CORPORATE RESPONSIBILITY

Sopra Steria Corporate Responsibility Report

2017 - Extract from Registration Document

Delivering Transformation. Together.

sopra steria

SOPRA STERIA REACHED A NEW MILESTONE IN ITS DEVELOPMENT IN 2017

We recorded a healthy performance, with organic revenue growth of 3.5% bringing revenue to €3,845.4 million. Operating profit on business activity grew by 9.5% to €329.8 million, and our margin reached 8.6%, an improvement of 0.6 points compared with 2016. Lastly, net profit attributable to the Group rose 14.0% to €171.4 million. As a result, we reached the targets set in 2015 when Sopra and Steria merged – namely revenue of between €3.8 billion and €4 billion and an operating margin on business activity of between 8% and 9%. These results are the culmination of our efforts to completely transform the Group. The business segments that had seen performance shortfalls in 2014 (Germany and IT infrastructure management in France) were successfully turned around and today are a source of strength for the future. We have launched a targeted repositioning plan covering our operations in the United Kingdom. In particular, it aims to bolster the businesses serving the private sector.

In France, we strengthened our leadership in Consulting and Systems Integration. We backed up our healthy business performance with substantial investments to expand our offerings. Generally speaking, our move up the value chain has increased the relative size of our Consulting and Software businesses, which now generate close to one-quarter of the Group's revenue.

We are committed to a proactive corporate responsibility policy, fully aligned with our business goals and our transformation programme. In 2017, we contributed to 16 of the 17 United Nations Sustainable Development Goals through our social, societal, environmental and ethical initiatives. As far as our workforce policy is concerned, we provided over one million hours of training to our employees in 2017.

As part of our commitment to the environment, we continued to reduce our greenhouse gas emissions and reiterated

our target of cutting them by 21% from their 2015 level by 2025. Our societal accomplishments in 2017 included the award of EcoVadis' Gold Advanced level, a standard achieved by less than 1% of businesses rated by the organisation. Lastly, we strengthened the ethics- and compliance-related aspects of our governance framework in 2017 with the creation of a new Corporate Governance & Risk Management Department.

Our clients' needs are changing, and they now demand greater agility, rapidity and added value. Today more than ever before they are looking for partners able to invent the business models of the future with them and support their transformation. With this in mind, our strategy is predicated on four key principles:
— independence, which underpins our long-term vision and our entrepreneurial model;

PIERRE PASQUIER,
Chairman of Sopra Steria Group

"Our move up the value chain has increased the relative size of our Consulting and Software businesses, which now generate close to one-quarter of the Group's revenue."

CORPORATE RESPONSIBILITY

SOPRA STERIA: COMMITTED TO A MORE SUSTAINABLE WORLD

Sopra Steria has for the past several years been committed to a proactive corporate responsibility policy that is consistent with the Group's business requirements and in step with fundamental changes in society. This bold commitment requires us to change the way we see things and to strive together with our stakeholders for a more sustainable world. The Group's policy is part and parcel of a broader ongoing commitment to share information in its annual corporate responsibility report about the efforts made and the results achieved.

OUR ACCOMPLISHMENTS IN 2017…

ETHICS AND VALUES

1 dedicated governance
framework strengthened

**1 code of ethics
and core values supported**
by Executive Management

New Way
The Group's unifying
transformation programme

SOCIETY

**United Nations Global
Compact/GC Advanced
level**
Rated among the top 9%
of Global Compact signatories

**EcoVadis
Gold level**

**15th out of 230
in the Gaïa Index**
In the index for the
9th consecutive year

**3rd of the Digital Gouv'
barometer index in Europe**
Sopra Steria

Support for the
Collège des Bernardins
Digital Chair

**International
Inspiration Award**
bestowed on Gayathri Mohan,
Head of CSR Sopra Steria India

WORKFORCE

**9,500 new employees
joined the Group in 2017,
78% of them on
permanent contracts**

**Recognised as one
of Europe's leading
recruiters**

**France's top recruiter
of young graduates**
in the digital sector

**Women account for
31% of the Group's
workforce,**
and hold 27% of
engineering, consulting and
project management positions.

**Over 1,000,000 hours
of training**
provided Group-wide

Employer brand
recognised on social media
and rating platforms

ENVIRONMENT

1 key commitment
Launch of an ambitious
programme to reduce the Group's
greenhouse gas emissions

**11% reduction in overall
greenhouse gas emissions**
from their 2016 level
Target of a 21% reduction
from their 2015 level by 2020
(absolute value)

**Science Based Targets
Initiative (SBTi)**
World's first digital services company
to have received approval from SBTi
for its greenhouse gas emissions
reduction targets for the Group
as a whole

#WeRRR campaign
A staff #WeRRR challenge held
to identify the best waste reduction,
recycling and reuse ideas.

SEALS OF QUALITY AND ACCREDITATIONS

Ranking	Ranking/Rating
ECOVADIS	Gold Advanced
UNGC	GC Advanced level
CDP	2018 A List SupplierCDP Climate Change A List
MSCI	ESG A
GAÏA	15th/230

Happy Trainees accreditation
In France, for the 5th year in a row
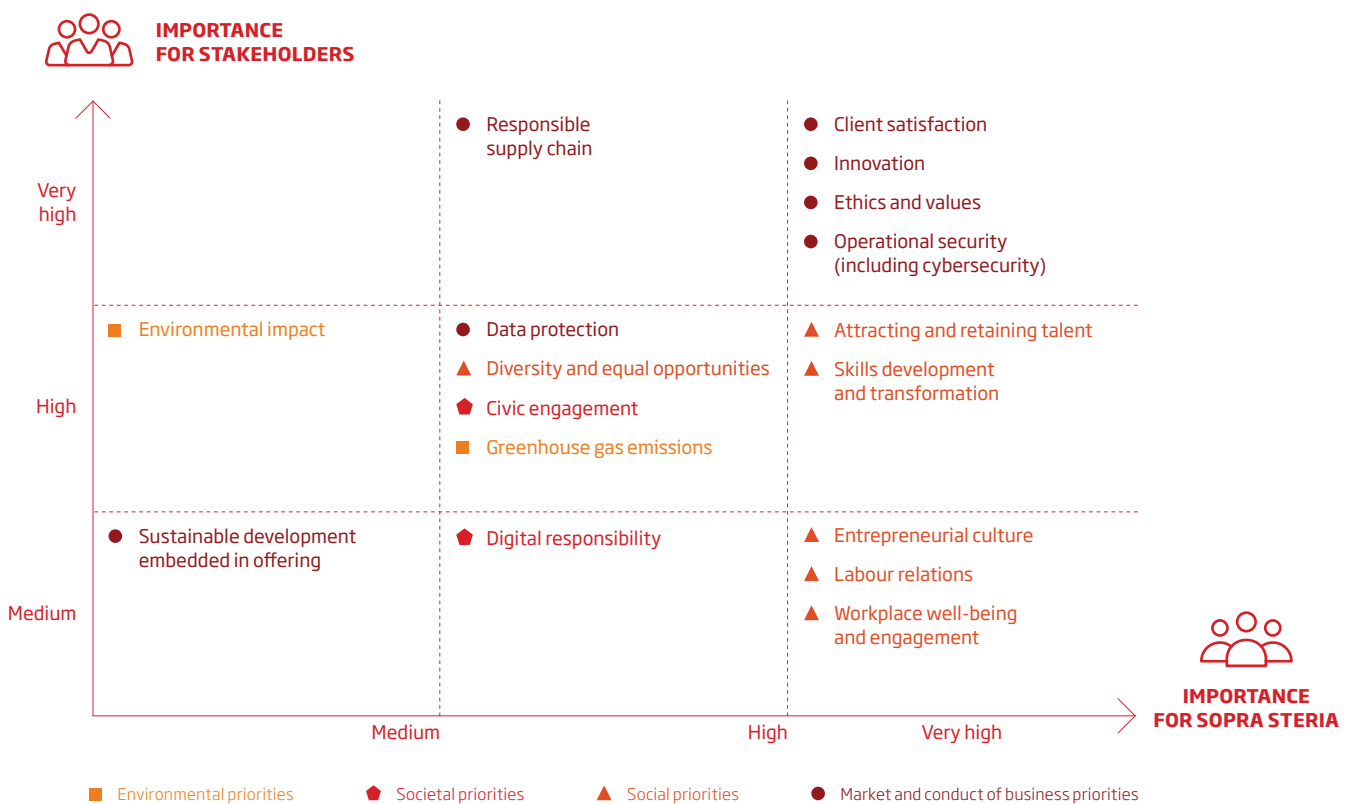
Universum rankings
Sopra Steria moves up three places in
the Top 100

MATERIALITY MATRIX

OBJECTIVES AND APPROACH

In 2017, Sopra Steria carried out its first materiality analysis. This analysis helped to identify and rank the priorities most relevant for the organisation itself and for its stakeholders. The analysis is presented in the form of a matrix, which plots the priorities according to their importance for the Group (x-axis) against their importance for the Group's stakeholders (y-axis).

IMPORTANCE FOR STAKEHOLDERS

Very high
- Responsible supply chain
- Client satisfaction
- Innovation
- Ethics and values
- Operational security (including cybersecurity)

High
- Environmental impact
- Data protection
- Diversity and equal opportunities
- Civic engagement
- Greenhouse gas emissions
- Attracting and retaining talent
- Skills development and transformation

Medium
- Sustainable development embedded in offering
- Digital responsibility
- Entrepreneurial culture
- Labour relations
- Workplace well-being and engagement

Medium | **High** | **Very high**

IMPORTANCE FOR SOPRA STERIA

- ■ Environmental priorities
- ⬠ Societal priorities
- ▲ Social priorities
- ● Market and conduct of business priorities

PRINCIPAL ACTION POINTS

ACTION ADDRESSING ENVIRONMENTAL PRIORITIES

- ■ Cut greenhouse gas emissions
- ■ Curb the environmental impact of activities

ACTION ADDRESSING SOCIETAL PRIORITIES

- ⬠ Act as a good corporate citizen
- ⬠ Anticipate to digital technology's impact on society

ACTION ADDRESSING SOCIAL PRIORITIES

- ▲ Attract and retain talent
- ▲ Develop and transform skills
- ▲ Foster an entrepreneurial culture within teams
- ▲ Build strong labour relations
- ▲ Promote diversity and equal opportunities
- ▲ Promote well-being in the workplace and employee engagement

ACTION ADDRESSING MARKET AND CONDUCT OF BUSINESS PRIORITIES

- ● Achieve client satisfaction
- ● Integrate innovation right across the value chain
- ● Champion the Group's ethics and values
- ● Keep the Group's activities safe and secure
- ● Work with a responsible supply chain
- ● Protect employees' and clients' personal data
- ● Embed sustainable development in the offering

3 CORPORATE RESPONSIBILITY

1. Sopra Steria: committed to a sustainable world

1.1. A strong and enduring commitment

For a number of years, Sopra Steria has been committed to a proactive corporate responsibility policy that is aligned with the Group's business requirements and in step with fundamental changes in society. This bold commitment drives us to change our perspective and to strive together with our stakeholders for a more sustainable world. The Group's policy is part of a broader continuous improvement process, under which Sopra Steria shares information in its annual Corporate Responsibility Report about the efforts it has made and the results it has achieved.

For 50 years we have built our Group on solid, enduring fundamentals and a set of ethical principles and core values that define us. As an expression of these values, Sopra Steria is a signatory to and member of the United Nations Global Compact, in the "Global Compact Advanced" category. Under this commitment, Sopra Steria supports the Global Compact's 10 principles in the areas of human rights, labour standards, protection of the environment and anti-corruption, and is committed to promoting these principles within its ecosystem of influence and continuing with its efforts in these areas.

CONVERGENCE WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Through its corporate responsibility programmes targeting social, societal, environmental and ethical goals, Sopra Steria contributes to 16 of the 17 United Nations Sustainable Development Goals. Goal 2 – End Hunger – falls outside the scope of the Group's actions.

In 2017, the Group's actions were directed towards meeting the following goals:

4. quality education: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all;

11. sustainable cities and communities: make cities inclusive, safe, resilient and sustainable;

13. climate action: take urgent action to combat climate change and its impacts.

Through its new initiatives, the Group is bringing its programmes further into line with the SDGs.

1.2. Programme of initiatives aligned with the Group's priorities

In response to its rapidly changing environment and new challenges linked to digital technology, Sopra Steria has initiated a materiality study of its key strategic challenges.

Using a materiality matrix, the Group has mapped these challenges and their importance to its stakeholders, and has adapted its 2020 Corporate Responsibility progress plan so that it addresses them. (See the materiality matrix on page 10 of this document.)

MATERIALITY ANALYSIS | METHODOLOGY USED

In 2017, Sopra Steria carried out its first materiality analysis. This analysis helped to identify and rank the priorities most relevant for the organisation itself and for its stakeholders.

The analysis is shown graphically in the form of a matrix plotting the significance of priorities for the Group (x-axis) against their significance for the organisation's external stakeholders (y-axis).

STAGES IN THE MATERIALITY ANALYSIS

An initial list of priorities was compiled based on a document review and discussions with the Group's management. The list was then refined at workshops facilitated by an external consulting firm in which the Group's senior executives took part.

The degree of materiality for Sopra Steria of each of the priorities was then assessed by the senior managers. They rated each priority on a scale from 0 to 3 to reflect the extent to which it is capable of influencing the organisation's strategy, its reputation and/or its financial health.

In parallel, the materiality of the priorities for external stakeholders was assessed through a document review. Two stakeholder groups in particular were analysed: investors and non-financial rating agencies, and clients. The communications of the leading players in the digital sector were also analysed. Each priority was rated – on a scale from 0 to 3 – to reflect the extent to which it matters to the external stakeholder, and then the ratings were averaged to produce a single score for each priority.

❙ SETTING PRIORITIES

Challenges	Definition
WORKFORCE	
Attracting and retaining talent	Organisation's ability to attract the top digital professionals and to retain talent.
Skills development and transformation	Organisation's ability to develop and align the skills of its employees to proactively deliver solutions to the needs of its clients.
Entrepreneurial culture	Organisation's ability to foster a culture of entrepreneurship within its teams combining autonomy and accountability, creativity and collective thinking.
Labour-management dialogue	Organisation's ability to forge with employee representatives a constructive dialogue and negotiations to plan ahead for and support the major changes affecting the Group.
Diversity and equal opportunity	Organisation's ability to respond to public-interest priorities and to prevent any form of discrimination by fostering access to employment for people with disabilities, gender equality in the workplace, and access to employment for young people.
Well-being in the workplace and employee engagement	Organisation's ability to provide an environment fostering a high quality of life in the workplace and to convey the meaning of a corporate plan that engages and motivates all employees.
MARKET AND CONDUCT OF BUSINESS	
Client satisfaction	Organisation's ability to ensure that its service offering satisfies the requirements of its clients and helps to create value.
Innovation	Organisation's ability to support its clients with their digital transformation by providing them with the best solutions and technologies available in the marketplace.
Ethics and values	Organisation's ability to ensure that its practices fulfil ethical standards in all the countries in which it operates, including in the fight against corruption, observance of human rights and protection of the environment. Group's ability to establish an enduring trust-based relationship with all its stakeholders by applying its principles and core values.
Operational security, including cybersecurity	Organisation's ability to safeguard business continuity in the face of the mounting risks that organisations have to contend with (failure risk, climate risk, risk of cyberattack).
Responsible supply chain	Organisation's ability to work with suppliers and service providers meeting its corporate responsibility standards.
Data protection	Organisation's ability to develop the most innovative data security, protection and confidentiality solutions for its own operations and those of its clients.
Sustainable development embedded in solutions	Organisation's ability to incorporate sustainable development priorities in its service offering.
ENVIRONMENT	
Environmental impact	Organisation's ability to curb the environmental impact of its operations by working together with its stakeholders: employees, suppliers, clients and partners.
Greenhouse gas emissions	Organisation's ability to define greenhouse gas emissions reduction targets and implement a reduction plan involving its entire value chain.

1.3. Activities and business lines

SOPRA STERIA: A EUROPEAN LEADER IN DIGITAL TRANSFORMATION

Sopra Steria, a European leader in digital transformation, has one of the most comprehensive portfolios of offerings on the market, spanning consulting and systems integration, development of industry- and technology-specific solutions, infrastructure management, cybersecurity and business process services (BPS).

The Group provides end-to-end solutions to address the core business needs of large companies and organisations, helping them remain competitive and grow throughout their transformation, from strategic analysis, programme definition and implementation, and IT infrastructure transformation and operation, to designing and implementing solutions and outsourcing business processes.

SOPRA STERIA: DELIVERING TRANSFORMATION THROUGH END-TO-END SOLUTIONS

For Sopra Steria, helping clients succeed in their digital transformation means breaking down their strategic and business challenges into digital initiatives through an exclusive end-to-end offering. This subject is detailed in Chapter 1, Section 4 of the 2017 Registration Document.

1.4. Group governance

Sopra Steria Group is a *société anonyme* with a Board of Directors.

The Board of Directors currently consists of 19 directors, two of whom represent the Group's employees. Excluding the employee representatives, seven of the Board's members – i.e. over 40% of its membership – are women.

Where appropriate, the Board's work is prepared by an Audit Committee, a Nomination, Ethics and Governance Committee and a Compensation Committee. Corporate responsibility policy and actions are monitored by the Nomination, Ethics and Governance Committee, which informs the Board of Directors of its work and recommendations in this area. In 2017, the Group's corporate responsibility policy and programme were presented and discussed at two of the Committee's meetings.

The functions of Chairman and Chief Executive Officer are separate. Executive management responsibility is held by a Chief Executive Officer and two Deputy CEOs.

The Group's ongoing structure consists of four operational tiers and associated functional structures.

This subject is discussed in more detail in Chapter 1, Section 8 and Chapter 2 of the 2017 Registration Document.

1.5. Organising corporate responsibility to serve the Group's businesses

Sopra Steria Group's corporate responsibility approach and programme are the responsibility of Executive Management, who oversee the Group's strategy in this area.

Sopra Steria has structured its corporate responsibility programme around several departments:

Group Corporate Responsibility and Sustainable Development Department

The Corporate Responsibility and Sustainable Development (CR&SD) Department oversees rollout of the Group's corporate responsibility policy, works with the relevant departments to coordinate the continuous improvement approach, and supports those departments and all entities as they implement their action programmes.

The CR&SD Department spearheads Group-wide programmes, and more specifically regulatory reporting (presented in this Corporate Responsibility Report), the Group's assessment by external organisations, interaction with stakeholders, the Group's environmental programme, the main corporate sponsorship and community engagement partnerships, and actions to raise employee awareness.

1.5.1. THE FOUR PILLARS OF CORPORATE RESPONSIBILITY

Sopra Steria Group's corporate responsibility initiatives are managed via four interdependent units focused on Market Responsibility, Responsible Employment, Environmental Responsibility and Community Engagement.

Market Responsibility unit

This unit is coordinated by the Group CR&SD Department. It collaborates closely with Group departments responsible for particular aspects of Market Responsibility: Corporate Governance & Risk Management, Human Resources, Legal, Property & Purchasing, Information Systems, Group Communications and Financial Reporting, Quality, and operating divisions.

Responsible Employment unit

Responsible employment is a key issue for the Sopra Steria Group. The unit that coordinates the responsible employment programme forms part of the Group's Human Resources Department. To handle cases involving issues such as workers with disabilities, gender equality, older employees, diversity and work-linked training opportunities and to coordinate action programmes, a manager with responsibility for responsible employment practices works with the various entities to ensure that all initiatives reflect the wider Group approach.

Environmental Responsibility unit

The Group's environmental programme is managed by a Group head and overseen by the Group CR&SD Department. The Environmental Responsibility unit draws on its network of Environment Officers (Group Environmental Sustainability Committee or GESC) and on the relevant Departments, including Property & Purchasing, Information Systems, Communication, Quality, and Corporate Governance & Risk Management. Together with the Quality Department, this unit is responsible for rollout of the Environmental Management System (EMS) and for ISO 14001 certification for certain sites. It also coordinates greenhouse gas assessments and annual reporting to CDP's climate change programme.

Community Engagement unit

This unit is coordinated by the Group CR&SD Department. It is managed by the CR&SD Department in the case of Group sponsorship or partnership programmes, by foundations in France and India, or directly by Group entities that enlist the support of their employees and, in some cases, clients. This programme, is supported by an international network of key stakeholders leading local community engagement programmes.

1.5.2. PROGRAMME STEERING BODIES

The corporate responsibility programme relies on two steering committees – one at Group level and one covering the network of country correspondents.

Corporate Responsibility and Sustainable Development Committee

The Group Deputy CEO and the CR&SD Director chair the Corporate Responsibility and Sustainable Development Committee (CR&SD Committee), which, meeting twice a year, brings together the managers of the key central departments involved in the Group's approach. The Committee draws up the Group's corporate responsibility roadmap and tracks progress against the associated action plans. It met twice in 2017. More specifically, the Committee holds interim progress meetings throughout the year for certain projects, involving functional departments for matters falling within their remits, as well as Group entities and operational departments.

Corporate Responsibility Advisory Board

The purpose of this advisory body is to provide external feedback on the various components of the Group's corporate responsibility approach.

The Advisory Board consists of three independent experts from senior civil service positions and civil society, the Deputy CEO, the CR&SD Director and key Group managers with responsibility for business units and major issues. It met twice in 2017.

The Advisory Board's main responsibilities are:

- to submit recommendations on the Group's corporate responsibility strategy and priorities;
- to provide Executive Management with useful benchmarking information in relation to corporate responsibility;
- to provide information on legislative and regulatory developments and their impact as regards corporate responsibility.

In 2017, the Advisory Board's membership included the following three independent experts:

- Marie-Ange Verdickt, former Director of Research and Socially Responsible Investment at La Financière de l'Échiquier, a company director working with institutions that champion social development;

- Mark Maslin, Professor of Climatology at University College London (UCL), an expert in climate change and author of numerous studies and publications on climate issues;

- Frédéric Tiberghien, member of France's Council of State, Chairman of Finansol and honorary chairman of ORSE *(Observatoire de la Responsabilité Sociétale des Entreprises).*

In 2018, prominent figures from outside the Group and other heads of Sopra Steria businesses will join the Committee to adapt the framework in light of changes affecting the Group.

A network of in-country officers

Country Leaders manage activities in all themes – Responsible Employment, Environment, Ethics and Compliance, Community Engagement, Responsible Purchasing, Communication and Interaction with Stakeholders – at national level. The Group coordinates them and arranges regular updates for the community engaged in each theme, thereby implementing the Group corporate responsibility strategy and programme and sharing best practices at country and entity level.

2. Responsible employment: Sopra Steria, a responsible and committed team

2.1. Background and key events

The digital revolution is fundamentally changing our society and how we work. Huge volumes of information are transmitted instantaneously, and knowledge is now within everyone's grasp. Innovation is becoming a collaborative endeavour and is accelerating in every field. Digital technology is prompting economic agents to reinvent themselves in response to new models, offering our clients opportunities to automate, simplify, and create and personalise new services.

To help it rise to these new challenges, meet clients' high expectations in terms of added value and assert its leadership in digital transformation, one of the Group's priorities is to attract and retain top talent.

As a responsible employer, the Group supports the development and transformation of its employees' skill sets so that they are ready for the digital jobs of the future. In all the regions where it operates, the Group offers an inclusive working environment designed to stimulate entrepreneurial thinking and teamworking.

2017 was marked by an acceleration in the Group's transformation programme in support of Sopra Steria's ambitious Corporate Plan.

Key events in 2017:

- Xavier Hürstel was appointed Chief Transformation and People Management Officer, a new role on Sopra Steria's Executive Committee;

- Sopra Steria was recognised as one of Europe's leading recruiters. 9,500 new employees joined the Group in 2017, 78% of them on permanent contracts. In France, the Group remained the top recruiter of young graduates in the digital field;

- Over 1,000,000 hours of training were provided Group-wide.

2.2. Commitments

Sopra Steria's responsible employment policy aims to promote equal opportunity and diversity, thus boosting the Group's appeal as an employer and retaining talent. It forms part of a continuous improvement approach aimed at reconciling economic effectiveness with social equity.

Human resources and talent development are at the heart of the Group's Corporate Plan. The Group is committed to anticipating future skills requirements, promoting internal mobility and offering a broad range of comprehensive and innovative professional development training. These commitments and a working environment nurturing professional development in which everyone feels valued, help to retain its talent.

2.3. Challenges and achievements

Targets for 2017	Achievements in 2017	Ambitions for 2018
Workforce: Promoting equal opportunity and diversity to enhance its appeal to and retention of all its talented employees		
Attracting and retaining more talent ■ Support national efforts to boost access to employment for young people ■ Continue to develop the international student and employee mobility programme	9,500 employees recruited, 78% of them on permanent contracts and 42% under 26. Success of the international mobility programme. Over 135 employees and 104 interns and work-linked training students in a number of countries. Ten internships converted for the first time into permanent jobs – a conversion rate of 10%.	Reinforce the Group's position as a responsible employer by implementing initiatives and projects making it more attractive, so that it can recruit and retain more talent.
Developing and transforming skills ■ Continue to harmonise HR practices and roll out the Group's Core Competency Reference Guide across all countries in 2017 and 2018	Harmonised HR practices across the entire Group. Gradually rolled out Group Core Competency Reference Guide across virtually all countries but not all subsidiaries.	Continue developing and transforming our employees' skills and harmonise HR practices. Update the Core Competency Reference Guide to take greater account of the impact of major changes affecting our business and environment. Roll out a digital training programme to acquire the most sought-after skills and retain our talent.
Diversity and equal opportunity ■ Work to make jobs in the digital field more attractive to women and continue to make the skills of women working in the digital arena more visible, both internally and externally ■ Continue to inform and raise awareness of the Group's social responsibility challenges through induction programmes and corporate modules forming part of business-specific training	Further expansion of the women's networks in France, India and Norway. In 2017, women accounted for 31% of the workforce, and 27% of engineering, consulting and project management positions. 1% increase in the number of women hired. Increased recruitment of women in Germany and Spain. Dedicated sessions in 20 "Team Spirit" induction seminars (in France). Presentation at 2017 kick-off of challenges and events relating to Group social responsibility, raising awareness among more than 3,000 managers from around the world.	Continue and encourage initiatives rolled out in the Group's various countries, and share Group-wide best practice in relation to diversity and equal opportunity (access to employment for young people, women and people with disabilities) to give substance to and foster employees' commitment.

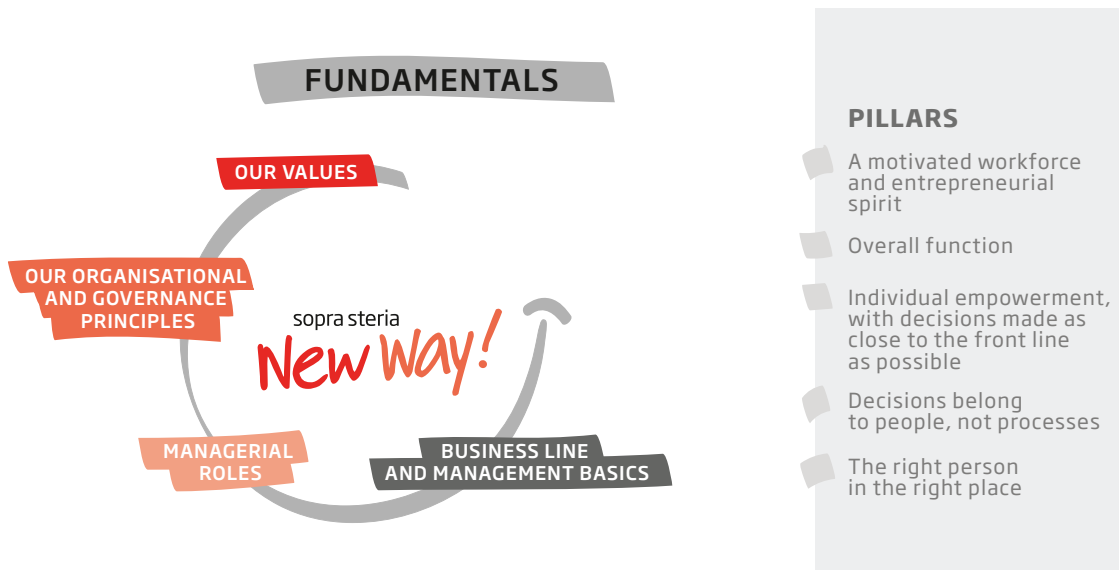## 2.4. Culture and values that bring us together

Working at Sopra Steria means sharing in a strong corporate culture that is first and foremost about people. This culture reconciles the strength of our team spirit with the entrepreneurial spirit that energises us.

'NEW WAY': THE GROUP'S UNIFYING TRANSFORMATION PROGRAMME

With digital technology increasingly impacting our clients, in an ever more challenging competitive environment and following the merger of Sopra and Steria, the Group is rolling out an internal transformation programme. With Sopra and Steria both having strong cultures, it was vital that the Group quickly forge a shared culture that everyone could take pride in. The aim of this programme is to unite all staff around the Corporate Plan and involve them in a distinctive project rooted in our strong DNA and people.

This DNA is based on fundamentals and key principles known as pillars:

FUNDAMENTALS

OUR VALUES

OUR ORGANISATIONAL AND GOVERNANCE PRINCIPLES

sopra steria
New Way!

MANAGERIAL ROLES

BUSINESS LINE AND MANAGEMENT BASICS

PILLARS

A motivated workforce and entrepreneurial spirit

Overall function

Individual empowerment, with decisions made as close to the front line as possible

Decisions belong to people, not processes

The right person in the right place

Our fundamentals are at the heart of our corporate culture. They consist of our values and of behaviours that are critical to the effective operation of our business. Our fundamentals also include our management style through the various roles played by managers, as well as key principles of organisation and governance that govern the way we operate. Our organisational model is supported by short, streamlined decision-making channels. It advocates individual empowerment, with decisions made as close to the front line as possible. These various elements combine to differentiate us and give us a unique corporate personality. Together they constitute an authentic signature that is recognised by our clients, our candidates, our competitors and our market in general.

Our fundamentals are also tools that help us work together more effectively in one mind, and to innovate and move forward. They support our Corporate Plan. They give us the opportunity to create a Group in our image: human, agile, digital and market-leading.

❙ VALUES THAT BRING US TOGETHER

Sopra Steria's values represent the core of our fundamentals:

VALUES

Values that bring us together

Client service is the key

Respect for others

Proactivity

Professional excellence

Team spirit

Openness & curiosity
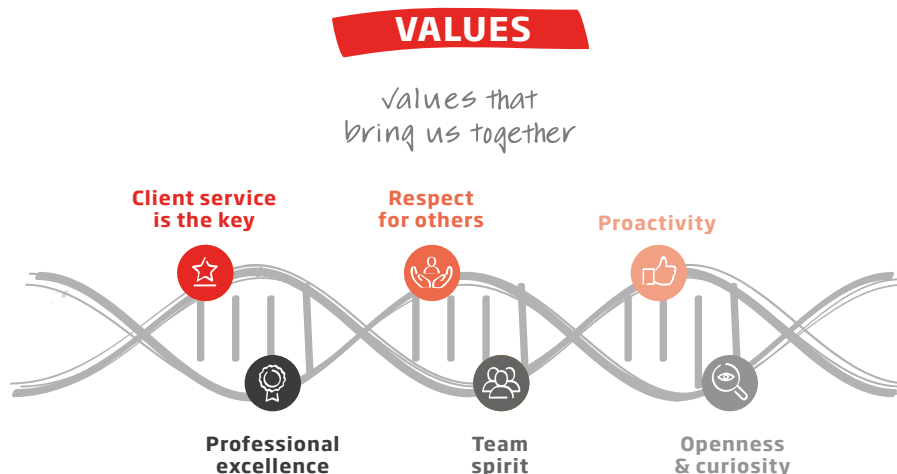
These six values guide our day-to-day actions. Sharing them helps us understand each other and work together more effectively, irrespective of business line or country.

The New Way programme is designed not only to communicate our Corporate Plan and our DNA but also to release the creativity and energy of all our staff, so as to meet the challenges of transforming our business lines. Our staff are at the heart of this collective effort.

To roll out New Way, an ambitious training cycle was designed to involve employees in a "collective intelligence" experience that can be put into practice on a day-to-day basis. This cycle kicked off in 2016 in France and will continue across all of the Group's countries and subsidiaries until 2019. Within each entity, it is put together in close cooperation with local management to ensure that it is fully aligned with local challenges.

It represents a total of 50,000 days' training; in 2016, 20,000 of these were dedicated to an initial wave of 12,600 French staff, including 1,670 managers who attended a specific seminar. To sustain this positive dynamic embedding our culture, the induction training given to new employees and managers was overhauled completely in 2017 together with Sopra Steria Academy to incorporate the messages passed on at seminars or New Way days.

In 2017, the Group continued to run the New Way programme in Spain and the Benelux countries, at all CIMPA's units (France, Germany, United Kingdom and Spain) and in Infrastructure Management (France and Poland). Around 2,000 employees including 700 managers attended a dedicated seminar in 2017, representing a total of 4,800 days' training.

In 2018, Spain will complete the roll-out of the manager seminars and the employee days. Employee days will be held in France and in Poland. Italy and India are set to join the programme.

2.5. Employment policy in support of professional excellence

Human resources are at the heart of the Corporate Plan, and Sopra Steria's aim is to create conditions that foster a sense of pride in working together in a spirit of entrepreneurship and sharing. For many years, the Group's growth has been backed by a proactive employment policy of recruiting talented individuals and developing employees' skills.
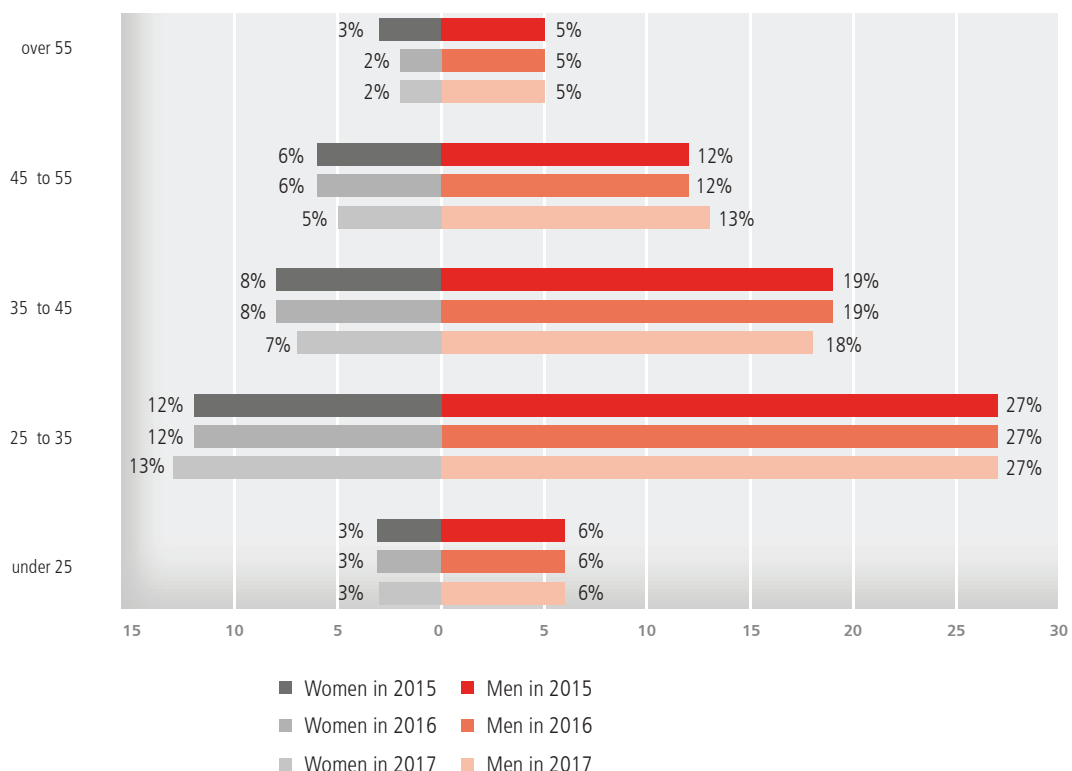
External growth is also a strong driver of the Group's development and increased business volumes. Thanks to the various acquisitions completed in 2017 (575 employees), the Group can offer a comprehensive response to its clients' needs in the areas of transformation and competitiveness.

At 31 December 2017, Sopra Steria Group had a total of 41,661 employees (41,086 excluding 2017 acquisitions), mainly based in Europe, and in particular in France, the United Kingdom, Germany, Spain, India and Scandinavia, which together account for 90% of the Group's workforce.

The proportion of permanent contracts (96.1%) and temporary contracts (3.3% excluding interns) demonstrates the Group's years-long commitment to offering stable jobs while favouring employment for young people on permanent contracts and work-linked training programmes (94% of fixed-term contracts were for work-linked training students in 2017, compared with 92% in 2016). The average age of employees on permanent contracts is 37.8, with an average length of service of 7.3 years.

The proportion of women in the Group's workforce held steady, with women representing 31% of the workforce, and 27% of engineering, consulting and project management positions. However, this proportion of women remains higher than the overall proportion of women in scientific careers (28%). Progress was made in Spain and Germany with a significant increase in the proportion of women recruited in these countries.

The age pyramid, which shows a breakdown of the Group's workforce (excluding acquisitions) by gender and age, remained stable between 2015 and 2017.

	Women	Men
over 55 (2015)	3%	5%
over 55 (2016)	2%	5%
over 55 (2017)	2%	5%
45 to 55 (2015)	6%	12%
45 to 55 (2016)	6%	12%
45 to 55 (2017)	5%	13%
35 to 45 (2015)	8%	19%
35 to 45 (2016)	8%	19%
35 to 45 (2017)	7%	18%
25 to 35 (2015)	12%	27%
25 to 35 (2016)	12%	27%
25 to 35 (2017)	13%	27%
under 25 (2015)	3%	6%
under 25 (2016)	3%	6%
under 25 (2017)	3%	6%

Legend:
- Women in 2015 ■ Men in 2015
- Women in 2016 ■ Men in 2016
- Women in 2017 ■ Men in 2017

2.6. Appealing to and retaining talent promotes the Group's Corporate Plan

Appealing to and retaining talent represents a major priority supporting the Group's transformation. Various HR programmes have been launched to energise this process, which is crucial for the Group's future development.

To attract and recruit talent effectively, innovative digital practices have been introduced without losing sight of the need to build a close relationship with applicants. The first key stage in retaining talent is to support their integration within the Group through effective onboarding. Next the goal is to foster the development of their skills to train the managers of the future and retain as many as possible of them.

2.6.1. ATTRACTING MORE TALENT

Recruitment is one of the pillars of the Group's development strategy. In 2017, Sopra Steria hired 9,500 new employees (up 12% compared with 2016), 42% of them under 26 years old, making the Group France's leading recruiter of newly qualified graduates in its sector. With regard to recruitment of experienced candidates, the Group uses trial periods to encourage internal employee job moves before undertaking any external recruitment.

Recruitment policy deliberately places the priority on hiring young graduates of engineering schools, business schools and universities, thus contributing to the national effort to promote access to employment for young people. In France, the Group continues to pursue its dynamic policy of using work-linked training programmes and internships (with 14% more employees on work-linked training contracts in 2017, compared with a 10% increase in 2016) and has renewed its international mobility programme to help them achieve their qualifications and share in the Group culture.

Through its employer brand and close relationships with schools, the Group is able to help students make informed choices, as well as offering innovative recruitment paths and opportunities for international internships.

Employer brand

The Group has built up its social media presence and now offers new ways of meeting applicants, including monthly live streams on Facebook Live showcasing the organisation's innovative experiments (virtual visit to the DigiLab, Escape Game recruitment, etc.). Training sessions in personal branding on LinkedIn were offered throughout 2017 to encourage employees to talk about their experiences online. In addition, the company's Twitter account is one of the most widely followed among digital enterprises (with 18% more followers in 2017 than in 2016).

Sopra Steria is present on rating platforms for applicants and employees such as Glassdoor and Choose my company. What's more, for the fifth year in a row, the Group received Happy Trainees accreditation.

Furthermore, to make interactions between applicants and the company even more authentic, a platform enabling candidates to chat with employees has been set up on the careers site.

Educational partnerships

The school relations policy is at the heart of the Group's recruitment strategy. This strategy aims to boost awareness of the Group and strengthen local relationships with target schools by sharing content about our businesses, offerings and projects, with the aim of attracting and recruiting more young graduates, interns and work-linked training students.

In 2017, the Group was involved in over 650 activities throughout the year with 200 partner schools and universities, boosting its appeal on the ground and building close relationships with students. The Group hosted 514 work-linked students and 821 interns, 30% of them outside France.

Examples of innovative initiatives taken to attract a greater variety of candidates and raise the profile of the employer brand include:

- the Student Award, awarded by the Sopra Steria-Institut de France Foundation, which supports a team of students with a project combining digital technology with social or environmental innovation;
- Sopra Steria is the first organisation to have made disability a priority and an integral part of its approach to the EDHEC Sailing Cup, Europe's largest sporting event for students. In 2017, the Group sponsored 20 crews, including six mixed crews consisting of students with and without disabilities, recruited in advance through the "sailing through disabilities" challenge. This turned the spotlight on disability issues throughout the week, with a special-focus day dedicated to raising awareness of disabilities among as many students as possible.

Sopra Steria up three places in the Universum rankings [1]

After entering the Top 100 in France in 2016, Sopra Steria ranked 83rd in 2017 in a sample of 16,000 students from 132 schools.

An international mobility programme to attract future employees

The international mobility programme launched in 2016 was a success in 2017. A total of 104 students, interns and work-linked training students were given the chance to spend a few months working at one of the Group's offices outside France, particularly in Spain and India. Other countries such as the Benelux countries, Norway, the United Kingdom and Germany played host to work-linked training students and interns.

The Group is thus developing international schemes aligned with the new expectations of both educational institutions and young people. More generally, the International Mobility programme addresses the following challenges:

- attracting new talent from top institutions, motivated by a recruitment promise that puts the emphasis on a dynamic career with the Group;
- helping disseminate a Group culture in line with New Way;
- strengthening the sharing of expertise and delivery models within the Group;
- offering exciting career development prospects.

In 2018, the Group is set to maintain this momentum by launching innovative initiatives and projects to raise its profile and attract the top talent.

2.6.2. ANTICIPATING CHANGING SKILLS REQUIREMENTS

Amid accelerating digital innovation, evolving client expectations and changing employee aspirations, training is more than ever before a driver of engagement, professional excellence and employee retention.

Sopra Steria Academy, the Group's in-house training system, exists to support employee induction, promote a shared corporate culture and anticipate changing skills requirements. It does this through pooled training offerings. The Campus By Academy portal rolled out in 2017

has become the prime channel for accessing the Group's range of training courses.

Sopra Steria Academy helps guarantee the level of excellence and adaptability of the Group's employees so that they are up to the challenge of digital innovation and evolving client expectations. Training and knowledge-sharing are key success factors for Sopra Steria's Corporate Plan.

To foster a shared culture and Group cohesion, the Group's values and fundamentals are shared so that they are understood by all staff.

To meet these challenges, Sopra Steria Academy's key objectives are to:

- facilitate integration of new recruits;
- support the Group's strategy by developing both business and digital skills;
- share fundamentals, encourage employees to capitalise on best practice through knowledge management and promote the creation of international business communities;
- make available new ways of acquiring and transferring skills;
- develop and lead major training programmes
- foster the Group's international development.

An evolving training offering in support of transformation

Thanks to its educational expertise, its knowledge of key business and strategic issues and its ability to organise seminars and training programmes, Sopra Steria Academy is a key tool for supporting changes in the business and the Group's transformation.

The knowledge management system supports and supplements this training framework. This system, which can be accessed via the Sopra Steria intranet, facilitates sharing of the Group's fundamentals and capitalising on best practice through more than 170 international communities organised by business line, offering and expertise.

Sopra Steria Academy offers training in 10 fields: Group Fundamentals, Management, Strategy and Offerings, Sales, Conduct, Quality and Methods, Business Lines and Sectors, Technologies, Solutions, and Languages and Office Skills.

Training programmes are structured by business line and level, with new and updated modules added every year.

Development of management skills is a key component of the training framework. The ability of the Group's managers to manage the business overall, motivate and develop their teams and promote a strong entrepreneurial spirit at every level is critical to Sopra Steria's success.

Changes in the training offering

The digital sector is constantly and rapidly evolving. To help develop the skills required for our clients' projects, Sopra Steria Academy refreshes its training offering every year.

The transformation sweeping through the digital services sector means we have to accommodate digital technology in all its forms, evolving practices and patterns of use in our markets, the silo-busting impact of our end-to-end approaches and the need to work in international multi-disciplinary teams. Training pathways are designed to reflect and integrate the changes observed or anticipated affecting the activities conducted by the Group's business lines.

In 2017, Sopra Steria Academy also upgraded its approach to respond more effectively to training needs by establishing the role of learning partners. Learning partners are responsible for rolling out the training plan and detecting training needs so they can be met rapidly as close

to the front line as possible. This new organisation has helped to build significantly closer relationships by offering a swifter and more effective response to training requirements with two major results:

- faster development and launch of initiatives that can be shared within the training offering;
- a more employee-centric approach to gauging the relevance of training solutions provided.

What's more, an ambitious plan of close to 16,000 days training was rolled out across the Group to enrich the offering of emerging digital technologies and methods. Various themes and arrangements have been put in place:

- new working methods

  The shorter development cycles and even closer collaboration with an array of different players means that we have to adjust how our teams work in the field. The development of agile methods is spearheading the process of adapting to this phenomenon of acceleration and rapid renewal triggered by the digital revolution;

- security

  The introduction of GDPR recognises that data and system security are now critical for both businesses and consumers, and has prompted us to review our arrangements for protectibng personal data. Compliance with regulatory requirements such as the GDPR is one aspect of this. All employees are now provided with more security training. Training is in place to support the change to make Sopra Steria a trusted partner in information system security;

- digital learning

  Digital learning facilitates access to and the take-up of training by employees. The development of new content is accompanied by the implementation of interactive and collaborative learning practices between learners.

To support the introduction of these new approaches to learning, new tools have been rolled out to trainers to enable them to enhance both the content of training and the teaching methods used by offering a more interactive experience, testing and evaluation options, and content visualisation techniques.

The use of digital learning meets a growing need among employees for constantly updated, attractive content available through various channels.

Examples include the following:

- mobile e-learning training,
- widespread access to modules with technology content supported by partner platforms,
- availability of blended learning modules,
- availability of MOOCs (Massive Open Online Courses) awarding certificates (e.g. in data science).

In 2017, the training plan served the Group's strategic, commercial and operational direction as well as helping share the Group's fundamentals. Over one million hours of training were delivered across 98% of the Group (compared with 74% in 2016), including almost 550,000 hours in France.

In 2018, the training campaign will be maintained against the backdrop of major changes to support our clients' digital transformation, plan ahead for their evolving skill set needs and retain talent.

2.6.3. RETAINING AND DEVELOPING TALENT

Integration policy

Sopra Steria has put in place a robust induction and integration policy covering both new recruits and employees joining the Group through external acquisition operations. All employees are offered an approach tailored to their seniority and position within the business, to help them take their first steps in the Group and understand its culture, values and fundamentals.

In 2017, the continuing roll-out of the New Way programme in France and elsewhere served to increase the importance of employee induction and integration within the Group as a key factor in retaining talent. As a result, both onboarding seminars were overhauled from top to bottom: *Esprit de Groupe* (Team Spirit) for integrating young employees and Sopra Steria Managers for integrating new managers.

Integration of young recruits

As soon as young new recruits arrive at Sopra Steria, they are offered an integration path structured around an induction day within their particular entity, a three-day induction seminar, training suited to their profile (business, methodologies and technologies), interviews with management and peer discussions.

In 2017, two tools were put in place:

- Immediate Boarding, a new interactive and fun-to-use pilot portal, was launched to re-establish the basics of induction and integration at the entities. This portal helps to create a sense of belonging and to get new employees up to speed more rapidly;

- the *Esprit de Groupe* (Team Spirit) onboarding seminar was updated. This three-day training seminar is held for all new employees who are just beginning or in the early stages of their careers. Its purpose is to share the Group's history, Corporate Plan, values and offerings as well as fundamental principles concerning the focus on client service and project quality.

Induction training for newly recruited or promoted managers

Dedicated sessions for new managers are run in all countries where the Group operates, with the aim of supporting integration, providing reference points and fostering the development of a relational network within the Group. Examples include the following modules: Core Management Training (United Kingdom) and Stepping into Management (Scandinavia).

In 2017, the Sopra Steria Managers seminar was expanded in France. It is now a four-day rather than a two-day residential stay. The seminar's aim is to share the Group's fundamentals, business lines, and culture, and to inspire the motivational management that is deeply embedded in our managerial culture. The seminar is led by BU Heads and Heads of Sales, and ends with a discussion with Executive Management. All the Group's French-speaking managers attend this training.

In 2018, the Group will continue to ramp up its programmes for integrating younger recruits and managers recently hired or promoted as the first step along the path to effective retention.

Developing our talent

The digital transformation is opening up new opportunities for skills development. Digital jobs are evolving, and it is a combination of business-specific and technological expertise and a collaborative approach that will be our strength, enabling us to innovate and add value to our clients.

Anticipating changing skills requirements is key to supporting clients' major transformation projects as closely as possible and ensuring the success of the Sopra Steria Corporate Plan while maintaining a high level of employee motivation.

Identifying and developing the talents of every individual in the company is a major focus of our human resources policy. The diversity of our business lines, projects and clients means there are real opportunities for every person to perform his or her role to the full and pursue a rewarding career path.

At the core of our values are team spirit, proactivity, professional excellence, the primacy of client service, respect for other people and, lastly, openness and curiosity. These markers guide each and every employee along a robust and evolving career path.

Professional development is also supported by shared management tools, such as the Core Competency Reference Guide and assessment and development processes fostering close relationships with and in-depth understanding of staff:

- continuous assessment and career development;

- network support for line managers;

- New Skill programmes;

- international mobility programme;

- remuneration policy.

The Core Competency Reference Guide describes all the Group's business areas (consulting, integration, software development, infrastructure management, security, sales, entity management and support functions) and the required skills. It brings further clarity to the trajectories available to each member of staff depending on their abilities and motivations and the Group's priorities.

Continuous assessment and career development

Sopra Steria uses an assessment and career development framework that enables the Group that enables the Group to monitor each employee's development regularly. This framework helps maintain staff employability by ensuring continuous skills development. It is supported by individual target-setting interviews, pre- and post-project interviews and annual appraisal and development interviews. It also draws on the core competency reference guide, a valuable tool given the backdrop of strong growth and rapid change in skill sets. The Core Competency Reference Guide helps clarify the trajectories available to all Group employees depending on ability, motivation and the Group's priorities.

Outputs are shared with management at structured Human Resources Committee meetings. The committees promote shared knowledge about staff in terms of skills, aspirations, performance and development capacity, as well as collective decisions on pay and promotion, immersion periods in new roles, and training, taking into account the objective of gender equality. The leadership of HR cycles was stepped up in 2017, and specific information about expected outcomes from people reviews, career development action plans, immersion periods in new roles and training was passed on to the countries. All the Group's countries conducted people reviews. Almost 41,000 Group employees have been appraised based on the same criteria.

Supporting line managers: a key driver of performance and employee retention

The network of line managers helps to detect and retain talent. Support for line managers is based on a partnership with the HR network and selective training to guarantee the success of critical HR assignments such as annual reviews, recruitment interviews and other HR-related meetings.

Throughout the year, Sopra Steria Group trains management close to employees, including both line managers with responsibility for career development and operational managers tasked with managing assignments or projects. As a result, motivational management and career management training is delivered in every country to every individual taking up a managerial role.

In 2018, the Group will launch initiatives to train all young project managers earlier in their career.

New Skill programmes, pathways maintaining and enhancing our employees' employability

Amid the rapid change and major transformations currently holding sway, the ability to develop, preserve, update and adapt skills to keep pace with the market's requirements becomes a competency in its own right, underpinning employees' prospects of professional advancement and success for the Group. The Group has introduced New Skill pathways to motivate employees and respond to the need for them to constantly acquire new competencies.

A New Skill pathway is a made-to-measure initiative combining training and immersion periods in new roles to develop and maintain employees' employability by helping them acquire new skills. This applies to employees looking to move into one of the Group's new business lines or those needing to inject fresh impetus into their career, update their skills to keep pace with market developments or secure advancement within the organisation.

Harnessing the experiences already gained in India and the United Kingdom, the Group has launched a New Skill pilot in France.

An international mobility programme to attract and retain talented individuals

International mobility among employees is one of the Group's levers to adapt more effectively to the challenges posed by the digital transformation, but also to share production and human resources practices in all countries.

The Group's international mobility policy aims to respond to employees' wishes for better career prospects while aligning with the operational requirements of countries and clients, by forming multinational, multidisciplinary teams.

To encourage international mobility, internal communication campaigns are promoted via the Group portal.

In 2017, 125 employees took up international mobility opportunities, with 90% of international movers hosted by 14 countries (mainly France, the United Kingdom, Spain, Norway, Belgium and India).

In 2018, the Group will continue its efforts to offer international mobility opportunities.

A remuneration policy designed to retain valuable employees

Pay is one way of recognising each individual's contribution to the Group's performance. To support its growth, the Group is keen to attract, motivate and retain employees by offering a coherent remuneration package and fair treatment.

Backed by the employee assessment system, the remuneration policy provides for individually assessed remuneration for each employee and goes beyond the minimum requirements laid down in applicable local legislation. It is based on objective factors and aims to recognise talent by rewarding both individual and collective performance.

In 2017, 83% of employees working in 75% of the Group's scope were working in a country where there is a ratio of no more than one to ten between the average and the highest salary:

Ratio between the highest and the average annual salary 75% of the Group's scope (France, India, Scandinavia, United Kingdom[*])	% of total
Under 10	*83%*
10 ≤ x ≤ 20	*17%*
Over 20	*0%*

[*] *Excluding Sopra Banking Software and Sopra HR Software United Kingdom.*

A motivating employee share ownership policy for all employees

In 2016, Sopra Steria launched its international Group employee share ownership programme to give all employees a more meaningful stake in the company's performance. The three-year programme was renewed in 2017.

The We Share programme consists of the following:

- a share purchase programme rolled out in 15 countries in 2017 in the form of the Group Savings Plan (*Plan d'Épargne Groupe* or PEG in French), either via an employee investment fund (FCPE in French) or directly where local regulations prohibit the use of employee investment funds. Under the programme, Sopra Steria makes a matching contribution of one share for every share invested up to a cap of €3,000 and an overall limit of 110,000 matched shares;

- a Share Incentive Plan (SIP) specific to the United Kingdom and aligned with local regulations, for employees of UK entities, with

similar matching employer contributions. The shares are underwritten through a UK SIP trust;

- on average, 30% of Group employees and 36% of eligible employees of the Group's French companies signed up in 2017;

- the FCPE employee investment fund set up under the We Share programme has a Supervisory Board consisting of three women members elected from among the unitholders and two members appointed by the organisation's management;

- by giving employees a stake in the company's long-term development, the We Share programme confirms Sopra Steria's desire to be, above all, an independent group of entrepreneurs that puts shared success at the heart of everything it does.

With 7% of the share capital (and 7.4% of voting rights) **held on behalf of employees,** Sopra Steria Group is Europe's number one digital services firm in terms of employee share ownership.

In addition, Sopra Steria has published an Employee Savings Guide for all French employees that is available via the intranet. It aims to raise the profile of employee savings and employee share ownership plans and broaden access to them within the Group.

2.7. Labour relations

Labour relations involve working with employee representatives on matters relating to corporate strategy and the company's economic, financial and employee policy. It involves sharing information about significant changes faced by the Group.

Dialogue takes place at periodic meetings with employee representatives, in accordance with local legislation. The Group takes care to ensure that labour relations are running smoothly within each subsidiary.

Employee representation is structured within institutions specific to each country and legislative regime. These institutions act as preferred contact points in respect of labour relations.

In 2017, labour relations activities were particularly wide-ranging and sustained in an environment characterised by the digital transformation and the need to think about how best to anticipate changes in the Group's businesses and required skills.

In Europe (chiefly France, Germany and Belgium), compensation, gender equality in the workplace, working hours and employee status adjustments in connection with acquisitions were among the main issues dealt with together with employee representatives in 2017.

In this context, 33 agreements were signed with trade unions on these subjects, covering 69.7% of the workforce (compared with 53.2% in 2016), and 216 agreements were in force in 2017 in Europe (in France, the United Kingdom, Germany, Belgium and Italy). No new workplace health and safety agreements were signed in 2017.

These various initiatives increase employees' sense of belonging, ensuring that all staff are committed to the Corporate Plan and that the challenges posed by the digital transformation are met. As such, they constitute one of the drivers of business performance.

In 2018, labour relations remain a key issue for the Group's future development.

2.8. Working conditions and organisation: a priority for the Group

Working conditions and the organisation of work are important components of human resources management, considered by the Group as critical to its efficiency and long-term success.

The Group ensures that employees' working conditions and environment comply with legislation in force in the countries in which it operates.

The Group's businesses fall within the service sector and do not include any high-risk activities, notably in respect of occupational accidents, which are related purely to the hazards of everyday life. Nevertheless, the Group ensures that awareness and training action plans are implemented in all countries to prevent accidents and improve employee health and safety. 80% of employees are covered by these initiatives, in the following countries: Belgium, France, Germany, India, Italy, Spain, United Kingdom, Tunisia and Switzerland.

A psychological counselling and support unit is also available to employees in a number of countries (78% of employees have access to this type of support in the following countries: France, United Kingdom, Scandinavia, India, Belgium, Germany). This unit, staffed by psychologists, is completely independent of the company and can be accessed anonymously, confidentially and free of charge at any time.

The Group also champions local initiatives to improve life in the workplace. In the United Kingdom, for example, information campaigns about well-being in the workplace ran for the entire year. In Norway, meditation and yoga sessions were put on for employees to help them balance their work and private life.

Health and safety committees ensure that specific processes and measures are put in place and implemented at the local level, since each entity is subject to legislation specific to its host country. These measures concern, in particular, buildings (security of premises, furnishings, heating and air conditioning, etc.) and food (canteen, water, etc.).

In 2017, there were no occupational illnesses recognised in France by CPAM (the national health insurance body). The rules used to calculate absenteeism, and workplace accident frequency and severity rates were altered. In 2017, the rates were calculated based on business days, rather than calendar days as was previously the case. The figures for 2016 were recalculated using the same method. According to this rule, the absence rate was 2.1% in 2017, lower than in 2016 (2.7% recalculated). The workplace accident frequency rate decreased significantly in 2017 (1.68%, vs. 2.29% recalculated in 2016), while accident severity was 0.035% (compared with 0.030% recalculated in 2016). The rates remain very low and are linked to the hazards of everyday life.

ORGANISATION OF WORK

The organisation of employees' work schedules must allow for an appropriate work/life balance. Part-time working is never obligatory; it is always a matter of individual employee choice. Sopra Steria approves employee requests for part-time work whenever they are compatible with the requirements of the departments or projects concerned.

In 2017, 6.3% of Group employees were part-time (compared with 6.6% in 2016).

In 2018, the Group will endeavour to continue with and step up its actions to improve working conditions and the organisation of work, notably from a health and safety perspective.

2.9. Diversity and equal opportunity: a key issue for innovation and performance

Sopra Steria Group's anti-discrimination policy is consistent with its approach based on the principle of promoting equal opportunity. Sopra Steria works hard to recruit talented employees from a variety of backgrounds, retain its employees by offering a stimulating and welcoming work environment, and demonstrate respect and fairness to all staff. This approach focuses on both staff employability and the challenges facing civil society. It covers four areas: access to employment for people with disabilities, gender equality in the workplace, the intergenerational approach, and diversity and access to employment for young people.

EMPLOYMENT OPPORTUNITIES FOR PEOPLE WITH DISABILITIES

The main aim of the Group's disability policy is to favour the recruitment and continued employment of people with disabilities. Irrespective of the country in which they are based, the Group's companies are committed to complying with legislation and all local regulations and recommendations in support of employment for people with disabilities. Certain frameworks require employment to be provided. Furthermore, many Group companies in a number of countries have adopted a

series of measures aimed at going beyond legislative requirements in promoting employment for people with disabilities.

In France, the proportion of employees with disabilities increased in 2017, ending the year at 2.46% (higher than the 1.4% achieved by the digital sector as a whole; source: OPIIEC 2014), thanks to buoyant recruitment, initiatives to retain employees with disabilities and a focus on the sheltered employment sector. In Spain, the Group launched a programme to help employees recognise disabilities and took part in a national employment day for people with disabilities. In Italy, Sopra Steria entered into two partnerships with leading non-profits specialising in retaining employees with disabilities and launched recruitment activities specifically targeting people with disabilities.

WORKPLACE GENDER EQUALITY

The Group remains committed to workplace gender equality. During HR cycles, Human Resources Committees monitor compliance with principles of fairness in decisions concerning promotion, compensation, immersion periods in new roles, and training.

In 2017, the proportion of women in the Group's workforce held steady, with women representing 31% of the workforce and 27% of engineering, consulting and project management positions. This was higher than the equivalent proportion in scientific careers and in the digital sector as a whole (women represent only 20% of engineers, and fewer than 15% of graduates in the digital sector, according to the 2015 *Mutationnelles* survey). A total of 2,940 women were recruited (compared with 2,587 in 2016), accounting for 31% of all Group recruitment (vs. 30% in 2016). The leadership of HR cycles was stepped up with clear guidelines on expected outcomes.

The Group also encourages concrete local initiatives in each country. In Germany, France, India, the United Kingdom and Scandinavia, networks of women and men continued their efforts to encourage women to join our industry. These include conducting upstream awareness-raising among female students, making various audiences aware of the importance of eliminating discrimination and sharing best practices.

INTERGENERATIONAL APPROACH

The Group endeavours to attract young talent and to reflect the various generations proportionately, and it strives to support senior employees. The Group promotes knowledge and skills transfer – a key component of its intergenerational policy – by appointing a mentor for every new recruit aged under 26. In 2017, 9% of the workforce was under 25 years of age (compared with 9% in 2016) and 8% was over 55 (compared with 8% in 2016).

In France, measures supporting senior staff were maintained under a new three-year generational contract for 2017-2019. The Group achieved its targets for the recruitment and overall proportion of older employees (with 1.5% of new hires and 15% of employees aged over 50). The Group maintained its drive to develop skills and qualifications among older employees. A total of 14% of all training delivered was to employees aged 50 and over (compared with 13% in 2016), and an in-depth interview system was rolled out to anticipate career changes. Information sessions were held for employees affected by end-of-career adjustments and the transition from working life to retirement.

DIVERSITY AND ACCESS TO EMPLOYMENT FOR YOUNG PEOPLE

Ensuring access to education for all and integrating young graduates into the world of work is central to the Group's social policy, in line with the principle of equal opportunity and Group's proactive policy of recruiting and developing talented young people.

In France, partnerships with Pôle Emploi (France's network of job centres) and specialist organisations like EPEC made it possible to offer unemployed young people access to retraining programmes leading to professional qualifications and give them the opportunity to be directly involved in IT projects run by the Group, notably under the terms of social inclusion clauses (a total of over 135,000 hours have been spent on such projects, more than 49,000 of them in 2017). Lastly, the Group launched a pilot "Passport to the future" project in Toulouse to support higher education students from underprivileged areas (nine students were tutored by the Group's employees). In the United Kingdom, the partnership with non-profit organisation Career Ready also provided support for unemployed young people, notably through volunteer mentoring by Group employees.

In 2018, the Group will continue with its initiatives promoting employment for people with disabilities, maintaining a higher proportion of women in the Group's workforce than in the sector as a whole, promoting gender equality in the digital sector and contributing to the national effort to recruit young people, and in particular those from disadvantaged neighbourhoods, while also continuing to employ older people.

2.10. Promoting and complying with the fundamental conventions of the International Labour Organization (ILO)

Sopra Steria adheres to the principles and fundamental entitlements of the Universal Declaration of Human Rights of the United Nations and the Charter of Fundamental Rights of the European Union. Sopra Steria is committed to:

■ complying with European Community and domestic labour law and collective bargaining agreements in each country where it operates;

■ respecting the exercise of trade union rights in each of the countries in question.

Sopra Steria's employment policy aims to promote health, safety and dignity in the workplace for all employees, with a particular focus on ensuring compliance with the principles of equality, diversity and non-discrimination, in relation to both recruitment practices and employee career development.

2.10.1. UPHOLDING FREEDOM OF ASSOCIATION

As a signatory of the United Nations Global Compact, Sopra Steria is committed to upholding freedom of association and recognising the right to collective bargaining. Sopra Steria has implemented non-discrimination policies and procedures with regard to employee representatives. In countries that do not have an institutional framework governing the recognition of employee representatives, Sopra Steria seeks to implement measures intended to improve professional relations between the company and its employees. Sopra Steria has reaffirmed this commitment in its Code of Ethics.

2.10.2. REPUDIATION OF FORCED CHILD LABOUR

Sopra Steria has formally committed itself to combating child labour, child exploitation, forced labour and all other forms of compulsory labour, notably through its adherence to the United Nations Global Compact. This commitment is reiterated in Sopra Steria's Code of Ethics.

2.11. Regional impact

2.11.1. EMPLOYMENT AND REGIONAL DEVELOPMENT IN FRANCE

Sopra Steria remained a major driver of growth in regional employment in 2017. The Group has 18,369 employees (excluding acquisitions), with close to two-thirds of them living outside the Paris region. A total of 2,616 new staff were hired on permanent contracts, with close to 59% of these living outside the Paris region (same as in 2016),

To serve its clients and meet their needs as effectively as possible, Sopra Steria has developed regional service centres and boosted the workforce at its regional sites. This policy has resulted in many jobs being created in regions other than Paris. Recruitment of apprentices continued at a brisk pace in 2017 (161 apprentices taken on in 2017, 157 in 2016),

as did recruitment under occupational training contracts despite a decline (353 in 2017 vs. 379 in 2016). Furthermore, recruitment under permanent contracts of young graduates following internships grew strongly in 2017, up 28% relative to 2016 (461 in 2017, versus 359 in 2016).

2.11.2. EMPLOYMENT AND REGIONAL DEVELOPMENT IN SPAIN

Sopra Steria confirmed its position as a major provider of regional employment in Spain, with 895 new staff recruited under permanent contracts. Recruitment across the country, already high in 2016, grew strongly year on year (700 new employees had been recruited under permanent contracts in 2016). Recruitment remained buoyant among under-25s, including in struggling regions where unemployment has reached record levels within the European Union, especially among under-25s (over 37% of whom are unemployed; source: INE).

3. Societal responsibility: increased interaction with stakeholders

Corporate social responsibility encompasses action in various different areas – responsible procurement, stakeholder dialogue, client satisfaction and outreach programmes to support local communities where the Group operates.

3.1. Background and key events

Whether in relation to needs, uses, offerings or business models, in the face of rapid change linked to the digital transformation and new technologies, companies need to adapt and get on board with the digital revolution.

As a major European player in the digital transformation, Sopra Steria is a preferred partner of major organisations, helping them respond to these new challenges.

As part of its corporate responsibility approach, Sopra Steria interacts with all stakeholders, with an emphasis on three key factors: dialogue, innovation and value creation.

Key events

- Sopra Steria is a GC Advanced signatory of the United Nations Global Compact, the highest level. The Group ranks among the top 9% of companies supporting the Global Compact.

- Sopra Steria achieved EcoVadis Advanced Gold level for social and environmental responsibility, ethics and supply chain, putting the Group in the top 1% of companies rated by EcoVadis, which assesses companies' CSR performance.

- For the ninth year running, Sopra Steria was included in the Gaia Index, which lists the 70 companies with the best corporate responsibility ratings out of a sample group of 230 companies.

- In 2017, Sopra Steria published the third edition of its European digital governance survey.

- It received the following awards and accolades for its partnerships: IBM Watson Ecosystem Partner, Microsoft Health Innovation Awards 2017 Winner, SAP Quality Awards Golden Winner 2017 Belgium, Oracle Excellence 2017 Winner, SAS Regional Partner of the Year.

3.2. Commitments

Sopra Steria's approach to corporate responsibility is based on its commitment to the United Nations Global Compact. It embraces the principles of transparency towards and dialogue with all key stakeholders: clients, employees, shareholders, investors, partners, suppliers and civil society.

3.3. Challenges and key achievements

2017 challenges/targets	Achievements in 2017	Ambitions for 2018
STAKEHOLDER DIALOGUE		
■ Strengthen initiatives designed to raise awareness of corporate responsibility ■ Develop collaborative initiatives with the Group's ecosystem (market, environment diversity and inclusion)	■ Contribution to the Group's various major internal and external events. ■ Organised joint events and initiatives with clients and NGOs on issues related to corporate responsibility.	■ Roll out new internal and external initiatives (market, community engagement, environment, ethics) to entities and internationally.
DIGITAL RESPONSIBILITY		
■ Contribute to thinking about the social impact of digital technology and work towards a more inclusive digital society	■ Sponsored the Collège des Bernardins Digital Chair and the Digital Inclusion laboratory of the Agence Nationale des Solidarités Actives (ANSA)	■ Provide long-term support for Collège des Bernardins' digital humanism department.
RESPONSIBLE SUPPLY CHAIN		
Responsible Purchasing Charter ■ Incorporate new European and local directives into the Responsible Purchasing Charter ■ Roll new charter out to employees involved in purchasing	■ Comprehensive review of the responsible purchasing policy to standardise practices within the Group and incorporate new regulations (Sapin II Act, duty of care).	■ Roll out this new policy across the entire Group.
Supplier evaluation ■ Reinforce the programme to raise awareness of the EcoVadis assessment system among Group purchasing staff to increase the number of suppliers assessed	■ Review of the supplier evaluation programme to ensure it complies with the latest regulatory requirements (Sapin II Act, duty of care).	■ Extend the programme to assess a larger number of suppliers and subcontractors in the country's entities.
CLIENT ISSUES AND SATISFACTION		
Expertise and services ■ Continue to innovate in client projects ■ Develop joint corporate responsibility initiatives between Sopra Steria Group and its clients	■ 7 new DigiLabs, notably in Italy and Belgium. ■ Development of joint initiatives with our clients: Mobility with Demeter in France, Community engagement with Harrow Council in the United Kingdom and the Environment with a major city in Norway.	■ Continue development of frameworks for innovation. ■ Strengthen the Group's verticals by leveraging the Innovation Awards.
Client satisfaction ■ Strengthen the Key Accounts programme	■ Introduce a Key Accounts governance framework geared to individual countries. ■ Analysis of the Group's image among its major clients.	■ Harness the projects creating the most value from the Innovation Awards for the benefit of our clients.

3.4. Stakeholder dialogue
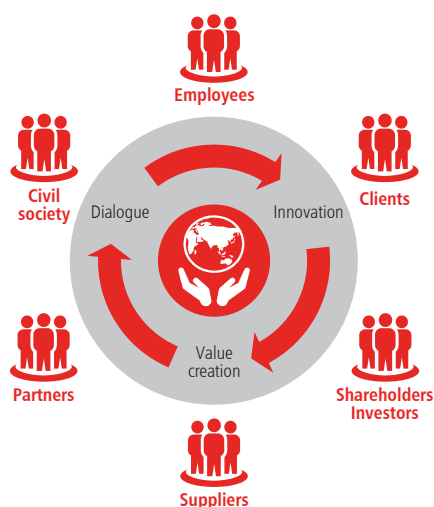
Sopra Steria engages in ongoing and open dialogue that fosters innovation and value creation for all its stakeholders.

For example, since 2014 the Group has entered into a partnership with Ipsos to conduct opinion surveys, the results of which are regularly published.

Under this partnership, the Group and Ipsos have launched Digital Gouv', a bellwether index for the government's digital transformation. The third edition, based on a survey of 4,000 citizens representative of the national population aged 18 and over conducted in four countries (Germany, France, Norway and the United Kingdom), was published in 2017.

I SUMMARY OF STAKEHOLDER DIALOGUE

Clients	Regular dialogue concerning Sopra Steria's contribution to helping clients meet their corporate responsibility challenges (meetings, questionnaires, third-party assessments, etc.); co-development initiatives with clients focused on innovation and social inclusion and environmental clauses linked to Sopra Steria's services.
Employees	Group-wide campaigns raising awareness about corporate responsibility; coordination of in-country officers networks; dedicated Group newsletter; education of new arrivals; dedicated mailbox. Employees' involvement in diversity programmes, access for young people to employment, environment, community engagement.
Shareholders and investors	Reporting to shareholders via the registration document, general meetings, press releases and earnings presentations; dedicated communications for employee shareholders; communication with investors via the website and answers to specific questionnaires. Evaluation of the Sopra Steria Group by the Gaia Index, CDP and EcoVadis.
Partners	Joint innovation approach with major strategic partners in the digital transformation; Governance of strategic partnerships (Microsoft, IBM Software, SAP, Oracle, HP Software, Dassault Systèmes) with dedicated managers; More specialised partnerships with industry and technology vendors (Google Cloud, etc.).
Suppliers and subcontractors	Responsible purchasing policy rolled out Group-wide; Responsible purchasing charter: programme to assess suppliers and subcontractors led by EcoVadis, an external organisation.
Civil society	Partnerships and sponsorships with international and local NGOs in each country; foundations in France and India; working with local authorities, schools and universities in the various countries in which the Group operates; active involvement in trade unions and industry bodies.
All stakeholders	Publication of an annual Corporate Responsibility Report audited by an independent third party; evaluation by non-financial organisations and analysts, with ratings publicly disclosed. Regular dissemination of information via the Group's website and social networks: Twitter, Facebook, LinkedIn.

AN ADVISORY BOARD TO STRENGTHEN STAKEHOLDER DIALOGUE

The Sopra Steria Group's CR Advisory Board consists of external figures with no financial or business interests in the Group. Through their experience and expertise in key areas falling within the Group's corporate responsibility, these advisors provide independent and relevant insights challenging and driving improvement in the Group's corporate responsibility approach and forging stronger dialogue with all stakeholders. An overview of the Advisory Board can be found in Section 1.5.2 of this Corporate Responsibility Report.

3.5. Support for the Digital Chair: a fresh perspective on digital technology's impact on humankind

As a major European player in the digital transformation working with large organisations, Sopra Steria plays an essential role in contributing to and providing input into work on the societal impact of digital technology. For the past two years, the Group has thus been involved with the Digital Chair created by the Collège des Bernardins, a key centre for gatherings and discussion, as part of its research activities. This

commitment to the Collège des Bernardins will continue for the next few years with the creation of the new digital humanism department dedicated to studying the societal aspects of digital technology. Through this department, the Group will provide its experience as a digital enabler helping large businesses and administrations enrich thinking and work to be undertaken with researchers, scientists, experts, anthropologists and large businesses to provide a fresh perspective on this crucial subject for the future of humankind.

3.6. More stringent responsible purchasing requirements

Over the past few years, the Group has launched a programme to evaluate its key suppliers to make sure they meet the corporate responsibility standards set by the Group. The programme was reviewed in 2017 to:

- incorporate new regulatory requirements (duty of care; Sapin II Act) and manage risks arising from the supply chain;
- overhaul Group purchasing rules and procedures;
- raise standards and harmonise practices and roll them out Group-wide;
- add a Purchasing section to the Key Book, the handbook of Group rules specifically concerning:
  - supplier selection,
  - purchase requests and orders,
  - order receipts and payments;
- overhaul the Group's supplier charter to include the Group's new requirements.

3.6.1. THIRD-PARTY EVALUATION OF THE SUPPLY CHAIN

Suppliers

Sopra Steria uses the EcoVadis platform to evaluate its supply chain. It reviews 21 different areas related to social, environmental and ethical responsibility and the supply chain.

The framework has been introduced in stages since 2014 across the countries and entities making up the Sopra Steria Group. In 2018, it will be extended to new Group suppliers.

Subcontracting

Sopra Steria may make use of subcontractors in cases where its commitments cover activities or services that fall outside its usual scope of activity, or where specific expertise is needed within a given project. When it calls upon external expertise, the service providers or subcontractors it selects to perform a portion of the services are accountable to the Group's entities. The services they provide are checked in the same way as services delivered by other members of Sopra Steria's teams.

The Group's key subcontractors are gradually being brought into the EcoVadis CSR evaluation programme.

3.6.2. ETHICAL AND INCLUSIVE PURCHASING IN SUPPORT OF DIVERSITY

The Group's responsible purchasing policy also reflects the community engagement aspects promoting local development, small businesses and greater diversity.

- Use of the social economy in countries, measures to promote diversity.
- Partnership with Atimic in France promoting employment for people with disabilities as subcontractors.
- Use of local suppliers to strengthen the local economy.
- Shorter payment periods to encourage the use of small businesses.

3.6.3. ENVIRONMENTAL POLICY

- Listing of eco-friendly paper at our supplier, Office Depot.
- Renewable energy: purchase of renewable energy or use of certificates of origin covering electricity and gas consumption.
- Purchases of EPEAT Gold-certified PCs.
- Introduction of Science Based Targets [1]: Sopra Steria makes sure that its major suppliers accounting for at least 70% of its supply chain's emissions, keep their greenhouse gas emissions under tight control and have introduced greenhouse gas emission reduction targets by 2025.

- Sopra Steria gained the maximum score in the CDP Supplier evaluation and was added to CDP's A List (2017-2018 campaign).

3.7. Client satisfaction at the heart of the Sopra Steria Group's project

Delivering client satisfaction is a top priority for Sopra Steria. Combining added value, innovative solutions and high-performance services, the Group enables its clients to make the best use of digital technology.

Enduring trust

For the past several years, Sopra Steria has pursued a key account strategy aimed at building enduring, high-quality relationships, better understanding its strategic clients' development and competitiveness challenges, and providing a comprehensive end-to-end response with a high level of added value. In 2017, the major clients strategy was ramped up and supported by a governance framework tailored to each individual country.

In 2017, the Group's revenue from its major clients grew again, reflecting the pertinence of this approach amid a fiercely competitive environment.

In a reputation survey undertaken in 2017, major clients recognised the relevance of the Group's strategy, the excellence and closeness of relationships with their contacts at Sopra Steria, and the integrity, ability to respond swiftly and confidence they inspire.

(1) SBT: Science Based Targets is an internationally recognised initiative offering mathematical models for identifying the environmental footprint of activities so as to be able to set ambitious greenhouse gas emissions reduction targets.

Sopra Steria, a leading partner

In Europe, Sopra Steria has become the leading supplier to public authorities and major companies in sectors as diverse as banking and aerospace.

In 2017, Airbus, Sopra Steria Group's largest client, which it serves in France, Germany, the United Kingdom, Spain and India, has established the Group as a leading supplier of high value-added digital services across the portfolio of solutions it provides.

3.7.1. BUSINESSES AND EXPERTISE HELPING THE GROUP'S CLIENTS DELIVER SUSTAINABLE PERFORMANCE

An end-to-end approach harnessing digital technology to create value

Sopra Steria aligns all its business lines to meet the needs of its clients: consulting and systems integration, development of industry- and technology-specific solutions, infrastructure management, cybersecurity and business process services (BPS).

By offering one of the most comprehensive portfolios of offerings in the market, the Group is able to provide end-to-end solutions to its clients' development and competitiveness challenges.

Innovation and digital co-innovation

Co-design to mobilise collective intelligence

- Development of a collaborative approach that fosters creativity in the design of services, uses, processes, organisations and a shared vision or strategy. By involving business experts, end users and technical experts, this approach shortens the design phase, optimises processes and helps maximise access to digital technology.

Sopra Steria DigiLabs: spaces dedicated to digital co-innovation

- In 2017, digital co-innovation – a driver of value creation in the digital revolution – saw Sopra Steria staff and clients work together on technologies like virtual reality, augmented reality, the Internet of Things, artificial intelligence, data science, blockchain, robotics, mobility and cybersecurity.
- This approach is supported by 16 DigiLabs, spaces dedicated to innovation to encourage the emergence of innovative solutions that will meet the new challenges facing businesses and organisations. DigiLabs have been rolled out across the Group, in France, the United Kingdom, India, Germany, Norway, Belgium, Italy, Spain and Singapore.

Sopra Steria Innovation Awards

Over 600 entries consisting of innovative projects submitted by teams from all the Group's entities were received for the annual competition. The awards were bestowed on the prizewinners as part of the January 2018 Management Kick-Off attended by close to 4,000 Group managers.

- **Clook (Germany):** an app that helps users make travel arrangements.
- **What's Next (France):** a project that uses artificial intelligence to help users monitor their budgets and accounts and speed up invoice processing.
- **Smart Digital Cloning (India):** an application that analyses data collected via the IoT from a vehicle using blockchain technology.

- **Ant Tennaz (France):** an app that lets users communicate via mobile even when no internet connection is available, using Google's new Nearby Connections API.
- **Microsoft Award: Smart DLT – Blockchain 2.0 (Belgium):** using blockchain technology, this application can be used to combat counterfeit drugs by securing their distribution channels.

In 2017, a special prize – the Disability Innovation Award – was introduced for the first time.

2017 Disability Innovation Award: VR Phantom Limbs (France)

What are phantom limbs? They are a sensation that many individuals with a limb amputation experience may feel. The VR Phantom Limbs app aims to reduce this type of pain by combining therapeutic techniques with virtual reality technology. The virtual reality technology fully immerses the user in the environment. This step-by-step approach helps to avoid the use of anti-depressants or powerful pain relief drugs.

Digital technology can help to meet our clients' sustainable development goals

Harnessing digital technology to achieve a low-carbon economy

- Developing solutions that address the new challenges of energy efficiency and allow users to better manage their energy consumption.
- Optimising urban transport and multimodality to promote the use of safer, more regular and more attractive modes of transport with a low carbon impact.
- Process optimisation and paperless exchange thanks to digital technology.
- Services benefiting from the Group's carbon neutral policy: business travel, offices and datacentres.

Taking into account the social dimension of Corporate Responsibility

- Harnessing digital technology to work for a more inclusive economy and working with clients and stakeholders in civil society on digital inclusion issues.

Harnessing expertise for smart cities

Making cities more attractive, reducing their environmental footprint and offering new services thanks to digital technology

- Harnessing digital technology to improve quality of life for citizens and promote sustainable economic development through smart cities.
- Supporting digital transformation and regional economic development.
- Sopra Steria is partnering with major European cities as they put together their digital strategies, supported by innovative solutions developed by the Group:
  - Smart Harbour: a system that optimises harbour management by switching to paperless activity management and developing new services;
  - SI@GO: a building energy efficiency management system;
  - Enjoy-MEL: digital infrastructure to help boost the appeal of city centres;

- Colibry [1]: a platform for developing innovative operational solutions that meet the urban mobility challenges facing smart cities, businesses and citizens.

> **Demeter [2], a collaborative management initiative**
>
> In France, Demeter has 30 partners including Sopra Steria who are working together to reduce Toulouse airport's environmental footprint. Stakeholders have formed four working groups, covering mobility and sustainable infrastructure development, green growth, the circular economy and air pollution. Together, they aim to build momentum leveraging the impact of their areas of expertise. Initial avenues for development include green fuel for aircraft, car pooling for employees and hydrogen stations. Under this joint initiative, Sopra Steria is involved more specifically in the Commute project [3], which aims to implement a collaborative management system for employee mobility and help relieve urban traffic congestion. The partners in Commute, which was picked out by the European Commission's Urban Innovative Action programme from 200 applications, include Airbus, ATR, Safran, Sopra Steria, Toulouse Blagnac airport, AFNOR, Tisséo Collectivités and the Réussir Business Club, with the Toulouse Métropole authority providing leadership. Sopra Steria's goal is to roll out the Colibry digital platform, and contacts are currently being established with other urban authorities in France and the rest of Europe.

3.7.2. INFORMATION SYSTEMS SECURITY, INCLUDING CYBERSECURITY

Information systems security

With the growing number of potential threats that companies can face (climate, cyberattacks, failures, etc.), it is crucially important for the Sopra Steria Group to implement robust security frameworks for information systems.

Sopra Steria entities (in France, the United Kingdom, Germany, Scandinavia, Poland, Spain, Italy, India and Switzerland) are certified to ISO 27001 by accredited organisations. This certification also applies to IT services supplied by the IT Department for the Group as a whole, which have been certified ISO 27001 since 2015 and are subject to annual follow-up audits. The scope of certification is steadily being extended; in 2017, around 10 new sites were certified in France, Spain and the United Kingdom.

Cybersecurity

As a leading player in cybersecurity, Sopra Steria develops the most innovative solutions and services, especially addressing the risks arising from potential cyberattacks, and these help to meet the Group's security requirements for its own operations.

This subject is discussed in further detail in Chapter 1, Section 4.1.2 of the 2017 Registration Document.

3.8. Community engagement for an inclusive digital society

The rapid changes in society triggered by digital technologies affect numerous areas such as health, disability, culture, education, urban and regional infrastructure development. These changes represent real challenges.

Education and training, especially in digital technology, represent key priorities for creating value for society and for social inclusion and access to employment for all. The Group is particularly attentive to this issue, and remains committed to vulnerable populations in these areas, while also supplementing its framework for action with initiatives in favour of water rights. To fulfil this commitment, involving hundreds of Group employees, Sopra Steria is supported by two foundations in France and India, as well as long-term sponsorships developed with non-profit organisations. This programme is supplemented by local community outreach initiatives, including a major educational and engagement programme in India, and fundraising events in several countries to expand their own action programmes or bolster the programme in India.

Key events

- Launch of the Group's first annual Community Day campaign to promote and raise employee awareness of community engagement initiatives in various countries.
- 15th Sopra Steria-Institut de France Foundation Student Awards.
- Launch of a new community engagement programme in the United Kingdom focusing on education about digital inclusion and entrepreneurship, in tandem with clients and with the support of employees.
- Efforts to boost the scientific knowledge of students in schools supported by Sopra Steria in India, including robotics workshops, science exhibitions and the Thinker Math programme.
- Launch of a new partnership in France with ANSA, a non-profit organisation that runs socially innovative projects to combat poverty and social exclusion.
- Continued sponsorship of the Collège des Bernardins Digital Chair: "Humanity in the face of the digital challenge"; participation in the Reboot Challenge aimed at students.
- Gayathri Mohan, Sopra Steria's Head of Corporate Responsibility in India, won the FDM everywoman in Technology Award at the beginning of 2018 in the International Inspiration category. The prize was a reward for the engagement and substantial educational programme that has been underway in India for many years.

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(1) Colibry: COlLaboratIve moBility gets RealitY.

(2) Démonstrateur des engagements territoriaux pour la réduction des émissions ("Regional emissions reduction commitments demonstrator").

(3) Collaborative Mobility Management for Urban Traffic and Emissions Reduction.

3.8.1. CHALLENGES AND KEY ACHIEVEMENTS

2017 challenges/targets	Achievements in 2017	Ambitions for 2018
DIGITAL RESPONSIBILITY		
Contribute to thinking about the social impact of digital technology and work towards a more inclusive digital society	■ Sponsored the Collège des Bernardins Digital Chair and the Digital Inclusion laboratory of the Agence Nationale des Solidarités Actives (ANSA)	Continue sponsorship of the Collège des Bernardins through the new Digital Humanism Department Ongoing partnership with ANSA to publicise the results of the Digital Inclusion lab's work.
CIVIC ENGAGEMENT		
Develop access to education	■ Rolled out education programme in 64 schools in India to 70,000 children from poor rural backgrounds. ■ Helped 463 students via higher education scholarship programme in India. ■ Initiatives across all the Group's countries, etc.	Extend programme in India with support of European Group entities.
Foster digital inclusion	■ 12 projects supported by the Sopra Steria-Institut de France Foundation. ■ Smart classrooms and computer labs converted to solar energy in schools supported by Sopra Steria in India. ■ Pro bono partnership with Ferd Social Entrepreneur in Norway. ■ Initiatives in the United Kingdom, Poland, etc.	Efforts to strengthen partnerships in the various countries in which the Group operates with experienced organisations renowned for their digital inclusion capabilities. Development of joint initiatives between the Group's countries.
Contribute to employability	■ Professional development centre in India, giving access to short training courses culminating in qualifications. ■ Initiatives in France, Spain, the United Kingdom and Norway.	Involve employees to scale up the initiatives launched by the Group.
Be committed to water rights	■ Sponsorships with 1001fontaines, Green Cross, Planet Water Foundation and Puits du Désert.	Develop initiatives in India and favour partnerships involving employees.

3.8.2. WORKING TOGETHER TO SUPPORT LOCAL COMMUNITIES

Digital inclusion: making digital technology accessible to all

In 2017, Sopra Steria decided to support ANSA, an agency in France supporting active engagement founded by Martin Hirsh[1], to pursue local, experimental and socially innovative projects to fight against poverty and social exclusion. The corporate philanthropy programme supported the Digital Inclusion lab, which ran four workshops in 2017 to map out risk scenarios and identify ways to broaden access to all. The initiative was supported by non-profits and private and public organisations, as well as volunteers from the Sopra Steria-Institut de France Foundation.

This work is monitored by major organisations, which are using their experience to build a unique digital inclusion model in France.

The partnership is set to continue in 2018, with the publication and release of theme-based notebooks. It will make the results of this study available to the Group's other countries so that local initiatives in this field can be shared.

For the past two years, the Group has also supported the Collège des Bernardins Digital Chair to further the study of digital technology's impact on humankind, particularly in the field of education (see Chapter 3, Section 3.5 of the 2017 Registration Document).

In 2017, the **Sopra Steria-Institut de France Foundation** continued to support projects that combine digital and social or environmental innovation. In 2017, the Foundation supported 12 non-profit projects in the area of digital inclusion, sponsored by Sopra Steria employee volunteers, who provide support to the non-profits concerned and offer advice and expertise.

> **Winners of the Sopra Steria-Institut de France Foundation 2017 Student Award**
>
> Both the student projects rewarded in 2017 proposed innovative solutions to help people with disabilities. PolySENS, the project submitted by the ENSEA team that won the top prize, is a solution that helps to stimulate the senses and emotions of people with multiple disabilities, in partnership with the Cergy specialist reception centre and the Zigzag non-profit organisation. The students of Telecom ParisTech, winners of the judges' special prize, presented the Listen and Warn project featuring a connected watch for people who are deaf or hearing-impaired as an alternative to existing hearing devices.

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(1) French government High Commissioner for Active Solidarity Against Poverty from 2007 to 2010, and author of a number of books on social exclusion.

In other Group countries, many local digital inclusion initiatives aimed at vulnerable populations were launched or continued with clients, partners and employees: social entrepreneurship and the unemployed in Norway, help for autistic children in Italy, support for orphans in Poland, assistance for disadvantaged young people in Spain, etc.

Education and training: key drivers of integration

In India, a major long-term education programme has been put in place as part of the fight against poverty in a country with high levels of inequality. This programme is aimed at children from poor rural areas attending public sector schools located close to the company's sites. In 2017, over 70,000 children benefited from the programme at 64 schools from primary to high school level. Hundreds of volunteers help guide children through their school careers.

The educational programme will continue in 2018, with the aim of evolving towards green schools, incorporating solar power, access to drinking water, vegetable gardens and sanitation facilities.

> **Aside from school, university grants and training in India**
>
> The programme of university scholarships in India enables students from schools supported by the Group to continue their studies. To date, the programme, which is entirely funded through an annual fundraising event, has helped 463 scholarship students, 241 of whom have completed their studies and found employment.
>
> Financed by funds raised annually by staff in Scandinavia, the Career Development Centre provides training opportunities for school leavers unable to pursue long-term studies by offering them shorter vocational training courses and skills development programmes. The CDC programme, sponsored by Sopra Steria Norway, was established in partnership with the NIIT foundation.

In other Group countries, initiatives are also run with the help of volunteers to provide academic tutoring to vulnerable children and to help women gain computer skills. In the United Kingdom, for example, employees take part in educational initiatives for young people in Harrow.

Programmes fostering employee engagement

In 2017, fundraising programmes and initiatives in response to local community issues continued with the help of several hundred employees.

Employees rallying behind community and also environmental causes raise funds both for Group programmes and for local charities of their own choice. These events are held in India (Share and Support Day), in the United Kingdom (Community Matters), in Scandinavia (The Challenge) and in Poland (Charity Challenge).

Employees are also involved in community engagement initiatives supporting local priorities in Italy, France, Belgium, Spain, Poland and Morocco.

In Germany, Norway and the United Kingdom, salary-based levies are a way for employees to help provide financing for not-for-profit organisations and the Group's education programme in India.

In France, the Group has for several years been involved in the Planète Urgence Congés Solidaires programme, which gives employees opportunities to pass on their skills to projects kicked off by local stakeholders in developing countries.

The approach also features local, cultural and sports-related initiatives.

Water rights for all

Though it may appear to be abundant, water is on the verge of becoming the planet's scarcest and most precious resource. Yet today, this non-renewable resource is polluted, wasted and over-exploited. More than a billion people have no access to safe drinking water and 8 million people, half of them children, die from water-borne diseases every year.

Through financial sponsorship, since 2012 the Group has been supporting international organisations working in a variety of fields: developing solutions for accessing drinking water, sanitation programmes, advocacy, and pollution reduction and prevention.

Find out more about Sopra Steria Group's humanitarian initiatives:

Group:	https://www.soprasteria.com/fr/groupe/responsabilite-d-entreprise/
France:	http://www.fondationsoprasteria.org/fr
India:	http://www.soprasteria.in/about-us/corporate-responsibility
United Kingdom:	https://www.soprasteria.co.uk/about-us/sustainability/community
Norway:	https://www.soprasteria.no/om-sopra-steria/samfunnsansvar
Germany:	https://www.soprasteria.de/das-unternehmen/corporate-responsibility
Spain:	http://www.soprasteria.es/sobre-nosotros/responsabilidad-corporativa/responsabilidad-comunidades

4. Ethics & Compliance

4.1. Background and key events

Key events

- Creation of the new Corporate Governance & Risk Management Department. The main responsibility of this central department is to update principles guiding the Group's policy on compliance and ethics by taking into account new regulatory requirements (the Sapin II Act and the duty of care, or *devoir de vigilance* in French) and ongoing changes in the Group's scope.

- Compliance programme launched in 2017.
- Revisited core rules and procedures.

4.2. Challenges and key achievements

2017 challenges/targets	Achievements in 2017	Ambitions for 2018
ETHICS & VALUES		
■ Strengthen rules and procedures within the Group following the merger (including compliance and control issues)	■ Set up Corporate Governance & Risk Management department. ■ Code of Ethics supplemented by a stock market code of ethics and conduct. ■ Core Group rules revisited.	Roll out new arrangements within the Group, notably in light of changes in the Group's scope. Continue with compliance programme in 2018 to supplement existing arrangements.
DATA PROTECTION		
■ Strengthen data protection arrangements	■ Prepare new data protection programme.	Roll out GDPR implementation programme across entire Group.

4.3. Governance and organisation

To ensure that ethical and compliance issues are addressed and regulatory challenges met as effectively as possible, senior management has opted to bring together compliance, internal control and risk management within a single department: Corporate Governance & Risk Management. This department reports to the Group's Executive Management. The structure is designed to bring compliance issues, compliance controls, and alerts and risks under a unified governance framework.

The department oversees compliance issues across the Group and coordinates all stakeholders involved in compliance. To manage these issues, it is supported both by correspondents in the Group's various subsidiaries and entities and by the Group's functional departments, which have expertise in their respective fields and are in turn supported by their own correspondents who cover compliance issues in the various entities.

Under this governance structure, the department is headed up by the Group Compliance Officer, who is also the primary reference point for the alert system and is supported by a network of compliance officers in the Group's various entities and geographies, who act as contact points and ensure close links with local teams.

The Risk Committee conducts monthly Group-level reviews of compliance issues, risks, points to watch and alerts fed back by the Group's various entities and geographies. The Risk Committee is made up of the Industrial Director, responsible for operational reviews and alerts and projects, the Finance Director, the Legal Director, the Human Resources Director, the Security Director and the Corporate Governance & Risk Management Director.

The Corporate Governance & Risk Management and Audit Departments undertake regular joint updates, notably concerning the audit plan and the identification of risks. All compliance issues are regularly presented to the Audit Committee, which is a subcommittee of the Board of Directors.

A Stock Market Ethics Committee has also been formed. This committee meets as often as necessary, and in any event no less than once a month.

Risk management and control within the Group, and the relationship with the Audit Department and external auditors, are described in more detail in Chapter 1, Section 9.1 of the 2017 Registration Document.

4.4. A Code of Ethics and core values supported at the highest levels of the Group

The Sopra Steria Code of Ethics expresses the Group's values and is based on shared ethical principles that apply to all Group entities, including in particular the core values of respect, integrity and transparency.

The principles of the Group's Code are founded on compliance with legislation and regulations in all countries in which Group entities operate, and on entities' commitments to conduct their business as efficiently and effectively as possible.

At the local level, depending on legislation in force in the countries in which the Group operates, additional charters and rules on business ethics are in place and regularly monitored.

Under its Code of Ethics, Sopra Steria is committed to ensuring that the Group and its employees abide by the following:

- human rights and fundamental freedoms;
- local laws and customs;
- rules on the prevention and refusal of all forms of active or passive corruption, whether direct or indirect, and conflicts of interest;
- competition rules;
- confidentiality of information to which employees have access in the course of their duties and activities.

Through this code, the Group is committed to conducting its business in adherence to the highest possible standards. The Sopra Steria Code of Ethics is supported by Group management, which is responsible for ensuring that these rules are observed. The code applies to all Sopra Steria employees to ensure that the Group's businesses operate effectively.

In 2017, the Code of Ethics was supplemented by a Stock Market Code of Ethics, which is a conduct of business code covering securities trading and the prevention of insider dealing. This new code was introduced primarily as a means of ensuring compliance with the European Market Abuse Regulation (Regulation (EU) 596/2014).

4.5. Core rules and procedures

Beyond the Code of Ethics, which reaffirms the Group's fundamental principles and values, the compliance system within Sopra Steria is supported by a common core of rules covering all Group processes (management, human resources, purchasing, sales, operations and production, finance and accounting, security, etc.). In 2017, following the merger, significant work was undertaken at Group level to consolidate existing rules as part of the compliance programme, and a number of guidelines and procedures were clarified. This work to formalise and review rules continues in 2018 under the compliance programme to ensure that implementation of rules within the Group is monitored, but also to supplement and reinforce a number of control points in relation to certain processes. These changes also form part of the Group's response to new regulatory requirements.

4.6. A programme aimed at supplementing existing compliance arrangements

To support the Group's development and growth and meet new regulatory requirements, the Chairman and Executive Management decided to supplement existing arrangements by launching, in 2017, a compliance programme to be implemented and rolled out across the Group. Implementation of this programme will speed up in 2018.

As well as implementing governance arrangements, revising and reformulating Group rules and bolstering the internal control system as described above, this programme includes the following:

- **an anti-corruption and influence-peddling code of conduct** supplementing the existing Code of Ethics, covering all entities and geographies and translated into all the Group's languages. This code will be incorporated into Group entities' internal rules of procedure after submission to the various representative bodies in accordance with usual procedure;
- **Group-wide awareness-raising and training** consistent with communication and training programmes already in place within the Group's various entities. In addition to an awareness programme aimed at all employees providing an accessible and specific overview of corruption and influence-peddling risks to the business, training will be rolled out for employees directly involved in purchasing

processes (buyers, public sector, export sales and recruitment) in conjunction with Sopra Steria Academy. Dedicated modules will be incorporated into existing training, notably for managers, and into induction programmes for new recruits, to ensure that training arrangements are fit for purpose for the long term;

- **strengthened control and audit procedures;**
- **responsible purchasing: speeding up the supplier evaluation programme;**
- **a whistleblowing system** supported by compliance officers within the Group's various entities: this system will be widely communicated to Group employees following consultation with representative bodies and rollout

4.7. Duty of care and prevention

Information on health and safety, working conditions, diversity and equal opportunity, and promoting and complying with fundamental conventions is covered via various stakeholders and in various parts of the Registration Document (in the sections entitled "Responsible employment practices", "Environmental responsibility" and, for suppliers and subcontractors, "Social responsibility").

Sopra Steria has opted to carry out a comprehensive exercise covering the entire Group and its subsidiaries (entities and geographies) to map risks relating to its duty of care, so as to formalise the components of the duty of care plan in a structured and consolidated form, as well as prevention actions and priorities identified. As regards responsible purchasing, a review of purchasing policy has been undertaken by the Purchasing and Corporate Governance & Risk Management departments to extend the scope of third-party supplier and subcontractor assessments (EcoVadis evaluation), notably to incorporate issues relating to the duty of care. As regards real estate policy, as well as complying with local regulations, each of the Group's country entities develops prevention initiatives to ensure safety and quality of life in the workplace: secure access, maintenance of electrical installations, sanitary checks, renovation of existing sites or selection of new sites, interior layout, etc.

As regards human rights, Sopra Steria is committed to combating child labour and exploitation, forced labour and any other form of compulsory labour (including slavery); complying with European Union and national legislation and collective bargaining agreements in each country in which the Group operates; respecting the free exercise of trade union rights in each country concerned; promoting health, safety and dignity in the workplace; and abiding by the principles of equality, diversity and non-discrimination. These commitments are reiterated in the Group's Code of Ethics.

Work on these issues is closely coordinated with Human Resources, Corporate Responsibility and Sustainable Development and, for environmental issues, Purchasing and Property. Entity heads are closely involved in the risk-mapping exercise and in implementing and monitoring associated actions. Implementation of the duty of care plan requires ongoing oversight and monitoring by executive management. Management of alerts and risks relating to these specific issues will be incorporated into the Group's risk management process.

4.8. Protection of personal information

Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 (the General Data Protection Regulation, or GDPR) enters into force on 25 May 2018. Sopra Steria Group and its subsidiaries have been rolling out a programme aimed at ensuring compliance with this regulation.

This programme is overseen by the Group Legal Department, which coordinates data protection arrangements across all subsidiaries.

All Group entities (Sopra Steria Group) comply with domestic regulations on the protection of personal information.

In addition, at Sopra HR Software, the Sopra Steria Group's HR solutions publisher subsidiary, the Binding Corporate Rules (BCR) have been in place within its entities since 2015.

5. Environmental responsibility: innovating in support of the environment

Environmental issues, and more specifically the consequences of climate change, are increasingly affecting society and the way businesses operate. In its 2018 Global Risks Report, the World Economic Forum announced that environmental risks now rank third, after persistent risks of inequality and injustice and risks linked to national and international political tensions, and ahead of the risk of cyber-vulnerability.

Climate change is not new, but the world is currently experiencing an acceleration of phenomena related to climate change, with major consequences for the planet in general and the economy in particular.

Sopra Steria is at the heart of an industry sector that can make a positive impact on companies' environmental footprint by incorporating environmental expertise into its offerings, developing responsible purchasing programmes and involving all parties in the supply chain in a shared improvement process.

Now recognised as one of the world's leading companies in terms of its commitment to combating climate change, Sopra Steria continues to roll out its proactive strategy for lowering its environmental impact, contributing to international initiatives aimed at reducing climate risk and supporting the transition to a low-carbon economy within its ecosystem.

In seeking to understand its stakeholders' expectations, the Group has identified two key environmental challenges:

- limiting the negative environmental impact of the Group's activities;
- developing an ambitious programme to reduce the Group's greenhouse gas emissions.

5.1. Background and key events

In the wake of the 2015 Conference of the Parties, or COP21, in Paris in the context of the United Nations Framework Convention on Climate Change, followed by COP23 in Bonn and the Paris Climate Change Summit in December 2017, governments, NGOs and businesses are organising for action.

For several years now, Sopra Steria Group has chosen to support and participate in major national and international initiatives aimed at combating climate change. Thanks to its commitments, formalised with leading international bodies, and its proactive programme of initiatives to put its commitments into practice, the Group is one of the top global companies actively working and contributing to action against climate change.

Key events

- **CDP Climate Change A List:** Sopra Steria achieved a performance score of "A", the highest awarded by CDP [1] Climate Change. This distinction is in recognition of the Group's commitment, transparency and innovation, as a digital leader in Europe, in its policy and its programme of initiatives in support of environmental responsibility.

> "A large network of people throughout Sopra Steria Group are working to implement our environmental policy. They are all convinced that they can take action within the company to help combat climate change. I'm very happy to acknowledge this distinction from the CDP, which recognises our commitment to the transition to a low-carbon economy."
>
> Vincent Paris, CEO of Sopra Steria

- **Science Based Targets initiative (SBTi)** [2]: Sopra Steria is the world's first digital services company to have received approval from SBTi for its greenhouse gas emissions reduction targets for the Group as a whole. Across all sectors, Sopra Steria Group is one of the top 50 companies in the world whose targets are SBTi-approved.
- **CDP Supplier A List:** Sopra Steria is one of the 2% of organisations participating in the CDP supply chain evaluation programme to have been awarded the highest ranking in recognition of its initiatives concerning its suppliers' environmental issues.

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(1) CDP is a non-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

(2) SBTi: Science Based Targets initiative. Science Based Targets is an internationally recognised initiative offering mathematical models for identifying the environmental footprint of activities so as to be able to set ambitious greenhouse gas emissions reduction targets.

- **TCFD-CDSB:** has committed itself to implementing, ove, over the next three years, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) on climate-related financial reporting. The task force, which arose from the G20, has drawn on the work of the Climate Disclosure Standards Board (CDSB) to encourage companies to disclose physical and decision-related information on climate issues.
- **Internal shadow carbon price:** in France, Sopra Steria has introduced an internal shadow carbon price for greenhouse gas emissions arising from business travel. After the United Kingdom, France is the second country in the Group to apply the scheme, which aims to raise staff awareness of the environmental impact of travel.
- **Carbon-neutral certification:** the Group maintained the carbon-neutral status of its offices, datacentres and business travel, and extended it to include NHS SBS and SSCL, its UK joint venture companies. This certification aims to offset greenhouse gas emissions that are unavoidable due to the specific nature of the Group's activities.

- **Gaia and EcoVadis:** the Group has achieved a high level of recognition from the Gaia and EcoVadis indices, notably for the performance of its environmental programme.

5.2. Environmental opportunities and risks

In anticipation of changes in French and European regulations on environmental risk, and as part of its commitment to follow the recommendations of the TCFD, Sopra Steria is incorporating environmental risks and opportunities into its reporting. Chapter 1, Section 9.1.3 of the 2017 Registration Document includes a summary of environmental risks and an overview of the steps set out by the Group for managing them. In 2018, Sopra Steria will move forward with analysing scenarios associated with its environmental risks and opportunities.

As a digital business, Sopra Steria must respond to three challenges related to environmental problems and the impacts of climate change:

- managing the environmental impact of its own activities;
- adapting the Group in response to environmental factors;
- business opportunities arising from the need to adapt to climate change.

Managing our environmental impact

Sopra Steria has put in place environmental management principles and procedures for identifying, prioritising and managing its environmental impacts (energy consumption, greenhouse gas emissions, waste, and supply chain-related impacts). These impacts are managed at Group level by a Corporate Responsibility and Sustainable Development Committee (or CR&SD Committee), supported by networks in the Group's various entities and countries.

Adapting in response to environmental factors

The environmental impacts of climate change have increasingly critical implications for the planet and the global economy. The acceleration

in extreme weather phenomena is triggering violent storms, floods, and extreme temperatures and major droughts, severely affecting local populations and economies. These events, if they are not anticipated, can affect both corporate infrastructure (datacentres, offices, networks, etc.) and public infrastructure, and make it impossible for employees to travel. Against this backdrop, Sopra Steria continues to strengthen its business continuity and incident recovery arrangements so as to manage as effectively as possible those of the Group's businesses that could be affected by major weather events. In addition, staff have access to digital working tools that help avoid disruption to the Group's activities.

Seizing business opportunities

Reducing the environmental impact of human activities presents opportunities for Sopra Steria in areas including business digitisation, paperless processes, smart energy solutions (for managing energy consumption), the IoT (Internet of Things) and smart cities. These innovative solutions can reduce large-scale environmental impacts.

This subject is discussed in further detail in Chapter 3, Section 4 of the 2017 Registration Document.

5.2.1. DEFINING SOPRA STERIA'S ENVIRONMENTAL RISKS AND OPPORTUNITIES

Transition risk

The various risks identified by the TCFD relate in particular to the transition to a low-carbon economy. For Sopra Steria, these risks are more specifically political and regulatory, or reputational. For example, a significant increase in fuel duties, more restrictive requirements on non-financial reporting, or even greater awareness of environmental issues among stakeholders could represent more or less severe risks to the Group over the short and medium term. As an illustration, Sopra Steria has rationalised its data collection processes so as to produce highly transparent and reliable regulatory reporting, with the aim of increasing the visibility of its environmental initiatives among all stakeholders.

Physical risks

As a Group operating in over 20 countries, the most significant physical risks to Sopra Steria mainly relate to the risk of heavy flooding, air pollution related to higher temperatures and seismic risk in some parts of the world. These risks are taken into account when selecting locations for Group sites. These risks are also anticipated and managed by means of business continuity and recovery plans and procedures, as well as substantial investment to equip sites and employees with remote working technology (digital collaborative working platforms, videoconferencing, etc.).

Opportunities

Thanks to the Group's expertise in digital solutions and new technologies, and its experience in managing the environmental impact of its activities, Sopra Steria has identified business opportunities related to environmental factors. The Group has developed innovative solutions to help its clients manage their environmental impacts and achieve their sustainable development goals. The digital revolution is boosting demand for cloud, mobility and process automation technologies, for example, which lead to reduced use of physical resources. The Internet of Things and smart systems (energy management, building development, smart cities and networks) help people and organisations better identify and manage the environmental impact of their activities. A more comprehensive description of Sopra Steria's environmental risks and opportunities is presented as part of the annual CDP questionnaire.

5.2.2. MANAGING ENVIRONMENTAL RISKS AND OPPORTUNITIES

Sopra Steria's environmental risk and opportunity management process forms part of the company's overall risk management process and covers the Group's entire scope and structure.

At Group level

The Group's Environmental Responsibility Unit identifies environmental risks and opportunities facing the company. It is supported in this task by the Group's operational, functional and financial control mechanisms, as well as its environmental management bodies: the Corporate Responsibility & Sustainable Development Committee (CR&SD Committee), and the CR Advisory Board (see Section 1.5 of this Corporate Responsibility Report).

- **Risks:** the Group Environment network, which feeds into the Group Environment and Sustainability Committee (GESC), identifies risks and notifies them to the Deputy Chief Executive Officer, who heads up the Corporate Responsibility and Sustainable Development Committee (CR&SD Committee). Depending on the severity of the risks identified, the CR&SD Committee may alert the Group Compliance Officer, who may decide to notify the Nomination, Ethics and Governance Committee, which is a subcommittee of the Board of Directors.
- **Opportunities:** the CR&SD Committee is the point at which feedback from operations and the GESC network comes together. Since 2016, the GESC has identified international renewable energy certificates (I-RECs) as an instrument for obtaining low-carbon energy in India, thus lowering the Group's emissions.

At country level

Risks: local environment correspondents (known as sustainability champions) are responsible for feeding back environmental risks not already identified by the Group, via a range of mechanisms (dedicated mailbox, employee surveys, GESC network, CR&SD Committee, CR Advisory Board, Corporate Governance & Risk Management Department, etc.). Depending on the country, risk mitigation logs are managed by the sustainability champions, the Property Department or Internal Audit Department. Under the Group's risk management process, local sustainability champions escalate information to the GESC on all environmental risks relating to facilities (equipment, sites, etc.) where the level of risk must be taken into account to ensure the smooth running of the business.

Opportunities: staff at the Environment Unit work closely with functional and operational departments to share local initiatives with the aim of developing innovative sustainable development solutions (see Chapter 3, Section 3.7 of the 2017 Registration Document).

5.3. A strong, innovative environmental policy and commitments

5.3.1. CONTRIBUTING TO THE LOW-CARBON ECONOMY THROUGH AN INNOVATIVE ENVIRONMENTAL POLICY

Sopra Steria has in place an innovative environmental policy designed to reduce the adverse impact of its operations and help stakeholders within its value chain (employees, clients, suppliers, partners, etc.)

increase their contribution to the low-carbon economy. As indicated through the Group's materiality matrix (see Chapter 3, Section 1.2 of the 2017 Registration Document), the environmental impact of Sopra Steria's activities is of high importance for its stakeholders. The maturity of the Group's environmental policy and the international recognition enjoyed by the Group show that this impact is well managed and underpinned by an innovative action programme and a dynamic improvement process. This policy includes optimising and protecting resources used in connection with the Group's activities, as well as a specific action programme for lowering greenhouse gas emissions.

Key initiatives have been put in place to lower the Group's environmental impact throughout the value chain, including:

- management of operations;
- upstream activities;
- downstream activities.

Sopra Steria is committed to leading the organisation to think, plan and operate collectively and consistently as an environmentally responsible business.

The Group's commitments under its environmental policy concern the following actions:

- implementing TCFD-CDSB recommendations to improve the transparency of the Group's non-financial reporting;
- contributing to the new low-carbon economy by targeting a 21% reduction in greenhouse gas emissions between 2015 and 2025, and incentivising employees, partners and suppliers to help deliver this commitment;
- contributing to a net reduction in greenhouse gas emissions by investing in carbon-free electricity and using renewable energy and instruments such as Guarantees of Origin (GOs) and international renewable energy certificates (I-RECs);
- continuing with the carbon-neutral offices, on-site datacentres and business travel programme;
- coordinating management of physical waste resulting from the Group's operations to aim at a target of sending zero waste to landfill;
- reducing the volume of Waste Electrical and Electronic Equipment (WEEE) by developing the reuse and recycling of IT equipment;
- managing the Group's water consumption and developing initiatives designed to protect water resources;
- using an ISO 14001 certified Environmental Management System (EMS) in a number of offices managed directly by the Group;
- strengthening the environmentally friendly responsible purchasing programme;
- working with organisations and representative bodies in the digital sector to influence government and regulatory policy;
- assessing the potential impact on biodiversity of activities at Group sites so as to limit risks.

Sopra Steria works to improve its non-financial reporting every year. In 2017, the Group made two commitments:

- set greenhouse gas emissions reduction targets approved by a recognised external body, SBTi;
- follow the TCFD-CDSB non-financial reporting recommendations.

Sopra Steria's emissions reduction targets approved by SBTi

Sopra Steria is the world's first digital services company to have received approval from SBTi (Science Based Targets initiative) for its greenhouse gas emissions reduction targets for the Group as a whole.

Sopra Steria is thus committed to reducing Scope 1, 2 and 3 greenhouse gas emissions by 21% between 2015 (the baseline year) and 2025. Scope 1, 2 and 3 emissions concern business travel, energy consumption at offices, on-site and off-site datacentres and leased assets. In the longer term, the Group aims to reduce emissions per employee by 76% between 2015 and 2040. Sopra Steria is also committed to ensuring that its key suppliers, who account for at least 70% of emissions arising from its supply chain, manage their greenhouse gas emissions, and that 90% of them have in place targets to reduce their greenhouse gas emissions by 2025. This subject is discussed in further detail in Chapter 3, Section 3.6.3 of the 2017 Registration Document.

In defining the targets approved by Science Based Targets, the Group is abiding by the commitment given at the United Nations Climate Change Conference held in Paris at the end of 2015 under the banner of the We Mean Business coalition. This major initiative is in full alignment with the Group's approach aimed at reducing its environmental impact and contributing to international action to limit climate change-related impacts.

> "We would like to congratulate Sopra Steria for setting approved targets and demonstrating that the Group has adopted a forward-looking approach for itself and its clients. In so doing, Sopra Steria joins a number of global businesses that recognise that taking steps to lower emissions is the best way to guarantee growth during the transition to a low-carbon economy."
>
> Alberto Carrillo Pineda, Senior Global Advisor on Climate and Business for the WWF and leader of the Science Based Targets initiative

Sopra Steria is committed to applying the TCFD-CDSB recommendations

As part of the September 2017 Climate Week in New York, a group of businesses from a variety of sectors committed to implement, within three years, the recommendations of the Task Force for Climate-related Financial Disclosure (TCFD) and the Climate Disclosure Standards Board (CDSB), an international consortium of businesses and environmental NGOs. This group of businesses will publish information on the financial implications of climate-related risks and related business opportunities. In the context of this initiative, Sopra Steria has notified its commitment to the TCFD.

5.3.2. HARMONISING PRACTICES THROUGH THE ENVIRONMENTAL MANAGEMENT SYSTEM

The Environmental Management System in place serves as the reference framework, ensuring that practices are harmonised across all entities. It incorporates ISO 14001 certification.

The Environmental Management System is in place in all entities and countries where the Group operates, and certain sites operationally controlled by the Group are managed in accordance with ISO 14001. Since 2016, a programme has been launched to roll out the latest version, ISO 14001:2015. This programme will be gradually extended between now and end-2018.

- ISO 14001 certification is active in the following Group countries: Belgium, Denmark, France, Germany, India, Norway, Poland, Spain, Sweden and the United Kingdom.

Where necessary, new buildings that already have the best environmental certification will gradually be included within the scope of ISO 14001:2015.

Sopra Steria seeks to secure the best of the various available certifications concerning quality management (ISO 9001), information security management (ISO 27001), IT service management (ISO 20000) and the environment (ISO 14001), and ISO 26000 depending on the scope of certification, added value for the Group's clients and optimisation of the Group's operations.

5.3.3. ENCOURAGING EMPLOYEE ENGAGEMENT

All staff are encouraged to take part in environmental initiatives rolled out across the Group. In particular, awareness campaigns are run to coincide with major annual international events like World Water Day, World Environment Day, Earth Hour, Earth Day, European Sustainable Development Week and the European Week for Waste Reduction.

#WeRRR campaign

A staff #WeRRR challenge was held during the European Week for Waste Reduction to identify the best initiatives for reducing, recycling and reusing waste.

5.4. Challenges and key achievements

2017 challenges/targets	Achievements in 2017	Ambitions for 2018
ENVIRONMENTAL IMPACT		
Bring non-financial reporting arrangements in line with the TCFD-CDSB recommendations [1]	▪ Implemented environmental risk and opportunity monitoring process	▪ Implement TCFD-CDSB recommendations ▪ Manage environmental risks and opportunities
Strengthen the environmental management system (EMS) and implement ISO 14001:2015 certification in 2017	▪ Prepared implementation of ISO 14001:2015 certification	▪ Roll out ISO 14001:15 certification in Belgium, Denmark, France, Germany, India, Norway, Poland, Spain, Sweden and the United Kingdom and increase SME/ISO 14001 cover
Involve our supply chain: ▪ Ensure that 90% of suppliers, accounting for at least 70% of emissions arising from the supply chain, have in place targets to reduce their greenhouse gas emissions by 2025 ▪ Promote purchases of products and services with a low environmental impact	▪ Group's targets for its supply chain approved by SBTi	▪ Extend EcoVadis evaluation (kicked off in 2015) to other Group countries and more suppliers ▪ Identify suppliers with greenhouse gas emissions reduction targets through the EcoVadis programme
	▪ New Group rules manual (Key Book) incorporating purchasing; new Group purchasing rules and procedures (in progress); overhaul of Group suppliers' charter	▪ Roll out new purchasing rules, notably incorporating environmental issues, across the entire Group
	▪ Recognition: achieved a CDP Supplier score of A (2017-2018 campaign)	▪ Maintain a high level of international recognition
	▪ 76% of paper purchased is environmentally accredited	▪ Continue purchasing products and services with a low environmental impact
Limit travel and promote the use of new technologies and the least polluting modes of transport	▪ Monitored audio- and videoconferencing system utilisation rates ▪ Introduced an internal shadow carbon price for business travel in France	▪ Promote use of new remote communication technologies by in-house staff and clients ▪ Continue to roll out internal shadow carbon price to new country entities
	▪ New models of hybrid vehicle incorporated into corporate fleet	▪ Increase the number of hybrid and electric vehicles in the Group's fleet ▪ Favour use of the least polluting forms of transport
Protect energy resources and increase the proportion of the Group's electricity supply sourced from renewables to 85% by 2020	▪ Reduced the Group's energy consumption per employee by 8.2% between 2016 and 2017 (with joint ventures included in 2017 but not in 2016)	▪ Continue with non-renewable energy consumption reduction programme
	▪ Increased the proportion of the Group's electricity supply sourced from renewables (offices and on-site datacentres) by 7% relative to 2016, bringing the total proportion to 76% on a like-for-like basis (excluding joint ventures)	▪ Meet 85% of the Group's electricity consumption needs from renewable sources by 2020, and increase the proportion of renewable energy used to meet the Group's energy consumption needs
Manage water consumption	▪ Put in place a water consumption measurement system	▪ Manage the Group's water consumption and develop initiatives to lower consumption
Promote the circular economy, optimise use of resources and reduce the amount of waste produced - Extend the "zero WEEE to landfill" policy, initiated in the UK, to the Group as a whole	▪ 96% of the Group's Waste Electrical and Electronic Equipment had a second life ▪ 0.7% of WEEE sent to landfill sites in 2017	▪ Increase the proportion of WEEE that has a second life ▪ Zero Group waste sent to landfill by 2020
	▪ 97% of paper and cardboard waste from selective sorting was recycled (up 5% relative to 2016, with joint ventures included in 2017 data). The amount of paper and cardboard waste collected by the Group in 2017 was down 2.1% by weight relative to 2016 on a like-for-like basis	▪ Extend the life cycle of paper and cardboard waste
Use digital innovation to reduce our clients' environmental impact	▪ Developed solutions: Colibry, Smart Cities and Smart Harbours projects	▪ Develop digital innovation in solutions in support of the low-carbon economy

(1) The work of the TCFD, carried out under the aegis of the G20's Financial Stability Board, is one of the most important developments in the area of climate reporting by businesses. The Climate Disclosure Standards Board (CDSB), an international consortium of businesses and environmental NGOs, works with the TCFD on these issues.

2017 challenges/targets	Achievements in 2017	Ambitions for 2018
IMPACT OF REDUCING GREENHOUSE GAS EMISSIONS		
Reduce Scope 1, 2 and 3 greenhouse gas emissions (business travel, offices, on-site and off-site datacentres and leased assets) by 21% between 2015 and 2025. Reduce greenhouse gas emissions by 76% per employee between 2015 and 2040	▪ Target approved by SBTi ▪ Reduced Scope 1, 2 and 3 Group greenhouse gas emissions by 11% per employee relative to 2016 (excluding fugitive emissions; joint ventures included in 2017 but not in 2016) and by 23.0% relative to 2015 (fugitive emissions included in 2017; fugitive emissions, hotels and joint venture sites not included in 2015)	▪ Remain on track to achieve SBTi target to reduce Scope 1, 2 and 3 greenhouse gas emissions by 2025 and 2040 relative to 2015
Reduce greenhouse gas emissions arising from business travel	▪ Reduce Scope 3 greenhouse gas emissions per employee arising from business travel by 13.4% relative to 2015 (down 5.8% relative to 2016) (joint ventures included in 2017 data but not in 2015 or 2016; hotels included in 2015, 2016 and 2017 data)	▪ Remain on track to achieve SBTi target ▪ Extend internal shadow carbon price to more Group countries
Introduce an internal shadow carbon price in another country (as well as the United Kingdom)	▪ Introduce an internal shadow carbon price in France	
Reduce greenhouse gas emissions from offices and datacentres	▪ Reduce Scope 1 and 2 greenhouse gas emissions per employee from offices and on-site datacentres by 61.5% relative to 2015 (joint ventures included in 2017 but not in 2015) ▪ Reduce Scope 1, 2 and 3 greenhouse gas emissions from on- and off-site datacentres by 56% relative to 2015 (joint ventures not included in 2017)	▪ Remain on track to achieve SBTi target
Continue with carbon-neutral programme	▪ Continued with the Group's carbon-neutral business travel, offices and on-site datacentres programme	▪ Continue with carbon-neutral programme
Influence our ecosystem and mobile all staff	▪ Presentations at two conferences: "CDP-TCFD Transition at scale" and "Companies vs. Climate Change: Europe" ▪ Group newsletter ▪ World Water Day, Earth Hour, Earth Day, European Week for Waste Reduction (#WeRRR campaign) and internal campaigns	▪ Roll out e-learning training on sustainable development to the entire Group ▪ Proactively use social media to promote international campaigns and internal awareness campaigns

(1) The work of the TCFD, carried out under the aegis of the G20's Financial Stability Board, is one of the most important developments in the area of climate reporting by businesses. The Climate Disclosure Standards Board (CDSB), an international consortium of businesses and environmental NGOs, works with the TCFD on these issues.

5.5. Environmental impact

To reduce its environmental impact, Sopra Steria seeks first and foremost to conserve resources and draw on innovative alternative sources. The Group involves its supply chain in this approach.

Furthermore, the Group, which has financial control over joint ventures SSCL and NHS SBS, has opted to produce reporting that incorporates all emissions and consumption for these entities, over which it also has operational control.

5.5.1. INVOLVING OUR SUPPLY CHAIN

Responsible purchasing

This subject is discussed in further detail in Chapter 3, Section 3.6 of the 2017 Registration Document.

Evaluation of the supply chain by EcoVadis

This subject is discussed in further detail in Chapter 3, Section 3.6.1 of the 2017 Registration Document.

Purchase of environmentally accredited paper

Sopra Steria puts in place solutions to limit paper consumption (paperless processes, optimised printing, etc.). However, for business reasons, the Group sometimes needs to produce paper versions of certain documents. In such cases, in most countries in which it operates, Sopra Steria places a priority on purchasing environmentally accredited paper. Since 2016, the Group has been monitoring paper consumption and the use of environmentally accredited paper to evaluate the best solutions to roll out (country-specific information on purchases of environmentally accredited paper can be found in Chapter 3, Section 7.11.5 of the 2017 Registration Document).

The Group uses a number of environmental paper certifications:

- the FSC (Forest Stewardship Council) and the PEFC (Program for the Endorsement of Forest Certification Schemes) ensure that forests are managed sustainably and support the fight against deforestation;
- the Blue Angel label certifies that paper is produced from 100% recycled fibre.

> **Indicator of paper consumption and purchases of environmentally accredited paper**
>
> 3kg of paper consumed per employee in 2017 – just over one ream of A4 per person. 76% of paper purchased by the Group is environmentally accredited.
>
> One ream of A4 = 2.5 kg

5.5.2. OPTIMISE BUSINESS TRAVEL

Sopra Steria has a large number of sites in over 20 countries, mainly in France, the United Kingdom and India. While maintaining close relationships with its clients and partners, the Group optimises its business travel by promoting:

- use of new technologies for internal and external meetings (audio- and videoconferencing, Agile kit, etc.);
- use of the least polluting means of transport, particularly for short trips and daily commutes to client locations.

As well as being a major environmental challenge, optimising business travel is also a financial challenge that means taking into account requirements arising from the Group's specific model of close, local relationships with its clients.

5.5.3. OPTING FOR EFFICIENT ENERGY CONSUMPTION AND INCREASING THE PROPORTION OF RENEWABLE ENERGY

Sopra Steria has been working for several years to lower its energy consumption, as well as gradually increasing the proportion of renewable energy used to meet its energy consumption needs.

Preserving energy resources

To lower its energy consumption, Sopra Steria:

- favours, for new sites, low-energy buildings that meet new environmental standards and have more efficient equipment and control systems:
  - in France: Green Office® Meudon certified BREEAM, HQE-BBC® *Bâtiment tertiaire* (high environmental quality office building) and HQE® *Exploitation* (high environmental quality operations), Limonest and Colomiers certified HQE® *maximale* (maximum environmental quality), extension of Limonest's BREEAM Very Good rating, Aix-en-Provence HQE®, Montreuil Cityscope HQE Exploitation and BREEAM In-Use,
  - outside France: Site 3 in Noida, India, which has a LEEF Gold rating; higher environmental quality in Bangalore, the Silicon Valley of India; and the environmentally friendly site in Stockholm, Sweden, using an innovative heat recovery system,
  - new sites under construction in France: Lille has a BREEAM Very Good rating, and the commercial headquarters in Paris, undergoing a complete renovation, will carry both a BREEAM Very Good rating and HQE® certification;
- creating ever more efficient datacentres. One of Sopra Steria's off-site datacentres in the United Kingdom is hosted on premises

that use a direct air cooling system throughout the year, rather than a server refrigeration system. This datacentre is highly energy-efficient, with an energy efficiency indicator (PUE or Power Usage Effectiveness) of only 1.22;

- is equipping itself with more compact and energy-efficient environmentally accredited IT equipment (desktop and laptop computers and servers with an Energy Star rating of 6.1; equipment with an EPEAT – or Electronic Product Environmental Assessment Tool – Gold rating).

> Total of 96,610 MWh of energy consumed by the Group in 2017 (offices and both on-site and off-site datacentres; including joint ventures).
>
> Energy consumption per employee was thus 8.2% lower in 2017 than in 2016 (with joint ventures included in 2017 but not in 2016).

Increasing the proportion of renewable energy used to cover consumption

In 2016, the Group tripled the proportion of renewable energy used to meet power consumption needs at its offices and on-site datacentres, up from 20.4% in 2015 to 69% in 2016.

> In 2017, the proportion of renewable energy used to meet the Group's total power consumption needs (offices and on-site datacentres, excluding JVs) was 76%, up 7% relative to 2016. The Group's target is to increase this proportion to 85% by 2020.

The proportion of renewable energy used to meet the Group's total energy consumption needs (fuel, gas, mains power and district heating) was 58% in 2017 (offices and on-site and off-site datacentres, including all Sopra Steria joint venture sites).

Power consumption

- In 2017 in France, Sopra Steria acquired Guarantees of Origin (GOs) covering 19,259,892 kWh of hydroelectric power. This electricity was certified as being generated from renewable sources by Powernext, the state-appointed registrar for Guarantees of Origin, and allocated to Sopra Steria by GO distributor Origo.
- Sopra Steria was also the first company since 2016 to purchase International Renewable Energy Certificates (I-RECs) covering hydroelectric power in India, which it acquired through Natural Capital Partners. Through this initiative, power consumption arising from the Group's network in India is covered by renewable energy.

> "The central role played by traceability mechanisms such as Guarantees of Origin (GOs) and International Renewable Energy Certificates (I-RECs) is now recognised. Origo provides Sopra Steria with French Guarantees of Origin, thus enabling the Group to play its part in the energy transition."
>
> Ivan Debay, Chairman, Origo

Gas consumption

In the United Kingdom, Sopra Steria is one of the first companies to have purchased Green Gas from Natural Capital Partners, in 2017. Sopra Steria purchased these certificates to cover 100% of its gas consumption (excluding joint venture sites) from a renewable source, biomethane.

For the Group, using renewable energy means not only renegotiating energy purchase contracts but also purchasing innovative instruments covering not only electricity consumption but also fossil fuels.

A breakdown of energy consumption by country can be found in Chapter 3, Section 7.11.1 of the 2017 Registration Document.

5.5.4. MONITORING WATER CONSUMPTION

Sopra Steria believes that protecting water resources is the major challenge facing humanity over the coming decades. Although the Group's water consumption remains very low, and at office sites is limited to sanitary use only, in 2017 Sopra Steria installed a system for measuring or estimating water consumption so as to better manage use. The Group consumed 244,480 cubic metres of water in 2017. A breakdown of measurements by country can be found in Chapter 3, Section 7.11.4 of the 2017 Registration Document.

Furthermore, since 2012 the Group has been working with international organisations to help their efforts to protect water resources.

5.5.5. COORDINATING WASTE MANAGEMENT, MAXIMISING THE LIFE CYCLE OF RESOURCES AND PROMOTING THE CIRCULAR ECONOMY

The key challenge is to optimise our production processes so as to limit waste, improve the management of residual waste, and extend the life cycle of scrapped resources by favouring their reuse, resale or recycling.

Each site is responsible for:

- collecting and storing waste in conditions that minimise risks to health, personal safety and the environment;
- ensuring that disposal procedures comply with local regulations, checking that waste is processed efficiently and encouraging waste processing operators to make their processes traceable.

Extending the life cycle of WEEE

To maximise the life cycle of its Waste Electrical and Electronic Equipment (WEEE), Sopra Steria has opted to mainly use highly energy-efficient electronic equipment with an Energy Star 6.1 and/or EPEAT Gold rating, and manages the life cycle of its electronic equipment.

▌ CIRCULAR ECONOMY OF WEEE IN 2017
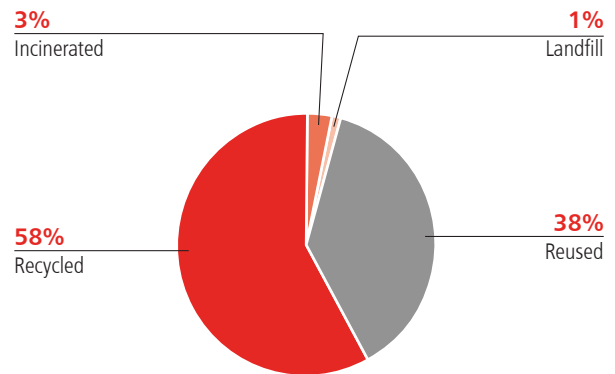
Waste Electrical and Electronic Equipment

82.6 tonnes of WEEE were generated across the Group in 2017.

96% of WEEE generated by the Group has a second life, 38% of WEEE was reused or resold in 2017 – an increase on the 2016 figure (33.7%). In Benelux, proceeds from reselling computers to employees are donated directly to humanitarian initiatives like Action Against Hunger.

The total proportion of WEEE sent to landfill is 0.7%.

A breakdown of WEEE quantities by country can be found in Chapter 3, Section 7.11.2 of the 2017 Registration Document.

Extending the life cycle of paper and cardboard waste

Waste paper and cardboard produced by the Group in Benelux, Denmark, Germany, India, Norway, Spain, Switzerland and the United Kingdom is fully recycled.

▌ CIRCULAR ECONOMY OF PAPER AND CARDBOARD WASTE IN 2017
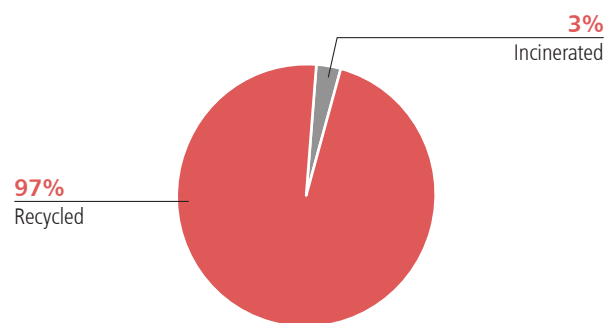
Paper and cardboard waste

435 tonnes of paper and cardboard waste collected in 2017

This figure was down 2.1% relative to 2016 (excluding changes in the Group's scope).*

97% of paper was recycled in 2017 (compared with 92% in 2016).

A breakdown of WEEE quantities by country can be found in Chapter 3, Section 7.11.3 of the 2017 Registration Document.

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* *Excluding joint ventures.*

5.5.6. INNOVATING TO REDUCE THE ENVIRONMENTAL IMPACT OF OUR CLIENTS' ACTIVITIES

Sopra Steria leverages digital innovation to help its clients lower their impact on the environment. This approach is described more fully in Chapter 3, Section 3.7.1 of the 2017 Registration Document. The carbon neutrality of all of the Group's business travel, offices and datacentres supports the shift to a low-carbon economy. Through this low-carbon policy, which has already been in place for several years across the Group, we are able to offer our clients services with a reduced environmental footprint, thus contributing to sustainability in their supply chain.

5.6. Impact of greenhouse gas emissions

In the context of France's Energy Transition for Green Growth Act and the Grenelle II Act, Sopra Steria is working to identify significant greenhouse gas (GHG) emissions resulting from its activities and to track progress against its new targets approved by SBTi.

Since 2015, Sopra Steria has been closely monitoring its direct and indirect GHG emissions. The GHG emissions review undertaken by the Group covers:

- direct GHG emissions arising from combustion of fossil fuels (oil, fuel oil and gas), biodiesel or coolants escaping from air conditioning systems in offices and on-site datacentres (Scope 1);
- indirect GHG emissions associated with consumption of mains power and district heating in offices and on-site datacentres (Scope 2);
- indirect GHG emissions associated with consumption of mains power in off-site datacentres and business travel (Scope 3).

SCOPE 1: DIRECT GHG EMISSIONS

Fossil fuel energy consumption by offices
Fugitive emissions by offices and on-site datacentres

SCOPE 2: INDIRECT GHG EMISSIONS

Electricity, steam, heating or cooling consumption by offices and on-site datacentres

SCOPE 3: OTHER INDIRECT GHG EMISSIONS

Electricity, steam, heating or cooling consumption by off-site datacentres Business travel
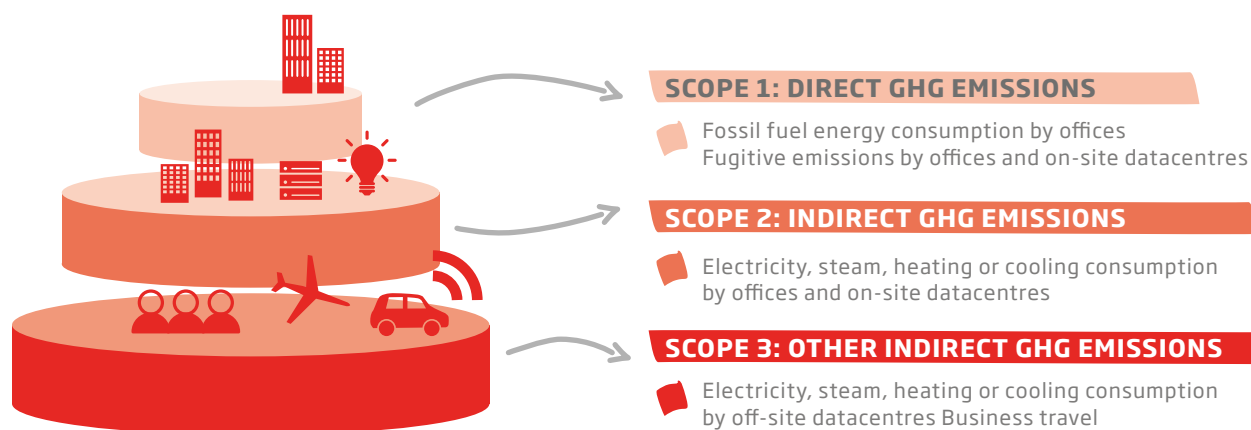
▌ TOTAL GREENHOUSE GAS EMISSIONS (BUSINESS TRAVEL, ENERGY AND FUGITIVE EMISSIONS)

Total greenhouse gas emissions (tonnes of CO_2 equivalent) – market-based		Scope 1			Scope 2			Scope 3			Total Scopes 1, 2 & 3		
Year		2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015
Business travel[**]								36,653	35,316	32,005			
Energy	Fuel oil, gas and biodiesel	1,821	2,430	2,237									
	Electricity (mains) and district heating *Offices and on-site datacentres*				6,191	7,190	15,723						
	Electricity (mains) *Off-site datacentres*							1,142	1,603	1,227			
Fugitive emissions[*]		1,725											
TOTAL (including fugitive emissions)[*]		**3,546**			**6,191**			**37,795**			**47,532**	**N/A**	**N/A**
TOTAL (excluding fugitive emissions)[*]		**1,821**	**2,430**	**2,237**	**6,191**	**7,190**	**15,723**	**37,795**	**36,919**	**33,232**	**45,807**	**46,539**	**51,192**
TOTAL EMISSIONS PER EMPLOYEE (excluding fugitive emissions)[*]											**1.13**	**1.27**	**1.47**
Change in emissions per employee in 2017 relative to 2016 (not including fugitive emissions; joint ventures included in 2017 but not in 2016)											**Reduction of 11%**		
Change in emissions per employee in 2017 relative to 2015 (fugitive emissions included in 2017; fugitive emissions + overnight hotel stays not included in 2015; joint ventures not included in 2015 but included in 2017)											**Reduction of 23%**		

For energy, emissions are calculated using the market-based method, under which a nil emissions factor is applied if the energy source is "green"; otherwise, "residual mix" emissions factors issued by the Association of Issuing Bodies or "location-based" emissions factors issued by the International Energy Agency are applied.
For business travel, the emissions factors used are those arising from the GHG Protocol.
The scope of calculated indicators includes all entities over which the Group has operational control (and therefore includes HS SBS and SSCL joint venture sites) but does not include Kentor, Galitt, Beamap, Cassiopae or 2MoRO.
Definitions of Scopes 1, 2 and 3 can be found at the beginning of Section 5.6, "Impact of greenhouse gas emissions".

* Fugitive emissions where available (not available for off-site datacentres).

** These figures take into account the reduction in emissions arising from "green" travel undertaken in Germany, totalling 36,653 tCO_2e in 2017 and 35,316 tCO_2e in 2016.

▌ BREAKDOWN BY TYPE OF GHG EMISSIONS

(tCO_2e/employee)
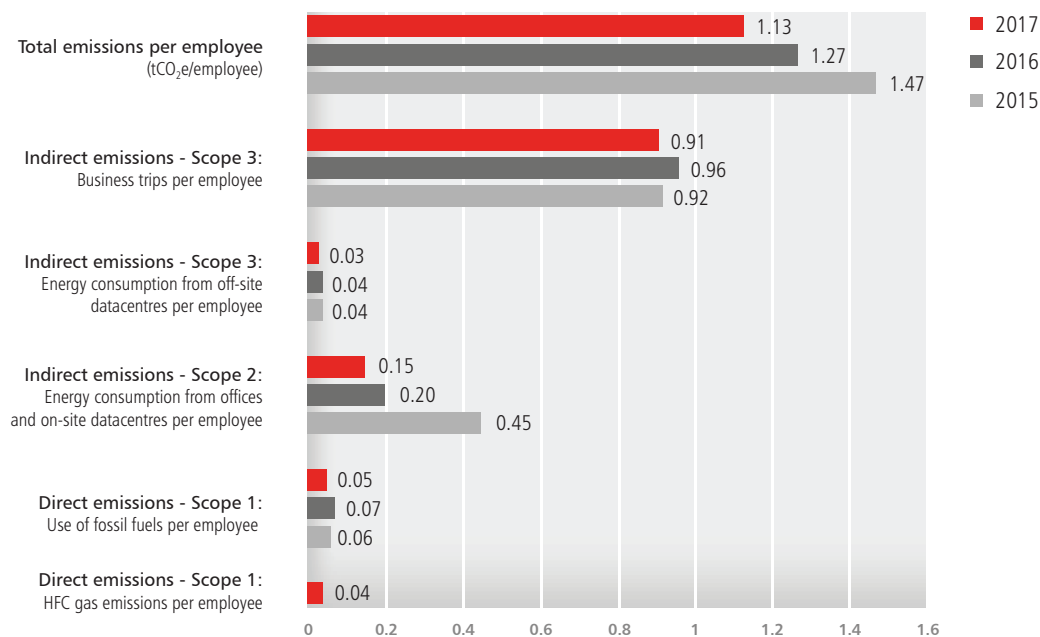
5.6.1. REDUCING GREENHOUSE GAS EMISSIONS FROM BUSINESS TRAVEL

To reduce its greenhouse gas emissions arising from business travel, the Group has made it a priority to work to limit travel (see Chapter 3, Section 5.5.2 of the 2017 Registration Document).


Overall greenhouse gas emissions reductions in line with the SBTi-approved target:

The Group's total greenhouse gas emissions (Scopes 1, 2 and 3) per employee were down 11% relative to 2016, in line with the target reduction approved by SBTi (excluding fugitive emissions and with JVs included in 2017 data but not 2016 data).

These total emissions per employee have been cut by **23%** since 2015, the baseline year; fugitive emissions and all sites operationally managed by Sopra Steria (including joint venture sites) were included in the scope of reporting for the first time in 2017.

A breakdown of total greenhouse gas emissions by country can be found in Chapter 3, Section 7.11.1 of the 2017 Registration Document.

GREENHOUSE GAS EMISSIONS ARISING FROM BUSINESS TRAVEL DECLINED SHARPLY IN 2017:

13%
Hotels

32%
Air

44%
Road

11%
Rail
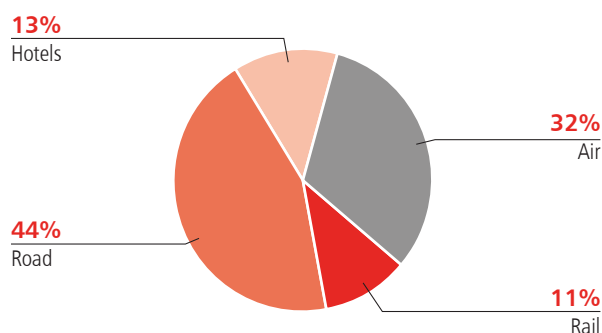
GHG emissions from business travel by type of transport in 2017

- Emissions per employee were down 5.8% year on year in 2017, with joint ventures included in 2017 data but not in 2016 data;
- Emissions from air travel were 9.5% lower than in 2016, while emissions from rail travel were 6.9% higher (mainly in France and Germany), with joint ventures excluded in 2016 data but included in 2017 data;
- Emissions per employee have fallen 13.9% since 2015 excluding hotels, with joint ventures included in 2017 data but not in 2016 data.

A breakdown of greenhouse gas emissions arising from business travel by country can be found in Chapter 3, Section 7.11.1 of the 2017 Registration Document.

Internal shadow carbon price

Sopra Steria does not operate in a sector that is required to use an emissions trading system. However, to encourage a reduction in business travel with a high environmental impact, in 2016 the Group introduced an internal shadow carbon price in the United Kingdom

for greenhouse gas emissions arising from such travel. In 2017, this internal shadow carbon price was introduced in France, at divisional level. The goal of this exercise is to make entities more aware of the environmental impact of their carbon footprint.

5.6.2. LOWERING GREENHOUSE GAS EMISSIONS FROM OFFICES AND DATACENTRES

Greenhouse gas emissions arising from the Group's offices and datacentres have risen in absolute terms since 2016 due to expansion in the Group's workforce and sites, and the inclusion of the NHS SBS and SSCL joint ventures within the scope of reporting. However, on a per-employee basis, these emissions were down 8.2% relative to 2016 (Scopes 1, 2 and 3, with joint ventures included in 2017 data but not in 2016 data).

A breakdown of greenhouse gas emissions arising from offices and datacentres by country can be found in Chapter 3, Section 7.11.1 of the 2017 Registration Document.

Putting in place a programme to measure fugitive emissions

In 2017, Sopra Steria opted to gradually start reporting fugitive emissions due to the leakage of refrigerant gases from air conditioning equipment. The inclusion of these fugitive emissions conforms to the GHG Protocol, which covers gases under the Kyoto Protocol but it excludes certain refrigerant gases, such as R22. This initiative forms part of the plan to adjust the Group's indicators that was put in place after the Group's emissions reductions targets were approved by SBTi. The indicator on fugitive emissions is material and is monitored, as are emissions arising from energy consumption, since they are emissions influenced directly by Sopra Steria. In this first year of reporting, fugitive emissions accounted for 49% of the Group's direct Scope 1 emissions (see Chapter 3, Section 7.11.1 of the 2017 Registration Document).

5.6.3. CONTINUE WITH CARBON-NEUTRAL PROGRAMME

Owing to the nature of Sopra Steria Group's service businesses, greenhouse gas emissions reduction programmes can only ever achieve a partial reduction in such emissions. That being the case, in 2010 the Group launched a carbon-neutral certification programme, renewed annually, to offset the Group's residual emissions. This certification programme uses an offsetting system to confirm the carbon neutrality of all Sopra Steria's offices, datacentres and business travel. Sopra Steria will continue with this carbon-neutral programme covering greenhouse gas emissions arising from its activities.

5.6.4. INFLUENCING OUR ECOSYSTEM

As a market-leading company, Sopra Steria contributes to initiatives launched by issue-oriented organisations and forums in its sector, so as to bring its innovative thinking and experience to bear on issues such as adoption of the TCFD-CDSB reporting recommendations, SBTi-approved greenhouse gas emissions reduction targets, carbon-neutral programmes and the introduction of internal carbon prices.

The Group promotes this contribution at a variety of international events, including in particular the following:

- Companies vs. Climate Change conference – Brussels, October 2017;
- CDP-TCFD We Mean Business forum – "Transition at scale" – Paris, November 2017.

Syntec Numérique

In France, digital sector trade union Syntec Numérique encourages IT service providers to work together on the concept of smart cities so as to develop initiatives in areas including energy efficiency and combating climate change. It also works with trade unions in other sectors on these issues. A member of the Group Executive Committee sits on Syntec Numérique's Board of Directors and takes part in discussions led by the organisation.

Hertfordshire Chamber of Commerce

The head of the Group's Environmental Responsibility unit chairs the Innovation and Sustainability Forum of the Hertfordshire Chamber of Commerce in the United Kingdom. Work is undertaken in coordination with academic members and sector representatives so as to encourage local companies and groups to manage their climate change impact.

Agoria

In Belgium, the Group has shared its projects in support of the low-carbon economy with members of Agoria, an organisation whose aim is to improve the socioeconomic environment through initiatives at the federal and regional levels. The organisation defends its members' interests at government level. Agoria also negotiates the content and terms of sector-wide agreements on energy policy applicable to energy-intensive businesses. The organisation supports a renewable energy club and promotes Belgil and its expertise in renewable energy technologies.

For more information:

Sopra Steria Group country environmental programmes

Group and France:	https://www.soprasteria.com/fr/groupe/ responsabilite-d-entreprise/
India:	http://www.soprasteria.in/about-us/ corporate-responsibility
United Kingdom:	https://www.soprasteria.co.uk/about-us/ sustainability/environment
Norway:	https://www.soprasteria.no/tema/smartcity
Germany:	https://www.soprasteria.de/das-unternehmen/ corporate-responsibility
Belgium:	http://www.soprasteria.be/about-us/ corporate-responsibility
Italy:	http://www.soprasteria.it/IlGruppo/ corporate-responsibility/ environmental-responsibility

Organisations and initiatives related to Sopra Steria Group's commitments

SDGs: https://www.unicef.org/agenda2030/

Science Based Targets initiative: http://sciencebasedtargets.org/

Task Force on Climate-Related Financial Disclosures: https://www.fsb-tcfd.org/

Climate Disclosure Standards Board: https://www.cdsb.net/what-we-do

6. Approach and methodology

The 2017 Corporate Responsibility Report, presented in Chapter 3 of the 2017 Registration Document, aims to set out the most relevant information on the Group's activities. The report sets out the progress targets identified in Sopra Steria Group's roadmap for 2017/2018.

The information required to draw up this report is collected in accordance with the reporting procedure. This procedure is reviewed annually to take into account changes in the Group's scope and reporting approach. The regulatory requirements established by France's Grenelle II Environment Act set out a framework including specific topics that make the Group's reporting easier to understand.

Based on current regulations and taking into account the distinctive nature of its activities, Sopra Steria has identified 43 themes from the Grenelle Environment Act applicable to the structure of its reporting. Monitoring these themes provides an appropriate measure of the Group's progress on the five aspects of Corporate Responsibility: Workforce, Market, Community Engagement, Ethics & Compliance, and Environment.

This report includes a significant amount of information pertaining to Article 225 of the Grenelle II Environment Act and Articles 70 and 173 of the Energy Transition for Green Growth Act, consistent with the general principles laid down in the guidelines of the GRI (Global Reporting Initiative) and aligned as closely as possible with the components of ISO 26000.

A corresponding cross-reference table is included as an appendix to this document (page 296). The 2017 report includes 64 indicators for Sopra Steria Group, including six Key Performance Indicators (KPIs), 29 quantitative indicators and 29 qualitative indicators.

Furthermore, pursuant to the seventh paragraph of Article L. 225-102.1 of the French Commercial Code, Sopra Steria has appointed Mazars as an independent third party to verify the completeness and fairness of the information published, as laid down in Article R. 225-105-1 of the French Commercial Code.

Scope of reporting

To ensure compliance with regulations, the Group has developed a reporting process for collecting the relevant data and leveraging the results in this document.

As part of a continuous improvement process, three environmental indicators have been added:

- a water consumption indicator;
- a paper purchase indicator;
- an indicator on greenhouse gas emissions arising from leakages of refrigerant gases used in air conditioning equipment.

As regards the Ethics & Compliance aspect, the initial anti-corruption indicator has been supplemented by five separate indicators covering the following:

- Group governance;
- Code of Ethics;
- anti-corruption initiatives;
- duty of care;
- General Data Protection Regulation (GDPR).

Sopra Steria's corporate responsibility policy applies to all Group entities. The headcounts provided in the workforce section of this report and used in certain environmental indicators include the employees of Delta Development System in Algeria (4 people), Sopra Banking Côte d'Ivoire (18 people) and Sopra Banking Gabon (3 people), all non-consolidated subsidiaries of the Group.

Depending on the indicator, the geographical scope is either:

- all Sopra Steria businesses worldwide (i.e. Sopra Steria Group);
- Sopra Steria Group businesses by country (e.g. Sopra Steria France, Sopra Steria UK, Sopra Steria España). For each country, all Sopra Steria Group subsidiaries are included (notably Sopra Banking Software, Sopra HR Software, I2S and CIMPA). The Group, which has both financial and operational control over its joint ventures, has opted to produce reporting that incorporates all environmental data available for those entities for financial year 2017;
- specific workforce data is provided for Kentor, Galitt and 2MoRO, acquired in 2017;
- the following entities fall outside the scope of environmental reporting: Kentor, Galitt, Beamap, Cassiopae and 2MoRO. This year, CIMPA is in scope for all environmental indicators;
- corporate responsibility reporting covers the calendar year from 1 January to 31 December 2017. Any exceptions to calendar year reporting are indicated in respect of the data concerned.

To check consistency between financial and non-financial reporting, some structural indicators common to both areas are compared and verified at various levels of detail.

An overview of the reporting process and reporting tools relating to this report is set out in the reporting protocol available on request from Sopra Steria's CR&SD Department.

3

CORPORATE RESPONSIBILITY
Report by the independent third party on the consolidated workforce-related, environmental and social information

Report by the independent third party on the consolidated workforce-related, environmental and social information presented in the Management Report

Financial year ended 31 December 2017

To the Shareholders,

In our capacity as an independent third party, member of the Mazars network and a Statutory Auditor of Sopra Steria Group, certified by COFRAC under number 3-1058 (made available on www.cofrac.fr), we hereby report to you on the consolidated workforce-related, environmental and social information for the year ended 31 December 2017, presented in the Management Report (hereinafter referred to as the "CSR Information"), pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code.

Responsibility of the Company

The Board of Directors is responsible for preparing a Management Report including the CSR Information required by Article R. 225-105-1 of the French Commercial Code, in accordance with the guidelines used by the Company (hereinafter referred to as the "Guidelines"), which are summarised in the Management Report and are available on request from the Company's registered office.

INDEPENDENCE AND QUALITY CONTROL

Our independence is enshrined in the regulations, the Code of Ethics governing the audit profession in France and the provisions of Article L. 822-11-3 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with ethical standards, and the applicable legal and regulatory requirements.

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

On the basis of our work, it is our responsibility to:

- certify that the required CSR Information is presented in the Management Report or, in the event that any CSR Information is not presented, that an explanation is provided in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Statement of completeness of CSR Information);

- express a limited assurance conclusion that the CSR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Reasoned opinion on the fair presentation of CSR Information);

- express, at the Company's request outside the accreditation scope, a reasonable assurance conclusion that the information selected by the Company and identified by a √ sign in the "2017 Corporate Responsibility Report" chapter of the Management Report is presented, in all material respects, in accordance with the Guidelines.

However, it is not our responsibility to issue an opinion on compliance with any other applicable statutory requirements, including those provided for in Article L. 225-102-4 of the French Commercial Code (duty of care plan) and by the anti-corruption Sapin II Act (French law no. 2016-1691 of 9 December 2016).

Our work was carried out by a team of six people between October 2017 and March 2018, and required a total of about 12 weeks.

We conducted the work described below in accordance with the administrative order of 13 May 2013 setting forth the manner in which an independent third party should perform its engagement, the professional guidance issued by the CNCC for this type of engagement, and, with regard to the reasoned opinion on the fair presentation of CSR Information and the reasonable assurance conclusion, in accordance with the ISAE 3000 international standard.

I – Statement of completeness of CSR Information

On the basis of interviews conducted with the management of the departments concerned, we obtained an understanding of the Company's sustainability strategy, in line with the social and environmental issues raised by its activities and the Company's civic commitments and, where applicable, any initiatives or programmes arising from them.

We compared the CSR Information presented in the Management Report with the list provided in Article R. 225-105-1 of the French Commercial Code.

For any consolidated information that was not disclosed, we verified that the explanations provided complied with the provisions of Article R. 225-105, paragraph 3 of the French Commercial Code.

We ensured that the CSR Information covered the scope of consolidation, i.e. the Company, its subsidiaries as defined by Article L. 233-1 and the entities it controls as defined by Article L. 233-3 of the French Commercial Code within the limitations set out in the methodological information presented in the "Approach and methodology" section of the Management Report.

Based on this work and given the limitations mentioned above, we attest to the completeness of the required CSR Information in the Management Report.

II – Reasoned opinion on the fair presentation of CSR Information

Nature and scope of work

We conducted around ten interviews with the individuals responsible for preparing the CSR Information, the departments in charge of collecting the information and, where appropriate, those responsible for internal control and risk management, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, impartiality and comprehensibility, taking industry best practices into account where applicable;

- verify the implementation of a data-collection, compilation, processing and control procedure designed to produce CSR Information that is exhaustive and consistent, and obtain an understanding of the internal control and risk management procedures involved in preparing the CSR Information.

We determined the nature and scope of our tests and procedures according to the nature and importance of the CSR Information with respect to the characteristics of the Company, the social and environmental issues raised by its activities, its sustainable development policy and industry best practices.

With regard to the CSR Information that we considered to be the most important (see Annex):

- at the parent company level and that of the Group's Sustainable Development and Corporate Responsibility Department, we referred to documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information presented in the Management Report;

- at the level of a representative sample of entities and departments that we selected (see Annex) on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to ensure that procedures are being properly applied, and we performed tests of details, using sampling techniques, in order to verify the calculations made and reconcile the data with the supporting documents. The sample covers 71% of the workforce, deemed an order of magnitude characteristic of the workforce component, and between 53% and 97% of the environmental data, a percentage range that can similarly be deemed characteristic of the environmental component.

For the other consolidated CSR Information, we assessed consistency based on our understanding of the Company.

We also assessed the relevance of explanations given for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive work. Due to the use of sampling techniques and other limitations intrinsic to the operation of any information and internal control system, the risk of not detecting a material misstatement in the CSR Information cannot be totally eliminated.

CONCLUSION

Based on the work performed, we have not identified any material misstatement that would cause us to conclude that the CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

III – Reasonable assurance report on selected CSR Information

Nature and scope of work

Regarding the information selected by the Company and identified by a √ sign, we performed the same types of procedure as those described in paragraph 2 above for the CSR Information that we considered to be the most important, but in a more in-depth manner, in particular with respect to the number of tests conducted.

The selected sample thus represents an average of 71% of the workforce and between 53% and 91% of environmental data identified by the √ sign.

We believe that these procedures enable us to express a reasonable assurance conclusion with respect to the information selected by the Company and identified by the √ sign.

CONCLUSION

In our opinion, the information selected by the Company and identified by the √ sign has been prepared, in all material respects, in accordance with the Guidelines.

Paris La Défense and Annecy, 12 April 2018

Independent third party

Mazars SAS

Bruno Pouget	Edwige Rey
Partner	*CSR & Sustainable Development Partner*

I ANNEX

CSR Information considered to be the most important	Representative sample of entities and countries
▪ Workforce by age bracket and type of employment contract ▪ Average FTE workforce ▪ New hires ▪ Turnover rate for staff on permanent contracts	▪ Sopra Steria Group ▪ Sopra Banking Software – France ▪ Sopra Banking Software – Belgium ▪ Sopra Steria España SAU ▪ Sopra Steria Ltd (UK) ▪ Sopra Steria Group SpA (Italy) ▪ Sopra Steria GmbH ▪ Sopra Steria India Ltd
▪ Absence rate	▪ Sopra Steria Group ▪ Sopra Banking Software – France
▪ Number of hours and days of training ▪ Average number of training days per employee	▪ Sopra Steria Group ▪ Sopra Steria España SAU ▪ Sopra Steria GmbH ▪ Sopra Banking Software – France
▪ Percentage of employees with a disability	▪ Sopra Steria Group ▪ Sopra Banking Software – France ▪ Cassiopae France
▪ Energy consumption (offices and on-site datacentres) ▪ Energy consumption of datacentres (on-site and off-site) ▪ Greenhouse gas emissions from energy consumption (offices and on-site datacentres) ▪ Greenhouse gas emissions from energy consumption of datacentres (on-site and off-site)	▪ France (Sopra Steria Group, Sopra Banking Software, CIMPA, Sopra HR Software) ▪ India (Sopra Steria India Ltd) ▪ United Kingdom (Sopra Steria Ltd, NHS SBS, SSCL, CIMPA) ▪ Germany (Sopra Steria GmbH, Sopra HR Software, Sopra Banking Software, CIMPA) ▪ Italy (Sopra Steria Group SpA, Sopra HR Software) ▪ Poland (Sopra Steria Polska)
▪ Direct emissions (offices and on-site datacentres)	▪ France (Sopra Steria Group, Sopra Banking Software, CIMPA, Sopra HR Software) ▪ India (Sopra Steria India Ltd) ▪ United Kingdom (Sopra Steria Ltd, NHS SBS, SSCL, CIMPA)
▪ Greenhouse gas emissions - business travel	▪ France (Sopra Steria Group, Sopra Banking Software, CIMPA, Sopra HR Software) ▪ Germany (Sopra Steria GmbH, Sopra HR Software, Sopra Banking Software, CIMPA) ▪ Italy (Sopra Steria Group SpA, Sopra HR Software) ▪ Poland (Sopra Steria Polska)
▪ Water consumption	▪ France (Sopra Steria Group, Sopra Banking Software, CIMPA, Sopra HR Software) ▪ India (Sopra Steria India Ltd) ▪ United Kingdom (Sopra Steria Ltd, NHS SBS, SSCL, CIMPA) ▪ Germany (Sopra Steria GmbH, Sopra HR Software, Sopra Banking Software, CIMPA) ▪ Poland (Sopra Steria Polska)
▪ Green paper purchases	▪ France (Sopra Steria Group, Sopra Banking Software, CIMPA, Sopra HR Software) ▪ United Kingdom (Sopra Steria Ltd, NHS SBS, SSCL, CIMPA) ▪ Germany (Sopra Steria GmbH, Sopra HR Software, Sopra Banking Software, CIMPA)
▪ Quantity of WEEE generated	▪ India (Sopra Steria India Ltd) ▪ United Kingdom (Sopra Steria Ltd, NHS SBS, SSCL, CIMPA) ▪ Germany (Sopra Steria GmbH, Sopra HR Software, Sopra Banking Software, CIMPA) ▪ Poland (Sopra Steria Polska)
▪ Quantity of waste paper/cardboard	▪ France (Sopra Steria Group, Sopra Banking Software, CIMPA, Sopra HR Software) ▪ United Kingdom (Sopra Steria Ltd, NHS SBS, SSCL, CIMPA) ▪ India (Sopra Steria India Ltd) ▪ Germany (Sopra Steria GmbH, Sopra HR Software, Sopra Banking Software, CIMPA)

7. Annexes

7.10. Annex: Workforce-related indicators

SUMMARY OF WORKFORCE-RELATED INDICATORS

Workforce-related indicators cover the workforce in all Group subsidiaries. They are set out by subject area, geographical region and year as at 31 December.

The information identified by the ✔ sign has been verified by the independent third party with a reasonable level of assurance.

Indicators are calculated excluding headcount acquired during the year under review, apart from indicators under "Workforce by geographical region", which include headcount acquired during the year. For reference, 2012 and 2013 figures include Sopra Group companies only; 2015 figures include the CIMPA workforce; 2016 figures include the workforce at Cassiopae, Active3D and LASCE Associates; and 2017 figures include the workforce at Gallit, Kentor and 2MoRO. Given that Sopra and Steria merged in 2015, indicators for that year include the workforce at both companies. This explains the significant increase in the workforce between 2014 and 2015.

Unless otherwise indicated, indicators are calculated on the basis of numbers of employees on permanent and temporary contracts and internship agreements. The following definitions are used:

■ permanent contract: full-time or part-time employment contract entered into with an employee for an indefinite period;

■ fixed-term contract: full-time or part-time employment contract entered into with an employee and expiring at the end of a specific period or on completion of a specific task lasting an estimated period.

In 2016, rules for calculating the "Number of days' training delivered" and "Average number of days' training per person" indicators were harmonised across all countries as follows: number of hours' training divided by 7 (compared with 8 for Spain and India in 2015).

In 2017, the rule for calculating the "Working conditions and organisation" indicator was changed. The 2016 and 2017 rates are now calculated in business days rather than calendar days (calendar days were used for 2014 and 2015).

WORKFORCE

I WORKFORCE BY GEOGRAPHICAL REGION (INCLUDING ACQUISITIONS) ✔

Scope/Topic	2017	2016	2015
GROUP	**41,661**	**39,813**	**38,450**
France	18,649	18,227	17,606
International (excluding France)	23,012	21,586	20,844
o/w United Kingdom	6,181	6,508	6,722
o/w India	5,200	4,909	4,743
o/w Spain	3,562	3,100	2,763
o/w Germany	2,370	2,141	2,109
Workforce: management-level staff *(cadres)*	**38,626**	**36,628**	**35,570**

Note:

The notion of management-level staff (cadres) *is specific to France. The number of management-level employees outside France is extrapolated based on figures for France.*

I FULL-TIME EQUIVALENT WORKFORCE (EXCLUDING INTERNS) ✔

Scope/Topic	2017	2016	2015
GROUP	**40,241**	**38,404**	**36,674**
France	18,086	17,633	16,638
International (excluding France)	22,155	20,771	20,036
o/w United Kingdom	5,956	6,245	
o/w India	5,199	4,835	4,741
o/w Spain	3,511	3,057	2,707
o/w Germany	2,217	1,981	

WORKFORCE BY CONTRACT TYPE ✔

Scope/Topic	2017	2016	2015
Permanent contracts			
GROUP	96.1%	96.5%	96.8%
France	96.3%	96.8%	97.4%
International (excluding France)	96.0%	96.3%	96.4%
o/w United Kingdom	96.4%	96.8%	96.0%
o/w India	98.6%	98.2%	97.7%
o/w Spain	91.8%	93.3%	96.1%
o/w Germany	95.1%	95.8%	95.6%
Fixed-term contracts			
GROUP	3.3%	2.9%	2.7%
France	3.4%	3.0%	2.3%
International (excluding France)	3.3%	2.8%	3.0%
o/w United Kingdom	3.6%	3.2%	
o/w India	1.4%	1.8%	2.3%
o/w Spain	7.9%	6.6%	3.5%
o/w Germany	1.6%	0 ,9%	
Internships			
GROUP	0.6%	0.6%	0.5%
France	0.3%	0.2%	0.3%
International (excluding France)	0.8%	0.9%	0.6%
o/w United Kingdom	0%	0%	0%
o/w India	0%	0.02%	0.0%
o/w Spain	0.3%	0.2%	0.4%
o/w Germany	3.3%	3.4%	3.0%

AVERAGE LENGTH OF SERVICE OF EMPLOYEES ON PERMANENT CONTRACTS

Scope/Topic	2017	2016	2015
GROUP	**7.3**	**7.5**	**7.6**
France	8.0	8.0	8.0
International (excluding France)	6.8	7.1	7.3
o/w United Kingdom	10.8	11.1	
o/w India	4.3	4.2	4.1
o/w Spain	5.2	5.4	5.4
o/w Germany	8.2	8.6	

AVERAGE AGE OF EMPLOYEES ON PERMANENT CONTRACTS

Scope/Topic	2017	2016	2015
GROUP	**37.8**	**37.9**	**38.0**
France	37.5	37.4	37.5
International (excluding France)	38.0	38.3	38.4
o/w United Kingdom	44.1	44	
o/w India	31.2	31.0	30.07
o/w Spain	37.4	37.3	37.4
o/w Germany	42.7	43.4	

I RECRUITMENT: ALL CONTRACT TYPES ✔

Scope/Topic	2017	2016	2015
GROUP	**9,500**	**8,498**	**7,197**
France	3,645	3,414	2,560
International (excluding France)	5,855	5,084	4,637
o/w United Kingdom	998	994	
o/w India	1,595	1,656	1,572
o/w Spain	1,151	936	807
o/w Germany	586	353	

I RECRUITMENT UNDER PERMANENT CONTRACTS

Scope/Topic	2017	2016	2015
GROUP	**7,366**		
France	2,616		
International (excluding France)	4,750		
o/w United Kingdom	811		
o/w India	1,356		
o/w Spain	895		
o/w Germany	466		

I TURNOVER: EMPLOYEES ON PERMANENT CONTRACTS ✔

Scope/Topic	2017	2016	2015
GROUP	*15.6%*	*15.5%*	*15.9%*
France	*14.5%*	*12.9%*	*12.5%*
International (excluding France)	*16%*	*17.7%*	*18.8%*
o/w United Kingdom	*20%*	*18.9%*	
o/w India	*18%*	*23.6%*	*30.5%*
o/w Spain	*15%*	*14.8%*	*11.8%*
o/w Germany	*11%*	*13.4%*	

Notes

Turnover = [Permanent contract staff leaving – Permanent contract staff leaving after less than six months]/Permanent contract workforce in service on last day of baseline period (excluding suspended staff)

114 dismissals in 2017, vs. 120 in 2016 (employees on permanent contracts).

TRAINING

I TRAINING (EXCLUDING INTERNS AND WORK-LINKED TRAINING STUDENTS) ✔

Scope/Topic	2017	2016	2015
Number of hours' training delivered during the financial year			
France	546,090	589,952	470,212
India	161,578	141,677	166,563
Spain	126,882	95,133	74,759
Germany	35,678	28,950	
Norway	94,358	79,187	
Morocco	11,476	7,256	

Notes

Norway: *The number of hours' training in 2016 has been amended following a data collection error.*

Number of days' training delivered during the financial year			
France	78,013	84,279	67,173
India	23,083	20,240	20,820
Spain	18,126	13,590	9,345
Germany	5,097	4,136	
Norway	13,480	11,312	
Morocco	1,639	1,037	

Notes

India: *In 2016, to harmonise the way in which training hours are counted, the total number of hours was divided by 7, as opposed to 8 in 2015 – i.e. 166,563/7 = 23,795 hours*
Spain: *In 2016, to harmonise the way in which training hours are counted, the total number of hours was divided by 7, as opposed to 8 in 2015 – i.e. 74,759/7 = 10,680 hours*
Norway: *The number of days' training in 2016 has been amended following a data collection error.*

Average number of days' training per person			
France	4.3	4.8	4.0
India	4.4	4.2	4.4
Spain	5.2	4.4	3.5
Germany	2.3	2.2	
Norway	10.3	9.6	
Morocco	5.8	4.6	

Notes

Norway: *The average number of days' training per person in 2016 has been amended following a data collection error.*

LABOUR RELATIONS

Scope/Topic	2017	2016
Agreements signed in the year		
France		
UES	1	4
Sopra Steria	2	2
Sopra Banking Software	1	4
I2S	1	2
Sopra HR Software	0	2
CIMPA	2	5
Cassiopae	2	
Germany		
Sopra Steria	17	27
Sopra Banking Software	1	4
Sopra HR Software	1	1
CIMPA	3	5
Belgium		
Sopra Steria	2	1
Sopra Banking Software	0	0
Sopra HR Software		0
United Kingdom		
Sopra Steria	0	0
Italy		
Sopra Steria	0	2
Number of collective bargaining agreements in force		
France		
Employee & Economic Unit	15	11
Sopra Steria	21	19
Sopra Banking Software	20	16
I2S	3	0
Sopra HR Software	13	10
CIMPA	12	15
Cassiopae	0	
Germany		
Sopra Steria	55	42
Sopra Banking Software	15	15
Sopra HR Software	12	1
CIMPA	27	15
Belgium		
Sopra Steria	9	7
Italy		
Sopra Steria	2	
United Kingdom		
Sopra Steria	12	15

WORKING CONDITIONS AND ORGANISATION

Scope/Topic	2017	2016	2015	Remarks
France				
Frequency rate of workplace accidents in France	1.68%	2.29%	1.46%	The 2016 and 2017 rates are now calculated in business days rather than calendar days (calendar days were used for 2014 and 2015). Method used to calculate frequency rate: (Number of lost-time work-related accidents x 1,000,000)/Total number of hours worked by total workforce in the year.
Severity rate of workplace accidents in France	0.035%	0.030%	0.035%	The 2016 and 2017 rates are now calculated in business days rather than calendar days (calendar days were used for 2014 and 2015). Method used to calculate severity rate: (Number of calendar days' of lost time following a work-related accident x 1,000)/Total number of hours worked by total workforce in the year. Extensions of leave for work-related accidents that took place during Year Y-1 are not counted.
Absences	2.1%	2.7%	3.3%	The 2016 and 2017 rates are now calculated in business days rather than calendar days (calendar days were used for 2014 and 2015). This rate is calculated based on the average full-time equivalent workforce. It takes into account absences for illness, workplace accidents and accidents while travelling. It is the ratio of the number of actual calendar days' absence and the number of work days theoretically available.

❚ ORGANISATION OF WORK/PART-TIME – PERMANENT CONTRACT STAFF IN SERVICE FROM 1 JANUARY TO 31 DECEMBER

Scope/Topic	2017	2016	2015
Group	6.3%	6.6%	6.7%
France	6.2%	6.3%	6.1%
International (excluding France)	6.3%	6.8%	7.2%
o/w United Kingdom	13.0%	13.1%	13.9%
o/w India	0.2%	0.04%	0.04%
o/w Spain	6.9%	7.0%	6.5%
o/w Germany	9.4%	9.9%	11.1%

EQUAL TREATMENT/DISABILITY

❚ PROPORTION OF EMPLOYEES WITH DISABILITIES ✔

Scope/Topic	2017	2016	2015	Remarks
France	2.46%	2.30%	2.05%	Calculation method: Number of employees with disabilities recognised within the company (Disabled Worker Unit) plus 50%, in accordance with rules established by AGEFIPH + number of qualifying units from subcontracting to supported employment companies, divided by the relevant workforce. The workforce numbers used are calculated in accordance with rules established by AGEFIPH, an organisation that promotes employment for people with disabilities.

Proportion of women in the workforce

Scope/Topic	2017	2016	2015
Workforce: women			
GROUP	**31%**	**31%**	**31%**
France	27%	27%	26%
International (excluding France)	34%	34%	31%
o/w United Kingdom	43%	44%	46%
o/w India	33%	35%	34%
o/w Spain	27%	26%	28%
o/w Germany	24%	23%	24%
Recruitment of women			
GROUP	**31%**	**30%**	
France	27%	26%	
International (excluding France)	33%	33%	
o/w United Kingdom	46%	44%	
o/w India	34%	38%	
o/w Spain	26%	17%	
o/w Germany	27%	22%	

Proportion of young and older employees (including interns)

I WORKFORCE BY AGE BRACKET ✔

Scope/Topic	2017	2016	2015
GROUP			
Under 25	9%	9%	
Over 55	8%	8%	
France			
Under 25	9%	9%	
Over 55	7%	7%	
International (excluding France)			
Under 25	9%	8%	
Over 55	9%	9%	
o/w United Kingdom			
Under 25	6%	6%	
Over 55	20%	19%	
o/w India			
Under 25	18%	19%	
Over 55	0.3%	0.2%	
o/w Spain			
Under 25	5%	4%	
Over 55	2%	2%	
o/w Germany			
Under 25	3%	2%	
Over 55	15%	15%	

I PROPORTION OF OLDER EMPLOYEES IN FRANCE (ALL CONTRACTS, EXCLUDING ACQUISITIONS)

Scope/Topic	2017	2016	2015
Number of employees aged 45 and over	4,666	4,277	3,960
Employees aged 45 and over as % of workforce at 31 December	25.4%	23.9%	23.4%
Number of employees aged 55 and over	1,338	1,168	1,031
Employees aged 55 and over as % of workforce at 31 December	7.3%	6.5%	6.1%

7.11. Annex: Environmental indicators

The information identified by the ✔ sign has been verified by the independent third party with a reasonable level of assurance.

7.11.1. PROTECTION OF ENERGY RESOURCES AND GREENHOUSE GAS EMISSIONS BY COUNTRY

		Protecting resources					
		Offices and on-site datacentres ✔			On-site and off-site datacentres ✔		
		Energy consumption		Renewable energy as % of total electricity consumption	Energy consumption		Renewable energy as % of total electricity consumption
	Scope	Scope 1	Scope 2	Scope 2	Scope 1	Scopes 2 & 3	Scopes 2 & 3
	Unit	MWh	MWh			MWh	MWh
TOTAL	**2017**	**13,644**	**66,545**	*76%*	**314**	**33,769**	*61%*
	2016	**12,987**	**63,043**	69%	**367**	**35,403**	
	2015	**12,623**	**63,563**	*20.4%*	**555**	**35,208**	
Africa*	2017	0	606	*0%*	0	0	
	2016	0	*1,612*	*0%*	0	0	
	2015	0	*443*	*0%*	0	0	
Germany and Austria	2017	0	1,992	*86%*	0	422	*63%*
	2016	0	*2,177*	96%	0	792	
	2015	0	*2,337*	93%	0	1,007	
Benelux	2017	2,196	2,394	*38%*	145	2,218	*64%*
	2016	1,129	*2,274*	51%	69	1,234	
	2015	1,030	*2,333*	51%	64	*1,122*	
Spain	2017	0	2,853	*0%*	0	0	
	2016	0	*3,184*	*0%*	0	*0*	
	2015	0	*1,673*	*0%*	0	*0*	
France	2017	1,938	26,434	*80%*	0	13,511	*31%*
	2016	5,390	*26,489*	75%	0	12,684	
	2015	2,935	*28,318*	*0%*	0	10,974	
India	2017	1,015	12,763	*100%*	144	1,995	*100%*
	2016	1,655	*12,244*	100%	277	1,792	
	2015	2,900	*11,684*	*0%*	467	2,206	
Italy	2017	131	606	*0%*	0	0	
	2016	132	*802*	*0%*	0	0	
	2015	157	*723*	*0%*	0	*0*	
Poland	2017	24	804	*0%*	24	27	
	2016	21	*657*	*0%*	21	*567*	
	2015	24	*780*	*0%*	24	*361*	
United Kingdom	2017	8,177	14,844	*60%*	0	11,412	*79%*
	2016	4,563	*10,840*	72%	0	14,298	
	2015	5,462	*12,176*	70%	0	14,595	
Singapore	2017	0	463	*0%*	0	0	
	2016	0	*243*	*0%*	0	0	
	2015	0	*79*	*0%*	0	0	
Scandinavia	2017	0	2,451	*100%*	0	3,753	*88%*
	2016	0	*2,183*	8%	0	3,598	
	2015	0	*2,362*	20%	0	3,841	
Switzerland	2017	163	335	*100%*	0	431	*100%*
	2016	97	*339*	100%	0	433	
	2015	116	*653*	99%	0	1,103	

*   *Africa includes Algeria, Cameroon, Côte d'Ivoire, Gabon, Morocco and Tunisia.*

** *These figures do not take into account the reduction in emissions arising from "green" travel undertaken in Germany, totalling 36,653 tCO$_2$e in 2017 and 35,316 tCO$_2$e in 2016.*

*** *Data not disclosed in 2015 and 2016 reports.*

Greenhouse gas emissions

Offices and on-site datacentres ✔		On-site and off-site datacentres ✔		(Business travel) ✔		Fugitive emissions
Greenhouse gas emissions		**Greenhouse gas emissions**		**Air + Road + Rail + Hotel**[**]	**Air + Road + Rail**	
Scope 1	Scope 2	Scope 1	Scopes 2 & 3	Scope 3	Scope 3	Scope 1
tCO_2e	tCO_2e	tCO_2e	tCO_2e	tCO_2e	tCO_2e	tCO_2e
1,821	**6,191**	**68**	**1,854**	**38,133**		**1,725**
2,430	**7,190**	**88**	**2,578**	**36,555**	**32,152**	
2,237	**15,723**	**132**	**3,829**		**33,244**	
0	377	0	0	461		4.4
0	958	0	0	412	398	0
0	259	0	0		440	0
0	325	0	114	9,046		6.2
0	251	0	221	8,183	6,747	
0	358	0	0		6,460	
404	293	27	145	1,208		21
228	487	13.9	0	2,548	2,488	0
190	0	0	0		2,533	0
0	1,140	0	0	2,182		10.9
0	1,397	0	0	1,733	1,657	
0	484	0	0		1,057	
112	757	0	434	16,342		144
739	822	0	332	15,267	14,694	
284	2,195	0	644		16,512	
256	0	36	0	2,582		1355
417	0	69.9	0	2,687	1,508	
653	9,581	115 [***]	1,696		1,526	
24	282	0	0	580		4.8
27	348	0	0	508	440	
29	288	0	0		279	
4	619	4	3	226		0
4	509	4.28	493	151	115	
5	502	5 [***]	282		114	
981	2,317	0	957	4,443		172.6
992	1,450	0	832	4,195	3,263	
1,067	1,844	0	1,037		3,364	
0	0	0	0	89		0
0	111	0	0	91	88	
0	40	0	0		45	
0	74	0	201	704		0
0	849	0	699	496	474	0
0	90	0	26		653	0
39	6	0	0	270		5.8
23	6	0	0	283	280	
9	23	0	144		261	

7.11.2. PRESERVING RESOURCES: ENERGY CONSUMPTION ✔

Energy consumption ✔

(MWh)

Year		Scope 1 2017	Scope 1 2016	Scope 1 2015	Scope 2 2017	Scope 2 2016	Scope 2 2015	Scope 3 2017	Scope 3 2016	Scope 3 2015	Total Scopes 1, 2 and 3 2017	2016	2015
Offices	Fuel oil, gas and biodiesel	13,330	12,620	12,623									
	District heating				3,803	47,091							
	Electricity (mains)				45,707								
Off-site datacentres	Fuel oil, gas and biodiesel	314	367				63,563						
	Electricity (mains)				17,035	15,952							
(Off-site datacentres)	Electricity (mains)							16,421	19,451				
TOTAL ENERGY *(MWh)*		**13,644**	**12,987**	**12,623**	**66,545**	**63,043**	**63,563**	**16,421**	**19,451**	**N/A**	**96,610**	**95,481**	**N/A**
TOTAL ENERGY PER EMPLOYEE *(MWh/employee)*											**2.4**	**2.6**	**N/A**
2017/2016 change											**Reduction of 8.2%**		

Scope 1: combustion of fossil fuels (oil, fuel oil and gas) and biodiesel or coolants escaping from air conditioning systems.

Scope 2: consumption of electricity and district heating in offices and on-site datacentres.

Scope 3: electricity consumption in off-site datacentres.

The scope of calculated indicators includes all entities over which the Group has operational control (and therefore includes HS SBS and SSCL joint venture sites) but does not include Kentor, Galitt, Beamap, Cassiopae or 2MoRO. Joint venture sites are only included in 2017 data.

7.11.3. PRESERVING RESOURCES: WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT (WEEE) BY COUNTRY ✔

WEEE ✔	Quantity (in kg) 2017	2016	2015	o/w reused 2017	2016	2015	o/w recycled 2017	2016	2015	o/w incinerated 2017	2016	2015	o/w sent to landfill 2017	2016	2015
Germany/Austria	6,226	8,832	2,605	19.1%	9.7%	98.0%	79.8%	90.3%		1.1%	0%		0%	0%	
Benelux	4,741	1**		74.7%			18.6%	100%		5.1%	0%		1.6%	0%	
Denmark	**	1,816	142	0%	47.4%		0%	52.6%		0%	0%		0%	0%	
Spain	5,953	1,603	454	22.4%	66.7%		66.5%	24.7%		11.0%	8.4%		0%	0.2%	
France	26,863	24,612	20,939	66.1%	55.9%	43.0%	27.6%	38.0%	56.0%	4.8%	5.8%		1.6%	0%	
India	21,732	28,316	107,181	0%	16%	75.0%	100%	84.0%	25.0%	0%	0%		0%	0%	
Italy	**	838	627	0%	84.2%	80.0%	0%	15.8%		0%	0%		0%	0%	
Norway	1,048	1,685	1,317	69.1%	63.5%		30.9%	36.5%		0%	0%		0%	0%	
Poland	673	**	53	100%		100%	0%			0%			0%		
United Kingdom	15,066	7,327	25,674	39.2%	36.3%	100%	60.4%	62.8%		0%	0.3%		0.4%	0.7%	
Sweden	16	**	566	100%			0%			0%			0%		
Switzerland	291	681	688	99.6%	0%	0%	0.4%	100%		0%	0%		0%	0%	
TOTAL	**82,609**	**75,712**	**16 0246***	**38%**	**33.7%**		**58.2%**	**64.2%**		**2.7%**	**2.1%**		**0.7%**	**0.1%**	
TOTAL PER EMPLOYEE *(kg/employee)*	**2.1**	**2.1**	**4.6**												

The scope of calculated indicators includes all entities over which the Group has operational control (and therefore includes HS SBS and SSCL joint venture sites) but does not include Kentor, Galitt, Beamap, Cassiopae or 2MoRO. Joint venture sites are only included in 2017 data.

* Total of available data.

** WEEE stored on site.

7.11.4. PRESERVING RESOURCES: PAPER AND CARDBOARD WASTE BY COUNTRY ✔

Paper and cardboard waste ✔	Quantity (in kg)			o/w recycled			o/w incinerated		
	2017	2016	2015	2017	2016	2015	2017	2016	2015
Germany/Austria	47,530	43,565	45,214	100%	98.0%	98.0%	0%	2.0%	2.0%
Benelux	58,745	80,569		100%	75.0%		0%	25.0%	
Denmark	1,580	1,580	827	100%	100%	100%	0%	0%	
Spain	11,440	9,938		100%	100%		0%	0%	
France	71,804	60,342	96,269	87.0%	83.9%	89.0%	13.0%	16.1%	13.0%
India	14,025	28,410	27,217	100.0%	100%	100%	0%	0%	0%
Italy	2,730			97.0%			3.0%		
Norway	19,168	5,782	7,670	100%	100%	100%	0%	0%	
Poland	2,553			97.0%			3.0%		
United Kingdom	200,382	131,839	146,900	100%	100%	100%	0%	0%	
Sweden	4,679		802	97.0%		100%	3.0%		
Switzerland	560	3,700	3,549	100%	100%	99.0%	0%	0%	
TOTAL	**435,196**	**365,725***	**328,448***	**97%**	**92%**		**3%**	**8%**	
TOTAL PER EMPLOYEE (kg/employee)	**10.8**	**10.0**	**9.4**						

The scope of calculated indicators includes all entities over which the Group has operational control (and therefore includes HS SBS and SSCL joint venture sites) but does not include Kentor, Galitt, Beamap, Cassiopae or 2MoRO. Joint venture sites are only included in 2017 data.

7.11.5. PRESERVING RESOURCES: WATER CONSUMPTION BY COUNTRY ✔

Water consumption ✔	Quantity (in m³)
Africa*	2,829
Germany	6,054
Benelux**	2,717
Spain	8,349
France	55,760
India	136,948
Italy	2,585
Poland	3,106
United Kingdom	21,272
Scandinavia**	4,246
Singapore	356
Switzerland	258
TOTAL	**244,480**

* *Africa includes Algeria, Cameroon, Côte d'Ivoire, Gabon, Morocco and Tunisia.*

** *Benelux includes Belgium and Luxembourg.*

The scope of calculated indicators includes all entities over which the Group has operational control but does not include Kentor, Galitt, Beamap, Cassiopae or 2MoRO. Joint venture sites are only included in 2017 data.

*** *Scandinavia includes Sweden, Norway and Denmark.*

7.11.6. PURCHASES OF ENVIRONMENTALLY ACCREDITED PAPER BY COUNTRY ✔

Purchases of environmentally accredited paper ✔	Quantity (in kg)	% environmentally accredited paper	Quantity purchased per employee (kg employee)
Germany/Austria	4,946	81%	2.11
Benelux	2,941	100%	2.81
Spain	8,208	70%	2.30
France	66,747	70%	3.69
India	7,897	100%	1.55
Italy	3,443	100%	4.05
Poland	646	100%	0.81
United Kingdom	13,942	84%	3.61
Scandinavia	1685	68%	1.23
Singapore	881	70%	7.53
Switzerland	1,073	89%	4.19
TOTAL	**112,407**	76%	**3.01**

* *Scandinavia includes Sweden, Norway and Denmark.*

The scope of calculated indicators includes all entities over which the Group has operational control but does not include Kentor, Galitt, Beamap, Cassiopae, 2MoRO or the NHS SBS or SSCL joint venture sites.

Glossary

Acronyms

- API: Application programming interface
- BPS: Business process services
- CNIL: *Commission nationale de l'informatique et des libertés*/French data protection authority
- COP21: 2015 Paris climate change conference
- DLP: Data loss prevention
- DRM: Digital rights management
- GAFA: Google, Apple, Facebook, Amazon
- GDPR: General Data Protection Regulation
- LPM: *Loi programmation militaire*/Act on Military Programming (Act no. 2013-1168 of 18 December 2013)
- NIS: Network information system
- PaaS: Platform as a service
- PLM: Product lifecycle management
- SaaS: Software as a service
- SOC: Security operations centre

Corporate responsibility

- **Sustainable Development Goals (SDGs) defined by the United Nations:** The Sustainable Development Goals (SDGs) defined by the United Nations are 17 global goals that States undertake to achieve over the next 15 years (2015-2030). They cover a many different areas, from protecting the planet to building a more peaceful world and ensuring that everyone can live in security and dignity. These goals are part of a development programme to prioritize support for the most vulnerable, especially children and women.

  https://data.unicef.org/children-sustainable-development-goals

- **Materiality matrix:** The materiality analysis helps identify and prioritize the most relevant issues for the company and its stakeholders, and is presented in the form of a matrix, which plots the priorities according to their importance for the Company (x-axis) and for their stakeholders (y-axis).

- **Materiality:** The degree of materiality determined reflects how the issue is able to influence the Company's strategy, reputation, or financial health.

- **Greenhouse gas (GHG):** Greenhouse gases are gaseous components that absorb infrared radiation emitted from the earth's surface and contribute to the greenhouse effect. The increase in their concentration in the Earth's atmosphere is one of the factors causing global warming.

- **Science Based Targets initiative (SBTi):** Science Based Targets initiative is an internationally recognised initiative offering mathematical models for identifying the environmental footprint of activities so as to be able to set ambitious greenhouse gas emissions reduction targets.

- **Colibry (COlLaboratIve moBility gets RealitY):** a platform for developing innovative, operational solutions that respond to the urban mobility challenges faced by smart cities, businesses and citizens.

- **Demeter:** stands for *Démonstrateur des EngageMEnts TErritoriaux pour la Réduction des émissions* – "Regional emissions reduction commitments demonstrator"

- **COMMUTE (Collaborative Mobility Management for Urban Traffic and Emission reduction):** the Commute project aims to implement a collaborative management system for employee mobility to help relieve urban traffic congestion.
- **CDP:** a not-for-profit charity that runs the global disclosure system for investors, companies, cities, countries and regions to manage their environmental impacts.
- **Task Force for Climate-related Financial Disclosure (TCFD):** a task force focused on financial information related to the climate, created as part of the G20 Financial Stability Board. It is one of the most important developments in the area of climate reporting by businesses.
- **Climate Disclosure Standards Board (CDSB):** the Climate Disclosure Standards Board (CDSB) is an international consortium of businesses and environmental NGOs that works in particular with the TCFD on these issues.

- **Scope 1 (of the GHG Protocol):** covers direct greenhouse gas emissions arising from the combustion of fossil fuels (heating oil, diesel, biodiesel and gas) and the escape of coolants from air conditioning systems in offices and on-site datacentres.
- **Scope 2 (of the GHG Protocol):** covers indirect greenhouse gas emissions associated with consumption of grid electricity and district heating in offices and on-site datacentres.
- **Scope 3 (of the GHG Protocol):** covers indirect greenhouse gas emissions associated with consumption of mains power in off-site datacentres and business travel.
- **Location-based:** a method for calculating greenhouse gas emissions based on emissions factors for the geographical regions covered.
- **Market-based:** a method for calculating greenhouse gas emissions based on emissions factors specific to the energy source used.

Annexes: Grenelle 2, Energy Transition Act, ISO 26000, GRI 4, CDSB-TCFD, Sapin II Act, Duty of care, GDPR cross-reference table

Reg. Doc.	ISO 26000	SDGs CDSB-TCFD (Climate Change Reporting Framework)	GRI 4
Chap. #			
1.			G4-3 to G4-8, G4-17 and G4-18
3.			
1.			
1.1.		16. Peace, justice and strong institutions 17. Partnerships for the goals	
1.4.	6.2 Organisational governance		
2.			
2.4.	6.2 Organisational governance		
2.5.	6.4 Labour practices 6.4.3 Employment and employment relationships		G4-10
2.6.		8. Decent work and economic growth	G4-LA1, G4-LA11, G4-LA9
2.6.1.			
2.6.2.			
2.6.3.			
2.7.	6.4 Labour practices 6.4.5. Labour-management dialogue		
2.8.	6.4 Labour practices 6.4.7 Workplace health and safety	3. Good health and well-being	G4-LA6
2.9.	6.3.7 Discrimination and vulnerable groups 6.3.10 Fundamental principles and workplace rights	5. Gender equality 10. Reduced inequalities	G4-HR3, G4-LA13
2.10.			G4-HR4
2.10.1.			
2.10.2.			

Registration Document			Articles 75 and 225, Grenelle 2 Act
Chap. # Chapter/Section title		**Page #**	
2.11.	Regional impact	91	■ Regional, economic and social impact of business activities on local residents and communities
2.11.1.	Employment and regional development in France	91	■ Regional, economic and social impact of business activities in terms of employment and development
3.	**Social responsibility: increased interaction with stakeholders**		
3.4.	Stakeholder dialogue	93	■ Conditions for dialogue with these persons or organisations ■ Partnerships and sponsorship initiatives
3.5.	Support for the Digital Chair	93	■ Partnerships and sponsorship initiatives
3.6.	A more robust responsible purchasing programme	94	■ Ensuring that purchasing policy takes into account social and environmental issues ■ Subcontracting and relations with suppliers ■ Extent of subcontracting and recognition of social and environmental responsibility commitments in relations with suppliers and subcontractors
3.6.1	Evaluation of the supply chain by an outside expert	94	
3.6.2	Ethical and inclusive purchasing in support of diversity	94	
3.7.	Central importance of client satisfaction for Sopra Steria's strategy	94	
3.8.	Engagement with communities to promote an inclusive digital society	96	
3.8.1.	Challenges and key achievements	97	
3.8.2.	Supporting local communities	97	■ Partnerships and sponsorship initiatives ■ Regional, economic and social impact of business activities on local residents and communities
4.	**Ethics and compliance**		
4.1.	Background and key events	99	
4.2.	Challenges and key achievements	99	
4.3.	Governance and organisation	99	■ Implementation of a governance framework and reporting system for non-financial information
4.4.	A code of ethics and strong values	100	■ Actions taken to prevent corruption ■ Business ethics
4.5.	Core rules and procedures	100	
4.6.	A programme aimed at supplementing existing compliance arrangements	100	■ Actions taken to prevent corruption
4.7.	Duty of care and prevention	100	■ Business ethics/Duty of care

Reg. Doc.	ISO 26000	SDGs CDSB-TCFD (Climate Change Reporting Framework)	GRI 4
Chap. #			
2.11.	6.8 Community involvement and development	9. Industry, innovation and infrastructure	G4-EC7
2.11.1.			
3.			G4-15, G4-16, G4-24, G4-25
3.4.			G4-15, G4-16, G4-24, G4-25
3.5.			
3.6.	6.6.6 Promoting social responsibility in the value chain		G4-EN32
3.6.1			
3.6.2			
3.7.	9. Industry, innovation and infrastructure		
3.8.	1. No poverty 4. Quality education 3. Good health and well-being 6. Clean water and sanitation 8. Decent work and economic growth		
3.8.1.			
3.8.3.			
4.	6.6 Fair operating practices		G4-56, G4-57, G4-58, G4-SO4
4.1.			
4.2.			
4.3.			
4.4.			
4.5.			
4.6.			
4.7.			

Reg. Doc.	ISO 26000	SDGs CDSB-TCFD (Climate Change Reporting Framework)	GRI 4
Chap. #			
5.		9. Industry, innovation and infrastructure	
5.1.	6.5.5 Mitigating and adapting to climate change	REQ-01 Management's environmental policies, strategy and targets	G4-EN15, G4-EN16, G4-EN30, G4-EN19, G4-EN19, G4-EN3, G4-EN4, G4-EN6, G4-EN7, G4-SO1, G4-33, G4-43, G4-44
5.2.	6.5.2.1, 6.5.5.2.2	REQ-02 Risks and opportunities	G4-2, G4-EC2, G4-EN3, G4-EN9, G4-EN33
5.2.1.			
5.2.2.			
5.3.	6.2 Organisational governance	13. Climate action REQ-01 Management's environmental policies, strategy and targets REQ-03 Governance REQ-04 Sources of environmental impact REQ-07 Organisational boundary REQ-05 Performance and comparative analysis EQ-06 Outlook	G4-1, G4-34
5.3.1.	6.5.3 Preventing pollution		G4- EN23, G4-EN15, G4-EN16
5.3.2.	6.2 Organisational governance		G4-1, G4-34, G4-35 to G4-37
5.3.3.			G4-SO1
5.4.	4.3		G4-13, G4-23, G4-EN6, G4-EN7, G4-EN19, G4-EN27, G4-EN28
5.5.	6.5.3.2, 6.5.4.2, 6.5.6.2		
5.5.1.	6.6.6 Promoting social responsibility in the value chain		G4-EN32
5.5.2.			
5.5.3.		7. Affordable and clean energy 12. Responsible consumption and production 13. Climate action	G4-EN1
5.5.4.		13. Climate action	G4-EN3, G4-EN6, G4-EN19, G4-EN15,G4-EN16
5.5.5.	6.5.3 Preventing pollution	15. Life on land	G4-EN 22, G4-EN 23, G4-EN 31, G4-EN-32
5.5.6.		9. Industry, innovation and infrastructure 13. Climate action REQ-08 Reporting policies	
5.6.	6.5.3 Preventing pollution		G4-EN23, G4-EN15, G4-EN16

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5.6.2. Reducing greenhouse gas emissions from offices and datacentres	112	
5.6.3. Moving forward with our carbon-neutral programme	112	
5.6.4. Influencing our ecosystem	112	
6 **Approach and methodology**	113	
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Annex: Cross-reference table Grenelle 2 Act/ Energy Transition for Green Growth Act/ SDGs/GRI-G4/TCFD-CDSB	128	
This subject does not relate to Sopra Steria's activities.		■ Environment provisions and guarantees ■ Consideration of noise and other forms of pollution specific to an activity ■ Land use ■ Food waste prevention ■ Measures taken to protect or develop biodiversity ■ Measures taken to promote consumer health and safety

Reg. Doc.	ISO 26000	SDGs CDSB-TCFD (Climate Change Reporting Framework)	GRI 4
Chap. #			
5.6.1.	6.5.5 Mitigating and adapting to climate change		G4-EN15, G4-EN16, G4-EN30, G4-EN19, G4-EN19, G4-EN3, G4-EN4, G4-EN6, G4-EN7
5.6.2.			
5.6.3.			
5.6.4.		11. Sustainable cities and communities 13. Climate action 14. Life below water 16. Peace, justice and strong institutions 17. Partnerships for the goals	
6		REQ-07 Organisational boundaries REQ-08 Reporting policies REQ-09 Reporting period REQ-10 Restatements	G4-17, G4-18, G4-22, G4-23, G4-28, G4-29, G4-30, G4-31, G4-32, G4-33
7			
7.12.		REQ-12 Assurance	G4-32, G4-33

Sopra Steria at a glance

Sopra Steria, a European leader in digital transformation, provides one of the most comprehensive portfolios of offerings on the market, spanning consulting, systems integration, industry-specific solutions, infrastructure management and business process services. It provides end-to-end solutions to address the core business needs of large companies and organisations, helping them remain competitive and grow. Combining added value with innovative high-performance services, Sopra Steria excels in guiding its clients through their transformation projects to help them make the most of digital technology.

With nearly 42,000 employees in more than 20 countries, Sopra Steria generated revenue of €3.8 billion in 2017.

Sopra Steria

9 bis, rue de Presbourg
75 116 Paris
Tel. +33 (0)1 40 67 29 29

www.soprasteria.com