent certain diseases.
	4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.	SEQENS ensures that each employee has the means to carry out his or her tasks effectively and to progress in his or her professional life, by developing each employee's potential and employability, in particular through training.
	4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	SEQENS is committed to a policy of encouraging young students, interns and work-study students to enter the workforce and find lasting employment.
	5.1 End all forms of discrimination against women and girls everywhere	SEQENS is committed to offering all its employees a fair and inclusive working environment, and to preserving diversity from the moment they are hired and throughout their working lives.
	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	SEQENS aims to increase the proportion of women in the workforce wherever possible. This applies to all levels and functions within the company.

SDG name	SDG targets	SEQENS' contribution to the SDGs
 <p>6 CLEAN WATER AND SANITATION</p>	<p>6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all.</p>	<p>SEQENS ensures that all its employees have free access to drinking water at its sites.</p>
	<p>6.2 By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.</p>	<p>SEQENS ensures that all its employees have access to sanitary facilities and changing rooms at its sites.</p>
	<p>6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.</p>	<p>SEQENS is committed to controlling its aqueous discharges, by implementing various programs to reduce the quantities discharged at source and set up effective treatments at its sites.</p>
	<p>6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.</p>	<p>SEQENS is committed to reducing its water consumption by setting up closed loops (notably for cooling process equipment) and optimizing water consumption through the installation of new, more efficient equipment, automated systems, water-saving materials, and so on.</p>
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.</p>	<p>SEQENS is committed to increasing the proportion of renewable and recovered energy. For renewable energy, this means producing and using renewable energy on site (photovoltaic panels); or purchasing energy from certified renewable sources.</p>
	<p>7.3 By 2030, double the global rate of improvement in energy efficiency.</p>	<p>SEQENS is committed to reducing its energy consumption by improving the energy efficiency of buildings, processes and utilities (consuming less); and by developing innovative processes and breakthrough solutions to reduce the energy footprint of manufactured products.</p>

SDG name	SDG targets	SEQENS' contribution to the SDGs
	<p>8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead.</p>	<p>SEQENS systematically prevents industrial risks and, in particular, the environmental impacts of its activities, whether in terms of atmospheric, aqueous or underground discharges.</p>
	<p>8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p>	<p>SEQENS provides jobs in 10 countries on 3 continents and employs over 3,000 people. In addition, the Group is committed to diversity from the moment of recruitment and throughout working life, and guarantees equal opportunities and equal pay for equal skills and similar tasks.</p>
	<p>8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.</p>	<p>At SEQENS, no priority can be given to the detriment of people's safety. The Group considers this to be one of the cornerstones of the sustainable development of its activities. This commitment is clearly defined in the Group's HSE policy, and is applied operationally at our sites.</p> <p>SEQENS respects human rights and labor laws at its sites and throughout its value chain. These principles are clearly set out in the Group's Code of Ethics and Supplier Code of Ethics.</p>
	<p>8.b By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization.</p>	<p>SEQENS is committed to a policy of encouraging young students, interns and work-study students to enter the workforce and find lasting employment.</p>
	<p>9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries.</p>	<p>SEQENS is carrying out several projects as part of the "France Relance" plan and the "Support for industrial investment and modernization" program, which aims to accelerate ecological transformations, increase Europe's economic resilience and technological independence, develop business and create sustainable employment.</p>
	<p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.</p>	<p>SEQENS is carrying out a number of projects as part of the "France Relance" plan and the "Support for industrial investment and modernization" program, which aims to accelerate ecological transformation and increase Europe's economic resilience and technological independence.</p>
	<p>10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.</p>	<p>SEQENS is committed to diversity from the moment it hires and throughout its working life, including people of all ages, genders, origins, family situations, sexual preferences, opinions and aptitudes in its workforce.</p>

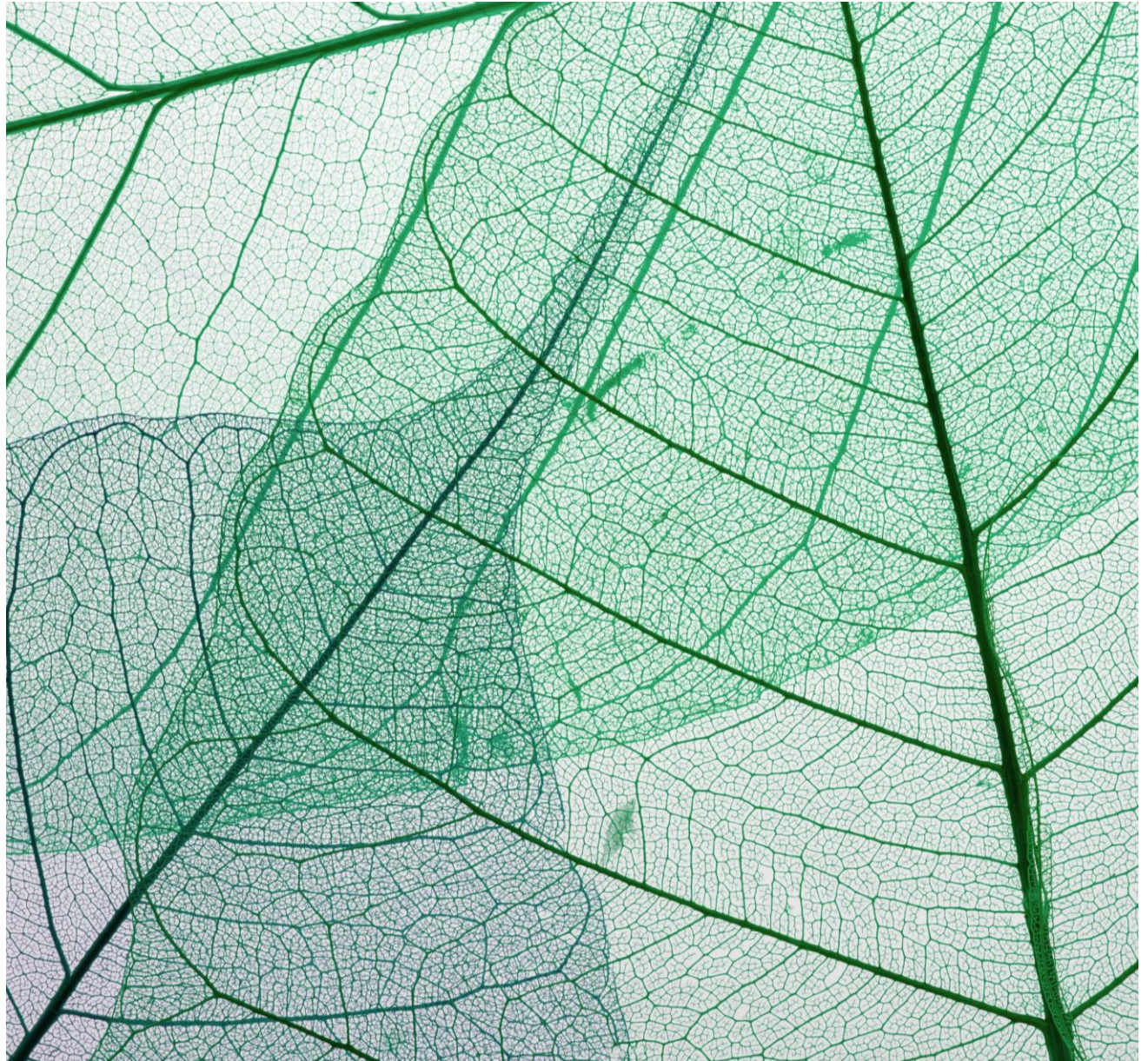
SDG name	SDG targets	SEQENS' contribution to the SDGs
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>11.b By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030, holistic disaster risk management at all levels.</p>	<p>SEQENS is committed to reducing its greenhouse gas emissions, energy consumption, water consumption and waste generation, while optimizing the use of raw materials and improving yields.</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>12.2 By 2030, achieve the sustainable management and efficient use of natural resources.</p>	<p>SEQENS is committed to reducing energy consumption, water consumption and waste generation, while optimizing the use of raw materials and improving yields.</p>
 <p>13 CLIMATE ACTION</p>	<p>13.2 Integrate climate change measures into national policies, strategies and planning.</p>	<p>Since 2008, SEQENS has been implementing a decarbonization program, which was subsequently included in the decarbonization roadmap for France's chemical industry, published in May 2021. To help industry in general, the French government is supporting companies in their decarbonization initiatives via a stimulus program, which benefits SEQENS.</p>
 <p>15 LIFE ON LAND</p>	<p>15.6 Promote fair and equitable sharing of the benefits arising from the utilization of genetic resources and promote appropriate access to such resources, as internationally agreed.</p>	<p>SEQENS strives to ensure the protection of biodiversity and the fair and sustainable use of natural resources in its supply chain. The Group complies with international agreements such as the Nagoya Protocol and the Convention on Biological Diversity.</p>

SDG name	SDG targets	SEQENS' contribution to the SDGs
	<p>16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children.</p>	<p>SEQENS ensures that none of its employees or partners uses forced or child labor in any way, directly or indirectly. This principle is clearly stated in the Code of Ethics.</p>
	<p>16.5 Substantially reduce corruption and bribery in all their forms.</p>	<p>SEQENS has a program to prevent and detect corruption in all its subsidiaries throughout the world.</p>
	<p>17.14 Enhance policy coherence for sustainable development.</p>	<p>SEQENS has voluntarily aligned its CSR performance declaration with the non-financial performance declaration (European directive), GRI standards, Ecovadis and CDP evaluation grids.</p>

Content index of the GRI standard

The SEQENS Group prepares its CSR report in accordance with GRI standards. The Global Reporting Initiative, or GRI, is an NGO that has established global reporting principles and a repository of indicators for measuring corporate CSR performance. SEQENS has chosen to align itself with the GRI standards for greater transparency, to guarantee the quality of the information in the CSR report and to compare its CSR performance with other companies aligned with the GRI standards. For this report, the Group has used the GRI standards updated in 2024.

Declaration of use	SEQENS has provided the information listed in this GRI content index for the period January 1 to December 31, 2023.
GRI 1 used	GRI 1: Foundation 2021
GRI sector standard(s) applicable	As the GRI sector standard for chemicals (industry) has not yet been published, SEQENS has relied on the thematic standards to communicate specific information on its relevant themes.



GRI Standard	Disclosure	Location	Omission
GENERAL INFORMATION			
GRI 2 - General information	2-1 Organizational details	<ul style="list-style-type: none"> • Legal name: Seqens SAS • Nature of capital and legal form: Société par actions simplifiée with capital of 359,764,140.66 euros • Head office location: 21, chemin de la sauvegarde, 21 Ecully Parc - CS 33167, 69134 Ecully Cedex • Countries in which the company operates: "About this report" section 	
	2-2 Entities included in the organization's sustainability reporting	See "About this report" section	
	2-3 Reporting period, frequency and contact point	<ul style="list-style-type: none"> • CSR reporting period: January 1 to December 31 2023 • CSR reporting frequency: annual • Contact: Lucie Cosson, CSR Manager • CSR report publication date: May 2024 • Financial reporting period: January 1 to December 31 2023 	
	2-4 Restatements of information	No reformulation of information on the year 2023	
	2-5 External assurance	See section "External verification of the report".	
	2-6 Activities, value chain and other business relationships	See sections "Group presentation & key figures" and "Business models".	
	2-7 Employees	<ul style="list-style-type: none"> • Total number of employees: 3,315 • Breakdown of workforce by gender in the "Diversity" section, part "Guaranteeing professional equality between women and men". • For information on the number of permanent employees, see the "Workforce" section. • Methodology: in number of people and at the end of the reporting period 	The following information is unavailable/incomplete because CSR reporting has not yet consolidated the data: <ul style="list-style-type: none"> • Number of employees with non-guaranteed working hours ; • Number of full-time employees ; • Number of part-time employees.
	2-8 Workers who are not employees		The following information is unavailable/incomplete because CSR reporting has not yet consolidated the data: <ul style="list-style-type: none"> • Total number of non-employees whose work is controlled by the organization
	2-9 Governance structure and composition	See "Disclosure 2-9 Governance structure and composition" in the Appendices, as well as "CSR governance".	
	2-10 Nomination and selection of members of the highest governance body	See "Disclosure 2-10 Nomination and selection of members of the highest governance body" in the Appendices.	

GRI Standard	Disclosure	Location	Omissions
GRI 2 - General information	2-11 Chair of highest governance body	See "Disclosure 2-11 Chair of highest governance body" in the Appendices.	
	2-12 Role of the highest governance in overseeing the management of impacts	See "Disclosure 2-12 Role of highest governance body in overseeing the management of impacts" and "CSR governance" section.	
	2-13 Delegation of responsibility for managing impacts	See "Disclosure 2-13 Delegation of responsibility for managing impacts" in the Appendices.	
	2-14 Role of the highest governance body in sustainability reporting	See the "CSR Governance" section	
	2-15 Conflicts of interest	See "Disclosure 2-15 Conflicts of interest" in the Appendices.	
	2-16 Communication of critical concerns	See "Disclosure 2-16 Communication of critical concerns" in the Appendices.	The total number and nature of critical concerns reported to the Executive Committee has been omitted for reasons of confidentiality and security of people and property within the SEQENS Group, particularly in view of the Group's field of activity (chemicals and pharmaceuticals).
	2-17 Collective knowledge of the highest governance body	See the "CSR Governance" section	
	2-18 Evaluation of the performance of the highest governance body	See "Disclosure 2-18 Evaluation of the performance of the highest governance body" in the Appendices.	
	2-19 Remuneration policies	See "Disclosure 2-19 Remuneration policies" in the Appendices.	
	2-20 Process to determine remuneration	See "Disclosure 2-20 Process to determine remuneration" in the Appendices.	The results of the stakeholder votes (including the shareholders) on compensation policies and proposals are omitted for confidentiality reasons.
	2-21 Annual total compensation ratio		The following information is omitted for reasons of confidentiality: <ul style="list-style-type: none"> • Ratio between the total annual compensation of the organization's highest-paid individual and the median total annual compensation of all employees • Ratio between the percentage increase in total annual compensation for the organization's highest-paid individual and the median percentage increase in total annual compensation for all employees.
	2-22 Statement on sustainable development strategy	See sections "A word from the president", "CSR Policy" and "CSR Progress".	

GRI Standard	Disclosure	Location	Omission
GRI 2 - General information	2-23 Policy commitments	See "External CSR commitments" section	
	2-24 Embedding policy commitments	See the "External CSR commitments" section and the full CSR report.	
	2-25 Processes to remediate negative impacts	See « Disclosure 2-25 Processes to remediate negative impacts".	
	2-26 Mechanisms for seeking advice and raising concerns	See "Ethics" and « Disclosure 2-26 Mechanisms for seeking advice and raising concerns" in the Appendices.	
	2-27 Compliance with law and regulations		Information omitted for reasons of confidentiality
	2-28 Memberships associations	See "Social dialogue" and « Disclosure 2-28 Memberships associations" in the Appendices.	
	2-29 Approach to stakeholder engagement 2-30 Collective bargaining agreements	See the "Communities" section See the "Social dialogue" section	
GRI 200 - ECONOMY			
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investment and services supported	See the "Communities" section	
GRI 204: Purchasing practices 2016	3-3 Management of material topics	See the "Responsible purchasing" section	
	3-3 Management of material topics	See the "Ethics" section	
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	See the "Ethics" section	
GRI 300 - ENVIRONMENT			
GRI 302: Energy 2016	3-3 Management of material topics	See "Energy" and "Low-carbon energy" sections	
	302-1 Energy consumption within the organization	See the "Energy" section	Requirements c and d. Information unavailable/incomplete
	302-3 Energy intensity	See "Energy" section. All types of energy are included within the organization.	
	302-4 Reduction of energy consumption	See "Energy" section. All types of energy are included.	

GRI Standard	Disclosure	Location	Omission
GRI 303: Water and effluents 2018	3-3 Management of material topics	See "Water" section	
	303-3 Water withdrawal	<ul style="list-style-type: none"> • Total volume of water withdrawn in 2023: - surface water: 261,719 m3 - groundwater: 14,069,036 m3 - seawater: 0 m3 - water produced : 0 m3 - network water: 1,474,104 m3 • Total volume of water withdrawn from water-stressed areas in 2023 : - surface water: 0 m3 - groundwater: 12,723m3 - seawater: 0 m3 - water produced: 0 m3 - network water: 1,007,896 m3 	Requirement c. Information unavailable/incomplete
	303-4 Water discharge	<ul style="list-style-type: none"> • Total volume of water discharged in 2023: - surface water: 12,021,114 m3 - groundwater: 0 m3 - seawater: 0 m3 - water produced: 0 m3 - network water: 1,339,738 m3 • Total volume of water discharged in water-stressed areas in 2023: - surface water: 0 m3 - groundwater: 12,723m3 - seawater: 0 m3 - water produced: 0 m3 - network water: 1,007,896 m3 	Requirements b, c and d. Information unavailable/incomplete.
	303-5 Water consumption	<ul style="list-style-type: none"> • Water consumption: 2,782,121 m3 • Water consumption in water-stressed areas: 245,128 m3 	Requirement c. Information unavailable/incomplete
GRI 305: Emissions 2016	3-3 Management of material topics	See section "CO emissions _{2e} ".	
	305-1 Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> • Direct GHG emissions (scope 1): 65,464 tCO_{2e} • This calculation includes all greenhouse gases • Biogenic CO₂ emissions are zero • Reference year: 2011 • Source of emission factors: Ecoinvent, Ademe, IPCC • Consolidation method: operational control • GHG methodology used 	

GRI Standard	Disclosure	Location	Omission
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> • Direct GHG emissions (scope 2): 203,288 tCO₂e • Methodology similar to scope 1 	
	305-3 Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> • Direct GHG emissions (scope 3): 2,037,180 tCO₂e • This calculation includes all greenhouse gases • Reference year: 2021 • Source of emission factors: Ecoinvent, Ademe, IPCC • Consolidation method: operational control • GHG methodology used 	
	305-4 GHG emissions intensity	See section "CO emissions ₂ e".	
	305-5 Reduction of GHG emissions	See section "CO emissions ₂ e".	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	<ul style="list-style-type: none"> • Nox emissions: 113 t • Sox emissions: 3.87 t • Persistent organic pollutants (POPs): 0 t • Volatile organic compounds (VOCs): 1,124 t • Hazardous air pollutants (HAPs): 8.47 t • Suspended particulates (PM10): 1.77 t 	
GRI 306: Waste 2020	3-3 Management of material topics	See the "Waste" section	
	306-3 Waste generated	See the "Waste" section	
	306-4 Waste diverted from disposal	<ul style="list-style-type: none"> • Total weight of waste not destined for disposal: 19,951 t • Breakdown of hazardous waste by recovery method: <ul style="list-style-type: none"> i. Preparation for reuse: 374,799 t (on site, not counted as waste) ii. Recycling: 17,473 t (off-site) iii. Other valuation methods: 0 t • Breakdown of non-hazardous waste by recovery method: <ul style="list-style-type: none"> i. Preparation for reuse: 0 t ii. Recycling: 2,477 t (off-site) iii. Other valuation methods: 0 t 	
	306-5 Waste directed to disposal	<ul style="list-style-type: none"> • Total weight of waste for disposal: 30,320 t • Breakdown of hazardous waste by recovery method : <ul style="list-style-type: none"> i. Incineration (with energy recovery): 17,405 t ii. Incineration (without energy recovery): 10,258 t iii. Landfill: 1,907 t iv. Other treatment methods: 0 t • Breakdown of non-hazardous waste by recovery method: <ul style="list-style-type: none"> i. Incineration (with energy recovery): 104 t ii. Incineration (without energy recovery): 68 t iii. Landfill: 578 t iv. Other treatment methods: 0 t 	
	3-3 Management of material topics	See the "Responsible purchasing" section	
GRI 308: Environmental assessment of suppliers 2016	308-1 New suppliers that were screened using environmental criteria	See the "Responsible purchasing" section	

GRI Standard	Disclosure	Location	Omission
GRI 400 - SOCIAL			
GRI 401: Employment 2016	3-3 Management of material topics	See "Workforce" and "Attraction and retention" sections	
	401-1 New employee hires and employee turnover	See sections on "Workforce", "Attraction and retention" and "Diversity".	
GRI 403: Occupational health and safety 2018	3-3 Management of material topics	See "Health and safety" section	
	403-1 Occupational health and safety management system	See "Health and safety" section	
	403-5 Worker training on occupational health and safety	See "Health and safety" section	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	See "Health and safety" section	
	403-9 Work-related injuries	See "Health and safety" section	
GRI 404: Training and education 2016	3-3 Management of material topics	See the "Skills development" section	
	404-1 Average hours of training per year per employee	See the "Skills development" section	Indicator not available by gender and professional category.
	404-3 Percentage of employees receiving regular performance and career development reviews	See the "Skills development" section	Indicator not available by gender and professional category.
GRI 405: Diversity and equal opportunities 2016	3-3 Management of material topics	See the "Diversity" section	
	405-1 Diversity of governance bodies and employees	See sections "Workforce", "Diversity" and « Disclosure 2-9 Governance structure and composition" in the Appendices.	
GRI 414: Social assessment of suppliers 2016	3-3 Management of material topics	See the "Responsible purchasing" section	
	414-1 New suppliers that were screened using social criteria	See the "Responsible purchasing" section	

Disclosure 2-9 Governance structure and composition

The Group is governed at two levels:

○ A Supervisory Committee, which is a non-executive committee responsible for overseeing and monitoring the SEQENS Group's activities over the long term. The Supervisory Committee has set up 3 specific committees (Audit Committee, ESG Committee and Remuneration Committee). The members of the Supervisory Committee are appointed in accordance with the provisions of the Articles of Association by collective decision of the partners. The Supervisory Committee has 9 members, including 8 shareholder representatives and 1 independent member. The Supervisory Committee is made up of 8 men and one woman, i.e. 11% women.

○ An Executive Committee oversees and implements the strategic roadmap defined with the Supervisory Board. It is chaired by Pierre Luzeau and comprises 17 members, including the following directors:

- Business units (Vice President Specialty Ingredients, Head of Innovative & Generics, Head of Consumer Healthcare, Head of Custom Specialties, Head of Personal Care, Head of Solvents & Phenols Specialties);
- Key positions (Financial Director, HR and Industrial Director, General Secretariat, R&D Director, Industrial Director, Quality and Regulatory Affairs Director, Communications Director, Financial Control Director, Legal Director, Purchasing Director).

The Committee is made up of 4 women and 13 men, i.e. 24% women.

Disclosure 2-10 Nomination and selection of the highest governance body

The appointment of Executive Committee members does not necessarily follow a specific procedure, but takes place naturally as the heads of all the company's key functions - in particular the heads of business units and support functions - sit on the Executive Committee on a permanent basis.

In certain cases, the recruitment of certain functions must be authorized by the Supervisory Board.

Disclosure 2-11 Chair of the highest governance body

The Executive Committee is chaired by Pierre Luzeau.

Pierre Luzeau is also a senior member of the organization. He is the Group's Chief Executive Officer, and his actions are monitored by the Supervisory Board.

Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts

The Executive Committee is responsible for defining the Group's strategic implementation. Within the Executive Committee sits the General Secretary, who is responsible for the CSR reference framework. The General Secretary is assigned responsibility for CSR, and delegates operational responsibilities to his teams.

The Corporate Secretary reports regularly on the CSR team's actions and projects.

Disclosure 2-13 Delegation of responsibility for managing impacts

The SEQENS Group includes a Supervisory Board, which is responsible for defining the Group's major strategic orientations. It is a non-executive body which supervises and controls the activities of the Seqens Group.

The Executive Committee implements and ensures the proper execution of the strategic orientations and roadmap defined with the Supervisory Board. The Executive Committee meets at least twice a month.

All Function Directors sit on the Executive Committee, including:

- Industrial management,
- The HR department,
- Finance department,
- The General Secretariat, which is responsible for monitoring the Group's CSR actions and commitments.

Each of the above functions is placed under the responsibility of a senior manager who has been delegated authority over his or her area of responsibility.

Each delegation of authority is granted to senior executives by the Chairman.

All function managers report to the Executive Committee on all matters relating to their function, organization, activities, projects and priorities, in line with the corresponding strategic roadmap.

Disclosure 2-15 Conflicts of interest

The company must ensure that the Executive Committee, via the Compliance Department, enforces the internal procedure for preventing conflicts of interest. This internal procedure has two distinct components:

○ Declaration of interests

The declaration of links of interest was introduced in 2023 and presented to the Social and Economic Committee for information purposes and to make it enforceable against the employees concerned. Its deployment in 2024 is intended to prevent potential conflicts of interest for members of the SEQENS Committee due to their position within the organization. All direct or indirect shareholdings, remunerated professional activities, bonuses, remunerations or any other related income likely to be directly or indirectly linked to the Group's business over the last five years are documented. This declaration must be updated regularly in the event of changes in the shareholdings, positions or status of the persons concerned. The professional activities of members of the Committee's close circle are also declared, as are any volunteer activities likely to give rise to a conflict of interest. The employee is free to amend this list if he or she considers that any links of interest not mentioned are likely to give rise to a future conflict.

○ Preventing conflicts of interest within the Group

Conflicts of interest may also be declared to the Compliance Department by any employee exposed to them, for the purposes of transparency and guidance. Employees are encouraged to share such situations via an internal form, direct communication to members of the Compliance Department or via the internal alert system.

Employees and members of the SEQENS Committee are also encouraged to declare their status as a Politically Exposed Person (PEP) using the forms in the internal Conflict of Interest Policy.

All forms and, all decisions argued and documented, are archived internally in accordance with the terms of retention of personal information enacted in the General Data Protection Regulation (GDPR), in the law "Informatique et Libertés" and the internal Policy on the matter.

Disclosure 2-16 Communication of critical concerns

Thanks to the existence of an Executive Committee which meets regularly and is responsible for the strategic roadmap, any major concerns anticipated or identified are regularly reported to and discussed by the Executive Committee, which is responsible for defining the corresponding action and/or risk mitigation plans.

Depending on major issues or concerns, the Executive Committee may entrust the management of a file or issue to a crisis unit, in accordance with the Group's internal procedures in this area.

Disclosure 2-18 Evaluation of the performance of the highest governance body

The performance of the highest governance body in overseeing the management of the organization's impacts on the economy, the environment and people is assessed via the individual performance of the members of the highest governance body.

The appraisal process, the independence of appraisals and their frequency are described in "Disclosure 2-19 Remuneration policies".

Disclosure 2-19 Remuneration policies

Remuneration for members of the highest governance body and senior executives comprises:

- a fixed base salary;
- a variable component, expressed as a percentage of base salary;
- a profit-sharing agreement (depending on the company where the employee joins the group);
- benefits in accordance with applicable agreements (mutual insurance, provident fund, social works of the Social and Economic Committee).

Certain senior executives benefit from a company car and assistance with geographical mobility (help in finding accommodation, payment for temporary accommodation in certain specific cases, in accordance with regulations).

Severance payments are calculated on the basis of the scales applicable in each territory.

With regard to pensions, there is no specific policy for the highest governance body.

There is no recovery mechanism in the sense of the GRI standard.

Members of the highest governance body and senior executives receive variable compensation, indexed to :

- Collective elements,
 - Financial: net income and cash flow data for the Group and business units;
 - Non-financial: HSE, quality, operational performance ;
- Individual elements,
 - Individual objectives are set and agreed by each employee and his/her manager at the start of the year, and recorded by the Human Resources Department.

- Objectives are made up of a limited number of actions that contribute to the company's goal.

A mid-year review of individual objectives is organized, in order to readjust them in the event of a change of context or priorities, without it being a mid-year evaluation.

The allocation of individual objectives that contribute to the company's CSR objectives is encouraged and specifically identified.

Performance reviews are carried out at the end of the year, to determine the level of variable pay to be achieved. A regulation is proposed by the Human Resources Department and validated by General Management, to ensure consistency in the assessment of individual performance.

The respective weightings of collective and individual elements may change from one year to the next, depending on the company's context and priorities.

Annual increases in fixed salaries, comprising both collective and individual components, are determined according to :

- A budget framework, taking into account the company's general economic objectives;
- Discussions with social partners where applicable;
- Employees' individual achievements over the previous year, assessed jointly by managers and the Human Resources Department.

The Human Resources Department reviews the overall distribution of the annual increase to ensure consistency and fairness within the company.

Disclosure 2-20 Process to determine remuneration

The compensation and remuneration policies are constituted according to:

- External elements;
 - market levels for each position and territory, based on the supply/demand balance between company needs and available skilled resources.
 - the level of experience and expertise of each employee.
- Internal elements;
 - the consistency and fairness of compensation packages are guaranteed by the Human Resources Department.

An HR Committee, reporting to the Group Supervisory Board, approves the remuneration of members of the highest governance body. The HR Committee is made up of representatives of the main shareholders.

The Human Resources Department relies on external contributors to improve the process of developing its compensation practices. These contributors are independent of the organization, its highest governance body, and senior management. They are:

- Recruitment firms that are regularly called upon to provide a broad vision of the market for each position and territory;
- Firms specializing in remuneration, which can be called on from time to time to shed light on certain markets;
- Companies in the same sector or professional associations with which the Group has relations.

Disclosure 2-25 Processes to remediate negative impacts

Complaints mechanisms are disclosed in “Disclosure 2-26 Mechanisms for seeking advice and raising concerns” of this standard.

All measures are taken to prevent the occurrence of a negative impact event. In the event of an event having a negative impact, the Group is able to activate a crisis unit and mobilize the appropriate departments to remedy the situation.

Focus on the supply chain

SEQENS' commitment to responsible sourcing is reflected in the Supplier Code of Ethics, with which all suppliers - and suppliers to our suppliers - must comply.

They are expected to comply with labor regulations and the requirements of the fundamental conventions of the International Labor Organization (ILO). Suppliers must also respect decent working conditions (working hours, wages and benefits, freedom of association), and ensure the health and safety of their employees (protection of workers' health and safety, risk information and training, and emergency preparedness). They must also comply with current regulations, particularly those concerning the environment, minimizing their discharges into the environment (air, water, soil), preventing pollution, reducing their energy and water consumption, and their impact on biodiversity.

Each supplier is encouraged to report any difficulties encountered on these subjects to the Responsible Purchasing Department, so that they can be dealt with rapidly. Lastly, suppliers can inform their usual contact of any difficulties or suspected difficulties.

Personal data and privacy

The SEQENS Group has a Data Protection Officer (DPO) who is responsible for implementing a privacy and personal data protection program within the SEQENS Group. To this end, he relies on a network of local privacy officers at each site. Any complaint in this area can be brought to the attention of the DPO, either by an employee or by any external partner, via a dedicated channel (privacy@seqens.com).

Alert mechanism

The organization also provides for a complementary process, with an alert mechanism. Alert mechanisms enable individuals to raise concerns about wrongdoing or breaches of the law in the context of the organization's operations or business relationships, whether or not the individuals themselves have been harmed. Whistle-blowing mechanisms are described in “Disclosure 2-26” of this standard.

Disclosure 2-26 Mechanisms for seeking advice and raising concerns

All employees of the Seqens Group are informed as soon as they join (newcomer training) that they may seek advice or raise concerns relating to the conduct of business with the following people, depending on the subjects or topics concerned:

- His line manager;
- The Human Resources Department for all matters relating to HR management, potential concerns about discrimination, harassment and, more generally, compliance with current social legislation and employment law;
- Industrial and HSE management for all concerns relating to safety and environmental issues in the workplace;
- The legal department for all matters of concern or questions relating to business law, including commercial law, competition law, business criminal law, environmental law, etc;
- The Compliance Department for all concerns and/or risks relating to corruption, conflicts of interest, and compliance with applicable ethical rules and standards. The Compliance department also ensures that a professional whistle-blowing system is in place, enabling any concerns raised by stakeholders to be reported, while guaranteeing anonymity and confidentiality (except with regard to the Compliance department, which receives and processes alerts).

Internal alert system

SEQENS has set up an internal alert system for its operational staff to share information or sensitive situations, concerns or unethical behavior.

This system, managed internally by the Compliance Department, ensures that the situation and information shared must be dealt within a certain timeframe, and guarantees the whistleblower's anonymity.

The alert system is described in the Group's Code of Conduct, available on the SEQENS website, and applies to all stakeholders, both internal and external.

The scope for handling concerns is based on collaboration between the heads of the various key departments (HR, HSE and Quality in particular) in the event of situations specific to the subjects addressed and if justified by the absence of conflicts of interest. The Compliance Department may also contact the employee designated as the Group's harassment contact.

Alerts are collected via a shared e-mail address accessible only to the Compliance Department. However, alerts can also be collected by any other means of communication that maintains confidentiality and anonymity. Members of the Compliance Department can also be contacted directly, and all conversations are the subject of a report which is shared with the whistleblower. Our internal policy guarantees the confidentiality of exchanges, as well as the Compliance Department's responsibility in terms of ethics and the handling of whistle-blowing in general.

If the situation or information is deemed to be serious or sensitive, it may be shared with the Board of Directors in order to guarantee the continuity of the Group's business and protect the employees concerned against acts of retaliation.

The department in charge of data collection has no prerogative to impose disciplinary sanctions, which are the sole responsibility of the Human Resources Department in collaboration with the Board of Directors, depending on the seriousness of the alerts.

All new employees are informed of this warning system when they receive training on the Code of Conduct, either when they arrive at head office or through annual anti-corruption training sessions for all sites. Members of the Compliance Department report annually to the Board of Directors on cases of unethical behavior by nature, type of action taken and controls put in place within the SEQENS Group.

Disclosure 2-28 Memberships in associations

The SEQENS Group plays a significant role in the following professional associations directly related to its activities:

- France Chimie, the trade organization representing chemical companies in France. Pierre Luzeau, President of SEQENS, is a member of the Board of Directors.
- EFCG, European Fine Chemical Groupe, a CEFIC member trade association representing the interests of the Fine Chemicals industry in Europe. Gildas Barreyre, General Secretary of SEQENS, is Vice-Chairman and a member of the Board.
- SICOS, the French union for the fine chemicals and biotech industries. Gildas Barreyre, General Secretary of SEQENS, is Vice-Chairman and a member of the Board of Directors.
- UNIDEN, an association representing energy-intensive industries in France. Gildas Barreyre, General Secretary of SEQENS, is Chairman of the Electricity Commission and a member of the Coordination Committee.

SEQENS is also a member of other industry associations and organizations directly related to its activities, but does not play a significant role in them, nor does it have any influence in the conduct of the organizations' missions. Finally, employees may take part in meetings of industry associations or organizations in order to gather information and news on market conditions, standards and regulations related to the Group's activities.



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