



# CSR REPORT 2017

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**REPORTING SCOPE**

This document presents the main principles of the CSR policy of the Assystem Technologies Group. This edition puts particular focus on France, which accounted for 53% of our business activities in 2017. One of our objectives for 2018 is to prioritise the deployment of these best practices group-wide and to pursue the implementation of our cross-functional CSR approach in all of our operating regions.



**Olivier Aldrin**  
Chief Executive Officer

## **A SUSTAINABLE- GROWTH PROJECT SUPPORTING TECHNOLOGICAL AND HUMAN PROGRESS**

•• 2017 marked a new ambition for the company. The outsourced R&D division of Assystem SA, Global Product Solutions (GPS), broke away from the parent company to become the independent entity, Assystem Technologies, opening interesting growth opportunities. As such, at the beginning of 2018, the Group finalised the acquisition of SQS, a leading independent player in corporate quality assurance and digital solutions. The group generates revenue of €1 billion, and has 14,000 employees operating in 25 countries worldwide. SQS' expertise in quality and consulting combined with Assystem Technologies' recognised engineering solutions has, more than ever, reinforced our position as a partner of trust with our industry-leader customers.

We work hand-in-hand with our customers to design and create the products and services that will shape the world of the future. This approach reflects the very essence of our social responsibility and sustainable development commitments. We have chosen to maintain a continuous approach by pursuing initiatives launched some years ago within our business areas. In this way, we can ensure the skills development and the diversity of our employees, as well as the satisfaction of our customers by providing innovative and eco-friendly solutions. Assystem Technologies' first CSR Report sets out our commitments in terms of social and environment responsibility commitments. ••

# THE GROUP

**W**ith operations in 15 countries in 2017, Assystem Technologies holds key positions in Europe, particularly in France, the UK and Germany. Our organisation is underpinned by the complementary skills offered by our advanced technological centres located near our customers (primarily in Europe and North America) and our international excellence centres, both nearshore (Romania) and offshore (India), designed to meet our customers' needs in terms of flexibility and cost management.

## OUR BUSINESSES

Our scope of action covers the entire life-cycle of products used in high-tech sectors.

### DESIGN & PRODUCT DEVELOPMENT

We analyse the feasibility and verify the viability of ideas. We assist our customers with regard to designing their solutions and ensuring the digital transformation of their product development processes.

### MANUFACTURING & SUPPLY CHAIN

We draw on our expertise in production and supplier management activities to optimise our customers' productivity and to sharpen their competitive edge. We play an active role in the 4<sup>th</sup> industrial revolution by facilitating the integration of digital technologies in factories.

### IN-SERVICE SUPPORT

We work alongside our customers to ensure operational maintenance and the evolutionary potential of extremely high value-added products, and use new technologies, such as data science, to optimize their safety and sustainability.

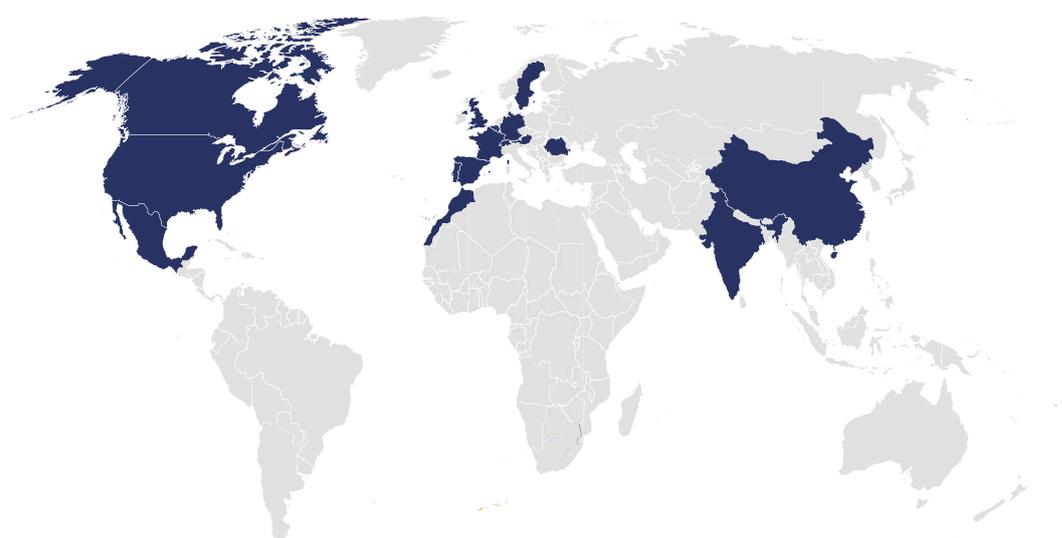
## OUR EXPERTISE: CRITICAL AND COMPLEX PROJECT MANAGEMENT

Our mission is to help our industry-leader customers design and develop their innovations. In this regard, we are a long-standing partner of several international groups including Airbus, Alstom, BMW, Bombardier, PSA, Renault, Safran, Thales and Volkswagen.

While we provide a multi-sector offering, we are particularly present and recognized in the aeronautics, automotive, defence and manufacturing sectors. We also provide major transformation solutions in areas common to all players in the manufacturing sector, such as the factory of the future.

## CUTTING-EDGE EXPERTISE AT THE VERY HEART OF THE 4<sup>TH</sup> INDUSTRIAL REVOLUTION

- Cyber-security
- Data science
- E-mobility
- Internet of Things (IoT)
- Nano-satellites
- Autonomous systems



### 2017 DATA

(excluding SQS acquisition)



More than 9,000 employees worldwide



Operations in 15 countries



Revenues of €700 million

# GOVERNANCE AND ETHICS

We are convinced that quality of governance contributes to corporate performance, and therefore constantly strive to ensure this is taken into account in our responsibility and risk-control management requirement.

The Company is governed by a Management Board overseen by a Supervisory Board comprising 6 members, two of which are women.

The Supervisory Board has set up two Special Committees: a Strategic Committee and an Audit Committee.

The existence and functioning of these committees contribute towards strengthening our system of checks and balances.

## OUR ETHICS COMMITTEE

The Ethics Committee defines, approves and oversees the implementation of ethical policies within Assystem Technologies. It meets at least once every quarter and in the event of special circumstances. Once a year, the Ethics Committee holds a special session in the presence of the Group's Chief Executive Officer. The Committee publishes reports on the ethical situation of the Company with contributions from each geographical region. In 2017, the Ethics Committee's priorities included the group-wide implementation of the requirements laid down in the Sapin 2 law, notably those regarding the fight against corruption.

# CSR VISION AND PROJECT

We are in the midst of a technological and social revolution that will transform our life styles with regard to mobility, consumption, production and communication.

**O**ur mission is to help the largest industrial players design the products and services that will shape the world of the future.

Our customers are aware of our ability to carry out complex international projects with rigour and integrity, while respecting our time, cost and quality commitments.

Social, societal and environmental responsibility is therefore essential to our success and performance. This is why sustainable development challenges have long been integrated into our expertise and corporate culture.

## SUSTAINABLE DEVELOPMENT PLAYS A TWO-FOLD OPERATIONAL ROLE IN THAT AS IT:

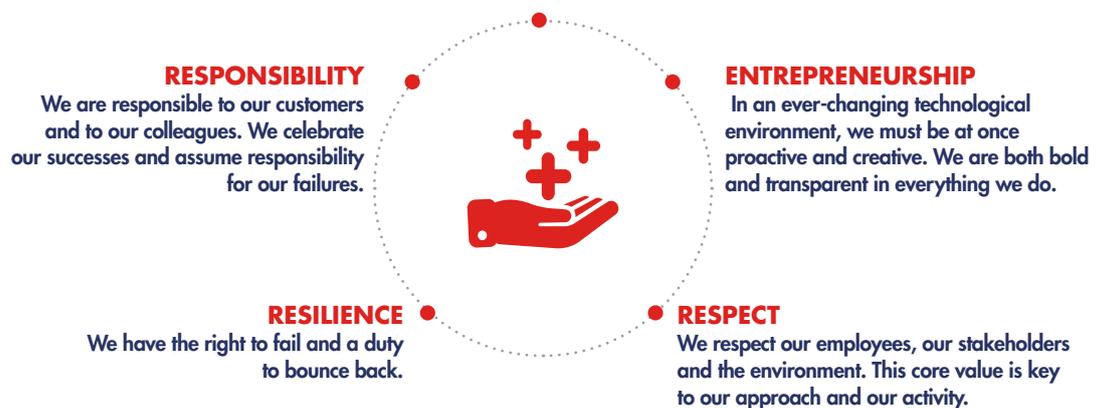
Serves to leverage the prevention and control of operational and reputation risks;

Offers a competitive advantage. This responsibility is underpinned by values that are meaningful for the company.

A driving force for the company, this project also provides a unifying framework for our organisation and our employees. It is supported every day by a set of shared values that guide us in all of our actions:

### SUSTAINABLE PERFORMANCE

This is both an objective and a state of mind. We always endeavour to do our very best.





# PUTTING **EMPLOYEES** AT THE HEART OF OUR CORPORATE PROJECT

- .. ATTRACTING AND RETAINING TALENT
- .. DEVELOPING EXPERTISE AND SKILLS
- .. MAINTAINING AN ACTIVE SOCIAL DIALOGUE

## OUR KEY COMMITMENTS

## OUR RESULTS

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Attracting and  
retaining talent



Junior profiles as  
a percentage of new recruits  
**26%**

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Developing expertise  
and skills



**25 hours**  
training per year  
per employee

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Sharing a culture of prevention  
with regard to health and safety  
at work



Rate of work-related  
accidents:  
**4.5%**

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Promoting diversity within  
the company



Percentage  
of women recruits:  
**30%**



**Gerard Brescon**  
Group Head of HR

•• Since intellectual services account for the bulk of our activities, we place human challenges at the forefront of our commitments. Our social policy objectives are three-fold.

Our first goal is to become a “creator of skills”. Meeting our customers’ needs in terms of human resources goes hand in hand with our ability to develop the potential of all of our employees. Recruitment, skills management and professional training are central to the company’s Human Resources policy.

**"OUR COMPANY IS  
A SOCIAL ECOSYSTEM  
THAT ADAPTS IN  
LINE WITH SOCIAL  
TRENDS"**

In addition, we are aware of the need to create the conditions for a useful and constructive social dialogue. As such, we strive to ensure optimal working conditions with priority given to well-being in the workplace and the prevention of psychosocial risks.

Thirdly, we are fully committed to ensuring equal opportunity for everybody in the company by promoting gender equality, integration and job security for disabled people, and the fight against all forms of discrimination and exclusion.

The focus of our road map in 2018 will be on recruitment and staff retention, with a view to becoming and remaining an employer of choice for talent in our sector. ••

# ATTRACTING AND RETAINING TALENT

Our 9,000 employees are our principal asset. Their expertise and capacity to innovate are essential to support and implement industrial transformation and to help address our customers' new challenges.

**W**e have implemented a clear set of guidelines for recruitment, international mobility and training. It meets a triple objective: to be able to propose attractive career prospects and opportunities to engineers and technicians, to develop the proactiveness of our teams and to enhance their technical and digital savoir-faire.

In this highly competitive sector, we have introduced a training programme for the entire recruitment division (sourcing staff, recruiters and managers, etc.). The purpose of the programme is to create and professionalise dedicated teams.

By maintaining a permanent dialogue and forging multiple partnerships, Assystem Technologies is also cementing its relationships with professional schools and universities. We are in favour of maintaining ties between training institutions and the corporate world by intervening in schools and organising student visits to our main sites.

## RANKED AMONG THE TOP 100 RECRUITING COMPANIES

In 2017, Assystem Technologies was ranked among the top 100 recruiting companies in France (source: Usine Nouvelle rankings at 12/01/17).

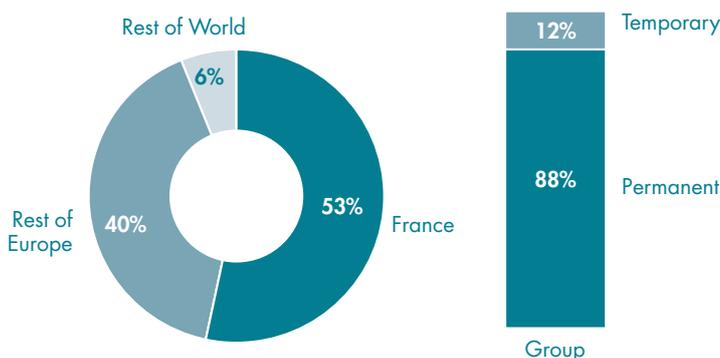
With 5,000 recruitments announced for 2018 across the Group (of which 2,000 in France), Assystem Technologies' goal is to attract the finest profiles on the market and to lend support in shaping their professional career paths.

•• With our activities becoming more diversified and international in a strong growth environment, our priorities are to attract talent and to foster their professional development via the acquisition of skills. ••

**Valérie Magrez**, France Head of HR

## DISTRIBUTION OF JOBS

TOTAL PERMANENT FTES: **9,104**



**88%** of the group staff have a permanent contract.

**2%** organic growth of permanent jobs between 2016 and 2017 within the group.

ORGANIC JOB GROWTH SINCE 2016



## WELCOMING AND INTEGRATING RECRUITS

Assystem Technologies has introduced induction interviews conducted by recruitment managers. New recruits are invited for a first interview at the end of their first month and to a second one after 6 months. These interviews enable recruiters, managers and HR managers to rapidly identify recruits' strong points, as well as their possible needs in terms of support and areas of improvement to be implemented. The procedure is underpinned by a network of in-house trainers and coaches who reinforce the sense of belonging for new recruits and facilitate their integration.



**More than 25% of recruits are young graduates**



**70% of managers began their careers as junior engineers**



**In 2017, more than 1,000 employees benefited from an international mobility experience**

## MOBILITY PATHS DESIGNED TO ENRICH THE EMPLOYEE EXPERIENCE

Assystem Technologies was present in 15 countries in 2017 and operates in several business sectors. Employees can leverage the Group's global presence and multi-sector culture to enhance their professional career paths, notably by:

- discovering new environments;
- developing their skills and expertise;
- reinforcing their network and adaptability;
- benefiting from an international experience.

This allows the company to retain its talents by offering them career-development opportunities through a variety of mobility paths:

- **Geographic mobility:** to support the professional and/or personal development of employees in France and abroad.
- **Sector mobility:** to give employees the opportunity of applying their skills in another sector. In certain cases, mobility can anticipate economic cycles and trends.
- **Technical mobility:** to enable the development of new fields of expertise and skills.
- **Mobility through managerial promotion opportunities:** to promote hierarchical responsibilities and project management.

For mobility projects initiated by employees, relay interviews are set up to enable candidates to qualify their project, analyse the opportunities and validate the process. A mobility kit available on the company intranet in France lists all the services offered.

For projects initiated by the company, a transfer bonus may be paid, and any travel and/or moving costs may be covered.

### TOOLS AND RESOURCES FOR EMPLOYEES TO DEVELOP AND FINALISE THEIR MOBILITY PROJECTS

A monthly mobility newsletter presenting the main professional opportunities within the company.

A SmartHR Portal advertising all job vacancies.

Managers/HR Managers with whom employees can discuss their mobility projects.

A mobility team which ensures the overall monitoring of the project and lends support on contractual and operational aspects.

# DEVELOPING EXPERTISE AND SKILLS

For Assystem Technologies, the professional development and fulfilment of its employees is central to its corporate project.

**W**e constantly strive to adapt our formats and contents so as to anticipate changing market trends and train our teams to meet the challenges of the future. The company's technical training offering is supplemented by induction programmes for new recruits, as well as skills-development programmes, knowledge acquisition and team/project management.

## THREE TOOLS TO DEVELOP EMPLOYABILITY

Most business training takes place within the Assystem Institute. The purpose of our business training programme is to strengthen our community of experts and offer skills acquisition programmes (specific to a sector or to a business line in particular) via 4 training institutes: the Assystem Aerospace Institute, the Assystem Automotive Institute, the Assystem Systems Institute and the Assystem Project Management Institute.

To address the shortage of technicians in aerospace-production support professions, in 2017 Assystem Technologies opened the «Skills Development Centre», an accredited training centre based in Toulouse. This 750m<sup>2</sup> centre includes 8 training rooms and a 150m<sup>2</sup> space dedicated to simulation workshops, equipped with a flight simulator.

The objective is to adapt the skills of our employees and our customers' teams to meet the operational needs of the sector by using innovative technologies such as virtual reality or augmented reality. The centre also offers training courses to people with remote job profiles in collaboration with the region and local employment centres.

### THE ASSYSTEM TECHNOLOGIES TRAINING ECOSYSTEM

#### The Assystem Institute

4 specialised institutes which offer skills-acquisition programmes to ensure a solid base for knowledge that is essential, as well as to strengthen employee expertise and provide continuous training for teams.

#### Assystem Skills Development Centre

A training centre, specialised initially in the aeronautics sector, which designs specific modules for Assystem Technologies' employees and customers.

#### Assystem Training Lab

An incubator dedicated to new teaching/learning approaches run by the training department.



More than  
**1,000 training sessions**  
per year

**12 trainers**  
with experience  
in the field

**250 experts**

In addition, via the Assystem Training Lab, the training department conducts research into new learning solutions. Training managers can supplement traditional teaching formats by using the remote learning modules (e-learning), video training programmes and corporate coaching and e-coaching solutions at their disposal and, as such, offer customised training solutions in line with the expectations of the teams.

## CUSTOMISED TRAINING PROGRAMMES

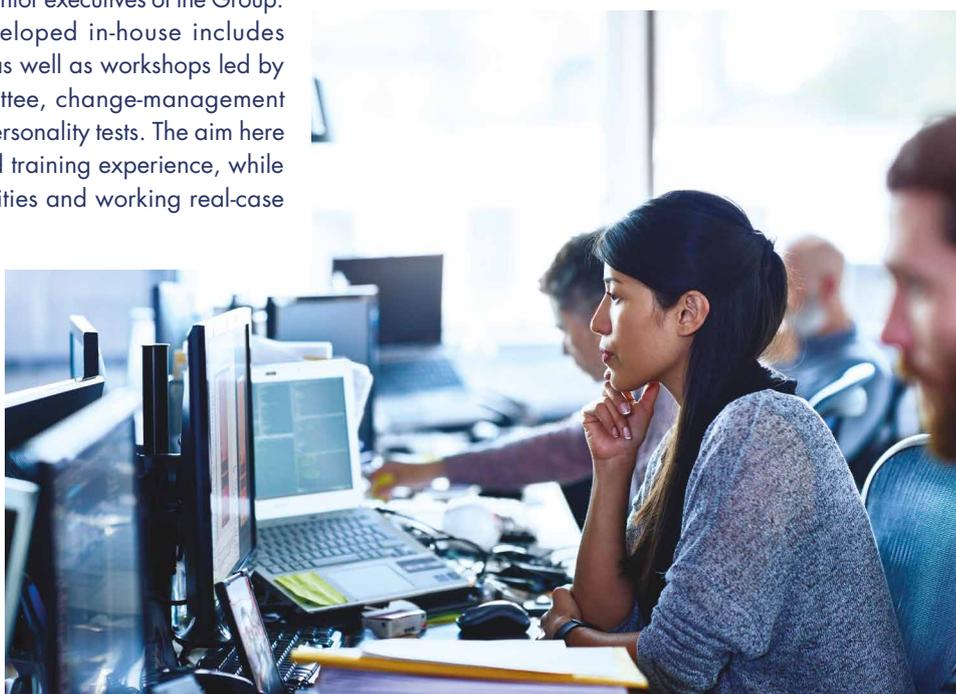
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### FOR YOUNG GRADUATES

In 2012, Assystem Technologies implemented an original trainee-induction support system; the Leo Program. End-of-study interns can participate in a team innovation competition and create an R&D project with the support of an operational advisor. The pre-selected teams then present their projects to a panel of managers. The winning projects receive support from the innovation and technical departments (and, in some cases, from group customers or partners as well) during their development through to completion.

### FOR HIGH-POTENTIAL EMPLOYEES

Encouraging and supporting the professional development of international managers is one of the Group's priority training areas to fill key positions and retain high potential. In 2017, a programme dedicated to Business Leaders was designed to develop the strategic skills of future senior executives of the Group. The multicultural curriculum developed in-house includes leadership development sessions, as well as workshops led by members of the Executive Committee, change-management modules, personal coaching and personality tests. The aim here is to offer participants a customised training experience, while exposing them to operational realities and working real-case scenarios.



# MAINTAINING AN ACTIVE SOCIAL DIALOGUE

Assystem Technologies' social responsibility approach is underpinned by several corporate agreements, including:



## THE AGREEMENT IN FAVOUR OF EMPLOYEES WITH DISABILITIES

The aim of which is to raise the awareness of all employees and managers on disability issues in the Company. After concluding several agreements with AGEFIPH, a first company agreement on the employment and job security of employees with disabilities was signed in 2013. This was renewed in 2016 for a period of 3 years.



## THE PROFESSIONAL-GENDER AGREEMENT

Women are grossly under-represented in the engineering sector. The Company has set an objective to increase the number of women recruits and foster their career development. Signed in 2016, this agreement was extended until the end of 2018.



## THE COMPANY AGREEMENT RELATIVE TO THE GENERATION CONTRACT

The objectives of the generation-contract agreement, which covers the period from 2016 to 2018, are three-fold: to improve access to employment for young people, promote job security for older workers and ensure the transmission of knowledge and skills within the Company.

••The Company's aim is to maintain and develop a constructive social dialogue based on listening to the needs of, and respecting, others. The quantity (and quality) of the collective agreements concluded within Assystem Technologies in France testifies to this commitment. ••

**Sylvie Bonnefond**  
Director of Social Affairs

## PROMOTING NEW WAYS OF WORKING

In 2017, the Group signed a company agreement with its social partners on teleworking. This mode of working promotes work-life balance, enables employees to manage their time more efficiently and helps to limit business travel, which, in turn, reduces the Company's carbon footprint. To support and deploy this new working approach, 300 managers each received a 2-hour, one-on-one web-conferencing training session. The legal framework, the managerial position and the relationship of trust with the teams were some of the points raised during these sessions.

## ENSURING WORK-LIFE BALANCE

Aware of the need to adapt to societal trends, Assystem Technologies has implemented a work-life balance charter. This charter is a continuation of the agreement on professional equality and aims to promote a healthy and respectful work environment that takes into account the family responsibilities of employees.

Assystem Technologies is also attentive to employee well-being and providing a friendly working environment. The Company has installed relaxation areas for its employees that are equipped with table football facilities, ping-pong tables and expression walls in its main branches. Other social bonding initiatives have also been deployed, such as in-house competitions during which employees can participate in key moments of the Group, and the implementation of car-pooling and car-sharing schemes for professional and private purposes.



## REWARDING EVERYONE FOR THEIR CONTRIBUTION TO THE COMPANY'S PERFORMANCE

The Group's wage policy values everyone's individual commitment and enables all employees to benefit from the fruits of the Group's performance. For the sake of ensuring transparency, an Individual Social Report (ISR) is sent every year to employees.

Each employee receives individual compensation, as well as collective compensation and a range of social benefits.

### INDIVIDUAL COMPENSATION:

- Fixed contractual salary
- Variable compensation for staff members with a certain level of responsibility (Bonus Plan)
- Exceptional individual bonuses

### COLLECTIVE COMPENSATION:

In France, Company profits are shared among all employees via two company agreements:

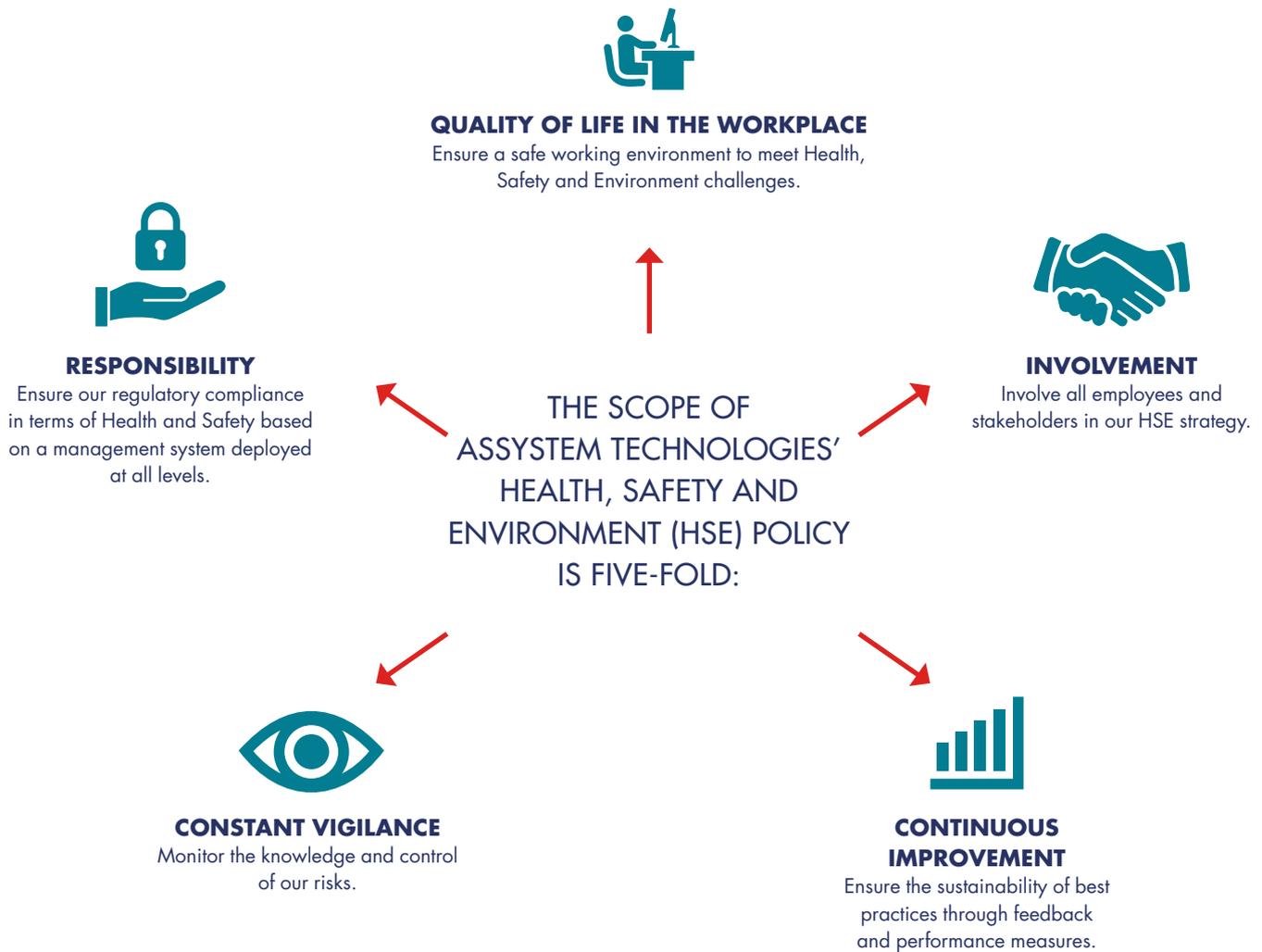
- a statutory profit-sharing agreement based on the equal distribution of profits to beneficiaries;
- a profit-sharing incentive agreement based on the equal distribution of the amount to beneficiaries.

### THIS POLICY IS SUPPLEMENTED BY THE FOLLOWING SOCIAL BENEFITS:

- social contributions (health, welfare, social works) of around €1,000 per year per employee;
- a supplementary pension plan;
- a Group savings plan;
- access to company cafeteria or luncheon vouchers;
- works council subsidies.

# IMPLEMENTING A CULTURE OF PREVENTION REGARDING HEALTH AND SAFETY AT WORK

Preserving health and safety in the workplace is a continuous improvement process since it involves all stakeholders in the company: managers, employees and temporary workers, alike.



This system also includes a mapping of operational risks to assess dangerous situations related to our activities and to define the associated prevention programme.

## PREVENTION CAMPAIGNS TO REDUCE THE RISK OF ROAD ACCIDENTS

Work-related road risks are the main cause of accidents at Assystem Technologies (commuting and business trips). To reduce these risks, we organise prevention campaigns every year and provide employees with communication tools, such as video-conferencing and audio-conferencing. This is supplemented by training sessions, new safety equipment for vehicles and alternative transport initiatives. This strategy resulted in a decrease of 13% in the number of accidents reported in 2017 and of 20% in hazardous behaviour.



## A PROACTIVE APPROACH TO PREVENT PSYCHOSOCIAL RISKS

Management is particularly aware of stressful situations that can destabilise some and weaken their moral or cause concern. These situations include:

.....

**Complex projects with tight deadlines requiring the support of all teams.**

.....

**Transition periods between roles, a phenomenon inherent to Assystem Technologies' business, that can lead to professional and geographical mobility.**

.....

**Personal circumstances (prolonged illness, loss of a loved one, etc.) or circumstances which affect group (states of emergency or victims of terrorist attacks, etc.) that can temporarily affect the lives of employees.**

.....

A psychosocial alert network has been set up to identify employees that could be exposed to and affected by situations such as these. Psychological-alert monitoring is carried out on a daily basis by a team of occupational doctors, managers and human resources managers. The system anticipates and listens to the needs of employees in such situations and provides them with customised solutions, within the limits of the operational capacity of Assystem Technologies and compliance with privacy laws. Depending on the situation, an external listening unit can also be set up in association with the agency Eleas, which is specialised in psychosocial stress.

A joint committee meets once or twice a year to review a series of monitoring indicators and define the potential vigilance and support actions.

# PROMOTE DIVERSITY AT ALL LEVELS WITHIN THE COMPANY

We have implemented a pro-active strategy to promote equal opportunity for all, regardless of gender, age, nationality, social background or state of health.

Convinced that diversity in the workplace is an asset, we have been a signatory of the Equal Opportunities Charter since 2005 and launched several initiatives to deploy a true corporate culture in this domain.

## DISABILITY: 10 YEARS OF COMMITMENT!

Assystem Technologies launched its disability initiative, "Mission Handicap", in 2007 making it one of the pioneers in its sector.

Over the years, the company has stepped up its actions in a bid to change the public perception with regard to disability issues. This momentum is set to continue and will be driven by:

- the recruitment and integration of employees with disabilities;
- ensuring job security, notably by adapting the workplace environment;
- subcontracting to sheltered organisations, such as EAs (adapted enterprises) and ESATs (French assistance and service centres that help disabled people find work);
- raising awareness and informing employees, customers and third parties on disability issues.

Because this has been a long-term commitment for the Group, the number of our employees with disabilities is above the average rate for the engineering sector (1.6%).

•• At Assystem Technologies, we firmly believe difference is an asset. This is why we have been committed for more than 10 years to promoting diversity within the company. This has involved making far-reaching commitments to promote the integration and employment of handicapped people and professional gender equality. ••

**Cristelle Jacq**  
Diversity Manager

### SPECIFIC MEASURES PUT IN PLACE IN 2017 WITHIN THE CONTEXT OF THE AGREEMENT ON DISABILITY:

- Workstation improvements (18 improvements);
- Number of additional days of absence granted (74);
- Number of employees who benefited from CESU cheques (57).



Road Tour across France for the 10<sup>th</sup> anniversary of the Mission Handicap



**4,500 kms covered**



**21 awareness-raising actions**



**535 employee participants**

In 2017, our Mission Handicap initiative celebrated its 10<sup>th</sup> anniversary. Numerous actions, such as sign-language initiation workshops, silent cafés, solidarity markets, etc. were organised to raise staff awareness on disability issues. This was part of an initiative to meet with employees in our offices and at our customers' sites during a road trip covering the whole of France. Two evening theatre outings rounded off the celebrations (one in December 2017 in Toulouse and the other in February 2018 in Saint-Quentin-en-Yvelines).

In March 2017, we also participated in the 3rd edition of the Women-in-adapted-enterprises Awards, organised by Handiréseau. The purpose of these awards is to promote the exceptional career paths of women in adapted enterprises as well as the savoir-faire of these structures in terms of professional integration of people with disabilities.

## ATTRACTING FEMALE CANDIDATES AND PROMOTING PROFESSIONAL EQUALITY

In 2010, Assystem Technologies created a Diversity service to implement its commitment with regard to gender equality, both in terms of recruitment as well as career management and wages. We are convinced that diversity drives performance, in that it creates team balance and enhances managerial approach.

The challenge is quite considerable since the percentage of women in engineering sectors is relatively small. In France, only 30% of students graduating from engineering schools and 20.5% of professional engineers are women.

To boost recruitment levels of women and promote mixed-gender teams, we pursued our efforts in 2017 by:

**Organising a recruitment evening for female candidates in October 2017** which resulted in the hiring of 16 engineers in the Paris region out of a total of 60 candidates;

**Participating in conferences:** the Diversity team regularly intervenes to raise the awareness of students, such as those at the EPF in Sceaux or the Polytech in Nancy, or with the Group's partners at round tables or during breakfast debates;

**Implementing a mentoring programme;**

**Sponsoring races** such as La Parisienne, La Toulousaine and the Marseille Cassis.

**These action plans, together with our proactive policy, boosted the Group's female employment and recruitment rates to 21% and 30%, respectively, in 2017.**

### XECO FOR ALL!

To boost the number of female staff members and promote peer-to-peer exchange, Assystem Technologies implemented a set of targeted actions notably by launching a dedicated «Femmes d'Énergie» (Women of Energy) network. The aim of the network and its 250 members is to feminise teams and dispel the prejudices that persist in a world that is still dominated by men.

In 2018, Assystem Technologies took another step forward by changing the name of the network to "XEco" and by boosting the focus on gender diversity. XEco has relaunched a proactive drive towards sharing experience and promoting diversity as an asset within our teams.

## CAPITALISING ON GENERATIONAL DIVERSITY

Assystem Technologies promotes the integration of young graduates. In this regard, young people account for more than 25% of its annual recruitment quota. In all the countries where the Group is present, induction programmes have been set up to provide support and guidance to new recruits and work-study interns when they join the company.

We are also attentive to the need to promote older employees. Expertise is indeed precious and we must foster the transmission of skills and savoir-faire. In France, we signed a company agreement covering 2016-2018 to raise the percentage of recruits aged 45 and over to 8% and to maintain their employment rate relative to the total workforce at a minimum of 17%. At the beginning of 2017, employees aged over 45 accounted for 9% of recruits and 18% of the Group's total headcount. We have also implemented a career-management programme enabling older employees to maintain and build on their skills, and to transmit their knowledge to younger generations.

## 2017 KEY PERFORMANCE INDICATORS

The table below sets out the Group’s key performance indicators and the results of the Enterprise, Social and Governance (ESG) audit carried out by the INDEFI agency. This audit is supplemented by a set of progress plans designed to establish a continuous improvement process.

	AREA	KEY PERFORMANCE INDICATOR	INDEFI	AUDIT ESG	2017
RESPONSIBLE EMPLOYER	Employee training	Number of training hours per year per employee	V	AA	25 hours per year per employee
		Percentage of employees having received training	V	AAA	61%
	Working conditions	Absenteeism	V	A	3.4%
		Accident frequency rate	V	AA	4.5
	Diversity	Percentage of female employees	V	BBB	21%
		Percentage of disabled employees	V	AA	1.6%



# CREATING THE CONDITIONS FOR **RESPONSIBLE GROWTH**

- .. PROMOTING SUSTAINABLE INNOVATION
- .. USING QUALITY MANAGEMENT TO BOOST GLOBAL PERFORMANCE
- .. PROGRESSING WITH OUR STAKEHOLDERS
- .. SECURING OUR PROCESSES TO KEEP OUR CUSTOMERS' TRUST

## OUR KEY COMMITMENTS

## OUR RESULTS

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Integrating eco-design into our R&D projects



**20%**  
of projects dedicated to eco-design

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Continuing the deployment of our quality management system



**94%**  
of sites are now ISO 9001: 2015

---

Progressing with our stakeholders



**74%**  
overall customer satisfaction rate

---

Securing our processes and our IT systems



**100%**  
of our sites covered by the requirements of ISO 27001 (managing IT security systems)



**Aurélie Harti,**  
Head of Quality and CSR

**"THE INTEGRATION OF  
CSR PRINCIPLES INTO  
OUR BUSINESS MODEL  
SUPPORTS OUR OVERALL  
PERFORMANCE"**

●●Laying down CSR principles would make no sense if our operating model was not in line with them. Our quality system plays a major role: our quality procedures and our ethics and compliance measures transpose our CSR commitments into instructions known to all and whose implementation can be verified. ●●

# PROMOTING SUSTAINABLE INNOVATION

## GOVERNANCE OF INNOVATION

Our innovation approach stretches from the identification of market needs, to calls for tenders and the management of projects.

An Innovation Committee holds meetings several times a year. It is chaired by the Group's Innovation Manager, and involves the Technical Managers, Business Development representatives and the Chief Technology Officer.

This Committee selects the most relevant projects and supports their development in order to include them in the Company's portfolio.

A network of regional Innovation Managers is charged of rolling out this proactive strategy at the local level, stimulating productivity, ensuring the progress of the projects under way, and developing the ecosystem with external service providers.

••There is no general legal obligation regarding eco-design, but the dwindling of natural resources, climate change and biodiversity concerns are pushing manufacturers, and businesses in general, to take measures concerning those issues. We have placed those major challenges at the heart of our R&D approach. ••

**Ygal Levy**, VP Strategy & Innovation

**2017 R&D budget (internal and with customers):**  
**€35 million**

**Number of engineers having worked on R&D projects:**  
**500**  
**FTE employees**

**Percentage of 2017 projects devoted to eco-design:**  
**20%**

**Number of active partnerships with external institutions:**  
**20**

## INNOVATION AND ECO-RESPONSIBILITY

Through greener aircraft components, less polluting transport modes, and processes to save natural resources, we contribute, alongside our customers, to the emergence of a more planet-friendly model. In order to promote a more responsible economy, our teams work on the design of new processes, the improvement of existing techniques, the creation of new services, and the development of new uses.

The goal of Assystem Technologies' innovation division is twofold:

### FOR OUR CUSTOMERS

- Seize digital transformation opportunities and reduce the corporate footprint of development projects by identifying and managing promising technologies and deploying eco-responsible solutions.

### WITHIN THE COMPANY

- Improve our socio-environmental performance (e.g. by reducing greenhouse gas emissions).
- Develop collective efficiency, internal cohesion, and a sense of belonging within the Company.

## OUR R&D FOCUSES IN THE FIELD OF ECO-DESIGN

While Assystem Technologies' customers do not always demand specific environmental solutions, good practices are becoming the norm. Assystem Technologies' teams are making every effort to offer services that support customers' environmental policies.

### These services include solutions to:

- reduce their carbon footprint;
- ensure compliance with regulatory provisions, in particular concerning chemicals;
- promote the eco-design of their products and services;
- reduce management costs through life cycle analyses (LCAs).



### ASSYSTEM TECHNOLOGIES IS PARTICIPATING IN A LARGE-CAPACITY AIRSHIP PROJECT

Assystem Technologies is participating in the design and manufacturing of a large-capacity airship developed by Flying Whales. This is one of today's most revolutionary aeronautic projects, in terms of both concept and construction. This over-sized airship is capable of transporting heavy loads to places where there are no roads or which are difficult to access. The project secured private and public funding in 2016 and 2017.

Capable of transporting up to 60 tonnes of goods in its holds, this giant hot-air balloon is the size of a 12-storey building and is 150 metres long (i.e. the equivalent of two A380 jumbo jets, or one and a half football pitches). One of the project's major challenges has been to design the simplest possible assembly system and limit the amount of work carried out at great heights in order to comply with the customer's safety and cost requirements. The stereolithographic approach put forward by Assystem Technologies was one of the chosen solutions. Production will be launched in 2022 through two assembly lines based in France and China.

## A FEW EXAMPLES OF OUR ACHIEVEMENTS

In 2017, we strengthened our eco-design strategy and our environmental policy through projects such as the following:

### AERONAUTICS



- Development of a propulsion system for an autonomous electric aeroplane. The work focused on the overall architecture, the optimisation of the weight of the motor and inverters, and certification.
- Mechanical dimensioning of a turbine for a project involving an innovative turboprop with a very high dilution level.
- Study and characterisation of new products complying with the REACH standard applicable to chemicals involving health risks.
- Our areas of expertise: e-mobility, system architecture for aircraft motors, knowledge of environmental standards.

### AUTOMOTIVE



- Production of an electronic power system for an e-motorbike, and optimisation of dimensions, weight and costs.
- Optimisation of internal combustion engine architecture in cars to reduce pollutant emissions.
- Our areas of expertise: e-mobility, internal combustion engine architecture.

## A STIMULATING ECOSYSTEM

Our innovation approach is backed by an extensive ecosystem of research centres, institutions, universities and technology suppliers, with whom we work closely.



### MOBILIS: A "RESPONSIBLE" MOBILITY PROJECT

Mobilis is an individual autonomous urban transport project for "motorised pedestrians", with a carbon and noise footprint that is practically nil.

The vehicle may be used on demand from the user's home, or for commuting from the train station to the workplace.

This innovative project, whose design is being finalised, could also appeal to local authorities to enable them to offer a new mode of flexible, eco-friendly transport.

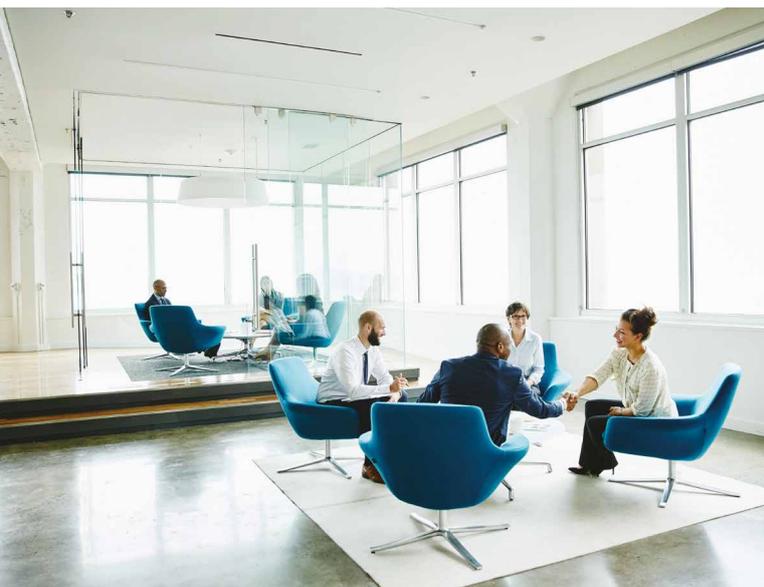


# USING QUALITY MANAGEMENT TO BOOST GLOBAL PERFORMANCE

Our global quality management approach promotes cooperation between countries. It also simplifies international coordination and ensures operational consistency and regulatory compliance, thus improving customer satisfaction. It enhances our standing as a reliable partner.

The global system rolled out within the Group guarantees quality of service to all our customers. It creates synergies, transparency, and shared understanding of our processes and their workings, both in-house and with our customers.

In this regard, in 2017, we aligned our quality systems in France, Romania and Spain. In 2018, we want to continue the deployment of this system and its convergence between countries. The goal is to achieve the same standard and processes, and ensure ongoing compliance with our customers' requirements and applicable norms.



•• The implementation of a Quality-Safety-Environment (QSE) management system is an objective shared by all Group entities. Our certification approach implies compliance with our customers' requirements and with applicable regulations, while managing the continuous improvement process. ••

**Aurélia Harti**, Head of Quality and CSR

# PROGRESSING WITH OUR STAKEHOLDERS

## WITH OUR CLIENTS: AN ANNUAL SATISFACTION SURVEY

Every year, Assystem Technologies conducts an in-depth international satisfaction survey via an external partner. This survey supplements the observations made by our employees and managers in daily contact with our partners in their workplaces. This satisfaction survey enables us to gauge, at a given moment, across all our activities, our partners' view of the quality of the services provided and relationships maintained. This tool also makes it possible to detect emerging trends and needs in order to improve our service offering.

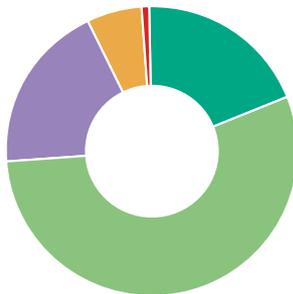
The survey covers six major themes: quality of customer relations, business proposals, project management, quality of the services provided, pro-activity of teams, and flexibility of services. In 2017, 461 responses were collected via the internet or through telephone interviews.

•• Ongoing dialogue with external stakeholders is essential for the success of the projects and the sustainability of the Company's activities. ••

**Patrick Anglard**  
Chief Technology Officer

### TO SUMMARIZE, TOGETHER ALL ASPECTS, WHAT IS YOUR GLOBAL LEVEL OF SATISFACTION TOWARDS ASSYSTEM?

- Very satisfied: 19%
- Satisfied: 55%
- Partially satisfied: 19%
- Unsatisfied: 6%
- very unsatisfied: 1%
- Do not know

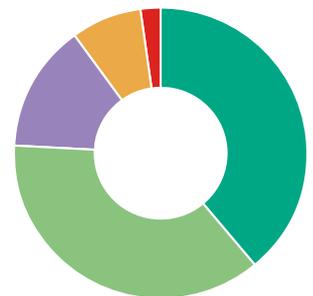


In 2017, we obtained an overall satisfaction rate of **74%**.

Only **7%** of customers stated that they were totally unsatisfied. All of those customers are being individually followed up in order to implement the required improvement measures.

### WOULD YOU RECOMMEND ASSYSTEM TO A COLLEAGUE OR TO A BUSINESS CONTACT?

- Yes certainly: 39%
- Rather Yes: 37%
- Neutral: 14%
- Rather not: 8%
- Absolutely not: 2%
- Do not know



The overall recommendation rate, estimated at **76%** for 2017, places us 15 points above the Net Promoter Score (NSP), i.e. 10% higher than the sector average.

## WITH ENGINEERING SCHOOLS: CONTINUING OUR STRATEGIC PARTNERSHIPS

Every year, 25% of Assystem Technologies' new hires consist of young graduates. In this regard, we have long-term partnerships with a number of training institutions.

### A FEW EXAMPLES:

We have signed an educational support agreement with the INSA Toulouse foundation. It consists in offering internship, apprenticeship and employment contracts, and also involves talks by experts at INSA, participation in business forums, and the sponsoring of INSA's sport association.

We are also a member of the Polytech network and are one of the very first companies to have signed their charter, which provides concrete guidelines to align the practices of the network's 16 member schools in terms of organisation, education and collaboration. The objective is both to guarantee the quality of the engineering curricula and to promote the successful professional integration of the students. The ties built between Assystem Technologies and the network – through numerous initiatives conducted in the engineering schools of Paris-Sud, Lille, Tours and Grenoble – underpin this partnership.

The partnership is continuing in 2018 with the set-up of new agreements and the development of initiatives – such as innovation challenges – with other schools throughout France.

Other actions have been initiated to incite young graduates to join the Company:

- internship offers on student recruitment portals;
- participation in student forums, school events and fairs;
- organising of events for young graduates.

•• It is primordial for Assystem Technologies to ensure that our procurement policy and processes are exemplary in terms of ethics and compliance, and that they keep pace with constantly changing regulations. ••

**Michel Gilbert**  
Head of Intellectual Services Procurement



## WITH SUPPLIERS: PROMOTING RESPECT FOR HUMAN RIGHTS ACROSS OUR ENTIRE VALUE CHAIN

Assystem Technologies asks its subcontractors and service providers to contractually commit to fully respecting the following rules and ensuring their implementation:

.....  
**Abstaining from using child labour or any other of forced or compulsory labour, in compliance with International Labour Organisation standards;**  
 .....

.....  
**Abstaining from any form of discrimination within the Company or with subcontractors;**  
 .....

.....  
**Ensuring the safety of employees and third parties;**  
 .....

.....  
**Employing people in compliance with applicable laws and regulations;**  
 .....

.....  
**Respecting the environment in the design of products, their manufacturing, use, disposal or recycling, and minimising negative impacts on the environment, in accordance with all applicable national and European environmental regulations and public health laws.**  
 .....

## ENABLING OUR EMPLOYEES TO ENGAGE IN SOCIETAL PROJECTS

In 2017, we renewed our partnership with Clinatec, a cutting-edge research centre which designs innovative biomedical devices for the medicine of the future. We are participating in the co-development of a brain-machine interface project. Its end-goal is to give mobility to persons with severe motor disabilities through an exoskeleton controlled by their brain via an implant. Our support consists in skill-based sponsorship. Some ten Assystem Technologies engineers have joined Clinatec's research team to work on this project.



### GLOBAL COMPACT

Assystem Technologies has been a signatory to the UN Global Compact since 2011. The Company is committed to complying with the Global Compact's ten key principles, which notably concern labour rights, human rights, environmental protection, and the fight against corruption.

With over 13,000 signatories across 170 countries, the Global Compact is the most important international initiative for voluntary commitment to sustainable development.

It encourages organisations to anticipate the impact of their activities over the long term and incites them to improve their CSR approach by establishing a culture of responsibility, both in their strategy and in their operations, and by setting up action plans.

## SECURING OUR PROCESSES TO KEEP OUR CUSTOMERS' TRUST

**T**he protection of our IT system is crucial to the Company's continued ability to maintain and develop its activities, support its teams in the performance of their tasks, and keep the trust of our partners and customers.

Data safety and reliability require solid IT management. This involves:

- security management;
- the defining of an IT security policy;
- the control of security rules and requirements;
- business continuity and recovery processes.

Our management of IT security complies with ISO 27001 requirements; the security rules and related directives are laid down in a set of reference documents including a security policy and an IT charter. The aim of this charter is to define the rules applicable to the use of our IT facilities and to set out the responsibilities of users.

Our cyber-security system is regularly audited by our customers, in particular in the aeronautics and defence sectors – which require additional measures to those of ISO 27001.

•• The projects and services we conduct for our customers are mainly based on data that belongs to them or requires access to their IT systems. It is absolutely essential to assure them that this data and their systems are protected from cyber attacks and data theft. We thus use the greatest care in defining and putting in place cyber-security policies and solutions. ••

**Christophe Cassaz**  
Chief Information Officer

### COMPLIANCE WITH THE NEW GDPR REGULATION

Assystem Technologies sees to the implementation of applicable legal and regulatory provisions regarding confidentiality, the protection of persons and the protection of intellectual and industrial property.

The processing of data likely to contain personal information requires prior compliance with legal formalities. The Company has fulfilled all of its obligations under the EU's new General Data Protection Regulation (GDPR), in force from 25 May 2018. The IT Department, along with the Legal Department and the Company's data protection experts, are all on deck.

## 2017 KEY PERFORMANCE INDICATORS

The table below shows the Group's main Key Performance Indicators, as well as the results of an ESG (Enterprise-Social-Governance) audit conducted by INDEFI. This audit is supplemented with improvement plans to ensure progress under a continuous improvement process.

	AREA	PERFORMANCE INDICATOR	INDEFI	AUDIT ESG	2017
A RESPONSIBLE PLAYER	Certifications	Percentage of certified sites (ISO 9001: 2015)	V	AA	94%
	Customers	Overall customer satisfaction rate	V	A	74%
	Security of IT Systems	Percentage of ISO 27001 requirements covered	V	AAA	100%
	Support	Performance of suppliers assessed	V	BBB	74%
	Suppliers	Total burden of assessed expenses	V	BBB	77.2%



# CONTROLLING OUR IMPACT ON THE ENVIRONMENT

- .. LIMITING OUR CARBON FOOTPRINT
- .. REDUCING OUR WASTE

## OUR KEY COMMITMENTS

## OUR RESULTS

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Limiting our carbon footprint



Carbon footprint per employee:

**0.83%**

(down 4.6% year-on-year)

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Promoting sustainable mobility



**30** shared vehicles in France, of which **23%** are electric vehicles

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Reducing our waste



Waste-sorting bins in **33%** of our surface area

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**Patrick Anglard**  
Chief Technology Officer

**"THE MANAGEMENT  
OF THE ECOLOGICAL  
FOOTPRINT  
OF SERVICES AND  
ENGINEERING ACTIVITIES  
HAS BECOME AN  
ECONOMIC ISSUE"**

●● Assystem Technologies' environmental policy is based on prevention and the control of the risks associated with our activities, with the dual objective of reducing the ecological footprint of the Group, and reducing that of the customers we partner.

In-house, this policy translates as the measurement of impacts and the optimisation of the Company's ecological and energy footprint, in particular through the reduction of energy and raw material consumption and the control of greenhouse gas emissions.

In this regard, we implement an active policy of sustainable mobility and streamlining of employee travel. ●●

# LIMITING OUR CARBON FOOTPRINT

**A**ssystem Technologies' environmental impact is relatively low due to the intellectual nature of our services.

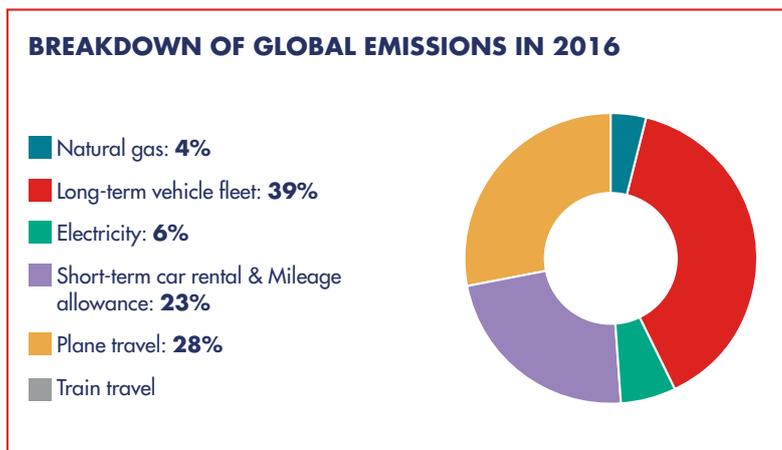
In 2017, our greenhouse gas emissions amounted to 3,959 tonnes of CO<sub>2</sub>. Employee travel (car, train and plane) generates 91% of these emissions, while the energy consumption of our offices (electricity and gas) comes far behind.

The objective set by Assystem Technologies in 2015 – to reduce its GHG emissions by 5% in 4 years – was thus translated into action plans focused on business travel. Between 2015 and 2017, greenhouse gas emissions were reduced by 11% per person, per year, in France.

Sustainable mobility is therefore one of the major avenues to reduce our carbon footprint. The solutions deployed in France in 2017 include recommending travel by train rather than by plane for journeys of less than 3 hours, as well as the gradual set-up of a "green" fleet, and the development of car sharing.

•• Over the past few years, we have been implementing an ambitious policy to reduce our greenhouse gas emissions by offering our teams alternative mobility solutions and raising their awareness of the importance of eco-driving. This policy also involves taking into account the energy efficiency of infrastructures when we select new premises, as well as promoting good practices in our offices. We are very proud of the progress achieved. ••

**Laetitia Deffains**  
Head of Procurement, Mobility and Real Estate



## PROMOTING CLEAN TRAVEL

Assystem Technologies has developed tools and initiatives to promote sustainable mobility and reduce its CO<sub>2</sub> emissions.

### TRAVEL POLICY

In France, employee business trips are governed by a travel policy. This document reminds employees that travel alternatives, such as conference calls and videoconferencing, should be the preferred choice.

It describes and lays down the conditions under which business trips may take place:

- train travel is mandatory for any journey of less than three hours;
- domestic flights and medium-haul flights in economy class;
- choice of hotels near customer sites or branch offices;
- to get to train stations and airports, preference should be given to chauffeur-driven vehicles, preferably hybrid or electric;
- for short-term car rental, opting for partners who comply with the Euro 6 standard.

### LOW-CARBON FLEET POLICY

Assystem Technologies has adopted more stringent requirements regarding the characteristics of the vehicles in its car fleet. The vehicles listed must comply with the engine specifications of the Euro 6 standards. We have laid down a CO<sub>2</sub> emissions ceiling in order to help employees choose less polluting vehicles. Electric and hybrid alternatives are proposed in all company car categories.

### REMOTE MEETING SOLUTIONS

We are continuing to promote the use of collaborative tools and videoconferencing in order to limit employee travel.

### CAR-POOLING AND CAR-SHARING

For all French sites of a significant size, travel optimisation plans have been defined, often in partnership with local authorities. The objective is to encourage intra-company and inter-company car-pooling or car-sharing. Employees who want to use this solution must register beforehand on a dedicated platform. Specially reserved parking spaces and electric-vehicle charging terminals are available.

#### The set-up of car-sharing solutions has the following benefits:

- it promotes the use of public transport by employees since they have vehicles at their disposal on their work sites for business travel;
- it supports the Company's sustainable development policy (reduction of GHG emissions, increased use of hybrid or electric vehicles, etc.).

In 2017, 30 vehicles were available on a car-sharing basis at the Saint Quentin and Toulouse premises. Out of these vehicles, 23% were electric.

Assystem Technologies also offers a car-pooling solution via the Karos, IDVroom and Speed Meeting apps in Toulouse and Ile de France.



### TRAINING IN ECO-DRIVING AND TRAFFIC RISKS

Eco-driving is an effective, easy-to-implement measure which reduces fuel consumption and CO2 emissions by 5 to 15%, while improving passenger comfort and safety. This measure also reduces vehicle wear and maintenance costs.

Courses on eco-driving techniques and traffic risks have been provided to high-mileage drivers and to employees having been found responsible for an accident over the past year. The half-day training session comprises 25% theory and 75% practice (driving). In 2017, 21 training sessions were provided across 5 sites in France.



### RAISING EMPLOYEE AWARENESS ON SUSTAINABLE MOBILITY

Every year, Assystem Technologies takes part in European Mobility Week, organised by the European Commission.

This year, our branch at Saint Quentin en Yvelines joined forces with Saipem to hold an awareness-raising day. The objective was to inform employees on traffic risks and new forms of mobility through specific initiatives and workshops, including the following:

- sustainable mobility: test-driving of electric and hybrid cars, a carpooling speed-meeting, multimodal calculators and an eco comparator;
- road safety and environment: driving simulators (motorbike and car), an interactive quiz, points-based driving licences and a tyre demonstration.

## REDUCING THE ENERGY FOOTPRINT OF BUILDINGS

The Company takes specific measures to improve the energy performance of its infrastructures, thus combining economic, social and environmental criteria. When choosing new office premises, it looks for low-consumption buildings and strives to reduce occupied surface areas for a constant number of employees. For new sites, the policy is to give preference to low-energy buildings that comply with the latest environmental standards and are equipped with more efficient control systems such as CVC smart meters.

In 2017, the Group entered into an agreement on a building renovation project, due to be completed in 2019, for the Saint Quentin en Yvelines site. Once renovated, the building will be HQE, Breeam and LEED certified. The project will impact around 1,200 employees.



## REDUCING OUR WASTE

Initiatives are conducted on numerous sites to raise employee awareness on good habits to adopt on a daily basis, including the following:

- Printers: secure printing to avoid unnecessary print-outs;
- Office waste: waste-sorting measures introduced at certain sites, involving the removal of individual bins in favour of centralised waste-sorting containers;
- Plastic cups: employees are encouraged to use their own cups instead of plastic cups;
- Ordinary industrial waste: collection and recycling of toner cartridges;
- Paper recycling through a partnership;
- Waste-sorting bins outside company restaurants.



## 2017 KEY PERFORMANCE INDICATORS

The table below shows the Group's main Key Performance Indicators, as well as the results of an ESG (Enterprise-Social-Governance) audit conducted by INDEFI. This audit is supplemented with improvement plans to ensure progress under a continuous improvement process.

	AREA	PERFORMANCE INDICATOR	INDEFI	AUDIT ESG	2017
MANAGING OUR ENVIRONMENTAL FOOTPRINT	Consumption of resources	Electricity consumption (in kWh)	V	A	3,959,714
		Energy efficiency of buildings (in GJ per m <sup>2</sup> )	V	BBB	0.68
	Carbon emissions	Carbon footprint per employee (tonne CO <sub>2</sub> per employee)	V	A	0.83
		Carbon footprint in relation to revenue (tonne CO <sub>2</sub> per €million in revenue)	V	AA	9.40
		Percentage of electric vehicles in the car-sharing fleet	V	A	23%



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