

Sustainability Rating Certificate for SPCM SA

SPCM SA (SPCM) has solicited V.E to conduct an independent ESG and sustainability rating.

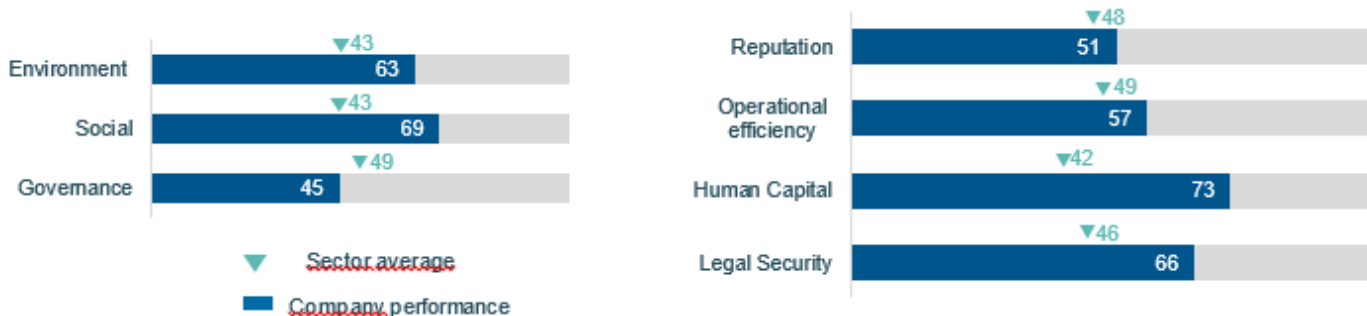
As of July 23d, 2021, SPCM obtains an A1 rating, based on an overall score of 60/100. SPCM ranks within the top 3% of all companies rated by Vigeo Eiris worldwide (4,946 in total) and seventh out of 41 within the sector Chemicals Europe. The company’s overall score has increased by 6 points since our 2020 review, leading to an improved rating (from A2 to A1). SPCM displays a strong willingness and capacity to integrate ESG factors into its strategy, operations and risk management, with advanced results on managing risks related to human capital and legal security, and a robust performance on those related to reputation and operational efficiency.



Rank in Sector	7/41
Rank in Region	131/1623
Rank in Universe	145/4946

ESG Reporting Rate	97%
Sector average	75%

ESG AND RISKS MANAGEMENT PERFORMANCE (./100)



KEY TAKEAWAYS

Impacts: SPCM has a significant share of its products (between 21 and 41%) that contributes to sustainable development by enabling municipal water treatment. Although the Company has an important market share in its business, its development plans should lead to an increase in net employment in the coming years. KPIs demonstrating its environmental footprint (in terms of water and energy use and related emissions) reveal mixed trends.

Risks: SPCM’s risk management system appears to cover its most material ESG risks. The company displays advanced capacity to safeguard its human capital cohesion and legal security while subjects affecting reputation and operational efficiency are addressed in a robust manner.

Management: SPCM appears to fairly integrate ESG factors into its strategy and operations, although few quantitative targets underpin its strategy. Robust to advanced means and processes address the group’s most material challenges, except in Corporate Governance. SPCM faces an isolated controversy and has been responsive to it.

This issuer-solicited corporate ESG rating was produced using research about SPCM from Vigeo Eiris' database as well as on-site interviews with 8 managers and 1 employee representative from SPCM, conducted from 28/06/2021 to 29/06/2021.

V.E's 16 pages assessment report was delivered on 23/07/2021, covering 6 domains and 24 sustainability drivers. It is structured around 3 key pillars:

1. The social and environmental impacts of SPCM's products and services, its strategy for the future, and its ability to invest in and create sustainable value;
2. SPCM's capacity to identify and mitigate its ESG risks and to preserve and increase the value of its strategic assets (including reputation, human capital, operational efficiency and legal security);
3. The strategic and operational integration of social responsibility topics in SPCM's governance, operations and reporting, including the balance and dynamics of stakeholder relationships.

V.E's analysis aims to inform investors, asset managers and other relevant stakeholders of the nature, weighting and level of integration of ESG factors by SPCM, as well as its ability to identify and mitigate related risks.

SPCM SA serves as the holding company to the SNF Group. With 21 production sites, including seven primary plants (two in the USA, one in France, two in China, one in South Korea and one in India), the SNF Group provides polyacrylamide, a water-soluble specialty chemical used in water treatment, mineral extraction, pulp and paper manufacturing, and other industries, as well as in oil and gas applications. The SNF Group also offers other specialty chemicals, such as coagulants, dispersants, and mining reagents.

Paris, 23 July 2021

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