

Edition 2020

Materiality analysis



orano

Our materiality analysis

2020 edition

Orano has carried out its first materiality analysis in 2020. We publish in this document the methodology and results. Fifty employees interviewed more than 130 stakeholders representing the ecosystem of our Business Units in our various territories of operation : customers and partners, employees and staff representatives, subcontractors and suppliers, residents around our operations, elected officials, representatives of states, administrations and authorities, schools and universities,

We especially thank our interlocutors for responding openly and constructively to the exchanges. They were rich in teachings in order to complement our reflection on current and emerging issues and adjust our future societal and environmental commitments.

In continuity of this moments of exchange a little formal, we will be attentive to strengthen the dialogue on a daily basis, to meet your expectations, to better share our strategies and to enrich us with your feedback.

Sincerely yours



Philippe Knoche

What is a materiality analysis ?

Materiality defines what can have a significant impact on a company, its activities and its ability to create financial and extra-financial value for itself and its stakeholders.

A materiality analysis allows :

- To identify important and relevant issues that may have an impact on the company's performance,
- To prioritize them based on their potential impact on the company and its ecosystem,
- To cross-reference internal perceptions (leaders, managers, collaborators) with external perceptions of stakeholders (customers, subcontractors, residents, elected officials, etc.).

The position of the subjects on the matrix makes it possible to distinguish four families of issues that the company can address according to their level of priority :

- Issues identified as consensus "priorities" for external stakeholders and the company,
- Important issues that form a form of internal and external consensus,
- Issues considered to be very important mainly by external stakeholders,
- Issues considered to be very important mainly by the organization,

Methodology

Orano materiality analysis was conducted in several steps between January and September 2020 :

- Consolidation of issues,
- Identifying stakeholders,
- Internal consultation,
- Consultation with our stakeholders,
- Analysis and sharing of results.

In order to guarantee the methodology of the entire materiality analysis process, Orano has called on an external firm to assist in the implementation of this analysis.

1 – Consolidation of issues

Orano has made an initial selection of 24 issues based on its activities, stakeholder expectations and Orano Mining's material matrix in 2018.

- Fundamentals**
 - Safety & Security of operations, including transportation
- Environment**
 - Contribution to the fight against global warming
 - Site end-of-life management
 - Reduction of energy consumption
 - Reduction of GHG footprint
 - Reduction & recycling of waste
 - Reduction of water footprint
 - Preservation of biodiversity
 - Environmental performance & ecoconception of projects
- Social**
 - Social dialogue
 - Diversity & inclusion
 - Occupational health & safety, radiation protection
 - Employee well-being, quality of life at work
- Societal**
 - Health & respect of local communities
 - Responsible purchasing
 - Development of territorial economic activity
 - Dialogue & Consultation
 - Support to training and local employment
- Governance**
 - Ethics of business & behaviour
 - Risks management
 - Transparency & information
- Economics**
 - Continuity of operations
 - Industrial & managerial innovations, R&D
 - Operational performance

The definition of each issue is detailed in appendix.

2 - Identifying stakeholders

The identification of stakeholders was based on existing internal mapping, including those of interested parties carried out under our ISO 14001 certifications. Each department (Commercial, Human Resources, Communication, Public Affairs, Finance, HSE, ...), each business unit and entity, has made a selection of priority stakeholders to interview. The selected approach was to conduct long qualitative interviews with a small but representative number of stakeholders.

3 – Internal consultation

The internal consultation took place in two steps : a limited working group followed by a broad participation of the group's 160 top managers at a managerial event at the end of January 2020.

It took place in three steps :

- A non-guided exchange time per working group on the group's key issues and external expectations,
- A time to prioritize the issues selected as part of the materiality analysis,
- A time for qualitative exchange on the group's dialogue with its stakeholders.

The results were presented live during the same session, and then reworked by a small working group.

4 - Consultation with our stakeholders

130 stakeholders were interviewed representing all categories :

- Customers and partners,
- Shareholders and investors,
- Elected officials and representatives of the state,
- Administration and Authorities,
- Employees and staff representatives,
- Subcontractors and suppliers,
- Public and territories,
 - Local communities,
 - Actors in employment and local development,
 - School relations and younger generations,
 - Media relations and associations.

For this first edition of the materiality analysis, Orano chose a qualitative approach led by managers. All stakeholders were interviewed for one to two hours by one or two Orano interlocutors, one of whom was systematically trained and responsible for the method. The interview was conducted in 4 steps :

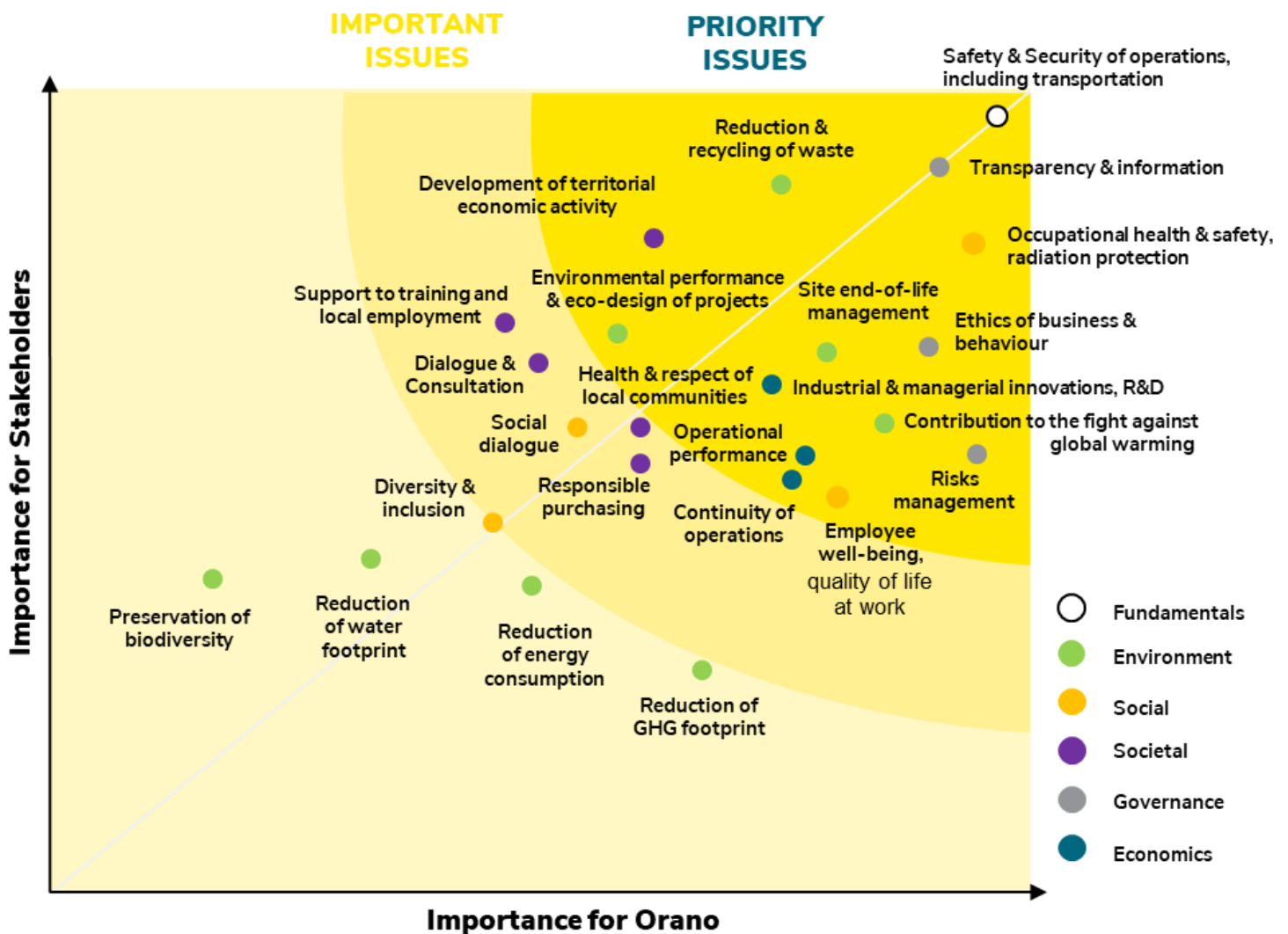
- A time to accurately describe the nature of the relationship (frequency, object...),
- A non-guided time of expression on Orano's expectations of environmental, social, societal, economic and governance issues,

- A time of prioritization and exchanges on issues selected by Orano and prioritized by the stakeholder,
- A time of qualitative exchange on relationship and dialogue, on strengths and ways for improvement.

5 - Analysis and sharing of results

The results of the materiality analysis were shared with the Executive Committee and the group's managers in order to be fully integrated into the new roadmap of societal and environmental commitment.

Materiality matrix and issues prioritized



	Issues	External perception
Priority issues	Safety & Security of operations, including transportation	Satisfactory
	Transparency & information	Perfectible
	Reduction & recycling of waste	Perfectible
	Occupational health & safety, radiation protection	Perfectible
	Ethics of business & behaviour	Satisfactory
	Risks management	Satisfactory
	Development of territorial economic activity	Perfectible
	Site end-of-life management	Perfectible
	Contribution to the fight against global warming	Perfectible
	Industrial & managerial innovations, R&D	Perfectible
Important issues	Operational performance	Perfectible
	Continuity of operations	Satisfactory
	Employee well-being, quality of life at work	Satisfactory
	Environmental performance & ecoconception of projects	Perfectible
	Support to training and local employment	Perfectible
	Dialogue & Consultation	Perfectible
	Social dialogue	Perfectible
	Responsible purchasing	Perfectible
	Health & respect of local communities	Satisfactory
	Diversity & inclusion	Satisfactory
Other issues	Reduction of GHG footprint	No opinion expressed
	Reduction of energy consumption	No opinion expressed
	Reduction of water footprint	No opinion expressed
	Preservation of biodiversity	No opinion expressed

Legend

	Satisfactory
	Perfectible
	No opinion expressed

Issues prioritized by each category of stakeholders

	Orano	Customers and partners	Shareholders and investors	Elected officials and representatives of the state	Administration and Authorities	Employees and staff representatives	Subcontractors and suppliers	Local communities	Actors in employment and local development	School relations and younger generations	Media relations and associations
Safety & Security of operations, including transportation	High	High	High	High	High	High	High	High	High	High	High
Transparency & information	High	High	High	High	High	High	High	High	High	High	High
Reduction & recycling of waste	High	High	High	High	High	High	High	High	High	High	High
Occupational health & safety, radiation protection	High	High	High	High	High	High	High	High	High	High	High
Ethics of business & behaviour	High	High	High	High	High	High	High	High	High	High	High
Risks management	High	High	High	High	High	High	High	High	High	High	High
Development of territorial economic activity	High	High	High	High	High	High	High	High	High	High	High
Site end-of-life management	High	High	High	High	High	High	High	High	High	High	High
Contribution to the fight against global warming	High	High	High	High	High	High	High	High	High	High	High
Industrial & managerial innovations, R&D	High	High	High	High	High	High	High	High	High	High	High
Operational performance	High	High	High	High	High	High	High	High	High	High	High
Continuity of operations	High	High	High	High	High	High	High	High	High	High	High
Employee well-being, quality of life at work	High	High	High	High	High	High	High	High	High	High	High
Environmental performance & ecoconception of projects	High	High	High	High	High	High	High	High	High	High	High
Support to training and local employment	High	High	High	High	High	High	High	High	High	High	High
Dialogue & Consultation	High	High	High	High	High	High	High	High	High	High	High
Social dialogue	High	High	High	High	High	High	High	High	High	High	High
Responsible purchasing	High	High	High	High	High	High	High	High	High	High	High
Health & respect of local communities	High	High	High	High	High	High	High	High	High	High	High
Diversity & inclusion	High	High	High	High	High	High	High	High	High	High	High
Reduction of GHG footprint	High	High	High	High	High	High	High	High	High	High	High
Reduction of energy consumption	High	High	High	High	High	High	High	High	High	High	High
Reduction of water footprint	High	High	High	High	High	High	High	High	High	High	High
Preservation of biodiversity	High	High	High	High	High	High	High	High	High	High	High

Our **matrix of materiality** highlights :

- The “**safety and security of operations and transportation**” is a common priority for the organization and external stakeholders and its control is seen as satisfactory,
- “**Transparency & information**” and “**Ethics**” are also shared priorities. Transparency is considered to be perfectible, particularly with regard to the ease of finding information in the reports published by the group,
- **In the environmental field,**
 - The major internal issue is the “contribution to the fight against global warming”,
 - While our external stakeholders recognize the contribution of nuclear power to the fight against global warming, they prioritize "reduction & recycling of waste," "site end-of-life management" and "environmental performance and eco-design of projects," expressing a desire to see the issue of ultimate waste addressed, a responsible behaviour in site closures, as well as a global concern for resource savings and impact limitation during operations and new projects. These themes are thus evoked as perfectible in the way they are taken into consideration or communicated by Orano,
- **In the social field,**
 - The proper management of "**Occupational health & safety, radiation protection** " is a priority shared by external actors and the organization. It is understood not only with our employees, but also with our subcontractors and suppliers and our local communities,
 - The "**Employee well-being and the quality of life at work**" is quoted as an important internal issue,
- **In the societal field,**
 - “**Development of territorial economic activity**”, “**Support to training and local employment**” and “**dialogue and consultation**” are quoted as important issues by our stakeholders and as perfectible, expressing a desire to see Orano have a more role in the territories in terms of skills development and employment support,
- **In the economic field,**
 - Economic issues appear to be more of an internal priority than externally,
 - "Industrial & managerial innovations, R&D" are the most quoted external issue, in particular as a contributor to the sustainability of the business,
- **In the governance field,**
 - Governance issues (excluding Transparency) appear to be more of an internal priority than external. Although the quality of relations was highlighted, the interviews highlighted a demand for greater proximity and frequency of stakeholder meetings with governance structures.

Overall, the interviews were highly appreciated by stakeholders.



Some complementary issues have been mentioned by specific stakeholders and will enrich the next exercise of materiality : economic sovereignty, relocation, attractiveness of the group, management of soil discharges and pollution, mastery of subcontractors.

All of these elements have been taken into account in the future Orano social and environmental roadmap.

Appendix : Selected issues

- **Safety & Security of operations, including transportation**

Nuclear safety refers to all measures taken for nuclear safety, radiation protection, prevention and response to acts of malice, as well as public safety actions planned in the event of an accident. Nuclear safety is the set of technical and organizational measures relating to the design, construction, operation, shutdown and dismantling of nuclear facilities, as well as the transportation of radioactive substances, taken to prevent accidents and limit their effects.

Environment

- **Contribution to the fight against global warming**

Contribute through its activities to limit the impact of global warming in our society, as well as to contribute to the necessary adaptations in the face of climate change

- **Site end-of-life management**

Responsible management of the shutdown of operations so as not to create any risk to people and the environment, and to allow the reuse of the site for other uses if possible

- **Reduction of energy consumption**

Achieve energy efficiency in operations to limit consumption, and thus greenhouse gas emissions

- **Reduction of water footprint**

Optimize to reduce water consumption and water withdrawals especially for sites in areas of high and extremely high water risk

Social

- **Occupational health & safety, radiation protection**

Preserve the physical and mental health and safety of the company's employees and external staff working on the sites (subcontractors), including radiation, not to mention the management of medical evacuations for local staff and expatriates

- **Social dialogue**

Constructive dialogue between the company and staff representatives on all aspects of the company's life and working conditions

- **Environmental performance & ecoconception of projects**

Monitor and reduce environmental impacts in the broadest sense of operations throughout its lifecycle and integrate it into the design of future projects and activities

- **Reduction & recycling of waste**

Limit the production of conventional and radioactive waste and ultimate waste and find a way to recycle them

- **Reduction of GHG footprint**

Achieving a reduction in the GHG emissions of operations

- **Preservation of biodiversity**

Biodiversity refers to the extreme complexity and richness of living things and ecosystems : fauna, flora, bacteria, genes and domestic varieties... as well as the interactions between different organisms and those they have with their living environment

- **Employee well-being, quality of life at work**

Focus on working conditions for employees to develop professionally and personally

- **Diversity & inclusion**

Promote non-discrimination, professional equality and diversity (sex, age, disability, social or ethnic origin, religious affiliation, etc.) within the company

Societal

- **Health & respect of local communities**

Ensure that there are no significant health impacts for people around our operations, as well as respect for their fundamental rights

- **Responsible purchasing**

Ensure responsible business behaviour by integrating social, societal, ethical and environmental criteria (human rights and working conditions, business ethics, environment and suppliers' societal and environmental practices) in the management of business relationships

- **Support to training and local employment**

Enable the development of employees' skills throughout their careers in order to guarantee their employability and the competitiveness of the company, as well as to get involved in the territories for the development of skills and employment

- **Dialogue & Consultation**

Deploy, globally and locally, open and ongoing dialogue with stakeholders to create value for all

- **Development of territorial economic activity**

Develop investment, economic fabric and job creation in the territories to increase wealth and shared value

Economic

- **Continuity of operations**

Anticipate an event that seriously disrupts the normal organization of the business in general and put in place a strategy that allows to continue the activities and ensure the delivery of customers

- **Operational performance**

Improve the right use of resources and resources to ensure competitive operations

- **Industrial & managerial innovations, R&D**

Identify and implement avenues of innovation and development, if necessary through associated research and development, to strengthen the company's technological, commercial and managerial positioning

Governance

- **Ethics of business & behaviour**

Ensure compliance with laws and regulations, integrity and compliance in the conduct of business, the fight against corruption, respect and promotion of human rights and fundamental freedoms throughout the company's value chain

- **Risks management**

Ensure that risks to the company are properly identified and that prevention and mitigation are in place

- **Transparency & information**

Put in place policies and tools to voluntarily share clear and reliable information with internal and external stakeholders

Orano transforms nuclear materials so that they can be used to support the development of society, first and foremost in the field of energy.

The group offers products and services with high added value throughout the entire nuclear fuel cycle, from raw materials to waste treatment. Its activities, from mining to dismantling, as well as in conversion, enrichment, recycling, logistics and engineering, contribute to the production of low-carbon electricity.

Orano and its 16,000 employees bring to bear their expertise and their mastery of cutting-edge technology, as well as their permanent search for innovation and unwavering dedication to safety, to serve their customers in France and abroad.

Orano, giving nuclear energy its full value.

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Energy is our future, don't waste it!

