



CSR COMMITMENTS 2023
FOR A SUSTAINABLE WORLD



EDITORIAL

We are motivated each and every day to build our future and develop our territories through the actions and commitments we take. I am very proud to share with you our ambition, the missions we believe are ours and our responsibility for a more sustainable world.

Compiled in this booklet, our “CSR Commitments” are the outcome of a collective deliberative approach anchored in strong convictions and in the very DNA of our company, which has been operating for more than 70 years. They have emerged simply, naturally and sincerely.

With wood as a raw material, we have the privilege of offering a solution that actively contributes to tackle climate change. Our plywood product, which is manufactured from a sustainable resource, absorbs a massive amount of carbon. Its valuable contribution gives sense to our work, to our investments and to the commitment of all our employees.

Being actively involved in the present to ensure a sustainable future and acting together to succeed, is a challenging and motivating task, involving a great degree of responsibility which we must assume!

Antoine THEBAULT
Chairman of THEBAULT Group



“ Because a more sustainable world is absolutely vital, it is necessary for each of us, in all humility, to make it happen ”



CONNECTING PERFORMANCE TO PERSPECTIVES

- ▶ 2022 in brief
- ▶ A family group with industrial partners
- ▶ Economic value
- ▶ From the log to engineered wood products
- ▶ A comprehensive range with multiple applications
- ▶ **FOCUS:** THEBAULT plywood products in construction applications
- ▶ Supporting customer relationship

OUR CSR COMMITMENTS

- ▶ Relying on our values
- ▶ Stakeholder identification

WORKING FOR A SUSTAINABLE FUTURE

- ▶ Timber, the backbone of our Industry.
- ▶ Processing certified timber
- ▶ (Re)planting the resource.
- ▶ **FOCUS:** extracting the maximum value from the wood raw material
- ▶ Minimizing our industrial impact
- ▶ Acting on the reduction of waste
- ▶ Reducing transportation
- ▶ **FOCUS:** plastic straps

DEVELOPING OUR HUMAN CAPITAL

- ▶ Human capital as a strategic resource
- ▶ Preserving priceless know-how
- ▶ Safety at the workplace
- ▶ **FOCUS:** better prevention of potential fire hazards
- ▶ Training, a driver of skill development
- ▶ Quality of life at work

BEING COMMITTED TO OUR TERRITORIES

- ▶ Strong local anchorage
- ▶ Supporting the community
- ▶ At the heart of a network including professional partners



CONNECTING PERFORMANCE TO PERSPECTIVES

2022 IN BRIEF

100 M€ Turnover 10 % T/O invested in the production facilities

125 000 m³ Production capacity 5 production units 1 forestry company

FRENCH LEADER & TOP 5 IN EUROPE

65 % Export Export destination countries 20

398 Employees 70 years in business

Over the past 70 years, the poplar sawmill installed by Jean THEBAULT at the heart of the Marais Poitevin in Magné (79) has progressively grown into an industrial group producing engineered wood products, making it the French leader in its sector.

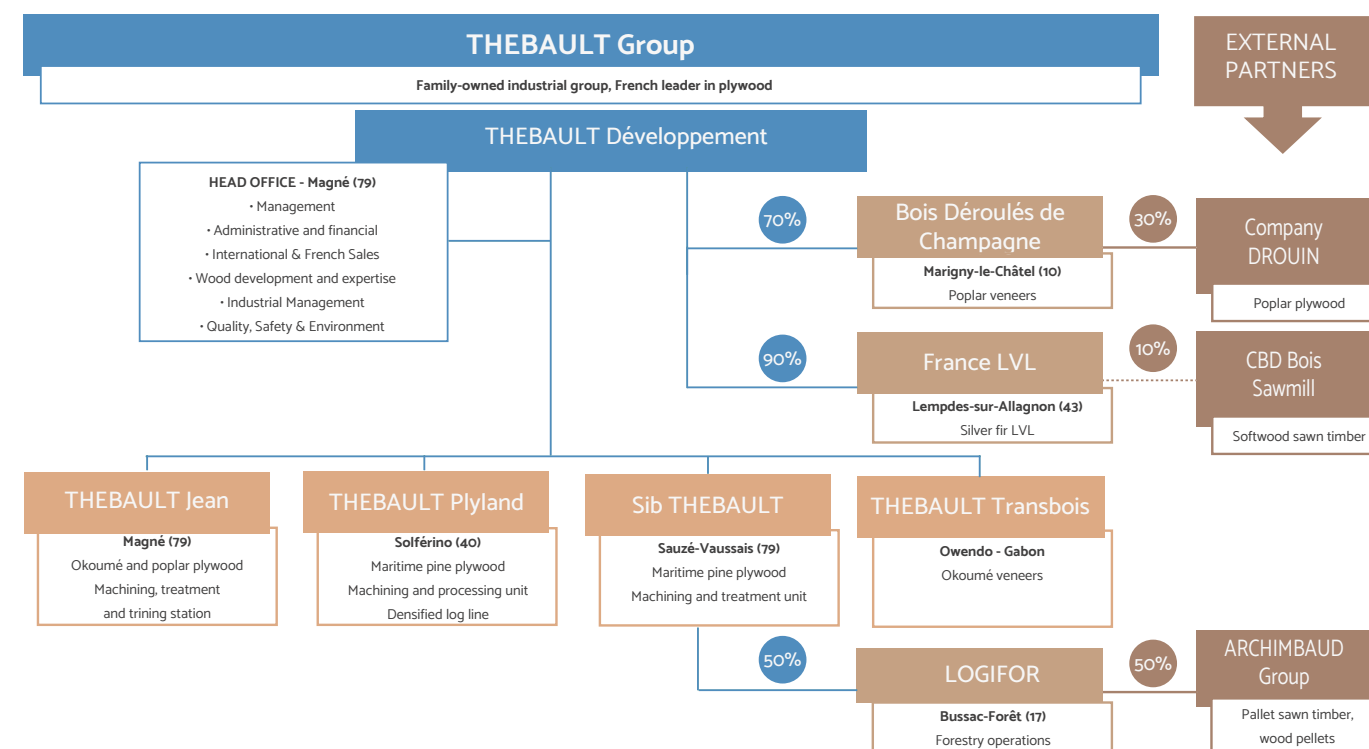
The THEBAULT Group's production sites in France and Gabon include facilities which peel poplar, Okoumé and maritime pine logs and subsequently lay-up the veneers into plywood panels designed for a wide variety of end uses, including the construction sector, the boat building and the vehicle industry, the packaging and the internal fitting sectors.

Since its foundation, the group has been operated by the THEBAULT family and is currently managed by Antoine THEBAULT who represents the 3rd generation at the head of the company. This stable family governance ensures long-term relationships with all the group's stakeholders and a flexibility that is particularly appreciated when it comes to decision-making.

A FAMILY GROUP WITH INDUSTRIAL PARTNERS

Though the Group's shareholding is family-owned, on several occasions the option has been made to join forces with other manufacturers to complete large-scale projects, such as the establishment in 2005 of LOGIFOR, a logging company on a partnership basis with the ARCHIMBAUD Group, and the establishment in 2018 of a new peeling facility specializing in poplar, on a joint venture basis with DROUIN.

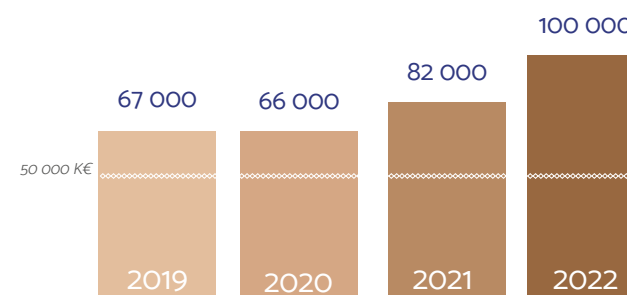
By combining their respective expertise and resources and by sharing investments, these industrial alliances have contributed to the ongoing development of the group. The most recent, announced in 2023, will establish the THEBAULT Group in Auvergne, where it will build the very first LVL manufacturing unit in France at Lempdes-sur-Allagnon (43) in partnership with a local sawmill, CBD Bois.



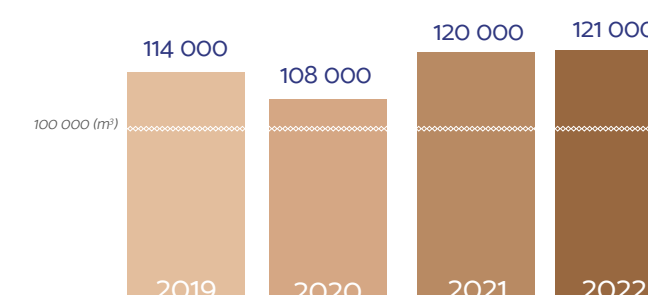
THE ECONOMIC VALUE

Economic indicators provide a condensed and summarized view of the company's overall performance, highlighting the general growth trend.

Turnover (K€)

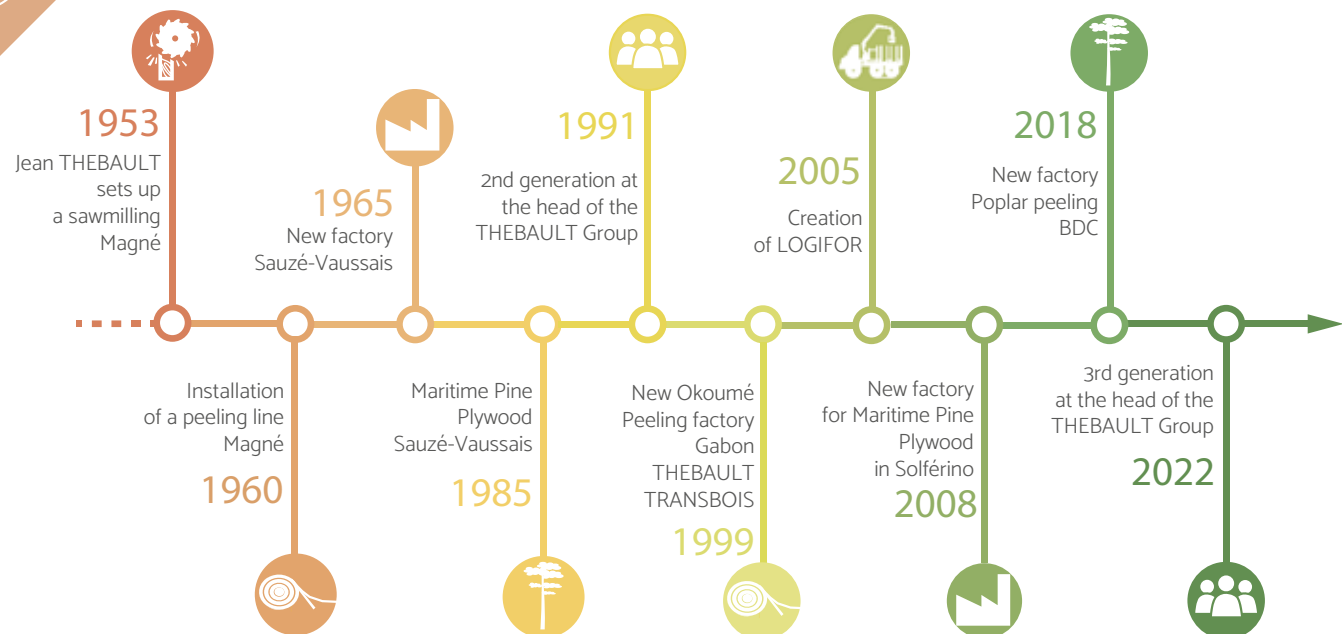


Plywood production (m³)



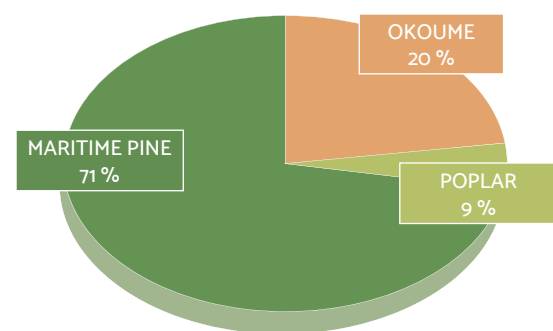


FROM THE LOG TO WOOD ENGINEERING



A COMPREHENSIVE RANGE FOR A WIDE VARIETY OF APPLICATIONS

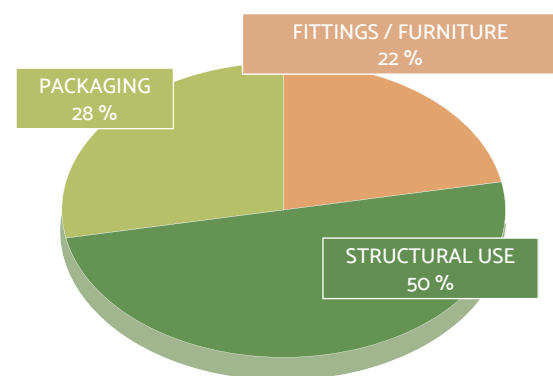
Breakdown of volumes / wood species



Wood is the main resource at the core of our industrial activity. Plywood is obtained by peeling logs of Maritime Pine, Poplar or Okoumé. The sheets of wood obtained are glued then laid up at right angle and hot-pressed so as to being assembled into plywood panels.

Technical and aesthetic, plywood is sold in France or exported, mainly to Europe, for more than 65% of the production capacity.

Breakdown of volumes / applications



LONG TERM CUSTOMER RELATIONSHIPS

By making customer satisfaction the driving principle in all our customer relations, we maintain a long-term relationship based on trust and mutual commitment with our partners.

Each and every claim is subject to a procedure for analysis, processing and corrective action. The implementation of a claims index (number of cubic metres of plywood for which a claim has been filed compared with actual production for the year, per 100 m³ of plywood) has made it possible to identify areas of improvement. In recent years, this index has been divided by 4.



CUSTOMER CLAIMS INDEX

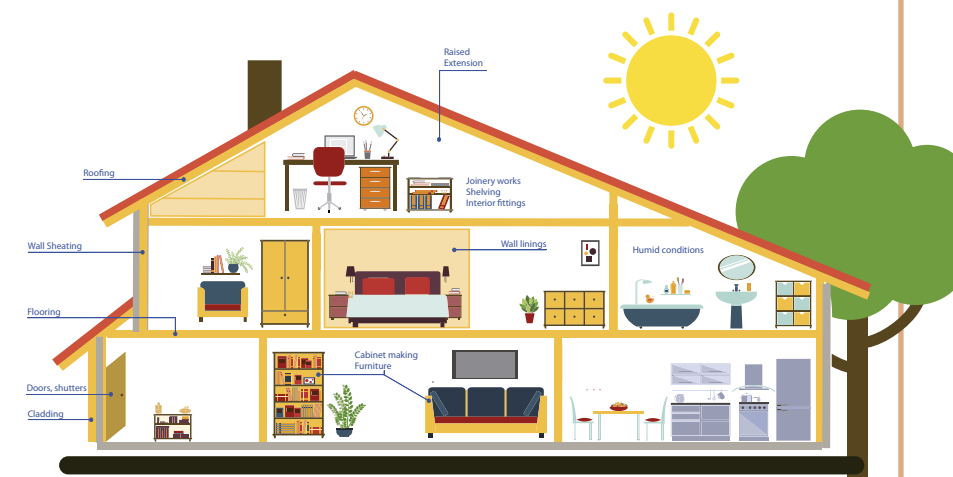


FOCUS

IN CONSTRUCTION END-USE OF THEBAULT PLYWOOD PRODUCTS

In Europe, plywood is widely used in the construction industry, both for technical and structural applications and for internal fittings.

Plywood is a wood-based material by excellence, contributing to the decarbonization of the construction sector.



Use of THEBAULT plywood in construction



CONSTRUCTION SECTOR IN 2022

72 % of the plywood volume manufactured

76 % of the turnover generated

Decarbonization

In the construction industry, wood is a material that massively sequesters CO₂ and also uses less fossil energy than other materials for its manufacture.

As a result, wood-based products and timber construction systems offer a double advantage when it comes to tackling greenhouse gas emissions which is why they are so highly praised by the French authorities who are aiming to increase the proportion of wood used in construction from 7 % to 30 % by 2030.

The use of wood in constructive systems which considerably improves the low-energy and insulation performance of a building, has become a permanent part of the new construction sector, stimulated by the RE2020 regulation.

Some of the available options and services can be specifically used to upgrade standard panels for very specific construction applications:

- tongue-and-groove machining of plywood for flooring and roofing applications
- pre-painted semi-finished panels: a white primer is applied directly at the factory
- The WeatherScreen protection temporarily impermeabilizes the plywood during the unprotected period of installation at the worksite (60 days) and subsequently prevent the development of micro-organisms at the surface in confined atmosphere.

An eye on the future

In 2023, the THEBAULT Group has announced an investment of 100 M€ in the construction of a new production unit in Auvergne (France) dedicated to the manufacture of LVL made from silver fir. LVL panels and beams are manufactured from large-sized wood veneers and are more particularly used in the construction industry where their excellent mechanical properties make them suitable for heavy-duty applications.

2030 TARGETS

- ▶ Production of 200,000 m³ of engineered wood
- ▶ Increase the proportion of products used in construction to 80% of the production capacity

SUSTAINABLE DEVELOPMENT OBJECTIVES IDENTIFIED





OUR CSR COMMITMENTS

RELYING ON OUR VALUES

The CSR initiative, launched in 2021, is driven by our ambition of ethical commitment and positioning based on the fundamental principles of the THEBAULT Group. Even before the concept of “Corporate Social Responsibility” became widespread among companies, the Group’s successive Directors have implemented their values and their vision of long-term governance.

The structuring of the CSR approach is on the way to becoming an essential vector for continuous improvement, providing guidelines for day-to-day operations, prioritizing the actions to be taken and the objectives to be achieved.

Our ambition

- Working together to build a sustainable world

Our mission as a company

- Processing wood into technical solutions for a sustainable world.
- Producing together, as a group committed to people and its resources.

Our vision

- Being a leading provider of sustainable eco-friendly solutions. Making our production sites modern and safe, with the lowest possible impact, particularly on climate change.
- Being a group with a long term vision where everybody finds personal fulfillment and meaning in his work and where resources are preserved.

This first report is produced on a voluntary basis. It summarizes the indicators that have been implemented, clarifies the issues at stake and compares the results with the sustainable development targets that have been set.

Our values

Respect

- Respecting and listening to others, with close, loyal and honest relations in a spirit of compliance with the rules.

Our commitment

- Passionate, determined and entrepreneurial, we show conviction and courage to deliver our projects.

Adaptability

- Responsiveness and flexibility are at the heart of our high standards of performance and customer service.

Implication

- In our local territories and involved in their development.

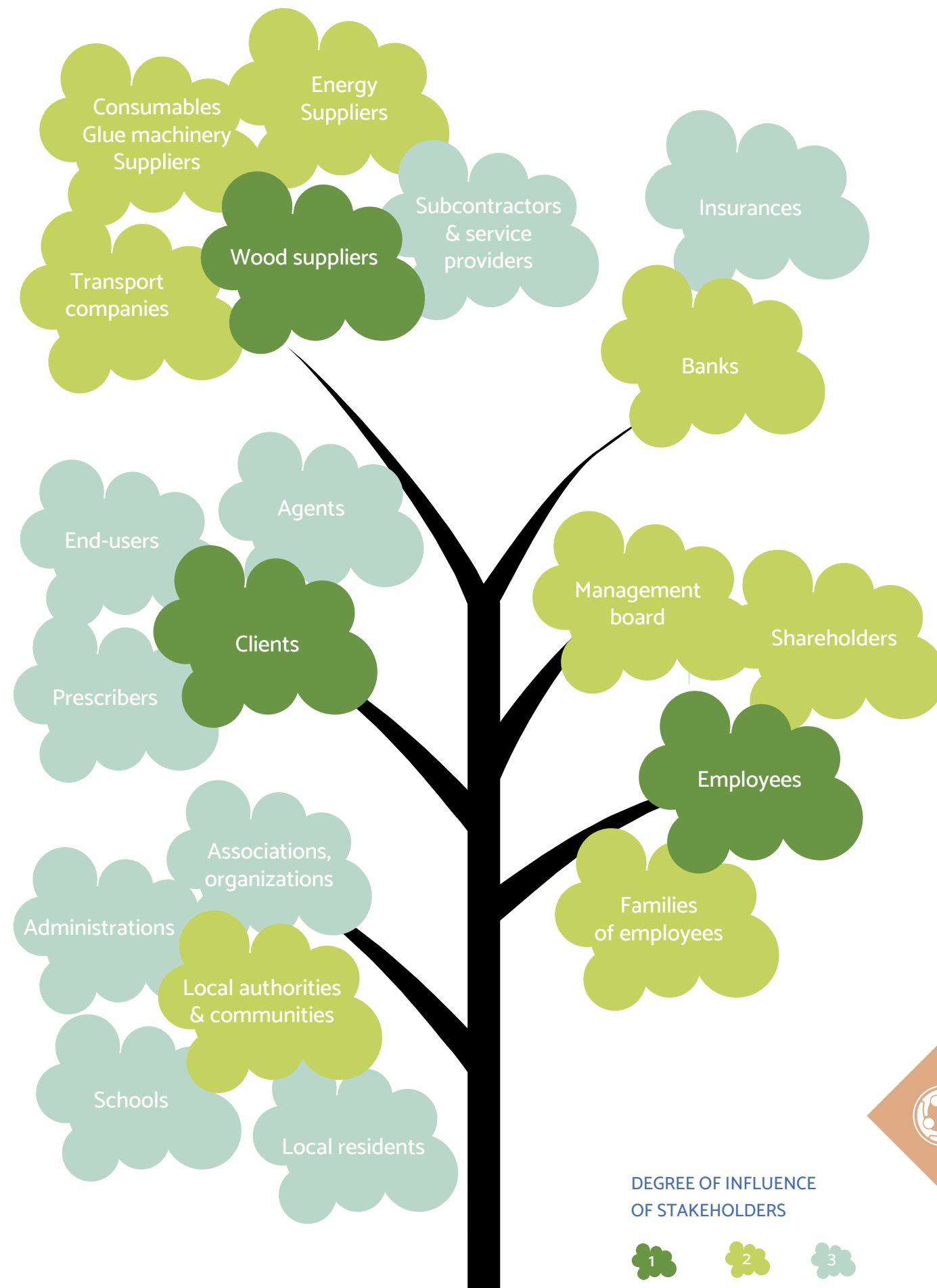
Wisdom

- Risks, consequences and accountability determine the decisions we make and we always want to take them carefully.

OBJECTIVES 2023/24

- ▶ Formalizing our CSR approach and communicate our commitments to internal and external stakeholders.

IDENTIFICATION OF THE STAKEHOLDERS



DEGREE OF INFLUENCE OF STAKEHOLDERS





WORKING FOR A SUSTAINABLE FUTURE

Our industrial approach is focused around the key idea of offering products that will help to build a sustainable future for the forthcoming generations.

This is achieved by:

- using renewable resources and being actively involved in their renewal,
- the determination to adopt an industrial process that has the lowest possible impact on the environment.

TIMBER, THE BACKBONE OF OUR INDUSTRY

Plywood is manufactured by peeling logs and assembling veneers by gluing and pressing. The logs selected for our industry must be over 25 cm in diameter so that they can be peeled into a wooden sheet a few millimetres thickness and up to several hundred metres long.

This process can only be carried out using timber from mature trees, the age of which varies depending on the tree species. They can be harvested as from:

- 18 years for Poplar
- 45 years for Maritime Pine
- 45 years for Silver Fir
- 60 years for Okoumé

PROCESSING WOOD FROM CERTIFIED ORIGINS

Besides complying with the legal obligations on wood traceability stipulated in the European Union Timber Regulation (EUTR), the THEBAULT Group has voluntarily opted for PEFC and FSC® certifications, certifying the use of wood originating from sustainably managed forests.

In addition, BOIS DE FRANCE is a label promoting the origin and processing of wood in France.

Silver Fir, which will shortly be used to manufacture the LVL, will equally be sourced to meet the requirements of this certification and label.

Proportion of certified wood in raw material supply

ACHIEVED IN 2022 : EUTR COMPLIANCE



89 % of Maritime Pine

71 % of Poplar

100 %



67 % of Okoumé*

100 %

Capacity of up to 100% achievable



100 % of Maritime Pine

100 % of Poplar

REGENERATION OF THE RESOURCE

The THEBAULT Group has long been involved in (re)planting initiatives through associations or collective projects to regenerate and maintain wood resources in various forest areas:

- “Merci le Peuplier” charter since 2014
- “Planting for the Future” programme since 2014
- Financial and technical support for landowners with the “Performance Poplar Contract” introduced in 2020
- Maintenance of poplar plots belonging to the THEBAULT forestry unit.



Maritime pine seedlings



BUDGET DEDICATED TO REGENERATION

392 K€

were allocated in 2022 to renewal programmes and to the Group's forestry unit

FOCUS

WOOD

ADDING VALUE TO ALL RAW MATERIALS

The wood entering the production sites' logyards is either processed to make plywood or recycled as by-products generated by the industrial process.

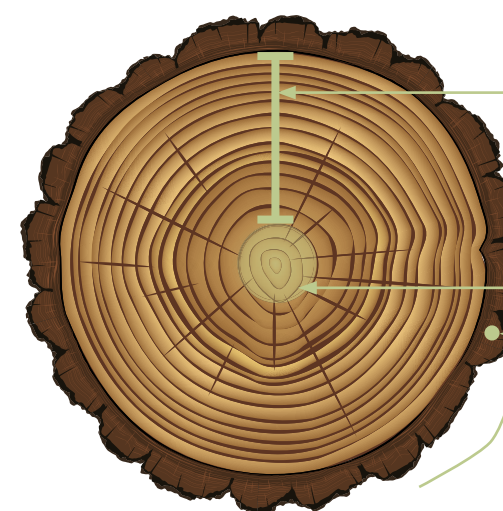


RECOVERY RATE

100 %

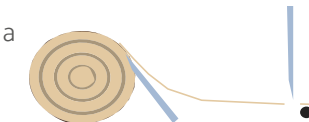
recovery of the wood into plywood and by-products

Uses of the different parts of logs



VENEERS FOR PLYWOOD PANELS

Log : peeled section against a knife blade



BY- PRODUCTS

- Peeler core: used in pallets and poles
- Bark: used as mulch, green chemistry
- Other by-products recycled as:
 - Paper chips for paper pulp
 - Densified logs for heating
 - Fuel for biomass boilers





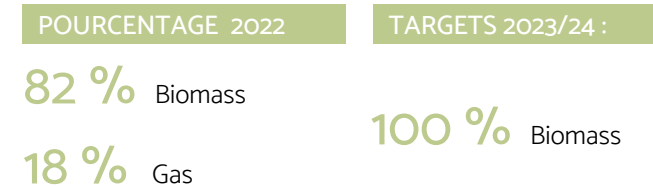
MINIMISING THE INDUSTRIAL IMPACT

Our industrial approach is based on a constant determination to minimise the impact of our activities. This reflects into strategic decisions combining productivity by avoiding waste, protecting the environment and by reducing the consumption of raw materials:

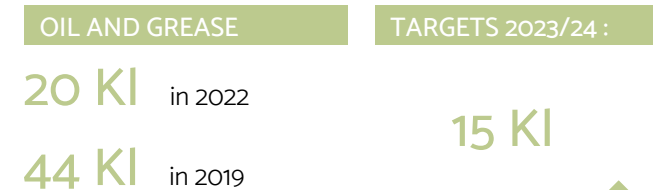
- ▶ Water and energy consumption control in industrial processes
- ▶ Use of biomass for energy supply on production sites
- ▶ Drastic reduction in the consumption of non-renewable resources



MWH OF HEAT GENERATED BY BOILERS



NON-RENEWABLE RESOURCES



FOCUS

1 200 kms of plastic straps = 1 Return trip Bordeaux - Paris

Every year, the THEBAULT Group's plants consume 1,200 km of plastic strappings to band plywood panel bundles. This represents one return trip from Bordeaux to Paris per year in solid plastic strips. Polypropylene is now fully recyclable and can be reused several times in a row to manufacture a new object each time.

- ▶ At the Magné production site (79), a chipper has been installed to convert the strappings from the Group's internal shuttles into easily transportable waste. Through a partnership with the ROUVREAU Group (79), they are collected and recycled into new strappings.

TACKLING WASTE

In coordination with the relevant plant management teams, tangible measures have been put into place to reduce the waste being generated and to recycle it. These are a variety of actions, sometimes limited in terms of volume but they all contribute to raising collective awareness of the need to adopt new habits.

Selective separation of all types of materials: metal, wood, non-hazardous industrial waste, used oils and greases, plastics, cardboard...

- ▶ Specific recycling channels: paint cans, ink cartridges, batteries, plastic straps.
- ▶ Since the best waste is that which is not produced, the employees' plastic bottles have been replaced by metal water bottles provided by the company.



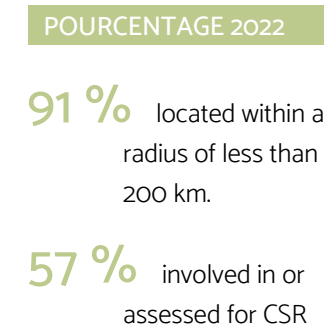
REDUCING TRANSPORT

Harmonising our economic targets with our environmental responsibility is at the heart of our business development policy. As highlighted by the Carbon Footprint, transport accounts for a very significant proportion of the THEBAULT Group's greenhouse gas emissions.

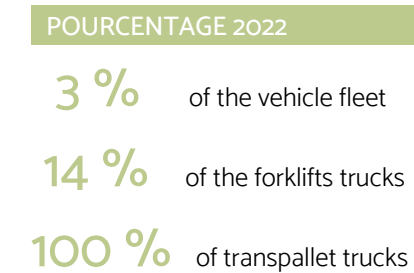
Whether we are locating our industrial facilities or choosing equipment or supplies, we always give priority to solutions that reduce our environmental impact by exploring more sustainable alternatives.

- ▶ Locating our peeling sites close to our main resource, wood, to secure supplies from local forest areas
- ▶ Responsible procurement through short distribution channels to limit the impact of transport
- ▶ Progressive replacement of existing handling equipment with electric versions
- ▶ Widespread use of remote video-conferencing equipment at all sites to facilitate remote meetings
- ▶ Supporting employees in reducing the impact and cost of home/work journeys with the introduction of a "Group Travel Plan" and a "car-sharing charter". Participation in the "National Mobility Challenge" to develop eco-friendly and shared mobility.

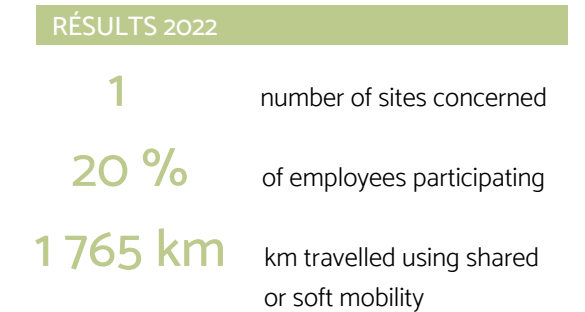
WOOD SOURCING *



ELECTRIC VEHICLES



EMPLOYEES MOBILITY CHALLENGE



* Wood sourced in France

2023/24 TARGETS

- ▶ Elaboration and communication of the carbon footprint assessment
- ▶ Substitution of fossil energy (gas) by the use of biomass
- ▶ Developing a responsible offer for the entire life cycle and value chain

SUSTAINABLE DEVELOPMENT OBJECTIVES IDENTIFIED





DEVELOPING OUR HUMAN CAPITAL

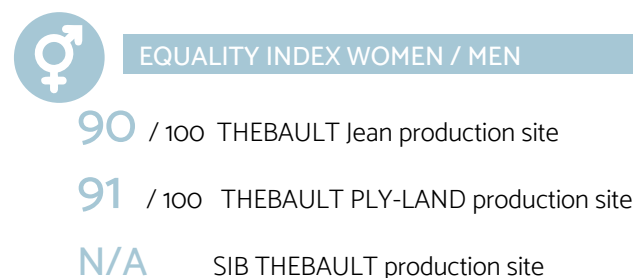
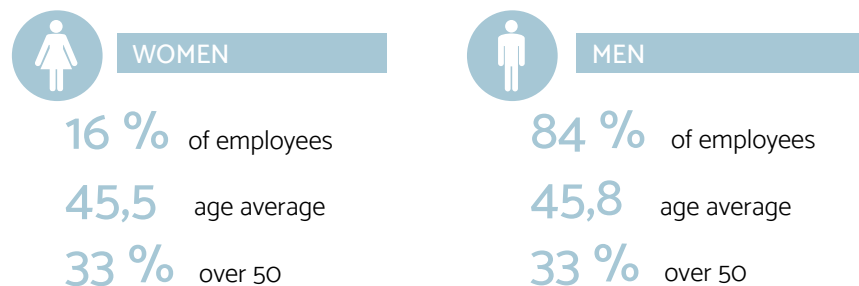
The THEBAULT Group is a family company built on strong values of respect, proximity and loyalty, passed down from generation to generation.

The first persons to benefit from these values are the employees of the Group's companies.

In asserting its commitment to CSR, the THEBAULT Group has made the choice to include its values as a guiding principle for its development, by strengthening its employer profile based on its fundamental principles.

HUMAN CAPITAL - A STRATEGIC RESOURCE

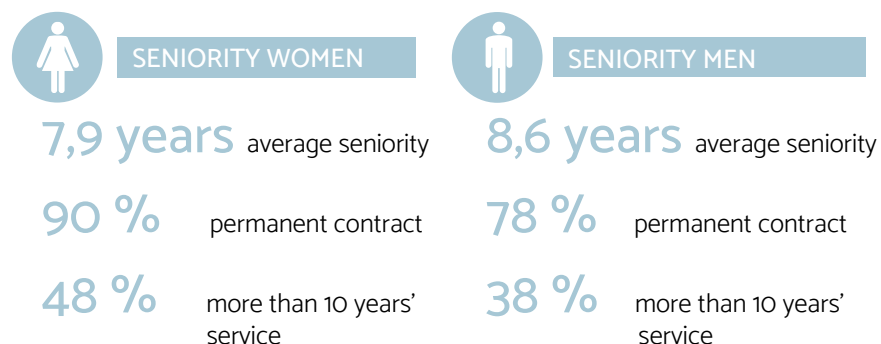
In the industry world, and consequently in the first processing of wood, the majority of employees are male, particularly in the case of shift work and night work. The feminisation rate is higher in administrative and commercial services than in production.



Beyond the sole recruitment objective, we are conducting an intensive series of promotional activities to highlight a sector that is recruiting and to challenge any preconceived ideas about employment in the manufacturing industry.

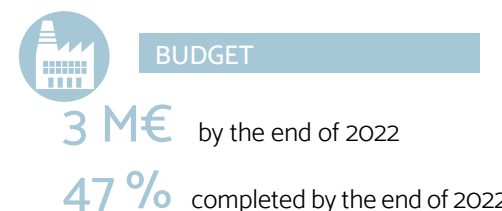
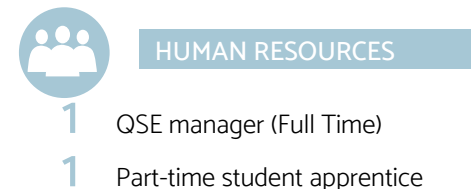
PRESERVING OUR VALUABLE KNOW-HOW

In order to properly pilot the plywood manufacturing process, it is necessary to be familiar with both the characteristics of the wood species processed and the functionalities - which are sometimes complex - of the production lines.



SAFETY AT WORK

At all our sites, health and safety for our employees, as well as subcontractors intervening at our facilities, is one of the Group's top priorities. Working procedures include a significant safety aspect, both for our industrial facilities and for good practice at the workplace.



Physical securement of production lines, traffic or handling areas and other equipment (barriers and gates, electrical interlocks and circuit breakers, areas signposting).

Voluntary CSSCT (health, safety and working conditions committee) set up in each of the Group's companies, meeting 4 times a year to assess risks and adjust equipment or safety instructions.

Generalization of PPE and work clothing with a distinct color code to better differentiate between production operators, maintenance personnel and first aiders.

Reinforcing the "Safety at Work" culture by permanently advertising the "Golden Rules of Safety" designed to make employees aware of the need to adopt the right attitude in all situations. The "Zero Accidents" target is systematically reiterated at monthly safety briefings so that everyone feels involved in not only his own safety but also that of others.

FOCUS

FIRE BETTER RISK PREVENTION

The risk of fire is a very serious issue when working with wood. This potential hazard is managed not only by preventing the outbreak of fire, but also by training and educating people who can intervene in the event of a fire outbreak and who know how to implement the established procedures.

- In 2022, the decision was taken to equip all production sites with an automated sprinkling system, with the implementation scheduled between 2023 and 2025.
- The signature of "Company/Fire Brigade Agreements" enables employees who are volunteer firefighters to make themselves available during their working hours should an emergency occur. In rural areas where production sites are located, volunteer firefighters are the best guarantee of prompt intervention.
- The fire brigade is also regularly invited to carry out training manoeuvres on the various sites which helps them to understand the local environment.



Fire brigade manoeuvres on the 10,000 m² Logifor site (17)





TRAINING, A LEVER FOR SKILLS



TRAINING & APPRENTICESHIPS

1 246 hours of training

4 number of apprentices



From training to the transmission of know-how, the Group is committed to **apprenticeship** and opens the doors of its business units to students, from professional baccalaureates to engineer graduates. In 2022, 4 of the young students were able to complete their part-time courses in the following sectors:

- Commercial administration
- Industrial maintenance
- Electro-mechanics
- Hazard sciences.



2022 simultaneously brought together the 15 shift managers from the production units for a “**MANAGEMENT**” training course, focusing on team leadership, public speaking and even conflict management. Team leaders have to deal with all these different situations in their day-to-day work.

QUALITY OF WORKING LIFE

The “*Quality of Life at Work*” initiative includes all working environments, from the human aspect to the work atmosphere (context), with the aim of improving the way people work together. It combines actions already underway at production sites with a global and widespread vision of QWL.

- ▶ General adoption of **the integration procedure for new employees**, with the implementation of tools (welcome booklet / welcome folder / video of safety instructions) and implementation of a coaching path.
- ▶ Development of **mentoring** which, in addition to the technical skills needed to transfer know-how, helps to promote internal competence and improves the qualification and the integration of new employees.
- ▶ Project to improve the working environment, called “**Relooking of factories**”, which involves new developments dedicated to the daily life of employees, improved signposting within the factories and a facelift of the external appearance of the facilities.



PLANT RELOOKING

3.9 M€ overall budget allocation

4 years timeframe of the project

SUSTAINABLE DEVELOPMENT OBJECTIVES IDENTIFIED



2023/24 TARGETS

- ▶ SAFETY: holding more frequent meetings in small teams, managed directly by team managers to promote initiatives by the teams in relation to their direct environment
- ▶ APPRENTICESHIP: one apprentice per site
- ▶ Forward management of jobs and competences to anticipate needs and organise the competences development plan.

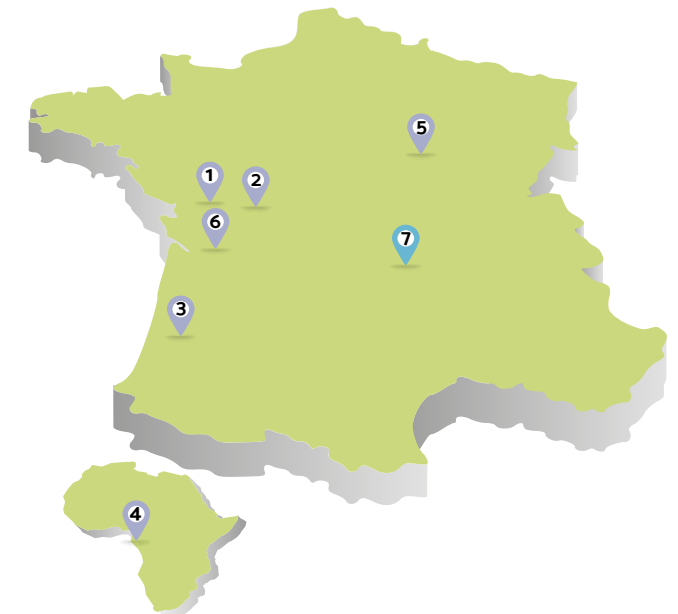
BEING COMMITTED TO OUR TERRITORIES



A STRONG LOCAL BASE

The company has historically been based in the heart of the Marais Poitevin and its poplar woodlands. This location, close to the resource that is essential to our wood processing industry, has served as a guide for the Group in the development of its new production sites.

This is the reason why, at each site, we have established our peeling and plywood manufacturing units in rural communities with fewer than 3,000 inhabitants, giving priority to road and logistics infrastructures, the availability of wood resources and the dynamics of the employment areas. This strategic location also means that we are strongly rooted within the communities in which our production sites are established: they are key economic and social players, with employees living in an environment close to their workplace.



SPONSORSHIP & PARTNERSHIP

80 K€ Total amount allocated in 2022 (excluding wood supplies)

23 Total number of projects funded

INVOLVEMENT IN THE COMMUNITY

We are regularly involved in local life and easily open the doors of the factories to show our activity and allow different publics to understand the challenges that the sites face.

- ▶ Schoolchildren from the villages take part in “Industry Week programmes” to discover how wood is processed into plywood.
- ▶ Organization of “Open Days” to explain the activities and potential jobs available to public services and employment associations in rural areas



EMPLOYEES TRAVEL DISTANCE TO SITES

84 % of employees live less than 20 km from their work site

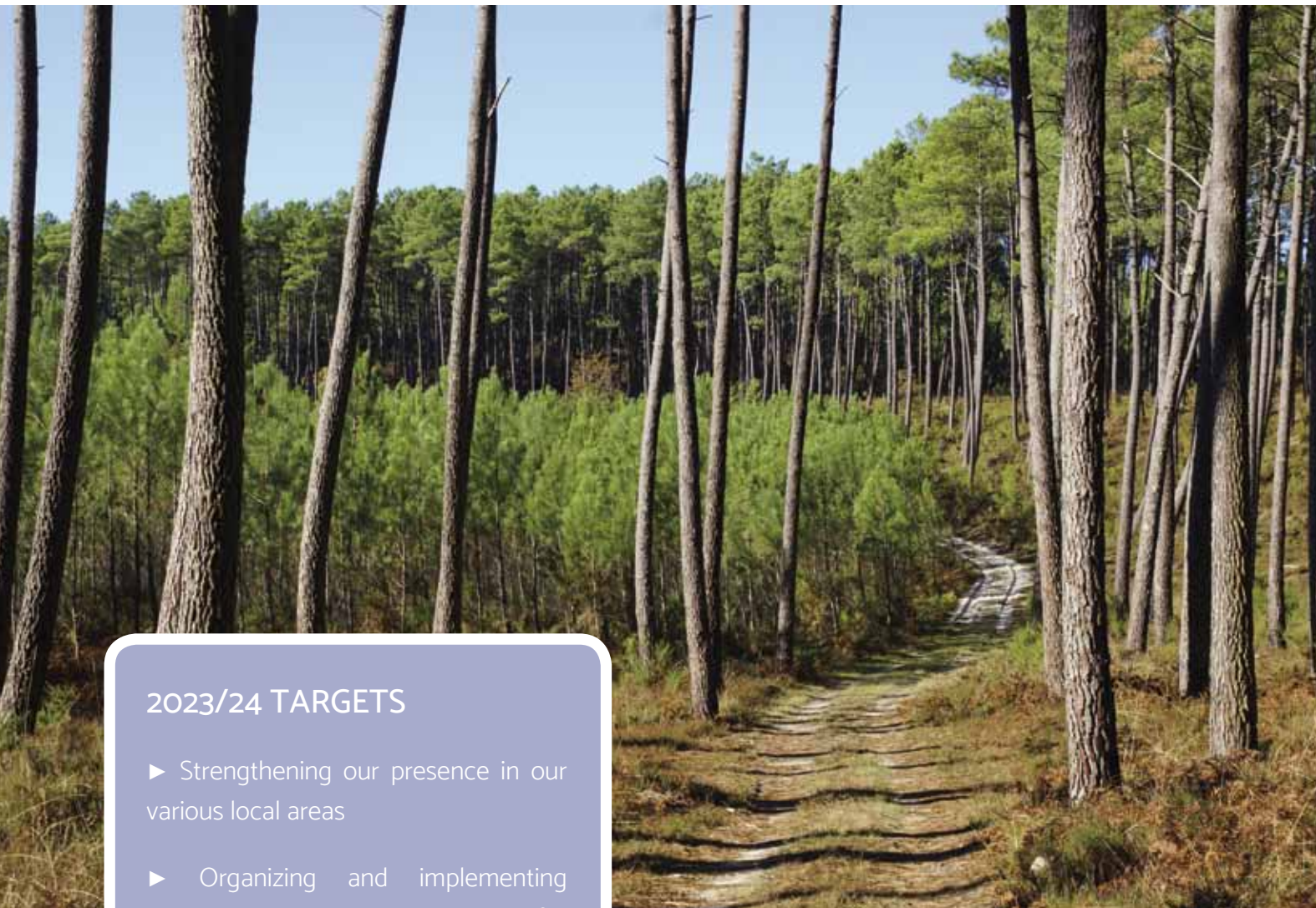
- ▶ Involvement in local associations in line with the values promoted by the Group.
- ▶ Providing financial support or donating equipment to local sports, social or cultural associations.

AT THE HEART OF A NETWORK INCLUDING PROFESSIONAL PARTNERS

The THEBAULT Group is a committed stakeholder in various interprofessional networks and unions, training, research and expertise centres, business and management clubs and associations.

Employees take part in the various meetings and programmes proposed by these organisations around specific objectives linked to the group's products, activities and values, such as:

- ▶ Developing the use of wood and wood products in the construction industry through actions aimed at promoting sustainable and bio-sourced raw materials in partnership with the wood sector within our regions;
- ▶ Provide technical support for the elaboration of rules and standards;
- ▶ Promote training, inclusion and diversity in the wood industry;
- ▶ Promote the industry and its various specialities, participate in the industrialization of France.



2023/24 TARGETS

- ▶ Strengthening our presence in our various local areas
- ▶ Organizing and implementing a participative governance for the allocation to sponsorship and philanthropy, in line with key causes and the Group's values.

SUSTAINABLE DEVELOPMENT OBJECTIVES IDENTIFIED



LET'S BUILD OUR FUTURE



OUR CONTRIBUTIONS TO SUSTAINABLE DEVELOPMENT OBJECTIVES

Our CSR approach, initiated two years ago, has led us to determine our contribution to the United Nations' 17 Sustainable Development Goals and to identify those that can be considered as essential in helping to build a sustainable future for the company. We have become aware of the need to implement actions that are in line with the priorities that were identified.

Our development areas

- ▶ The economic outlook
- ▶ The environment
- ▶ Our human capital
- ▶ Our territories





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