



"A WORLD OF"
NICHE MARKET
LEADERS



CHARGEURS



Chargeurs innovates in the sustainable transformation of its industrial niche business



May 21, 2019

- 1. Our strategy:
be a pioneer in the sustainable
transformation of our niche industrial
markets**
- 2. Key non-financial components
of our overall performance**
- 3. Significant CSR achievements**



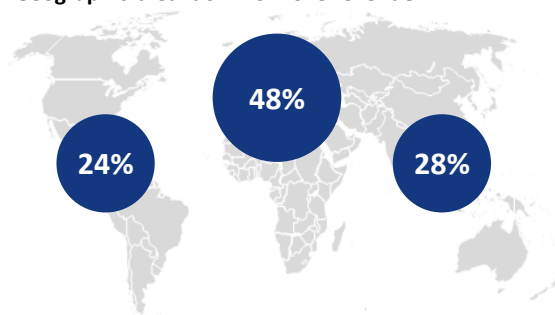
**Our strategy:
be a pioneer in the sustainable transformation
of our niche industrial markets**



Worldwide industrial excellence

Serving over 90 countries

Geographic breakdown of 2018 revenue



94% of revenue
generated in international markets

- **17 plants:**
 - 7 in Europe
 - 4 in North America
 - 3 in Asia
 - 2 in Latin America
 - 1 in Africa

- **16 R&D and Quality laboratories:**
 - 7 for Fashion Technologies
 - 4 for Protective Films
 - 4 for Luxury Materials
 - 1 for Technical Substrates

Leadership positions in niche markets

Protective Films



No. 1 worldwide
in quality surface protection
Leadership position in
10 market segments

Fashion Technologies



No. 1 worldwide
in interlinings
Leadership position in
4 market segments

Technical Substrates



European leader
in functionalized textiles
Leadership position in
4 market segments

Luxury Materials



No. 1 worldwide
in high-quality combed wool
Leadership position in
3 market segments

A robust financial profile

Success of the strategic Game Changer plan confirmed in 2018

Revenue

€573.3m

+7.6%
(+2.6% like-for-like)

EBITDA

€59.8m

+9.5%

Recurring operating profit

€49.0m

+10.4%

Net profit

€26.6m

+5.6%

Cash generated by operations

€36.9m

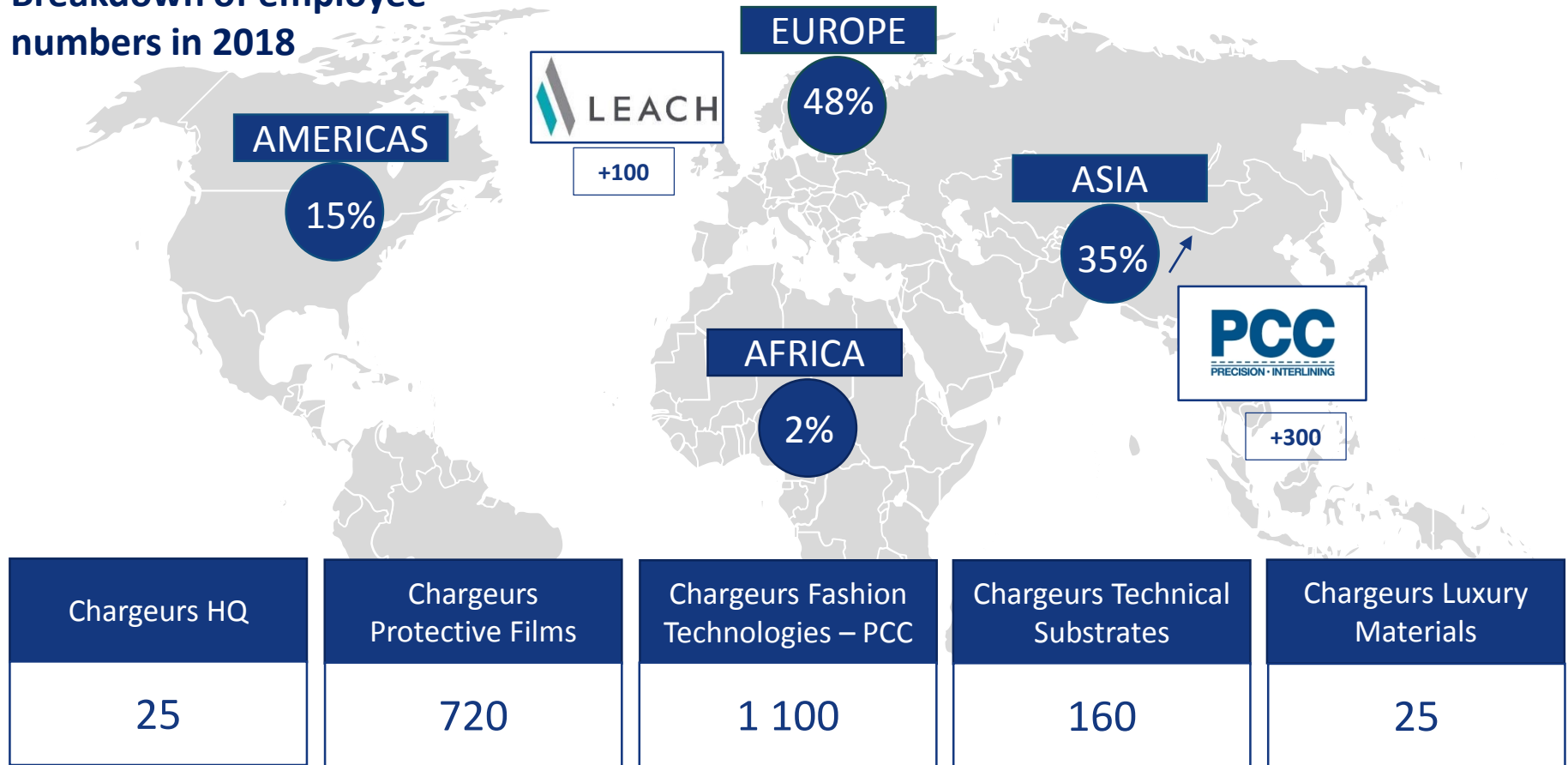
+0.8%

A strong balance sheet structure

- Signature of a **game-changing €230 million syndicated loan agreement** in December 2018, with excellent financial terms and conditions

More than 2,000 employees in manufacturing, sales and management, with a high level of exposure in a competitive global marketplace

Breakdown of employee numbers in 2018



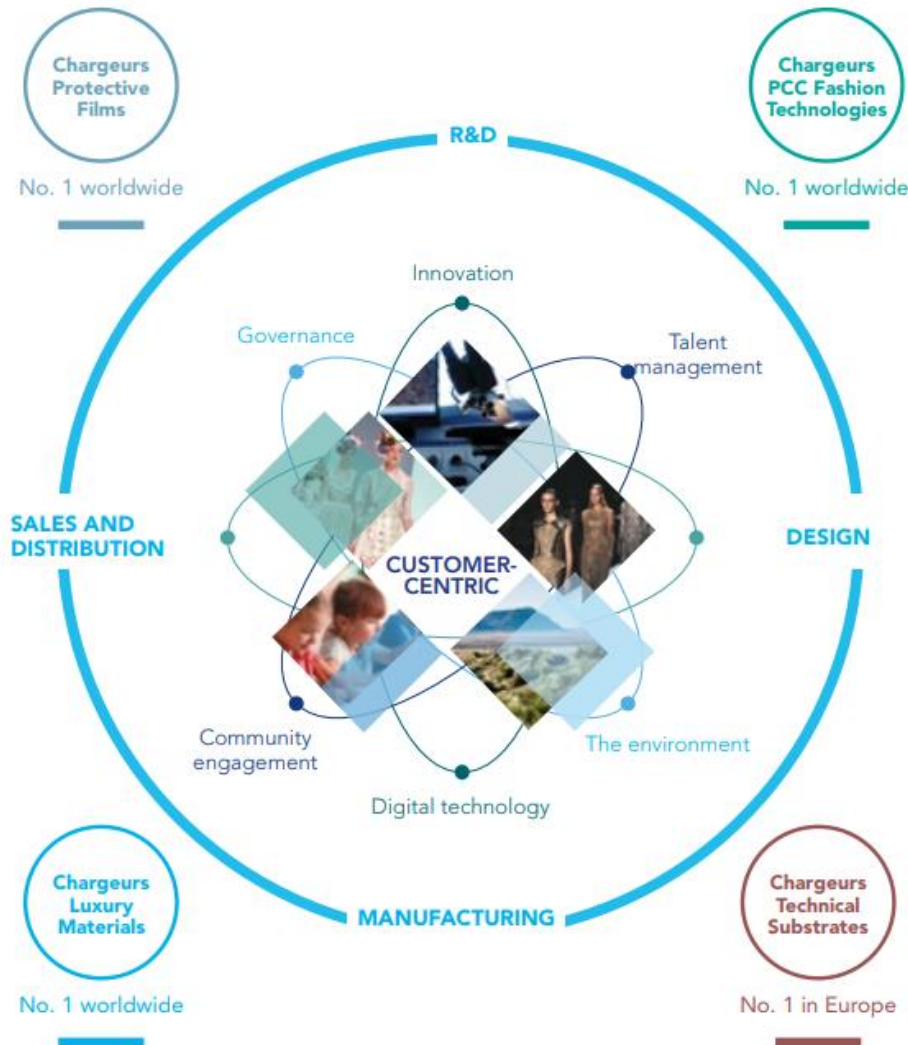
Our Resources

People
2072 employees
45 nationalities

Financial and Manufacturing resources
25 M€ in capital expenditure
66,2 M€ in acquisitions

Environmental performance
244 774 MWh of energy used
658 164 of cu.m of water used

Intellectual capital
16 R&D laboratories
€186,748 invested in training



Our creation of value

People value
484 people hired in 2018
93% under permanent work contracts
34% of women in the Top 50

Financial and manufacturing value
€573,3m in revenue
€59,8m in EBITDA

Environmental value in 2018
CO2 emissions per unit of production down 7%
Water use per unit of production down 16%

Intellectual value
25 Executives trained in the Game Changer program in partnership with ESMT Berlin
Blockchain innovation in securing a textile label

A methodical growth strategy deployed since 2015 aimed at achieving €1bn in revenue by 2021

A clear vision & solid strategy

Acting as a "designer" of our niche markets to create integrated value chains

- Strong technical expertise
- Global supply chain management
- Consumer-centric and service-oriented organizational structure
- Globally recognized B2B brands

A success model

Managerial transformation to drive internal and external growth

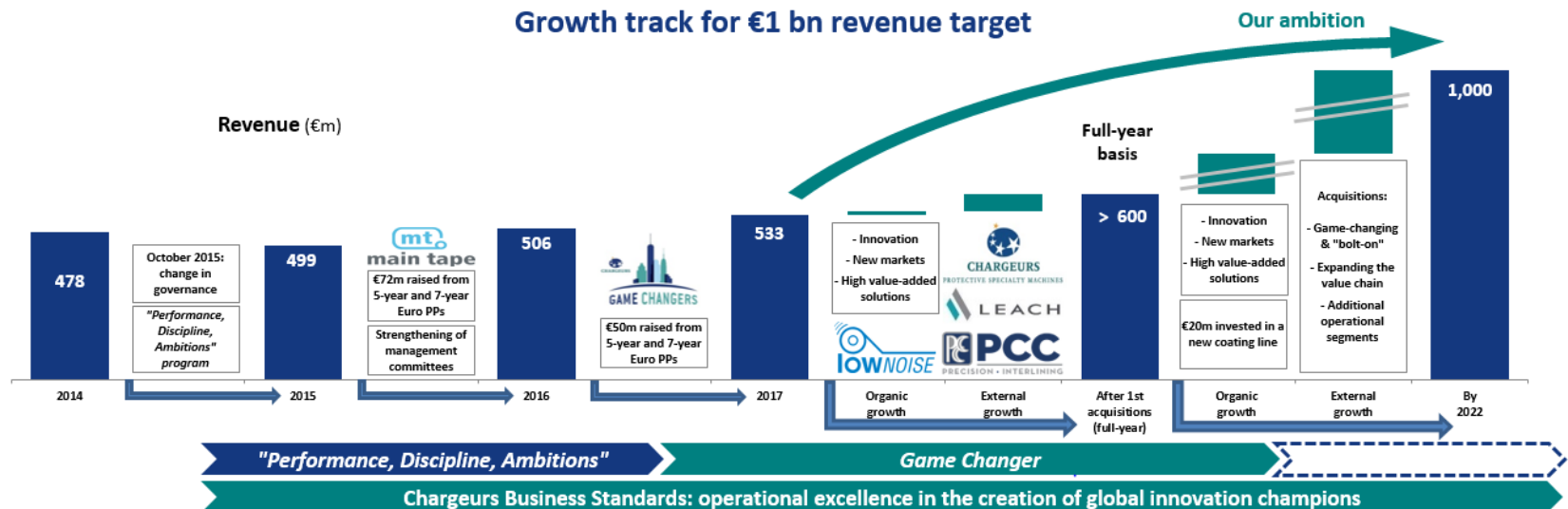
- A winning mindset and a performance culture
- Ongoing optimization of the business model
- A solid financial model
- 6 acquisitions generating €100m in revenue

Well on the way to achieving €1bn in revenue by 2021

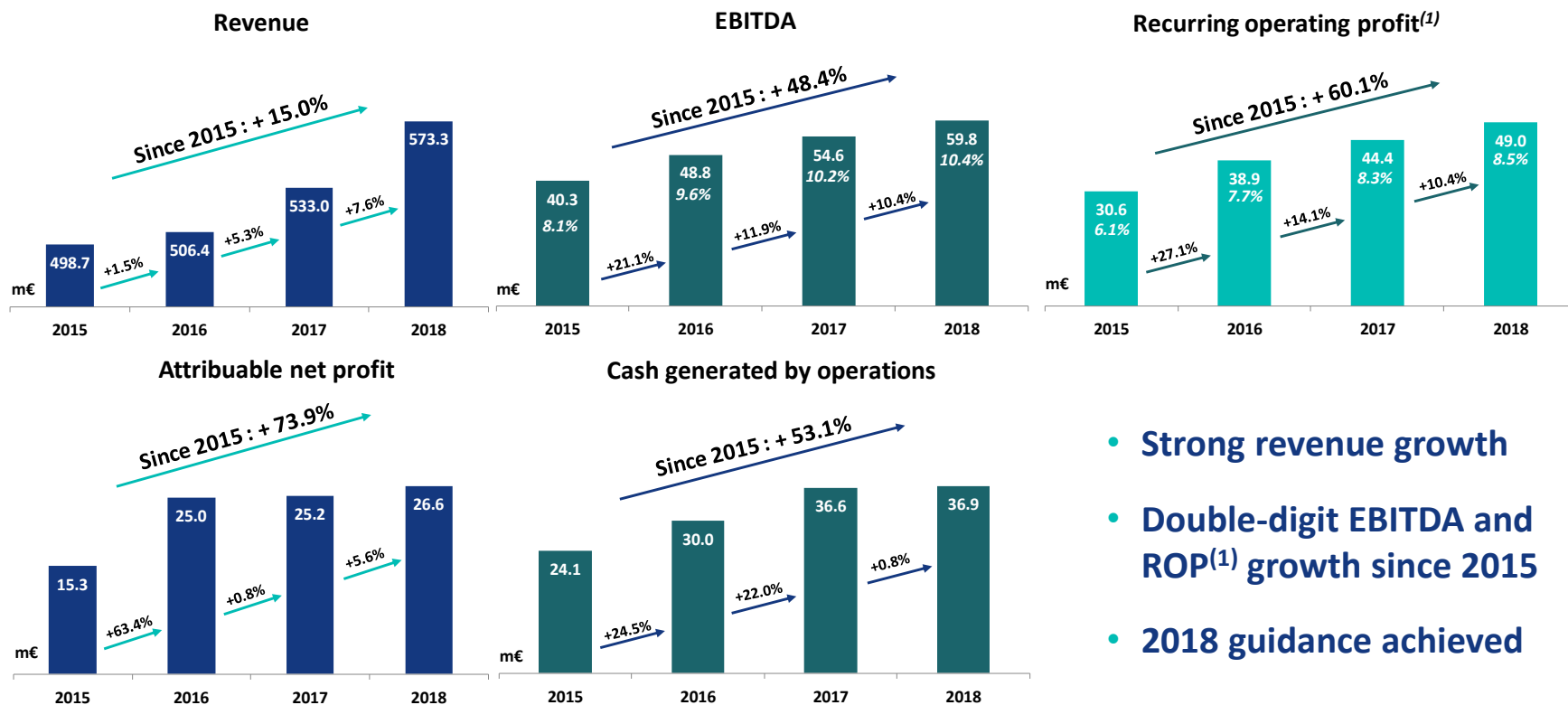
Upscaling and multiplying sources of growth

- Simplifying the customer universe
- Proposing multiple solutions to customers in order to meet their challenges
- Seizing highly profitable opportunities that pave the way for game-changing developments

Growth track for €1 bn revenue target



Robust 240-bp rise in ROP⁽¹⁾ margin since 2015

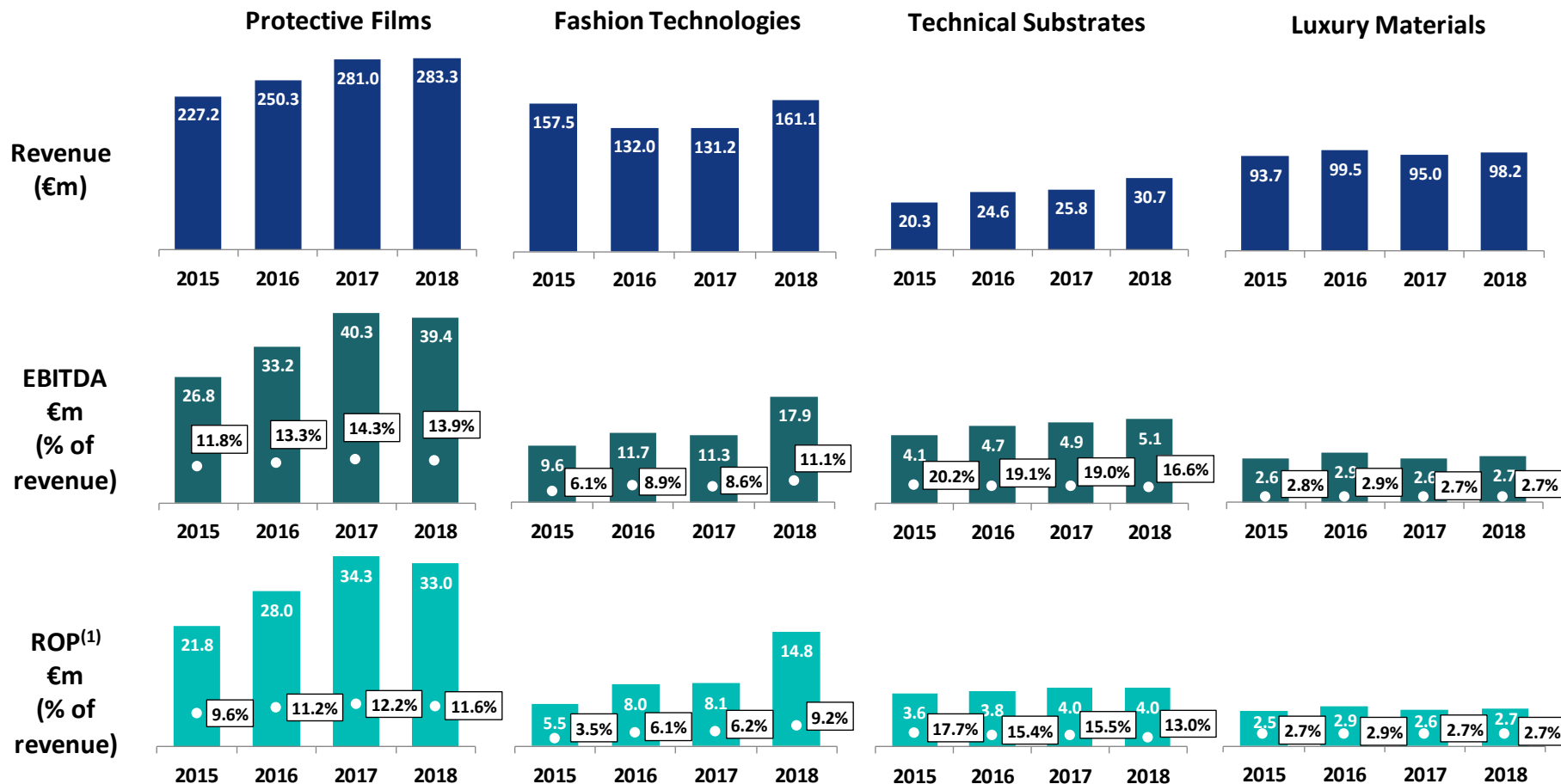


- Strong revenue growth
- Double-digit EBITDA and ROP⁽¹⁾ growth since 2015
- 2018 guidance achieved

(1) Before amortization of intangible assets resulting from acquisitions

2018: an excellent year with further acceleration in performance

Very robust growth in the Group's operating performance: 8.5% operating margin in 2018, representing a 240-bp increase in ROP⁽¹⁾ margin since 2015



(1) Before amortization of intangible assets resulting from acquisitions

Game Changer – the Group's performance acceleration plan

Objective:

Double profitable revenue by 2021

→ Aimed at speeding up the Group's growth and profitability, designed in collaboration with all of Chargeurs' teams worldwide and focused on 4 key areas



Launch of the Iconic Champions plan: continued premiumization

*From
"the best-offer culture"
to
"the must-have strategy"*



"Iconic champions"

- #1 brand worldwide
- A go-to, indispensable partner
- An unrivaled partner
- Superior emotional appeal
- Designer of innovations
- Additional success and value creation
- Creative, proactive partners
- Fully immersed in our customers' strategies



Global champions

- #1 in global market share
- Superior technical and services offering
- Best value for money
- Superior functional & experimental expertise
- Provider of innovative products
- Technical experts
- Reliable teams
- Proximity with customers

Acceleration of our acquisitions strategy: integration of Leach and PCC Interlining

Since 2015, Chargeurs has carried out targeted acquisitions, creating champions in high value-added niche markets

*An ongoing and
value-creating
acquisition strategy*



€8m in revenue

- > Moving up the value chain
- > Offering integrated solutions



\$27m in revenue

- > Strengthening leadership in the United States
- > Adding production capacity in the USD zone



£10m in revenue

- > Disruptive vertical integration
- > Offering end-to-end solutions



\$80m in revenue

- Creation of an innovative global champion
- > Strengthening service capacities

Still to come:

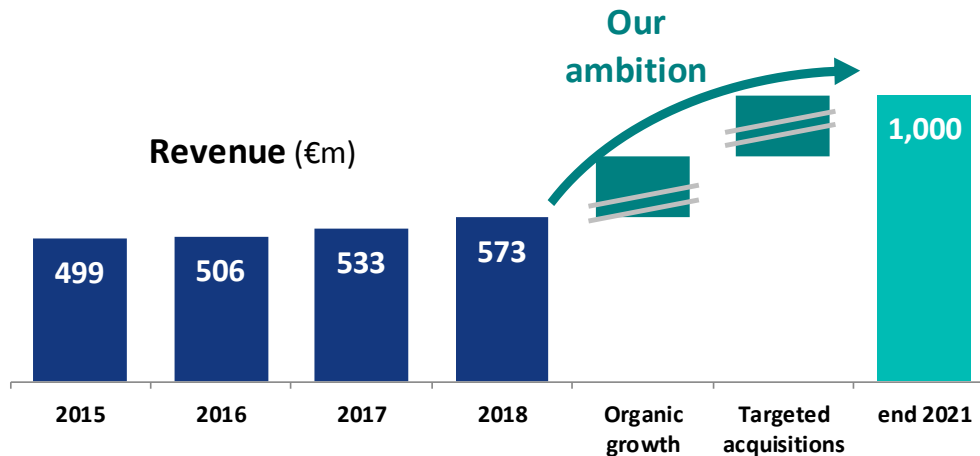
- > Game-changing "bolt-on" acquisitions
- > Acquisitions to move up the **value chain**
- > Acquisition of a new **operating segment**

> €100m in extra revenue and > €10m in additional recurring operating profit

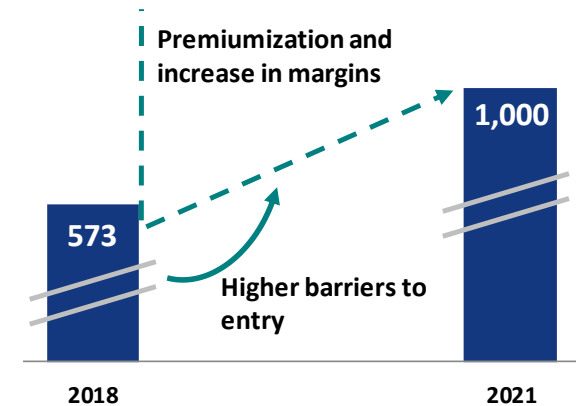
Chargeurs 2021: an iconic champion in high value-added niche markets

- Target confirmed of topping €1bn in profitable revenue

Growth track for €1bn revenue target



Steady rise in margins thanks to the product mix and economies of scale



- A rigorous model of creating long-term asset value

- Focus on cash generation
- Most profitable customers prioritized
- Cost-cutting programs pursued

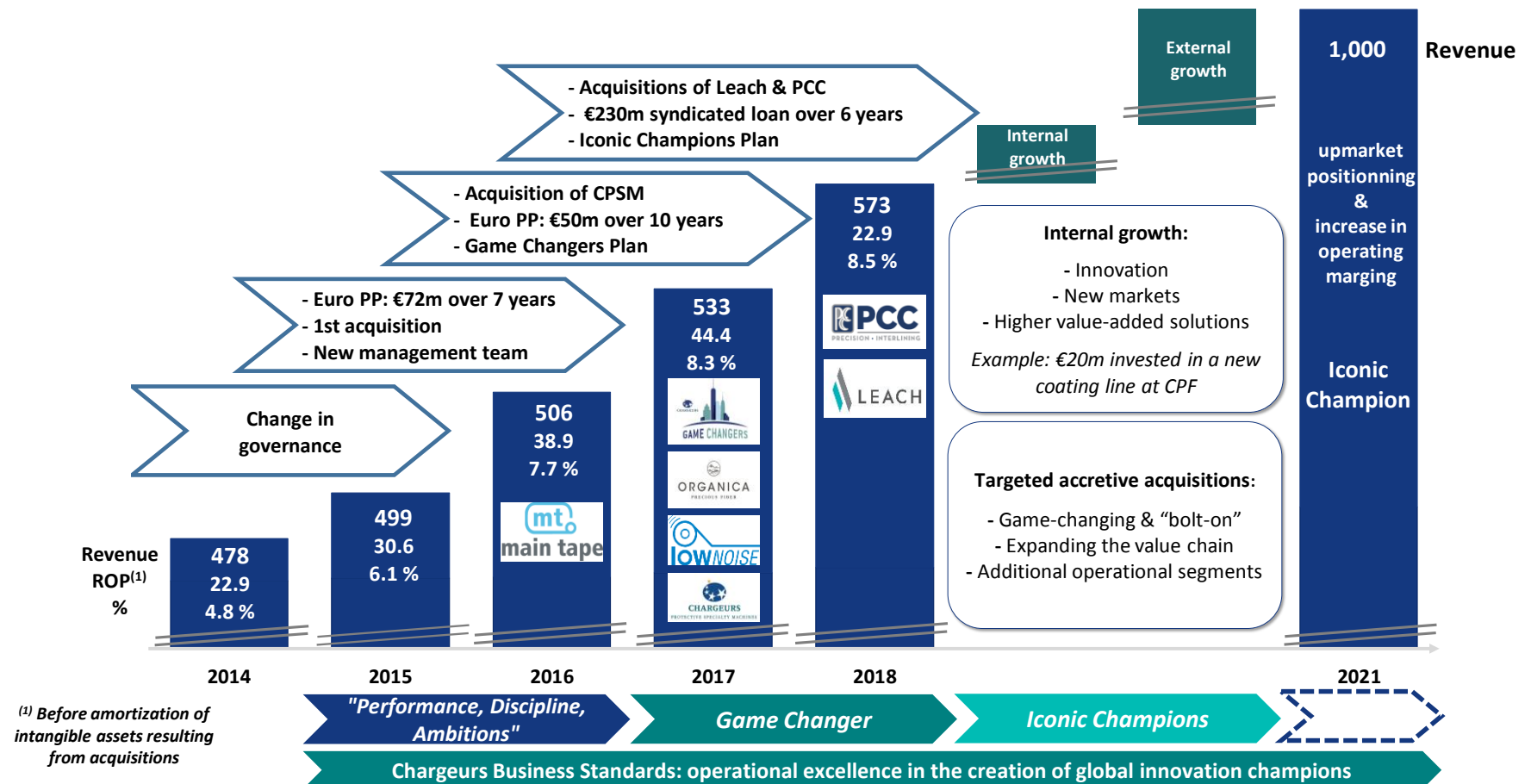
- A strategy of underlying excellence built over the long term

- A culture of creating long-term asset value
- A long-term commitment from the Group's reference shareholder and the Fribourg Family Group

Chargeurs is rolling out its roadmap to top the €1bn revenue mark by 2021

18 months after announcing its target, Chargeurs has:

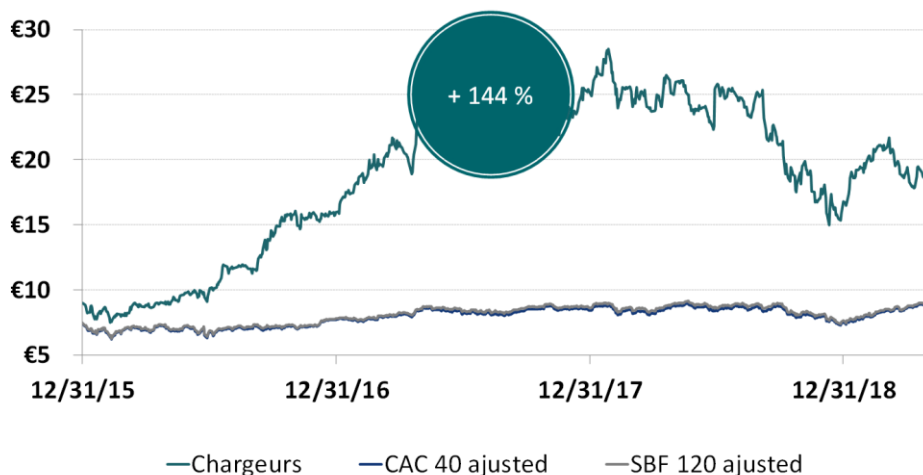
- Fully implemented its roadmap
- Confirmed its target of topping the €1 billion revenue mark by end-2021, one year ahead of schedule



⁽¹⁾ Before amortization of intangible assets resulting from acquisitions

Shareholder value creation strategy

Share performance since the change in Chargeurs' governance structure
(CAC 40 and SBF 120 adjusted in ligne with Chargeurs' share price)



- Policy of paying a recurring dividend, steadily increasing the dividend and offering a dividend reinvestment option
- Putting in place a share buyback program capped at €12m
- Renewal of the liquidity agreement in February 2019 (representing €1.3m)
- Chargeurs' share performance now covered by 6 analysts:

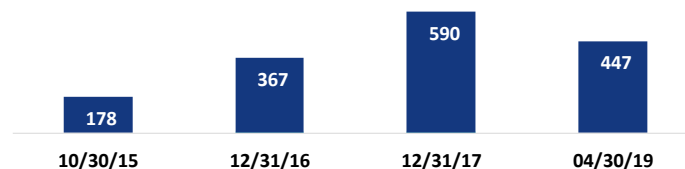


ODDO BHF

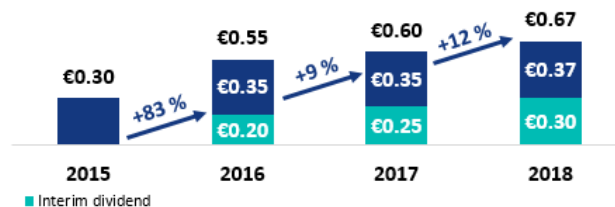


Portzamparc
GROUPE BNP PARIBAS

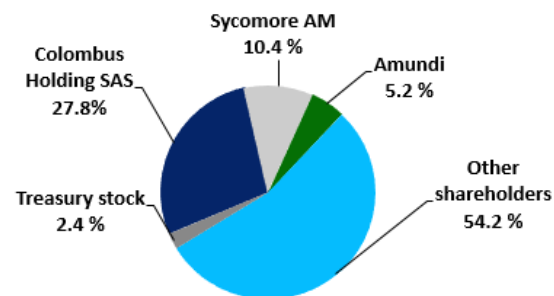
Market capitalization (in €m)
+151 % since 2015



Dividend per share
+123% since 2015



Ownership structure at January 31, 2019:
23,551,755 shares





Key non-financial components of our overall performance





Innovation

Innovating to meet global challenges and enhance the sustainability of our customers' products

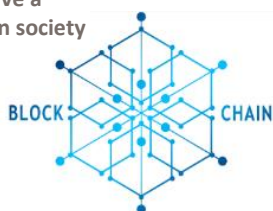
Governance

Applying a robust corporate governance structure to ensure the consistency of Chargeurs' strategy over the long term



Community engagement

Supporting community initiatives that have a positive impact on society



Next Up, ESG Forum



Talent management

Investing in employees to support the Group's growth



HARVARD
BUSINESS SCHOOL

Environment

Limiting our impact on climate change by controlling our energy use and our air emissions



Investing in digital technology to secure ties between Chargeurs and its ecosystem

Digital

Key stages in our sustainable competitiveness strategy



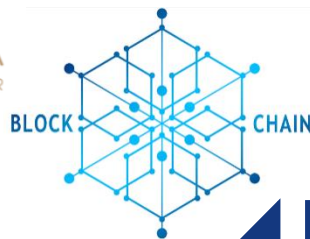
CFT sets up a new plant in an Ethiopian eco-park, which meets the highest standards in environmental stewardship.

CFT launches Eco'In, an interlining range manufactured using polyester yarn made from recycled plastic bottles.



Chargeurs launches its Organica Precious Fiber label, the first label for high-quality, certified, traceable fibers.

Chargeurs signs the United Nations (UN) Global Compact.



Chargeurs starts using blockchain technology for its Organica label to guarantee wool traceability and ensure strict control across the entire value chain.



Chargeurs is included in the Gaia sustainable development index for the first time, ranking among France's top 70 companies recognized for their social, environmental and governance performance.

Chargeurs incorporates the UN Sustainable Development Goals (SDGs) into its sustainable competitiveness strategy.



Novacel Deep Blue, Protectiv films an alternative to PVC, Wphtalate free, 100% recyclable
Alterra
1 m2 of manufactured Alterra fabric = 2 recycled plastic bottles

2021 Objectives



Chargeurs continuously improves its performance in key areas:
CO₂
Water
Waste
Corruption
Training
Safety
Governance
Responsible Supply Chain

---2016---2017---2018---2019---2020---2021

Governance

A clear vision and a committed approach
A committed core shareholder
with a long-term outlook



Independent directors

High attendance rate at Board meetings

Gender diversity among Chargeurs executives
(top 32)

Talent management

- Training
- Diversity
- Safety



Number of training
hours per employee



0 accidents

Environment

- Climate change
- Circular economy



Reduction in CO₂ emissions



Reduction in water
consumption

Innovation

- New DeepBlue/Alterra products
- Blockchain
- Iconic brands



Reduction in waste
produced



Reduction in VOC
emissions

Community engagement

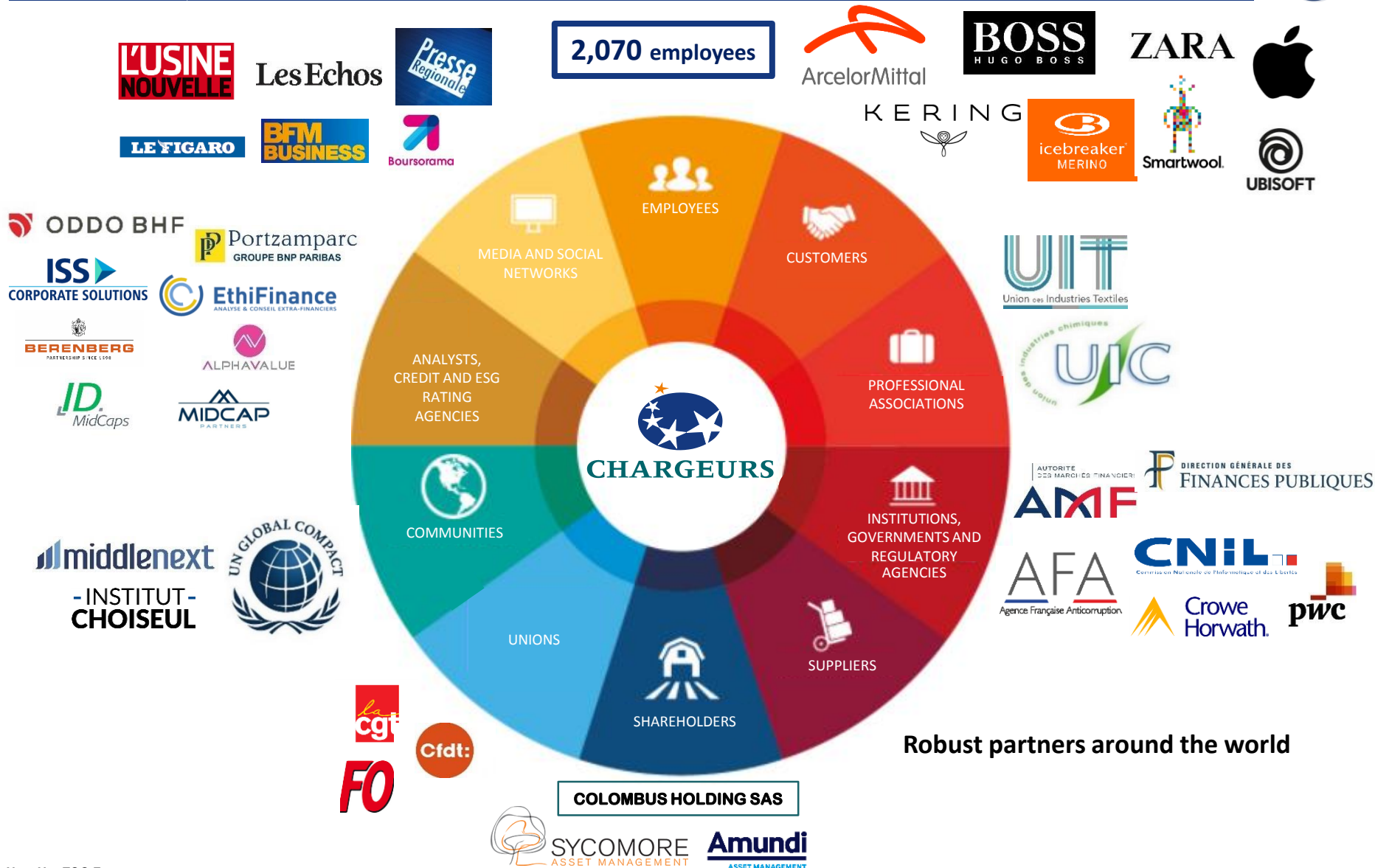
- Chargeurs Philanthropies
- Institut Choiseul
- UN Global Compact



Responsible supply
chain



Donations



In 2018



34%

of women in
the Chargeurs Top 50



11.72%

frequency rate (FR)
for occupational accidents



-9%

hazardous
waste produced



-7%

CO₂ emissions in metric
tons compared to revenue



-16%

water consumption in cubic
meters compared to revenue



+31%

training hours
per employee



40

suppliers supported
in the areas of environmental
protection, working conditions,
human rights and anti-corruption



100%

of employees have signed
the Code of Conduct



Score/100	2015	2016	2017	
Governance	54	58	64	↗
Social	56	67	78	↗
Environment	52	57	66	↗
External stakeholders	21	21	64	↗
Overall score	51	58	70	↗



Included in the 2018
Gaïa index



Mai 2019

–  Social	3
Human Rights	5
Labor, Health and Safety	3
Stakeholders and Society	3
Product Safety, Quality and Brand	2

Lower Governance Risk = 1 - Higher Governance Risk = 10

Higher E&S Disclosure = 1 - Lower E&S Disclosure = 10

–  Environment	4
Risks and Opportunities	4
Carbon and Climate	4
Natural Resources	2
Waste and Toxicity	4



Significant CSR achievements



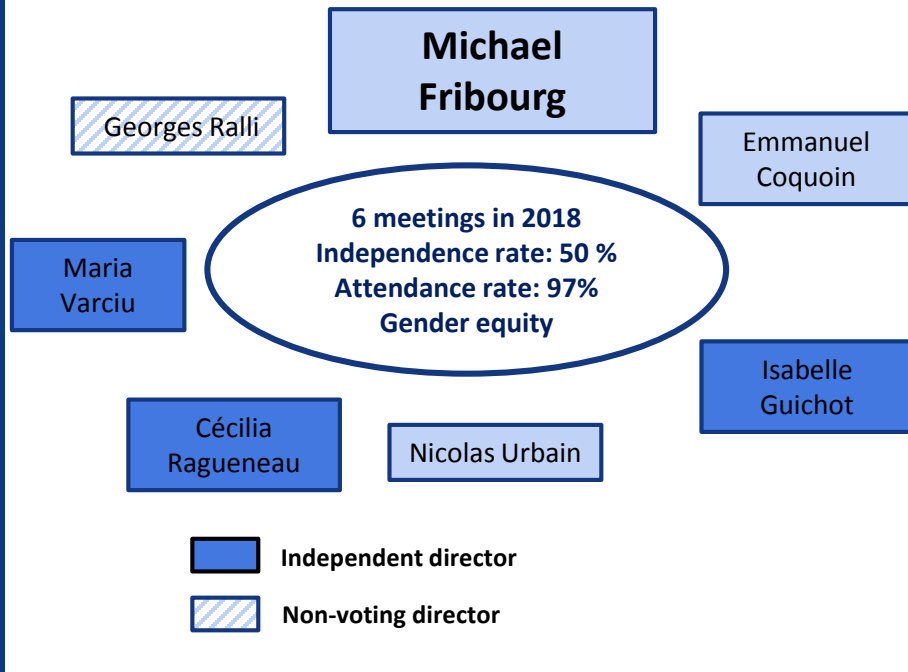
An Ethics Committee to steer
key CSR projects



Maud Fontenoy, member of the Chargeurs Ethics Committee and President of the Maud Fontenoy Foundation, which takes action in France and overseas to protect the world's oceans.



Board of Directors



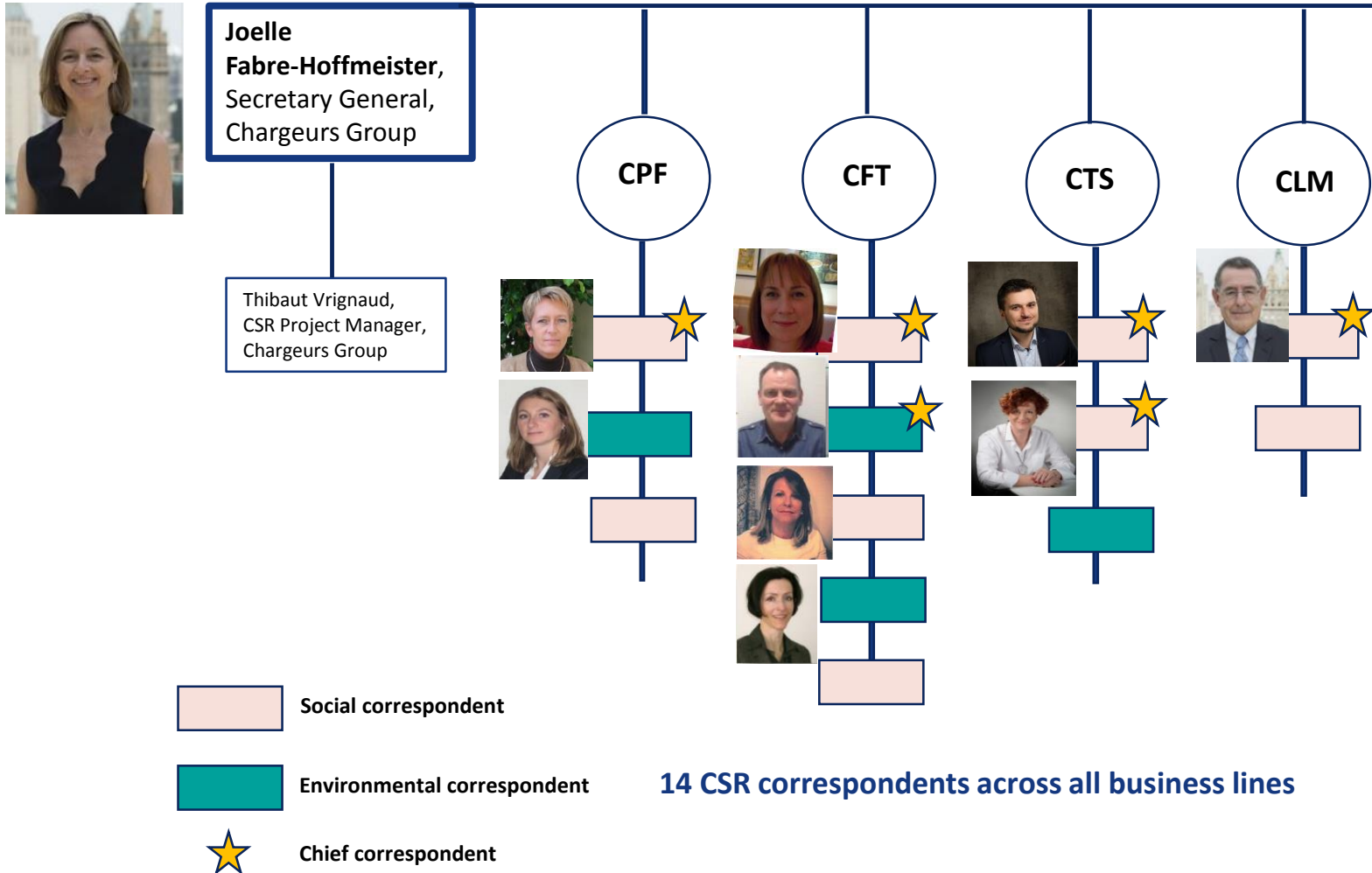
An Executive Committee to
validate CSR strategy



**Correspondents in each
business line** to implement the
CSR strategy



A CSR structure represented across all of the businesses



14 CSR correspondents across all business lines



■ A code of conduct for guidance and support

To ensure that the Code of Conduct is understood and applied by all teams, Chargeurs has opted to focus on the values and principles upheld and expected by the Group, without providing strict instructions on how they should be applied. The Code therefore serves as a support document and communication tool, clarifying Group policies, ensuring harmonized practices and reminding the various stakeholders of their responsibilities.

Contents

1- FUNDAMENTAL VALUES OF THE CHARGEURS GROUP

PROTECTION OF INDIVIDUALS
FAIR EMPLOYMENT PRACTICES
SUSTAINABLE DEVELOPMENT
TRANSPARENCY
PROTECTION OF GROUP ASSETS
RELATIONSHIPS WITH THIRD PARTIES
INTERNAL AND EXTERNAL COMMUNICATIONS

2- REPORTING VIOLATIONS OF THE CODE OF CONDUCT

SCOPE
VIOLATION REPORTING PROCESS
HOW REPORTED VIOLATIONS ARE PROCESSED
WHISTLEBLOWER RESPONSIBILITIES
PROTECTION OF WHISTLEBLOWERS

3- PENALTIES FOR VIOLATIONS OF THE CODE OF CONDUCT

4- ETHICS COMMITTEE



The people responsible for ensuring its application:

- Governance
- Managers
- The Chief Compliance Officer
- Business HR Managers



An email address for reporting violations:
alertes@chargeurs.com



The increase in employee numbers and the integration of new hires generate challenges for the Group, particularly in terms of training, skills development and management.

■ Chargeurs invests in its people to support the Group's growth

- An onboarding process adapted to each situation, with a focus on understanding the Group's organization and operations and on forging ties with peers (Discovery Days in France, onboarding programs for new companies, etc.).
- A Young Talents program for young employees with potential (dedicated training programs, challenging projects, support from HR, etc.).
- Substantial manager participation in fostering the Group's values and culture.

■ A sizable training budget and numerous opportunities

- “Game Changer” program to help executives implement all aspects of the 2017-2021 business plan (in partnership with ESMT Berlin).
- Customized training modules to support the Group's transformation for growth.
- Initiatives to support skills development internally (Novacel Academy).

A diversity-oriented approach to talent management



Present in more than 90 countries, Chargeurs sees diversity as a key competitive strength.

With more than 90% of revenue generated outside France, Chargeurs is committed to maintaining a strong international culture.

All Chargeurs facilities are therefore managed locally.

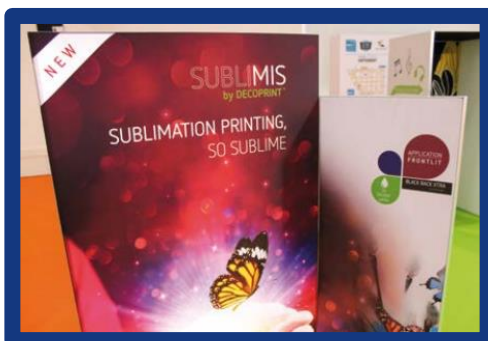
- **Improve understanding of certain products or markets:** hiring people who reflect the diversity of our customer base enables us to better understand our customers and enhance their level of satisfaction, which in turn fosters loyalty.
- **Encourage innovation and creativity,** by employing people with complementary profiles.
- **Facilitate international expansion,** by hiring people who speak other languages and understand other cultures.

■ Climate change



Limiting our impact on climate change primarily means controlling our energy use and our air emissions. Volatile organic compounds (VOCs) play a significant role in climate change. Chargeurs is committed to developing more and more solvent-free products and to installing modern, efficient solvent recovery units at its plants.

● Innovating in solvent-free products



SUBLIMIS® is a fabric coated on one side, designed for printing using water-based inks, which do not contain solvents.



NOVACEL is developing more and more solvent-free technical products for various markets, including coated metals.

● Investing in ultra-modern solvent recovery or incineration units

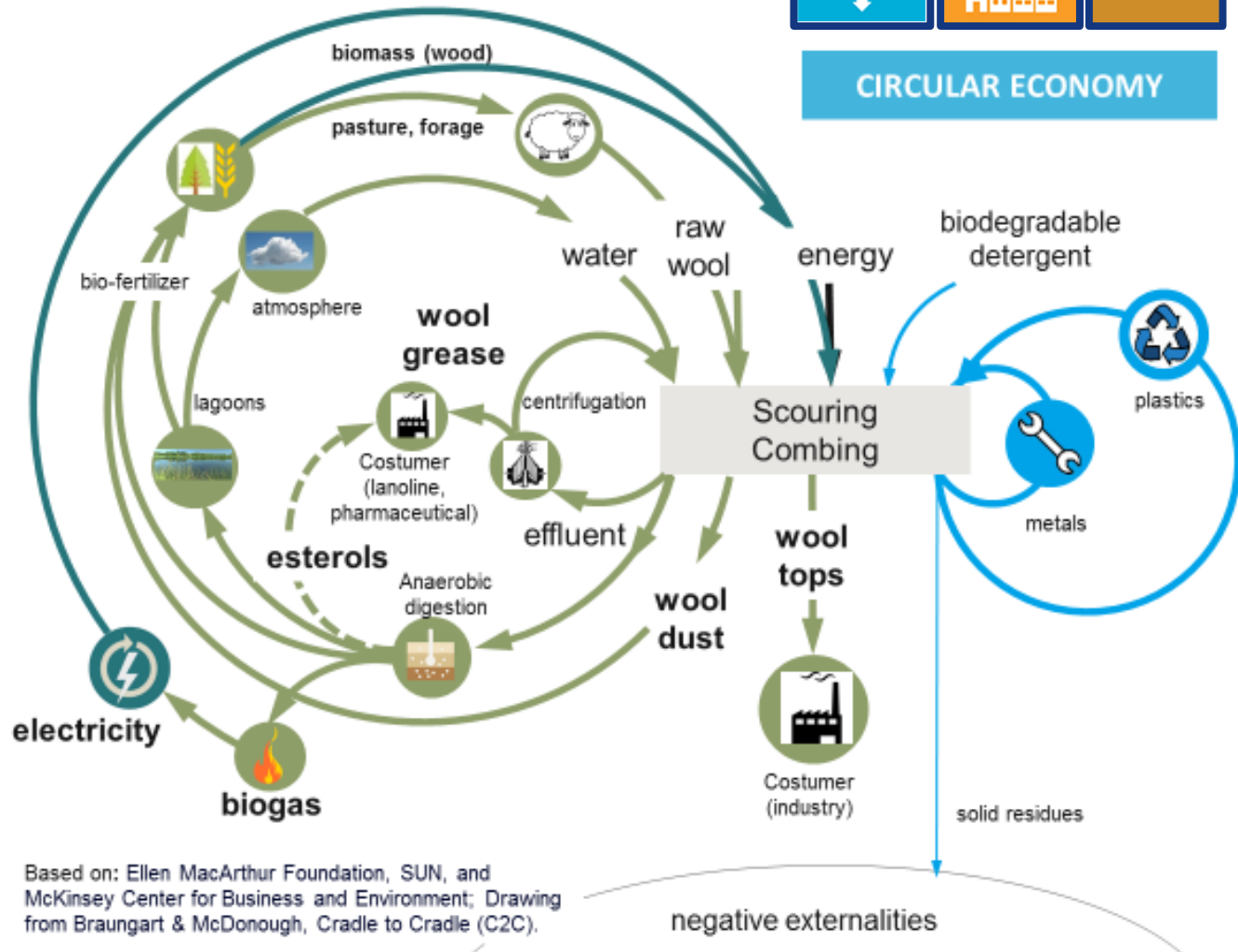
Three solvent recovery units have been installed, at the Déville-lès-Rouen plant in France and at the Boston Tapes plant in Italy. These units make it possible to reduce solvent purchases, significantly cut VOC emissions and reduce our environmental footprint during the transportation, handling and storage of hazardous substances.

Climate change



CIRCULAR ECONOMY

Circular economy at the Lanás Trinidad plant in Uruguay



■ Climate change



Investment in biogas recovery and energy transformation: for the past three years, Chargeurs Luxury Materials’ partner combing mill in Uruguay has been treating effluents containing biodegradable organic matter with a technology that generates biogas, which is then used as a renewable energy to directly power up to 25% of production.



A biogas recovery and utilization system

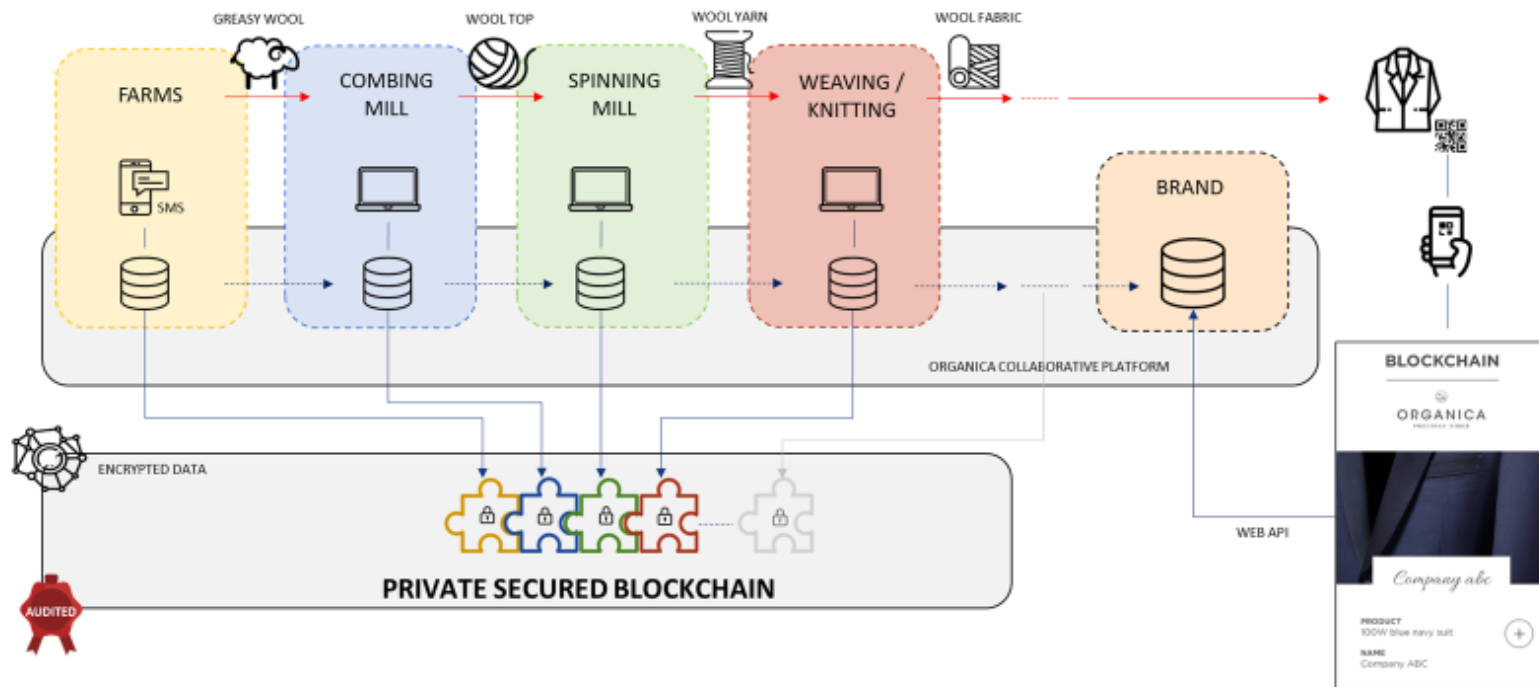


Site where biogas is converted into power, of which 25% is reinjected into the Lanús Trinidad combed wool plant and 75% is sold

■ Blockchain

Blockchain is a distributed database that uses encryption to store information in a tamper-resistant way. It has become the new benchmark for ensuring traceability in complex supply chains.

The CLM Blockchain is used by all Organica certified partners during all stages of the transformation process.



■ Novacel Deep Blue Technology



Novacel Deep Blue Technology is an innovation in protective films and an alternative to PVC products. It is:

- PVC free
- Phthalate free
- 100% recyclable





■ Iconic brand strategy:

- Implementation of a new “iconic” brand and marketing strategy
- Development of high-value-added global B2B brands
- Consolidation and unification of existing brands in each of the Group’s businesses
- Development and intensification of a new “Iconic Ignition” marketing environment with a strong impact on customers
- Cornerstone of the Game Changer plan





■ Responsible purchasing

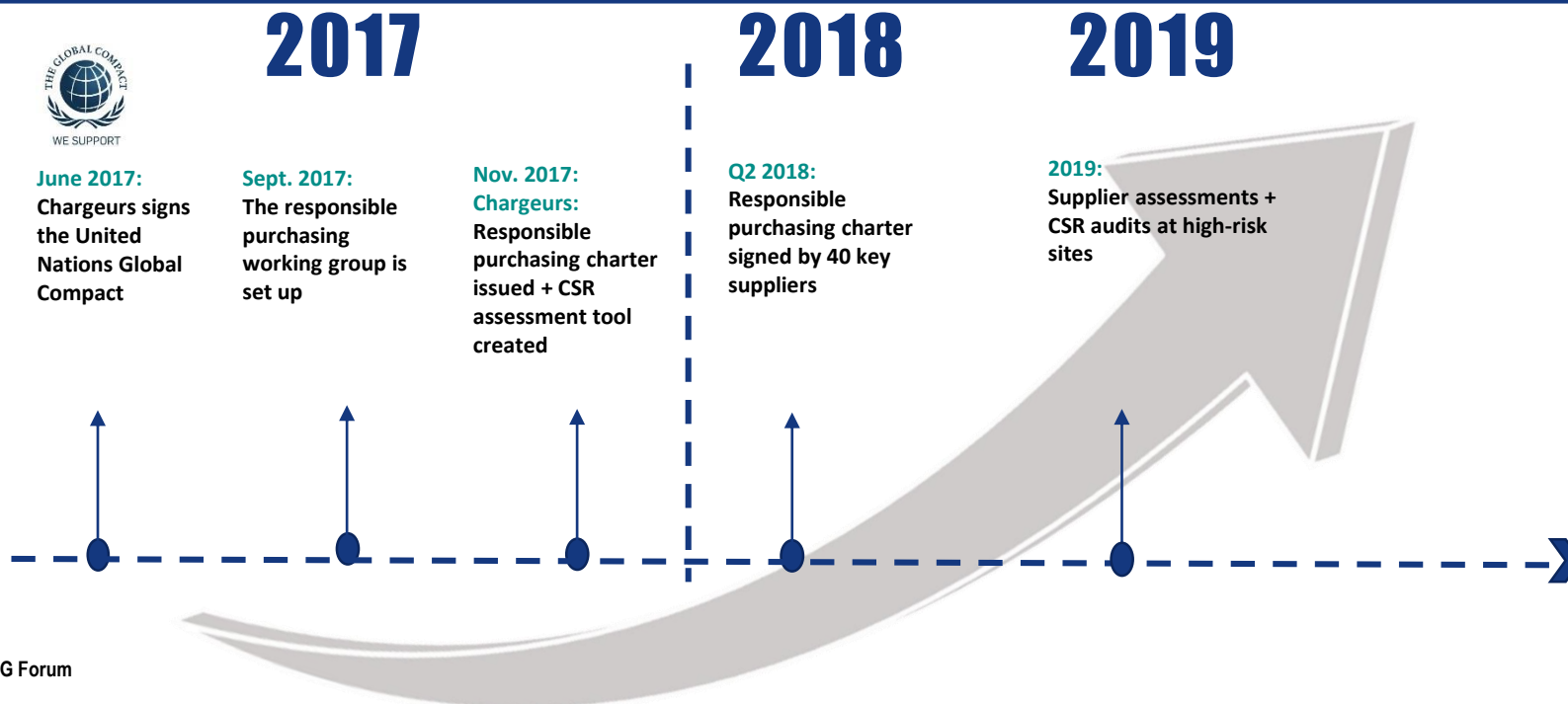
Responsible purchasing – Building sustainable, long-term relationships with our suppliers.

Supporting our suppliers in their own sustainable development process by sharing effective CSR management tools.

Sharing our values with all participants in the supply chain.

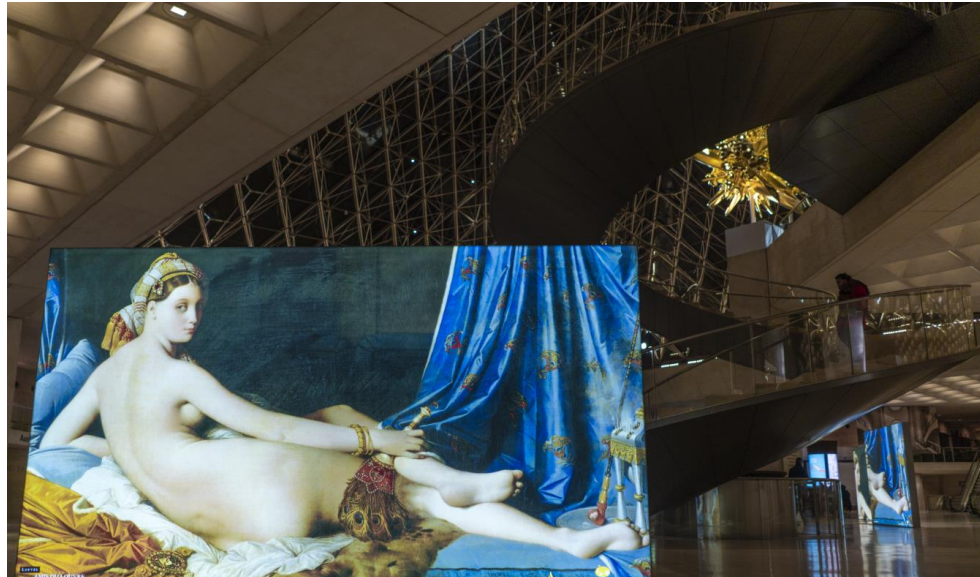
Integrating initiatives into our purchasing processes that support economic development, social progress and the environment.

Selecting suppliers based on CSR criteria.



The Société des Amis du Louvre and Chargeurs Philanthropies forge a prestigious partnership

Chargeurs Philanthropies was the first and main sponsor of a prestigious event held at the Louvre museum on December 11 to showcase some of the museum's masterpieces. In addition to financial support, the foundation also provided a spectacular and visually immersive experience by illuminating some of the most iconic paintings chosen for the event, which saw French actor Fabrice Luchini reading excerpts about the masterpieces from classic French texts under the Louvre's famous pyramid. The paintings were displayed using lightboxes developed by Leach, providing an innovative visual backdrop for the actor's performance. The event was open to students and enabled some 200 young people to immerse themselves in classical texts and the corresponding artworks on display.





■ Commitments and actions



● Global Compact network

- Regular participation in working groups on the UN Sustainable Development Goals. Sharing of best practices with other network members.

- INSTITUT -
CHOISEUL

● Institut Choiseul

- Chargeurs supports Institut Choiseul, an independent think tank that creates opportunities for dialogue at the crossroads of the political and institutional spheres, economics and the world of ideas in order to foster debate on contemporary issues.



Next Up, ESG Forum

The Group's major risks/opportunities	Structural initiatives	Indicators	2018 Results	KPIs
Guaranteeing the independence of the members of the Board of Directors is a strong governance criteria that ensures decisions are taken in the interests of the Group and its stakeholders.	New independent director	Ratio of independent directors	2 independent directors	40%
Ensuring director attendance Ensuring that the members of the Board of Directors attend meetings means the quorum can be achieved and decisions taken are valid. The Board of Directors makes strategic decisions that are essential for the Group's long-term success.	Increase in Directors' fees	Director attendance	6 meetings, with only one director absent at one meeting	97%
Ensuring proper representation of women in executive bodies A direct correlation between the percentage of women in management and improved business competitiveness, growth and job creation has been proven. <i>84% of companies with a strong percentage of women in executive positions have delivered significantly higher sales and earnings, 60% of companies with a strong percentage of women in executive positions have delivered higher investment returns and 46% of companies with a strong percentage of women in executive positions have delivered higher returns on capital. Source: economiematin.fr</i>	Women in management	Percentage of women in the Group's TOP 50 executives	17 of the Group's TOP 50 executives are women	34%

Non-Financial performance statement: cross-reference table

The Group's major risks/opportunities	Structural initiatives	Indicators	2018 Results	KPIs
Ensuring respect for human rights through a strong and effective supply chain and the implementation of responsible practices at each stage in the process is a permanent challenge for the Group.	Responsible purchasing	Change in the number of responsible purchasing charters signed by suppliers	40	+40
Ensuring effective training Increasing the Group's employees and integrating new staff are also challenges for the Group, particularly in terms of training, skills development and management.	Young Talents, Executive Talents program	Change in the number of training hours per employee	17 hours	+31%, unchanged from 2017
Ensuring the best possible working conditions for our employees Chargeurs Group's commitment to permanently improving working conditions and safety for greater productivity goes beyond its legal obligations.	Safety Day	Frequency rate (FR) for occupational accidents	11.72%	11.72%
Ensuring proper management of our energy resources and gas emissions Limiting our impact on climate change primarily means managing our energy use and our air emissions.	Novacel signs the Rouen climate agreement Promoting a circular economy and designing products made from recycled materials	Change in CO ₂ emissions in metric tons compared to revenue	17 tCO ₂ /revenue	-7% compared to 2017

The Group's major risks/opportunities	Structural initiatives	Indicators	2018 Results	KPIs
Ensuring the environmental efficiency of our processes By calling into question the efficiency of certain processes, the circular economy produces similar results using less energy, less water, less raw materials and generating less waste and less pollution. It also encourages more innovation and the development of eco-responsible products that places the Group ahead of the competition on tomorrow's markets.	Managing natural resources Organica Precious Fiber Lanas Trinidad	Change in water consumption in cubic meters compared to revenue	658,413m ³	-16%
Combating corruption and tax evasion by ensuring all employees have clearly understood and apply the Group's Code of Conduct	Code of Conduct	% of Group employees have signed the Code of Conduct		100%
Ensuring animal welfare	Implement the first label guaranteeing the traceability of wool throughout the value chain, from producer to end-customer	Number of Organica Precious Fiber-certified farms		+36%

2019 Investor Calendar

Thursday, September 12, 2019
(before the start of trading)

First-half 2019 results

Thursday, November 14, 2019
(after the close of trading)

Third-quarter 2019 financial Information

“A WORLD OF”
NICHE MARKET
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