

saft



Program **Net Zero**

Achieving sustainable performance



TotalEnergies

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Editorial

Since its creation in 1918, Saft, a subsidiary of TotalEnergies, has designed and manufactured high technology batteries for numerous markets such as aviation and rail transportation, space and defense, as well as for electrical and energy storage systems.

Our teams work relentlessly to offer our customers new generations of more efficient, more durable and safer products. Creating much more than simple technical features and functions, we want these components to be an integral part of a robust sustainable development initiative embedded in the DNA of our company. To achieve this, we continue to focus our efforts in five areas:

- Developing industrial processes that have an ever-lower impact on our environment.
- Designing products that help reduce the environmental impact of our customers' activities.
- Applying circular economy principles to our activities.
- Requiring partners in our supply chain to uphold proactive policies and actions that respect the environment and the health and social rights of their employees.
- Providing our employees with a work environment that respects their health, rights and aspirations.

These five areas of focus are incorporated in Program Net Zero.

Whether it's during the development and selection of components, the final assembly of the batteries, their use by our customers, or during their recycling, the processes implemented and the materials used must be irreproachable in terms of their environmental impact.

By including our employees and partners in the initiative, Program Net Zero compels us to build solutions together for a more sustainable future that will benefit everyone.

**Our ambition:
to become a Net Zero
company**

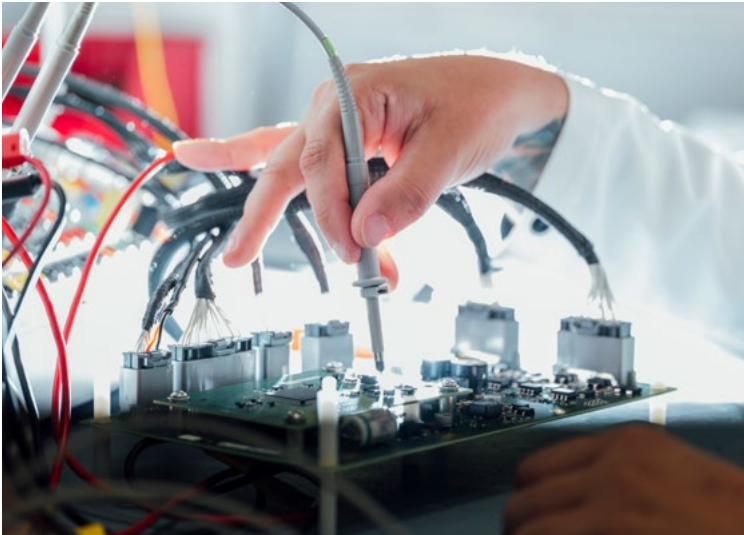
Cedric Duclos, CEO Saft

Saft in brief

Saft provides more than 3,000 customers around the world with batteries for backup power and the propulsion of their critical applications. Thanks to its leading position and its expertise in cutting-edge electrochemistry, Saft is able to meet the requirements of a wide range of sectors.

Our history, our future

For more than 100 years, we have designed, developed and manufactured batteries and high performance systems that have become increasingly more reliable, safer, sustainable and more environmentally friendly. A subsidiary of TotalEnergies since 2016, we operate in 19 countries and employ 4,300 people.



Our technological mastery

Saft has the highest expertise in the three electrochemical processes that dominate the market and we are currently developing the batteries of the future.

3 main technological solutions

- LITHIUM-ION**
Rapid energy release
Capacity to provide energy to distributed objects over very long periods
- LITHIUM**
Power
High electrical performance
Longevity and autonomy
- NICKEL**
Sturdiness
Reliability
Longevity

Technologies for the future

- NEW GENERATION LITHIUM-ION**
- LITHIUM-SULFUR**
- SOLID-STATE**

Our key figures



Our 7 major markets

On land, at sea, in the air and in space, we provide support around the world for customers from all backgrounds: manufacturers, public operators and local authorities.

Aerospace & Defense



Industry



Oil & Gas



Telecom & Networks



Energy



Transportation



Industrial Internet of Things



over **3,000**
customers

Contributing to a low-carbon economy



The energy transition is well underway. Our company, world leader in high performance industrial batteries, is a natural facilitator of this transition. Our offer helps our customers to reduce their impact. Our products are manufactured in an increasingly respectful manner, and we involve our supply chain in a continuous improvement process. It is through a sustained effort in these three levers that we bring value to our customers and society.

Supporting the environmental and energy transition of our customers

With our solutions, our customers develop processes that are more energy-efficient and generate fewer greenhouse gases. For example, our solutions help to accelerate the development of renewable energies and low-carbon mobility.

Life cycle of a battery



Reducing the impact of our products on the environment

We have analyzed our manufacturing processes in order to improve them and make them more virtuous. Our areas of progress focus on measuring energy consumption, thermal insulation of facilities, heat recovery, using less emissive energy sources, deployment of on-site power generation and lighting control. We deploy this range of solutions at all our sites worldwide. For example, we recover heat from discharged process water in Bordeaux, France. We also recover heat from air compressors to be used as process heat in a drying operation in Zhuhai, China. And in our factory in Kiryat Ekron, Israel, we switched our heating source from highly carbonized electricity to LPG.

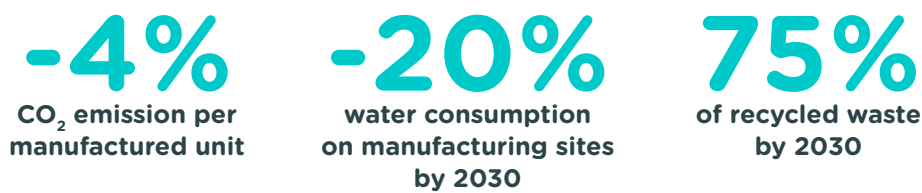
Being a spearhead for the circular economy

Our development strategy is to innovate for future generations in order to propose increasingly sustainable, recyclable products that integrate a rising quantity of recycled materials. We take action at every stage: from sourcing of raw materials to design, from manufacturing to end-of-life of our products.

The 5 pillars of our Program Net Zero

As a core element of our company’s strategy, Program Net Zero aims to reduce our net gas emissions to zero by 2050. Program Net Zero is clear proof of Saft’s sustainable performance commitment and involves all our stakeholders.

Saft’s objectives:

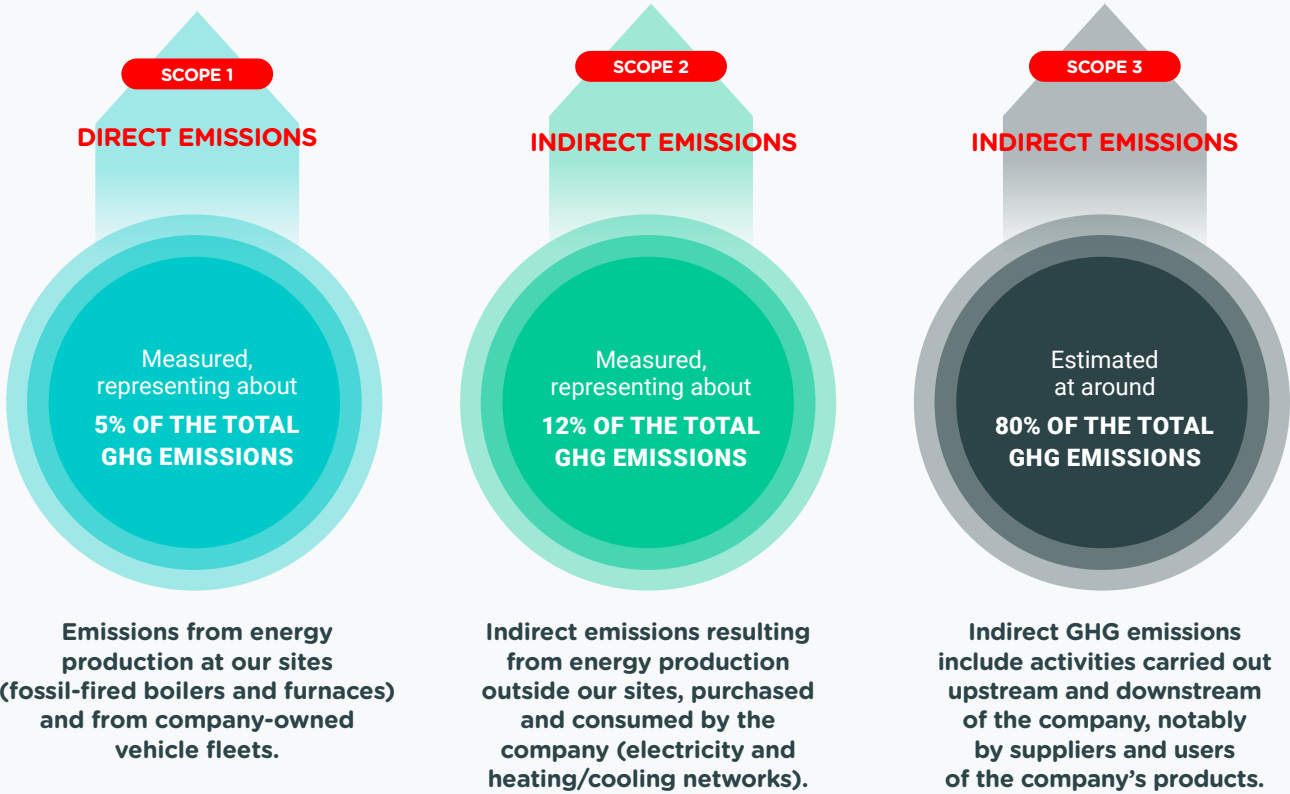


This program is based on 5 pillars

- 1 Reduce our environmental impact
- 2 Help our customers decarbonize
- 3 Implement circular economy throughout our operations
- 4 Procure sustainably
- 5 Develop people and contribute to society

Our low-carbon trajectory

We track our greenhouse gas emissions in accordance with the GHG protocol (Greenhouse Gas Protocol). This method aggregates emissions into 3 scopes. For each of them, specific actions are implemented.



PILLAR 1

Reduce our environmental impact

To reduce the environmental footprint of our activities and measure our progress, we focus our efforts on three impact indicators to be reduced:

- greenhouse gas emissions
- waste produced by increasing the fraction of waste sent for recycling
- water consumption on our sites

A site-by-site approach

For each indicator, we have set a target for reducing our impact by 2030 compared with the performance measured in 2021, the year Program Net Zero was launched. Based on an in-depth analysis of each site, local action plans were launched and a team was set up to deploy the indicators that measure performance and show areas of progress. These employees are responsible for identifying the most appropriate actions, examining them, validating them and implementing them. Called "CO₂ busters," these employees and the management teams of our 17 manufacturing sites were trained on the challenges of climate change, the actions to be taken to mitigate it, and on carbon accounting.



Initial conclusive results

In 2023, our actions helped us reduce our carbon intensity by 3.6% per produced unit and recycle six million liters of water and 75% of our waste. A major photovoltaic panel deployment program is underway at our manufacturing sites. The sites in Poitiers and Nersac, France, Büdingen, Germany, and Jacksonville, U.S., produce renewable electricity. The installation of renewable energy production capacity at the Raskovice, Czech Republic, and Valdosta, U.S., sites is currently under study.

Our results in 2024



-4.1%
CO₂ emissions
per manufactured unit



12%
reduction in water
consumption (vs. 2021)*



70%
waste recycling rate

*In hydric stress zones

Obtaining the EcoVadis Platinum Medal

For the second year in a row, Saft was awarded a platinum medal from Ecovadis, the CSR rating agency, with a score of 82/100. Saft is the first company in the battery sector to achieve platinum. This rating, based on 4 sustainability-related themes (environment, social and human rights, ethics and responsible purchasing) places Saft in the 1st percentile of all companies rated by this agency.



ENCOURAGING
BIODIVERSITY

Today, 75% of terrestrial environments and 40% of marine eco-systems are severely degraded. This degradation is the result of human activities, which exert major pressure on nature. As an industrial, economic and social player, we are committed to protecting nature in the vicinity of our industrial sites. We carry out projects to encourage biodiversity, pollination and soil fertilization. We raise awareness among our teams, deploy action plans adapted to local conditions, and monitor progress and results.

+70%
of crops
amounting to **35%**
of the tonnage we consume,
rely on animal pollination,
mainly by insects.



Eco-grazing on a manufacturing
site: Poitiers, an example to follow

Our manufacturing site in Poitiers maintains certain green spaces with a flock of 10 Ouessant sheep. Due to its hardiness and small size, this breed endemic to Finistère (France) is today used essentially for grazing on green spaces. Initiated in May 2023 with Espace Natura, this eco-grazing solution reduces noise pollution caused by the use of gardening machinery (90dB on average), which benefits the site's neighbors, maintains the herbaceous environment, preserves the surrounding ecosystems, better conserves resources, and reduces CO₂ emissions.



Supporting the fauna
and flora in Valdosta

In the United States, in Valdosta, Georgia, we planted a sunflower and wildflower garden in 2023, encompassing a surface area of 7,500 m². The objective is to ensure that pollinating insects are restored to the environment and preserved. While the number of insects has noticeably increased, the space now also attracts birds and deer.

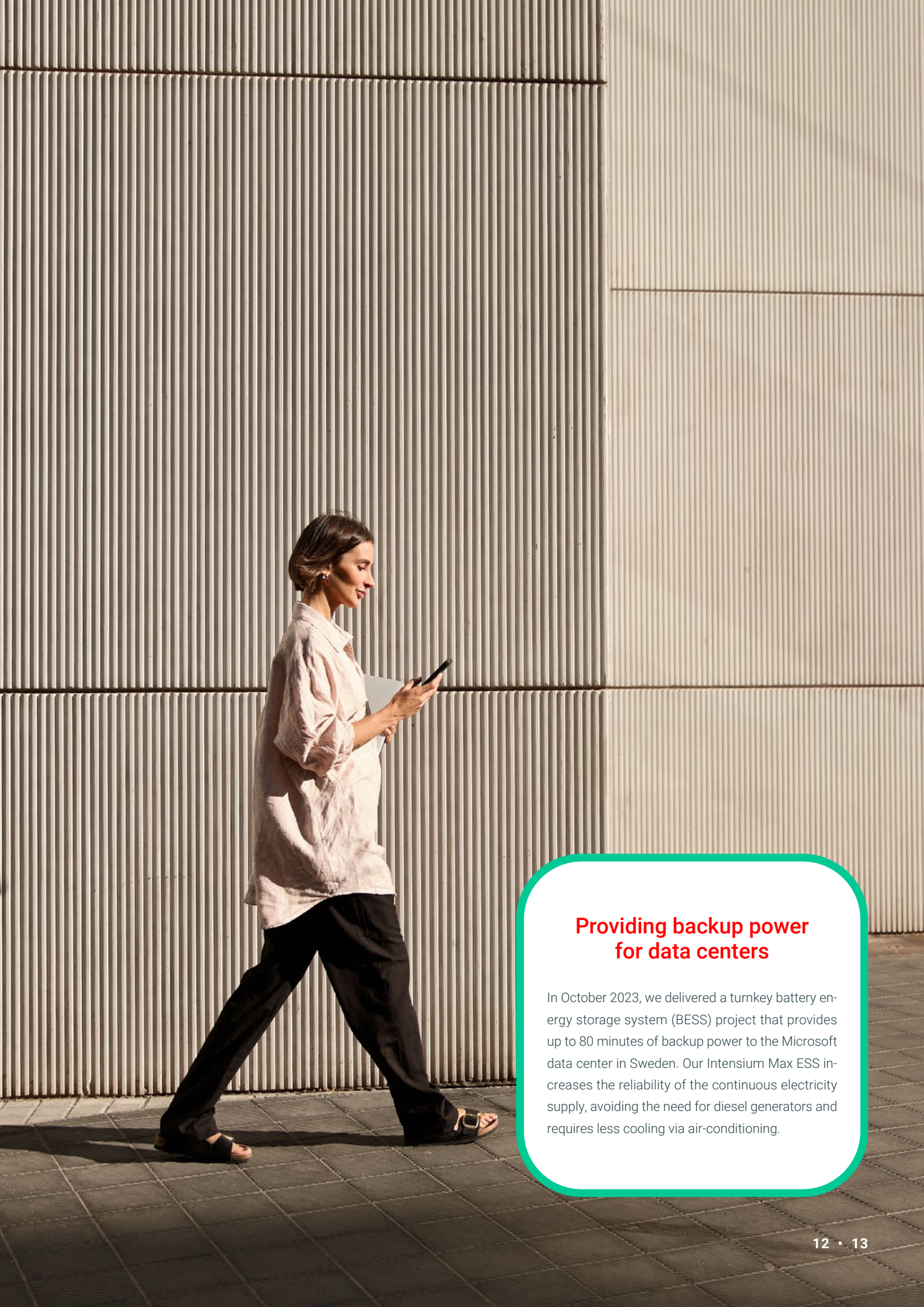


PILLAR 2

Help our customers decarbonize

As part of a responsible approach, Saft strives to offer its customers products and solutions that enable them to reduce the environmental impact of their own activities.

Our solutions contribute to reducing our customers' environmental impact in a number of ways: our back-up batteries can replace generators, our storage systems can store renewable energies, and our lithium batteries help optimize the movement of shipping containers.



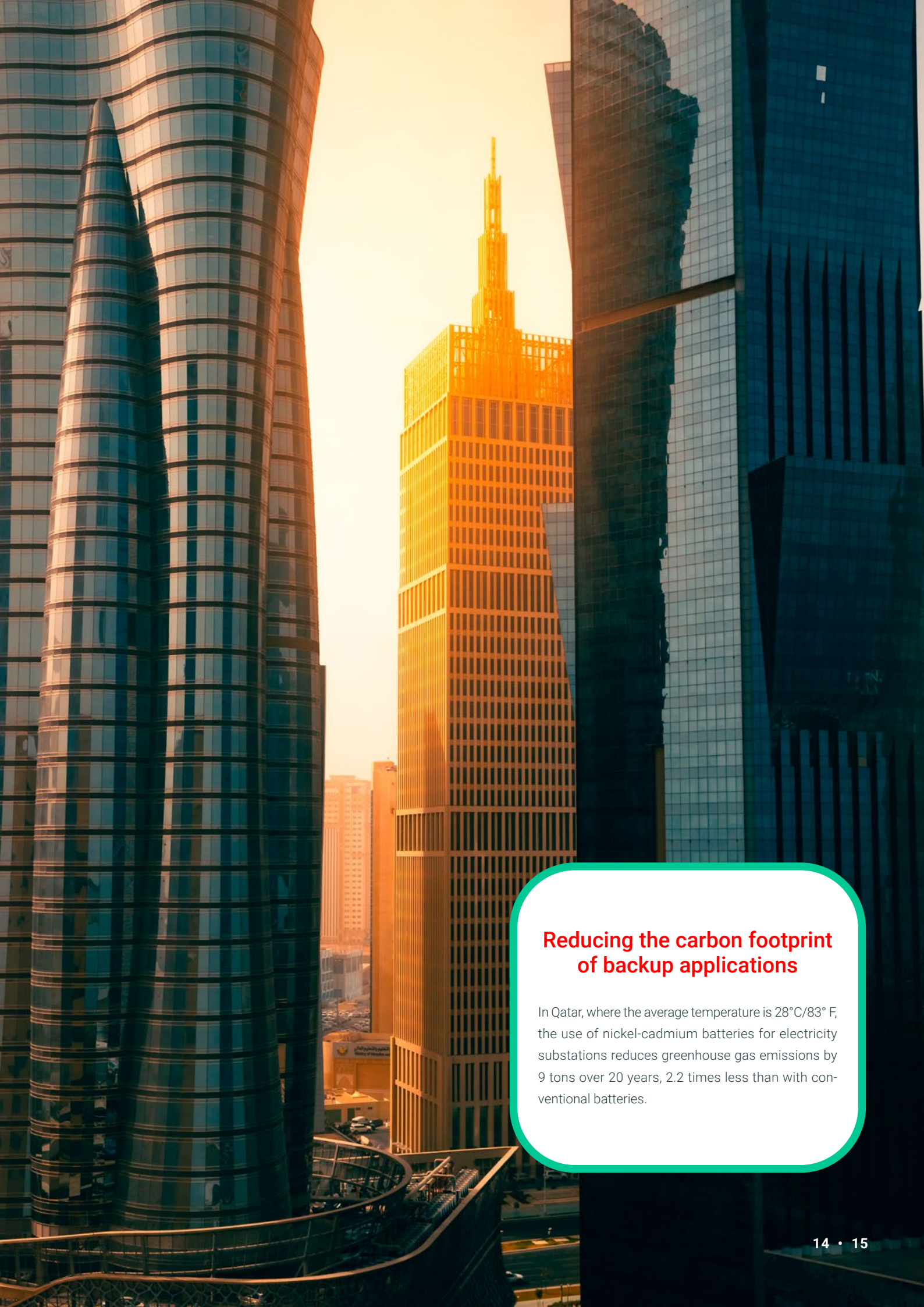
Providing backup power for data centers

In October 2023, we delivered a turnkey battery energy storage system (BESS) project that provides up to 80 minutes of backup power to the Microsoft data center in Sweden. Our Intensium Max ESS increases the reliability of the continuous electricity supply, avoiding the need for diesel generators and requires less cooling via air-conditioning.



Turning diesel trains electric

On railway networks, our lithium-ion traction batteries can be used to replace diesel self-propelled machinery with battery powered electrical machinery running on non-electrified railways. By 2035, 9,000 trains will be converted in Europe.



Reducing the carbon footprint of backup applications

In Qatar, where the average temperature is 28°C/83° F, the use of nickel-cadmium batteries for electricity substations reduces greenhouse gas emissions by 9 tons over 20 years, 2.2 times less than with conventional batteries.



Reducing the light pollution from lighting

IoT sensors help control and monitor lighting systems to reduce light pollution and its negative effects on the environment and human health. In the U.S., it is estimated that 30% of exterior lighting is wasted, amounting to about 21 million tons of carbon dioxide each year.

PILLAR 3

Implement circular economy throughout our operations

To limit the European industry's dependence on materials imported from the rest of the world, it is necessary to minimize their consumption and to set up programs to take back and recycle used batteries and reincorporate the extracted materials into the production chain.

To solve this equation, we have always invested in eco-friendly design and recycling with a dual objective: design longer-lasting batteries and gradually incorporate more recycled materials into manufactured products. This expertise and eco-friendly design ambition also responds to the new European regulation on batteries adopted in July 2023. This regulation aims to increase the environmental performance of batteries and ensure better integration of recycled materials.

For several decades now, we have made a difference in the circular economy. We rely on two solid advantages:

- The only factory in the world that manufactures and recycles nickel-cadmium batteries on the same production site.
- A unique worldwide network of over 35 voluntary bring-back points for used batteries. These points receive used batteries free of charge, and transport them to recyclers who have been authorized to do so by the relevant environmental authorities. For every tonne of used nickel-based batteries, over 750 kg of materials are extracted and reintroduced into the manufacturing cycle. For lithium-ion technology, processes are currently being optimized to extract over 95% by weight of key metals such as cobalt, nickel and copper.



OSKARSHAMN:
A UNIQUE FACTORY IN THE WORLD



Recycling and the circular economy

Since the 1970s, our Oskarshamn factory in Sweden has had nickel-cadmium battery recycling machinery. This is also the only factory in the world to both recycle and manufacture batteries. We recover nickel, cobalt and cadmium to reuse them on site, while steel, copper and plastic containers are sent to third parties to be recycled. For example, the plastic containers that used to be burned to produce energy are now used in injection molding. As for electrolyte, it is purified on site. The factory now uses the same amount of energy that it did 30 years ago to produce six times as many batteries.



Volunteer bring-back points

Today, our worldwide network is made up of 35 bring-back points where our customers can return their used batteries. These bring-back points forward the batteries received to one of the five recyclers with whom we have set up a partnership. These highly specialized companies, based on the European, Asian and American continents, are subject to strict authorization schemes.

17,258
Residents

395
Employees

Production

Industrial pocket plate
nickel-cadmium batteries

Applications

Backup batteries for a
wide range of sectors
(power generation, refining,
rail signaling, etc.) requiring
long-life, high-reliability batteries

PILLAR 4

Procure sustainably



We work with over 9,000 suppliers of goods and services worldwide. As an economic and social player, we have the ability to encourage and support our suppliers in their progress in terms of sustainable development. To put sustainable development at the heart of our purchasing processes, we capitalize on the TotalEnergies’ responsible purchasing program.

This program is based on 4 operational priorities

Priority 1

BUYER TRAINING AND AWARENESS RAISING

At the end of 2023, 80% of our employees had taken the training program focused on responsible purchasing, human rights and ethics. At the same time, actions for raising awareness are regularly conducted through specific online training modules, particularly on the climate and human rights.

Priority 2

SUPPLIER MOBILIZATION AND AWARENESS RAISING

Our buyers monitor the performance of suppliers via a sustainability platform shared with TotalEnergies. More than 560 of the 1,300 suppliers identified as preferential are listed there. This strategy is rounded out by other actions such as the publication of a new practical guide for respecting human rights in the workplace in May 2022.

Priority 3

INTEGRATION OF OUR SUSTAINABLE DEVELOPMENT REQUIREMENTS INTO OUR PURCHASES

Saft follows the fundamental principles of TotalEnergies. Those incorporate the prevention and fight against conflicts of interest and corruption risks and reinforce climate and sustainable development requirements. Furthermore, we have established risk mapping for purchasing with the purpose of implementing a customized sustainable development roadmap for each purchasing segment.

Priority 4

SUPPLIER AUDITS

Saft monitors compliance with human rights in the workplace. The company takes action against any form of discrimination, forced work, or child labor, monitors the quality of working conditions and the provision of decent wages, and requires the same from our suppliers in their activities. On the ground, we emphasize training to foresee, evaluate, prevent risks and carry out complementary assessment audits.

PILLAR 5

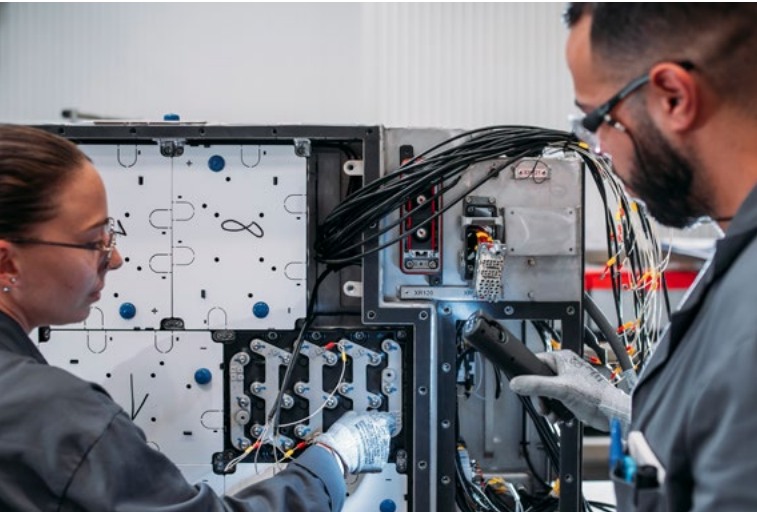
Develop people
and contribute to society

At Saft, we believe in collective strength and diversity as the driving force behind our success. To bring out their full potential, we provide each individual with the best possible conditions for self-expression, self-fulfilment and self-improvement.

Expanding employee involvement

We are intent on fostering and developing the involvement of our employees. Our HR policies aim to:

- train and assist our employees throughout their entire careers;
- respect the diversity of our teams and raise awareness among our managers about diversity and inclusion;
- promote a quality of life and well-being for each employee;
- extend the social dialog to all of our sites;
- guarantee the just and equitable treatment of all of our employees wherever we are active.



Providing a training offer
that matches our challenges

We foster a mentoring culture that is particularly rooted in our technical teams. It promotes the continuous training of our employees and guarantees their employability. We complete it with the digitalization of our training modules when applicable. We offer a "gamified" training program in Lean Manufacturing for all of our 4,000 employees. In fact, whether we are operators or managers, we all contribute to the operational excellence and success of the company. In 2023, each employee was able to take advantage of nearly 3 days of training.

Enhancing technical expertise

Since 2017, Saft has deployed STEP Up, its technical expertise enhancement program. Intended for a community of more than 250 employees throughout the world, STEP Up is a mentoring program to train future technical leaders. As a component of our competitive advantage, this program offers another path for employees who wish to further their technical skills and be recognized by their peers. Whether assisting with projects or training our employees, our experts develop and share their knowledge and expertise in their scientific and technical fields.



Diversity and inclusion:
everyone's business

At Saft, we are a collective of a large diversity of nationalities, generations and genders. We consider this diversity of our teams and its acknowledgement to be the strength of our collective and the keys to our success. The respect for each person and their differences is, in fact, a source of motivation and performance for our teams. That's why we strive each day to promote inclusion.

At the end of 2024

55
different nationalities

32%
of women
in the workforce

45
average age with 21%
being younger than 35
and 23% older than 55

88/100
the gender
equality index

Our values

Our values are at the heart of how we work with each other, with our customers and with our stakeholders. Constituent components of our expertise, they direct all of our actions.



Safety

An ongoing, vital concern, safety is the prerequisite of our longevity. It involves all forms of responsibility, including those of Saft, TotalEnergies, and each person.

Respect for each other

Human decency and respect is at the heart of our collective project. We promote the quality of “living together,” the complete respect for human rights, faultless integrity, diversity and social dialog.

Pioneer spirit

Supported by a long history of innovation, we innovate, adapt and take action in the face of adversity. This pioneering spirit is a key element of our identity.

Stand together

Our unfailing team spirit enables us to face the future together with trust. This trust is the bedrock of all our relationships with our shareholders.

Performance-minded

We strive for excellence to successfully complete complex projects and control our industrial risks. It is the key to manufacturing the most reliable and resistant batteries on the market.

Our ethics policy: setting an example



As a subsidiary of TotalEnergies, we have adopted the Group’s Code of Conduct and embody the values and principles set out therein.

In all the countries where we are active, we respect and apply all the national and international laws and standards applicable to our activities. We comply with them in all circumstances and in all areas. In addition to these rules, our values of safety, respect for others, pioneering spirit, the strength of solidarity and the focus on performance are part of Saft’s DNA and the benchmarks that guide our daily actions. Two of them are at the core of our collective ethics and our way of applying this exemplary behavior to the world: safety and respect for others.

Together, they set forth our model of a responsible company that goes hand in hand with respect for laws and human rights, on which we do not compromise. Honesty and unfailing integrity are at the root of our refusal to accept any form of fraud or corruption, our exemplary management of natural resources and our environmental impact. They are part of our strategy of responsible and sustainable development, as well as of our transparency with regard to our commitments to our stakeholders (employees, customers, suppliers, shareholders).

Being a responsible company compels us to behave in an exemplary fashion, in compliance with our values and irreproachable in our daily actions. It is also what our stakeholders expect from a company such as ours.

We energize
the world.
On land,
at sea,
in the air
and in space.

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