



Forsee Power **Sustainability Report** 2019

FORSEE
POWER



Smart battery systems for a sustainable electromobility

We can mitigate climate change with sustainable, zero-emission electromobility.

Forsee Power was created in 2011 with the strong belief that there was a strong need for robust power technology to support the energy transition in the transport markets.

Present in Europe, Asia, and North America, we employ 468 people worldwide and operate 3 production sites and 2 R&D centers.

We design, manufacture, and sell smart battery systems to equip all kinds of vehicles – from 1 to 4 wheels –worldwide, enabling cleaner transport by road, rail or water.

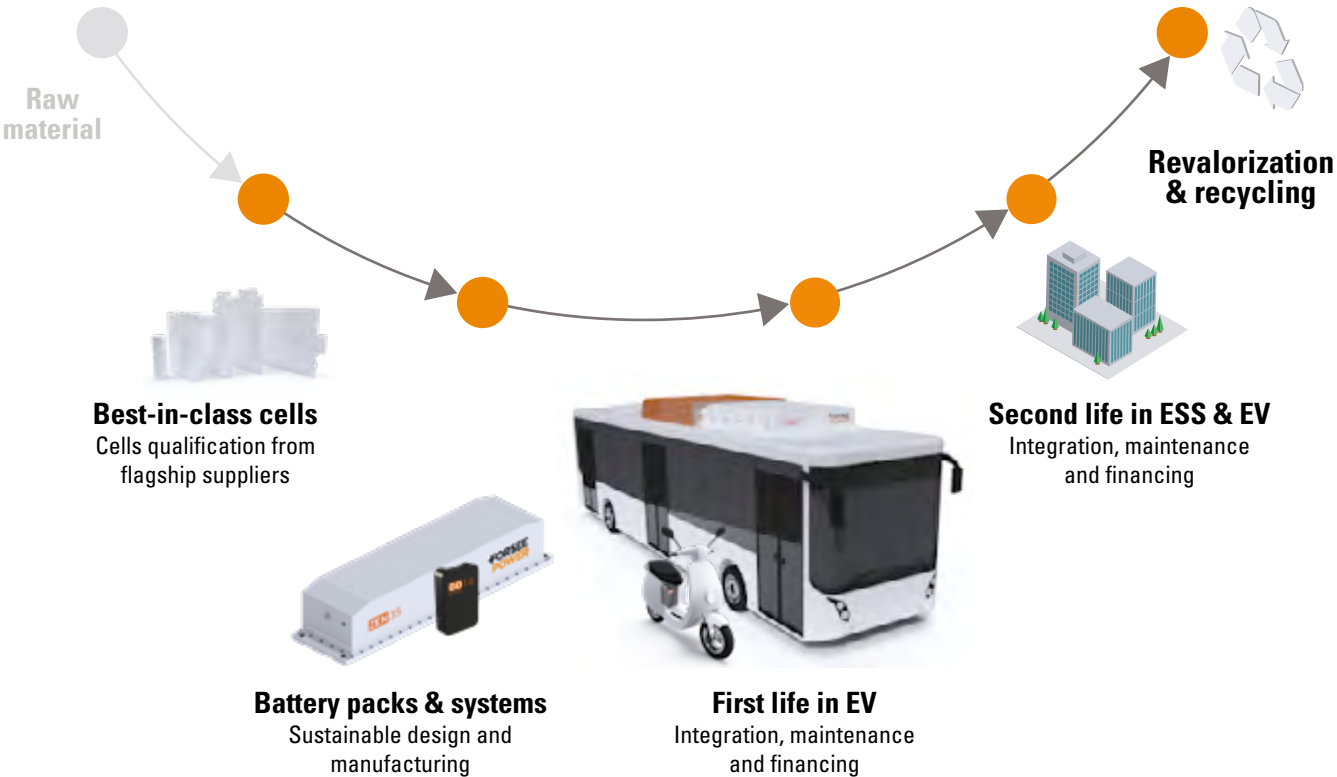
At Forsee Power sustainability is at the heart of everything we do. We not only manufacture sustainable products, mitigating transport's impact on the climate, but we are also committed to having a positive impact on people and the environment.

Forsee Power at a glance



2011 creation
468 employees at end 2019
2 R&D centers
4 production sites
100+ clients
4 repair & maintenance centers

A sustainable approach across the battery value chain



Did you know?

The term sustainable development takes its official definition from the 1987 Brundtland report. This report, Our Common Future, was published by the United Nations’ World Commission on Environment and Development, chaired by Norway’s Gro Harlem Brundtland.

It defines sustainable development as *“development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”*

Sustainable development must be economically efficient, socially equitable and ecologically tolerable. The social content must be an objective, the economy a means and the environment a condition.

In 2015 the United Nations defined its own 2030 sustainability agenda, comprising 17 Sustainable Development Goals (SDGs), *“which are an urgent call for action by all countries—developed and developing—in a global partnership.”*

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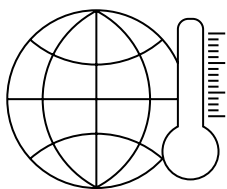
areas of focus in our sustainability strategy

In 2019, Forsee Power started to work on its sustainability strategy, defining key focus areas and a sustainability roadmap toward 2025 including ambitious goals.

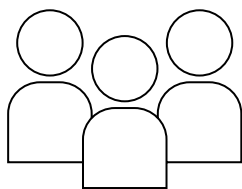
The first area focuses on our actions and contributions to mitigate climate change, through our products and services as well as our supply chain and logistics.

The second deals with people and the value we create everywhere we operate, promoting diversity and a strong health and safety culture.

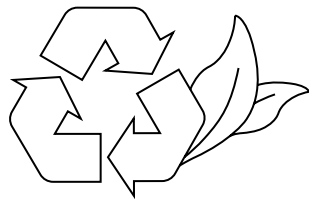
The third aims at adopting smarter behaviors toward our consumption and waste.



Climate
Limit impact on global warming.
p. 8-11



People
Create value and protect our people, everywhere we operate.
p. 12-17



Environment
Adopt smarter behaviors toward our consumption and waste.
p.18-21



We support the United Nations Sustainable Development Goals and through our operations we contribute to 8 UN SDGs (see table p. 22).



Co-workers in Poland production site carpool to come to work.

Limit impact on global warming

Transport is responsible for more than 25% of greenhouse gas emissions. While each transport segment or country has its own agenda, since the Paris Agreement, stakeholders have been taking more and more stringent measures to mitigate climate change.

In 2019, India launched the FAME 2 government plan to boost electric transport in the country that counts more than 20 million two-wheelers. Later that year, Europe presented the Green Deal, which sets targets for reducing transport CO₂ emissions by 90% by 2050.

These are tremendous opportunities for Forsee Power to contribute to limiting impact on global warming, through innovative products and services, and through responsible corporate behaviors. Worldwide, we partner with manufacturers to accelerate the energy transition with zero-emission solutions.

Innovating efficient and sustainable technologies, helping our customers and cities reduce their carbon footprint

The transition to electromobility only makes sense if the battery systems are sustainable

and sustainability is a key driver in our R&D efforts. Based on 25+ years of battery expertise, we develop technologies to answer any power and energy need, for a bus as for a scooter. Eco-design is at the heart of product innovation, setting targets for longer life cycles, higher performance, and higher safety standards. This is made possible through a deep and broad combination of engineering expertise at every step of the process, including electrochemistry and cells testing, electronics, mechanical and thermal design, modelization and pack testing.

Extending the battery life cycle with second life applications

Did you know that at the end of their first life in vehicles, battery systems still have 80% of their energy capacity after 10-15 years? The Forsee Power team develops batteries with a circular-economy approach, ensuring that the mechanical and electrical design enables an easy integration into containers.

Thus, another life can take place in a vehicle with less ambitious operations. Or it can be used in stationary storage applications to optimize smart grid or to create an autonomous storage system coupled with renewable energy production.

Highlight



We have a zero-emission solution for any power & energy needs

Forsee Power offers manufacturers and local authorities the most complete range of batteries on the market to meet all urban challenges (topography, charging infrastructure, etc.).

- + High power battery system for hybrid or fast charging
- + Battery systems combining power and energy for a full day of autonomy or an opportunistic recharge
- + High energy battery systems for a total range of 300 km.

Offering financing solutions to accelerate the energy transition in transport

For cities, it is not that easy to replace entire fleets with zero-emission vehicles. Even though the total cost of ownership (TCO) of electric buses has been competitive with thermal vehicles since 2018, the down payment is still higher than for traditional vehicles.

Thus, Forsee Power offers battery rental solutions. The financing can also extend to the vehicle and the charging infrastructure and includes maintenance, warranties, and the management of batteries' second life or end of life. Just what cities need to accelerate their transition to clean public transport!

Taking actions to reduce our own carbon footprint

Battery pack assembly represents less than 25% of the battery's carbon footprint (excluding product use). If we have limited impact on the overall carbon footprint, we still have a role to play and are taking action to reduce our own footprint.

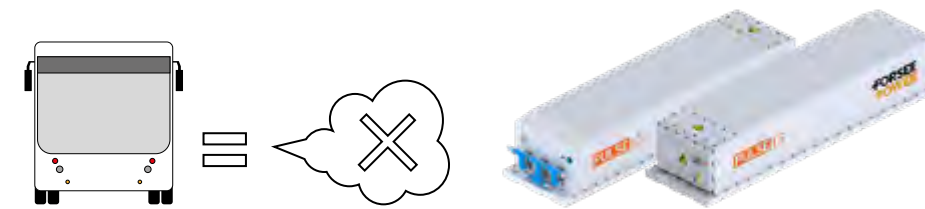
Scope 1: In France, we are currently revamping our industrial site, integrating the latest construction standards to ensure optimal insulation and energy consumption. In China, we have reduced temperature control tolerance and set close monitoring of the temperature and humidity variance to reduce our consumption, while ensuring compliance

with product testing requirements in the production workshop.

Scope 2: We encourage zero-emission transport among our employees. In China, we offer a shuttle service. In Europe, we celebrate European Mobility week to promote sustainable transport such as ridesharing, cycling, and public transport. Our CEO is leading by example as he rides his bike any time possible, even on rainy days! Telecommuting is another area we are exploring.

Scope 3: Cells to make our battery systems are shipped to Forsee Power manufacturing sites from Japan, South Korea and China mainly. They represent most of the weight of total sourced components and are a significant contribution to Scope 3 emissions. As part of our 2025 roadmap, we are committed to optimizing shipping using road, rail, and water transport, which are less energy intensive than air transport.

We contribute to the UN SDGs



-325 146 tons of CO₂

is the total emissions avoided over the lifetime of the vehicles sold in 2019 equipped with Forsee Power batteries.

15 years

The Pulse 15 battery system offers an ultra-performing life cycle of 15 years while guaranteeing 75% of capacity at the end of its first life.



Chasseneuil-du-Poitou co-workers wearing mandatory Personal Protective Equipment (PPE) in the production site.

46%

is the proportion of women at Forsee Power.

14

nationalities in 7 countries.

468

employees at end of 2019.

People

Create value and protect our people, everywhere we operate

Founded in 2011, Forsee Power is present in 7 countries and employs 468 people. Since it was founded, the whole company has been transforming at a very fast pace, welcoming people from very different backgrounds, sharing the same vision for sustainable, zero-emission mobility.

Every year since 2017, we have conducted a global employee survey to assess the satisfaction of our employees and we develop improvement plans for each site to better answer needs.

Recruiting and developing people

To support our strong growth, we are extensively recruiting, especially in France where we set up a new manufacturing site. In 2019, we recruited 72 permanent employees. We recruit people so they can stay with us for the long term. Thus, we look for personalities first. Then, we provide the right training to operate our production line, with a strong focus on electrical authorization.

Promoting diversity and inclusion

We make sure we offer an inclusive workplace, valuing diversity and respect—

the first Forsee Power value—at all levels. Diversity is a guiding principle in our human resources policy. We believe in balancing genders, ages, origins, and levels of education to build a strong corporate culture reflecting the society. To that end, during the year we promote the employability and integration of women, seniors, young graduates, and disabled individuals through international days as well as internship programs.

Developing the social dialogue

At every site we regularly engage in social dialogue with employees and are attentive. Since 2017, we have organized an annual Global Employee Survey that reached a 74.2%-participation level in 2019 and a satisfaction rate of 64%. In 2019, we organized elections in France to elect the new employee representatives, allowing the integration of employees from our site in Chasseneuil-du-Poitou that started operations in August 2018. In Poland, there are meetings 2 to 3 times a year, gathering all employees. In China, quarterly meetings are held with the representatives of the labor union.



Building a strong health, safety and environment (HSE) culture

The health and safety of our people and stakeholders is our number one priority. As a young company operating in a quite new industry, we place a strong emphasis on training material and programs to develop a culture of operational excellence that goes beyond the workplace. At all sites, we run an HSE program with monthly activities backed by poster campaigns to enhance messaging.

We contribute to the UN SDGs



Success story



Claudette was attending a local job forum looking for ways to restart her career. She had been an executive assistant for 20 years, then owned a restaurant. When it closed a few years ago, she started to accumulate a series of temporary jobs.

At a jobs fair, she met the counselor from the local unemployment office who explained that Forsee Power was looking for people, focusing on soft skills. The company was going to provide training to its future operators. After a series of interviews and tests, Claudette got a permanent contract in a completely different sector. “This job represents a lot to me. It’s a future that I hadn’t hoped for, since I’m 54-years old,” she explains. “When the unemployment office contacted me for the job, I leaped at it.”

Employees from our sites celebrate International Women’s Day engaging with messages of #BalanceforBetter.

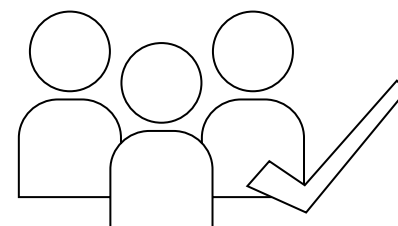
1., 3. China, 2. Poland, 4. France.





1. Emergency staff trained to provide support in case of emergency. Equipped with Self-Contained Breathing Apparatus (SCBA) and Personal Protective Equipment, they can handle fire extinguishers and fire hose cabinets.

2. 2019 QHSE campaign, the quality team in China regularly organized training sessions to raise employee awareness on various QHSE topics and thus improve our safety culture.



72

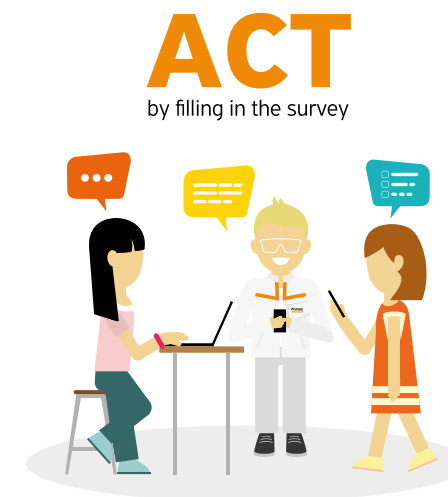
were hired with a long-term contract across our global sites in 2019.

Operational excellence



Zero

each month a specific HSE topic is addressed at Forsee Power sites to develop a culture of operational excellence and reach 0 accident.



74.2%

is the participation rate to the 2019 Global Employee Survey.



Recycling bins in Zhongshan - China production site.

Environment

Adopt smarter behaviors toward our consumption and waste

A sustainable industry should produce little to no waste or greenhouse gases. From procurement to deliveries, in the office or at the production site, we aim at reducing our environmental footprint.

Developing management procedures

Measuring, managing, and reducing our environmental impact are essential steps in being a responsible corporate player.

Progressively, we are implementing robust management systems across the organization. Of our 3 manufacturing sites, 2 (Zhongshan in China and Wroclaw in Poland) are ISO140001-certified. France will complete the certification process in 2020.

Reducing our consumption and improving energy efficiency of our facilities

Forsee Power employees are keen to reduce single-use consumption and challenge management to take positive actions.

Everywhere we operate, we endeavor to eliminate the consumption of single-use material. In Poland and China, we do not use single-use plastic cups; that's a challenge

France is tackling for 2020.

We are also chasing digital waste using cloud storage and digitizing company documents so that anyone can access them through our intranet site, from a computer or a smartphone. By sharing documents instead of storing multiple versions on our servers, we can decrease energy use in server rooms. Overall, we are digitalizing communications and limiting printing through code-based identification on the machines.

While our production does not require water in the process, we have identified an increase in water consumption at the Zhongshan facility in China this year, due to a fault in the air conditioning system. The equipment is being maintained to ensure normal consumption.

Operating machines and charging our battery systems prior to delivery to our customers can be intensive in electricity consumption so we are mindful to develop the use of more renewable energy. As part of our 2025 sustainability roadmap, we have set a goal of 50% renewables in our energy consumption.

Managing waste and improving recycling rates

Our objective is to recycle everything that can be. Our goal is 100%. To achieve that goal, we must engage with the right recycling partners, assessing recycling and revalorization methods to fit our needs.

To reduce our environmental footprint, we should also aim at reducing production waste. Thus, we have set a roadmap to favor purchases with less packaging and potential waste, explore reuse options and also work with our suppliers to optimize packaging material.

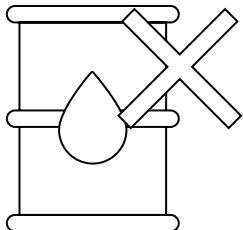
Finally, sorting waste is a key factor in recycling efficiency, and we have organized waste sorting within the production area at most sites, so we ensure a smooth process to guarantee successful results.

Following local regulations, the recycling of lithium cells and batteries is handled by dedicated partners. In France revalorization rate at our partner reached 70.7% in 2018. This figure is improving every year.

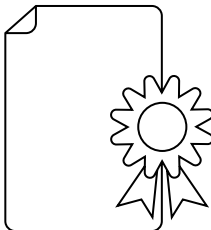
We contribute to the UN SDGs



Recycling paper bins available at Porte d'Ivry office.




2 out of 3
sites do not use any heating oil.



ISO 14001
our Polish and Chinese sites are certified.

Alignment of Forsee Power’s sustainability strategy to the UN Sustainability Development Goals (SDG)

								
<div><div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div></div><div><div>5</div><div>GENDER EQUALITY</div></div><div><div>7</div><div>AFORDABLE AND CLEAN ENERGY</div></div><div><div>8</div><div>(DECENT) WORK AND ECONOMIC GROWTH</div></div><div><div>9</div><div>INDUSTRIALIZATION AND INFRASTRUCTURE</div></div><div><div>11</div><div>SUSTAINABLE CITIES AND COMMUNITIES</div></div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div><div><div>13</div><div>CLIMATE ACTION</div></div></div>								
Definition	Ensure healthy lives and promote well-being for all at all ages	Achieve gender equality and empower all women and girls	Ensure access to affordable, reliable, sustainable and modern energy for all	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Make cities and human settlements inclusive, safe, resilient and sustainable	Ensure sustainable consumption and production patterns	Take urgent action to combat climate change and its impacts
Climate Limit impact on global warming	Innovating efficient and sustainable technologies		●		●	●		●
	Extending the battery life cycle with second life applications						●	●
	Offering financing solution to accelerate the energy transition		●					●
	Taking actions to reduce our own carbon footprint					●	●	●
People Create value, protect our people	Recruiting and developing people	●						
	Promoting diversity and inclusion	●						
	Building a strong HSE culture	●						
	Ensure social dialogue			●				
Environment Adopt smarter behaviors toward consumption and waste	Reducing our consumptions						●	●
	Managing waste & recycling						●	

Forsee Power 2025 Sustainability roadmap

Main objective	Key Performance Indicator	2019	2025 goal
People Reduction in absenteeism and accidents at work	1. Absenteeism rate	5.8%	3.8%
	2. Injury frequency rate	12.49	0
People Better representation of women in the organization	3. Rate of women on the Board	0%	30-70%
	4. Rate of women on the management committees	20%	40-60%
Governance More responsible purchasing management	5. Implement a Supplier Code of Conduct Policy	no	yes
	6. Rate of production components’ suppliers who signed the policy	-	100%
Environment Better consumption and better recycling of waste	7. Weight of waste / kWh produced	0.28kg	0.20kg
	8. Rate of waste sent to recycling or revalorization (excluding organic)	76%	100%
Climate Reduction of CO ₂ emissions	9. Rate of air transport among purchasing transport (weight)		5%
	10.Share of renewable energy in energy consumption	13.56%	50%

Forsee Power

Forsee Power is an industrial group specializing in smart battery systems for sustainable electric transport (LEV, trucks, buses, trains, marine vessels).

A major player in Europe, Asia, and North America the Group designs, assembles and supplies energy management systems based on the most robust cells available on the market as well as provides installation, commissioning and on-site or remote maintenance.

Forsee Power also offers financing solutions (battery rental) and second life solutions for transport batteries.

www.forseepower.com

