



2023-2024 CSR Report

Commitments
and Action Plan

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2023-2024 CSR Report





MESSAGE FROM THE CEO



Jean-Paul Coudert, you are the CEO of KRATOS SAFETY. Your company is young and has experienced significant growth over the past decade, as seen in this report. What were the keys to this success?

“KRATOS SAFETY was born from the synergy between a small team of **specialists** based near Lyon, **experts** in the European market, and a large, **fully integrated factory** in India. This synergy is based on strong, shared values and clear, realistic objectives, which have enabled us to make steady progress.

We operate in a very specific field, that of securing work at height. This obviously means real situations of danger, but with exposure to risk that must be assessed and measured, so that appropriate and accepted protective solutions can be found and implemented. It therefore goes without saying that our key values are **respect for safety** and **compliance with legal and regulatory requirements**. We are demanding because there can't be any imprecision or amateurism when workers' lives are at stake!

We are involved in standards committees and trade unions, and we constantly monitor legislation and regulations. Our industrial facilities and R&D skills enable us to create and innovate, so that we can expand our range of specialists to meet the specific needs and requirements of the market. Our sales teams are experienced and well-trained: they are available in the field, by telephone, on the website chat and by e-mail, and they know how to listen to and answer their customers' highly technical and specific questions. Our customers always get answers. Our development is based on the trust that comes from **honouring our commitments**, another of our key values.

Finally, we can only put all these skills to work when our solutions are in stock! **Product availability** is essential. Over the past two years of the pandemic, we've made every effort to maintain the availability of our products. And even today, with the energy crisis and issues with raw materials, we know how to pursue our development and provide technical solutions at appropriate prices.”



As an introduction to the 2022 CSR Report, could you explain your commitment to this corporate approach?

“From the outset, KRATOS SAFETY has had the experience and culture of quality and safety inherent to our business and our experience. We quickly put certifications in place, but we hadn’t yet committed to formalising a CSR policy. This is why I refer to it as *formalisation*, because we were already vigilant and active.

Respect for the values of our company is paramount, and our services can bear witness to this. But alone, it’s insufficient. In reality, CSR approaches are defined by the commitments we make. Commitments obviously require measurable and achievable **objectives**, and therefore **indicators** that must be defined and monitored. This is what we were yet to formalise, and this is what will now allow us to demonstrate and share the actions we choose to take, in complete **transparency** for all the **stakeholders**.”



How does this commitment benefit you?

Through **clarity** and **visibility**. Company heads must be able to see and plan ahead. Social, societal, environmental and financial issues are complex because they are part of a global environment that is increasingly subject to uncertainty. That said, we must continue our development while respecting the values that shape our actions.

Committing to a CSR approach means asking ourselves the right questions, looking at the grey areas and accepting the situation that emerges in order to build our future: that of the company, but also that of our employees, our customers, our suppliers, our partners, local communities and our environment.

Sometimes, we have accessible and obvious levers for action. Sometimes, due to an issue's scale, we feel that some of the levers for action are quite weak, but we must act despite this.

It is indisputable that a strong CSR policy becomes an asset when two companies responding to a call for tenders have equal skills. Our young company is able to provide a guarantee of maturity that increases market confidence. We've done it in the technical, standards and regulatory fields, and we'll do it in terms of CSR.



Did 2020's pandemic and 2022's energy crisis impact your CSR approach?

Yes, of course. These events are forcing us to adapt quickly in order to **protect all our stakeholders**. Risk assessment and prevention and protection measures are part of our DNA.

We are, of course, dependent on external measures, but we must adapt them to our own organisation and our own resources. This presents an opportunity to measure the extent to which all organisations are interdependent, to identify what can make us more resilient. It allows us to evolve within our environments and constantly improve our practices.

For you, which commitment best represents your company's values?

Protecting people's lives at work, with people understood in the sense of human beings considered from a social point of view.

It is part of our quality policy, and it is the commitment upon which we built our CSR policy.



IN BRIEF



Unit - II Textile Processing - Lucknow (U.P.)

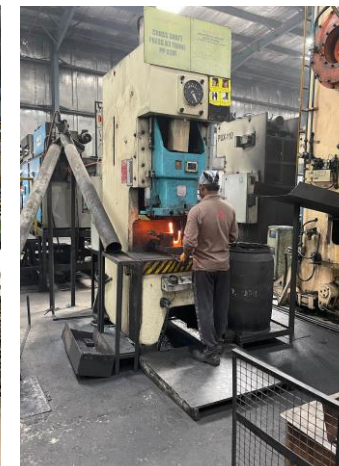
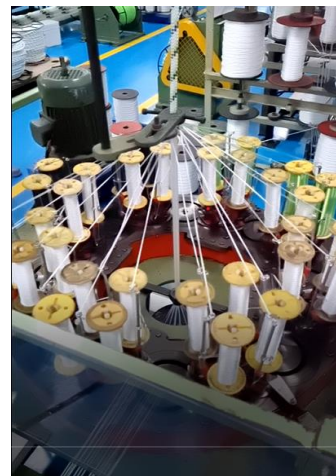


KARAM GROUP: 25 years of development
<https://youtu.be/JWyTvJK2WFA>

A 100% vertically integrated factory

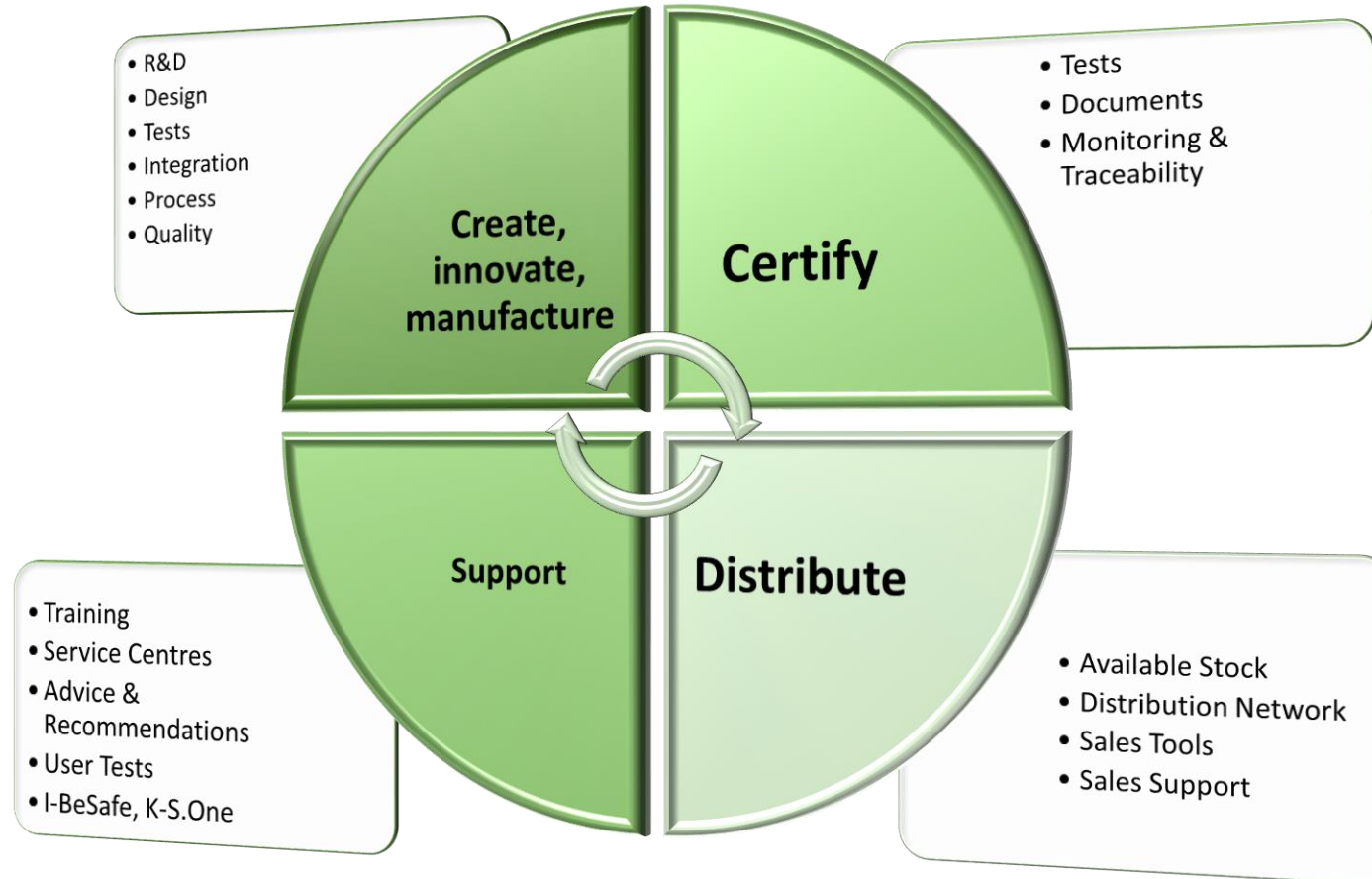


Unit - I Metal Processing - Lucknow (U.P.)



Making Work at Height Safer

Worthy of Your Trust



Expertise and Specialisations

CSR Report

© 2023 KRATOS SAFETY

2011

650 m²



2023

€2 millions in stock

3,000 m²



300 m²



2011



2023-2024



2023



12/47

216 references 700

8 families 14



2011
3

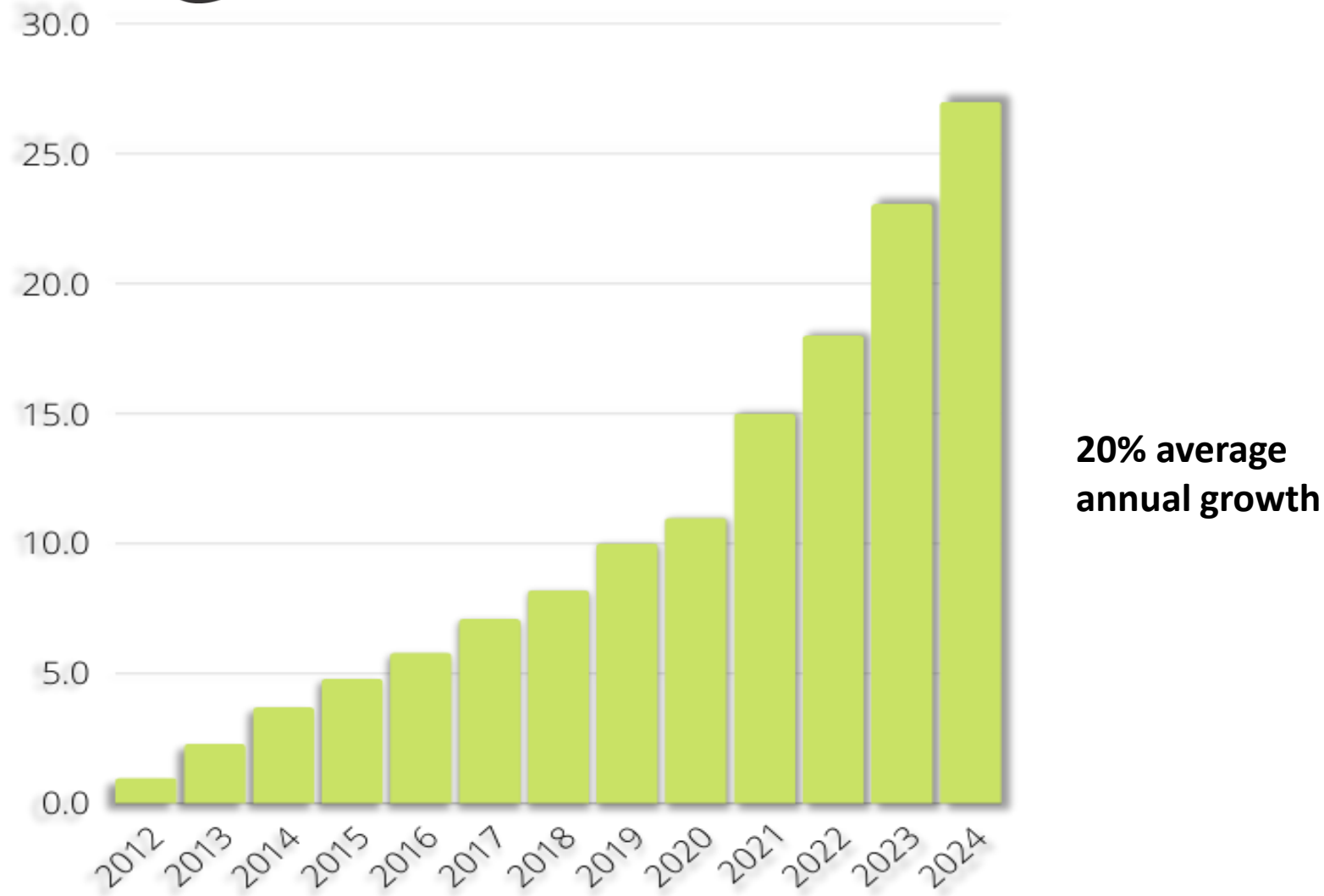


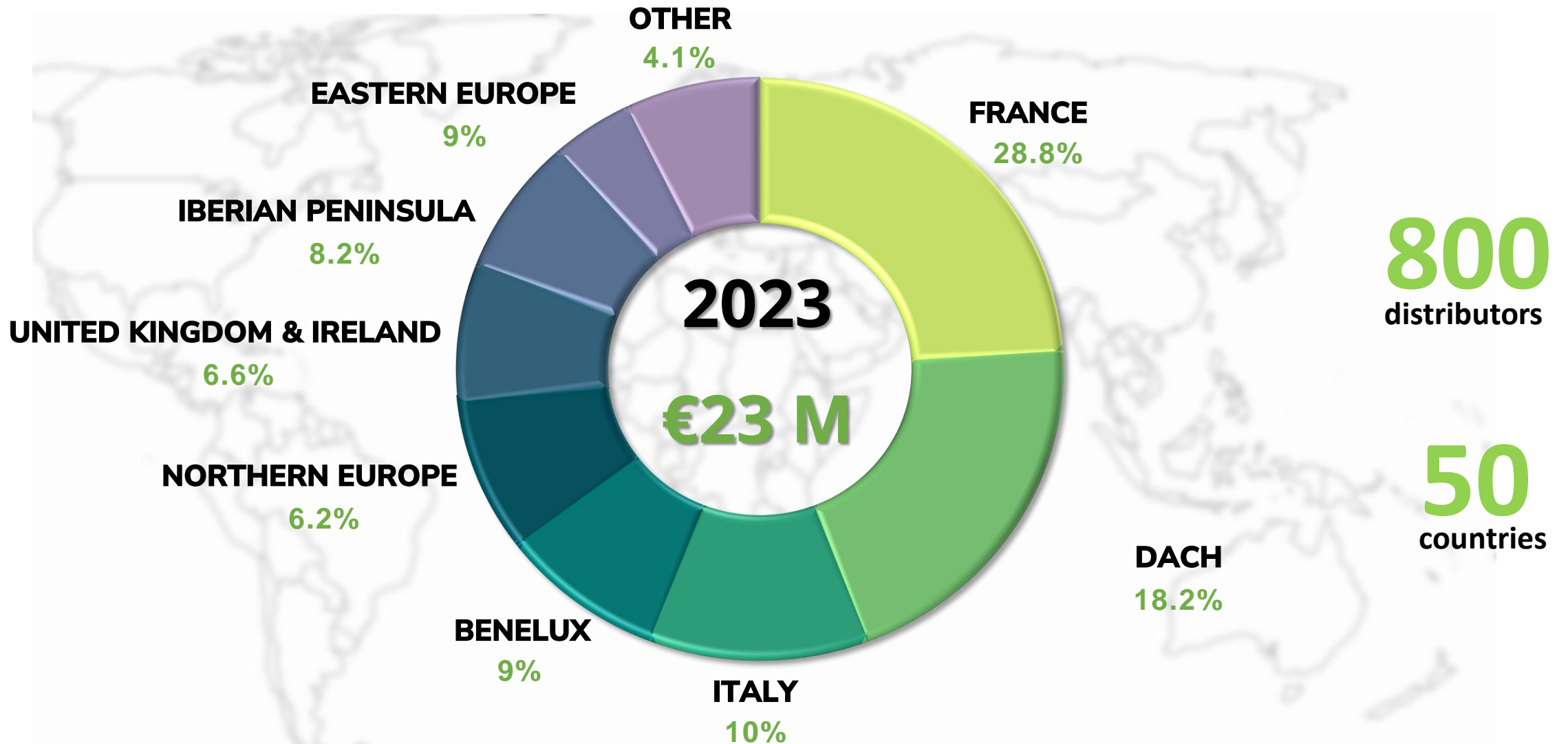
2023
41



Sales Revenue

In €M







Tools, Services and Customer Support

2015

i-beSafe
ystem

Clearance calculator

2018

Discover *K-S.ONE*, free
application
for management
and monitoring
of PPE



Registering and tracing fall-
from-height PPE and helping
to ensure compliance with
EU regulations.

2022



Live chat



Training Center
by Kratos Safety

Dedicated training space



VALUES AND COMMITMENTS

Values and Commitments

- Respecting the safety of men and women
- Respecting legal and regulatory requirements
- Respecting the environment
- Respecting commitments

The first commitment affirmed in the quality documents and communicated to the company's new recruits and stakeholders is:

Protecting people's lives at work

Our lines of thought and work areas were naturally built on this commitment, allowing us to formalise the KRATOS SAFETY CSR Report and draft an action plan and relevant indicators.

It is important that all stakeholders understand and accept the objectives we have set and the actions that stem from them.

Values and Commitments

Respecting the safety of men and women
Respecting legal and regulatory requirements
Respecting the environment
Respecting commitments

Our actions are built on 3 pillars: **Life, People and Work.**

Life, which is intrinsically linked to our environment and with which we exchange matter and energy. Our existence has value because of our interactions and exchanges with our environment.

We therefore understand that our actions must be to create and secure. These actions are long term, must be guided by values (particularly respect), must take differences into account, and must instil confidence.

ENVIRONMENTAL COMMITMENTS

Values and Commitments

Respecting the safety of men and women
Respecting legal and regulatory requirements
Respecting the environment
Respecting commitments



Our actions are built on 3 pillars: **Life, People and Work.**

People, which brings us back to our basic needs.

As part of the company's development project, KRATOS SAFETY ensures that each level of Maslow's hierarchy of needs is taken into account in order to address the issue of employee well-being.

Respecting project stakeholders and keeping them safe ensures that this project develops successfully and sustainably through shared values, the acceptance of differences, needs, trust, availability and recognition.

SOCIAL COMMITMENTS

Values and Commitments

Respecting the safety of men and women
Respecting legal and regulatory requirements
Respecting the environment
Respecting commitments

Our actions are built on 3 pillars: **Life, People and Work.**

Work, which brings us back to the creation of value.

KRATOS SAFETY designs, innovates and manufactures in line with regulatory and normative requirements.

Deployed within a quality system, this specialist offer must be capable of gaining its customers' full confidence and remain available to their requests.

This creation of value also benefits other stakeholders and, as such, must be recognised and sustained.

ECONOMIC AND SOCIAL COMMITMENTS

Values and Commitments

ART ENRICHES US

Culture plays a vital role in societal development. Kratos Safety's aim is to promote a rich social and cultural fabric by supporting artistic heritage. This also enables us to strengthen our identity and share it with our employees through a variety of artistic expressions.

Artists have an essential role to play in activating new imaginations and narratives. They question the way that we do things and see the world, a prerequisite for all our individual and collective commitments.

By opening up to new perspectives and ideas, Kratos Safety is enriching its working environment and fostering creativity and innovation, which are essential to its development and competitiveness.

Values and Commitments

ART ENRICHES US
jordidiezfernandez.com

2017



This artistic work by Jordi Díez Fernandez, a stainless steel sculptor whose workshop is located in Centelles in the Barcelona region, has been welcoming staff and visitors to the site since 2017.

Bringing an artist's vision of our working environment to life has given our reception area a whole new dimension! The sculpture leaves no one indifferent.

La Línea de la Vida, 2017

Values and Commitments



A graffiti artist in Lyon since 1995, Nesk's creative projects combine the worlds of graphic design and graffiti.

The project we worked on with Nesk led us to choose a Street Art atmosphere for our training space.

This work was an opportunity to express the passion of our business lines and the dynamism of our teams.

ART ENRICHES US

2021

[nesk.fr](https://www.nesk.fr)



Values and Commitments

ART ENRICHES US

www.dijuma-creart.com

2023



The team discovered this partner's art exhibition at a staff member's farewell party, in the restaurant chosen for the occasion.

Dijuma's artworks are abstract and quite colourful, a technique known as Fluid Art. The energy emanating from the play of light and colour transports our imaginations as they are carried away by the artist's movements.

These works take pride of place in our working and reception areas.

RISKS AND OPPORTUNITIES

Risks and Opportunities

To select the components of our action plan, it is important to list the risks and opportunities that could impact the company's development in an international context.

Carbon emissions

It is a great opportunity and competitive advantage to be supplied by our factory in India and have trusting customers in over 50 countries.

However, these distances have a significant impact on the CO2 emissions inherent in sea, air and road transport. We must commit to measuring these emissions and identifying ways to reduce them.

Water management

Water is a vital and precious resource. Water shortages and contaminated water released into the environment are unacceptable risks for the company, the environment and local communities. This is a major challenge, particularly for the factory.

Waste management

We ensure the longest possible product life cycle, whatever the environment and conditions of use, and are setting up a network of service centres to facilitate repairs and reduce their cost as much as possible. We are working to develop recyclable packaging and reduce its volume. Life cycles and packaging represent a competitive advantage.

However, whether we are talking about direct waste from our activities or the life cycle of our products, organising sorting and using existing channels is essential: this is a real challenge that can have an impact on our company's image.

ENVIRONMENTAL ISSUES

Risks and Opportunities

To select the components of our action plan, it is important to list the risks and opportunities that could impact the company's development in an international context.

Safety at work

Our job is to increase the safety of working at height. Accidents and work-related illnesses have the potential to critically impact our company's image, making them a major social and financial issue both for the factory and for the KRATOS SAFETY team.

Skill development

Jobs are defined using a skills matrix, which evolves alongside employee missions and needs, particularly in terms of training. As experts, we must truly invest in maintaining and developing skills. While our teams are stable, our employees' marketability is a concern for human resources.

Working environment and geographical mobility

The company's current premises were built in 2017. This allowed us to design and build a positive working environment, promote collaborative relationships and provide suitable work and relaxation areas. These material aspects have an impact on behaviour and feelings. They can be measured via the company survey, and any modification of these areas remains an issue for the company.

Mobility is a cross-cutting issue, covering environmental, social and economic aspects. The employment area's geographical location constitutes a risk. The lack of public transport infrastructure means that employees must use their own vehicles, which makes the company less attractive during the recruitment process. The company must take a stance on how it manages time on site and remote work, as this is a considerable question.

SOCIAL ISSUES

Risks and Opportunities

To select the components of our action plan, it is important to list the risks and opportunities that could impact the company's development in an international context.

Business relationships built on trust

Our activity's success and consistency depend on a relationship of trust and shared values with customers. Product availability is fundamental. Beyond ensuring the company's long-term stability, the availability of in-stock products gives us a real competitive edge when it comes to winning back market share. It is therefore essential that we maintain this advantage, despite the pressure caused by raw material availability and energy prices.

Sharing CSR values with suppliers

We aim to support local and eco-responsible suppliers. We must integrate these criteria into our research for each project and each requirement. This will allow us to contribute to local economic development, in compliance with technical and environmental standards, when the right skills are available and our values are shared. Beyond the economic aspect, it also enables us to secure the employment area.

Rooted in local life

Our company is located in Heyrieux, close to major traffic routes, Lyon Saint-Exupéry Airport and the high-speed train station, but the area is still rather rural. In addition to our impact on the employment area, we are committed to local associations and ensuring that we include works by local artists on our walls.

ECONOMIC AND SOCIETAL ISSUES

CSR ACTIONS

Measure our carbon footprint to implement a control and reduction plan.

Measuring for all transport operators (sea, air, road): CO2 (t), weight transported (t), CO2e/weight transported.

Release waste in compliance with environmental standards and reduce water use at the factory.

Overview and illustrated presentation.

Carbon footprint

Waste and recycling

Water management

Eco-design

LIFE

ENVIRONMENTAL

Measure our waste and recycling possibilities to reduce and/or direct waste into recycling and recovery channels.

Product service life, percentage of repairable products in the range sold, maintenance network workforce, tons recycled/tons shipped.

Consider the environmental impact of production processes and implement eco-design procedures.

Plant communication

Meet employee needs to maintain an ergonomic, positive and collaborative work environment.

Important aspects of the company survey, illustrations of the work environment.

Ensure equality and non-discrimination to prevent stressful situations and dissatisfaction.

% female workforce, average male/female salary difference, contracts for employees with disabilities, % permanent contracts, % temporary workers, average salary increase, number of human rights complaints, number of discrimination complaints, average seniority.

Well-being

Health and safety

Professional equality and non-discrimination

Skills and marketability

HUMAN

SOCIAL

Ensure employee health and safety.

Number of accidents, frequency rate, severity rate, absenteeism rate, presentation of factory data and changes over the last 4 years.

Monitor and develop skills to ensure our employees' marketability.

Achievement rate of performance reviews and career development interviews, achievement rate of skill development plans, number of hours of in-house training.

Ensure quality responses to customer needs by measuring and communicating relevant KPIs.

Stock value, customer loyalty.

Lasting business relationships that are built on trust

Supplier involvement

Societal impact

WORK

ECONOMIC SOCIETAL

Support local and/or environmentally responsible suppliers.

List of suppliers, 20/80 rule extraction with geographical location and communication of their CSR and/or environmental commitments.

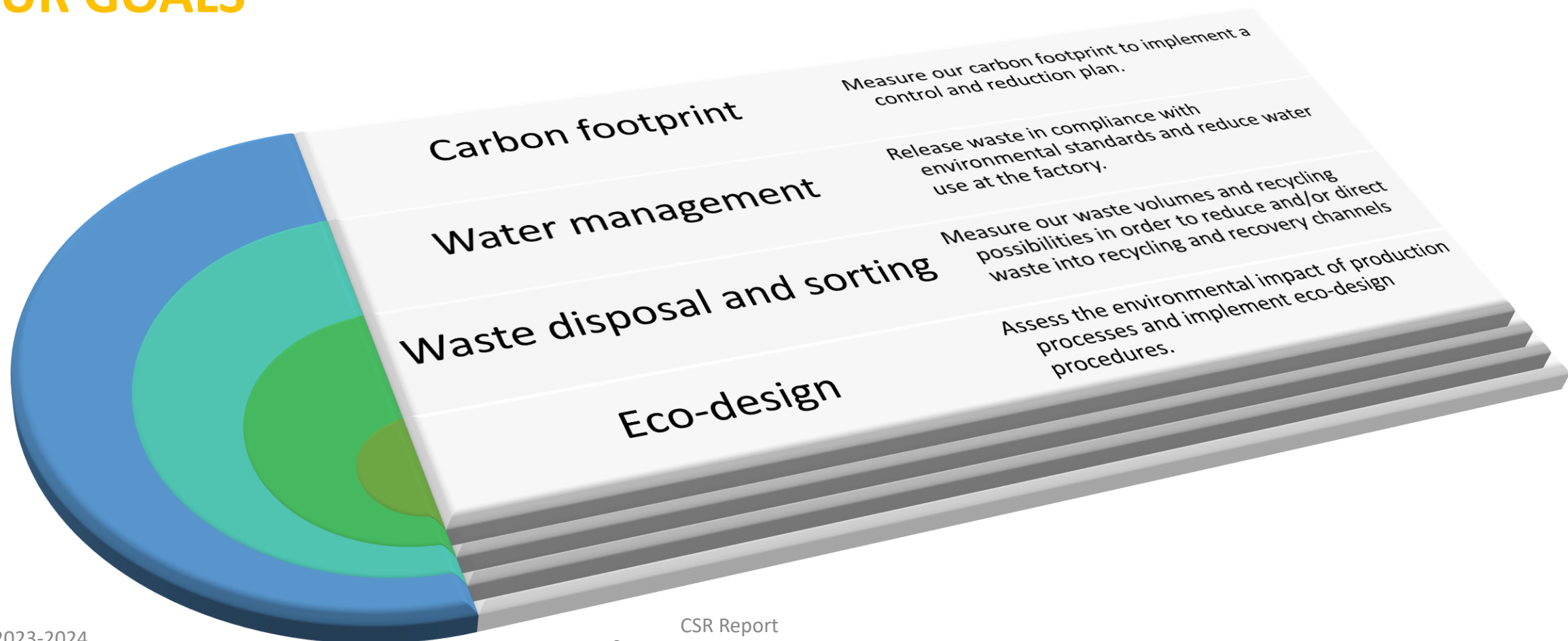
Anchor our activity in local communities.

Number and type of actions carried out.

LIFE

ENVIRONMENTAL COMMITMENTS

OUR GOALS





Actions taken in 2023-2024



Weight (t)

1 729

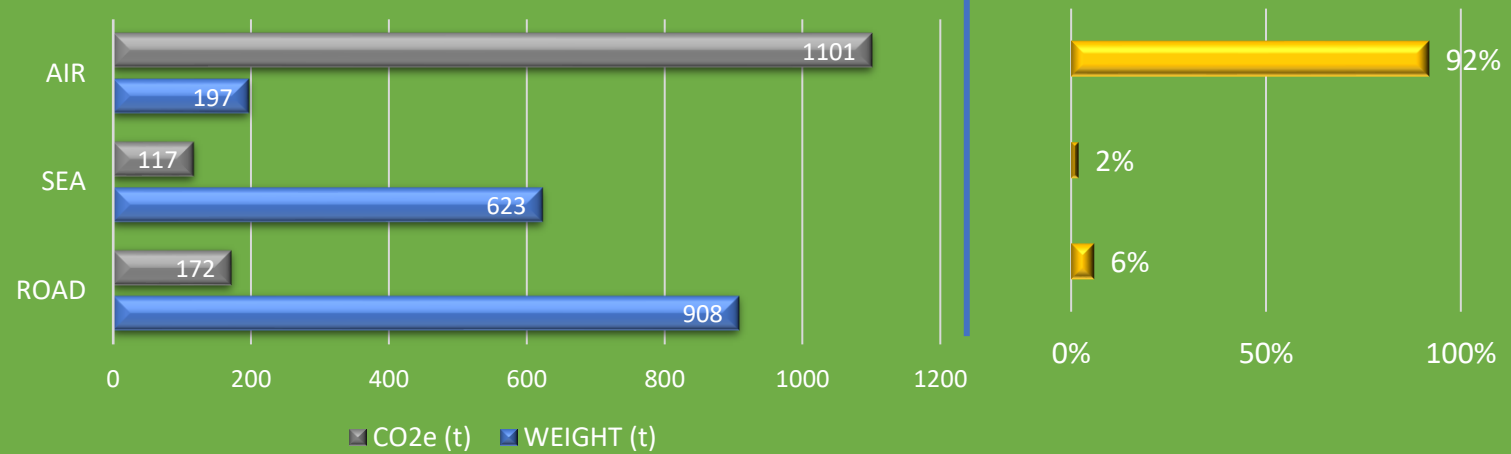
CO2e (t)

1 590

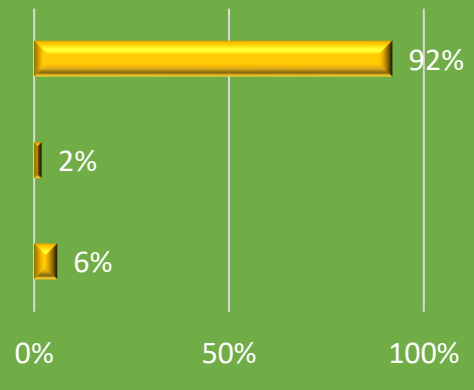
CO2e (t)/weight(t)

0.80

The past financial year showed a sharp rise in carbon emissions, linked to an adjustment in the calculation of emissions by our carriers (WtW), and an increase in air freight, which we had to use during the year, despite the increase in the value of our inventories.

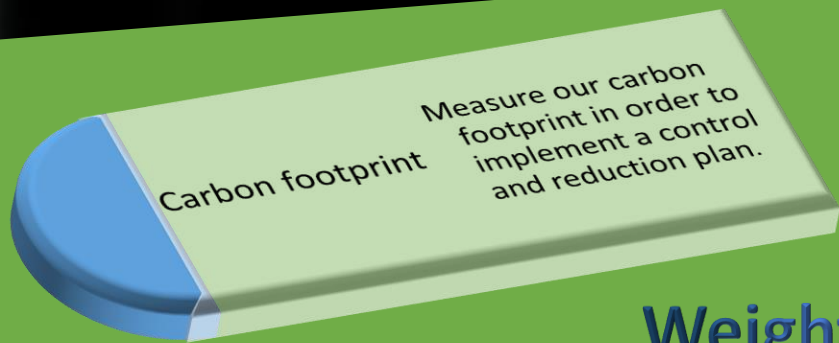


150 flights around the globe





Actions taken in 2023-2024



Example of the user manual study

Weight (t)	CO2e (t)	CO2e (t)	CO2e (t)/weight(t)
34	102	12	3.35
	<i>paper production, printing, cutting, transport from printer to production site</i>	<i>customer deliveries</i>	



Thanks to the QR codes on KS One, all our manuals have been available in electronic format since 2018. However, due to EU regulations, we are required to continue printing 1 paper manual per product. Producing these manuals emits more CO2 than transporting them. We are still waiting for authorisation to fully digitise these documents.

Actions taken in 2023-2024

Water management
Release waste in compliance with environmental standards and reduce water use at the factory.



The factory has installed a manufacturing ETP (Effluent Treatment Plant).

This plant enables us to treat and collect all residual fluids so that they can then be reused within part of the private network and released into the collective network in compliance with environmental standards.

A specialised company recovers and reprocesses sludge and chemical residue.



In addition, water collection tanks have been installed for use at all the plant's distribution points that do not require drinking water.



2023-2024



Actions taken in 2023-2024

Waste disposal and sorting

Measure our waste volumes and recycling possibilities in order to reduce and/or direct waste into recycling and recovery channels

Service life

Percentage of repairable products in the range sold

Evolution

Staff trained in the maintenance network

Circular economy pre-assessment with



Objective: Work on extending the service life of products and reusing certain components.

Textiles **10 years**

Products that age naturally.

Metals **unlimited**

Users can have their equipment repaired to extend its service life to the extent possible (maintenance schedule).

In value	36.16%	+ 5%	326
In volume	12.40%	+ 11%	



Actions taken in 2023-2024



Circular economy pre-assessment with



Objective: Evaluate waste collection and recycling actions.

Cardboard waste comes from packaging. Quantities remain low because it is reused for shipments to the extent possible.

Metals and textiles result from after-sales destruction and non-conformities following quality controls upon receipt.

SMND recycles packaging and waste from economic activity. Employees are provided with information and their awareness is raised. Reorganisation of waste bins.

Tons recycled

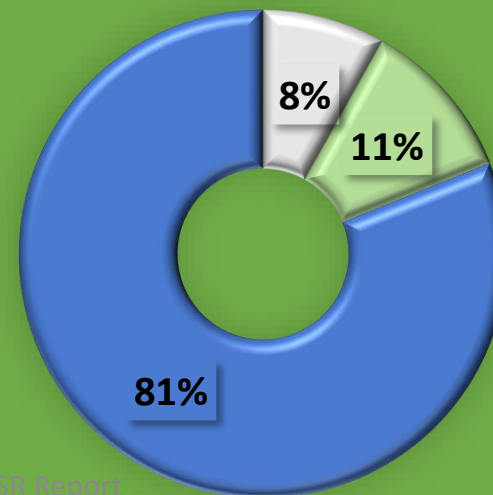
15.72

Tons shipped

820

Change in volumes recycled

+ 124%



- Metals
- Plastic textiles
- Boxes



Actions taken in 2023-2024

Waste disposal and sorting

Measure our waste volumes and recycling possibilities in order to reduce and/or direct waste into recycling and recovery channels

Karam is committed to reducing its environmental impact. A contract has been signed with a certified supplier to recover electronic waste that can be processed through recycling channels. Sustainable development is a priority for the plant, and every effort is made to achieve this objective.

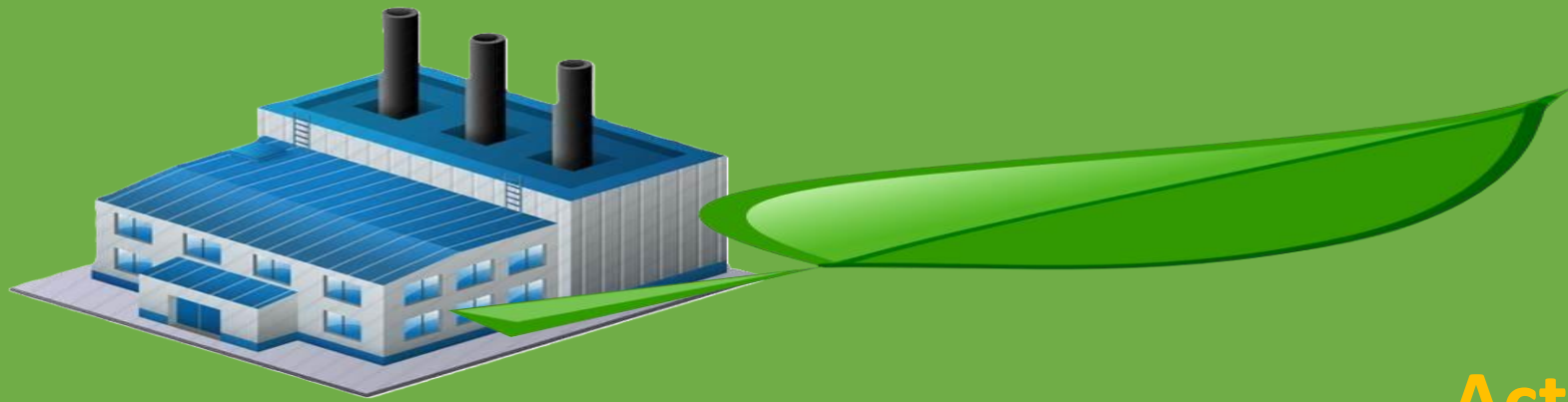
KARAM
knowing your needs better

E-Waste Recycling

In the last year, KARAM disposed of **186 kg of e-waste** through a **government-approved vendor** to ensure safe recycling and keeping it out of landfills.

Certificate from government authorized vendor

1800 100 7000 | karam@karam.in | www.karamonline.com | www.karam.in



Actions taken in 2023-2024

Eco-design

Assessing the environmental impact of production processes and implementing eco-design procedures

The Karam plant has modified its manufacturing process for metal finishing treatments to ensure the unrivalled durability of materials while adhering to eco-design standards.

This innovative change in our manufacturing methods strengthens the longevity of our products while reinforcing our commitment to environmental responsibility and sustainable practices.




EMBRACING GREEN MANUFACTURING

WHERE SAFETY MEETS A SUSTAINABLE TOMORROW

Introducing KARAM's groundbreaking initiative:
A change in finish is now seamlessly integrated into our metal components, for enhanced durability and promoting eco-friendly manufacturing practices.





Improved Durability



Superior Uniformity



Sustains 180 Hours of Salt Spray Test



Enhanced Corrosion Protection








Environment Friendly

1800 103 7085 | karam@karam.in | www.karam.in | www.karamonline.com | [f](#) [@](#) [in](#)

ENVIRONMENTAL COMMITMENTS

Actions to be taken over the next period

-  Measure the evolution of our carbon emissions
-  Optimise packaging and volumes and measure the impact on transport
-  Measure the proportion of repairable products in the range sold and the workforce trained in the maintenance network
-  Measure the evolution of our waste volumes and identify suitable treatment channels
-  Analyse packaging: percentage of recycled and recyclable materials

HUMAN

SOCIAL COMMITMENTS

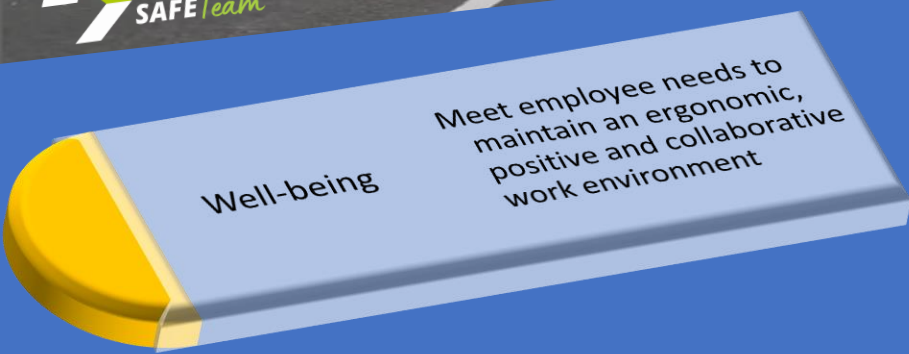


OUR GOALS





Actions taken in 2023-2024



Important aspects of the company survey





Actions taken in 2023-2024

Well-being

Meet employee needs to maintain an ergonomic, positive and collaborative work environment





Actions taken in 2023-2024

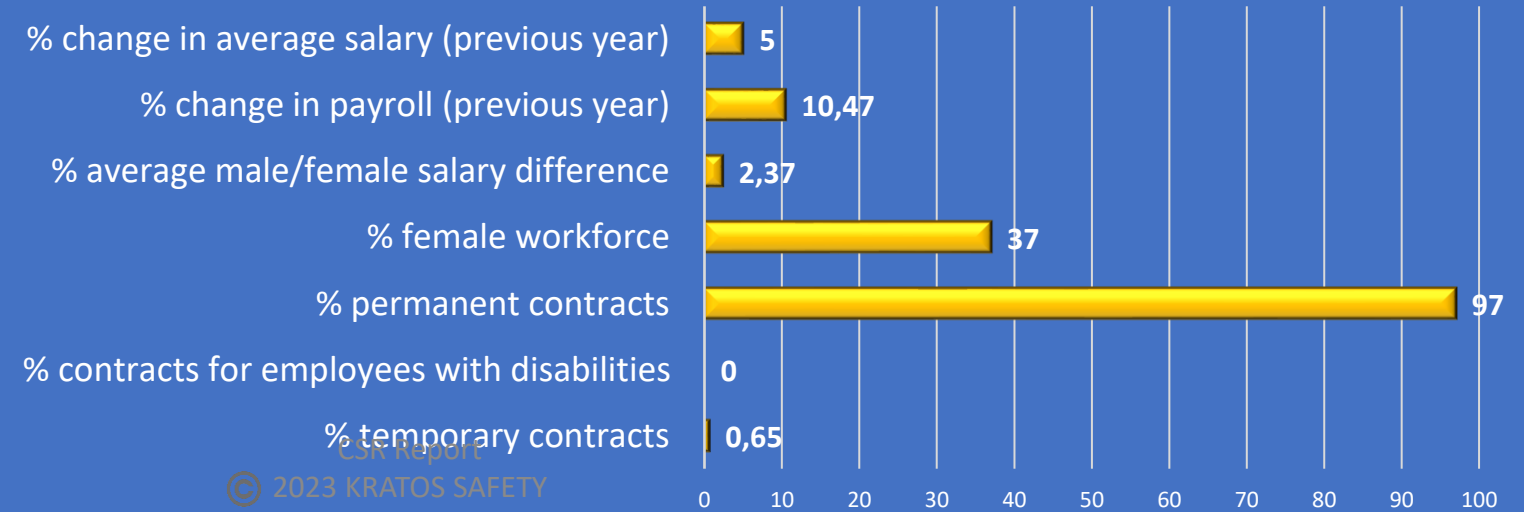
Professional equality and non-discrimination

Ensure equality and non-discrimination in order to prevent stressful situations and dissatisfaction

Important aspects of the company survey

0	Number of human rights complaints
0	Number of discrimination complaints
4 years and 2 months	Average seniority
0	Number of accidents
2.27	Absenteeism rate (%)

Employees are financially rewarded for the company's results and performance. The profit-sharing contract is set up in equal shares.





Actions taken in 2023-2024

Production Workforce

2,394

Office Workforce

324

CSR Workforce, Medical and Fire Team

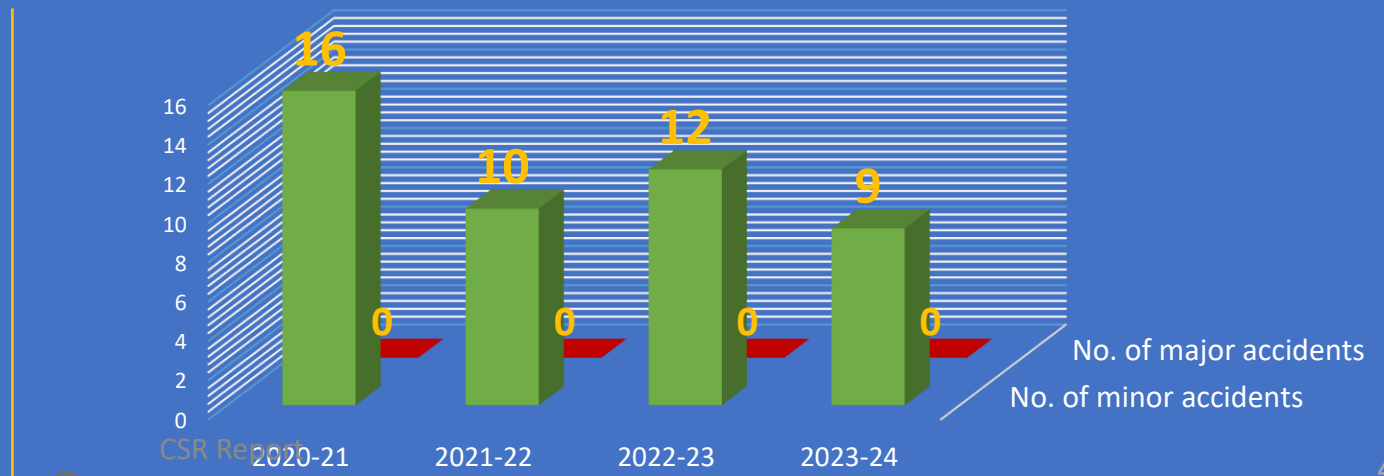
125

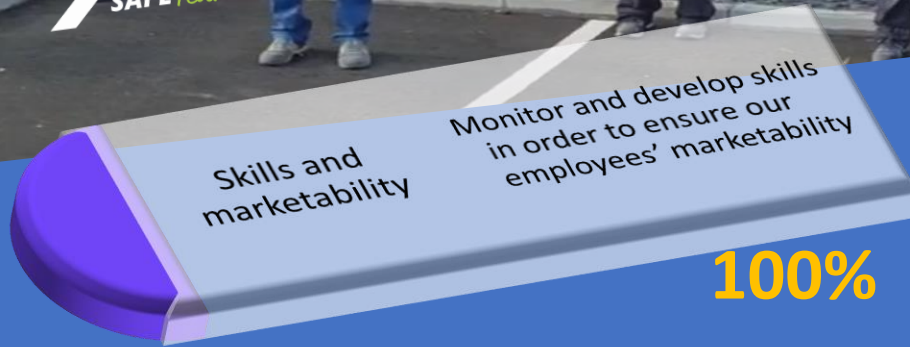
Minimum Age

18



Evolution of work accidents over the last 4 years





Actions taken in 2023-2024

Achievement Rate of Annual Performance Reviews and Career Development Interviews

A skills matrix is used to define and monitor the skills of employees. Performance reviews and career development interviews are linked to this matrix and feed into the skill development plan.

92%

Rate of completion of requested training and authorisations

This rate takes into account the completion of training courses after validation by Management. Authorisations are monitored and carried out at 100%.

189

Number of face-to-face hours devoted to internal training

KRATOS SAFETY's specialised offer requires all our sales, marketing and R&D teams to have a high level of technical, normative and regulatory expertise. We invest a significant amount of time in our in-house training courses, use a variety of teaching formats, and listen carefully to the needs of our employees.








HUMAN

SOCIAL COMMITMENTS



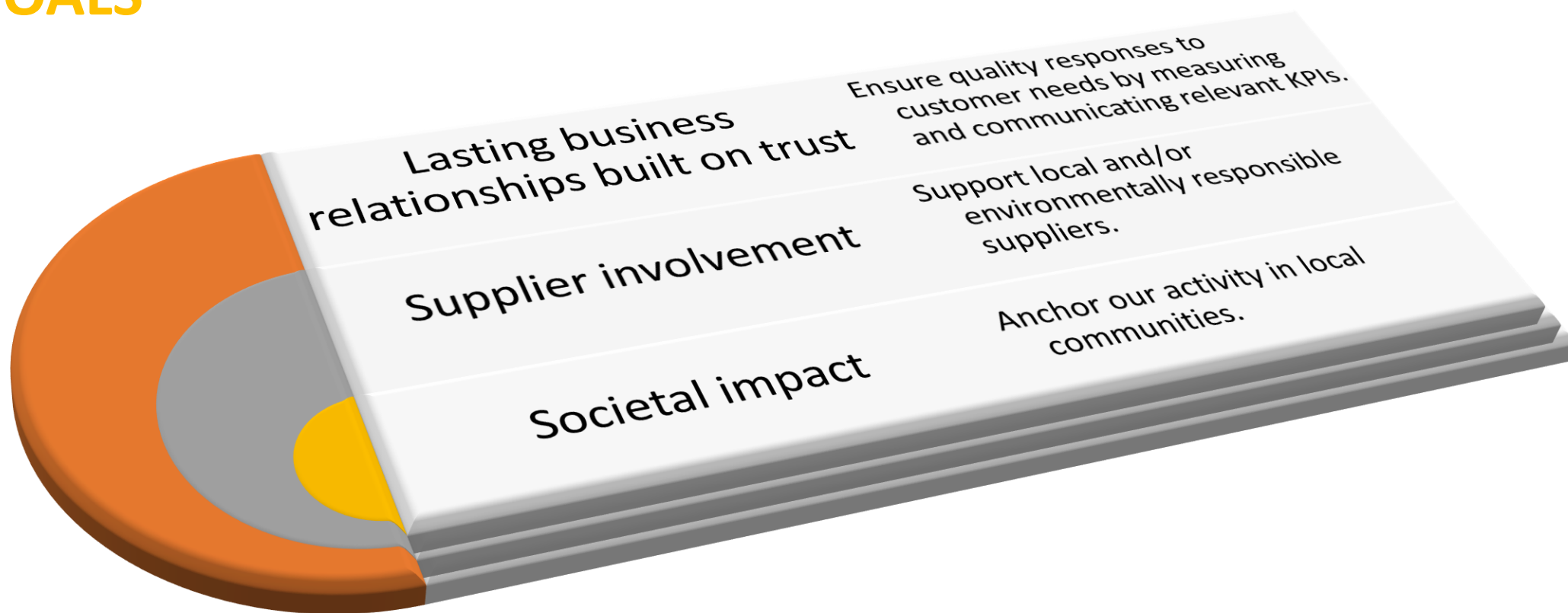
Actions to be taken over the next period

-  Monitor the company survey and organise work schedules (lowest indicator)
-  Create tools to promote employee mobility
-  Monitor the company survey
-  Monitor health and safety data, including that of the factory
-  Manage the skills plan and important aspects

WORK

ECONOMIC AND SOCIETAL COMMITMENTS

OUR GOALS



WORK



Actions taken in 2023-2024

Lasting business relationships built on trust

Ensure quality responses to customer needs by measuring and communicating relevant KPIs.

Value Held in Stock

End of period

2M

Goal for next period

2.2 M

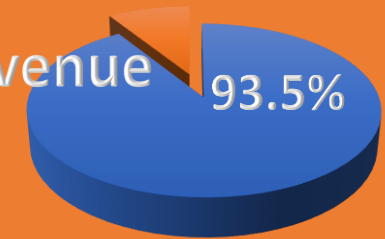
Customer Loyalty

71%

75%

Revenue

93.5%






WORK

Actions taken in 2023-2024



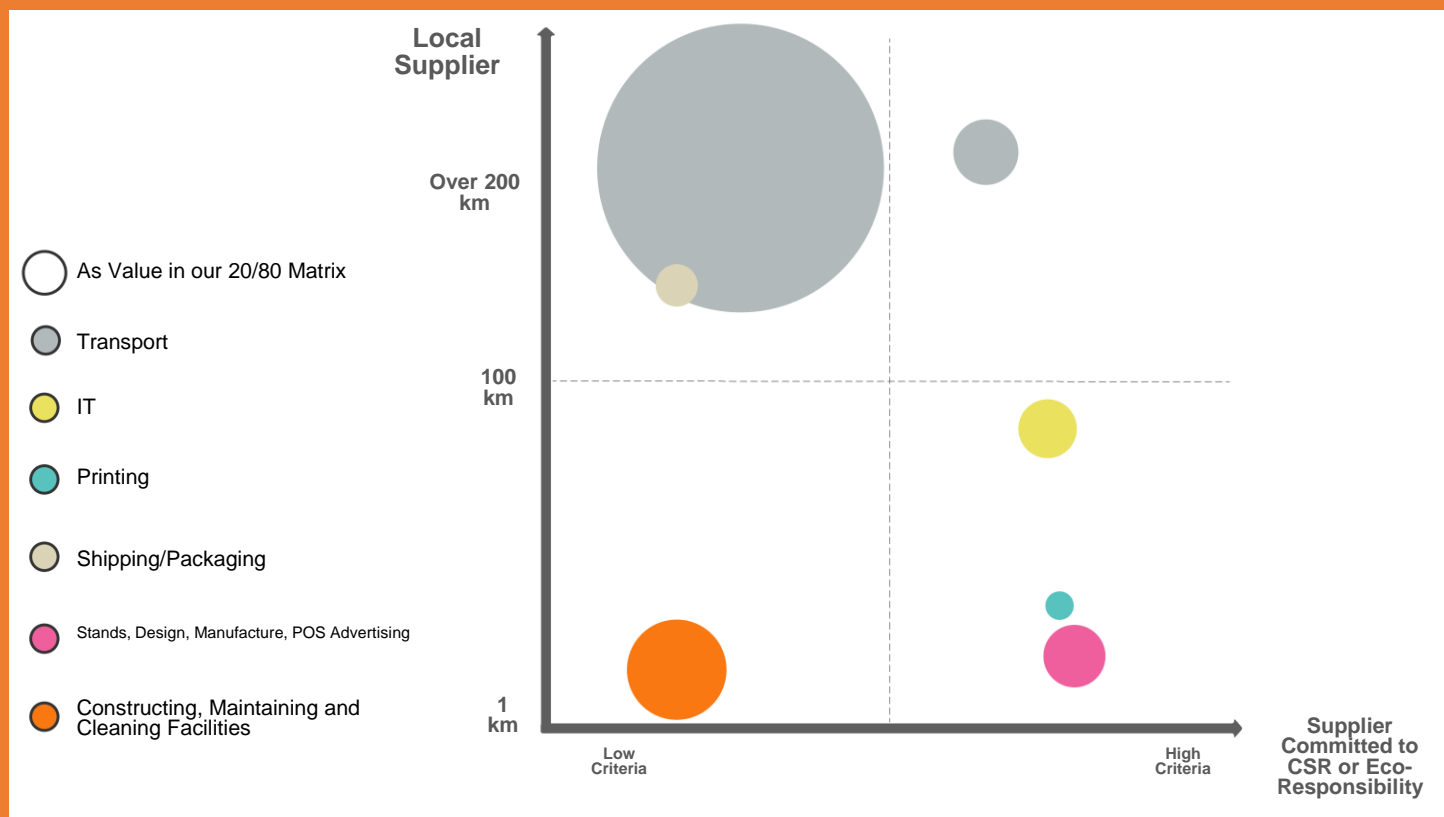
Criteria for identifying suppliers with CSR commitments or eco-responsible suppliers:

-  Publication of a CSR report
-  ISO 26000 standard; ISO 14001 standard; AFNOR “Engagé RSE” or “LUCIE” label
-  Other labels:



2023-2024

Supplier 20/80 Matrix



WORK

Actions taken in 2023-2024

Societal impact
Anchor our activity in local communities.

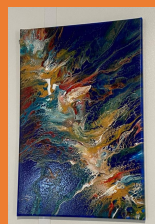
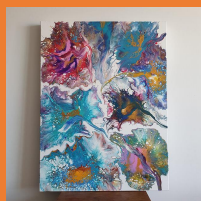


Association to create a varied cultural programme in Heyrieux, with concerts, magic shows, cabarets, children's shows and a comedy festival.



Partnerships with associations benefiting local communities as well as our employees.

Temporary ice rink built in Heyrieux






Purchase of two works from a local artist: www.dijuma-creart.com. These paintings have found pride of place in the reception hall.



ECONOMIC AND SOCIETAL COMMITMENTS

Actions to be taken over the next period

-  Monitor product availability and customer loyalty
-  Monitor suppliers with geographic criteria and suppliers with CSR commitments or eco-friendly suppliers
-  Monitor local partnerships (donations, sponsorship)