

# CONTRIBUTING TO A SUSTAINABLE AND RESPONSIBLE DEVELOPMENT

CSR ROADMAP 2019

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# Editorial

*“In a changing world, we reinvent ourselves whilst remaining true to our values and strive to give meaning to our employees and our stakeholders.”*

Our industrial and commercial activities generate positive and negative externalities on society, the environment and people. Saint-Gobain is committed to contributing to the common good by limiting the negative impacts of its activities and creating local value shared with its stakeholders.

Our strategy and future growth are based on listening and dialogue.

Because the UN Sustainable Development Goals are a common vision of a more sustainable and inclusive world, they enable all stakeholders: citizens, states, companies, employees, NGOs... to work together and contribute to preserving the environment and resources, reducing inequalities and contributing to improving daily life for all.

More than an expectation, making a positive contribution has become a requirement.

We launch this new CSR Roadmap in 2019 to serve as a tool to guide the Group’s CSR strategy. Saint-Gobain commits to report annually on its performance by publishing the evolution of the indicators.

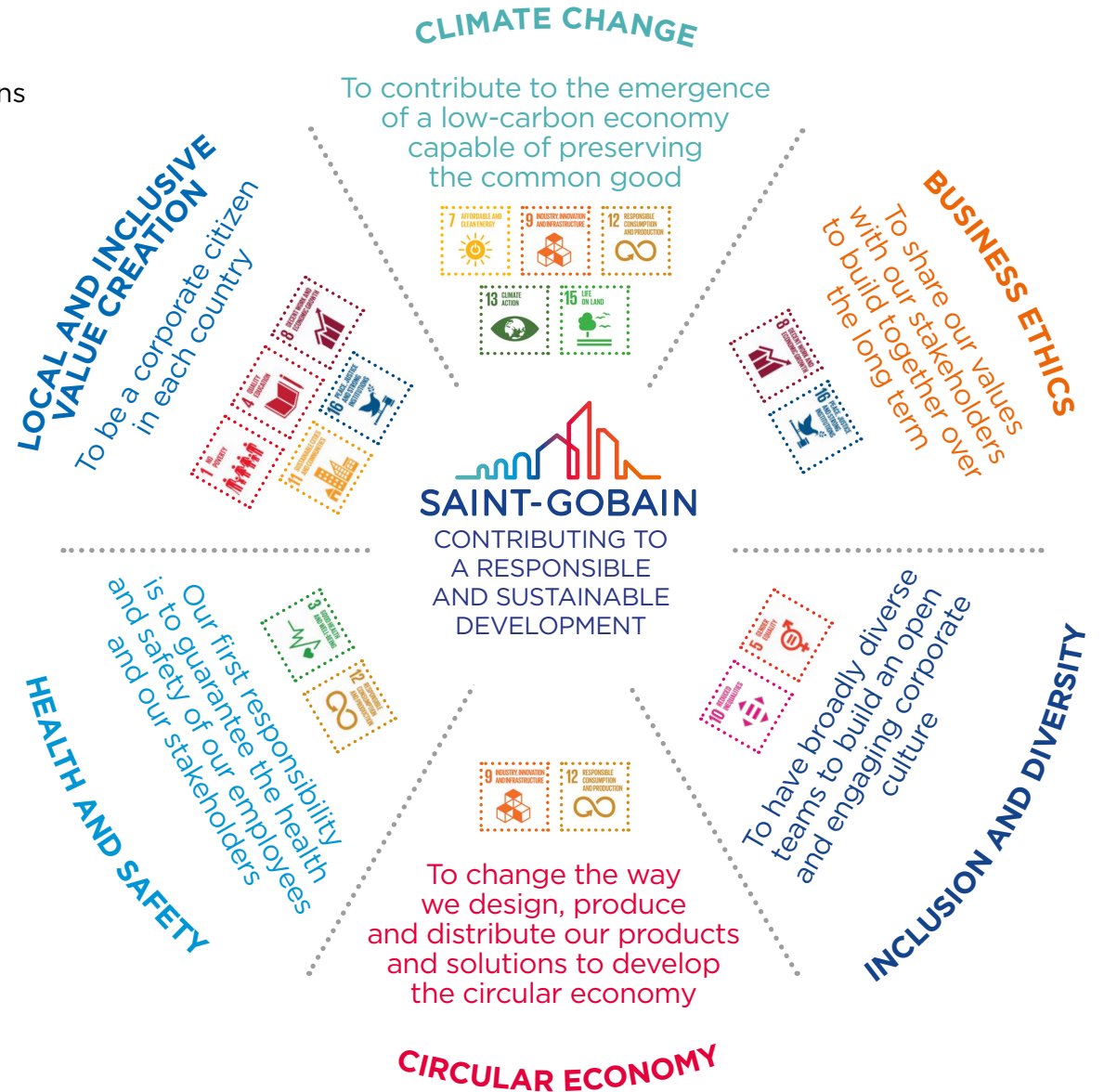
Pierre-André **DE CHALENDAR**,  
Chairman and CEO of Saint-Gobain

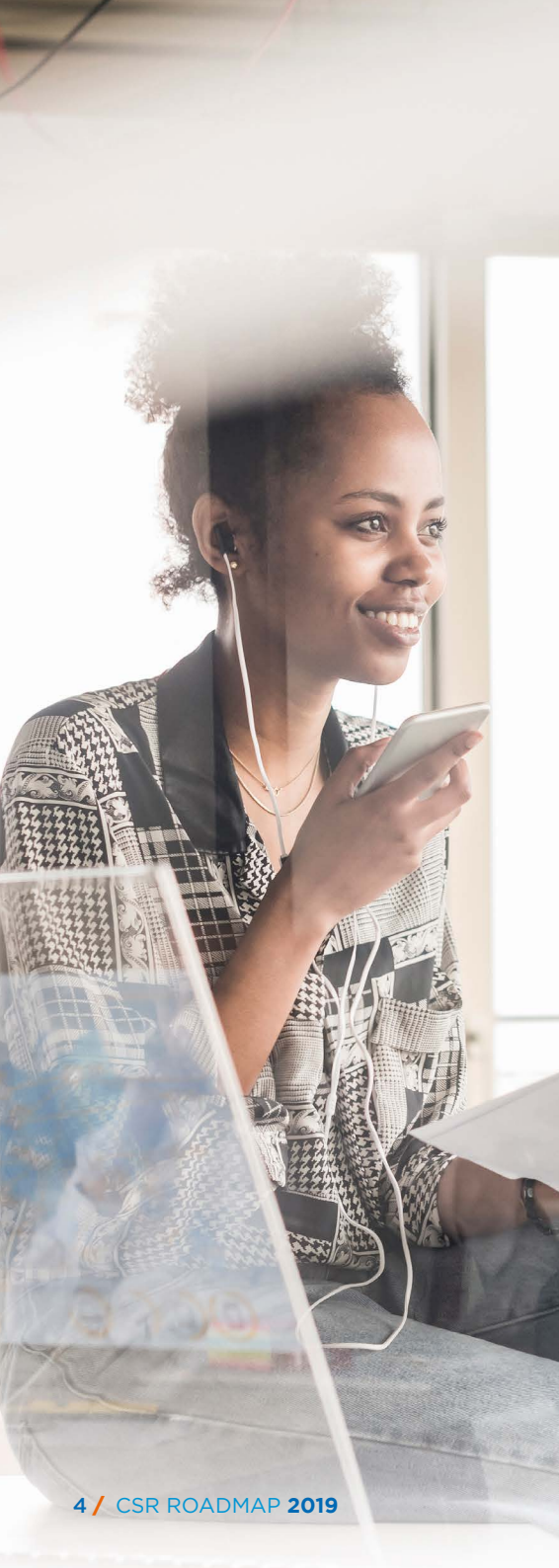


# Our challenges

Design, produce and distribute materials and solutions that are key ingredients in the well-being of each of us and the future of all, taking into account the expectations of our key stakeholders:

- Employees
- End users
- Clients
- Suppliers
- Civil society
- Local communities
- Investors
- Regulatory authorities





# Business ethics



## TO SHARE OUR VALUES WITH OUR STAKEHOLDERS TO BUILD TOGETHER OVER THE LONG TERM

We are aware that our decisions and actions have repercussions on society. Our values, expressed in our Principles of Conduct and Action, our code of ethics, are designed to help each of our employees and partners make fair and responsible decisions.

### OUR APPROACH

- **Ensuring that our employees understand** and endorse our Principles of Conduct and Action
- **Developing** a compliance culture
- **Securing** a responsible supply chain
- **Listening to** our stakeholders

### OUR TOOLS

- Policies and action plans: compliance, human rights, responsible purchases
- E-learning training courses: Adhere, Comply, Act, Responsible Purchases, Timber
- In-person training courses in the Principles of Conduct and Action
- Professional alert system

### OUR INDICATORS

- **Train 100% of new managers** to the Adhere, Comply et Act programs during their first year of integration in the Group
- **Percentage of our suppliers** that are signatories to our suppliers' charter

## WHAT OUR STAKEHOLDERS EXPECT OF US

Developing a compliance culture and ethics are among the highest expectations of our stakeholders. For them, as for us, long-term partners must share fundamental values: respect for human rights, ethical business practices, information transparency and constant dialogue.

# Climate change



## TO CONTRIBUTE TO THE EMERGENCE OF A LOW-CARBON ECONOMY CAPABLE OF PRESERVING THE COMMON GOOD

Faced with the challenge of climate change and the risks associated with rising temperatures, we aim to promote the emergence of a low-carbon economy. Our strategy and results must be integrated into a 2°C scenario.

### OUR APPROACH

To cope with demographic growth and urbanization, cities will integrate new principles of construction, mobility, human services... More sustainable and closer to the needs of the end user.

- **Our products and solutions** promote energy efficiency and reduce CO<sub>2</sub> emissions. By innovating and evaluating the performance of solutions, we can increase profits and adapt our offer to the new opportunities associated with the transition to a low-carbon economy. Reducing the carbon footprint of the production of our products and solutions is an absolute imperative that must integrate our value chain (our suppliers and customers)
- **We are a committed player** in the fight against climate change. This implies the cooperation of all stakeholders, states, companies, civil society... around a demanding international framework
- **Not all countries, regions and cities** are exposed to climate risks with the same urgency. Acting as close as possible to the territories makes it possible to identify local solutions that facilitate resilience and promote the low-carbon economy. Our ability to initiate local partnerships is an asset in risk management

### OUR TOOLS

- Energy-climate policy, « Improving our carbon footprint » R&D program
- Ecodesign and measurement of the sustainable performance of our products and solutions using the SCORE tool
- Environmental Product Declaration (EPD)
- Internal price of carbon
- TCFD, SBTi and CDP

### OUR INDICATORS

- **Reduce our carbon emissions** by 20% by 2025 (base 2010)

### WHAT OUR STAKEHOLDERS EXPECT OF US

Risks related to climate change involve all of our stakeholders with specific expectations depending on the business, country or culture but with a common basis:

- **Exemplarity on the reduction of carbon emissions** and the energy efficiency of our productions for the environment and competitiveness
- **Innovation and efficiency of our solutions** to reduce CO<sub>2</sub> emissions and ensure energy efficiency during their use
- **Trusted partnerships** to build a low-carbon economy



# Inclusion and diversity



## TO HAVE BROADLY DIVERSE TEAMS TO BUILD AN OPEN AND ENGAGING CORPORATE CULTURE

To achieve sustainable growth, we must build on the diversity in the communities in which we operate. We recognize and respect the uniqueness of each of our employees.

### OUR APPROACH

We want to integrate and harness differences by creating an environment that promotes equity and equality, which are essential to genuine professional growth. An inclusive corporate culture enables transformation and growth through the generation of innovation and creativity, employee engagement and local integration.

- **Increase the diversity of teams**, based on a proactive policy adapted to local contexts
- **Promote diversity**, through internal promotions and managerial integration
- **Be inclusive** by promoting equal opportunities, fair remuneration and access to training and promotion

### OUR TOOLS

- Women's networks
- Training programs (e.g: e-learning including Gender Balance)
- HR reviews
- Monitoring of wage inequalities
- Foundations
- Professional alert systems

### OUR INDICATORS

- Keep a **diversity index** always above 90%
- Have **25% of women managers** in 2020
- Have **25% of women senior managers** in 2025

### WHAT OUR STAKEHOLDERS EXPECT OF US

For our older, an inclusive and diverse company is one that can:

- **Attract and retain** the talents and skills it needs to perform well
- **Identify emerging trends** to accelerate innovation
- **Accelerate growth** through the combination of different experiences, cultures, opinions in an open dialogue

# Circular economy



## TO CHANGE THE WAY WE DESIGN, PRODUCE AND DISTRIBUTE OUR PRODUCTS AND SOLUTIONS TO DEVELOP THE CIRCULAR ECONOMY

The circular economy is a resilient development model adapted to the change in available resources (scarcity of resources, new energies, reduction of greenhouse gas emissions, etc.) and to the evolutions in society (urbanization, demography, etc.). We initiate or participate in the creation of waste collection networks and promote recycling in our plants or those of partners.

### OUR APPROACH

The circular economy is applied as close as possible to the markets. Successful transformation to a circular economy will make it possible to continue to offer solutions and services in the long term that take into account environmental, social and societal expectations, and combine well-being, sustainability and performance for stakeholders.

- **Improve our products and solutions** to promote the integration of recycled or renewable materials, extend their lifespan and facilitate their recycling or reuse
- **Develop our manufacturing processes**, with the objective of moving towards zero non-recovered waste
- **Work with stakeholders** to change society through collective initiatives in which we participate

### OUR TOOLS

- Sustainable resource management policy
- Eco-innovation
- Measurement of the sustainable performance of our products and solutions using the SCORE tool
- WCM program

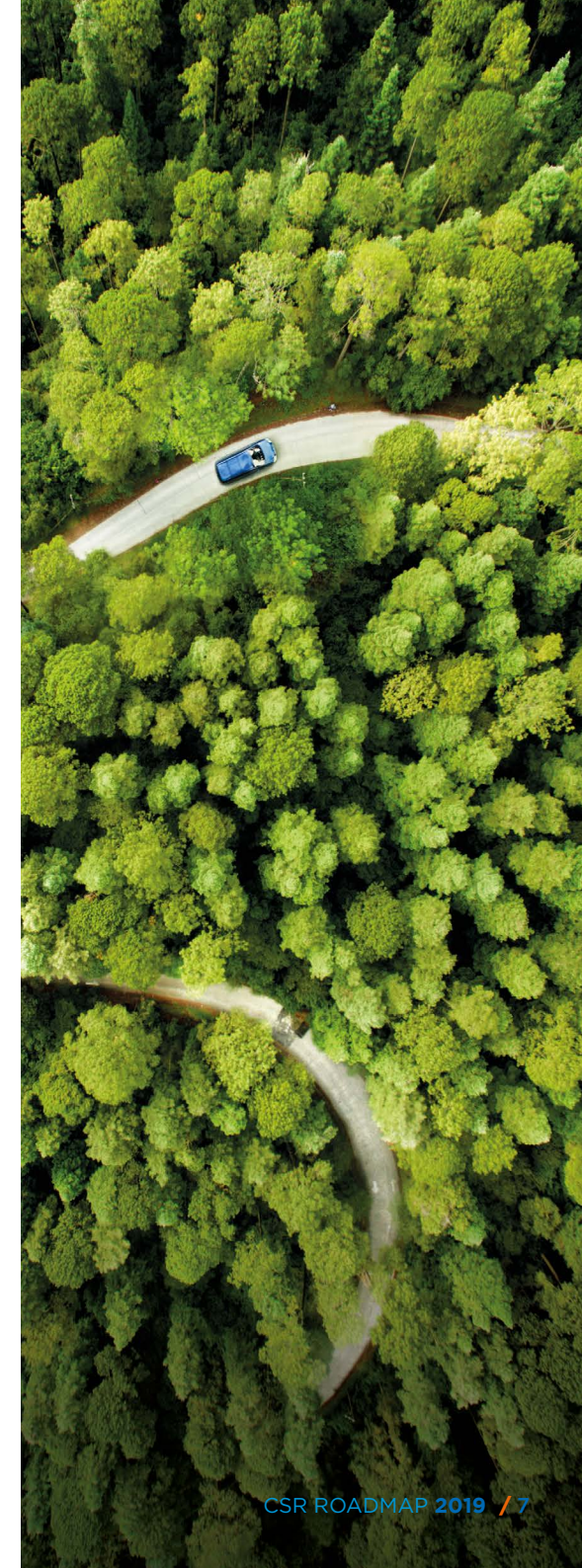
### OUR INDICATORS

- **Reduce the withdrawals** of virgin raw materials in avoided tons
- **Reduction of 50% of non-recovered waste** by 2025 (base 2010)

### WHAT OUR STAKEHOLDERS EXPECT OF US

The scarcity of resources and the accumulation of waste to be managed have made all stakeholders aware that new ways of producing and consuming are needed:

- **Frugality** in virgin raw materials and energy
- **Limiting the generation** of non-recovered waste and encouraging recycling
- **Increase** in product usage time, repair, reuse





# Health and safety across the entire value chain



## OUR FIRST RESPONSIBILITY IS TO ENSURE THE HEALTH AND SAFETY OF OUR EMPLOYEES AND OUR STAKEHOLDERS

We take into account the risks throughout our value chain: employees, subcontractors, suppliers, customers and users of the products and solutions developed or distributed by the Group.

### OUR APPROACH

Ensuring health and safety for:

- **All the employees**
- **All the people present on our sites:** our employees, temporary workers, subcontractors
- **Our customers and users** of our products and solutions
- **Our suppliers**
- **Local residents** around our sites and points of sale

### OUR TOOLS

- Health policy, EHS charter, Saint-Gobain standards and recommendations
- SMAT
- Innovation *HandBook* and EHS checklist
- SCORE Tool for evaluating the sustainable performance of products

### OUR INDICATORS

- **Zero accident** and occupational disease
- To achieve a **lost and non-lost accident rate (TRAR) of 2,3 in 2019** (employees, temporary workers and subcontractors on site)

## WHAT OUR STAKEHOLDERS EXPECT OF US

Protecting life is the first requirement:

- **Safe** working conditions
- **Transparency** of product information
- **Controlled impacts of potential nuisances** from our sites and points of sale in terms of safety and health



# Local and inclusive value creation



## TO BE A CORPORATE CITIZEN IN EACH COUNTRY

Wherever we operate, we take into account the environmental, social and societal issues of local communities to create a model for shared growth with stakeholders.

### OUR APPROACH

Whether for local markets or global markets, our presence in a community must foster local, inclusive and sustainable value creation.

- Creating conditions that **secure quality jobs** for our employees around the world
- Being recognized as a **trusted partner by local stakeholders** (Social Licenses To Operate)
- Contributing to **local societal issues** through collaborations directly related to our activities and through philanthropy and sponsorship

### OUR TOOLS

- HR policy, Saint-Gobain Attitudes and the OPEN 4.0 program
- Pension system and medical coverage
- Employer Brand and partnerships with local education systems
- Saint-Gobain Foundation and local foundations
- Sponsorship

### OUR INDICATORS

- Percentage of our **employees responding to our satisfaction survey**
- Percentage of our **shares held by employees** through the Group savings plan (PEG)
- Percentage of our **employees who have received training** over the course of the year

## WHAT OUR STAKEHOLDERS EXPECT OF US







Stakeholders expect from a company to be a positive player in the community beyond its financial or commercial performance:

- A **fair and engaging** employer
- A **committed local partner** that is attentive to societal problems
- An economic actor **who respects local rules** and participates in the collective effort of the community



# CSR dashboard

	OBJECTIVES	INDICATORS 2017	INDICATORS 2018
<b>Business ethics</b> To share our values with our stakeholders to build together over the long term	Train <b>100%</b> of new managers to the <b>Adhere</b> (Principles of Conduct and Action), <b>Comply</b> (competition law) and <b>Act</b> (fight against corruption) programs during their first year with Saint-Gobain	<b>81%</b> Adhere 	<b>96%</b> Adhere
		<b>89%</b> Comply 	<b>95%</b> Comply
		<b>87%</b> Act 	<b>94%</b> Act
	Reduce our <b>carbon emissions by 20%</b> by 2025 (base 2010)	<b>7.6%</b> 	<b>11.7%</b>
<b>Inclusion and diversity</b> To have broadly diverse teams to build an open and engaging corporate culture	Keep a diversity index always <b>above 90%</b>	<b>90%</b> 	<b>91%</b>
	Have <b>25% of women managers</b> by 2020	<b>22.6%</b> 	<b>23.8%</b>
	Have <b>25% of women senior managers</b> by 2025	<b>12.7%</b> 	<b>15.2%</b>

	OBJECTIVES	INDICATORS 2017	INDICATORS 2018
<b>Circular economy</b> To change the way we design, produce and distribute our products and solutions to develop the circular economy	Natural raw <b>materials saved</b>	8,323 MT 	9,025 MT
	<b>Reduce non-recovered waste by 50%</b> by 2025 (base 2010)	13.2% 	15.9%
<b>Health and safety across the entire value chain</b> Our first responsibility is to guarantee the health and safety of our employees and our stakeholders	Achieve a lost-time and non-lost-time accident rate ( <b>TF2</b> ) of <b>2.3</b> in 2019 (employees, temporary workers and contractors on site)	2.6 	2.4
<b>Local and inclusive value creation</b> To be a corporate citizen everywhere	Percentage of our <b>employees responding to our satisfaction survey</b>	72.9% 	71.9%
	Percentage of our <b>shares held by employees through the Group savings plan (PEG)</b>	7.4% 	8%
	Percentage of our <b>employees who have received training</b> during the year	87.2% 	87.7%

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