

# GRAVOTECH

EXPRESSION OF THINGS



# SUSTAINABILITY REPORT

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## 2019 - 2020

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## EDITORIAL

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We are pleased to present Gravotech first CSR report, which highlights the discreet and hitherto invisible commitment of our Group employees in these essential issues for our collective future.

Our CSR commitment is expressed from the outset in our values, by the Responsibility that we take to inscribe it over time, by the Team Spirit that brings us together around this commitment, by the Excellence of a continuous improvement process, Focusing on customers to ensure our PREMIUM positioning, a key lever of our economic performance, and finally through Respect, which is essential to our living together.

We are convinced that ambitious CSR commitments and economic performance go hand in hand. Both have the virtue of mutually reinforcing each other to maintaining over time the strong attention we pay to our planet, its resources and its societal issues.

To do this, we have decided to subscribe to the 17 United Nations Sustainable Development Goals and have implemented the 2019-2020 initiatives described in this report and responding to four of them.

Gravotech international teams present in more than twenty countries around the world are all mobilized and all play a decisive role in sustaining our CSR commitment.

Pascal Cros  
CEO Gravotech



## A GLOBAL PRESENCE

Gravotech is a leader in the design, manufacture and distribution of innovative solutions for marking, engraving and cutting.

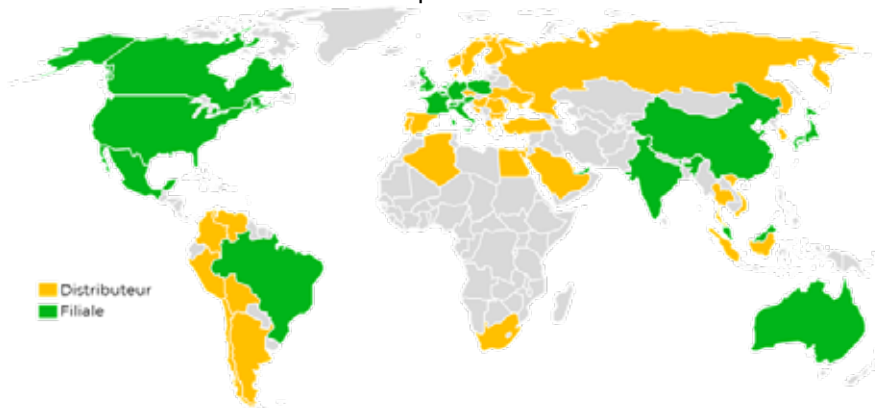
Yet Gravotech is much more than that: it is a range of solutions present in more than 100 countries, a research and development center at the cutting edge of technology in the software, laser and mechatronics fields, an efficient service supporting its customers daily, the ISO9001 certification for its main production sites among other international recognitions.

The Gravotech Group operates directly in nearly 20 countries grouped within three geographic areas:

- Americas
- Europe, Middle East, India (EMEI)
- Asia Pacific (APAC)

And, relies on a network of exclusive distributors in more than 60 countries around the world.

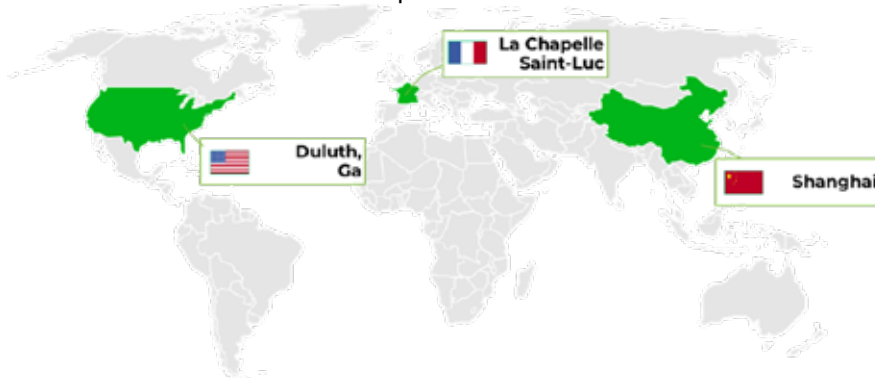
Gravotech commercial presence around the world



Source: Internal data

In addition, the Group carries out engraving machine assembly and repair, consumables production and distribution activities from a network built around three sites.

Gravotech industrial presence around the world



Source: Internal data

## THE EVOLUTION OF GRAVOTECH

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|            |  |
|------------|--|
| 1938:      | Creation of New HERMES in the United States (manufacturer of the pantograph engraver and the first portable engraving machine in the United States). |
| 1950:      | New Hermès settles in Europe and becomes Gravograph.   |
| 1970:      | Creation of the first materials to be engraved.  |
| 1981:      | Creation of Technifor in France, manufacturer of industrial marking machines.  |
| 1982:      | Introduction of software control.  |
| 1985/1986: | Technifor invents the Dot Peen marking.  |
| 1995:      | Introduction of Laser engraving.   |
| 2006:      | Establishment in China (Shanghai).   |
| 2007-2008: | Creation of the Gravotech group.   |
| 2012:      | First galvanometric CO2 laser marking.   |
| 2013:      | First Dot Peen portable touchscreen machine.   |
| 2017:      | Gravotech labeled “Vitrine Industrie du futur” (Industry of the future reward).  |
| 2020:      | Launch of the new Gravotech brand identity.  |



## KEY FIGURES

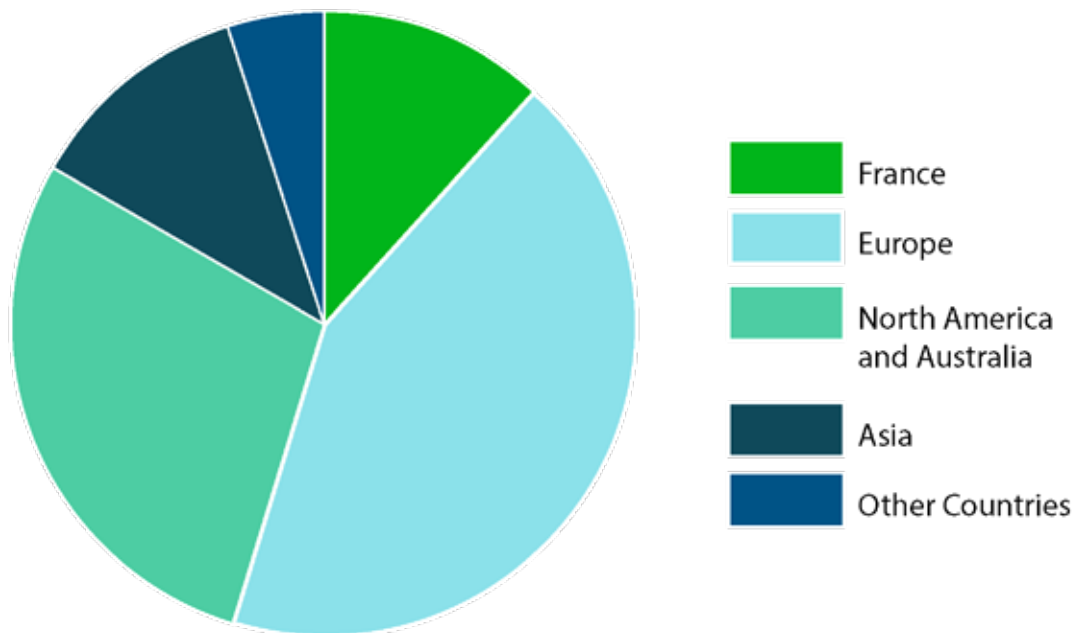
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Gravotech represents more than **600** collaborators in the world

and **35** spoken languages.

The group is present worldwide through **18** subsidiaries and nearly **175** distributors.

Gravotech generated sales of **122** million euros in 2019, of which **85%** was exported



More than **200 000** Gravotech engraving and marking solutions are currently in use.

with more than **60 000** customers around the world.

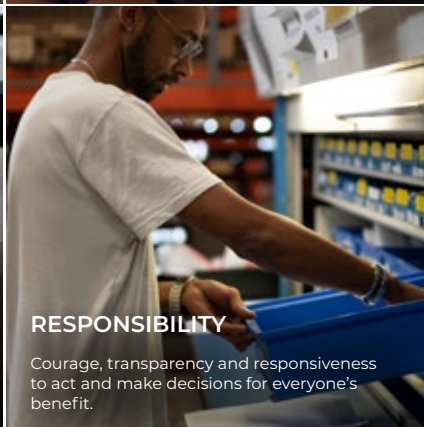
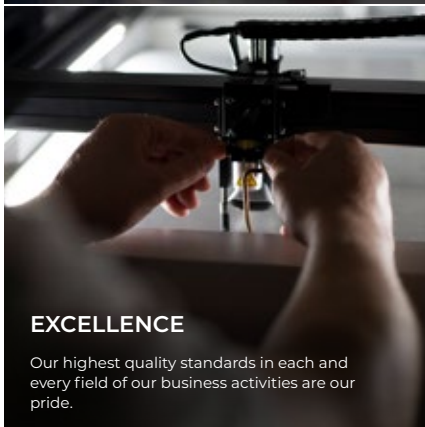
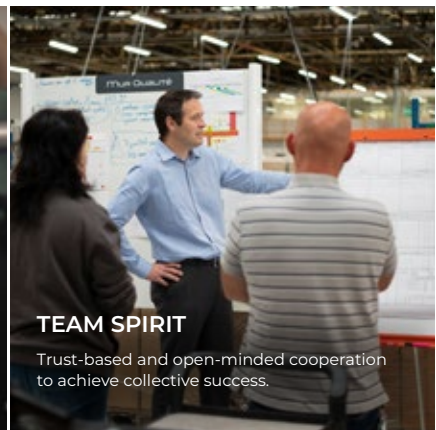
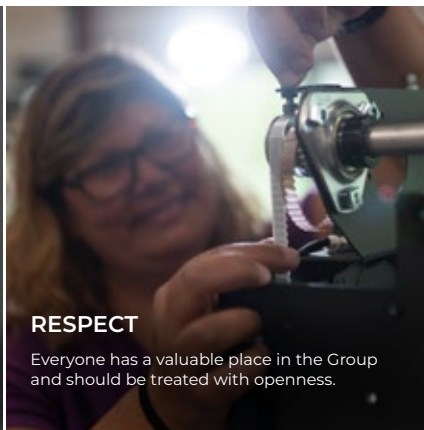
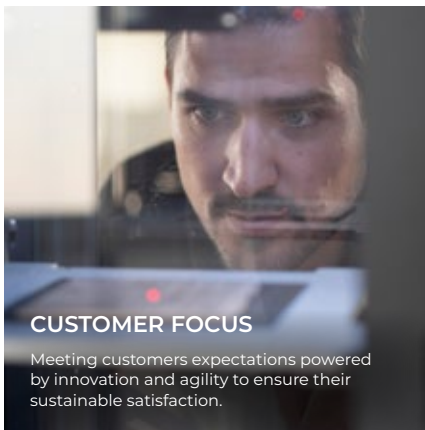
**6** Gravotech products are sold every hour.

## A LOCAL GOVERNANCE, GLOBAL ACTS

EHS and CSR are essential priorities for Gravotech and form an integral part of the Group operational units' management system. Our Group aims through its CSR Governance at sharing our vision even more and disseminate its underpinning values in all its actions. Thus, Gravotech guarantees the daily individual commitment of employees and partners to ensure our regulatory compliance, protect the environment, offer safe working conditions and offer our customers safe products and services, as part of a global continuous improvement approach.

The Gravotech Values are a key element of our Governance and the bond of our desire to work together with an open mind and trustfully. They help us every day to meet or even exceed our customer expectations, promote courage and transparency in our decision-making, support our PREMIUM positioning, and ensure that every individual have their place, while respecting their skills and capabilities.

### OUR VALUES





## PREMIUM PRODUCTS

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### OUR MARKET AND OUR ACTIVITY:

The applications of the Gravotech Group's solutions are intended for a wide variety of markets and business sectors:



The permanent marking solutions offered by the Gravotech Group revolve around:

### ENGRAVING EQUIPMENT AND ACCESSORIES:

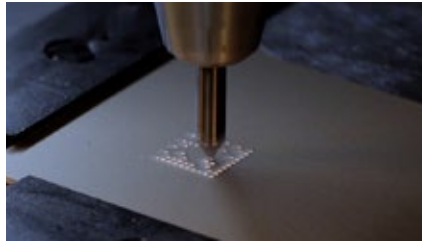
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#### LASER ENGRAVING:

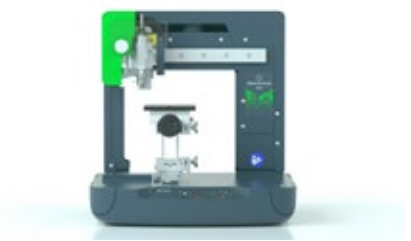




## DOT PEEN MARKING AND SCRIBING:



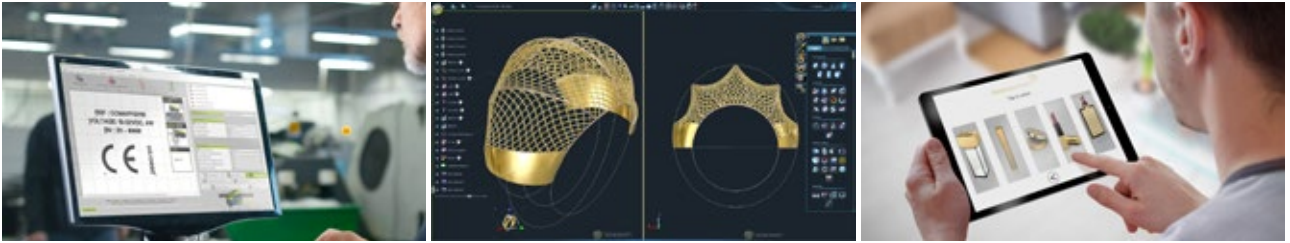
## ROTARY SOLUTIONS:



## ENGRAVABLE MATERIALS AND CONSUMABLES:



## SOFTWARE:



- 2D / 3D creation and bas-relief,
- Engraving and CNC machines control,
- Accessible from a computer connected to the Cloud or to an automated production line,
- Customized and personalized.

## SERVICES:



- International project management,
- Application support,
- Installation and technical support,
- Training,
- Maintenance,
- Logistics.

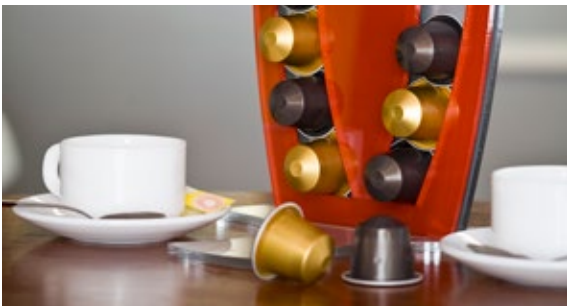
## GRAVOTECH SOLUTIONS ARE USED IN A LARGE NUMBER OF APPLICATIONS:



Identification and coding



Stamps manufacturing and engraving



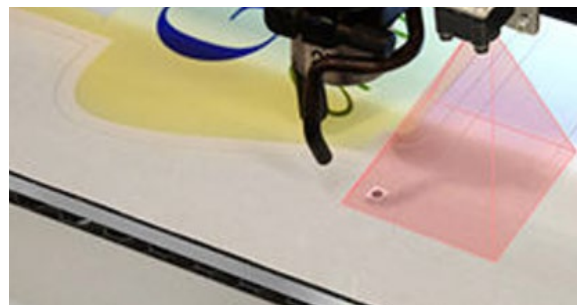
Displays and models cutting and engraving



Traceability and automatic proof-reading



Personalization engraving



Printed media cutting



Bas-relief and texturing engraving



3D modeling and design

## RECENT EVENTS IN OUR CSR APPROACH

### August 2019

Replacement with LED lighting of all lighting at the production site in France and part of the lighting at the production site in the United States.



### September 2019

PEFC certification of our operations in France for our Laser Wood Birch range.



### July 2020

Gravotech reaches Bronze level at the ECOVADIS assessment.



### October 2020

Acceleration and formalizing of the Gravotech CSR approach.



### November 2020

Release of our anti-corruption and compliance code of conduct.





## OUR CSR STRATEGY

In 2020 Gravotech formalized its CSR commitment even though we have been deploying for several years activities related to this now essential element of our governance.

2021 will be a turning point in our approach, which we have decided to accelerate by setting up a CSR-dedicated body in order to deploy this Sustainable Development culture throughout the Group.

Also to better fuel its initiatives, Gravotech has decided to include this approach in the charter for sustainable development framework issued by the United Nations:

# SUSTAINABLE DEVELOPMENT GOALS



Through this report, you will discover the key initiatives we have chosen to deploy our strategy according to four of the United Nations objectives:



Improve safety conditions at work for increased health and better well-being.



Promote gender equality within the Group.



Strengthen our PREMIUM positioning by deploying a Total Quality approach in close partnership with our suppliers.



Raise awareness throughout the Group about reducing our consumption of resources to participate in the battle against climate change.

In order to monitor our CSR progress, we have set up a monthly dashboard collating 45 CSR indicators as well as activity indicators. We have also chosen EcoVadis to annually assess our CSR approach and support us in its deployment.



## QUALITY AND INNOVATION

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As a leader in many markets in the fields of engraving and permanent marking, the Gravotech Group empowers Quality and Innovation as two major contributors to its development strategy and to customer satisfaction.

We consider that the permanent improvement of our company's performance as well as our PREMIUM Quality positioning are the best guarantees to provide our customers all over the world with:

- Compliance with technical and environmental regulations associated with the use of our products,
- The physical integrity of our products' users,
- The reliability of our products,
- The provision of ordered products within a controlled timeframe,
- The responsiveness and relevance of services,
- The innovation of our products.

In compliance with the Group directives and the values uniting all Gravotech employees our management system is deployed through the following five pillars:

- Customers and Regulations
- Staff empowerment
- Robust product
- Stable process
- Reliable supply chain

The success of our management system is based on the voluntary commitment of each of us in our PREMIUM positioning. The continuous improvement of our system will make our business sustainable, will ensure that our customers' expectations are met or even exceeded and will contribute to the satisfaction of our employees and involved stakeholders.



## #1 INITIATIVE: PREMIUM QUALITY



Deploy PREMIUM Quality in all of the Group operations to ensure the highest level of reliability for our engraving solutions and thus avoid all operations without added value that could occur in the context of unplanned repairs.

### # 1 INITIATIVE KEY INDICATOR:

**Good at first time on Quality Wall - Roadmap:**

| 2020 |   |    |    | 2021 |    |    |    | 2022 |    |    |    |
|------|---|----|----|------|----|----|----|------|----|----|----|
| Q1   | Q2  | Q3 | Q4 | Q1   | Q2 | Q3 | Q4 | Q1   | Q2 | Q3 | Q4 |
|      |   |    |    |      |    |    |    |      |    |    |    |
|      | 0 Deviation Now Wave 1:<br>Customer Securisation                    |    |    |      |    |    |    |      |    |    |    |
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|      | 0 Deviation Now Wave 2: WW Reliable<br>Product-Process-Supply Chain |    |    |      |    |    |    |      |    |    |    |
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## ENVIRONMENT AND SUSTAINABLE GROWTH & SAFETY AT THE HEART OF OUR ACTIVITY

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To support and manage the CSR approach they formalized and made official at the end of 2020, Gravotech has drafted the following policy:



### *CSR Policy*

The areas of EHS (Environment, Health & Safety) and CSR (Corporate Social Responsibility) are key priorities of the Gravotech Group. These areas are an integral part of the management system for all the Group's operational units.

We pay particular attention to taking actions to:

- Ensure a perfect regulatory compliance,
- Protect the environment,
- Offer secure working environments,
- Offer PREMIUM Quality products and services.

In compliance with legal and other EHS and CSR requirements we are committed to:

- Maintain a governance that promotes responsibility, our vision and our values at all levels of the company.
- Limit our impact on the environment and preserve the resources of our planet.
- Develop and promote social responsibility with our suppliers.
- Provide our employees with a pleasant and secure working environment.
- Integrate health, safety and environmental considerations as well as ethics in investment decisions, design of services and products and in dealing with third parties.

Continuous improvement, which is center to our processes, will allow us with the involvement of all to demonstrate the relevance of combining ambitious economic performance with a strong CSR commitment.

**Pascal CROS**

**CEO**



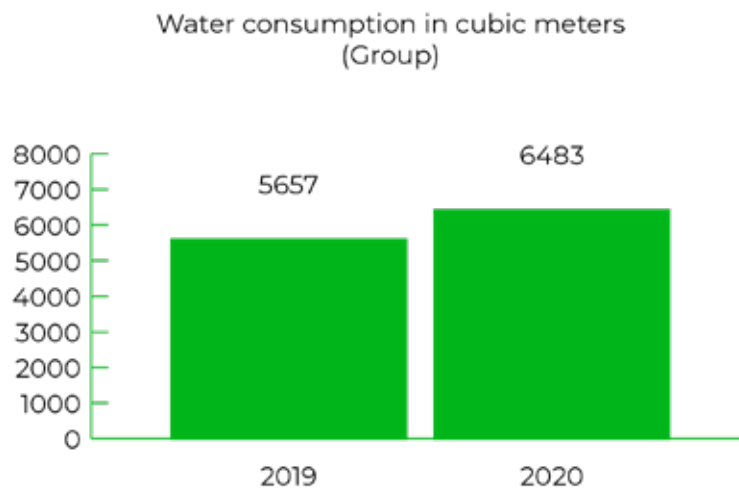
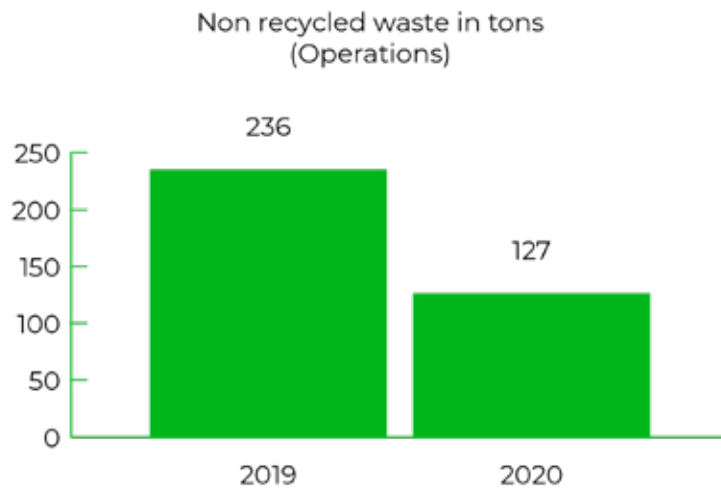
## #2 INITIATIVE: ENVIRONMENT



Pay particular attention and raise awareness to reducing our resource consumption.

Ensure that our wastes are recycled as much as possible and ensure that they are disposed of in conditions that respect the environment.

### #2 INITIATIVE KEY INDICATORS:



(In 2020, floor and hand cleaning activities, due to the pandemic, resulted in an over-consumption of water)

## #3 INITIATIVE: SUPPLIER PARTNERSHIPS

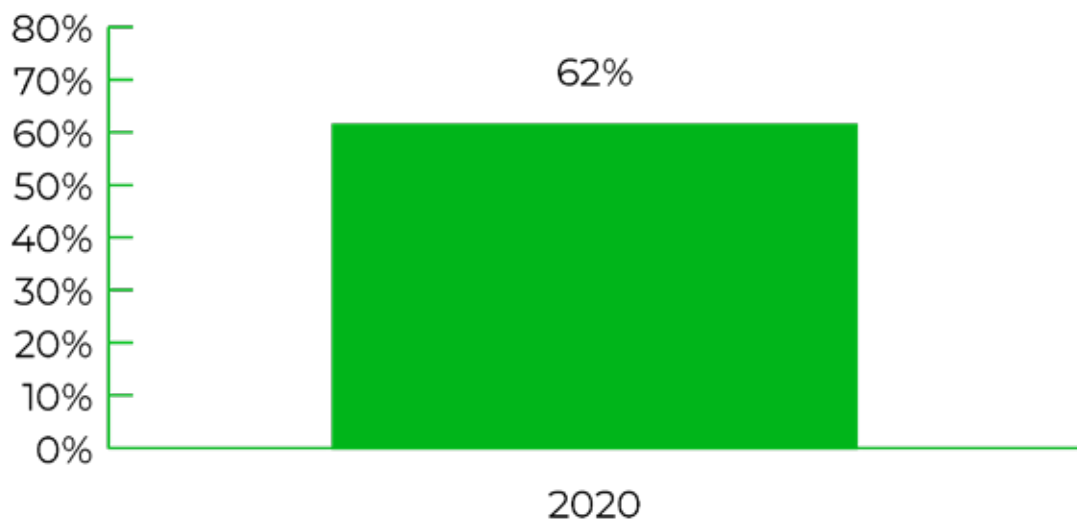


Deploy the CSR approach with our suppliers by:

- Drafting a responsible and ethical purchasing policy,
- Raising awareness and encouraging our suppliers on the importance of implementing a CSR project,
- Supporting and accompanying suppliers already involved in the process.

### #3 INITIATIVE KEY INDICATOR:

Top 50 Suppliers  
EHS/CSR policy deployment



## #4 INITIATIVE: SAFE EQUIPMENT IN PRODUCTION



Provide our employees with optimal safety when using our production equipment by:

- Establishing a standard relating to safety for our production equipment,
- Listing and evaluating equipment presenting significant risks,
- Implementing multidisciplinary working groups responsible for deploying protection systems for operators.

The safety of our employees in their daily activities and specifically in the usage of machines is an essential concern for Gravotech and we will continue this improvement process until all machines meet our Group standards.

### BEFORE MODIFICATIONS



Where we were previously

### AFTER MODIFICATIONS

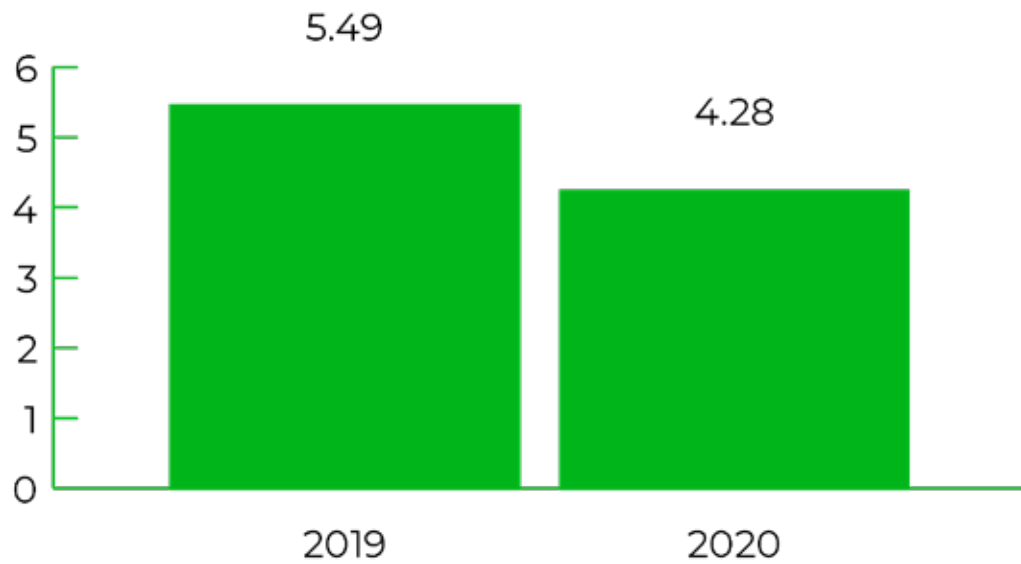


What we have done to progress in this case

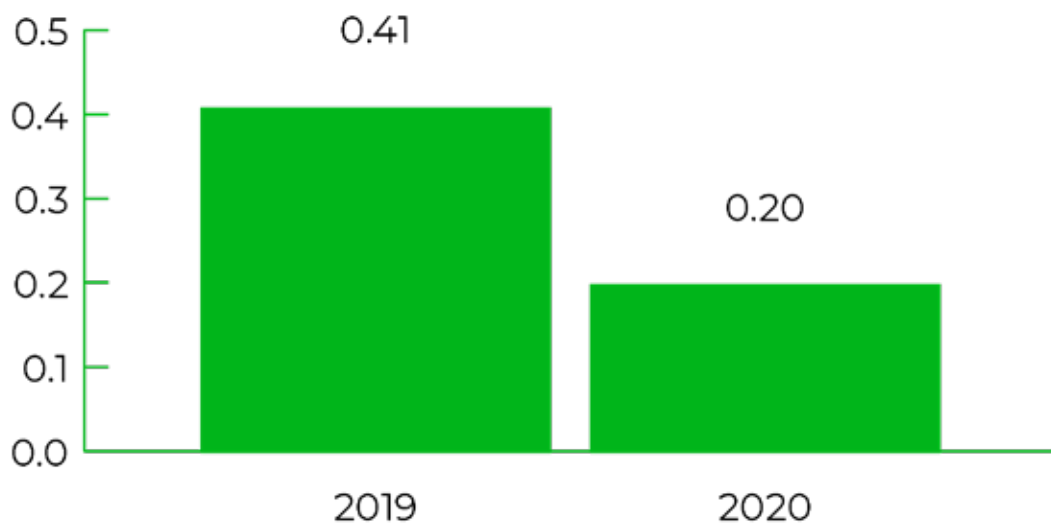


## #4 INITIATIVE KEY INDICATORS:

Lost time incident rate  
(France)



Lost Time Gravity Rate  
(France)



## #5 INITIATIVE: PROMOTE GENDER EQUALITY



For several years, Gravotech has implemented an initiative aimed at reducing:

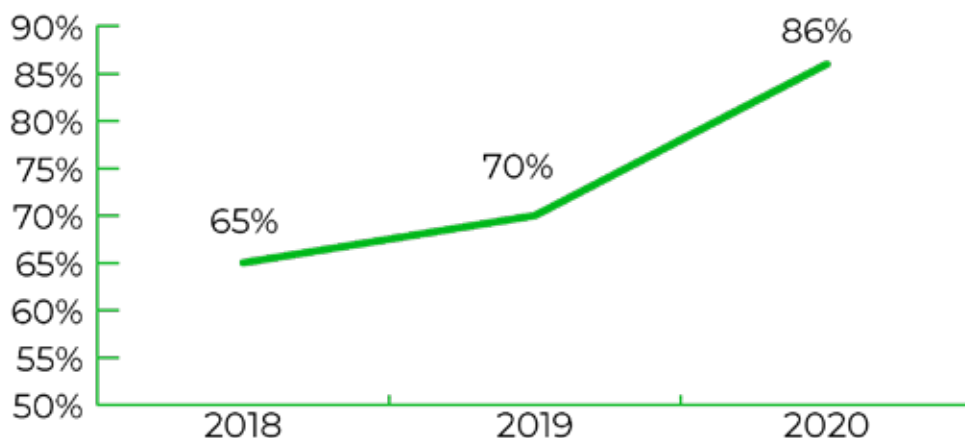
- Men/Women inequalities,
- Inequalities in salaries for identical positions.

To measure this initiative Gravotech has been using in France since 2018 the professional men/women equality index published by the Ministère du Travail, de l'Emploi et de l'Insertion (Ministry of Labor, Employment and Integration).

We note with satisfaction a positive evolution since 2018 of the professional men/women equality index.

### #5 INITIATIVE KEY INDICATOR:

Professional men/women equality index



## LABELS AND CERTIFICATIONS

The Gravotech Group is proud of its labels and certifications, which reward our actions in favor of sustainable development and in favor of customer satisfaction.



Gravotech labeled « Vitrine Industrie du futur » in 2017 (Industry of the Future Reward).



Gravotech assessed Bronze level in 2020 for its CSR approach.



Gravotech has been ISO9001: 2015 certified for its design and manufacture activities of engraving solutions for more than 10 years.



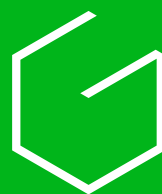
Gravotech has been PEFC certified since 2019 for its range of Laser Wood Birch engraving materials.

CDC N °: BV / CdC / 7287357



## **Gravotech Group**

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# GRAVOTECH

E X P R E S S I O N   O F   T H I N G S

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