

THE ESSENTIALS

Connection makers

2021



THE ESSENTIALS

ACOME

 **ACOME**



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ACOME's social responsibility approach is at the heart of its SCOP status, its values and its ambitions as a Group.

●
**Our
"raison d'être"**

As a responsible major manufacturer, our mission is to provide sustainable solutions for network development.

We work to ensure the company remains sustainable while upholding the fundamental values of cooperative societies.

●
Our values

Commitment
Excellence
Solidarity
Respect

The French parent company's cooperative governance structure (SCOP) instils cooperative values throughout the entire Group.

It is these values which form the basis of our common vision.

ACOME is a French industrial group specialising in the manufacture of high-tech cables. The Group, which will celebrate its 90th anniversary in 2022, operates on four continents.

● **Who are we?**

1,700

employees
(pro-rata average workforce as of 31 December 2020)
Men: **77%**
Women: **23%**

€67m

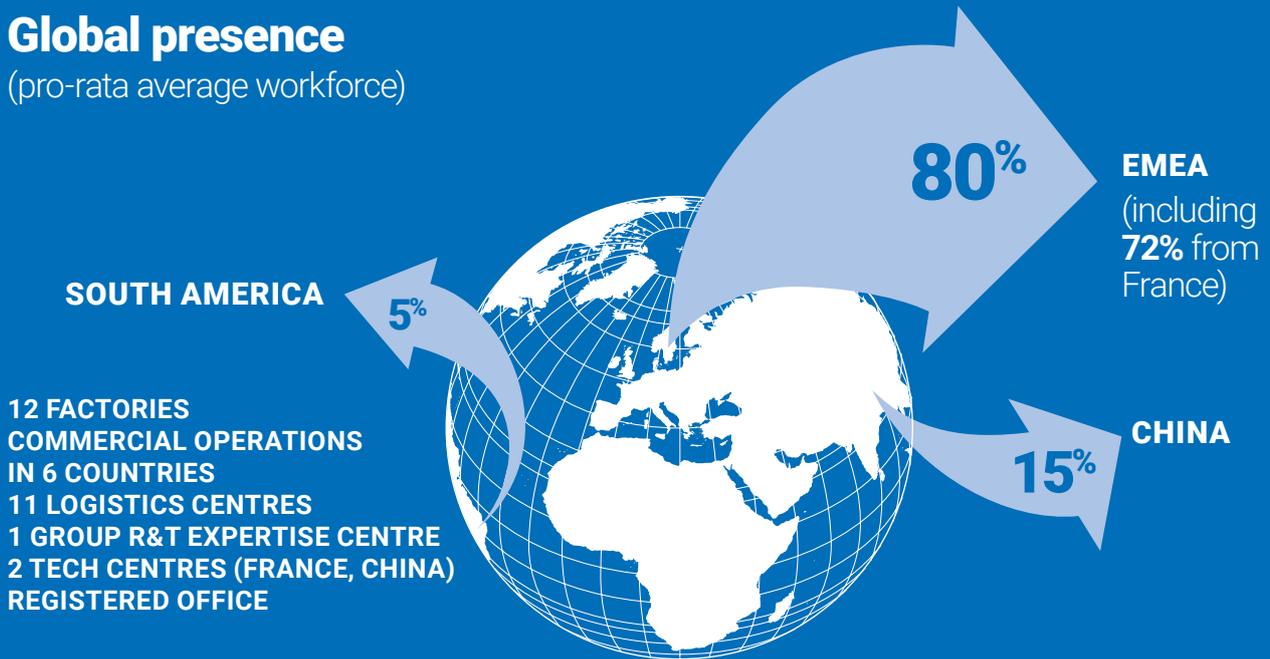
In investment between 2017 and 2020 including 70% in France). A €93m programme is planned for 2025.

€30m

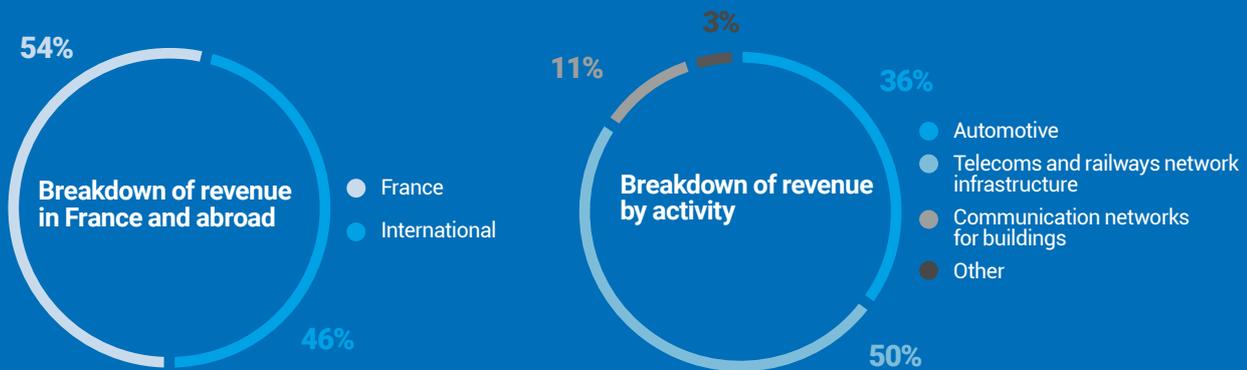
Group EBITDA

● **Global presence**

(pro-rata average workforce)

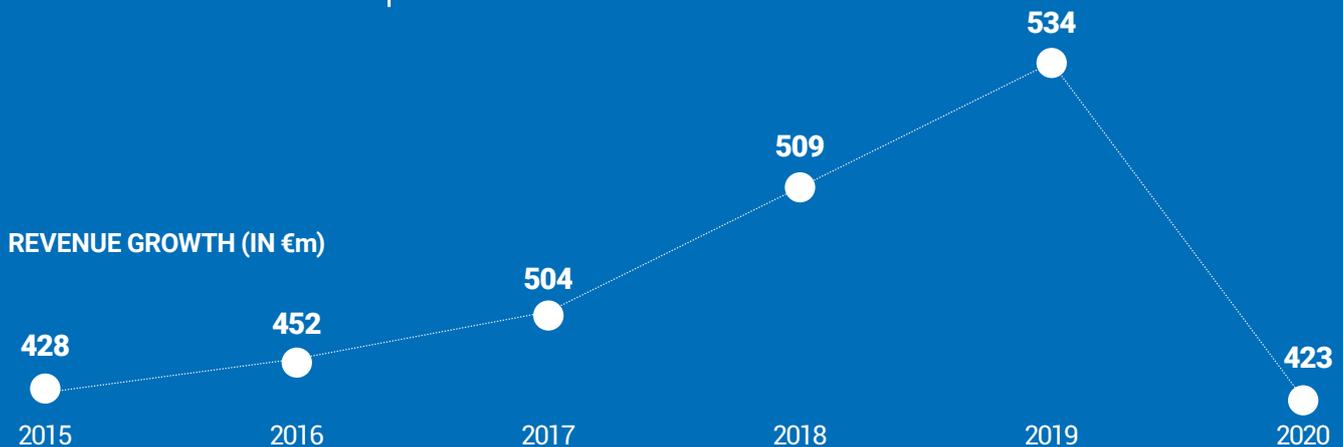


The health crisis had major impacts in 2020, but ACOME performed well nevertheless.



Goal:

to become an innovative international industrial group trusted by automotive, telecoms and construction companies.



€423m

OF WHICH 46% INTERNATIONALLY, -20% IN 2020 VS. 2019

revenue

as of 31 December 2020



Jacques de HEERE
Chairman and Chief
Executive Officer
of the ACOME Group

● editorial

Transitions and opportunities

During this complex period, Jacques de Heere, Chairman and CEO of ACOME, is looking to stimulate positive energy and to place the Group in a good position to seize the new opportunities generated by the transitions taking place in its various markets.

What were the effects of the health crisis for ACOME Group's businesses in 2020?

JACQUES de HEERE: This year has been particularly impacted by the effects of the pandemic, the figures speak for themselves. Group revenue fell by €110 million, down 21% from 2019. This was a considerable drop. We still have two things to be proud of: net earnings have remained positive and our employees are ready for the shift and to seize new opportunities.

How did you approach this unprecedented period?

J.d.H.: As we have two plants in Wuhan, we saw the health crisis coming very early on. However, we didn't foresee its scope. We have prioritised the health

and safety of our employees, in accordance with the Group's safety policy. The Wuhan sites were of course temporarily closed. We also closed our industrial site in Normandy for six days in order to define the protocols and barrier measures required for safe resumption of activities. In this regard, I would like to congratulate and thank all those who stood up to implement the health precautions, as well as all those who volunteered to return to work to complete customer orders.

And economically and socially?

J.d.H.: We have implemented country-specific measures and negotiated local agreements for each of our sites. These enabled us to adapt to changes in the situation and to reintegrate staff as soon as business picked up. To our great satisfaction, we have not had any redundancies in France, thanks in part to the measures implemented by the government. Far more assistance was provided in this country than any other. The stimulus measures, combined with reductions in spending and a squeeze on some investments, will help us achieve positive results in 2020 and provide fresh momentum for the coming years.

Let's talk about the future! How are you approaching 2021?

J.d.H.: My mantra is as follows: major crises are accelerate transitions and are major sources of opportunity. We can clearly see the transition in the telecoms sector accelerating: the Covid crisis has highlighted the need for high-speed connections for working from home, for remote conferences, for phone calls and many other aspects. While the automotive market has collapsed, the recovery is focusing on renewable energy vehicles – electric and hybrid. The transition is accelerating, many global manufacturers are already aiming to stop production of combustion-powered vehicles in the short term. The transition will require new technologies and create new opportunities for the cable industry. The deployment of fibre optic networks, already well advanced in France, will increase in Germany and the UK between now and 2024. This is a major opportunity for ACOME. In terms of communication networks for buildings, ACOME is preparing for the transformation of private networks, with new solutions around Smart-X, smart territories, smart buildings and increasingly interconnected

“Crises are transition accelerators and sources of opportunity.”



“Innovation and decarbonisation are the main goals of the ACOME 2025 strategic project.”

smart industries. As for new and increasingly connected energy vehicles, they offer opportunities around power cables and high speed data, which we aim to seize.

What are the main pillars of your strategic roadmap?

J.d.H.: These projects fall under the ACOME 2025 strategic roadmap, which runs until 2030. We are a French manufacturer with an international reach, and we will fight to maintain competitive production in

France. More than ever, innovation is vital for ACOME in terms of developing new solutions and products with added value and low carbon footprints. We are looking to form partnerships whenever we need to accelerate our R&D processes. Lastly, this strategic project integrates the transition of our industrial activities towards zero carbon, the initial milestone being in 2025. To achieve this ambition, we are allocating €100 million to our industrial investment programme over the next five years, after we invested nearly €70 million as part of our 2017-2020 strategic plan.

has forged our identity. In 2020, we conducted a cooperative review process, which led to some of the cooperative bodies being replaced, their mission is to defend and promote the values of the Cooperative.

Do you have any wishes for the future?

J.d.H.: I can't wait to get back to a situation when we can enjoy ourselves. I have high hopes that we will be able to organise a major event in 2022 to celebrate our 90th anniversary!

The Group's main structure is a Cooperative. How does cooperative status contribute to its resilience?

J.d.H.: As a cooperative employee-owned company, we always take a long-term view. The people take the decisions are also the ones who will have to implement them. We are not obsessed with profit, but we are concerned about prudent management. Of course, we are not immune to crises, but thanks to these fundamental principles, we have perhaps demonstrated a greater capacity for resilience. We are committed to this model, as it

ACOME 2025 outlines the Group's future



Jean-Yves GOBLOT
Director of Strategy, Programmes and Projects

Transforming to prepare for the future. Jean-Yves Goblot, Director of Strategy, Programs and Projects, explains the goals of ACOME 2025, the ACOME Group's new strategic plan.

ACOME fully mobilized its collective efforts in creating the plan. What do you expect in terms of engagement and involvement?

Jean-Yves GOBLOT: We actually wanted to make this process more collaborative so we asked a former director of the Ecole de Guerre to become a strategy consultant for us. This new approach has helped more employees, both in France and the subsidiaries, to understand why a strategic plan is being put in place and what it is for. This in fact improves engagement since they are involved very early on. The plan is based on three pillars: understanding

the environment in which we operate, confirming the areas in which our company can grow, and setting the targets for the future. We also used our "raison d'être" for the first time. All employees and members are aware of it, since they themselves included it in the Cooperative's articles of association. It is a highly structural element, and each axis of the strategic plan, each action programme, is assessed on the basis of this "raison d'être".

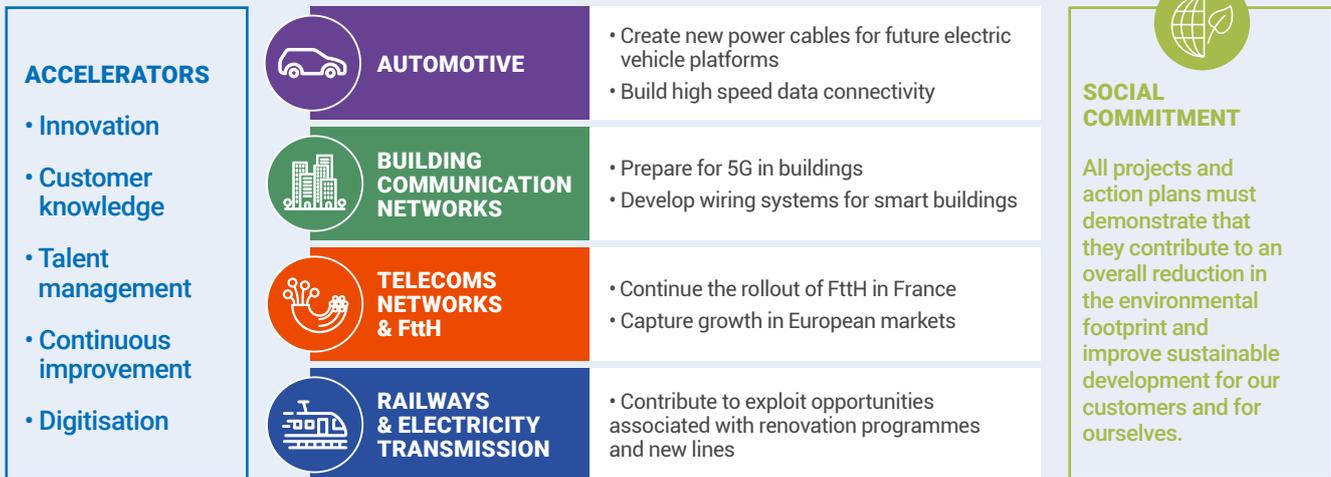
What are the main priorities for ACOME 2025?

J.-Y. G.: The first is linked to our commitment to **carbon neutrality**. All projects and action plans implemented over the next few years must contribute to the overall reduction of our environmental footprint and achieving sustainable development. With regard to our customers, we are working to ensure that all products we sell contribute

to the carbon transition. With the support of external partners, we will transform this commitment into proactive actions and targets for 2030. **Customer knowledge** is another major focus. Differentiation by product is becoming less relevant: they use the same technologies, the same technical skills, the same intelligence, etc. The difference arises in services, which cover concepts as diverse as logistics, financing and flexibility, which can only be anticipated by knowing each customer intimately. The strong relationships that we maintain with our partners, particularly telecoms providers, must also be prioritised in other markets. **Innovation** remains one of the fundamental aspects of ACOME 2025. In a world in which transitions are accelerating, and in which performance and sustainability go hand in hand, innovation is an absolute necessity. Customer knowledge also

"ACOME 2025 sets out a profitable outlook for growth."

Value proposition



€93m
investments

THIS IS THE BUDGET FOR THE 2021-2025 INVESTMENT PROGRAMME AIMED AT SUPPORTING THE DEVELOPMENT OF THE GROUP'S AUTOMOTIVE AND TELECOMS BUSINESSES.

Foundations



VISION

To become an innovative international industrial group and a leader in the automotive, telecoms and construction sectors.



RAISON D'ÊTRE

"As a responsible manufacturer, our mission is to provide sustainable solutions for the development of networks. We work to ensure the company remains sustainable by upholding fundamental cooperative values."



VALUES

Commitment / Excellence / Solidarity / Respect

helps to improve innovation as it helps us to anticipate explicit needs, including those that do not exist at present.

What are the requirements for success?

J.-Y. G.: The strategy can be implemented as long as we have the resources to do so. **Upskilling** our key process staff, encouraging the

establishment of organisations which are autonomous and capable of learning, and continuing to acquire skills in the fields of digital simulation, data science and AI; these are perhaps the essential aspects of the strategy. This is one of the advantages of being a Cooperative, the importance of staff within the company is paramount. ACOME 2025

includes an **investment program** worth €93 million over the next five years. This will cover the acquisition of a new information system, the reorganisation of certain production workshops with the aim of upscaling automation and optimising flow management, as well as operational maintenance for all our industrial facilities.

According to the growth forecasts, we will be generating sufficient profits to finance these investments. Prudent management and long-term vision are also inherent within the company.

Responsible governance

ACOME is the largest employee-owned cooperative (French: SCOP) in France. The administrators are elected from among the employee shareholders for a period of four years and the cooperative governance structure oversees the company's long-term strategy.

A COMMITTED BOARD OF DIRECTORS

The Board of Directors sets out the strategic direction, the company's general policies, the investment and research programme and the budget. It also has an internal control role.

Jacques de HEERE,
Chairman and Chief Executive Officer

Jean-Michel ABRAHAM,
Manufacturing line manager, telecoms networks and infrastructure Business unit

Frédéric BRIAND,
Managing Director of Wuhan Acome Taiping and Director, Asia-Pacific region

Jean-Marc BUSNEL,
Group Industrial Director

Anne-Sophie DECOURRIÈRE,
Director of the Buildings and Transport Business unit

Christian EMOND,
Logistics Technician, global automotive & systems Business unit

Valérie FAGUAIS,
Customer Services Manager, city building & transport Business unit

Céline LARDEUR,
Production Manager, copper LAN, Building, City & Transport Business unit

Christelle LARUE-LEMARTINEL,
Supervising Operator, infrastructure & telecoms networks Business unit

Marion PINEAU,
Management Controller, finance, legal and information systems Department

Stéphane SAMSON,
Director of the Automotive Business unit



STRATEGIC ORIENTATION COMMITTEE

The Strategic Orientation Committee provides strategic thinking and advice on the Group's major strategic and technological priorities. It is consulted about overall coherence of activities,

prioritising the various initiatives, and on their long-term prospects. Meeting four times a year, it has five members and is chaired by Jacques de Heere.

Jacques de HEERE,
Chairman and CEO

Gabrielle GAUTHEY,
Senior Vice President Carbon Neutrality Businesses at Total

Jacques CHAUVET,
Independent Consultant

Jean-Marc BUSNEL,
ACOME, Group Industrial Director

Jean-Yves GOBLOT,
ACOME, Director of Strategy, Programmes and Projects.



Gabrielle GAUTHEY

Gabrielle Gauthey has been Senior Vice-President Carbon Neutrality Businesses at TOTAL since 2019. As a member of ARCEP (French Regulatory Authority for Electronic Communications and Postal Services) from 2003 to 2008, she was in charge of Public Affairs at the Alcatel-Lucent Group and Director of Investment and Local Development at Caisse des Dépôts.



Jacques CHAUVET

Jacques Chauvet joined Renault in 1978 as Chief Economist and has spent his entire career with the French automotive group, working in international operational positions as Chairman of Dacia in Romania, Oyak-Renault in Turkey, and RTM and Somaca in the Maghreb. After serving as Managing Director of Mov'eo between 2012 and 2015, he is now an independent consultant.

Markets

A global presence on 4 continents

With a well-established presence in France (Romagny-Fontenay, Manche), ACOME also has a healthy industrial and commercial presence in EMEA, China, Brazil and Morocco and is as close as possible to its major customers.

FRANCE

6 plants over 43 hectares in Romagny-Fontenay, one of the largest integrated manufacturing sites in Europe in the cable industry. 980 people. Registered office in Paris. 60 people.



CHINA

Wuhan

2 factories specialising in the production of high temperature T3, T4 and XLPE wires and cables and low and high voltage cables for the automotive industry, occupying 8,500 m² in the Chinese automotive capital. 172 people.

Zhuhai

Manufacturing facility dedicated to the development and marketing of coaxial cables for automotive applications (ACOME – Hansen joint venture)



Xintai

Industrial site covering 34,000 m² specialising in the production of coaxial cables (radio frequency) and micro-coaxial cables (military applications). 81 people.



BRAZIL

Production and distribution site for automotive wires and cables to equipment manufacturers based in Brazil and Mercosur. Based in Irati, this plant employs 85 people and has over 40,000 m² of floor space.

MOROCCO

A zero-carbon, zero-waste plant was opened in 2018, it exclusively produces the wires and cables for the skinny wire ranges designed by ACOME. It employs 125 people at a 17,000 m² site in Tangier.

IDEA OPTICAL

French specialist in the design and manufacture of optical connection and patching equipment. Factory in Lannion (Côtes-d'Armor) and showroom in Guyancourt (Yvelines). 186 people.

OUR LOCATIONS

12 factories
11 sales offices
11 logistics centres
1 Group R&T expertise centre
2 tech centres





Commercial operations in 7 countries

GERMANY

sales office (Ratingen)

ITALY

sales office (Milan)

UNITED KINGDOM

sales office (London)

FRANCE

ACOME head office (Paris)

IDEA OPTICAL sales office (Guyancourt)

CHINA

(Shanghai, Wuhan, Xintai, Beijing, Zhuhai)

BRAZIL

sales office (Irati)

MOROCCO

(Tangier)



11 logistics centres around the world

Including 7 ACOME Delivery Centres that supplement the logistics capabilities of our manufacturing facilities

EMEA

Romagny-Fontenay (France)

Tangier (Morocco)

Tunis (Tunisia)

Joita (Romania)

SOUTH AMERICA

Irati et Sao Paulo (Brazil), Ciudad del Este, (Paraguay)

ASIA

Wuhan, Shanghai, Yantai, Xintai, Zhuhai

Controlled deployment in 6 markets



AUTOMOTIVE

As a specialist in high-tech automotive cables, ACOME applies its know-how to developing complete ranges of cabling systems designed to equip new generations of electric, hybrid, connected and autonomous vehicles.



TELECOMS NETWORKS AND FttH

With a presence in the telecom business for nearly 90 years, ACOME has established itself as a leading supplier in the telecom infrastructure markets for passive components (cables and connectivity equipment) to support the transformation of superfast broadband in France and abroad.



SMART CITY

Drawing on ACOME's expertise in optical telecom network infrastructures, cables and solutions for external networks enable the development of sustainable and scalable infrastructures conducive to the development of the smart city.



SMART BUILDINGS

As a leader in the private networks market and an innovator in the field of industrial cabling, ACOME has developed an entire range of cables and solutions designed to make buildings more connected, economical and able to evolve.



RAILWAYS

For decades, ACOME has designed, developed and produced signalling cables intended for deployment along tracks or in tunnels as well as cabling systems for stations. It has vast experience in inter-city transport and urban railways transport both in Europe and the rest of the world.



ELECTRICITY TRANSMISSION

ACOME is a leading supplier of power and control cables for transformer and transmission substations and underground fibre optic cables for energy management. These products are developed jointly with RTE, a subsidiary of EDF.

● Automotive

Having worked in the automotive market for over 50 years, ACOME is defending its position as a world-class automotive player and is continuing to develop and design high value-added cables. As a resilient company, ACOME was able to respond to and manage the crisis and to adapt and implement its capacity for innovation to address the exciting prospects represented by vehicle electrification and connectivity. The Group is taking the opportunity to market new technologies and to strengthen its position in this highly strategic industrial sector.



5 MANUFACTURING SITES

France (Romagny-Fontenay) / Brazil (Iratí) / China (2 plants in Wuhan, 1 in Zhuhai) / Morocco (Tangier)

SALES OFFICES

France, Germany, China, Brazil, Morocco

REVENUE

36% of Group turnover

MARKET SEGMENTS

- ▶ Single-core wires
- ▶ Power cables
- ▶ Multi-conductor cables
- ▶ Coaxial cables





New manufacturing workshop
making power cables with E-layer technology for electric and hybrid vehicles in Romagny-Fontenay.



Morocco Automotive
wiring manufacturing site in Tangier.

Meeting the challenges of a sector undergoing a profound transformation

LOOKING BACK ON 2020

The automotive industry was particularly affected by the pandemic, with an unprecedented fall in global sales and production. Less than 70 million light vehicles were produced in 2020, 25% less than the previous year, and the levels seen in 2019 level are not expected to be restored until 2023.

With plants on four continents, ACOME has had a unique perspective of the crisis, which has affected companies from Wuhan to Brazil to Europe. The Group saw its turnover fall by around 20% in the automotive sector, but is riding out the crisis. 2020 was an opportunity to reposition the Group in new market segments.

OUTLOOK IN THE SHORT AND MEDIUM TERMS

Post-Covid, the rollout of electric vehicles is clearly accelerating. While approximately 2% of vehicles sold in Europe in 2020 were fitted with electric motors, 30% of vehicles sold will be hybrid or electric by 2030. This is a major transformation, the potential of which ACOME is fully grasping.

The Group is continuing to diversify its product portfolio in order to support its

customers through the major changes which are taking place in the sector, vehicle electrification and high-speed data requirements. The product development and industrial choices made in recent months underline the company's ambition to regain market share, particularly in the European market, where several hybrid and electric vehicle platforms are on the drawing board. At the same time, the expansion of sales teams in Germany and southern Europe is intended to improve customer service and establish new partnerships.

HEADING FOR HIGH-VOLTAGE

In New Energy Vehicles (NEVs), power cables are essential components both for charging the batteries and supplying the energy they store to the electric motor(s) and various on-board systems. The global vehicle electrification of plan will be a key driver of growth for the Group in the coming years. In addition to the low-voltage cable ranges produced for many years, ACOME R&D has now developed e-Layer technology. This innovation refers to the range of HV (High Voltage) power cables that can handle the entire powertrain architecture.

AND HIGH SPEED DATA

The second aspect of the transformation is vehicle connectivity. In order to transmit data from the sensors and radar and lidar units to the CPU and to facilitate autonomous driving (adaptive braking, lane assist on motorways, emergency braking, etc.), vehicles must be equipped with an increasingly efficient network of data cables.

New production lines
making power cables in Wuhan, China, for Chinese automotive customers.



Automotive



50 years of expertise in compounding,
200 formulations tested each year and
+€7 million invested (2018-2022) in Romagny-
Fontenay (France).



The growth in electric transport and increased connectivity in vehicles are creating new challenges for the automotive sector and new opportunities for ACOME.

HV PERFORMANCE REQUIREMENTS

The thermal stresses to which cables are subject are lower in electric vehicles than in combustion-engine vehicles. Aiming for good performance characteristics, ACOME R&D has developed new insulating materials adapted to high-voltage environments. With cross-linked polyethylene (XLPE) sheaths, these 100% silicone-free power cables use e-Layer technology to meet the requirements of automotive manufacturers in terms of performance, flexibility and longevity. This innovation reflects the Group's commitment to respond to the new challenges posed by the cabling systems of new energy vehicles.

INITIAL COMMERCIAL SUCCESS FOR COAXIAL CABLES

Developed as part of the ACOME-Hansen joint venture, the first ranges of coaxial cables intended for use in the automotive market have been certified, and the Zhuhai subsidiary has achieved initial commercial success. Special features: the cables are intended to be integrated into turnkey systems; the approval process for cables designed to handle high-speed data transfer in vehicles is therefore highly diversified, depending on the specifications of each manufacturer. New product lines are under development or in the approval process and will soon go on sale in the various markets in which ACOME operates.





BRAZIL
Resilience through diversification

The Irati site has added new production capabilities. The Brazil subsidiary has also diversified its customer portfolio.

FRANCE
Investment in power transmission

In Mortain, the Group's historic home, investments in development and industrialisation have focused on high-voltage power cables. The team has certified the initial products intended to support ACOME's growth over the coming years. Target: to integrate the electric vehicle platforms produced by major French and German manufacturers, which will commence in 2023.



CHINA
Expansion of the offering to better meet the needs of manufacturers

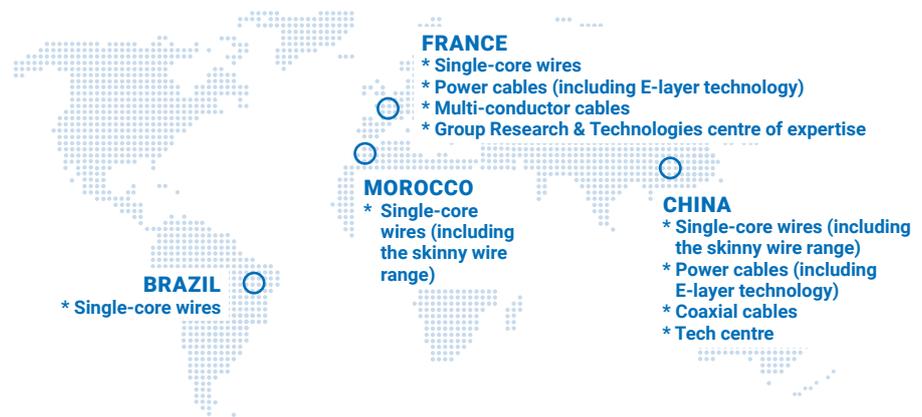
The Wuhan subsidiary is returning to growth thanks to the diversification of its customer portfolio. Nissan has approved engine and cabin harnesses for temperature classes T2, T3 and T4, while Tesla is using our low-voltage power cables. ACOME has also started working with Jetty and Huguand, two Chinese manufacturers involved in electric vehicle manufacturing. The staff are also speeding up transfer of the new high-voltage and skinny wire cable technologies that are now being produced locally. They have also certified the coaxial cables being developed under the partnership with Hansen.

MOROCCO
A strong footing

A key component of ACOME's EMEA strategy, the Tangier site has significant skinny wire production capacity (small cross-section cables between 0.13 and 0.35 mm² for engine compartments and interiors) and other single-core wires. The subsidiary maintains high levels of business with the main harness manufacturers in Morocco.



ACOME has located production of its high-tech cables as close as possible to its major customers.



● Telecoms networks and infrastructure

Telecoms infrastructure and networks form an important part of our ecosystem. Driven by the France Superfast Broadband plan, the roll-out of fibre optic cabling is continuing throughout the country and has not yet reached its peak. As a benchmark player in this market, ACOME possesses a modern and efficient manufacturing base. In 2020, its optical fibre production capacity reached 10 million km. Home connection is intensifying and other major European countries are also accelerating their fast fixed and mobile internet coverage. These all represent opportunities for ACOME, both in France and in its export markets. The creation of the drop cable workshop (small connecting cables for fibre optic subscribers) is enabling us to serve this growing market with great success.



3 MANUFACTURING SITES

France (Romagny-Fontenay and Lannion), China (Xintai)

6 SALES OFFICES/ SALES PRESENCE

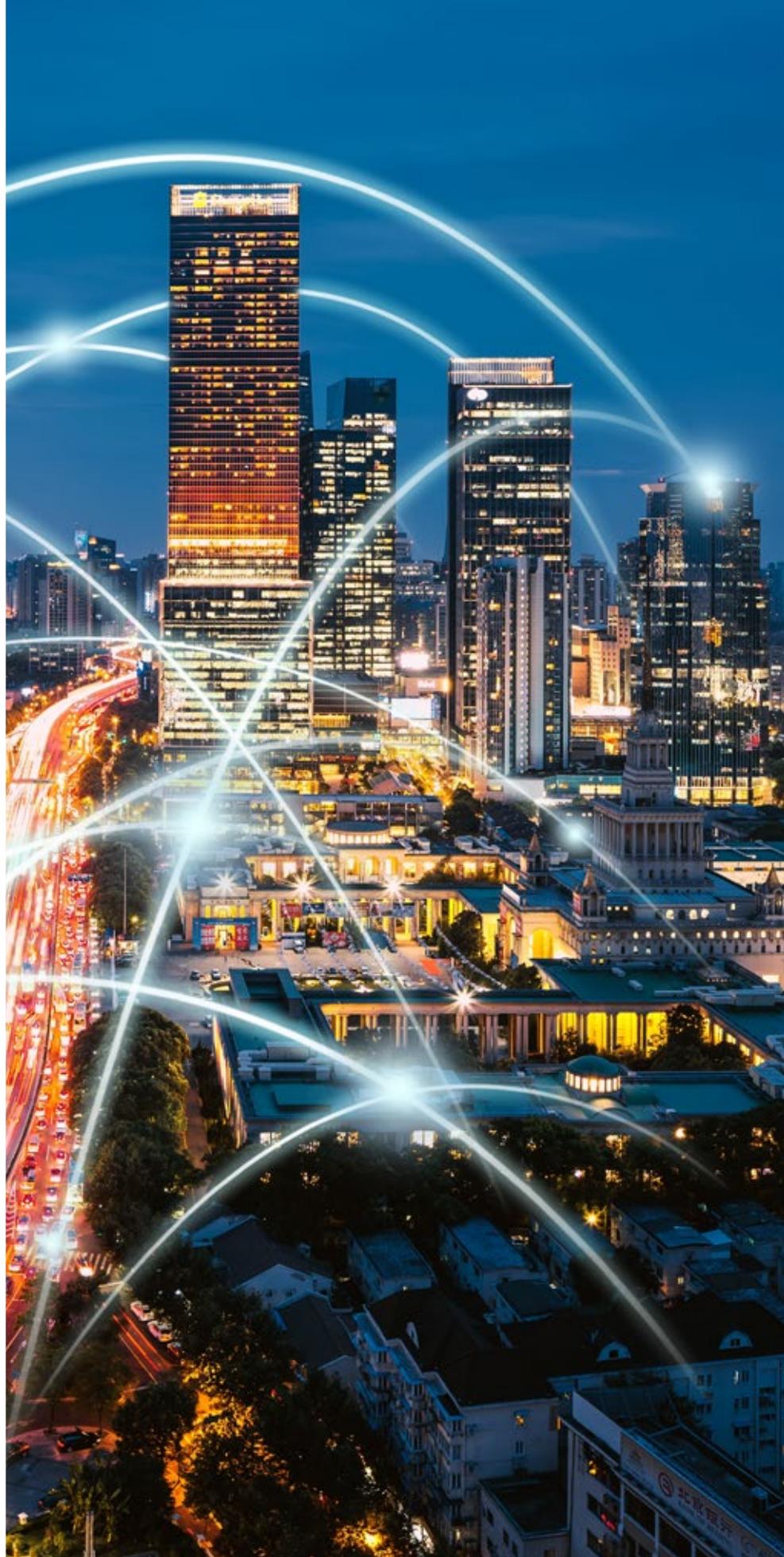
France, Italy, UK, Germany, China (Shanghai, Beijing)

REVENUE

50% of Group turnover

MARKET SEGMENTS

- ▶ optical and FttH telecom networks
- ▶ copper telecom networks
- ▶ mobile telecom networks





New plant (Romagny-Fontenay): ACOME has the capacity to produce 10 million kilometres of wired optical fibres.



New optical fibre drop cable factory New FttH subscriber connection workshop. ACOME has increased its manufacturing capacity to 100,000 km of cable.

Committed to the deployment of optical fibre and mobile systems in Europe

LOOKING BACK ON 2020

The first quarter was marked by a sharp slowdown in the rollout of fibre optic projects, but the sector recovered rapidly. 2020 was therefore a record year for France, with 5.8 million* new premises connected via FttH, despite the operational difficulties generated by the health crisis. The increase in the number of connectable premises, together with the acceleration in digital uses (working from home, remote consultation, education, etc.) has created a rapid increase in demand (3.3 million FttH subscriptions, i.e. 50% more than in 2019). France has become the European fibre optic leader with the most dynamic market. Asian optical fibre assets, mainly comprising public initiative networks (PINs), largely fuelled the market from 2019 onwards, while European production of optical cables contracted during the same period. The French trade union for manufacturers of electrical and communication wires and cables, Sycabel, warned about the non-compliance of Asian cables with Arcep standards, raising the risk of a two-speed network. A complaint of this type filed last August by Europacable, the European Cable Union, and an anti-dumping investigation was launched by the European Commission looking into

artificially low rates. Operators are once again choosing fibre optic cables from Europe thanks to the quality of the products and the reliability of deliveries.

OUTLOOK FOR THE SHORT AND MEDIUM TERMS

With regard to the deployment of fibre optic cables, France has an annual capacity of over 5 million FttH sockets up until 2022, a figure that will then start to decline until the end of the France Superfast Broadband plan, scheduled for 2025. 60% of the 41 million eligible buildings are now connectable, but only 10 million households are connected. Growth prospects are therefore based on actual connections. In March 2021, the European Union launched the "Digital Compass" programme, which aims to accelerate the digital transformation of the whole of Europe. This programme is based on the deployment of 5G in all inhabited

areas, as well as the development of safe, efficient and sustainable digital infrastructure within the EU by 2030. All households should therefore be able to be connected to the "gigabit society".

2021, A PIVOTAL YEAR

The French market has rebounded strongly, while the United Kingdom and Germany, the two major potential markets, are also gaining ground. By 2026, over 21 million homes will be connected in the UK and 28 million in Germany. Tens of millions of kilometres of optical fibre will have to be delivered in the coming years. In order to address these two markets, ACOME has significantly strengthened its sales office in Germany and has also created a sales office in London.



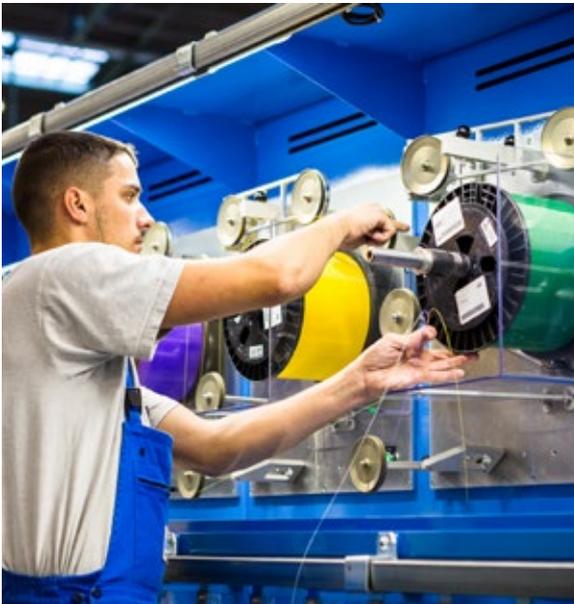
New IDEA OPTICAL factory specialising in the design and integration of optical connection and patching equipment in Lannion since August 2019. 2 out of 3 optical cabinets installed in France were designed and manufactured by Idea Optical.

*ARCEP figures



Telecoms networks and infrastructure

The digital transformation is accelerating in Europe with the rollout of fibre optics and 5G. There are genuine opportunities for ACOME in the telecoms infrastructure sector.



20% of optical cables installed in Western Europe (EU 5) are ACOME cables.

ACOME is one of the few European players to have created a strong position in all fixed and mobile networks, a position that has been built over time, aided by the roll-out of superfast broadband. Its solutions cover mobile infrastructure, 5G and FttH and it has the capacity to provide support to telecom operators and regions when choosing infrastructure and equipment (network cores, cables and connection infrastructure).

“5G READY” WITH A1 TELEKOM AUSTRIA

In terms of mobile infrastructure, ACOME's strength lies in its ability to produce a wide range of coaxial cables, optical cables and enclosures, etc. In most cases, the signals that the antenna retransmits to mobile phones are sent to the antenna via wireless links, and not radio waves. This is known

as a fronthaul link. With the advent of 5G, fronthaul links will become insufficient due to slow speed and latency, they will gradually be replaced by optical fibre. The Group is able to offer a full antenna line for the fronthaul sections of mobile networks. A1 Telekom Austria, the leading Austrian operator, agrees with us.

UNB 1627: THE MOST EFFICIENT FttH CABLE (FOR CONNECTING OPTICAL SUBSCRIBERS) IN THE MARKET

ACOME has developed a more compact optical cable for FttH connections. The UNB 1627 drop cable can be installed both overhead and underground and can connect optical connection points (exterior) to terminal connectors (interior) without junctions. Thinner than previous versions, it fits more easily in ducts and is more discreet inside houses. It can be stripped so avoiding the need for junctions and preserving the optical balance of the FttH network. Its carbon footprint is 30% lower than the previous version. ACOME has increased its production capacity to 100,000 km in order to meet demand. This innovation has been adopted by



ACOME is the 3rd largest optical fibre manufacturer in Europe



the Belgian operator Proximus – a long-standing copper network customer – as part of the national rollout of the subscription optical fibre network.

READY TO BLOW IN THE UK AND GERMANY

In many European countries, cable blowing is the most widely used process in the construction of telecoms networks. ACOME has developed a new range of products for microduct blowing – Acoptic MCD 1521 HD – the 1st 192 fibre product is already available. The cable addresses the dual challenges faced by operators when minimising and controlling their environmental footprint. ACOME supplies the United Kingdom with blowable cables and is continuing to develop new ranges that will meet German infrastructure specifications.

OVERHEAD FIBRE DEPLOYMENT

Designing overhead cables for the British Isles is a particularly demanding challenge. Severe weather constraints must be taken into account, particularly regarding wind. However,



ACOME is a major player in overhead wiring and optical connection solutions.

optical fibres can stretch in strong winds, so reducing their service life. ACOME has developed expertise in overhead optical cables requiring two very different sets of specifications. In Ireland, ACOME has designed cables capable of withstanding gusts of up to 195 km/h, which it has been supplying to Eircom for the last ten years. The violent storm of December 2020 had no adverse effects on the network, which held up perfectly. A different technology has been developed for the UK. While optical cables must be able to withstand violent weather, they must also fail when stresses exceed 1800 Newton. To meet these specifications, ACOME has designed the Ultra Light Weight, a fusible cable which has been approved and delivered to UK construction sites.

ACOME operates an optical cable blowing test centre and is developing a new blowing platform at its Normandy site.



Buildings and transport communication networks

In the private network sector, connectivity and mobility are gradually taking precedence and conventional computer cables are disappearing. ACOME has taken up the challenge of digital continuity within buildings and is moving up the value chain to provide global solutions both in France and abroad. Railways, which can help reduce the carbon footprint associated with transport, is proving to be an attractive sector. ACOME aims to strengthen its position by renovating existing facilities and installing new lines, including the Grand Paris Express in particular.



2 MANUFACTURING SITES

France (Romagny-Fontenay),
China (Xintai)

2 SALES OFFICES

(Italy, Germany)

REVENUE

11% of Group turnover

MARKET SEGMENTS

- ▶ Smart buildings (smart buildings, smart cities, smart industry)
- ▶ Railways (signalling, connection of equipment inside stations and to equipment and communication posts)
- ▶ Electricity transmission





Copper LAN manufacturing workshop at the Romagny-Fontenay site.

Digital continuity in buildings

LOOKING BACK ON 2020

The construction sector was particularly hard hit by the pandemic, which put construction sites on hold for many months in Europe. According to a study by the Building Services Research and Information Association, sales of LAN cables (copper and optical) have fallen by 20% in France. ACOME suffered less, and even gained market share. In the command and control sector, ACOME renewed its contracts with SNCF for the delivery of signalling cables, included for the track renovation programme in conjunction with RATP and RTE.

OUTLOOK FOR THE SHORT AND MEDIUM TERMS

Major underlying trends are dominating the construction market. The historic building IT wiring market is in decline. Changes in the configuration of office spaces (such as flex office), new ways of working, and working from home in particular, combined with the search for greater flexibility, are all reducing the sizes of offices dedicated to workstations, as well as the number of

sockets per workstation. These influences have had significant impacts on the size of the market.

“BUILDINGS ARE BECOMING INCREASINGLY CONNECTED AND INTELLIGENT”

At the same time, new opportunities are being created around building connectivity. LAN systems are being developed which can accommodate new smart building applications. However, as building management (lighting, heating, opening/closing windows, and even booking rooms) is increasingly being done via the smartphones, the repetition of mobile signals is becoming a crucial issue. 5G must be relayed to the premises by a distributed antenna system (DAS). DAS/5G deployment will probably be the industry's biggest growth driver in the coming years. Technological developments such as Power Over Ethernet (POE) and its main application (Smart Lighting) also have interesting prospects. To meet these emerging needs, ACOME is working to develop comprehensive offerings that meet global requirements for smart buildings.

RAILWAYS AND BUILDINGS: THE ISSUE OF FIRE SAFETY

Both metropolitan and interurban railway projects are increasingly constructed underground, requiring cables with high fire-resistance characteristics. The development of cables which comply with French tunnel regulations and the highest fire reaction Euroclasses for Construction Product Regulations (CPR), remains a priority for ACOME. The R&D department is working on the design of new categories of optical and coaxial cables for RATP, which meet these very strict standards. Building on the excellence of its research, ACOME also developed an optical range which complies with the B2ca category, the highest fire resistance category, this happened in 2020.



ACOME has its own fire testing laboratory which has been accredited by COFRAC. over 2000 products have been RPC approved.

Building and transport communication networks



La Baule Smart beach and the Grand Dijon Smart city. ACOME has provided a comprehensive solutions for cabling the camera protection system and other digital services intended to make the Baule-Escoublac bay (Loire-Atlantique) more attractive. In 2020, ACOME also delivered 98% of optical cables for Grand Dijon, France's leading smart city.

Digital continuity in buildings and for public transport – both voice and data services – raises new challenges in terms of connectivity and security. ACOME is responding to this with a set of comprehensive solutions.

ACOME is asserting its leadership position in the new residential property market

New residential buildings incorporate IT wiring circuits capable of distributing all signals through a single network, RJ45. These star networks use copper wiring and can handle all required services: transferring both fibre signals and satellite signals at frequency bands higher than those carried by conventional computer cables. ACOME has developed genuine expertise in Grade 2TV (1 Gbit) and Grade 3TV (10 Gbits) cables. Playing an active role in standardisation processes through Sycabel, the Group is the leader in terms of both product development and sales in the French market.

Hemera's mobile revolution

Launched several years ago on fixed networks and upgraded every year, the Hemera range now provides mobile coverage for buildings. It offers connectivity for connected objects (IoT) and mobile phones inside buildings, in 4G and soon 5G. Beyond that, it can also connect other more complex objects such as robots and mobile industrial equipment. Components from the Hemera solution are available in several vertical markets: Hemera building for the tertiary sector, Hemera City at the neighbourhood level and Hemera Industry, a new segment for ACOME.





ACOME gets on board the Air France exhibition

Roissy Charles-De-Gaulle's new Air France exhibition is an architectural and technological gem (created by Patrick Jouin and Sanjit Manku). At the heart of Terminal 2F, this 3,500 m² space is covered by a very high speed mobile network that improves signal reception inside the lounge. The infrastructure is based on a network of discrete antennas connected by coaxial cables and high-performance connectors and *splitters*. It enables operators to repeat their signal to passengers and gives Air France the opportunity to operate its own network of connected objects using the 4G/5G frequency operated by HubOne for Aéroports de Paris.



Acolan on board Fincantieri ships

The construction of cruise ships raises multiple technological and ecological challenges. One of them, their weight, has a considerable impact on their energy consumption. Fincantieri, the world's largest cruise operator, selected Acolan cables for the Konigsdam and Carnival Vista vessels. Each ship carries 500 to 600 kilometres of copper cable and over 30 kilometres of optical cable. Reinforced Central Loose Tube optical cables have replaced the steel-reinforced optical cables previously used by the shipowner. Copper cables were connected using U/FTP, acknowledged for its transmission performance and the strength of its shielded sheath, essential for the durability of on-board networks. This zero-halogen, smoke-free LSOH cable has the best fire resistance characteristics in the market. Essential for the safety of thousands of passengers, ACOME cables have also been certified for Vista and Pinnacle ships.

Smart ways of working for the Canal+ group

Sways – Smart ways to work – is the name of the future headquarters of the Canal+ Group in Issy-Les-Moulineaux, on the outskirts of Paris. This building has over 35,000 m² of floor space and will be a technology hub, with Wi-Fi and 4G coverage present throughout. It will also be fitted out with predictive maintenance and cybersecurity technologies. ACOME provided the entire fixed network for the building, with optical cabling up to the workstation (Fiber to the Outlet). This is the 1st project based on the model of a hybrid building with a positive economy (BHEP), created by Bouygues Immobilier to promote innovative environmental characteristics.



● CSR

Social responsibility is at the heart of Cooperatives. Our positive approach to CSR is based on the company's core values. It contributes to the sustainability of the Group.



1,000

ACOME's Normandy manufacturing complex employs nearly 1,000 people and contributes to the indirect employment of over 3,000 people in its region.

Social responsibility inspired by Cooperative status

THE COOPERATIVE MODEL: ONE PERSON, ONE VOICE

Founded in 1932, ACOME Group's parent company is an employee-owned cooperative (SCOP). A major player in the social and solidarity economy in France, ACOME is the largest SCOP in France, 100% of its employees become members. The SCOP is a model of corporate democracy. Its employee-members are involved in strategic decision-making and management. Regardless of the number of shares they own, general meetings are held on the principle of "1 person = 1 vote". This means that each person is a stakeholder in the strategy they have helped to create, and they monitor the company's long-term future as a group. SCOP status promotes ethics, solidarity and social and sustainable development, and anchors the company within its region. Income is shared equally. The

annual profits are divided equally between non-distributed reserves making up the share capital, and employee dividends. The values of the parent company, the importance of people and the way in which they exercise their social and environmental responsibility, form the model for French and foreign subsidiaries.

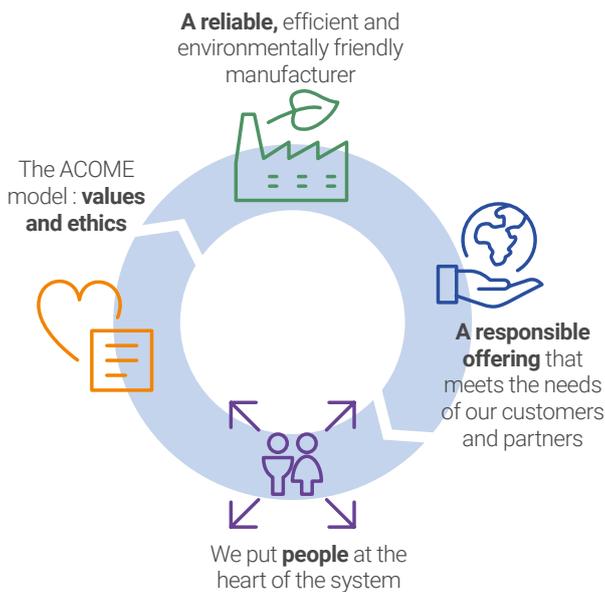
COOPERATIVE LIFE

ACOME is deeply committed to its alternative business model, which has ensured its survival for over 90 years. A network of cooperative representatives is tasked with promoting the values of the SCOP. Around fifteen new volunteers have been added to this group. ACOME has organized 10 cooperative pathways designed to promote cooperative status and cultivate the benefits of the SCOP. 37 people become members of ACOME SA in



Visual management and team rituals.
ACOME deploys a range of digital tools to continuously improve its manufacturing performance.

Our CSR performance is structured around 4 main areas



2020. Like any SCOP, ACOME audits its cooperative principles every 5 years to ensure they remain compliant. This formal process involves “Quality of life at work” surveys being conducted at the Paris and Mortain-Romagny sites. Conducted by an independent body, these surveys measure our progress in the area and makes and help us establish the roadmap for improving QLW.

report in accordance with the recommendations of the Global Reporting Initiative (GRI-G4). In 2020, no incidents, complaints or penalties linked to the GRI’s Sustainable Development criteria were recorded at the Group level.

OUR CSR APPROACH IS HIGHLY SCRUTINISED

ACOME has been a signatory to the UN Global Compact since 2005 and supports the 17 sustainable development goals it includes. ACOME has its CSR performance assessed by two bodies:

RELATIONSHIP ETHICS

Consistent with its values of engagement, excellence, solidarity and respect, the Group has implemented a comprehensive Code of Ethics which includes anti-corruption and harassment warning systems. First presented to French employees during a series of interactive meetings, it was then deployed to the subsidiaries.

> **EcoVadis**, an independent rating platform. In December 2020, ACOME achieved an overall score of 64/100, placing ACOME’s CSR rating at the advanced level. ACOME is now in the top 4% of companies assessed by Ecovadis in the “Manufacture of cables and cabling devices” sector.

> **Afnor**. The standardization body assessed ACOME’s CSR performance in accordance with the ACESIA standard and gave it a rating of 97/100. Lastly, ACOME issues a CSR



Economic citizenship: the inspiring model of cooperative societies for the economy of tomorrow. Showing more resilience than other companies in 2020, they promote democratic governance, wealth redistribution, well-being at work and corporate citizenship.



CSR

Consolidating our human-centric social model



For the 2nd consecutive year, ACOME SA obtained a score of 83 points on the gender equality index. 77% of the Group's workforce are men and 23% women, including 64 people with disabilities (3.7%).

As a responsible employer, ACOME places human development at the heart of its corporate culture. This social model is established in all countries in which the Group operates.

GOAL: ZERO ACCIDENTS

The company's safety results have improved significantly, with a lost-time injury frequency rate (FR1) of 7.11 in 2020 at the Group level, compared to 9.58 in 2019. This demonstrates the progress we have made over the last ten years, thanks to enhanced prevention measures and better individual risk management. Now the peak of 2019 has been erased, ACOME intends to continue with its progress. The Group aims to achieve zero accidents (with lost time and without lost time, for ACOME employees, service providers and site visitors) and zero occupational illnesses.

A new interactive system was adopted in 2020 in France, this will remain in place in 2021. As part of this new approach, around twenty volunteers will be conducting awareness-raising and training sessions for their colleagues. The characteristics of accidents involving external staff were also monitored at all sites. In 2020, the TF2' score – number of accidents with and without lost

time for ACOME staff and its external service providers – was 11.75. The goal is to achieve a frequency rate below 5 (TF2' < 5) for accidents with and without lost time affecting employees, service providers and visitors. Since safety is mainly affected by behaviour, it is likely that the safety culture will be upgraded in the context of the Covid crisis.

RECRUITING AND DEVELOPING TALENT

Attracting talent in a highly competitive environment is a key challenge for ACOME. Despite the economic and health situation, ACOME has recruited 94 people on permanent contracts (including contracts of more than three years for China) and 40 fixed-term contracts. The Group's pro-rata average total workforce was 1,695 on 31 December 2020. ACOME employees are extremely loyal to the company and enjoy careers which provide a great deal of variety. This is demonstrated by the high levels of job mobility within the Group.



A COMPANY WHICH CAN LEARN

As a technology company operating in sectors with high expectations for innovation, ACOME has made skills development and the acquisition of expertise a priority. Over 35,000 hours of professional training were provided by Group in 2020. More than 95% of the workforce received at least one training course during the year. The staff upskilling policy involves the provision of internal training courses in each sector. They are aimed at both the management and workers and improving engineering and technical skills through certified training. Each year, the Group welcomes a large number of interns, students on work placement and professional trainees (107 in 2020), including technicians, engineering students and others. This pathway also enriches staff by consolidating their learning and improving their integration within the company.

WE ATTEMPT TO CREATE AN ENVIRONMENT WHICH IS CONDUCIVE TO WELL-BEING AT WORK

Building on its history and its cooperative structure, ACOME has always taken a strong interest in the well-being and quality of life of its employees at work. The Group is committed to providing good working conditions and positive working relationships. In France, a Disability contact person has been appointed to define the policy, to raise awareness within the group and to promote job retention and recruitment. In terms of prevention, nine people have been appointed to help prevent acts of harassment and sexism and to take action if they occur. Charitable works are key element of the company's culture, as is demonstrated through the ACOME Solidarité initiative, which provides paid leave for employees with seriously ill children. Both absenteeism and turnover fell significantly in 2020.

The ACOME Solidarité association enabled 3 French families to receive 79 days of paid leave to help their children through their illnesses.



CSR

The ACOME Group has a proactive certification policy and is committed to continuous improvements in quality, health and safety, and performance. This policy aims to guarantee the same quality standards to all customers on all four continents in which the Group operates. It aims to improve industrial performance and customer satisfaction through operational excellence.

IDENTICAL STANDARDS ACROSS ALL THE GROUP'S SITES

In 2020, all ACOME site certifications were either upheld or renewed. The French subsidiary IDEA OPTICAL also implemented a management system certification process.

ACOME MOROCCO, 1ST GROUP SUBSIDIARY TO BE ISO 45001 CERTIFIED

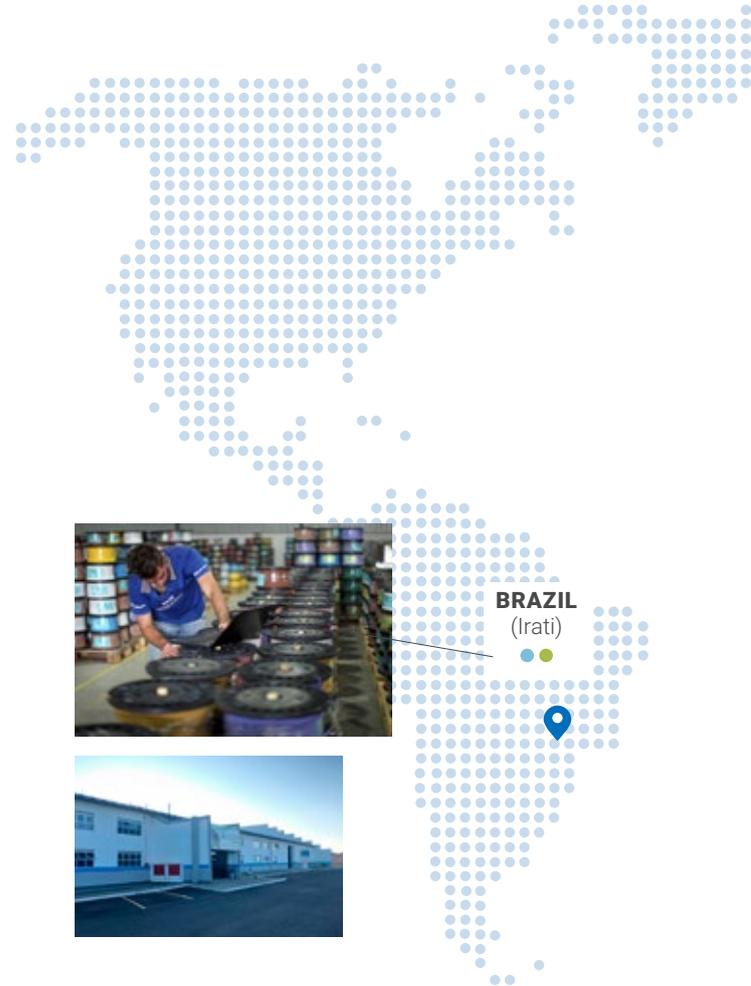
Less than three years after being commissioned, ACOME's manufacturing facility in Tangier, dedicated to the production of automotive wiring and cables, successfully passed the new Health and Safety at Work certification process in accordance with the ISO 45001 standard. Already IATF 16949 certified (quality

in the automotive industry) and ISO 14001 (environment), ACOME Morocco now meets the requirements of ISO 45001 for its management system. This new certification ensures that risk prevention and health and safety measures are implemented and that everyone is involved in the process.

RECOGNITION FOR BRAZIL

ACOME do Brasil's sustainable development strategy, supported by a set of indicators and an improvement plan, was acknowledged by the Secretariat of Sustainable Development and Tourism of the State of Parana for the second consecutive year. The Irati site's environmental actions were rewarded with the Climate Parana label.

Overall management of performance, quality, and health and safety at work



Certification of ACOME plants around the world

FRANCE
(Mortain, Lannion)

FRANCE
(Registered office, Paris)



CHINA
(Xintai)

(Wuhan)

Zhuhai
(ACOME-HANSEN)



MOROCCO
(Tangier)



CERTIFIED MANAGEMENT SYSTEM

- **Quality management**
ISO 9001 version 2015
IATF 16949 version 2016
- **Environmental management**
ISO 14001 version 2015
- **Occupational health and safety management**
OHSAS 18001 (France)
Safety standard (China)
ISO 45001 (Morocco)



LABORATORY FOR FIRE TESTING

- **Cofrac accreditation: fire testing laboratory**
ISO CEi 17025 version 2017,
Accreditation No. 1-1114 Scope
available at www.cofrac.fr



COMMITMENTS AND RECOGNITION

- **Adherence to the UN Global Compact since 2005**
- **ECOVADIS label**
In 2020, ACOME ranks in the top 4% of companies in the cable and wiring sector.
- **PRS Green label**
- **CLIMATE PARANA label**
(ACOME Do Brasil).
- **NORMANDIE FOREVER**
Creation of a carbon sequestration fund through reforestation on low-value land.
- **AEO approved economic operator**
ACOME has obtained the European quality label for customs procedures and safety and security, which is recognized internationally.



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