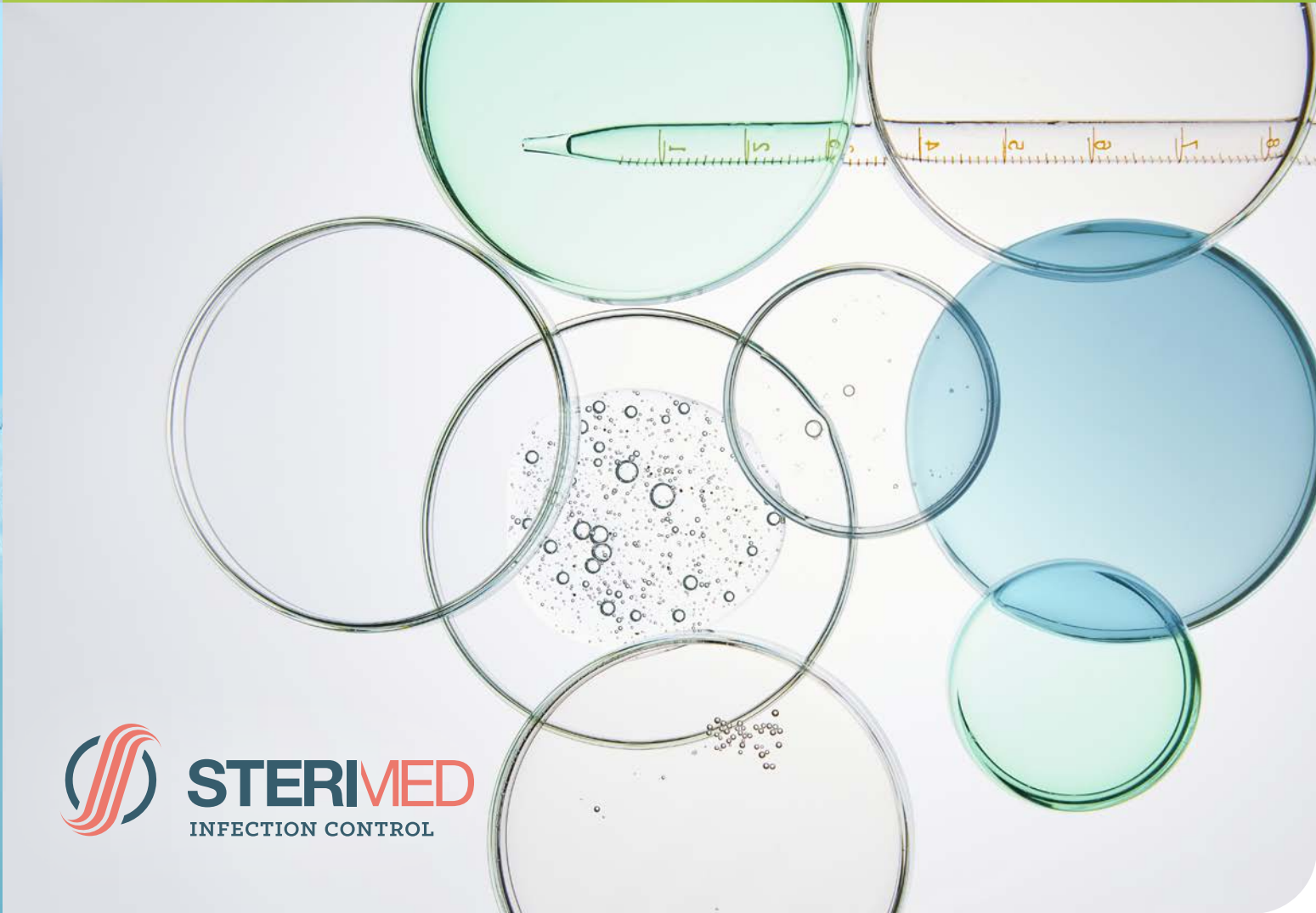




**CORPORATE SOCIAL  
RESPONSIBILITY**  
Annual Activity Report  
dated 30 June 2021



 **STERIMED**  
INFECTION CONTROL



# Summary

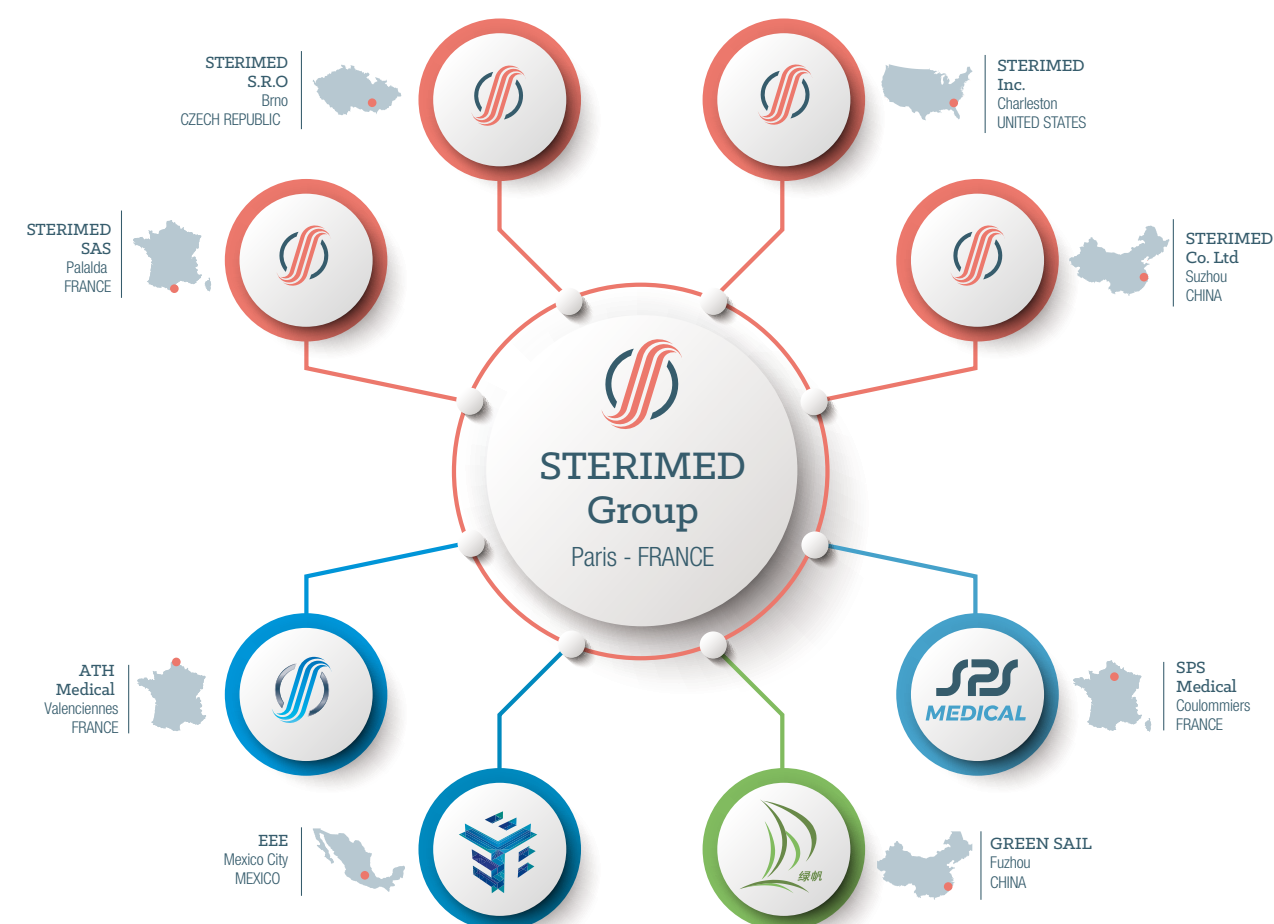



# THE STERIMED GROUP

## 1.1. Our Mission

STERIMED is one of the world leaders in the production and supply of sterilization packaging solutions and the prevention of infections for hospitals and medical device manufacturers.

With a century-old tradition in the field of papermaking and decades of experience in the manufacture and distribution of packaging solutions for medical devices, Sterimed has been working alongside its customers and partners, innovating with products and services to improve patient protection, environmental performance, comfort and the ease and cost of use of its products.



### Our Commitment: to prevent and fight infections

On a daily basis, our teams, alongside our customers and partners, strive to:

- 1 - Ensure the sterilization** of medical devices and maintain their sterile state until they are used
- 2 - Guarantee the protection** of patients and healthcare personnel
- 3 - Offer safe effective products** that comply with the requirements of the healthcare industry
- 4 - Innovate for more safety** and more competitiveness, with a constant concern for environmental protection
- 5 - Respect the environment and our communities** in a spirit of cooperation

# STERIMED AROUND THE WORLD

- STERIMED Infection Control HQ
- Top web (porous substrates) or bottom web (medical films) production sites
- Traceability systems production site
- Converting, Warehousing and Customer Service Support Sites
- Sales Offices



## STERIMED IN NUMBERS



**1,100 employees**

in the world  
Women and men of **more than 20 nationalities** working for medical packaging sector



**World No. 1**

in the sterilization packaging sector



**9** production sites,  
**22** sales offices  
on **3** continents



Facilities  
**fully dedicated to**  
the healthcare market



**Sales**

**40%** of sales in Europe, the Middle East and Africa  
**25%** in North and South America  
**35%** in Asia



**€200M** turnover

## 1.2. Our values

Faced with the ethical challenges of our activity for the prevention of infections, our corporate culture is based upon certain fundamental values.

We make sure that all our employees embrace and respect these values. We are thus all committed to developing the following pillars, the guidelines of our vision:

**REMAIN UNIQUE**

We develop innovative solutions thanks to our strong technical expertise and our partnerships around the world.

**Client minded**

We believe that client satisfaction is the reason we exist. We listen to their needs and make every possible effort to satisfy them.

**Work based on trust**

Our working relationships are based on respect, goodwill, and accountability. We develop synergy and cooperation between all teams within our organization.

**BE RESPONSIBLE**

We care for the environment and we are committed to the highest requirements in terms of health and safety. We act with honesty and integrity.

**Committed to excellence**

Everything we undertake, we succeed in doing well the first time. Every day and in every action, quality and excellence are our goals.



# OUR CORPORATE AND ENVIRONMENTAL RESPONSIBILITY STRATEGY



## 2.1. Chairman's Message

**Thibaut Hyvernat**

President & CEO



“ At STERIMED, we are committed to developing a high level of consistency between our commitments to our customers, and those made to our employees and the environment. Every day, our teams, our sites, our skills and our knowledge are all mobilized with the goal of innovating and better serving our customers.

We have sought to implement a Corporate Social Responsibility (CSR) policy devoted to the major concerns of our world.

The success of this CSR policy must be conveyed to all levels of the company. Our CSR approach is thus based on co-construction and trust in each of our employees so that we incorporate CSR into our daily lives and turn it into a driving force of performance and development.

Proud of our long-standing experience and our success with the ISO 13485 and ISO 50001 standards, we wanted to do even better. We have therefore included environmental, social and corporate governance as a criterion in all our actions and investments.

Therefore, we decided to commit to the ISO 26000 procedure and have worked on developing this standard since 2019. 26000 is one of the most demanding sustainability standards for companies.

With the above in mind, we have carried out a large number of initiatives over the past three years, including:

- Carrying out an audit to assess our level of CSR maturity,
- Setting up working groups to find ways to improve our practices,
- Making CSR an integral part of our management reviews and include CSR criteria in all our policies, values and individual goals,
- Setting up a Governance Committee and formalizing the issues and areas of commitment for the STERIMED Group,
- Implementing KPIs to monitor our energy performance.

Generally speaking, we have decided to develop our CSR practices through 6 working axes:

- 1 - Reducing** our consumption and our environmental footprint
- 2 - Promoting** the development of our employees
- 3 - Developing** sustainable business relationships based on ethics and compliance with regulations
- 4 - Controlling** risks for patients and users
- 5 - Designing** a sustainable industrial system
- 6 - Developing** our local partnerships

We are proud to present here 2021 Group CSR annual report. We hope you enjoy reading it and we thank you for the trust you have placed in us.



## 2.2. CSR Governance

The Sterimed Group's CSR policy is steered by the CSR Governance Committee, a dedicated organization made up of representatives of cross-functional tasks and experts in the different areas of CSR (Human Resources, Quality, Safety, Purchasing, Energy, Environment and Legal and Regulatory Affairs).



Aware of the importance of ensuring that good practices are established and used correctly in order to become consistent and effective over time, the aim of the members of the Governance Committee is to implement the strategy and foster its progress with our operational directors at each of our sites around the world and with all our employees.

Our Operational Directors define and deploy their objectives at industrial and distribution sites in keeping with the CSR strategy coordinated at Group level. The Group has initiated a study to structure its CSR approach on the basis of the ISO 26000 standard. An action report will be submitted to the Executive Committee each year.



# OUR COMMITMENTS



## 3. Our Commitments

Quality and excellence are our primary goals, every day and in every action. We pay particular attention to transparency, both in the manufacture of our products and in our daily practices. The company's in-house guidelines are based on shared values which are essential for the sustainability of each company within the Group.

In order to follow through on this undertaking as well as we can, we are committed to a sustainable and ethical approach for our practices, based on six fundamental principles:

### 6 FUNDAMENTALS



#### Environment and Energy

Reduce our consumption and our environmental footprint

- Reduce of our energy consumption
- Control of our carbon footprint
- Create value with our water capital
- Create value with our waste by reducing, reusing, recycling
- Eco-design



#### Human Development

Promote well-being at work and the development of our employees

- Guarantee safety
- Create value through training
- Preserve health and well-being
- Promote diversity and disability individuals
- Engage and empower individuals
- Digitize and modernize



#### Local Partnerships

Promote the development of our sites to provide support for our own development

- Partnerships and sponsorship
- Support local employment and education



#### Business Ethics

Prevent and fight against all forms of corruption and influence peddling

- Business ethics through a code of conduct
- Regulatory watch
- French law Sapin II (Transparency, fight against corruption and the modernization of economic life)



#### Patient Protection

Control the risks faced by our final customers: patients and users

- Control risks for the patient
- Prevent infections
- Educate in the use of good practices



#### Sustainable Purchasing

Develop a relationship with our suppliers based on ethics and compliance with local regulations:

- Get an assessment by Ecovadis



## OUR ACHIEVEMENTS 2020/2021

### 4.1. Environment and Energy



*We are constantly improving the energy performance of each of our production sites by setting up dedicated energy management systems.*

In view of climate issues and the importance of preserving resources, we place great value on reducing the energy impact of our manufacturing processes. We have therefore set up an energy management system at each of our production sites. 95% of our energy is consumed at our Palalda site, where our efforts to reduce our energy consumption are logically focused. As such, a biomass energy production plant was installed in 2014 to replace almost all the fossil fuels previously used.

For several years we have had a committee dedicated to energy management, made up of experts from the energy consumption fields, whose task is to analyze and improve the energy performance of our production sites.

**Based on the approach of the ISO 50001 standard, the aim of this Committee is to:**

- Develop a policy for more efficient energy use and monitor this efficiency,
- Set targets and objectives to implement this policy,
- Rely on data to better understand energy use and consumption, make pertinent decisions (actions, training, communication, investments), and measure the results,
- Continuously improve energy management.



**Our policy is to constantly reduce the energy footprint of our products and manufacturing processes by:**

- Reassessing our production practices,
- Undertaking structuring and innovative investment projects,
- Purchasing low-consumption products and services,
- Developing a culture of energy reduction








**Our overall approach to optimizing consumption is based on the following points:**

- Optimizing energy sources: electricity and steam, our main energy sources, are supplemented by gas, which accounts for just 3% of our consumption.
- Optimizing our processes: the Sterimed Energy Committee monitors any technological developments in equipment that could allow better performance.





OUR PRODUCTION SITES

- 
**PALALDA (FRANCE)**
  - ISO 13485: 2016
  - ISO 50001: 2011
- 
**COULOMMIERS (SPS) (FRANCE)**
  - ISO 9001
  - ISO 13485: 2016
- 
**BRNO (CZECH REPUBLIC)**
  - ISO 13485: 2016
  - ISO 9001: 2015
- 
**CHARLESTON (UNITED STATES)**
  - FDA 21 CFR 420
- 
**MEXICO CITY AND CHAPALA (EEE) (MEXICO)**
  - ISO 7 clean room
  - ISO 9001: 2015
  - ISO 13485: 2016
- 
**SUZHOU (CHINA)**
  - ISO 13485: 2016
- 
**FUZHOU (GREEN SAIL) (CHINA)**
  - ISO 8 clean room

**We control our carbon foot print by reducing our consumption and implementing more innovative solutions**

We are convinced of the importance of complying with the targets of the Paris Agreement and we are committed to measuring, controlling and reducing our carbon footprint.

Our goals hinge on the need to minimize our environmental impact by capitalizing on renewable energies in order to conserve natural resources. Our policy involves promoting renewable energy supplies and developing short routes for the entire supply chain as soon as possible.

**UP TO 99%**  
of renewable resources

**RENEWABLE BASED BIOMASS ENERGY**

**OPTIMIZED PRODUCT END LIFE**

- Recyclable
- Biodegradable

Energy performance indicator over the last five years:



**ELECTRICAL PERFORMANCE INDICATOR:**

Reduction of **-15%**  
the ratio of kWh per tonne produced



**This policy of controlling and reducing our carbon footprint is specifically reflected in:**

The construction of a biomass boiler at our main production site in order to guarantee our steam supply. Since 2014, we have replaced the steam produced by the combustion of fossil fuels with steam produced by wood combustion, thus significantly reducing our impact on the environment.

As a result of the support and control of in-house and external experts, we are improving and organizing regular audits that confirm our commitment to limiting greenhouse gas emissions.



**We value, respect and preserve water resources:**

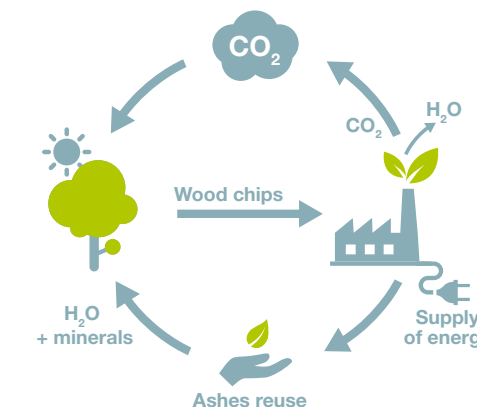
Water is essential and it is becoming increasingly scarce. Threatened by demographic growth, climatic disruptions and exponential urban development, it lies at the heart of the concerns of authorities, professionals and consumers. At STERIMED we are committed to implementing innovative technologies to reconcile effective industrial activities and the preservation of resources. We develop our products with a constant effort to optimize the use of raw material and energy. This is built into our internal development process. Our Palalda production site is located

on the right banks of the Tech river. This river is the primary source of water for our site, and is key to our manufacturing process. It is therefore essential that we protect this natural water resource during its extraction, use, recycling and purification. In order to treat and return part of the water used in our production processes back to nature, our site is equipped with a wastewater treatment plant. This allows us to continuously treat and control the quality of the discharged water in terms of its turbidity, pH and temperature.



**-16,000**  
tonnes of CO2  
saved on average every year

Principles of biomass energy production



**95%**  
of the water extracted is returned to the natural environment after passing through a wastewater treatment plant.

**-9.3%**  
in water consumption over the past 5 years.



**We reduce our consumption of raw material at source, reuse our related products and recycle our waste:**

We apply the “3 Rs” rule - Reduce, Reuse, Recycle. We are constantly making sure that we are using the right amount of raw material, thus reducing the production of this raw material at source, with a positive impact on CO<sub>2</sub> emissions.

Our waste management policy follows two axes:

- Reduce the amount of waste generated on our production sites.

- Increase the share of reusable waste. To do so, we scrupulously ensure that all waste from our activity follows the right channel, leading to either recycling or recovery.

Since 2017, we have implemented a system to recover our cellulosic waste from the treatment plant. Previously spread to land, it is now incinerated in our biomass boiler.



**-11%**

waste reduction over the past 5 years.

Almost **57%**

of our waste has been recycled.

**The design, construction and life cycle of our products are thought out in an eco-responsible manner.**

Our sustainable development policy ensures a responsible industrial resource management, taking into account environmental issues, raw material consumption and waste management.

We are committed to guaranteeing that users have products for which the environmental impact is minimized.

Whenever possible, we develop products from renewable bio-sourced raw

materials, increase their lifespan and recycle them at the end of their life.

The environmental impact is an integral part of the key steps in our product innovation process. As environmental responsibility is a major concern, our R&D teams work at continuously improving our practices without compromising the quality and safety of our products.



**THE RANGE OF STERIMED CELLULOSIC PRODUCTS AND THEIR ENVIRONMENTAL PROPERTIES**

	DIRECT SEAL & SURFACE TREATED MEDICAL WEB	MEDICAL COATED PAPER WEB	SURFACE TREATED REINFORCED & COATED WEB	COATED WEB POLYBOND™
<b>RENEWABLE CONTENT</b>	95 to 99%	90 to 95%	75 to 90%	60 to 75%
<b>RIGIN OF MAIN RAW MATERIAL</b>	Pulp from renewable sustainable well managed forest resources			
<b>MANUFACTURING CONDITIONS</b>	Global sustainability ISO 26000			
<b>PRODUCT END OF LIFE</b>				
<b>RECYCLING</b>	✓	✓	✓	✓
<b>BIODEGRADABILITY</b>	✓	✗	✗	✗



## 4.2. Human Development

We promote well-being at work and the development of all of our employees.

**€1M** annual investments in our human resources  
(health/safety budget, training budget, economic and social committee budget, Steriteam budget)



**Guaranteeing the health and safety of our employees is a fundamental principle of the STERIMED Group.**

At Sterimed, we believe that all our employees have the right to a working environment that guarantees their health and safety. The prevention policy of each site ensures a reduction in the number of occupational hazards at all levels.

**Our ambition is to reduce risks factors and difficult working conditions**, at all levels and for all Group sites. We also rely on each of our employees to adopt a responsible attitude and strive for the improvement of their working environment.

**Furthermore, the security policy of our sites is also reflected in specific initiatives:**

- Promotion of an annual safety management plan,
- Annual monitoring of projects designed to improve safety and working conditions,
- Actions to reduce difficult working conditions at workstations,
- Deployment of a safety training plan for all employees.



**Professional fulfillment**  
*Creating an environment that puts the person at center stage and seeks the growth and fulfillment of each employee.*

We believe that our employees' commitment requires good working conditions, skills development and the trust-based relationship that we have established.

Since 2015 we have been building our company based on the *Great Place To Work* model.

Through this model, we seek to promote the professional fulfillment of our employees, by improving their well-being at work, the relationship of trust established with their management and the sense pride they get from belonging to the STERIMED Group.

To track the *Great Place To Work* model, we carry out surveys on the group's social climate. With the results of these surveys, we are able to identify work axes for improving the quality of life and relationships at work.

Every year, every site from the Sterimed Group focuses on these fundamental principles to reach the following results:

**100%** of employees who joined us in 2020/2021 have been trained in safety basics

**100%** completed their training and refresher courses on core safety elements: permits, OHS, authorizations

### THIS POLICY IS GOVERNED BY THREE FUNDAMENTAL PRINCIPLES:



**1**

All occupational injuries and illnesses can be prevented



**2**

Accountability, especially through training, is the basis of our safety approach



**3**

Working safely is fundamental, as neither quality nor productivity should come at the expense of safety

**Great Place To Work**

**Certifiée**  
Mai 2021 - Mai 2022  
FRANCE



With regards to the improvement of working conditions, we have:

- **Developed workspaces** designed for cooperation and individual and collective efficiency;
- **Organized talks by experts** on chronobiology and sleep balance;
- **Regularly brought in an osteopath**;
- **Encouraged the organization of sporting activities** over the lunch break.

We offer conditions that encourage everyone's development, which also requires strong management and organizational initiatives, such as:

- Developing a suggestion system, encouraging employee initiatives;
- Deploying an internal communication policy, based on transparency and listening to all those involved;
- Maintaining a constructive social dialogue with staff representatives.



**Training**  
enhances and develops the skills  
of our employees.

The training of our employees is essential to us. We believe that, through a good understanding, we create the daily commitment and involvement needed to move forward and innovate autonomously. By maintaining and developing their skills, we can also meet market requirements with versatile employees who show their commitment in responsible teams.

Our training process allows us to guarantee our expertise and, thus, the quality of our products in order to meet our customers' needs while improving the company's performance.

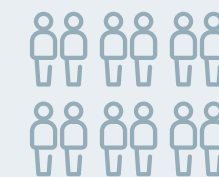
**All Sterimed employees are given a development plan throughout their career:**

- An induction course is organized for each new employee.
- An on-the-job training plan is also systematically implemented as part of recruitment or internal development.
- A provisional training plan is set up every year, taking into account the training needs according to the company's strategic axes.
- An adult educational refresher support plan for equal opportunities.

OUR STRATEGIC AXES FOR THE TRAINING AND DEVELOPMENT OF EMPLOYEES INCLUDE:



The total number of hours devoted to training  
**27 hours**  
per employee in 2020



**100%**  
of employees trained  
over a period of 3 years



For us, a sustainable profitable production system for all is based on:

## 1 - Accountable teams, who use their skills to improve performance

The aim is to materialize the overall desire to work in the most transversal way possible, this is the Steriteam spirit:

- **By encouraging all our employees** to work collectively,
- **By creating autonomous work teams**, focused on customer service,
- **By developing our performance**, on the basis of flexibility, versatility and individual initiative,
- **By boosting inter-departmental relations** throughout the company,
- **By encouraging everyone to express themselves** and initiate changes.

Accountable teams are deep-rooted in our work culture and every year, they contribute to developing skills and increasing individual and collective performances.

We promote the development of cross-organizational working groups in order to give more responsibility to the teams and meet employees' expectations as well as we can.

We encourage trust, initiative and team cohesion in a spirit of co-construction.



## 2 - The establishment of a system integrating digital technologies

We are convinced that technological advancement will help our company to be sustainable, and, by extension, all our partners.

We are constantly rethinking and innovating with regard to our working methods, including new technologies. Our ambition is to be competitive, as access to the digital world is becoming ever simpler and it has become a major asset for businesses. Indeed, digitalization allows us to:

- Speed up communication between people and between countries, thus creating unprecedented efficient actions,
- Simplify processes in order to better focus on better customer service,
- Develop industrial excellence in order to attract the best talents,
- Build educational tools for health professionals and training tools for our employees to improve the use of good practices.



**Promoting and encouraging diversity in all its forms, by raising employee awareness on dignity, non-discrimination and equal treatment.**

We are convinced that diversity within the company, in all its forms, in all its professions and at all levels, is a factor that promotes creativity and progress. The variety of careers and experiences of the women and men who make up the company's workforce has a beneficial influence on innovation, development and mutual enrichment.

Our company operates in France and abroad within a context in which current socio-cultural representations can exert a strong influence on employment and professions. We are convinced that these representations have an impact on professional life. For many years, we have implemented specific measures to help our employees improve their working conditions and continue their professional development, regardless of their gender, age or any disability they may have.

Our actions mainly focus on measures aimed at:

- **Gender equality** and job diversity;
- **Equal treatment** for all employees;
- **Fight against all discrimination** in terms of employment and recruitment;
- **Measures relating to professional integration** and retaining workers with disabilities.

We are particularly eager to address the subject of disabilities in businesses as a vector for progress. Since 2015, our Disability Committee has encouraged employees to:

- **Stress the ethical values of diversity**, exchange and equal treatment within the company;
- **Include workers with disabilities** in work teams;
- **Raise employee awareness through significant initiatives** on disability, in order to break down taboos;
- **Support and include many local organizations and associations.**

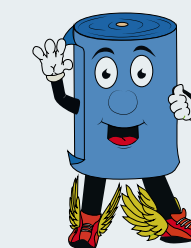


In France, in 2020, our gender equality index achieved score of

**85/100 points**



Sterimed took part in the **Duo Day** and is an influential player with institutions.



**HandiWings**

Travailler en confiance avec nos différences

HandiWings is a group of employees committed to the cause of people with disabilities. Through multiple partnerships with specialized associations and companies, specific initiatives are implemented to raise funds and encourage attend forums and conferences.



We accumulated a total of  
**40 days**  
attendance in 2020/2021 (CEN,  
ISO, ASTM, AFNOR and SBA)

## 4.3. Patient Protection



*We strive to control the risks faced by patients and users. For our teams, this involves complying with international health standards.*



We are an active player in the prevention of infections. We are developing solutions that contribute to the sterilization and maintenance of medical devices using during patient care pathways.

At STERIMED, our aim is to reduce the prevalence of hospital-acquired infections and prevent the emergence of multi-resistant bacteria.

It is essential for us to provide our customers with solutions that provide the best protection against nosocomial infections.

### The use of standards is a safety factor for the user.

The first of these is the ISO13485 standard, which specifies the requirements for quality management systems. This standard is our working reference. We are proud to be ISO13485 certified for most of our sites.



### ENVIRONMENTAL AND INDUSTRIAL EFFICIENCY

STERIMED products are recognized on the market for their safety, reliability, efficiency and by local authorities: FDA, NSM, COFEPRIS. This has been confirmed by our indicators where no vigilance report has been issued within the group since 2019.



For this reason, we claim to be fully dedicated to the health market, while respecting the environment.

### • PARTNERS

Given the major role of our products in sterile packaging systems, our aim is to be an active player in the prevention of infections.

This requires participating in various working groups that contribute to providing expertise, knowledge and references, the aim of which is to protect patients. Over time, we have become strong partners of the following associations and clusters:



STERIMED is a member of the Healthcare Plastics Recycling Council (HPRC), a private technical consortium in the healthcare, recycling and waste management industry seeking to improve the recyclability of plastic products and packaging.



### • AWARENESS RAISING AND TRAINING

We keep patient safety in mind by applying the principles related to medical device requirements to our equipment. STERIMED takes part in the discussions of the Sterile Barrier Association bringing together market players in the sterile barrier systems manufacturing market, and professionals from the health sector. This allows us to

follow legislative developments and exchange best practices.



Chaired by our CEO Thibaut Hyvernat

As a major player in a market where standards are constantly evolving, STERIMED ensures that these are communicated, together with best practices, to everyone the Group collaborates with on a daily basis.



中国医疗器械行业协会  
China Association for Medical Devices Industry

### • PRODUCT COMPLIANCE

We believe that standards are a means of recognizing the requirements that contribute to greater patient safety. We advocate this approach through our active participation in standardization committees related to sterilization packaging: AFNOR, CEN, CAMDI ISO and ASTM.



**NOSOCOMIAL INFECTIONS EVERY YEAR IN EUROPE**



Affect more than **4 million patients**



They are directly responsible for **37,000 deaths**

They contribute to a further **100,000 deaths**



**50%** of cases appear after the patient is discharged from hospital, which means more complicated follow-up and treatment



On average **1 in 18 patients** contract a hospital-acquired infection in Europe



**Covid** is considered as hospital-acquired infection in France

**9%** of healthcare staff have already been infected in France

SOURCE: EDANA 2013; FRENCH PUBLIC HEALTH



*Raising the awareness of our customers and suppliers and educating them on best practices and on reliably protecting patients and medical staff*

As a responsible party, it is our duty to be experts in risks associated with care practices and to suggest solutions to mitigate these risks.

It is essential that our customers carefully select the packaging material. It is important for us to go further than the simple use of our products:

- Thanks to the technical nature of our products, we are able to help our customers choose their products by providing them with knowledge of the standards governing the medical device packaging industry.
- We pass on our expertise to advise and offer turnkey solutions to our customers. These are validated according to the standard methodology used in this industry.



**Committed to international prevention initiatives on the importance and benefits of sterilization, we regularly organize workshops and training courses for our partners, customers and distributors:**



PROPEL & STERISHEET by STERIMED

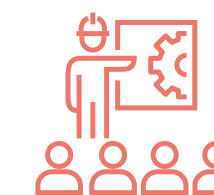
**THE PATIENT SAFETY FORUM:** is an educational seminar on micro-bacterial barrier solutions in hospitals. This is intended for all hospital staff wishing to increase their knowledge in the field of sterile packaging (properties of paper and material), understand the issues in terms of regulation and share their user experiences.



**SHARED:** Presentation seminars with discussions and pooling of experiences. This increases the understanding of our products' technical features and manufacturing.



More than **1,000 participants** throughout the world



**297 people trained**

among medical device manufacturers over the last 3 years





## 4.4. Business Ethics



At all times, we have ethical duties towards our customers, suppliers, other stakeholders and therefore the patients whose care we contribute to. The zero-tolerance policy regarding corruption and influence peddling establishes a foundation for our business conduct.

### 1 - Prevention and fight against corruption and influence peddling

**French law Sapin II** Its purpose? Prevent and fight against all forms of corruption, whether active or passive, and influence peddling

**Corruption:** when any personal gain is offered to or accepted by a person with a position of authority, whether in a public or private function, in order to acquire from this person that they carry out or abstain from carrying out an action related to their function.

**Influence peddling:** when an undue advantage is offered to or accepted by a person so that they use their influence in order to obtain, for the benefit of the person offering this advantage, a favorable decision from an authority or a public administration.

THESE ARE THE 8 PILLARS OF THIS COMPLIANCE SYSTEM:



**1 Risk mapping**  
taken from an objective, structured and documented analysis of the corruption risks to which a business is exposed in the course of its activities



**2 Anti-corruption code of conduct**  
specifying ethical rules applicable to all employees



**3 In-house ethics whistleblowing system** to flag up behaviors or situations that are contrary to the Code of Conduct or likely to create breaches of probity



**4 Procedures for assessing** business partners to gauge the corruption risks with regards to starting or continuing a business relationship



**5 Financial auditing procedures**  
to ensure that books, records and accounts are not used to conceal acts of corruption or influence peddling



**6 Training and awareness raising system**  
for employees most exposed to the risk of corruption and influence peddling



**7 Disciplinary sanctions** in the event of a breach of the Code of Conduct



**8 System for monitoring and assessing** implemented measures.





The STERIMED Group is already strongly and firmly committed to this fight, through its zero tolerance policy with regards to any act likely to constitute an act of corruption/influence peddling. It now wants to be even more exemplary so that prevention becomes part of everyone's DNA.

**Implementation of a code of conduct:**

Beyond compliance with current provisions, the STERIMED Group has carried out an extremely thorough risk mapping exercise. The resulting Code of Conduct is a tailored document that can be understood by all, and not only a declaration of intent.

Thanks to this risk mapping, the risks of corruption and influence peddling was identified, assessed, prioritized and managed. This provides STERIMED's management team the required visibility to implement detection and prevention measures that are adequate for the level of risk.

**THIRD PARTIES WITH A THEORETICAL RISK OF CORRUPTION AND/OR INFLUENCE PEDDLING:**

-  • **Customers;**
-  • **Suppliers/service providers;**
-  • **Public officials & civil servants;**
-  • **Business partners (distributors);**
-  • **Professional associations.**



Over twenty members of the Group (executive bodies, heads of managerial, operational and support processes, as well as key employees and/or those likely to be particularly exposed) were interviewed during the 2<sup>nd</sup> quarter of 2021, to carry out a precise and detailed inventory of the theoretical and potential situations of corruption and influence peddling within the Group.

The corruption/influence peddling risks before mitigation were compared to the probability of occurrence of these risks as well as their operational, reputational, financial and legal impacts. This helped determine what residual risks Group employees may be exposed to.

Deployed throughout the STERIMED Group, the Sapin II system includes the following initiatives:

- Appointing a compliance officer within the Group
- Training and raising awareness of employees likely to be exposed
- Distributing the Code of Conduct to all employees and including it in the induction file for all new employees
- Deploying an internal alert system.



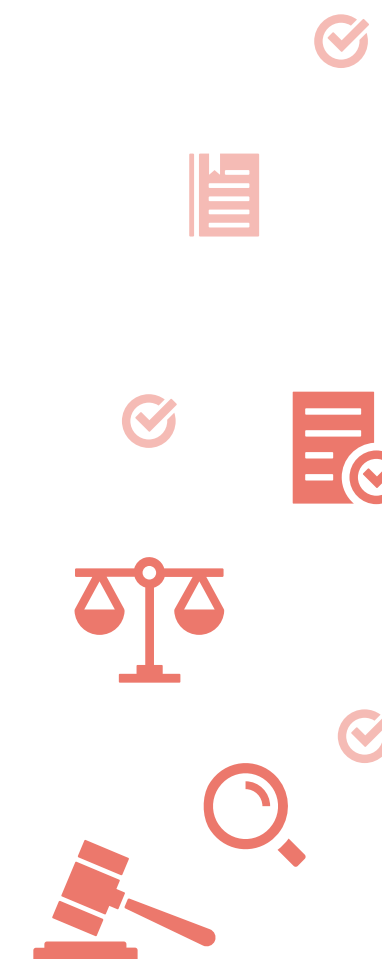
**2 - A regulatory compliance watch aimed at developing production methods for the future**

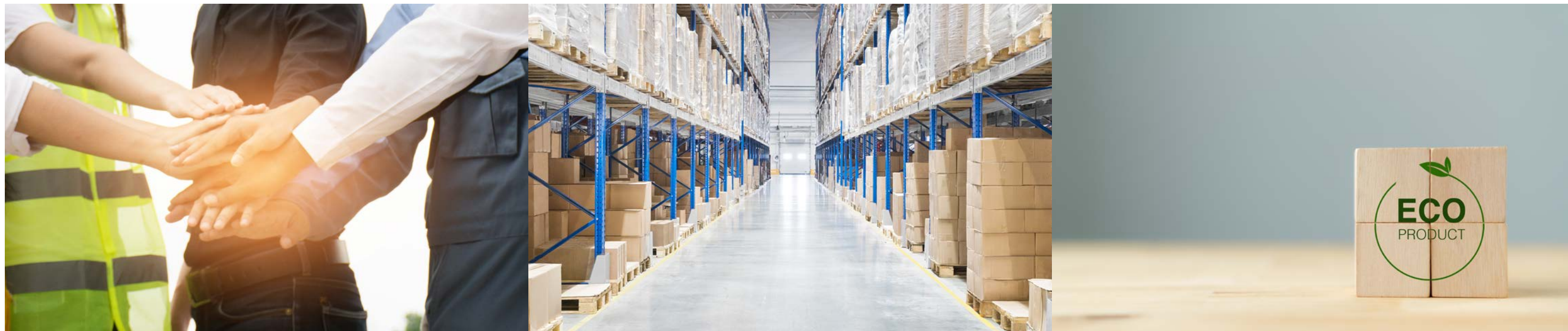
Our goal is to suggest reliable sustainable solutions and therefore ensure sustainability in our relationships with our partners. We ensure thorough compliance with current regulations and are constantly adapting to manage changes as well as possible.

The objective is to assess the potential risks posed by a new regulatory constraint, to continue our activity at its highest reliability.



STERIMED teams ensure daily compliance with current regulations. We carefully monitor the various developments or requirements of our activity but also of related fields. We regularly inform our partners of changes in regulatory texts through newsletters. This information is generally provided by health institutions, test laboratories, advisory bodies or associations bringing together manufacturers and standardization committees.





## 4.5. Sustainable Purchasing

CSR assessment based on **21** different criteria in **4** different areas:



Our suppliers' business practices are fundamental to the social, ethical and environmental footprint of our products and services. International laws and regulations, such as due diligence, hold us jointly liable for non-compliances in our supply chain.

Our customers expect us to act responsibly. We also owe it to future generations.

To do so, we must make sure our suppliers understand the urgency of the matter and share our commitment to sustainable development. The first stage of our sustainable development program consisted in ensuring transparency around the CSR performance of our suppliers but also of their own suppliers.

For this, in 2020, STERIMED chose "EcoVadis", a globally recognized business sustainability rating company based on international standards, to carry out individual assessments of the sustainability performance of our supply chain. The performance assessment is based on a robust methodology that covers 21 different CSR criteria in FOUR different areas:

- Environment
- Labor and human rights
- Ethics
- Sustainable purchasing



Each supplier is given a CSR rating with detailed results that lead to continuous improvement actions.

STERIMED cannot and does not want to take the risk of cooperating with suppliers who do not meet CSR standards. Taking part in this program was requested in such a way that it became imperative for our long-term relationship. CSR results will be included into our processes for assessing current suppliers and integrating new ones.

We are therefore proud to have launched this continuous improvement process and are able to share these first results for 2021:

50% of our Direct Purchase suppliers have registered with ECOVADIS with an average rating of 59 out of 100, classified as a "moderate" rating according to "ECOVADIS Global Rating" and means that our rated suppliers are globally committed to major CSR issues. Therefore, risks are limited.

Of course, year after year, we will seek to increase the share of suppliers registered with EcoVadis. We will also include action plans to improve our global rating and will of course keep you informed every year of our continuous improvement in this CSR process!

RESULTS FOR 2021:

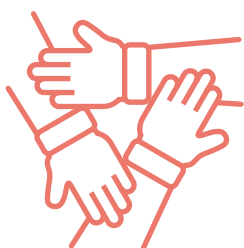
**50%**  
of our Direct Purchase suppliers have registered with ECOVADIS with an average rating of **59 out of 100**, (ECOVADIS Global Rating)





## 4.6. Local Partnerships

We take part in the economic development of the communities in which we operate.



### 1 - By supporting local associations in their projects and ambitions through sponsorships and partnerships

We believe in our communities and the energy they transmit. We believe our role is essential in supporting local associations in their projects, whether they are acting for charitable or sporting purposes.

Whenever possible, we encourage associations in which some of our employees are involved. In this way, we support the civic actions of our employees.

### 2 - By taking part in economic activities, for the development of local employment and education

It is essential for our company to be recognized locally as a reliable employment actor, wherever we are established in the world.

We pay particular attention to promoting local employment, and we maintain close ties with government actors to promote this employment.

We also believe that the first key to employment is education. So we also maintain strong ties with schools and local training programs, in connection with the trades at each site in order to develop education and training at a local level and include students in keeping with the requirements of our activity.

We regularly offer jobs to students who have completed work-study programs with Sterimed.



**SPONSORSHIP AND DONATIONS**

**€100,000**





#### FURTHER INFORMATION

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