INNOVATIVE MEDICINE FOR EVERYONE EVERYWHERE
A French société anonyme (corporation) with €693,124,40 in share capital

Registered office: 115 avenue Lacassagne
69003 Lyon, France
Lyon Trade and Companies Registry No. 487 647 737

This registration document was filed with the Autorité des Marchés Financiers (the “AMF”) on April 12th, 2019 in accordance with Article 212-13 of its General Regulation. It may be used to support a financial transaction if supplemented by a securities note approved by the AMF. This document was prepared by the issuer and is the responsibility of its signatories.

Copies of this registration document are available free of charge from the Company at 115, Avenue Lacassagne, 69003 Lyon. In addition, an electronic version is available on the Company’s website (www.adocia.com) and on the AMF website (www.amf-france.org).
NOTICE

In this registration document, the terms “Adocia” or the “Company” refer to Adocia, a French société anonyme (corporation) whose registered office is located at 115, Avenue Lacassagne, 69003 Lyon, France, and which is registered with the Lyon Trade and Companies Registry under number 487 647 737 and, when appropriate, its subsidiary, Adocia Inc., a company incorporated in the state of Delaware, whose head office is located at 2090 Dipinto Avenue, Henderson, NV 89052, U.S.A.

The consolidated financial statements prepared under IFRS for the fiscal year ended December 31, 2018 are presented on pages 126 to 158 of this registration document. The statutory auditors’ report on the consolidated financial statements prepared under IFRS for the fiscal year ended December 31, 2018 is presented on pages 159 to 165 of this registration document.

The corporate financial statements prepared under French GAAP for the fiscal year ended December 31, 2018 are presented on pages 166 to 179 of this registration document. The statutory auditor’s report on the corporate financial statements prepared under French GAAP for the fiscal year ended December 31, 2018 is presented on pages 180 to 185.


- The consolidated consolidated financial statements ended December 31, 2017 and the related statutory auditors’ reports presented respectively in paragraph 4.1 and 4.2 of the 2017 registration document filed with the AMF on April 19th, 2018 with reference D.18-0347.
- The consolidated consolidated financial statements ended December 31, 2016 and the related statutory auditors’ reports presented respectively in paragraph 20.A of the 2016 registration document filed with the AMF on April 11th, 2017 with reference D.17-0363

Are incorporated by reference in this registration document.

The non-included parts of this document(s) are either irrelevant for the investor or covered elsewhere in the registration document.

A glossary containing the definitions of certain technical terms used in this registration document, as well as an index of abbreviations used, can be found in paragraph 6.6. Terms indicated by an asterisk (*) are defined in the glossary.
DISCLAIMER

Market and competition information

This registration document contains, in particular in section 1.3 “Description of Activities”, information about the Company’s markets and competitive position. This information is taken, in particular, from studies conducted by external sources. Publicly available information that the Company deems reliable has not been verified by independent experts, and the Company cannot guarantee that a third party using different methods to collect, analyze or calculate data on these markets would obtain the same results.

Forward-looking information

This registration document contains information on the Company’s outlook and development priorities. At times, this information is identified by the use of the future or conditional tense or forward-looking words such as “consider”, “plan”, “think”, “have as an objective”, “expect”, “intend”, “should”, “aspire to”, “estimate”, “believe”, “wish”, “could” or, where applicable, the negative form of these terms, or any variation thereof or similar terminology. This information is not historical data and should not be viewed as a guarantee that the facts and events described will occur. This information is based on data, assumptions and estimates that the Company deems reasonable. It may change or be modified due to uncertainties associated with, in particular, the economic, financial, competitive and regulatory environment. This information is provided in the various sections of this registration document and includes data related to the Company’s intentions, estimates and objectives with respect to, among other things, the market in which it operates and its strategy, growth, results, financial position, cash position and forecasts. The forward-looking information in this registration document is provided only as of the date of this registration document. The Company operates in a constantly changing competitive environment. Therefore, it cannot anticipate all risks, uncertainties and other factors that may affect its business, the potential impact thereof on its business, or the extent to which the occurrence of a risk or combination of risks could have significantly different results from those mentioned in any forward-looking information. It should be noted that none of this forward-looking information is a guarantee of actual results.

Risk factors

Investors are advised to carefully review the risk factors described in paragraph 1.5 “Risk Factors” of this registration document before making any investment decision. The occurrence of any or all of these risks may have a material adverse impact on the Company’s business, financial position, results or outlook. Furthermore, other risks not yet identified or not deemed significant by the Company as of the date of this registration document may also have a material adverse impact.
2
SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION
Chapter 2

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2 SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION

2.1 Methodology note

This report uses indicators selected to represent the main economic, social and environmental impacts of the Company’s activities.

The social, environmental and safety indicators that were collected, calculated and consolidated may be subject to inherent limits in terms of the practical modalities of collection and consolidation of this data.

The data presented covers all the Company’s activities and all the group’s employees, unless otherwise indicated.

2.1.1 Definition of labor indicators

**Workforce**: Number of employees on staff at December 31 of the year N, under permanent or fixed term contract (including work-study contracts). Contracts terminating on December 31 are not included in the workforce. This calculation is not prorated for part-time workers.

**New hires**: Number of employees hired under permanent or fixed term contract between January 1 and December 31 of the year N. This calculation is not prorated for part-time workers. Transitions from fixed term to permanent contracts are not included in new hires. A transition from a work-study to a fixed term or permanent contract is counted as a new hire.

**Departures**: Number of employees who left the company between January 1 and December 31 of the year N. This calculation is not prorated for part-time workers.

**Absenteeism rate**: The ratio of the number of days of absence due to illness, sick child or workplace accident to the number of theoretical days worked. This figure only covers the France scope.

**Number of hours worked**: This indicator only covers the Company’s activities located in France from January 1 to December 31 of the year N. It corresponds to the number of hours of effective work. Interns are excluded from the calculation.

2.1.2 Definition of safety indicators

These indicators only cover the Group’s activities located in France.

**Frequency rate (FR)**: \((\text{number of workplace accidents and commuting accidents resulting in medical leave / hours worked}) \times 1,000,000\)

**Severity rate (SR)**: \((\text{number of days lost due to temporary disabilities as a result of a workplace accident or commuting accident / hours worked}) \times 1,000,000\)
2.2 Social data

2.2.1 Group remuneration policy

2.2.1.1 Remuneration

The Company has to be competitive and attractive to attract and retain top talent. It therefore applies an ambitious remuneration policy, reflected in particular in a payroll of €9.3 million (French GAAP) for 2018 and significant annual increases. Over the last three years, average general and individual increases fell within a 2% to 4% range (excluding corporate officers), plus bonuses based on collective and individual performance. However, in a more challenging economic environment, the Company reserves the possibility of revising its remuneration policy to adapt to economic and financial constraints and issues.

Allocation of pay raises and/or bonuses is based on objective criteria and individual merit. Employees enjoy workplace equality regardless of race, sex, color, religion, disability, family status, sexual orientation, age and ethnicity.

Adocia supplements its remuneration policy with plans launched in 2008 to award free corporate shares and BSPCE founders’ warrants. Initially intended for key Company managers (directors and service line heads), and then project managers, this policy was extended to technicians and managers at the expert and senior level in 2015.

2.2.1.2 Equity interests held by employees

To the Company’s knowledge, at December 31, 2018, the Company's employees (including Olivier Soula and Rémi Soula) held 716,335 shares, i.e. 10% of equity and 14.2% of voting rights in the Company. The proportion of capital represented by the shares held by Company employees, including corporate officers, that are subject to collective management (PEE or FPCE accounts), calculated in accordance with Article L. 225-102 of the French Code of Commerce, was zero. The shares held by employees or corporate officers following free allocation as per Article L. 225-197 of the French Code of Commerce represented 1.5% of equity.

2.2.1.3 Employee savings

ADOCIA has implemented various employee savings schemes. Such schemes are instruments in the company’s labor policy that can meet various objectives, such as strengthening the connection between employee performance and business results, retaining and motivating employees.

- Profit sharing (participation) implemented by an agreement signed December 11, 2013 between management and the employees represented by the Single Employee Representative Body. There was no profit sharing at December 31, 2018, given the fiscal loss registered for fiscal year 2018.

- A company savings plan (PEE) and collective retirement savings plan (PERCO) created on July 28, 2014 by agreement of management and the employees represented by the Single Employee Representative Body.

- The time savings account (CET) set up by an agreement signed June 30, 2014 between management and the employees represented by the Single Employee Representative Body.

The Company has not signed a profit sharing (intéressement) agreement to date.

2.2.2 Employment

The main objectives of Adocia’s human resources policy are to:
Social, environmental and societal information

- attract, retain and motivate the best talent to support the development of the company’s ambitious and innovative projects;
- provide training opportunities to employees;
- promote internal mobility and promotions, so as to offer employees a broader scope of activities and enable them to gain new expertise.

2.2.3 Workforce

At the end of December 2018, the Company had 132 employees (full-time and part-time), of which 130 work in France in the parent company and two are based in the US subsidiary Adocia Inc. At December 31, 2018, the breakdown of the workforce by socio-professional categories and gender is as follows:

<table>
<thead>
<tr>
<th>Effectif total et répartition des salariés par CSP et par sexe</th>
<th>31/12/2018</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executives</td>
<td>74</td>
<td>70</td>
</tr>
<tr>
<td>of which permanent contracts</td>
<td>72</td>
<td>68</td>
</tr>
<tr>
<td>Non executives</td>
<td>58</td>
<td>59</td>
</tr>
<tr>
<td>of which permanent contracts</td>
<td>46</td>
<td>46</td>
</tr>
<tr>
<td>Workforce (number)</td>
<td>132</td>
<td>129</td>
</tr>
<tr>
<td>Workforce breakdown by gender M/F (in %)</td>
<td>52/48</td>
<td>50/50</td>
</tr>
<tr>
<td>Men (number)</td>
<td>69</td>
<td>65</td>
</tr>
<tr>
<td>Women (number)</td>
<td>63</td>
<td>64</td>
</tr>
</tbody>
</table>

At the end of December 2018, the company employed 52 researchers who hold a doctorate in science, medicine or pharmacy, or more than one-third of the total.

As of December 31, 2018, close to 80% of the workforce was assigned directly to research and development, with the remaining employees performing support functions, such as finance, administrative services, quality, security and human resources.

At December 31, 2018, the average employee age was 36 years and the breakdown of the workforce by age bracket was as follows:

<table>
<thead>
<tr>
<th>Age pyramid 2018</th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Younger than 25 years old</td>
<td>7</td>
<td>7</td>
<td>14</td>
<td>11%</td>
</tr>
<tr>
<td>25 to 34 years old</td>
<td>22</td>
<td>27</td>
<td>49</td>
<td>38%</td>
</tr>
<tr>
<td>35 to 44 years old</td>
<td>26</td>
<td>16</td>
<td>42</td>
<td>33%</td>
</tr>
<tr>
<td>Older than 44 years old</td>
<td>14</td>
<td>13</td>
<td>27</td>
<td>21%</td>
</tr>
</tbody>
</table>

The Company’s R&D and SG&A workforce has evolved as follows:

<table>
<thead>
<tr>
<th></th>
<th>12/31/2018</th>
<th>12/31/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>R&amp;D workforce</td>
<td>104</td>
<td>101</td>
</tr>
<tr>
<td>G&amp;A workforce</td>
<td>28</td>
<td>28</td>
</tr>
<tr>
<td>Total workforce</td>
<td>132</td>
<td>129</td>
</tr>
</tbody>
</table>

2.2.4 Personnel movements in 2018

The table below presents the evolution of the workforce from January 1 to December 31, 2018:
The Company registered 22 departures during 2018, including:

- 12 departures at the end of fixed term contracts (including 7 work-study contracts)
- 9 resignations
- 1 dismissal

### 2.2.5 Work organization

The employment contracts of the French employees are governed by that country’s collective bargaining agreement for pharmaceutical industries.

Those employed by the Adocia Inc. subsidiary are governed by US law.

On July 22, 2010 the Company reached an agreement on the organization of working time with employee representatives, whose details were developed with a view to the agility and flexibility needed in the research field. This agreement was approved by the French National Joint Committee for the pharmaceutical industry on September 29, 2010.

Pursuant to this agreement, the working time of management-level employees (groups VI to IX of the pharmaceutical industries collective bargaining agreement classification) is counted in days and the working time of technicians (employees in groups I to V) is counted in hours. For these latter, effective working time is 36.25 hours per week, with allocation of compensatory days to result in an average working time of 35 hours per week.

In 2018, 13 employees worked part time, 4 of which under a parental leave contract. All these employees choose to work part time to deal with family responsibilities.

The main reasons for absences in 2018 were illness and maternity or paternity leaves.

The absenteeism rate was 1.62% in 2018 compared with 1.95% in 2017. The number of days of absence due to sickness, workplace accident and sick child for 2018 was 522 days, compared with 613 days the previous year. The 15% decrease is primarily due to the decrease of the sick leaves exceeding 40 days, which impacted the year 2017. Planned absences such as maternity leave or paternity leave are not included in this calculation.

### 2.2.6 Labor relations

The Company decided to create a single employee representative body in 2013 after arriving at the legal thresholds in 2012. This single employee representative body was renewed in November 2016.

This new single representative body, in accordance with the Rebsamen Act of August 18, 2015, combines the attributes of employee representatives, works council and health, safety and working conditions committee within a single elected delegation. The Single Employee Representative Body had 5 members and 5 alternates at end-2018, among them 5 executives and 5 non-executives.
Social, environmental and societal information

The company ensures that the rights and freedoms of the delegates to employee representative bodies are scrupulously respected, and that these delegates enjoy the same career prospects and training opportunities as other employees.

Management and the employee representative bodies jointly and freely decide the common measures to be taken to guarantee the development of a progressive, high quality industrial relations policy by maintaining ongoing and constructive labor-management dialogue.

The company complies with the fundamental conventions of the International Labor Organization on respect for freedom of association and the right to collective bargaining, the elimination of discrimination in respect of employment and occupation, the elimination of forced or compulsory labor, and the abolition of child labor.

2.2.7 Health and safety

The Company has a Health, Safety and Environment department comprising three people. This department also relies on 16 individuals with occupational first aid training in the various departments of the Company. Individual and collective safety equipment has been installed and is inspected regularly. Evacuation drills are held according to a predetermined schedule. Fire safety equipment and electrical systems are inspected annually by certified organizations.

Since November 2016, the missions of the health, safety and working conditions committee have been assigned to the single employee representative body.

Quarterly meetings are held, which are attended by the Health and Safety department.

A workplace accident means any accident that is suffered due to or during work by any person who is a company employee or who is performing work for the company. Workplace accidents also include commuting accidents that occur in the course of ordinary travel by an employee between their home and workplace (round trip).

The Company registered 46 accidents during the year. In relation to the average workforce in 2018, the rate of workplace accidents per employee is 0.36 compared with 0.40 the previous year, remaining at a rate that is considered as low. Four of these accidents resulted in medical leave of maximum one week, compared with 3 days in 2017 for a maximal duration of 8 days, compared to 7 in 2017.

The frequency rate in 2018 was 21.56 and the 2018 severity rate was 0.09.

<table>
<thead>
<tr>
<th></th>
<th>12/31/2018</th>
<th>12/31/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency rate</td>
<td>21.56</td>
<td>16.22</td>
</tr>
<tr>
<td>Severity rate</td>
<td>0.09</td>
<td>0.08</td>
</tr>
</tbody>
</table>

No occupational or work-related illness was reported in 2018 or during the previous three fiscal years. An occupational illness means an illness due to a person’s exposure to a risk in connection with his/her employment position. The company has not been informed of any permanent disability in this fiscal year or prior fiscal years.

The Company provides a medical examination for all of its workers, with different frequencies depending on the nature of the position: laboratory staff are examined at least once every two years; administrative staff have a medical visit at least once every five years.

To date, no agreement on occupational health and safety has been signed with the labor unions or employee representatives.

2.2.8 Training

Staff members have extensive training and the company places particular importance on maintaining each employee’s knowledge and expertise at a high level. Continuing education is primarily focused on scientific and
technical training to develop the skills of laboratory staff (researchers and laboratory technicians) but it can also involve all staff on topics such as management, communication in English, the use of computer software, accounting and human resources training, training for new tools and materials, or regulatory monitoring. Each year, employees also receive general training targeting all staff around a theme whose underlying focus has been the same for several years: “better self-knowledge, better knowledge of others.”

A total of 1,344.50 hours of training were dispensed in 2018.

<table>
<thead>
<tr>
<th>Number of employees trained in 2018</th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executives</td>
<td>31</td>
<td>26</td>
<td>57</td>
</tr>
<tr>
<td>Non executives</td>
<td>17</td>
<td>23</td>
<td>40</td>
</tr>
<tr>
<td><strong>Total workforce</strong></td>
<td>48</td>
<td>49</td>
<td>97</td>
</tr>
</tbody>
</table>

Breakdown by gender (in %)

<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total workforce</td>
<td>49</td>
<td>51</td>
</tr>
</tbody>
</table>

To develop individual skills and maintain a high level of expertise, the company also encourages all researchers to attend international conferences and seminars. In 2018, Adocia participated in 43 conferences and scientific seminars (involving 68 participants).

### 2.2.9 Workplace equality

#### 2.2.9.1 Measures taken to support gender equality


This plan focuses primarily on three points:

- **Workforce:** The Company will continue to hire its employees on the basis of objective expertise criteria and individual merit, keeping in mind gender equality.
- **Training:** The Company will ensure that training, whether to develop each employee’s business skills or to enable them to adapt to changes in the company, is accessible to and equal for both men and women.
- **Compensation:** The Company will continue its policy of compensating men and women equally.

The Company seeks to ensure that there is no discrimination in employment and career, via annual performance and skill reviews.

At December 31, 2018, the breakdown of men and women in the workforce was perfectly balanced, with 63 women and 69 men.

#### 2.2.9.2 Measures taken to support employment and integration of workers with disabilities

To promote the recruitment of workers with disabilities, the company has taken steps to such workers, in particular holding meetings with CAP Emploi, the French national placement network for people with disabilities. Despite these actions and the fact that all positions are open to people with disabilities, the company has received few
Social, environmental and societal information

Applicants (an issue of skills not matching the position profile). At the end of December 2018, the Company had one employee in its workforce recognized as having disabled worker status.

The Company utilizes supported employment agencies for workers with disabilities (ESAT) for its supply of stationery, maintenance and cleaning of green spaces, and also began outsourcing its paper recycling to a company in the supported employment sector in 2017.

2.3 Environmental data

2.3.1 General environmental policy required by Article R225-105-1 of the French Code of Commerce

In light of its business (drug research and development) and its geographical location (laboratories located at a single site in Lyon), the Company considers that its environmental impact is low. No provisions or guarantees for environmental risks have been recognized to date. Its activities do not include industrial production or distribution, or significant discharges of effluents into the environment. Its activities do not require the use of the ground as a resource and employ few raw materials.

On February 21, 2016, the Company acquired the building located at 115, avenue Lacassagne, Lyon, in which its laboratories and offices are located. The building has a total surface area of 6,874 m² (excluding the basement) of which 1,602 m² is occupied by three companies to which Adocia has granted commercial leases.

On June 28, 2017, the Company completed its installation on the site with the purchase of a storage building with delivery bay, with a total surface area of 2,092 m², of which 1,650 m² underground. Following this acquisition, the Company converted the former courtyard into a garden.

In 2018, the Company initiated the development of two floors of 450 m² each, previously unoccupied. One will be destined for offices and the other for laboratories for the Analysis Department. The works are carried out with a view to improving energy consumption with an interior insulation made with 45 cm of hemp, new exterior joinery and lighting provided by LED luminaires.

The following factors are not discussed in this report because they were deemed irrelevant or because the Company does not have significant information in light of the quantities and interests at stake:

- Greenhouse gas emissions
- Adaptation to climate change
- Biodiversity
- Ground use
- Visual environmental impact of the business

The two employees based in the subsidiary Adocia Inc. have a low environmental impact due to their activity, limited to business travel. These two employees are excluded permanently from environmental indicators.

Despite the Company’s low environmental impact, from the outset, it has focused on environmental protection and appointed two individuals to manage environmental aspects, one of whom, the HSQE manager, is a member of senior management.

The Company has made the treatment and recycling of chemical substances one of its priorities.
2.3.2 Pollution and waste management

The Company purchases chemicals that are used in research and development operations. However, given the Company’s size, only limited quantities of chemicals are handled, all of which are carefully monitored. The traceability of chemicals is strictly ensured from the time they arrive (a register kept by each department tracks raw materials). After their use in research operations, waste is recovered and stored under specific conditions until it is collected by a specialized company.

The Company has no regulatory obligation to monitor solvents used or emissions of volatile organic compounds (VOC) for effluents linked to the use of volatile solvents used with extractors. The Company has appointed a service provider that specializes in removing and recycling chemical waste. Before collection, which takes place at least once per month, the Company stores its waste in appropriate containers in dedicated premises and in compliance with the relevant safety standards.

In 2018, the quantity of hazardous laboratory waste sent to a specific center (soiled packaging and glass, chemical waste) totaled 33.9 metric tons. The Company considers that the quantity of waste that it discharges into the city of Lyon’s wastewater treatment system is low, as most waste is recovered during handling. The Company emits no liquid effluent in wastewater.

Furthermore, the Company has initiated the following recycling actions:

- sorting of plastics and caps
- sorting of paper and cardboard
- sorting of ink cartridges
- sorting of coffee pods
- recycling of vials, and
- sorting of batteries.

In 2018, the quantity of paper and cardboard removed totaled approximately 5.554 metric tons. Sorting and packaging is undertaken by the company ELISE for recycling in the paper industry, which generated in average 104 hours of work for employees with disabilities in 2018.

The resources devoted to waste management issues are of two types:

- external resources, comprising purchases of specific containers and expenses associated with services subcontracted to waste specialists, amounting to €48 thousand in 2018;
- internal resources, consisting of involving all employees in sorting waste and reducing energy consumption.

Training is regularly provided, in particular at the time employees are hired. Each new employee receives onboarding during which the Safety/Environment Department provides information on environmental practices that are implemented. During this training, employees are provided with a waste management procedure.

The Company has set up a shared space that includes refrigerators for meals. This favors meal brought from home rather than the establishment of a catering service, to limit food waste.

Since 2016, under the impetus of the employee representative body (DUP), the Company installed a composter for the organic waste employees create during their lunchtime meals. This initiative was carried out with the help of a local firm.

In terms of noise pollution, only the laboratories’ fume chamber extractors are potential sources of noise. This equipment, which is installed on the roof, is fitted with a soundproofing casing. Accordingly, the Company deems that it has minimized the risk of noise pollution.
2.3.3 Sustainable use of resources

The Company is attentive to management of its water and energy consumption.

2.3.3.1 Water

The company’s consumption of municipal water is mainly for sanitary purposes.

The Company also uses water for its research activities, and in particular for cleaning its laboratory equipment. Water is thus used to supply the washing machines and sinks installed in the various laboratories and shared spaces in the Company. It is discharged after use in conventional drainage systems. For some of its activities, the Company also consumes water for the production of distilled water.

Until 2015, the Company purchased bottled water for the staff to drink. Since 2016, to reduce its environmental impact, drinking fountains are available in the lobby, considerably reducing the use of water bottles and hence plastic waste. As a result, the quantities purchased are negligible and are no longer monitored. Running water consumption is calculated from actual consumption based on invoices. Lastly, certain research operations require purified water, which the Company purchases in canisters.

<table>
<thead>
<tr>
<th>Consumption in M³</th>
<th>12/31/2018</th>
<th>12/31/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bottled water</td>
<td>NS</td>
<td>NS</td>
</tr>
<tr>
<td>Distilled water</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Current consumption water (*)</td>
<td>2 919</td>
<td>3 486</td>
</tr>
<tr>
<td><strong>Water total</strong></td>
<td><strong>2 931</strong></td>
<td><strong>3 498</strong></td>
</tr>
</tbody>
</table>

(*) prorated to the surface occupied by the Company

The significant decrease in the consumption of running water is the result of various actions undertaken in 2018 to identify high-consumption appliances and limit their use.

2.3.3.2 Electricity and natural gas

With respect to energy, the Company consumes electricity only.

Electrical invoices received are for the entire building. In the absence of individual meters for each of the tenants, the company estimated its own consumption according to the occupied surface area:

<table>
<thead>
<tr>
<th>Consumption in KWh</th>
<th>12/31/2018</th>
<th>12/31/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Electricity total (*)</strong></td>
<td><strong>1 275 467</strong></td>
<td><strong>1 360 363</strong></td>
</tr>
</tbody>
</table>

(*) prorated to the surface occupied by the Company

The decreased consumption is due to improved practices despite a level of activity that remains stable. Gas consumption is negligible.

The Company has set up a consumption monitoring program and, at the end of each day, has a person check and turn off electrical equipment that has been left on and adjust the temperature of heating and cooling systems. Motion detectors that automatically turn off lights have been installed in some locations. The Company has also adopted and is gradually implementing a plan to replace older light bulbs with new generation low consumption bulbs.
2.3.3.3 Climate change

According to an initial analysis, the Company’s production of greenhouse gas emissions is primarily from its purchasing of raw materials and consumables. In 2018, the Company received from its provider its emissions related to business travel (607 metric tons of CO₂).

Given the elements above, the Company’s impacts were judged too minimal to justify recognition of provisions or guarantees for environmental risks.

2.4 Social data: information on social responsibility in favor of sustainable development

2.4.1 Territorial, economic and social impact of business

Because of its activity (drug research and development), the Company considers that its environmental impact is low. The activities of the Company generate no particular noise or visual pollution for its employees or for neighboring residents.

Adocia has been based in Lyon since its creation and endeavors to be active and involved in its local area. In 13 years, the company hired over 130 people, most of them are coming from the Lyon area. The Company’s ongoing policy is to recruit and train young people. Each year, the Company accepts workers under apprenticeship or work-training contracts (8 at the end of December 2018) and a certain number of trainees (10 during 2018). The Company is therefore attractive to and offers professional prospects for scientists, researchers and technicians in the life sciences.

In 2018, the Company’s payroll expenses and social security contributions accounted for nearly 30.1% of the operating expenses.

The company maintains close ties with education institutions. In this regard, it is sponsoring the 135th graduating class of ESPCI Paris Tech in order to create and maintain multiple contacts with students during their four-year course of study, i.e. till 2020.

2.4.2 Relations with its shareholders and investors

The Company’s financial communication is intended to guarantee access to complete, transparent and clear information for all. To this end, the Company publishes a number of documents for its shareholders to explain its strategy, research being conducted, and the results obtained.

These documents are accessible on the Company’s website in the Investors section, in French and in English. An email address (contactinvestisseurs@adocia.com) is also available for investors.

The Company also complies with its obligations as a listed company. It disseminates annual information supplemented by periodic information and press releases to the financial community and more generally to the public. It also organizes regular telephone conferences to comment on its results and answer questions from shareholders.

In 2018, the Company participated in the Actionaria trade show, which took place in Paris last November, and in the Biotech conference last June to meet individual shareholders. It has also participated in multiple investor salons in France, Europe and the United States, to meet institutional investors.
2.4.3 Subcontracting and suppliers

The Company appoints external suppliers to perform a significant portion of its activities, in particular, activities that require specific accreditations (Good Laboratory or Manufacturing Practices), particular facilities (animal housing unit) or organizations specialized in conducting clinical trials, known as contract research organizations (CROs). These external expenses account for 22% in average of the Company’s total expenses.

The supplier selection process complies with pharmaceutical regulations and takes into account criteria such as proximity, excellence and research ethics. Due to its size and the corresponding social and environmental stakes, the Company does not audit its suppliers on CSR issues.

At the local level, the Company has created partnerships with the Lyon Veterinary School and Namsa for conducting its preclinical studies. The main service provider, Namsa, as well as ICB (dependent on the veterinary school of Lyon) are AAALAC accredited.

These two organizations comply with ethics legislation and have an animal welfare structure, an independent ethics committee and socialization and enrichment programs for the two models used by the company (dog and pig). They also have programs for animal outplacement to comply with the 3Rs rule when study conditions permit.

The Company also uses the services of numerous consulting firms in the region (patents, finance, lawyers).

2.4.4 Fair practices

The Company has set up mechanisms to prevent risks of corruption. Separating tasks associated with payments is one of the means put in place for avoiding possible errors or misappropriation.

Concerning the choice of suppliers, comparative bids are requested above a certain expenditure threshold. As part of its research and development activities, the company is obliged to comply with current standards (Good Laboratory Practice, Good Manufacturing Practice), as well as with the regulations adopted by public health protection agencies, such as the European Medicines Agency (EMA) and the Food and Drug Administration (FDA) in the United States.

The Company has been listed on the regulated Euronext stock exchange in Paris since February 2012. Accordingly, purchases and sales of securities and, in particular, bonus shares and business founders’ stock warrants (BSPCE), are subject to strict rules.

Adocia has adopted a corporate disclosure policy and a code of ethics, which are in compliance with AMF recommendation no. 2010-07 of November 3, 2010, as well as the MiddleNext guide, which set forth and explain the rules applicable to privileged information and the duties owed by insiders.

2.4.5 Public health issues

Health and consumer safety is at the core of the Company’s business: developing innovative medicines for everyone, all over the world.

The Company develops drugs based on therapeutic molecules that have already been approved. Using its proprietary BioChaperone technology, it improves the effectiveness of such molecules, thereby simplifying and expanding their therapeutic use, while improving patients’ quality of life.

In a worldwide pharmacological and economic context marked by the adoption of policies designed to control health costs, the products that Adocia develops may improve the effectiveness of therapeutic molecules, while reducing the dosage, number of applications and/or duration of treatment.

Lastly, despite the fact that the demand for pharmaceutical products in emerging countries is expanding, access to healthcare and drugs remains problematic, even critical, in certain countries. The World Health Organization
estimates that over 80% of the deaths due to chronic pathologies occur in low- or medium-income countries. By offering pharmaceutical products destined to become best-in-class and at lower prices than existing products, Adocia’s strategy seems particularly suited to meet the mass needs of these emerging countries.

Given the stage of development of its entire project portfolio, no drug containing BioChaperone technology developed by the Company has been marketed to date.

The development of the Company’s projects is strictly regulated. Thus, for studies using animal models (preclinical development) and studies using human participants (clinical development), it submits its dossiers to various approval committees: regulatory affairs authorities (e.g. Bfarm for clinical studies in Germany) and ethics committees.

2.4.6 Actions taken to promote human rights

The Company endeavors to comply with prevailing regulations and is not aware of any specific issues in this regard.

The information concerning labor issues required by Article R. 225-105-1 of the French Commercial Code is provided in sections 2.2 and 2.3 of this registration document.