



# 2020 INTEGRATED REPORT



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# GROUP OVERVIEW

Saint-Gobain in 2020,  
as a unique organization

For more than 90 years, Sekurit has been leading the way in mobility thanks to its breakthrough solutions, providing comfort and safety for drivers and passengers throughout the world.



# SAINT-GOBAIN AT A GLANCE

167,552  
EMPLOYEES

110+  
NATIONALITIES

€38.1 billion  
SALES

10,100,574  
METRIC TONS OF VIRGIN RAW  
MATERIALS (SAND, GYPSUM)  
SAVED

90.7%  
DIVERSITY INDEX

25.3%  
PERCENTAGE OF WOMEN MANAGERS

70%  
MORE THAN 70% OF OUR SALES  
ARE GENERATED THROUGH  
SUSTAINABLE SOLUTIONS

-12.2%  
CARBON EMISSIONS REDUCTION  
(BASE 2010)

SAINT-GOBAIN  
AT A GLANCE

# 70 MANUFACTURING PRESENCE IN COUNTRIES



# THE GROUP'S ACTIVITIES

## BUSINESS LINES FOR REGIONAL CUSTOMERS

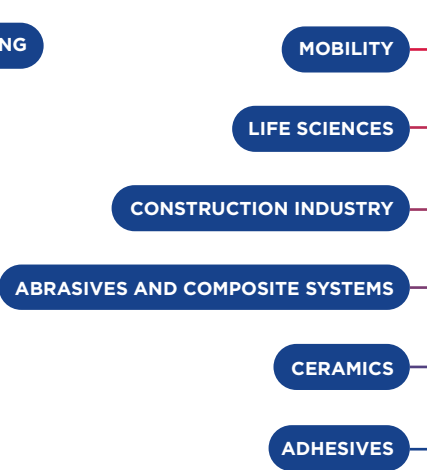
Saint-Gobain designs, develops and distributes innovative solutions that improve the **quality and comfort of living places**, reduce the **environmental impact of buildings** and make life easier for its professional customers, which include architects, craftsmen, and installers.

The Group offers a unique range of **solutions for all areas of the construction industry**.

Its geographical organization allows it to offer solutions that are tailored to the **specific needs of its local markets**, whether in terms of construction methods or styles, building systems, distinctive climate features, for the renovation of existing buildings or the undertaking of new constructions.



## BUSINESSES FOR GLOBAL CUSTOMERS



Saint-Gobain's High Performance Solutions (HPS) are **value-added solutions for varied applications** in mobility, health, construction and industry.

Saint-Gobain relies on strong expertise in materials science, formulation, design of automotive glass applications, ceramics, abrasive solutions, performance polymers and fiberglass.

It has expertise in multiple **state-of-the-art applications** that make use of the specific properties of its materials (high temperature resistance, abrasion, chemical stability, surface properties, etc.).



“We do believe the major economic, environmental, social and societal challenges of our times will only be answered thanks to the full contribution of businesses, understanding the necessary association of profitable growth and sustainable performance. This is precisely what is at stake, as we decide to make CSR an integral part of Saint-Gobain’s business model and overall strategy.”

Our longstanding commitment to sustainability rests on tangible initiatives. In 2003, we did materialize our ongoing improvement approach as we became signatories of the UN Global Compact. We also formalized our Principles of Conduct and Action, which define our code of ethics and permeate our corporate culture. In 2015, we set ourselves ambitious environmental objectives for 2025. In 2020, we designed and published our roadmap to becoming carbon-neutral in 2050, and we defined new mid-term environmental objectives for 2030.

Making sustainability part of our global strategy echoes one strong belief: value creation can only occur if it is shared with all our stakeholders. With our staff and their families, of course, but also with all those we

## FOREWORD: PIERRE-ANDRÉ DE CHALENDAR AND BENOIT BAZIN

interact with all through our value creation chain, from suppliers to final users, from corporate clients to investors and public authorities, from our research and academic partners to start-uppers and innovators, and from media to opinion leaders and NGOs.

As our Group announced both exceptional results for the second half of 2020 and changes in our governance, we publish this first Integrated Report with one clear ambition: to help our stakeholders better understand how we bring together the various dimensions of our strategy, and how Saint-Gobain creates short, middle and long-term value, taking our stakeholders’ interests into account. With this report, we aim to be transparent and didactic. We see it as additional proof of our dedication to integration, openness and proximity.



Pierre-André de Chalendar  
Chairman of the Board  
of Directors \*

Benoit Bazin  
Chief Executive Officer \*

\* From July 1, 2021

# SAINT-GOBAIN'S DNA

## THE GROUP'S HISTORY

Founded in 1665, Saint-Gobain keeps building its future. For 350 years, the Group has consistently demonstrated its ability to invent materials, products, services and solutions that improve quality of life.

## PURPOSE

"MAKING THE WORLD A BETTER HOME" (cf. page 9)

## VALUES

Strong and shared values, embodied in nine Principles of Conduct and Action, which constitute a true code of ethics for Saint-Gobain

Principles of conduct are the fundamental values that unite managers and employees

Principles of action guide the actions of all management and employees in the performance of their duties

PROFESSIONAL  
COMMITMENT

RESPECT FOR  
INDIVIDUALS

INTEGRITY

LOYALTY

SOLIDARITY

RESPECT FOR  
THE LAW

CARING  
FOR THE  
ENVIRONMENT

WORKER  
HEALTH AND  
SAFETY

RESPECT FOR  
EMPLOYEE  
RIGHTS

## MISSION

(cf. page 30)

## VISION

(cf. page 29)



## IN 2020, SAINT-GOBAIN FORMULATED ITS PURPOSE

Through its business model generally and with its solutions specifically, Saint-Gobain has a tangible impact on the life of each individual, their environment and their way of working, caring for themselves and getting around. The Group's purpose is the link between the infinitely small unit of each person's living space and the infinitely large one of our shared home: **the planet.**

Our purpose sets the course for our common future. Together with and for our customers, we design, manufacture and distribute materials and solutions that have a positive impact on everyone's life and provide well-being, quality of life and performance, while caring for the planet.

Our purpose reflects who we are. Our 350 years of history, our collective strength and our leadership empower us to pursue our development, by addressing the major challenges facing humanity, namely, climate change, resource protection and inclusion.



# MAKING THE WORLD A BETTER HOME

IN 2020,  
SAINT-GOBAIN  
FORMULATED  
ITS PURPOSE

This purpose is the result of a process conducted with the Group's stakeholders, internal as well as external.

EMPLOYEES

INVESTORS

NGOS

PARTNERS

OPINION LEADERS

15,000

-  
INTERNAL  
CONTRIBUTIONS

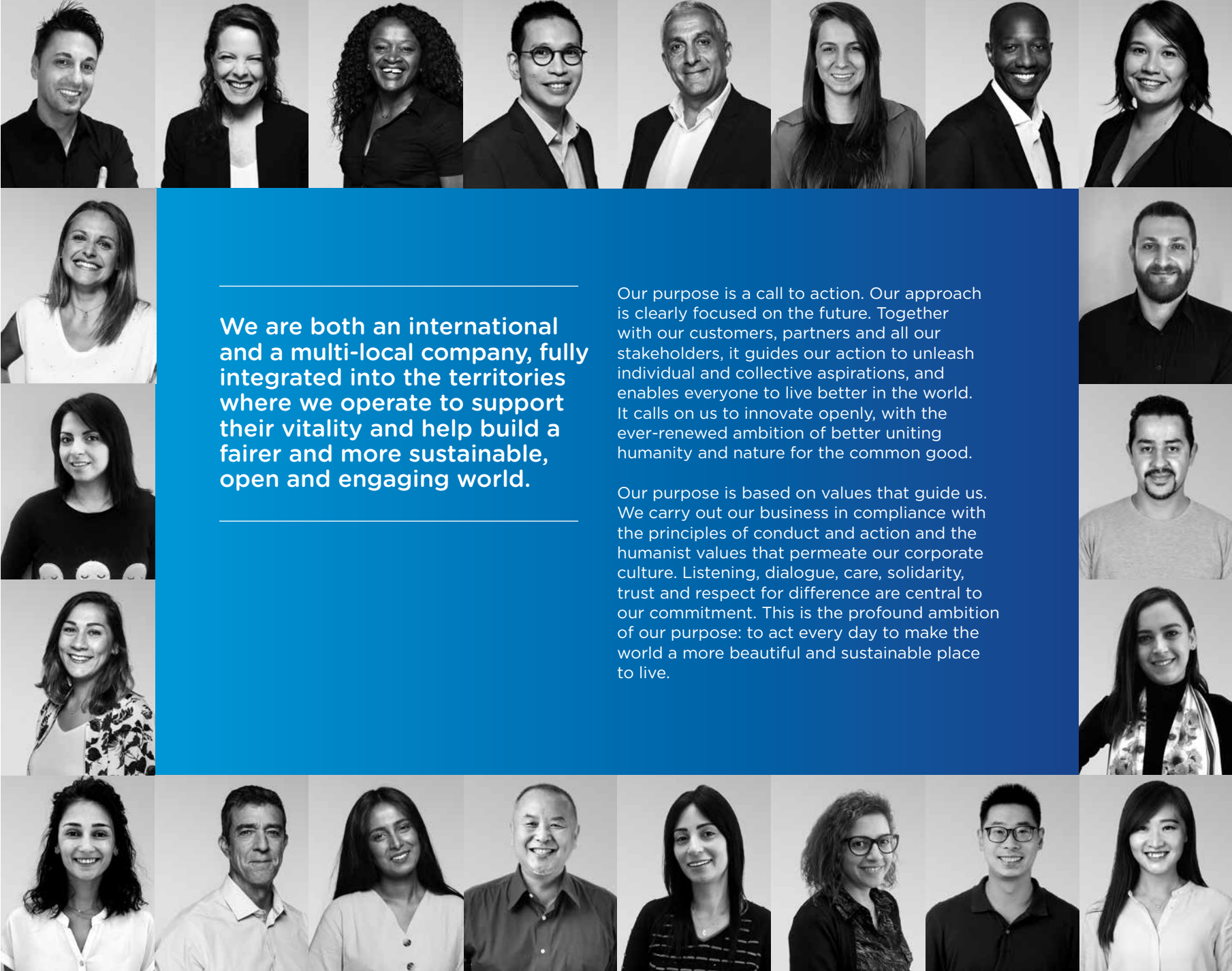
600

-  
WORKSHOPS  
WORLDWIDE

We are both an international and a multi-local company, fully integrated into the territories where we operate to support their vitality and help build a fairer and more sustainable, open and engaging world.

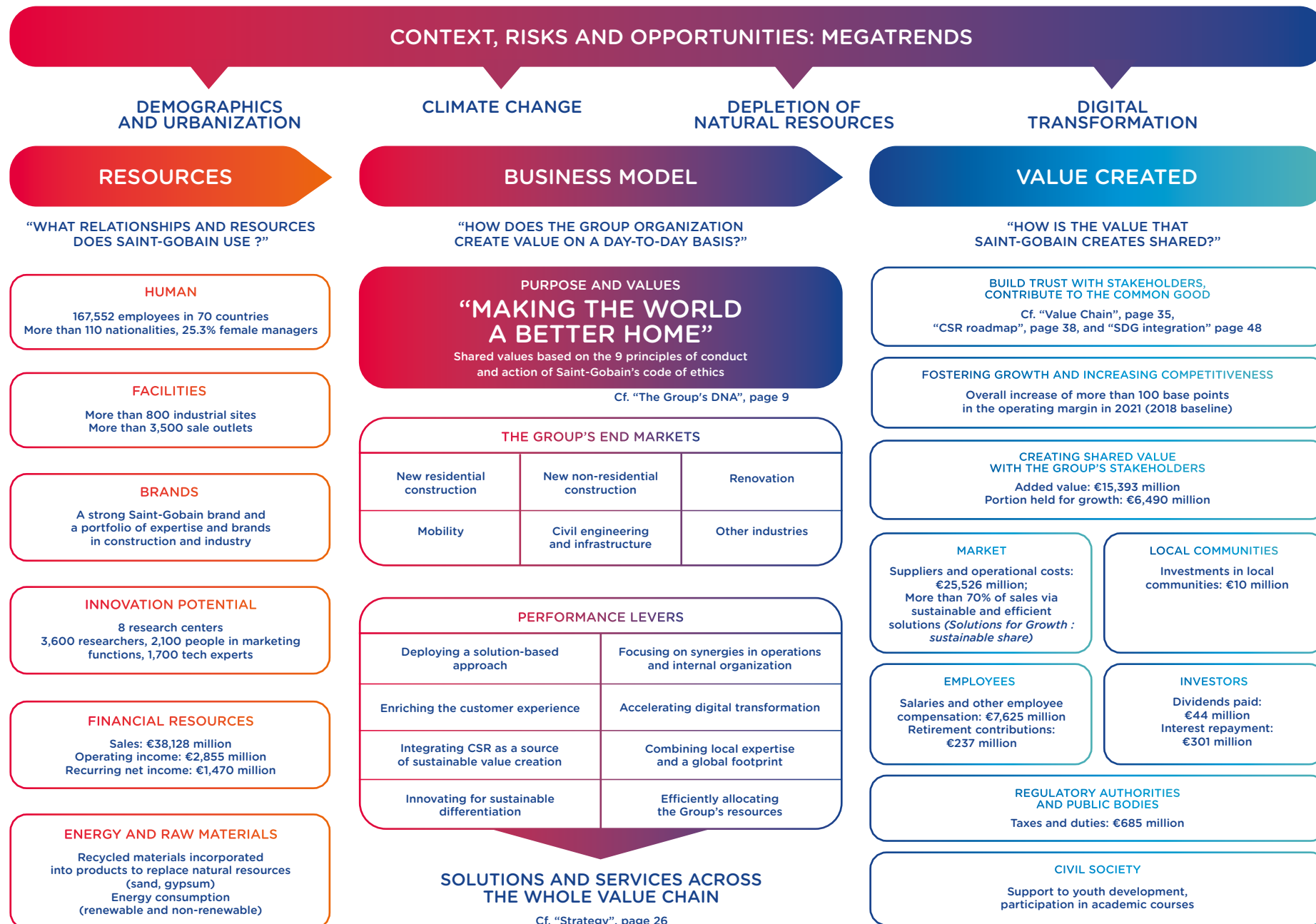
Our purpose is a call to action. Our approach is clearly focused on the future. Together with our customers, partners and all our stakeholders, it guides our action to unleash individual and collective aspirations, and enables everyone to live better in the world. It calls on us to innovate openly, with the ever-renewed ambition of better uniting humanity and nature for the common good.

Our purpose is based on values that guide us. We carry out our business in compliance with the principles of conduct and action and the humanist values that permeate our corporate culture. Listening, dialogue, care, solidarity, trust and respect for difference are central to our commitment. This is the profound ambition of our purpose: to act every day to make the world a more beautiful and sustainable place to live.



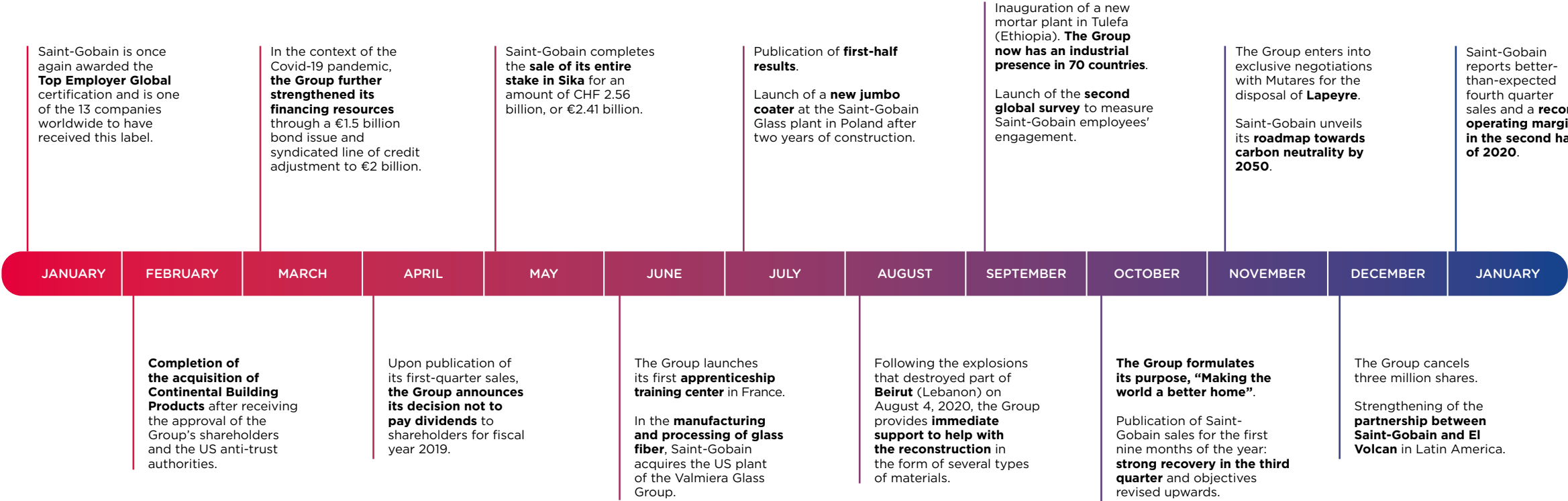


# HOW SAINT-GOBAIN CREATES VALUE





# 2020 HIGHLIGHTS



# RESPONDING TO THE COVID-19 CRISIS: A STEADFAST COMMITMENT

In addition of being a human tragedy, the Covid-19 pandemic brought an abrupt halt to all economies. This unprecedented crisis has profound implications for Saint-Gobain, not only on its day-to-day operations but also on its business model and future development strategy. It has been a **test of the Group's ability to react to adversity**.

## THE PRIORITY: TAKING CARE OF THE GROUP'S STAKEHOLDERS

From the first weeks of the crisis, Saint-Gobain demonstrated **unprecedented agility** in adapting its operating methods. The overriding priority has been to **protect the health of the Group's employees**, customers, suppliers and their families. Beyond necessary sanitary measures, the emphasis has been put on **maintaining contact**, social dialogue, and employees' work-life balance.

## STRATEGIC ORIENTATIONS VALIDATED BY THE CRISIS

The **new link between global and local**, resulting from the Transform & Grow strategic plan, has proven its strength and relevance during the pandemic and has allowed for crisis management that is both highly coordinated and decentralized. Beyond the management of the crisis, this **dynamic unique to the Group** is clearly relevant in the context of a trend toward regionalization of the global economy and aspirations to relocate value chains.



University of California San Francisco emergency team members wearing visors manufactured by SolarGard

## RESPONDING TO THE COVID-19 CRISIS: A STEADFAST COMMITMENT

### BOUNCE BACK AND PREPARE FOR THE FUTURE

For a group such as Saint-Gobain, the **ability to face a crisis of exceptional magnitude in the short term** necessarily goes hand in hand with **preparing for the future**: coming out of the crisis and the more or less rapid recovery of markets and their transformation. It is also a matter of understanding the long term impacts of the crisis on the world in which Saint-Gobain operates, first by **anticipating the future needs** of its customers and their logistical, technical and financial challenges, then the solutions that will be a priority for them, and finally the emerging markets.

### A COMMITMENT TO SERVING SOCIETY AS A WHOLE

The Saint-Gobain Life Sciences Business Unit has made an exceptional effort to produce and supply the components (tubes, connectors, filters, membranes) necessary for the equipment used to diagnose, treat and care for Covid-19 patients. More specifically, it has increased by 15 times the production of parts essential to the manufacturing of ventilators.

Saint-Gobain's teams in Spain have converted plastic packaging from gypsum pallets into protective aprons for caregivers at hospitals.

Saint-Gobain Ecophon France has delivered acoustic solutions as part of a sponsorship agreement with the hospital group AP-HP Sorbonne Université.

Employee at the Life Sciences plant in Charny, France, which manufactures components for respirators





# SAINT-GOBAIN IN A FAST- CHANGING WORLD

The trends that shape our environment

Saint-Gobain Weber solutions were used in the construction of the world's longest cross-sea bridge, spanning 55 km between Hong Kong, Zhuhai and Macao.



# A WORLD UNDERGOING ACCELERATED CHANGE

## TRENDS SHAPING A VOLATILE, UNCERTAIN AND UNSTABLE ENVIRONMENT

Saint-Gobain operates in a constantly changing world. However, three major trends have been emerging for several years now, and they are being accelerated by the health crisis: the world demands **more sustainable** development, and it is **more local** and **more digital**.

The combination of the challenges (**climate and the environment, demography and urbanization, digitization**) and crises of various kinds (health, economic, migration, political) that we are witnessing creates a picture of a world that is volatile, uncertain and complex all at once. **Saint-Gobain's positioning** is based on taking into account in the short and long term these underlying trends, which represent both **opportunities and challenges for the construction of the world of tomorrow**, and on an in-depth understanding of the ecosystem comprised by all its stakeholders.

The Group must **fully integrate climate and the environment into its strategic vision**, thanks to its commitments and its active involvement in exerting a virtuous influence over its entire value chain. In 2020, Saint-Gobain unveiled its **roadmap toward carbon neutrality** by 2050, with new objectives for reducing its greenhouse gas emissions by 2030 (cf. page 42).

## A WORLD UNDERGOING ACCELERATED CHANGE

In addition to the Group's responsibility as a leading economic player, **the requirements of sustainable development and the transition to a low-carbon economy are accelerating the transformation of business models and offering many opportunities** for Saint-Gobain, some of which have already materialized in terms of new products, new services and new ways of working with customers and partners.

The Group faces a challenge: **profoundly transforming** itself so that it is able to constantly adapt to an environment that has become structurally unstable, by building and implementing strategies that take into account an uncertain world. **The model that Saint-Gobain has built combines the strength of a global group and a structure that gives the local level the autonomy necessary to adapt to a changing environment;** this model is a performance lever necessary to achieve profitable and sustainable growth.

# 2050

NET ZERO CARBON

deadline for carbon neutrality  
that Saint-Gobain set itself



# DEMOGRAPHICS AND URBANIZATION

In developed countries, the ageing population creates a need for adapting housing units and renovating older buildings.

## A CONTINUOUS GROWTH TREND

The world population in 2020 was estimated at 7.8 billion. In total, the total **human population has grown by an average of 1.1% per year over the last five years**. The various factors influencing global demographic trends resulted in a projection of 9.7 billion inhabitants in 2050 and 11 billion inhabitants in 2100.

## A POPULATION THAT IS MORE AND MORE URBAN

In 2007, **the urban population has exceeded the rural population for the first time in human history**; today, more than 80% of global GNP is generated in cities, which absorb more than 60% of the natural resources used worldwide.

At the local level, urban areas already directly or indirectly consume between 60% and 80% of the energy consumed by a country. According to projections, the percentage of the urban population will continue to grow rapidly. In 2015, nearly 55% of the world's population lived in cities, whereas this proportion will reach 68% by 2050, representing **an additional 2.7 billion urban dwellers**.

## DEMOGRAPHICS AND URBANIZATION

### VULNERABLE AREAS, HIGH ENVIRONMENTAL IMPACTS

Urban areas, which are dense and largely devoid of vegetation and have waterproofed soil, are particularly **vulnerable to the increase in average temperatures and the higher frequency of heat peaks.** The rapid expansion of cities in turn increases waste production, which already represents an annual volume of 720 billion tons worldwide.

### CONSEQUENCES OVER NEW CONSTRUCTION AND RENOVATION MARKETS

Urbanization leads to an increase in the need for housing, transport, energy, water and waste treatment. As to **construction and renovation**, issues are many: in low-income countries, **access to decent housing and affordable energy costs** are major socio-economic topics; in middle-income countries, a large middle class with high purchasing power is developing, with **ever-increasing demands for comfort**, requiring adapted solutions. In developed countries, the ageing population means a need for **adapting housing units** and renovating older buildings.



# 9.7



billion inhabitants  
on Earth by 2050,  
according to United  
Nations projections



# CLIMATE CHANGE

## 1990-2020: A 30-YEAR JOURNEY IN DIAGNOSIS

The year 2020 is symbolic as it marks the thirtieth anniversary of the first report published by the Intergovernmental Panel on Climate Change (IPCC), which served as the basis for the United Nations Framework Convention on Climate Change (UNFCCC). Since then, year after year, the scientific consensus has continued to confirm and clarify the reality of multiple, mutually reinforcing phenomena.

The first of these is direct impacts on the environment, ranging from ecosystem integrity to biodiversity.

## THE WORLD IS NOT ON THE RIGHT TRACK

In 2015, via the Paris Agreement, states agreed upon the binding ambition to keep the rise in temperatures below 2°C compared to the pre-industrial era, which means reducing GHG emissions by 2.7% per year from 2020 to 2030. However, data shows that the current trajectory is not in line with this objective: in 2019, greenhouse gas emissions reached a record high of 59 billion tons of CO<sub>2</sub> equivalent, signaling a continued rapid increase in emissions.



## CLIMATE CHANGE

### AFTER THE PANDEMIC, A WINDOW OF OPPORTUNITY

The **stimulus plans** announced by the major powers and by regional organizations, which are measured in the trillions of euros, are potentially part of the solution. Their unprecedented scale (€750 billion for the European Union only) may **make it possible to achieve the temperature increase targets**. Almost half of the €100 billion French stimulus program is earmarked for investments supporting the ecological transition, including €5.8 billion for energy renovation and €6.5 billion for transport infrastructure and green mobility.

# 59

billion tons of CO<sub>2</sub>  
equivalent emitted\*

*\* Human emissions, 2019 data*

# DEPLETION OF NATURAL RESOURCES

## AN EVER-INCREASING PRESSURE ON RESOURCES

On a global scale, the consumption of natural resources is accelerating, with 92 billion tons extracted in 2017 compared to 27 in 1970, **a threefold increase, while the population has only doubled in the same period of time.** The construction sector, which uses materials such as steel or concrete, plays a decisive role in this area.

## THE URGENT NEED FOR SOLUTIONS

To limit the consumption of raw materials, solutions exist for optimizing the quantity of materials used for a given worksite, as well as through the adoption of a circular economy approach. In fact, public policies increasingly adopt a “life cycle” approach that **takes into account the environmental impact of a building as a whole, from the extraction of raw materials to its dismantling and to the recycling of its materials.**





## DEPLETION OF NATURAL RESOURCES

### A MAJOR IMPACT ON THE VALUE CHAIN OF THE CONSTRUCTION SECTOR

The recovery of materials makes it possible to **limit the use of resources and emissions while generating additional economic growth**, especially because it stimulates the search for technological innovation. In the construction sector in particular, which is responsible for 40% of global waste production and 50% of resource consumption, the transition to the circular economy is the source of **profound renewal at different levels of the value chain: production processes, product formulation, product end-of-life management, recycling, reuse, development of the economy of functionality**, etc. The rise of prefabrication and the development of lightweight construction solutions are some of the responses to these major challenges.

92 billion tons extracted  
in 2017 compared  
to 27 in 1970





# DIGITAL TRANSFORMATION

## A MEGATREND THAT CHANGES BUSINESS ECOSYSTEMS

Digital technology is opening new trade opportunities, with a **very high annual growth** rate for e-commerce throughout the world since the early 2000s. **Businesses must now be closer to their end customers to avoid new intermediations.** In addition, to differentiate themselves, **services** play an essential role. This means that **digital technology is globally reshaping the competitive balance** and the way that businesses interact with their stakeholders (customers, employees and suppliers).

## INDUSTRY 4.0: AN ARRAY OF INNOVATIONS FOR A NEW INDUSTRIAL REVOLUTION

Digital technology is also **revolutionizing the way that factories are organized.** It is producing a major, gradual change in production methods, by providing real-time access to a wealth of information on **industrial facilities that are now interconnected**, and enabling extensive data analysis and correlation of these data. The concept of “Industry 4.0” is an integral part of the reality of companies today, thanks to the combination of **intelligent data analysis, automation** and augmented operators. This breakthrough progress enables **an increase in productivity** and flexibility, mass customization, and **optimization of industrial sites’ environmental footprint.**

## DIGITAL TRANSFORMATION

### CONSTRUCTION: AN INDUSTRY RESHAPED BY DIGITAL INNOVATION

**Digital integration of buildings** is leading to technical changes in construction, particularly the increasing use of Building Information Modeling (BIM), which provides an **integrated view of a building throughout all the stages of its life cycle** thanks to a “digital twin”. **Prefab** or **off-site construction** are also rising thanks to new technologies allowing for data collection and analysis. **Domotics**, which helps reducing energy consumption in buildings and improving security, allows for an increasingly comprehensive integration of smart equipment into daily life.

### THE DATA REVOLUTION AND ITS IMPACT ON CLIENT RELATIONSHIPS

Continuous growth of **e-commerce**, diversification of **digital channels**, **data collection and analysis** thanks to **artificial intelligence** solutions are all factors that have a deep impact on client relationship management. Businesses can tap into this opportunity so as to optimize their sales, develop cross-selling and get to know better the various participants in their value chain.

# 3

billion users should  
have internet access  
by 2022 in fast-growing  
countries



# STRATEGY

How Saint-Gobain organizes itself  
to create value with its stakeholders.

Saint-Gobain provides solutions that make  
buildings more efficient in terms of their energy  
consumption, and which help contribute to the end  
user's well-being as well as to saving the planet.





# RISKS & OPPORTUNITIES

In an ever-changing world, Saint-Gobain integrates environmental, social and societal challenges in its strategy and operations thanks to its unique value creation model, working as close as possible with markets and customers.

In addition to these opportunities and risks, sorted out by megatrends, Saint-Gobain analyzed CSR-related opportunities and risks, taking into account its contribution to the United Nations' Sustainable Development Goals.

The methodology used, the risks identified and the strategies implemented to mitigate the latter are described in the Group's 2020 Universal Registration Document (pp. 391 to 393).

Management of risks that involve significant financial impact is described in the Chapter 6 of the 2020 Universal Registration Document.



Optimera's LeanWorks service in Norway allows for optimized on-site delivery, positioning materials at the right place and waste collection.

## RISKS & OPPORTUNITIES

↑ OPPORTUNITIES  
↓ RISKS

<ul style="list-style-type: none"> <li>• New housing needs</li> <li>• Lightweight construction solutions, prefabrication, performance of Saint-Gobain's solutions</li> <li>• Solutions for sustainable mobility</li> <li>• Waste collection and recycling processes</li> </ul>	<ul style="list-style-type: none"> <li>• Solutions for energy efficient buildings</li> <li>• Solutions for sustainable mobility</li> <li>• Innovation relating to low carbon industrial processes and products</li> <li>• Citizen mobilization on climate change in many countries: positive effect on brand reputation and talent attraction for companies involved</li> </ul>	<ul style="list-style-type: none"> <li>• Circular economy: waste collection and recycling</li> <li>• Solutions taking into account the whole products' life cycle, including deconstruction</li> <li>• Innovation for new product formulation and the adaptation of industrial processes</li> </ul>	<ul style="list-style-type: none"> <li>• Optimization of industrial processes and supply chains</li> <li>• Client experience and new services</li> <li>• E-commerce and distribution</li> </ul>
DEMOGRAPHICS & URBANIZATION	CLIMATE CHANGE	DEPLETION OF NATURAL RESOURCES	DIGITIZATION
<ul style="list-style-type: none"> <li>• Increasing pollution and waste generation</li> <li>• Extension of slum-type areas</li> <li>• Increasing inequality</li> <li>• Health-related risks and cost of healthcare services</li> </ul>	<ul style="list-style-type: none"> <li>• Rise in the number of extreme climate events</li> <li>• Cost and availability of energy and raw materials</li> <li>• Regulation change and cost of compliance</li> <li>• Reputational risk in case of default on the promise</li> </ul>	<ul style="list-style-type: none"> <li>• Cost and availability of raw materials</li> <li>• Supply chain disruption</li> <li>• Loss of biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>• Cybersecurity and data protection</li> <li>• Legal risks relating to data protection regulation</li> <li>• Employees' skillset adaptation</li> </ul>



# TRANSFORMATION LEVERS

## VISION

TO BE THE LEADER IN SUSTAINABLE  
CONSTRUCTION, IMPROVING EVERYDAY  
LIFE THROUGH HIGH-PERFORMANCE  
SOLUTIONS



### CSR AS A SOURCE OF VALUE CREATION WITH STAKEHOLDERS

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The Group understands its social and environmental responsibility not as an obligation or a threat, but rather as an opportunity to **create shared value together with its stakeholders**, whose interests are taken into account within Saint-Gobain's strategy thanks to active listening as well as an open, transparent dialogue.

### THE ALLIANCE OF LOCAL EXPERTISE AND A GLOBAL FOOTPRINT

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Saint-Gobain has reinvented its organization by **giving a high level of decision-making autonomy to the local level**, allowing for fast response to market demands. At the global level, the strength of an international Group makes it possible to build up **strong pool of expertise** in areas such as research and development or industrial performance.

### A FOCUS ON SYNERGIES IN OPERATIONS AND INTERNAL ORGANIZATION

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The Group's new organizational structure fosters synergies between **support functions** – with applications such as unique customer services and common logistics – and are also helpful to develop **cross-selling** to better answer customers' demands.

### A SOLUTION-BASED APPROACH

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The Group aims at **enriching and widening its offering** so as to **provide more and more often a comprehensive answer to its clients' challenges**, be it for renovation projects, new construction, or mobility systems.



## TRANSFORMATION LEVERS

# MISSION

DESIGN, MANUFACTURE AND DISTRIBUTE MATERIALS AND SOLUTIONS WHICH ARE KEY INGREDIENTS IN THE WELL-BEING OF EACH OF US AND THE FUTURE OF ALL

### ENHANCED CLIENT EXPERIENCE

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Saint-Gobain aims to reinvent customer experience thanks to a **focus on digital technologies**, revamped logistics, **customization** and data analysis. The Group also develops new, innovative business models.

### INNOVATION, A KEY DIFFERENTIATING FACTOR

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**Research and innovation** are at the heart of Saint-Gobain's strategy. The Group's ongoing actions enabled it to be **listed in the tenth time in a row among the world's top 100 most innovative organizations** in the "Top 100 Global Innovators™".

### ACCELERATED DIGITIZATION

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Digital has strong impacts on Saint-Gobain's **managerial culture**, but also on **careers**, thanks to an easier access to continuing training. As to **industrial performance**, the Group is investing in industry 4.0 as part of its operational excellence goals to maintain its industrial tool at the cutting edge of the sector.

### EFFICIENTLY ALLOCATING THE GROUP'S RESOURCES

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In terms of allocating financial resources, Saint-Gobain's approach aims both to **target investments in order to stimulate growth** and to **manage a portfolio** that is both **agile and value-creating**.

# A SOLUTION-BASED APPROACH

## AN INTEGRATED RANGE OF SOLUTIONS, IN ORDER TO FACILITATE THE ECOLOGICAL TRANSITION

Consistent with its **purpose**, “Making the world a better home”, Saint-Gobain’s mission is to **design, manufacture and distribute materials and solutions which are key ingredients in the well-being of each of us and the future of all**. To this end, the Group is not content with designing, manufacturing and distributing products: **it brings to the market an array of solutions that meet both Saint-Gobain customers’ demands for performance and sustainable development challenges**. This drive toward comprehensive solutions, relying on powerful digital tools, applies throughout the whole Group’s value chain, and lies at the heart of its strategic plan.

The Group aims at **enriching and widening its offering so as to provide more and more often a comprehensive answer to its client’s challenges**, delivering the right solutions in terms of thermal or acoustic comfort, air quality, or productivity.

**The following pages describe a few examples of this approach, which is meant to help Saint-Gobain’s customers successfully manage their own energy and ecological transition**, a topic that is the overarching issue at stake today, as shown by its integration in the stimulus packages announced by several countries.





# FOR RESIDENTIAL BUILDINGS



Ensuring healthy lives and promote well-being for all at all ages



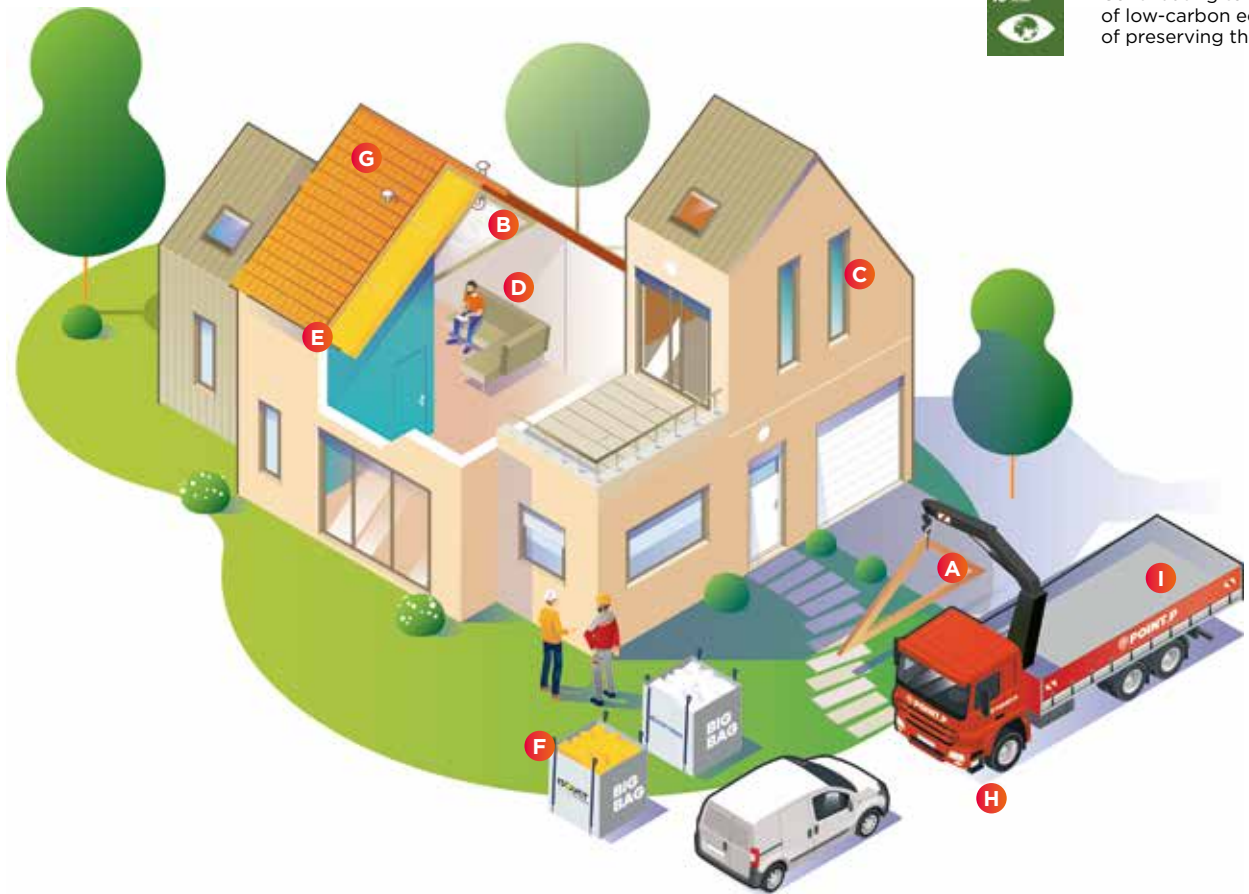
Offering sustainable and affordable solutions that are adapted to the lifestyle changes associated with increasing urbanization



Changing the way we design, produce and distribute our products and solutions to support the development of the circular economy



Contributing to the emergence of low-carbon economies capable of preserving the common good



END USER PRODUCTIVITY



HEALTH AND WELL-BEING



SOLUTIONS FOR THE PLANET

Prefabricated roof trusses

A



Mechanized solutions, bringing comfort and productivity for the installers

B



Glass panels bringing light and thermal comfort

C



End-to-end service, from inspiration to professional advisory and intermediation with the end customer

D



Distribution of ventilation solutions, for better air quality

G



Offering adapted to local construction methods

E



Thermo-acoustic and noise-absorbing insulation solutions for combustion engine vehicles

H



On-site waste collection and recycling services

F



Local services by distribution agencies : delivery, professional training, etc.

I





# FOR NON-RESIDENTIAL BUILDINGS



Promoting healthy lives and support the well-being of all at all ages



Contributing to the emergence of low-carbon economies capable of preserving the common good



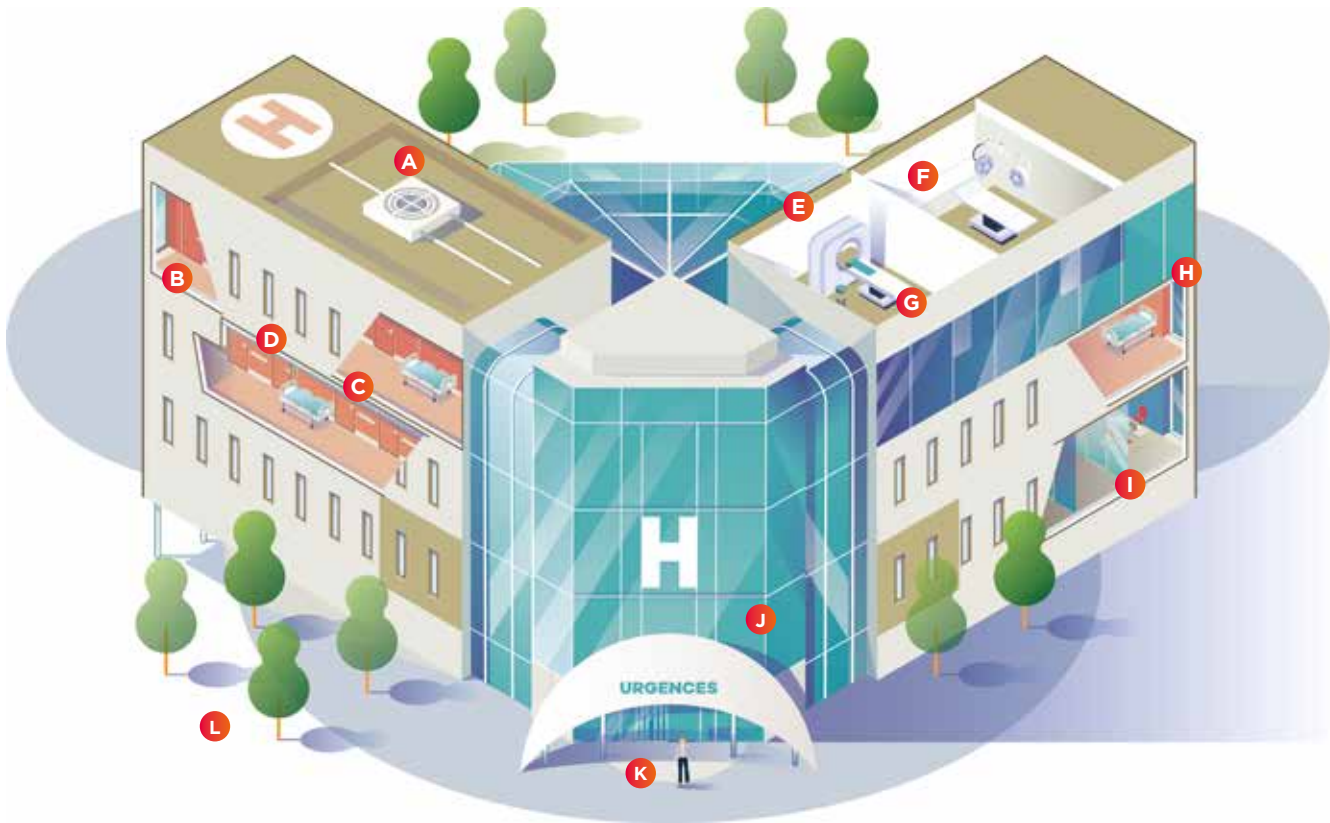
END USER PRODUCTIVITY



HEALTH AND WELL-BEING



SOLUTIONS FOR THE PLANET



Insulated air conditioning ducts



Shock resistance in circulation spaces



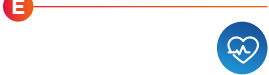
Products for cell therapy



Complete offering of partition and ceiling solutions for acoustic and cleaning purposes



X-ray shielding plasterboard for radiology rooms



Prefabrication services



Components for medical equipment: scintillators for the medical imaging industry



Formaldehyde absorption for better air quality



Solutions for modular spaces



Glazed walls to control the input of natural light and optimize thermal efficiency



Components for wearable, connected glucose monitoring systems and portable insuline pumps



Upstream project assistance: prescription so as to recommend the most adequate solutions, BIM so as to ensure better project management



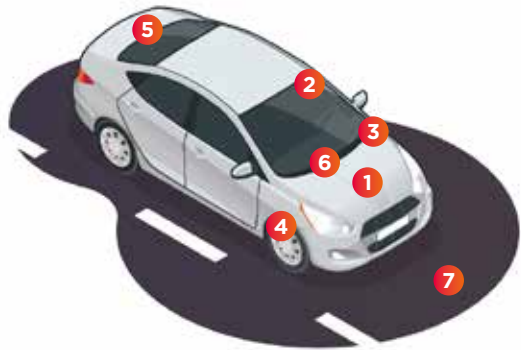
# FOR MOBILITY



Promoting healthy lives and support the well-being of all at all ages



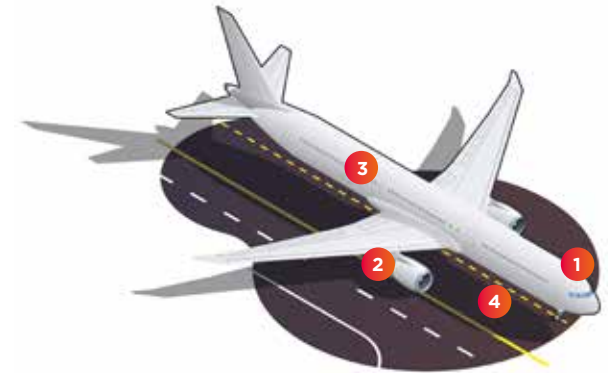
Contributing to the emergence of low-carbon economies capable of preserving the common good



- 1 Abrasives for mechanical parts and body finishing
- 2 Glazing
- 3 Films and battery separators
- 4 Tolerance rings
- 5 Tinted glass
- 6 High performance polymer components for steering systems
- 7 Glass grid



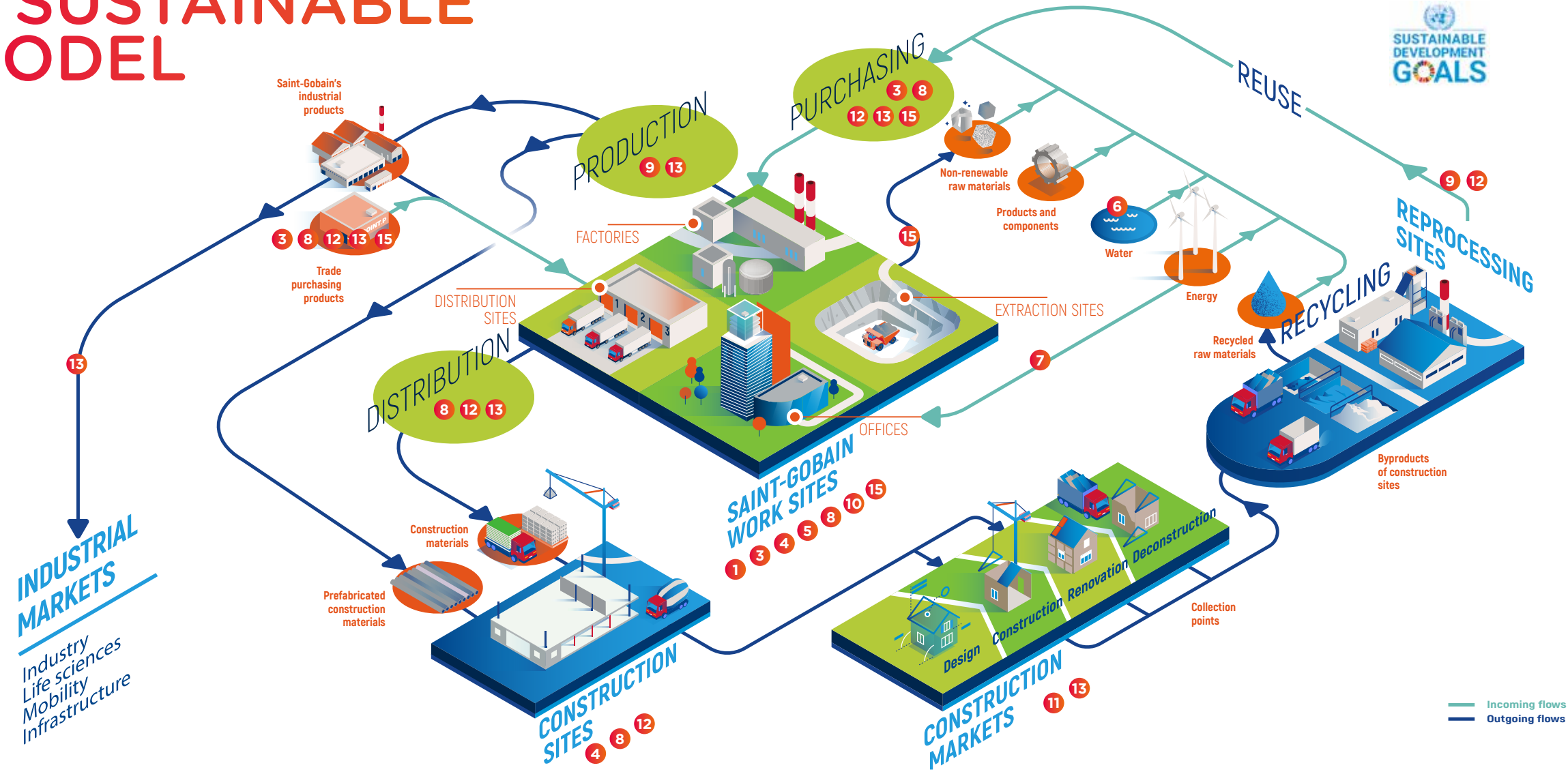
- 1 Heated windshield
- 2 Technical insulation
- 3 Thermal insulation



- 1 Radomes for efficient communications  
Cockpit glazing and passenger windows
- 2 Coating and high performance seals in reactors
- 3 Seals for thermal insulation and shock absorption (ex. passenger windows, galleys, luggage compartments)
- 4 Adhesives for various applications such as cable holding and floor carpet  
Coated and bonded abrasives for aircraft turbine fans and cowlings

# A SUSTAINABLE MODEL

● IMPACTS ON SUSTAINABLE DEVELOPMENT GOALS (CF. FOLLOWING PAGE)





## A SUSTAINABLE MODEL

The interactions between the Group's value chain and the United Nations' Sustainable Development Goals (cf. previous page) are as follows :



- Ensure high quality jobs for employees (Saint-Gobain work sites)



- Caring for health and safety of employees and subcontractors (Saint-Gobain work sites, purchasing and trade purchasing)



- Contribute to craftsmen training and to employability in disadvantaged populations (construction sites)



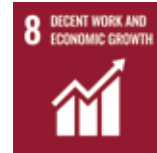
- Be inclusive and support diversity (Saint-Gobain work sites)



- Limit the impact on the water resource (water withdrawals)



- Support clean energies (energy purchasing)



- Ensure decent working conditions, including fair wages (Saint-Gobain work sites, purchasing, trade purchasing)
- Provide local jobs and contribute to economic growth (construction sites, Saint-Gobain work sites)



- Introduce an eco-innovation approach (production)
- Support the development of the circular economy thanks to waste recovery (reuse)



- Promoting equal opportunities (Saint-Gobain work sites)



- Contribute to more affordable housing, to sustainable cities (construction industry and industrial markets)



- Choosing providers and subcontractors that respect human rights and the environment (purchasing and trade purchasing)
- Distribute sustainable and comfortable solutions (distribution)
- Reduce the volume of waste ending up in landfills (construction sites)
- Increase waste recovery (construction sites: collection points)



- Favor lower GHG-emission input (purchasing and trade purchasing)
- Reduce GHG emissions during production phase
- Reduce the impact of transport (production and distribution)
- Contribute to producing lower carbon intensive buildings (construction industry)
- Allowing for carbon benefits throughout the whole value chain and the whole life cycle of products that integrate Saint-Gobain solutions

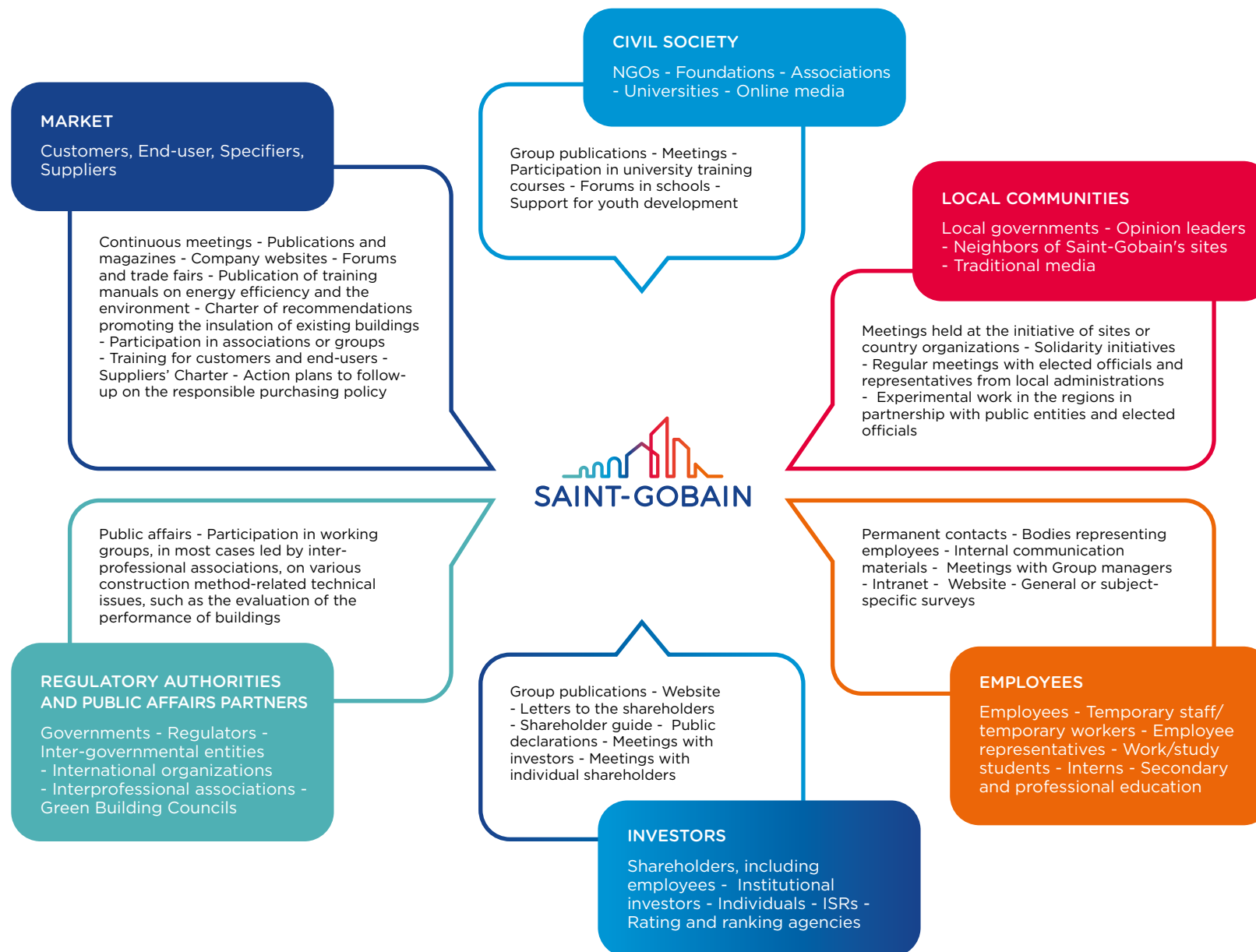


- Fight against deforestation (trade purchasing)
- Limit the impact of extraction sites on biodiversity (purchasing and Saint-Gobain work sites)

# INTEGRATION OF STAKEHOLDERS

**FOR SAINT-GOBAIN, THE INTERESTS OF ALL OF ITS STAKEHOLDERS MUST BE TAKEN INTO ACCOUNT WHEN DEFINING ITS LONG-TERM STRATEGY.**

It requires not only to build dialogue, but also to ensure that this dialogue is constructive, transparent and based on mutual trust. Factors such as the size of the Group, its global dimension and the variety of its business lines mean that this interaction must, above all, be organized in a decentralized manner, with each operational entity being responsible for conducting it within its own scope. Saint-Gobain has mapped its ecosystem, identifying and grouping its stakeholders by category, and describing how dialogue is conducted.





# A ROADMAP TO ADDRESS PRIORITY ISSUES

Saint-Gobain has defined a Corporate Social Responsibility roadmap to address the priority issues identified through the **Group's stakeholder mapping** (see page 37) and its materiality analysis (see page 63). It guides the Group's actions to reduce the negative impact of its operations and solutions on the environment, individuals and society, and to contribute to more responsible and fairer sustainable development.

It takes into **account the Group's strategic intent, the specific expectations of its stakeholders, and the common imperative of achieving the Sustainable Development Goals set by the United Nations.**

It has a pedagogical value, and is designed to encourage the search for synergies with stakeholders.

The CSR roadmap was updated in 2020. For each one of the Group's priority issues, an ambition has been stated, policies and operational action plans including monitoring indicators and objectives have been put in place (see page 64).

## BUILDING TRUST WITH STAKEHOLDERS

### BUSINESS ETHICS

- Ethical practices with employees: to support our employees in the fair and responsible practice of their profession.
- Responsible purchasing: to work fairly and ethically with suppliers across the supply chain.

### EMPLOYEE ENGAGEMENT AND DIVERSITY

- Employee engagement: to create a motivating and engaging work environment for all our employees.
- Diversity and inclusion: to foster inclusion and promote diversity.

### HEALTH AND SAFETY ACROSS THE ENTIRE VALUE CHAIN

- With our employees, temporary workers and subcontractors: to ensure health and safety on our sites.
- For our suppliers, customers, end users and local communities: to ensure the health and safety of our external stakeholders.

## CONTRIBUTING TO THE COMMON GOOD

### CLIMATE CHANGE

- Carbon impact: to propose solutions that promote energy efficiency and reduce CO<sub>2</sub> emissions and achieve carbon neutrality by 2050.
- Other environmental impacts: to fight against the effects of climate change, in particular to preserve biodiversity and deal with the increase in the number of water-stressed areas.

### CIRCULAR ECONOMY

- Organizing the circular economy: to manage resources responsibly and avoid the use of non-recyclable raw materials.
- Organizing circular economy: waste collection and recycling.

### INCLUSIVE GROWTH

To make a contribution to local communities in synergy with our country markets, sites and structures, our philanthropic actions and the engagement of our employees.

# BUILDING TRUST WITH STAKEHOLDERS

97%

OF NEW MANAGERS  
TRAINED IN THE CODE  
OF ETHICS IN THEIR FIRST  
YEAR OF INTEGRATION



## STAKEHOLDER EXPECTATIONS

For stakeholders, a long-term partner must share values such as respect for human rights and ethical business practices. This involves building trusting relationships through constant dialogue and transparent communication.

When choosing suppliers and subcontractors, the focus must be based on businesses that share our values, ensure decent work for their employees, respect human rights and limit their impact on the environment.

## OUR ANSWER

Our code of ethics is the foundation of our commitments. It applies to all our employees and partners. Policies complement or clarify certain subjects, in particular the human rights policy and the data privacy policy. Compliance programs are deployed throughout the world.



Our "Responsible Purchasing" program is based on four principles: the signature of the purchasers' and suppliers' charter, the analysis of CSR risks, the evaluation of CSR performance and the implementation of corrective action plans. We also implement policies related to the control of specific risks such as wood or minerals at risk.



## 2020 HIGHLIGHTS

- Updated the alert system, now open to all stakeholders;
- Strengthened our anti-corruption policy.
- Acceleration of the responsible purchasing program, with new objectives for 2025;
- Strengthening our timber policy.



# BUILDING TRUST WITH STAKEHOLDERS

78%

OF EMPLOYEES RESPONDED TO THE ANNUAL SATISFACTION SURVEY (OVER 130,000 PEOPLE)

## EMPLOYEE ENGAGEMENT AND DIVERSITY

### EMPLOYEE ENGAGEMENT

### DIVERSITY AND INCLUSION

#### STAKEHOLDER EXPECTATIONS

Employee trust and commitment are essential to the success of a company and its attractiveness, performance and ability to adapt to crises, technical changes and new social expectations.

Fostering inclusion and diversity demonstrates a company's capacity for openness. Actions to promote a fairer society are evidence expected by all stakeholders of a company's commitment.

#### OUR ANSWER

The quality of social dialogue, training programs for the development of skills as well as personal development, a wage policy that ensures a decent standard of living and reflects individual and collective performance, and the well-being of employees are all examples of the means deployed to ensure employee satisfaction or attract and retain talent.

Promoting diversity, encouraging inclusion and fighting discrimination are at the heart of our human resources policy. In addition to encouraging recruitment and internal promotions, the daily fight against stereotypes and the identification of unconscious bias are essential.



#### 2020 HIGHLIGHTS

- Renewal of our inclusion in the Top Employer Global ranking for the sixth consecutive year and in 36 countries representing over 90% of employees;
- CARE by Saint-Gobain: parenthood pillar established for 100% of employees worldwide.

- Objective of more than 25% female managers reached by the end of 2020;
- New training programs on stereotypes.

# BUILDING TRUST WITH STAKEHOLDERS

1.8

ACCIDENT FREQUENCY RATE WITH AND WITHOUT LOST TIME

## HEALTH AND SAFETY ACROSS THE ENTIRE VALUE CHAIN

WITH OUR EMPLOYEES, TEMPORARY WORKERS AND SUBCONTRACTORS

FOR OUR SUPPLIERS, OUR CUSTOMERS, THE END USER AND LOCAL COMMUNITIES

### STAKEHOLDER EXPECTATIONS

Creating a safe working environment is an essential expectation to establishing a climate of trust with stakeholders, especially employees.

The health crisis reminded us that health and safety are absolute priorities. In addition to direct operations, the consideration of health and safety risks must include the entire value chain.

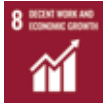
### OUR ANSWER

Ensuring health and safety at our sites means protecting all potential employees, temporary workers, on-site subcontractors and visitors.

We are making progress by identifying and controlling risks on our sites and complying with the procedures and standards set out in the WCM (World Class Management) operational excellence program.

Our health policy sets the guidelines for our actions to protect the health of our suppliers, customers, end users and local communities.

The design of our solutions and the quality of our products are at the heart of our commitment. Site quality certification, chemical risk management, and programs to reduce the use of chemicals in our products are all key elements of our commitment.



### 2020 HIGHLIGHTS

- Responsible and committed management of the Covid-19 health crisis;
- Safety training course for the management of subcontractors on site.

- Publication of the HICE (Health indicator for occupational exposure) indicator on the management of risks related to noise
- Update of our chemical inventory tool.



# CONTRIBUTING TO THE COMMON GOOD

1,255 EPD

(ENVIRONMENTAL PRODUCT DECLARATIONS)  
IN CONSTRUCTION: MORE THAN 33 COUNTRIES  
COVERED



## STAKEHOLDER EXPECTATIONS

The climate emergency is a reality. Beyond commitments, stakeholders expect an effective reduction in the carbon footprint of production and consumption. This requires actions, innovation, investments and a range of solutions with a lower carbon impact.

The effects of climate change are already visible in the increase in areas under water stress, violent storms, flooding and the loss of biodiversity...  
Limiting the effects of climate change on the environment is essential for the future of the planet.

## OUR ANSWER

To manage our impact and increase the contribution of our solutions, we have :

- Operational excellence - including WCM - for sites or supply chain optimization;
- Solutions for Growth, for the design and evaluation of our solutions, enabling carbon avoidance in the use phases;
- Innovation in processes and products to achieve carbon neutrality by 2050.

Our water management policy supports our commitment to minimizing water withdrawal and moving towards "zero discharge" of industrial water in liquid form.

Our biodiversity policy, supported by our charter for the environment and biodiversity in quarries and mines, guarantees our commitment to the preservation of biodiversity.



## 2020 HIGHLIGHTS

- Publication of our CO<sub>2</sub> roadmap to 2030, on the path of the Paris Agreement;
- Validation of our "Scope 1+2" and "Scope 3" targets by the Science Based Target Initiative.

- Biodiversity commitment as part of our partnership with Act4nature International;
- Update of impacts on high and very high water stress areas, following the evolution published by the WRI.

# CONTRIBUTING TO THE COMMON GOOD

10.1

MILLIONS OF METRIC TONS  
OF VIRGIN RAW MATERIALS  
(SAND, GYPSUM) NOT EXTRACTED

## CIRCULAR ECONOMY

TO MANAGE RESOURCES RESPONSIBLY AND  
ELIMINATE NON-RECYCLABLE RAW MATERIALS

ORGANIZING THE CIRCULAR ECONOMY:  
RECYCLING AND WASTE RECOVERY

### STAKEHOLDER EXPECTATIONS

The planet's resources are not infinite. Not wasting them is therefore a priority. Products must be designed to limit the use of natural resources and promote recycling.

While resources are limited and the preservation of the planet is essential, waste is not acceptable for production and consumption. Limiting waste and recovering and recycling it for a true circular economy means that everyone must be involved.

### OUR ANSWER

Our sustainable resource management policy promotes the optimization of resources to foster the transition towards the circular economy.

We use the SCORE eco-design tool to evaluate our use of non-recyclable raw materials and encourage their substitution.

Contributing to the circular economy starts with our sites, our products and our solutions by reducing non-recycled waste, collecting waste from our customers or integrating deconstruction and end-of-life of products right from the design stage.

In addition, we are working to create channels and transformation of waste into recycled raw materials that are integrated into our products or recovered by partners.



### 2020 HIGHLIGHTS

- New 2030 objectives for recyclable materials and recyclability.
- New window dismantling services in Europe to recycle glass in our factories: services available in Finland, France, UK, Norway and Sweden.

# CONTRIBUTING TO THE COMMON GOOD

# MORE THAN 50,000

BENEFICIARIES OF THE SAINT-GOBAIN  
FOUNDATION

## INCLUSIVE GROWTH

IN SYNERGY WITH OUR COUNTRY MARKETS,  
SITES AND STRUCTURES

THROUGH PHILANTHROPY  
AND EMPLOYEE ENGAGEMENT

### STAKEHOLDER EXPECTATIONS

Expectations of greater comfort and well-being, and improvement of living conditions in general, are closely linked to the local culture in countries and regions.

The adaptation of the offering integrates the expectations of local stakeholders.

To stand in solidarity with local stakeholders so as to tackle societal challenges of communities and participate in collective efforts to improve living conditions, fight against inequality and include vulnerable populations.

### OUR ANSWER

Through the Solutions for Growth program, we provide sustainable and comfortable solutions to foster local and inclusive economic development.

Our new organization - implemented as part of the Transform and Grow program - gives local teams responsibility for managing and creating value in the territories.

The Group maintains relationships with local partners in order to stimulate local employment and support disadvantaged populations in the professional world.

We contribute to local social issues through the Saint-Gobain Foundation, local foundations and corporate philanthropy initiatives. Solidarity is one of our values. In emergency situations, to help people who are discriminated against, excluded or in difficulty, or to promote decent housing, we mobilize by relying on the commitment of our employees and the local community.



### 2020 HIGHLIGHTS

- Development of training programs for craftsmen to accelerate the deployment of sustainable solutions;
- Training center for apprentices in France.

- Nearly 10 million euros in favor of communities;
- Solidarity in the face of the health crisis through donations to local communities.



# PERSPECTIVES

IN A MACROECONOMIC AND HEALTH ENVIRONMENT WHICH REMAINS AFFECTED BY UNCERTAINTIES, SAINT-GOBAIN EXPECTS THE FOLLOWING TRENDS:

## AMERICAS

Market growth, particularly new residential construction.

## NORTHERN EUROPE

Continued outperformance in construction and support from stimulus programs.

## SOUTHERN EUROPE, MIDDLE EAST AND AFRICA

Continued outperformance in construction thanks to strong residential renovation markets and support from national and European stimulus plans.

## ASIA-PACIFIC

Market growth, with continued good momentum in China and a sharp rebound expected in India.

## HIGH PERFORMANCE SOLUTIONS

Continued sequential improvement in most industrial markets.

# PERSPECTIVES

## 2021 PRIORITIES

### IMPROVEMENT IN THE GROUP'S PROFITABLE GROWTH PROFILE, DRIVEN BY:

- The continuation of its portfolio optimization (divestments and acquisitions)
- Outperformance versus the markets thanks to its range of integrated solutions
- Strategy of differentiation and innovation to develop solutions for sustainability and performance

### RISE OF MORE THAN 100 BASIS POINTS IN THE OPERATING MARGIN COMPARED TO THE 2018 MARGIN OF 7.7%, AND ONGOING STRONG DISCIPLINE IN TERMS OF FREE CASH FLOW GENERATION:

- Constant focus on the price-cost spread amid inflation in raw material and energy costs
- Reduction in costs as part of additional post-coronavirus adaptation measures
- Continuation of the operational excellence program
- Maintaining the structural drivers for improvement in operating working capital requirement
- Capital expenditure
  - of around €1.5 billion
  - ongoing digital transformation
- Continued reduction in non-operating costs

For 2021, the Group is targeting a significant like-for-like increase in operating income, with an improvement of more than 100 basis points in the operating margin compared to the 7.7% margin in 2018 (assuming that volumes return to their 2018 levels), confirming the success of "Transform & Grow".

# PERFORMANCE

Key financial and  
non-financial indicators

Taking into account the challenges of sustainable development means giving priority to long-lasting materials that are recyclable or reusable, with a lower carbon footprint throughout their whole life cycle.





# INTEGRATION OF SUSTAINABLE DEVELOPMENT GOALS

## OBJECTIVE AND SIGNIFICANCE FOR SAINT-GOBAIN



**CREATING INCLUSIVE GROWTH IN THE COUNTRIES WHERE WE OPERATE**

## HOW DOES SAINT-GOBAIN INTEGRATE THIS OBJECTIVE WITH RESPECT TO ITS VARIOUS STAKEHOLDERS?

- **For employees:** ensuring quality employment for its employees. For example, on January 1, 2020, the Group launched CARE by Saint-Gobain, a social protection program for all Group employees and their families;
- **For local communities:** contributing to local economic development and employment

## CORRESPONDING SDG TARGETS AND PERFORMANCE INDICATORS FOR SAINT-GOBAIN

**1.2; 1.4; 1a and 1b:** investments in projects in favor of local communities  
**1.3:** CARE by Saint-Gobain program

### References

URD 2020:  
 Chapter 1, section 1.5.1  
 Chapter 3, sections 3 and 4.3.3



**PROMOTING HEALTHY LIVES AND SUPPORT THE WELL-BEING OF ALL AT ALL AGES**

- **For employees:** health and safety are central to the EHS Charter and are values promoted by the Group;
- **For customers:** designing comfortable and sustainable products is a priority;
- **For local communities:** offering sustainable and comfortable solutions to promote local and inclusive economic development;
- **For suppliers:** to encourage suppliers to improve the health and safety of its employees, through the responsible purchasing policy.

**3.8:** CARE by Saint-Gobain program  
**3.9:** SAFHEAR program

### Other indicators

Share of technical and EHS training

### References

URD 2020:  
 Chapter 3, Sections 2.2.4 and 3.2

## INTEGRATION OF SUSTAINABLE DEVELOPMENT GOALS

### OBJECTIVE AND SIGNIFICANCE FOR SAINT-GOBAIN



#### PROMOTING LEARNING OPPORTUNITIES THROUGHOUT LIFE

### HOW DOES SAINT-GOBAIN INTEGRATE THIS OBJECTIVE WITH RESPECT TO ITS VARIOUS STAKEHOLDERS?

- **For employees:** to be a preferred employer, known and recognized for the richness of the career paths it offers;
- **For customers:** the Group supports craftsmen and other professionals through training;
- **For local communities:** maintaining relationships with local partners to stimulate local employment, notably through the Saint-Gobain Foundation;
- **For civil society:** supporting young people is a priority. This is reflected in the many internships, work-study programs, VIEs and the creation of the Group's apprentice training center in France.

### CORRESPONDING SDG TARGETS AND PERFORMANCE INDICATORS FOR SAINT-GOBAIN

**4.4 and 4.7:** In 2020, the Saint-Gobain Foundation supported 18 "integration and education" projects for 10,823 beneficiaries and an allocated budget of €868,870

#### Other indicators

Employees who received training during the year  
Average number of hours of training per employee per year  
Training of managers in the Principles of Conduct and Action  
ACT, Comply, Adhere training programs

#### References

URD 2020, chapter 3, section 4.3.2



#### BEING INCLUSIVE BY ENCOURAGING EQUAL OPPORTUNITIES

- **For employees:** create an environment conducive to fairness and equality, which is crucial to employees' professional growth, so as to improve the Group's performance ;
- **For local communities:** to improve the living conditions of the most disadvantaged by supporting education-related projects, in particular for young girls, for example through the Saint-Gobain India Foundation.

**5.1:**Hiring rate by gender M/F

**5.1:** Employee distribution by gender (M/F)

**5.1:** Share of women managers among managers

**5.1:** Ratio of total average male to female remuneration

**5.5:** Share of women on the Executive Committee

**5.5 :** Share of women on the Board of Directors



#### References

URD 2020:

Chapter 3, sections 3.3.4 and 4.3.3

Chapter 5, section 1.1

INTEGRATION  
OF SUSTAINABLE  
DEVELOPMENT GOALS

OBJECTIVE AND SIGNIFICANCE FOR SAINT-GOBAIN	HOW DOES SAINT-GOBAIN INTEGRATE THIS OBJECTIVE WITH RESPECT TO ITS VARIOUS STAKEHOLDERS?	CORRESPONDING SDG TARGETS AND PERFORMANCE INDICATORS FOR SAINT-GOBAIN
 <p><b>LIMITING THE IMPACT ON WATER RESOURCES (WATER WITHDRAWALS)</b></p>	<ul style="list-style-type: none"><li>• <b>For civil society:</b> reduce as much as possible the impact of the Group's activities on water resources, whether it be through water withdrawals or discharges;</li><li>• <b>For suppliers:</b> pay particular attention to the quality of the Group's supplies and the performance of its suppliers in terms of sustainable resource management;</li><li>• <b>For local communities:</b> promote local management of these issues, for example by participating in the preservation of biodiversity in the city.</li></ul>	<p><b>6.3:</b> Total water discharge <b>6.4:</b> Monitoring the goal to reduce water discharge by 80% between 2010 and 2025 <b>6.4:</b> Surface water withdrawal on sites with very high water stress <b>6.5:</b> Quantity of water reused in production processes via internal recycling systems <b>6.5:</b> Quantity of waste generated</p> <p><b>Other indicators</b> CDP Water Disclosure</p>
 <p><b>TO USE OUR LOCAL CONSUMPTION POTENTIAL TO DEVELOP LOCAL RENEWABLE ENERGY NETWORKS</b></p>	<ul style="list-style-type: none"><li>• <b>For civil society:</b> accelerate the change towards a low-carbon energy system through procurement and investment; participate in research and multi-stakeholder actions such as participation in the ETC (Energy Transition Commission)</li></ul>	<p><b>7.1:</b> Number of sites certified for energy management (ISO 50001) <b>7.2:</b> Share of renewable electricity in total electricity consumption <b>7.3:</b> Monitoring the goal to reduce energy consumption by 15% between 2010 and 2025 <b>7.3:</b> Total energy consumption of entire Group</p> <p><b>References</b> URD 2020, chapter 3, section 4.1.6.2</p>



## INTEGRATION OF SUSTAINABLE DEVELOPMENT GOALS

### OBJECTIVE AND SIGNIFICANCE FOR SAINT-GOBAIN



**CREATING CONDITIONS  
GUARANTEEING  
QUALITY JOBS FOR  
OUR EMPLOYEES**

### HOW DOES SAINT-GOBAIN INTEGRATE THIS OBJECTIVE WITH RESPECT TO ITS VARIOUS STAKEHOLDERS?

- **For employees:** to strengthen employee satisfaction, through the launch of version 4.0 of its OPEN (Our People in an Empowering Network) program;
- **For suppliers:** ensuring decent working conditions by signing the Supplier Charter;
- **For civil society:** to commit to decent work for all as part of the Global Deal.

### CORRESPONDING SDG TARGETS AND PERFORMANCE INDICATORS FOR SAINT-GOBAIN

**8.5:** Layoff rate  
**8.5:** Hiring rate  
**8.5:** Proportion of shares held by employees  
**8.7:** Number of incidents involving forced or compulsory labor  
**8.7:** Other human rights incidents, including child labor  
**8.8:** Number of signed and active agreements with employee representatives  
**8.8:** Group accident frequency rate (TRAR)  
**8.8:** Number of sites with Health and Safety certification (OHSAS 18001 - ILO OSH 2001 - ISO 45000)

#### Other indicators

OPEN program, Top Employer Global

#### References

URD 2020, chapter 3, sections 1.5, 1.6.2, 3.1.1 and 3.2.2



**ENGAGING  
OUR INNOVATION  
AT THE SERVICE  
OF SUSTAINABLE  
DEVELOPMENT  
AND THE CIRCULAR  
ECONOMY**



- **For employees:** implement an eco-innovation approach and measure the sustainable performance of its products and solutions to anticipate market trends;
- **For civil society:** member of the WBCSD (World Business Council for Sustainable Development) board in charge of climate, energy, circular economy, cities and mobility.

**9.1:** Number of "Quality" certified sites  
**9.4:** Soil decontamination, site remediation and other clean-up costs  
**9.5 :** Number of patents filed in 2020: over 400 Number of researchers: 3,600  
 Top Global Innovator for the tenth consecutive year

#### References

URD 2020, chapter 3, sections 1.6.1 and 2.1.2

INTEGRATION  
OF SUSTAINABLE  
DEVELOPMENT GOALS

OBJECTIVE AND SIGNIFICANCE FOR SAINT-GOBAIN	HOW DOES SAINT-GOBAIN INTEGRATE THIS OBJECTIVE WITH RESPECT TO ITS VARIOUS STAKEHOLDERS?	CORRESPONDING SDG TARGETS AND PERFORMANCE INDICATORS FOR SAINT-GOBAIN
 <b>BEING INCLUSIVE BY ENCOURAGING EQUAL OPPORTUNITIES</b>	<ul style="list-style-type: none"><li>• <b>For employees:</b> to create an environment conducive to professional growth by promoting fairness and equality in order to improve our performance;</li><li>• <b>For local communities:</b> fostering inclusion and promoting diversity in all its forms: gender, nationalities, training, career paths, generational diversity, disabilities, ethnic and social origins.</li></ul>	<p><b>10.2</b> and <b>10.3:</b> Percentage of disabled employees in the Group <b>10.2</b> and <b>10.3:</b> Percentage of employees under 30 <b>10.2</b> and <b>10.3:</b> Percentage of employees aged 30 to 50 <b>10.2</b> and <b>10.3:</b> Percentage of employees aged over 50 <b>10.2</b> and <b>10.3:</b> Total incidents, including disability, harassment, ethnic origin, gender and other</p> <p><b>References</b> URD 2020, chapter 3, section 3.3.4</p>
 <b>OFFERING SUSTAINABLE AND AFFORDABLE SOLUTIONS THAT ARE ADAPTED TO THE LIFESTYLE CHANGES ASSOCIATED WITH INCREASING URBANIZATION</b>	<ul style="list-style-type: none"><li>• <b>For customers:</b> designing, producing and distributing sustainable, high-performance solutions, by country and end market;</li><li>• <b>For local communities:</b> providing financial support for projects to build or rehabilitate living spaces for people in difficulty, through the Saint-Gobain Foundation;</li><li>• <b>For civil society:</b> investing in partnerships at local level, for example with Green Building Councils (GBCs).</li></ul>	<p><b>11.1</b> and <b>11.c:</b> Investments in projects in favor of local communities. In 2020, the Saint-Gobain Foundation supported 19 "social housing" projects for 42,166 beneficiaries and an allocated budget of €933,905.</p> <p><b>References</b> URD 2020: Chapter 2, sections 3.1 and 4.1.4</p>

## INTEGRATION OF SUSTAINABLE DEVELOPMENT GOALS

### OBJECTIVE AND SIGNIFICANCE FOR SAINT-GOBAIN



**CHANGING THE WAY  
WE DESIGN, PRODUCE  
AND DISTRIBUTE  
OUR PRODUCTS AND  
SOLUTIONS TO DEVELOP  
THE CIRCULAR ECONOMY**

### HOW DOES SAINT-GOBAIN INTEGRATE THIS OBJECTIVE WITH RESPECT TO ITS VARIOUS STAKEHOLDERS?

- **For employees:** integrate eco-innovation into training for new research managers and R&D project leaders;
- **For customers:** design, produce and distribute sustainable and comfortable solutions.

### CORRESPONDING SDG TARGETS AND PERFORMANCE INDICATORS FOR SAINT-GOBAIN

**12.2:** Responsible timber purchases  
**12.2:** Training in responsible purchasing policy  
**12.4** and **12.5:** quantity of waste generated  
**12.4** and **12.5:** quantity of waste reused or recycled  
**12.6:** Amount of purchases covered by the signature of the supplier charter  
**12.6:** Proportion of suppliers per CSR performance level

#### References

URD 2020  
 Chapter 2, section 1.1.1.5  
 Chapter 3, sections 2.1 and 4.2



**CONTRIBUTING  
TO THE EMERGENCE  
OF LOW-CARBON  
ECONOMIES CAPABLE  
OF PRESERVING  
THE COMMON GOOD**

- **For customers:** engage with a wide range of private and public stakeholders to increase its positive contribution;
- **For civil society:** promote the emergence of a low-carbon economy via reaching carbon neutrality by 2050;
- **For investors:** support the recommendations of the Task Force on Financial Disclosure (TCFD);
- **For regulators:** participate in the public debate on climate change;
- **For suppliers:** encourage suppliers to reduce their carbon footprint.

**13.1:** Number of sites with environmental certification (ISO 14001 and/or EMAS)  
**13.1:** Monitoring of the target of reducing CO<sub>2</sub> emissions (scopes 1+2) in absolute terms by 33% between 2017 and 2030 (SBTi validation)  
**13.1:** Monitoring the goal to reduce SO<sub>2</sub>, NO<sub>x</sub> and dust emissions by 20% between 2010 and 2025

#### Other indicators

TCFD 2020, CO<sub>2</sub> roadmap

#### References

URD 2020  
 Chapter 2, section 1.1.1  
 Chapter 3, sections 1.5, 1.6.1, 2.3 and 4.1



INTEGRATION  
OF SUSTAINABLE  
DEVELOPMENT GOALS

OBJECTIVE AND SIGNIFICANCE  
FOR SAINT-GOBAIN



SHARING OUR  
VALUES WITH  
OUR STAKEHOLDERS

HOW DOES SAINT-GOBAIN INTEGRATE THIS OBJECTIVE  
WITH RESPECT TO ITS VARIOUS STAKEHOLDERS?

- **For employees:** rely on the Code of Ethics: Principles of Conduct and Action;
- **For suppliers:** integrate supplier adherence to the supplier charter into the responsible purchasing approach;
- **For civil society:** compliance with the law, the principles of the Code of Ethics and respect for human rights are fundamental values of the Group.

CORRESPONDING SDG TARGETS  
AND PERFORMANCE INDICATORS  
FOR SAINT-GOBAIN

- 16.2:** Other human rights incidents, including child labor
- 16.3:** Alerts received through alert systems
- 16.3:** Amount of significant penalties for non-compliance with laws and regulations
- 16.5:** Number of reported cases of corruption
- 16.7:** Number of active agreements signed with employee representative bodies

**Other indicators**  
Alert system for all stakeholders

**References**  
URD 2020, chapter 3, sections 1.2, 1.3 and 1.4



# FINANCIAL PERFORMANCE INDICATORS



€38,128 M

2020 SALES



€2,855 M

OPERATING INCOME



€1,470 M

RECURRING NET INCOME



€3,044 M

FREE CASH FLOW



€2.74

RECURRING EARNINGS PER SHARE



€7,181 M

NET DEBT



€1,236 M

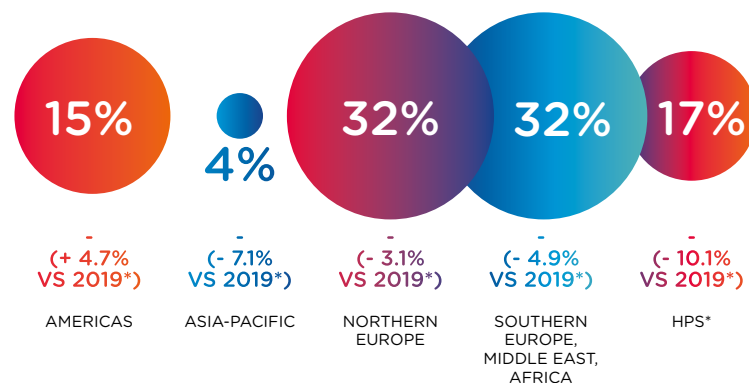
CAPITAL EXPENDITURE



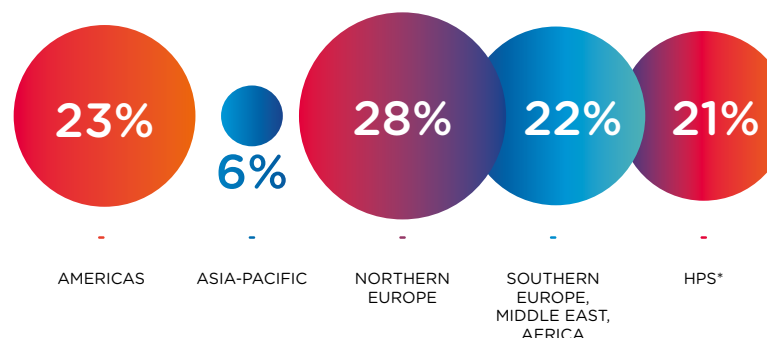
€17,892 M

SHAREHOLDERS' EQUITY - GROUP SHARE

## BREAKDOWN OF SALES



## BREAKDOWN OF OPERATING INCOME



\*High Performance Solutions

# NON-FINANCIAL PERFORMANCE INDICATORS



Saint-Gobain has taken the commitment to reach **net zero carbon emissions by 2050**  
-12.2%: reduction of CO<sub>2</sub> emissions between 2010 and 2020 (2025 target: -20%)



**100%**  
of trade purchases are covered by the **Suppliers Charter** (90.6% for non-trade purchases).



For the third consecutive year, Saint-Gobain is included on the Bloomberg **Gender Equality Index**.



Saint-Gobain's actions in favor of the **circular economy** have helped avoid the extraction **of 10,100,574 tons** of virgin raw materials (sand, gypsum).



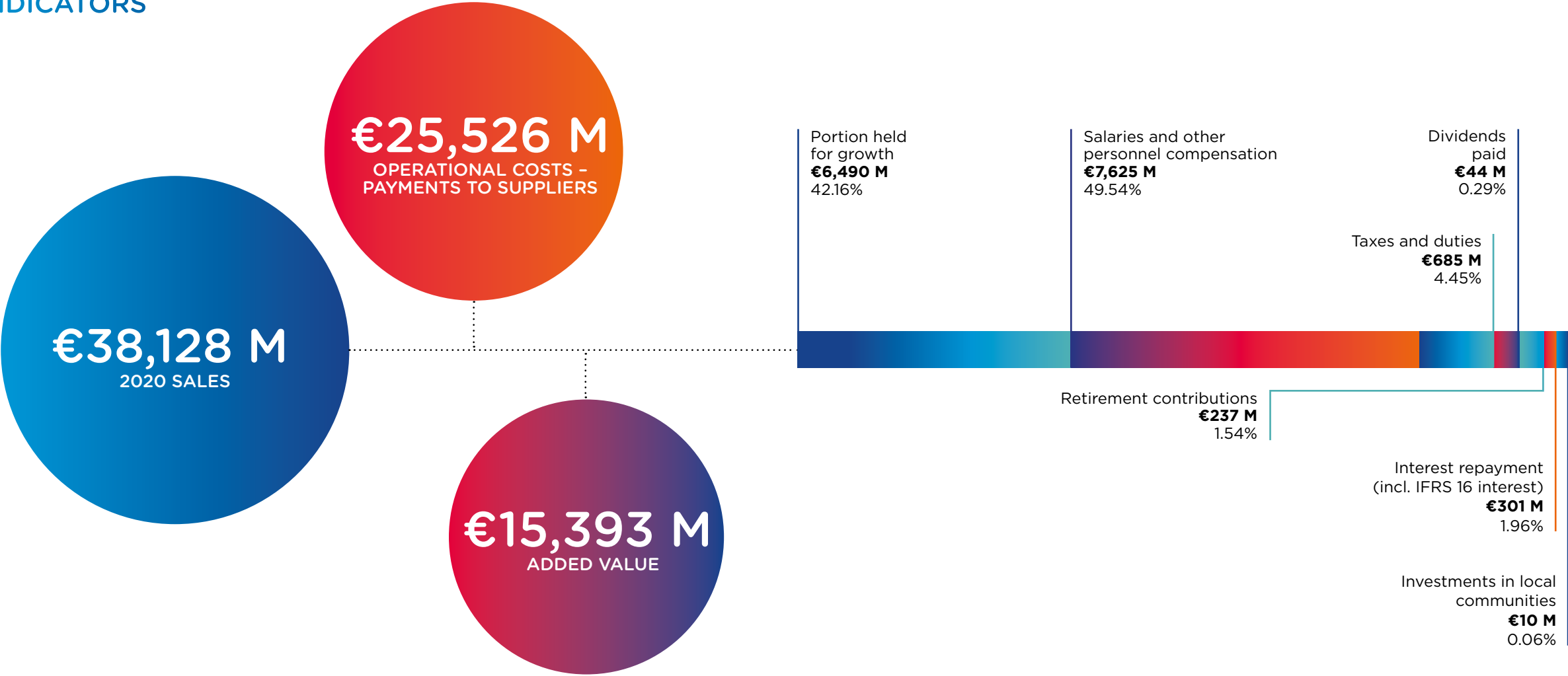
**1.8**  
**Accident frequency rate** with and without more than 24 hours of lost time (employees, temporary staff and permanent subcontractors)



**"CARE by Saint-Gobain"** social protection program: for the "parenthood" pillar, maternity/adoption leave of minimum 14 weeks at full salary and paternity/partner leave of minimum 3 days at full salary.



NON-FINANCIAL  
PERFORMANCE  
INDICATORS



# GOVERNANCE

The Group's governing bodies

The Saint-Gobain tower in La Défense (Paris) is to this day the record holder for international environmental certification among high-rise buildings in France.

# BOARD OF DIRECTORS

14 DIRECTORS

OF WHICH:

45%  
WOMEN

82%  
INDEPENDENT  
DIRECTORS,  
COMMITTEE CHAIRMEN  
ALL INDEPENDENT

99%  
ATTENDANCE RATE

1  
LEAD INDEPENDENT  
DIRECTOR

2  
EMPLOYEE  
DIRECTORS

+ 1  
DIRECTOR  
REPRESENTING  
EMPLOYEE  
SHAREHOLDERS

ON JANUARY 1, 2021,  
THE BOARD CONSISTED OF:

**PIERRE-ANDRÉ DE CHALENDAR**  
Executive Officer of Compagnie  
de Saint-Gobain

**JEAN-FRANÇOIS CIRELLI** <sup>(1)</sup>  
Chairman of BlackRock France,  
Belgium and Luxembourg

**LYDIE CORTES**  
Employee Director

**SIBYLLE DAUNIS**  
Chief Executive Officer of PUM  
and Director representing  
employee shareholders

**IÊDA GOMES YELL**  
Research fellow and Director  
of companies

**ANNE-MARIE IDRAC**  
Director of companies

**PAMELA KNAPP**  
Director of companies

**AGNÈS LEMARCHAND**  
Director of companies

**DOMINIQUE LEROY**  
Member of the Management Board  
of Deutsche Telekom AG and Chief  
Executive Officer Europe

**DENIS RANQUE**  
Director of companies

**GILLES SCHNEPP**  
Director of companies

**JEAN-DOMINIQUE SENARD**  
Chairman of the Board  
of Directors of Renault

**PHILIPPE THIBAUDET**  
Employee Director

**PHILIPPE VARIN**  
Chairman of the Board  
of Directors of Suez

Board of Directors'  
Secretary:

**ANTOINE VIGNIAL**  
General Secretary  
of Compagnie  
de Saint-Gobain

(1) Board member as an individual, and not as a BlackRock representative;  
Mr. Cirelli does not represent BlackRock at the Board of Directors.



# EXECUTIVE COMMITTEE

ON JANUARY 1, 2021,  
THE EXECUTIVE COMMITTEE  
COMPRISED THE FOLLOWING  
MEMBERS:

THE EXECUTIVE COMMITTEE  
MEETS ONCE A MONTH.



**PIERRE-ANDRÉ  
DE CHALENDAR**  
Chairman and Chief  
Executive Officer



**ARMAND AJDARI**  
Vice-President, Research  
and Development



**PATRICK DUPIN**  
Senior Vice-President,  
CEO Northern Europe Region



**THIERRY FOURNIER**  
Senior Vice-President,  
CEO Latin America Region



**JAVIER GIMENO**  
Senior Vice-President,  
CEO Asia-Pacific Region



**CORDULA  
GUDDUSCHAT**  
Vice-President, Marketing  
and Development



**LAURENT GUILLOT**  
Senior Vice-President,  
CEO High Performance  
Solutions



**BENOIT D'IRIBARNE**  
Senior Vice-President,  
Technology and Industrial  
Performance



**BENOIT BAZIN**  
Chief Operating Officer



**CLAIRE PEDINI**  
Senior Vice-President,  
Human Resources  
and Digital Transformation



**LAURENCE PERNOT**  
Vice-President,  
Communications



**MARK RAYFIELD**  
Senior Vice-President,  
CEO North America Region



**SREEDHAR N.**  
Chief Financial Officer



**GUILLAUME TEXIER**  
Senior Vice-President,  
CEO Southern Europe,  
Middle East, Africa Region



**MAUD THUAUDET**  
Vice-President, Strategy



**ANTOINE VIGNIAL**  
General Secretary  
in charge of Corporate  
Social Responsibility

# APPENDIX

Point.P's new branch on the quayside at Port de Javel on the Seine in Paris (France) shares an exceptional quayside location with the neighborhood inhabitants. It allows for optimal use of river transport, so as to take as many truck journeys off the roads as possible and avoid emissions of CO<sub>2</sub>. Its architectural quality and comfort proves it is indeed possible to reinvent trade within city centers.





# SUSTAINABLE DEVELOPMENT GOALS



The Group pays particular attention to the **United Nations Sustainable Development Goals** (SDGs), so as to make progress in evaluating the real impacts that companies can have in working towards a fairer, more sustainable world. These goals also make possible new multi-stakeholder collaborations, in which companies are engaged locally and globally.

Links between the various elements of Saint-Gobain's value chain and the United Nations Sustainable Development Goals are described page 35.



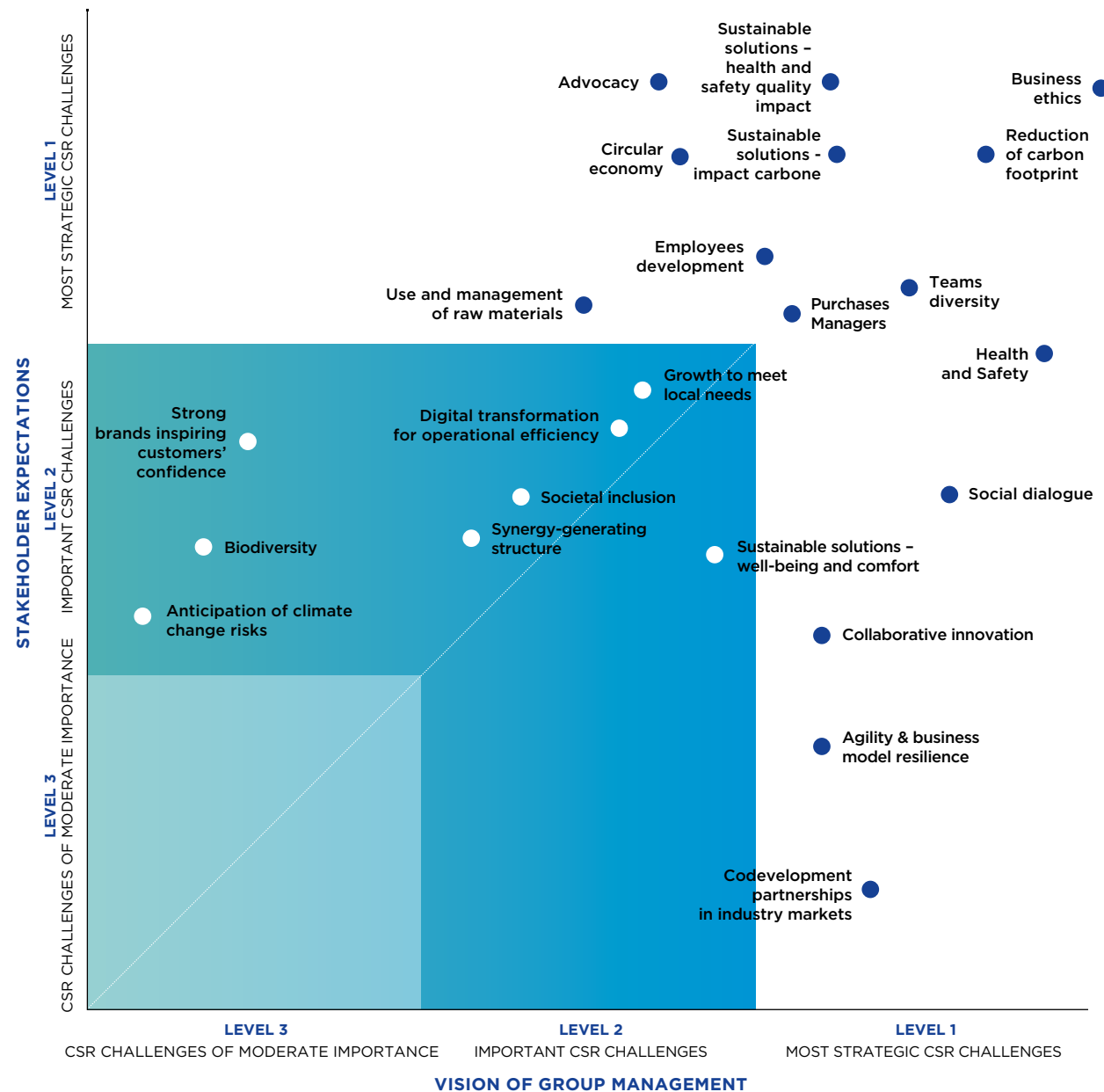
# MATERIALITY MATRIX

The **materiality matrix** published by the Group was reviewed in 2020 with the assistance of Mazars.

The same methodological principles were used:

- **identify priority issues**, based on the documentation available on the company, its activities and its environment;
- **share these issues** with its main stakeholders;
- **prioritize these issues** by comparing stakeholder expectations against the vision of management.

A **methodology note** is available on the Group website. The assessment is based on information gathered during interviews with experts, customer surveys, employee surveys, minutes of meetings with various stakeholders, and internal interviews. For example, interviews with external stakeholders conducted in the context of the formulation of the Group's purpose, or the "me@saint-gobain" survey conducted among Group employees were included in the analysis, as were the Group's transformations as part of the Transform & Grow program.



## TABLES AND INDICATORS: ENVIRONMENT

					GOALS SET FOR	
TOPICS	SAINT-GOBAIN INDICATORS	2020	2019	2018	2025	2030
CLIMATE	• CO <sub>2</sub> emissions scope 1+2 (Mt)	10.4	10.8	11.7		
	• Reduce carbon emissions by 20% (scope 1 and 2) at iso-production by 2025 (2010 basis)	-12.2%	-14.5%	-11.7%	•	
	• Reduce carbon emissions by 33% (scope 1 and 2) in absolute terms between 2017 and 2030 (SBTi validation)	-22.2%	-19.4%	-12.7%		•
	• CO <sub>2</sub> scope 3 emissions (Mt)	17.4				
	• Reduce carbon emissions by 16% (scope 3) in absolute terms between 2017 and 2030 (SBTi validation)					•
	• CO <sub>2</sub> eq avoided emissions thanks to our insulation solutions sold in 1 year (Mt)			1,200*		
	• Solutions for Growth: sustainable share	>70% **				
	• Evolution of CO <sub>2</sub> impact (scope 1+2) on Group revenue (kgCO <sub>2</sub> /€ sales)	0.27	0.25	0.28		
	• Number of environment-certified sites (ISO 14001. EMAS)	610	610	599		
	• Number of sites certified for energy management (ISO 50001)	158	160	158		
	• Number of quality-certified sites (ISO 9001 )	579	597	583		
	ENERGY	• Total energy consumed (GWh)	41,020	41,974	44,111	
• Reduce energy consumption by 15% at iso-production between 2010 and 2025		1.3%	- 2.1%	-2.9%	•	
• Renewable electricity contribution as part of total electricity consumption (%)		18.9%	18.2%	11.9%		
• Evolution of energy consumed impact on Group revenue (kWh/€ sales)		1.08	0.99	1.06		
AIR QUALITY		• NOx (excluding N <sub>2</sub> O) emissions (t)	16,988	18,116	19,308	
	• Reduce NOx by 20% at iso-production between 2010 and 2025	-15.7%	-23.0%	-20.6%	•	
	• SO <sub>2</sub> emissions (t)	10,276	11,366	18,213		
	• Reduce SO <sub>2</sub> by 20% at iso-production between 2010 and 2025	-51.8%	- 57.5%	-46.0%	•	
	• Dust emissions, including PM10 (t)	4,817	5,512	7,482		
	• Reduce dusts by 20% at iso-production between 2010 and 2025	-53.0%	-54.7%	-49.0%	•	

\* Estimate based on 2017 sales of insulative solutions.

\*\* New methodology.

## TABLES AND INDICATORS: ENVIRONMENT (CONTINUED)

TOPICS	SAINT-GOBAIN INDICATORS	GOALS SET FOR				
		2020	2019	2018	2025	2030
<b>WATER</b>	• Total water withdrawal (M of m <sup>3</sup> )	45.4	48.9	52.8		•
	• Percentage of recycled water (%)	85%	84.9%	85.9%		
	• Total water discharge (M of m <sup>3</sup> )	23	24.3	27.6		
	• Reduce water discharge by 80% at iso-production between 2010 and 2025	-31.5%	-34.5%	-35.0%	•	
	• Percentage of on site water withdrawal in regions with high or extremely high water stress (%)	16%	10%	11%		
	• Total volume of water withdrawal on sites with high water stress based on Aqueduct 2020 data (M of m <sup>3</sup> )	4.6 **				
	• Total volume of water withdrawal on sites with extremely high water stress based on Aqueduct 2020 data (M of m <sup>3</sup> )	2.5 **	0.58 ***	0.6 ***		
	• Total volume of water discharged on sites with high water stress based on Aqueduct 2020 data (M of m <sup>3</sup> )	2.4 **				•
	• Total volume of water discharged on sites with extremely high water stress based on Aqueduct 2020 data (M of m <sup>3</sup> )	0.6 **				•
<b>R&amp;D</b>						
	• Budgets allocated to R&D projects linked to environment (€M)	86.4	80.9	78.3		
<b>CIRCULAR ECONOMY</b>						
	• Amount of waste generated (Mt)	1,309	1,585	1,614		
	• Quantity of non-recovered waste (Mt)	0.445	0.515	0.517		
	• Reduce non-recovered waste by 50% at iso-production between 2010 and 2025	-26.3%	-11.5%	-15.9%	•	
	• Quantity of waste reused or recycled (Mt)	0.854	1.083	1.091		
	• Quantity of hazardous waste generated (Mt)	0.081	0.102	0.123		
	• Quantity of non-recovered hazardous waste (Mt)	0.036	0.045	0.038		
	• Natural raw materials not extracted (Mt)	10.1	8.5	9.03		
<b>PRODUCT TRANSPARENCY</b>						
	• Number of EPD (Environmental Product Declaration) in construction activities	1,255	1,100	800		•

\*\* New methodology.

\*\*\* Scope of consolidation based on Aqueduct 2016.



## TABLES AND INDICATORS: SOCIAL ISSUES

TOPICS					GOALS SET FOR				
SAINT-GOBAIN INDICATORS					2020	2019	2018	2025	2030
HEALTH & SAFETY									
• Group accident frequency rate (TRAR) (employees, temporary workers and permanent subcontractors)					1.8	2.2	2.4		
• Percentage of sites having done Safhear Inventories (%)					44%				
• Number of Health & Safety certified sites at the actual scope (OHSAS 18001 – ILO OSH 2001 – ISO 45001)					359	368	364		
• Share of technical and EHS training (%)					56.1%	54.4%	41.4%		
HUMAN RIGHTS									
• Number of incidents involving forced or compulsory labor					0	0	0		
• Number of incidents involving union freedom					1	2	1		
• Other incidents involving human rights, including child labor					0	0	0		
• Percentage of Group employees covered by a collective bargaining agreement					65%	64.9%	66%		
• Number of reports received through the occupational whistle-blowing system					477	537	406		
DIVERSITY									
• Share of women managers among managers (%)					25.3%	24.2%	23.8%		
• Diversity index (%)					90.7%	91.4%	91%		
• Share of women in the highest positions (representing around 10% of the Group’s total positions)					23.6%	23%	22.5%		
• Share of women senior managers (objective: 25% of women senior managers by 2025)					19%	17.1%	15.2%		•
• Ratio of basic average male to female wages					0.94				
• Ratio of basic average male to female wages for managers					0.97	0.95	0.91		
• Ratio of basic average male to female wages for junior managers					0.96	0.98	0.99		
• Ratio of basic average male to female wages for confirmed managers					0.95	0.95	0.95		
• Ratio of basic average male to female wages for senior managers					0.98	0.96	0.92		
• Ratio of total average male to female remuneration					0.92	0.92	0.91		
• Proportion of young people under 30 (%)					17.2%	18%	18%		
• Proportion of people between 30 and 50 (%)					56.8%	57%	54%		
• Proportion of people over 50 (%)					26%	25%	28%		
• Proportion of disabled employees within the Group (%)					1.6%	1.5%	1.5%		
• Hiring rate by gender M/F (%)					72.9%/27.1%	74.2%/25.8%	73.6%/26.4%		
• Employee distribution by gender (M/F) (%)					77.4%/22.6%	77.6%/22.4%	77.4%/22.6%		

## TABLES AND INDICATORS: SOCIAL ISSUES (CONTINUED)





TOPICS					SAINT-GOBAIN INDICATORS		2020	2019	2018	GOALS SET FOR	
										2025	2030
NON-DISCRIMINATION											
		• Number of incidents declared (total incidents of which: disability, harassment, ethnic origin, gender, other...)				59	54	59			
TALENT ENGAGEMENT											
		• Satisfaction survey:									
		- Employees responding (%)				78%	74%	71.9%			
		- Engagement index score				82%	79%				
		- Employees feel adequately trained to do their work (% respondents)				88%	87%				
EMPLOYMENT											
		• Turnover rate (%)				10.5%	11.7%	11%			
		- Industry turnover rate (%)				9.5%					
		- Distribution turnover rate (%)				12.4%					
		• Hiring rate (%)				13.5%	16.3%	19%			
		• Layoff rate (%)				4%	4.5%	3.7%			
		• Share of employees who received training during the year (%)				73.2%	79.1%	87.7%			
SOCIAL DIALOGUE											
		• Percentage of employees with employee representation				67.7%	54.4%	53.7%			
		• Number of signed and active agreements with employee representatives				2,638	1,437	1,506			
COMPENSATION AND SOCIAL BENEFITS											
		• Coverage rate of employees at minimum wages (either within the legal framework or by negotiating collective bargaining agreements)				> 99%	> 99%				
		• "CARE by Saint Gobain" social protection program coverage (% employees)									
		- parental pillar (14 weeks maternity leave on full salary and a minimum of 3 days leave on full salary for the spouse after the birth or adoption of a child)				100%					
		• Group Savings Plan (PEG) : coverage rate of participating countries (as a percentage of total headcount)				88.1%	88.0%	88.6%			

## TABLES AND INDICATORS: GOVERNANCE



LES AND INDICATORS: GOVERNANCE					GOALS SET FOR	
TOPICS	SAINT-GOBAIN INDICATORS	2020	2019	2018	2025	2030
ETHICS & COMPLIANCE						
	• Share of managers trained to the code of ethics - the Principles of Conduct and Action - in their first year (%)	97%	93%	96%		
	• Act training program: share of managers trained (%)	94%	95%			
	• Comply (anti-trust laws) training: share of managers trained (%)	96%	91%			
	• Number of cases of corruption reported	0	0	0		
	• Total number of penalties for violation of laws and regulations	0	0	0		
RESPONSIBLE PURCHASING						
	• Total non-trade purchases covered by the Suppliers Charter (eligible perimeter) (%)	90.6%	89.1%	82.6%		
	• Percentage of responsible timber purchases - trade (%)	94.8%	96.5%	95%		
	• Number of trainings to the responsible purchasing program (non trade - Boost)	2,428	2,525	2,734		
	• Trade: percentage of so-called “at risk” purchases evaluated in terms of CSR	43.2%				
	• Non-trade: percentage of so-called “at risk” purchases evaluated in terms of CSR (**)	62.3%				
	Detailed reporting: "Responsible purchasing", URD 2020, page 133					
GOVERNING BODIES						
	• Share of women on Board (%)	45%	45%	42%		
	• Share of women on Group executive committee (%)	25%	23.5%	21.4%		
	• Average share of women in the Business Unit's executive committees (%)					
	• Share of independent directors on Board (%)	82%	73%	73%		
	• % ESG criteria in long term incentive plans	20%	15%			
GROUP SAVINGS PLAN						
	• Proportion of shares held by Group employees' savings plan	9.1%	8.7%	8%		
INCLUSIVE GROWTH						
	• Investments in projects for local communities (€M)	9.9	6.1	6.8		








# OUR TOOLS

OUR PILLARS	OUR CHALLENGES	OUR PROGRAMS	OUR TOOLS
<b>BUILDING TRUST WITH STAKEHOLDERS</b>			
Business ethics	Ethical practices with employees	 	<p><b>OUR POLICIES AND COMMITMENTS</b></p> <ul style="list-style-type: none"> <li>• Principles of Conduct and Action</li> <li>• Human Rights policy</li> <li>• Anti-corruption policy</li> <li>• The “fil concurrence”</li> <li>• Data privacy policy</li> </ul> <p><b>OUR ACTION PLANS</b></p> <ul style="list-style-type: none"> <li>• Deployment of the compliance program</li> <li>• Alert system and its application</li> </ul> <p><b>OUR LEVERS</b></p> <ul style="list-style-type: none"> <li>• Training programs: Adhere, Comply, Act</li> </ul>
	Responsible purchasing	 	<p><b>OUR POLICIES AND COMMITMENTS</b></p> <ul style="list-style-type: none"> <li>• Commitment to responsible purchasing</li> <li>• Human rights policy</li> <li>• Specific policies: timber and minerals at risk</li> </ul> <p><b>OUR ACTION PLANS</b></p> <ul style="list-style-type: none"> <li>• World Class Purchasing Program (WCP)</li> <li>• “Responsible Purchasing” program, including purchasers’ and suppliers’ charters and CSR risk analysis tools</li> </ul> <p><b>OUR LEVERS</b></p> <ul style="list-style-type: none"> <li>• Training of purchasers</li> <li>• Supplier Charter</li> <li>• Purchaser Charter</li> </ul>

## OUR TOOLS

OUR PILLARS	OUR CHALLENGES	OUR PROGRAMS	OUR TOOLS
<b>BUILDING TRUST WITH STAKEHOLDERS (CONTINUED)</b>			
<b>Employee engagement and diversity</b>	Employee engagement		<p><b>OUR POLICIES AND COMMITMENTS</b></p> <ul style="list-style-type: none"> <li>• Human Resources (HR) policy</li> <li>• “Attitudes” by Saint-Gobain</li> </ul> <p><b>OUR ACTION PLANS</b></p> <ul style="list-style-type: none"> <li>• OPEN program: talent, mobility, diversity and development</li> <li>• Mental Well-Being Program (MWB)</li> <li>• CARE by Saint-Gobain Program</li> <li>• WCM program: HR development pillar including skills management</li> </ul> <p><b>OUR LEVERS</b></p> <ul style="list-style-type: none"> <li>• Leadership: Trust, Empowerment and Collaboration</li> <li>• Employer branding</li> </ul>
	Diversity and inclusion		<p><b>OUR POLICIES AND COMMITMENTS</b></p> <ul style="list-style-type: none"> <li>• Equal treatment policy in terms of recruitment, access to promotions, professional training and compensation</li> <li>• United Nations Women Empowerment Principles (WEP)</li> </ul> <p><b>OUR ACTION PLAN</b></p> <ul style="list-style-type: none"> <li>• OPEN program: diversity pillar</li> </ul> <p><b>OUR LEVERS</b></p> <ul style="list-style-type: none"> <li>• Local WIN (Women In Network) networks and mentoring</li> <li>• Training modules, aimed at ensuring the understanding and adherence of our collaborators to our policies</li> <li>• HR Analytics Gender Diversity Gap Program: using big data to identify bias</li> </ul>

## OUR TOOLS

OUR PILLARS	OUR CHALLENGES	OUR PROGRAMS	OUR TOOLS
<b>BUILDING TRUST WITH STAKEHOLDERS (CONTINUED)</b>			
Health and safety across the entire value chain	With our employees, temporary workers and subcontractors	  	<p><b>OUR POLICIES AND COMMITMENTS</b></p> <ul style="list-style-type: none"> <li>• EHS charter and policy</li> <li>• Health policy</li> </ul> <p><b>OUR ACTION PLANS</b></p> <ul style="list-style-type: none"> <li>• WCM Program: “Health and Safety” pillar</li> <li>• Health and safety management system:             <ul style="list-style-type: none"> <li>• risk identification</li> <li>• risk management through standards deployed on site and training adapted to operations</li> <li>• system verification through audits and site certification</li> </ul> </li> </ul>
	For our suppliers, our customers, the end user and the local communities	 	<p><b>OUR POLICIES AND COMMITMENTS</b></p> <ul style="list-style-type: none"> <li>• EHS charter and policy</li> <li>• Health policy</li> </ul> <p><b>OUR ACTION PLANS</b></p> <ul style="list-style-type: none"> <li>• Solutions For Growth: health and safety benefits for the installer and the end user</li> <li>• Innovation process integrating health and safety risks, including EHS checklist</li> <li>• Responsible purchasing: a pillar on the health and safety of suppliers' employees</li> </ul> <p><b>OUR LEVERS</b></p> <ul style="list-style-type: none"> <li>• S'BASE and Safhear tools at our sites to reduce the presence of chemicals in our sites and therefore in our products</li> </ul>



Health-related challenges

OUR TOOLS

OUR PILLARS	OUR CHALLENGES	OUR PROGRAMS	OUR TOOLS
CONTRIBUTING TO THE COMMON GOOD			
Climate change	Carbon impact	   	<p><b>OUR POLICIES AND COMMITMENTS</b></p> <ul style="list-style-type: none"><li>• Energy, air emissions and climate policies</li><li>• “Net Zero Carbon” commitment</li></ul> <p><b>OUR ACTION PLANS</b></p> <ul style="list-style-type: none"><li>• Internal program: WCM for the energy efficiency of our sites</li><li>• Solutions for Growth for the design and evaluation of our solutions</li><li>• Roadmap 2030 towards carbon neutrality by 2050 including process innovation</li></ul> <p><b>OUR LEVERS</b></p> <ul style="list-style-type: none"><li>• Internal carbon pricing and dedicated investments</li><li>• SCORE eco-design tool and Environmental Product Declaration (EPD)</li><li>• “Climate 2050” e-learning program</li></ul>
	Other environmental impacts	 	<p><b>OUR POLICIES AND COMMITMENTS</b></p> <ul style="list-style-type: none"><li>• EHS charter and policy</li><li>• Biodiversity policy</li><li>• Water management policy</li><li>• Act4nature International</li></ul> <p><b>OUR ACTION PLAN</b></p> <ul style="list-style-type: none"><li>• Environmental Management System</li></ul> <p><b>OUR LEVERS</b></p> <ul style="list-style-type: none"><li>• Monitoring of high and very high water stress areas</li></ul>



Energy-related challenges







Challenges related to biodiversity



Water-related challenges



OUR TOOLS

OUR PILLARS	OUR CHALLENGES	OUR PROGRAMS	OUR TOOLS
CONTRIBUTING TO THE COMMON GOOD (CONTINUED)			
Circular economy	Sustainable resources management	  	<p><b>OUR POLICIES AND COMMITMENTS</b></p> <ul style="list-style-type: none"><li>• Sustainable resources management policy</li><li>• Biodiversity policy and charter for the environment and biodiversity in quarries and mines</li></ul> <p><b>OUR ACTION PLAN</b></p> <ul style="list-style-type: none"><li>• Quarries management</li><li>• Innovation process to develop products, solutions and services and to develop manufacturing processes</li></ul> <p><b>OUR LEVERS</b></p> <ul style="list-style-type: none"><li>• SCORE tool to evaluate our use of non-recyclable raw materials</li></ul>
	Collection, recycling and waste recovery		<p><b>OUR POLICIES AND COMMITMENTS</b></p> <ul style="list-style-type: none"><li>• Sustainable resources management policy</li><li>• Act4nature International</li></ul> <p><b>OUR ACTION PLANS</b></p> <ul style="list-style-type: none"><li>• Programme Solutions for Growth, in particular:<ul style="list-style-type: none"><li>• substitution of raw materials by recycled or renewable materials</li><li>• evolution of formulations to reduce their content of dangerous substances</li><li>• improving the recyclability and reusability of solutions</li></ul></li></ul>



Challenges related to materials and circularity



Challenges related to biodiversity

OUR TOOLS

OUR PILLARS	OUR CHALLENGES	OUR PROGRAMS	OUR TOOLS
CONTRIBUTING TO THE COMMON GOOD (CONTINUED)			
Inclusive growth	In synergy with our country markets, sites and structures		<b>OUR ACTION PLAN</b> <ul style="list-style-type: none"><li>• Solutions for Growth program (sustainable and efficient solutions) in particular relating to the performance</li></ul> <b>OUR LEVERS</b> <ul style="list-style-type: none"><li>• Training structures (face-to-face and e-learning solutions) for craftsmen, customers and end users</li><li>• Educational actions with qualification training in particular for young people</li></ul>
	Through philanthropy and employee engagement	 	<b>OUR ACTION PLAN</b> <ul style="list-style-type: none"><li>• Actions carried out by countries in favor of local communities</li><li>• Solidarity actions in emergency situations</li></ul> <b>OUR LEVERS</b> <ul style="list-style-type: none"><li>• Saint-Gobain Foundation, local foundations and sponsorship initiatives</li></ul>



Energy-related challenges



Challenges related to local issues

# GLOSSARY

## CDP

CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

## CSR

Corporate social responsibility: voluntary integration on the part of companies, of social, societal and environmental issues into their business activities as well as in their relationships with their stakeholders. It represents the contribution of businesses to the challenges of sustainable development.

## Diversity Index

Statistical representation of diversity within governing bodies in different aspects (nationality, experience, gender).

## ETC

Energy Transition Commission: Global coalition of leaders from across the energy landscape committed to achieving net-zero emissions by mid-century, created in September 2015 and based in London.

## GBC

Green Building Councils are independent, non-profit organisations made up of businesses and organisations working in the building and construction industry in more than 100 countries.

## Global Deal

Multi-stakeholder initiative for social dialogue and inclusive growth launched in 2016 by the Swedish Prime minister, under the aegis of the OECD (Organisation for Economic Co-operation and Development) and the WLO (International Labour Organization). It contributes to foster social dialogue, consultation, negotiation between or among representatives of governments, employers and workers on economic and social policy issues.

## Materiality

Quality of being relevant or significant for an organization and its capacity to create financial and extra-financial value for itself as well as for its shareholders.

## Net Zero Carbon

Balance between the amount of greenhouse gas produced and the amount removed from the atmosphere.

## SBTi

Launched in June 2015, the Science Based Targets initiative (SBTi) is a project managed in cooperation by the Carbon Disclosure Project (CDP), the United Nations' Global Compact, the World Resource Institute (WRI) and the World Wildlife Fund (WWF). It aims at encouraging businesses to set greenhouse gas emission reduction goals grounded in climate science. The overall ambition is to promote strategies allowing for the level of decarbonation that is required to keep global temperature rise to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C, in line with Intergovernmental Panel on Climate Change recommendations and the 2015 Paris Agreement.

## Scopes

A company's carbon footprint includes both its direct and indirect emissions, measured over 3 different perimeters :

- Scope 1: direct emissions
- Scope 2: indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company
- Scope 3: other indirect emissions

## SDG

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The 17 SDGs are integrated – they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

# GLOSSARY

## Solutions for Growth

Saint-Gobain programme of sustainable, high-performance solutions with proven benefits for the environment, the customers and the other stakeholders.

## Stakeholders

Stakeholders are all the individuals and organizations that participate in a given company's life, that observe it, influence it, and all those who are more or less directly influenced by that company. They can be divided into two main categories, internal stakeholders and external stakeholders.

## TCFD

Task Force on Climate-related Financial Disclosures: created in 2015 by the Financial Stability Board (FSB), in response to a G20 call, to develop consistent climate-related financial risk disclosures for use by companies, banks, and investors in providing information to stakeholders. The TCFD recommendations consist of four pillars – Governance, Strategy, Risk Management, and Metrics & Targets – with suggested disclosures against each one.

## Transform & Grow

Announced in November 2018 by Saint-Gobain, the Transform & Grow plan was implemented starting January 1, 2019 for a two-year period.

## Value chain

Series of interconnected activities which deliver a more or less strategic and important value for the company, taking into account upstream operations (suppliers) and downstream operations (clients and other concerned stakeholders).

## Value creation model

Graphic representation of the way an organization creates value for itself and all its stakeholders by calling on resources and relations, and taking into account its mission, its vision, its strategy and its resource allocation approach.

## WBCSD

World Business Council for Sustainable Development: a global, CEO-led organization of over 200 leading businesses and partners working together to accelerate the transition to a sustainable world, taking into account all three pillars of sustainable development – economic, social and environmental.



# CREDITS

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**[www.saint-gobain.com](http://www.saint-gobain.com)**

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**ILLUSTRATIONS :** Mickaël Merley

**DESIGN AND PRODUCTION:**  epithete.net

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Tour Saint-Gobain  
12, place de l'Iris  
92096 La Défense Cedex  
+33 1 88 54 00 00  
[saint-gobain.com](http://saint-gobain.com)



[www.linkedin.com/company/saint-gobain/](https://www.linkedin.com/company/saint-gobain/)  
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