CORPORATE RESPONSIBILITY

Sopra Steria Corporate Responsibility Report

2016 - Extract from Registration Document

Delivering Transformation. Together.

sopra steria

Corporate responsibility

Our first responsibility is to secure our business development and our long-term future while considering our local and global impact. As an international group operating in many countries, we play a major role in helping to create a more sustainable world.

Marketplace

Responsible dialogue with all stakeholders

Workplace

A team at the heart of the Group's Enterprise Project. A confirmed principle of equal opportunities

Environment

Innovating in support of the environment for the benefit of our clients

Community engagement

Supporting local communities: education, access to employment, digital inclusion and the right to water

One of Europe's leading recruiters

Score **Gold level**

CDP DRIVING SUSTAINABLE ECONOMIES

A- in Leadership
Among the top 3 technology firms

8,498
NEW EMPLOYEES IN 2016

Score 88%

31%
WOMEN IN THE GROUP

193,170
Sopra Steria shares bought by employees via "We Share 2016"

Happy Trainees accreditation in France for the 4th consecutive year

No. 1 recruiter of young graduates in the digital field in France

69%
Share of energy from renewable sources in electricity consumption of offices and on-site data centres

(-) 6.6%
Overall reduction in greenhouse gas emissions relative to 2014
Target: 15% reduction by 2020 relative to 2014

(-) 19%
Reduction including renewable energy

98%
Of Waste Electrical & Electronic Equipment (WEEE) gets a second life

Certifications

For more information, see Chapter 3

THE GLOBAL COMPACT WE SUPPORT

Indice Gaia 2016

CDP DRIVING SUSTAINABLE ECONOMIES

CERTIFIED CARBON NEUTRAL business travel CarbonNeutral.com

CERTIFIED CARBON NEUTRAL office space CarbonNeutral.com

CERTIFIED CARBON NEUTRAL data centre CarbonNeutral.com

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1. Sopra Steria: committed to a more sustainable world

Corporate Responsibility means seeing the company differently: through the prism of its social and environmental responsibility, its community engagement and its interaction with the market, taking into account all stakeholders.

Our primary responsibility is to secure our business development and our long-term future while considering our local and global economic impact.

For several years, the Group has been committed to continuous improvement in the area of Corporate Responsibility, with a particular focus on four societal aspects covered in this report: the market, the workforce, the environment, and community engagement. This approach is supported by a progress plan addressing the main challenges facing the Group and the resulting Corporate Responsibility goals. This plan is reviewed annually with senior management in light of actual progress made, so that areas for improvement can be identified and appropriate action taken. This report sets out a summary of this approach, the goals set and progress made in the year under review, as well as new goals that the Group sets itself.

1.1. A long-term commitment

Sopra Steria is committed to a proactive Corporate Responsibility policy that is aligned with the Group's business requirements. This policy is part and parcel of a continuous improvement process, which Sopra Steria commits itself to sharing information every year about the efforts that it has made and the results achieved.

THE GLOBAL COMPACT
WE SUPPORT

For almost 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 the United Nations Global Compact, which serves as the founding framework for its approach to Corporate Responsibility. Under this commitment, Sopra Steria promotes the Global Compact's 10 principles in the areas of human rights, labour standards, protection of the environment and anti-corruption, which are fully in line with the fundamental precepts upon which the Group was founded. Sopra Steria is committed to encouraging compliance with these principles within its sphere of influence, helping its clients and partners to adopt responsible business practices.

1.2. Alignment with the United Nations Sustainable Development Goals

Most of Sopra Steria's Corporate Responsibility goals are aligned with 11 of the 17 Sustainable Development Goals (SDGs) proposed by the United Nations in 2016. This major initiative under the United Nations Global Compact aims to unite economic agents around strong sustainable development commitments.

Main United Nations Sustainable Development Goals already taken into account by the Group

- Goal 4: Ensure inclusive and quality education for all and promote lifelong learning.
- Goal 5: Achieve gender equality and empower all women and girls.
- Goal 6: Ensure access to water and sanitation for all and ensure water resources are managed sustainably.
- Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all.
- Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all.
- Goal 9: Build resilient infrastructure, promote sustainable industrialisation and foster innovation.
- Goal 11: Make cities and human institutions inclusive, safe, resilient and sustainable.
- Goal 12: Ensure sustainable consumption and production patterns.
- Goal 13: Take urgent action to combat climate change and its impacts.
- Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development purposes.
- Goal 15: Protect and restore land ecosystems, taking care to exploit them sustainably, sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss.

Sopra Steria's commitment to the Global Compact, its day-to-day activities as a responsible company and the publication of this Corporate Responsibility Report are part of its ongoing efforts to ensure transparency, fairness and loyalty in its dealings with all stakeholders: clients, employees, shareholders and investors, partners, suppliers and civil society.

As an international group operating in many countries, we play a major role in helping to create a more sustainable world.

The Corporate Responsibility commitments that guide Sopra Steria's actions are based on compliance with legislation and regulations in force in countries where the Group is located, and on optimal operation of the Group's businesses.

Supported by Sopra Steria's management and by all employees associated with it, the Group's Corporate Responsibility policy is backed by a continuous improvement process communicated to stakeholders each year through the annual Corporate Responsibility Report. This approach aims to reconcile economic efficiency, equal employment opportunities, respect for the environment and community engagement. It covers four areas:

- market: interacting with our stakeholders to work for a more sustainable world;
- workforce: Sopra Steria, a responsible and committed team;
- environment: innovating in support of the environment for the benefit of our clients;
- community engagement: working alongside local communities and vulnerable populations to demonstrate our solidarity.

1.3. Activities and operations

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 software development, 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, innovative solutions and high-performance services, Sopra Steria enables its clients to make the best use of digital technology.

This subject is discussed in further detail in Chapter 1, Section 3 of the 2016 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, including two employee representatives. Excluding employee representatives, seven of the Board members – i.e. over 40% of its membership – are women.

Where appropriate, its work is prepared by an Audit Committee; a Nomination, Ethics and Governance Committee; and a Compensation Committee.

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 is composed of four operational tiers and their associated functional structures.

Corporate Responsibility policy and actions are followed up by the Nomination, Ethics and Governance Committee, which informs the Board of Directors of its work and recommendations in this area.

This subject is discussed in further detail in Chapter 2, Section 2.3.3 of the 2016 Registration Document.

1.5. Corporate Responsibility structure

Sopra Steria Group's Corporate Responsibility programme and initiatives are placed under 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:

1.5.1. GROUP CORPORATE RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT DEPARTMENT

The Corporate Responsibility and Sustainable Development (CR-SD) Department oversees the roll-out of the Group's Corporate Responsibility policy, coordinates the continuous improvement approach with the relevant departments and supports them as they implement their action programmes.

The CR-SD Department spearheads programmes across all areas of the Group, and more specifically regulatory reporting, including this Corporate Responsibility Report, the Group's assessment by external organisations, its main corporate sponsorship and community engagement partnerships, and actions to raise employee awareness.

Sopra Steria Group's Corporate Responsibility initiatives are coordinated by the Group CR-SD Department and managed via four interdependent units devoted to market responsibility, responsible employment, environmental responsibility and community engagement.

1.5.2. MARKET RESPONSIBILITY UNIT

Reporting to the CR-SD Department, the Market Responsibility unit handles client requests for proposals and accreditation, external assessments and communications activities. It works closely with specialist Group departments including Legal, Purchasing, Human Resources, Communications, Information Systems and Industrial, Audit and Internal Control, as well as with operating divisions.

1.5.3. RESPONSIBLE EMPLOYMENT UNIT

The workforce component of Corporate Responsibility is a key issue for a group like Sopra Steria. It is managed by 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 in charge of responsible employment practices works with the various entities to ensure that all initiatives reflect the wider Group approach.

1.5.4. ENVIRONMENTAL RESPONSIBILITY UNIT

The Group's environmental programme is managed by the Environmental Responsibility unit, supervised by the Group CR-SD Department. Overseen by a Group-level manager, this unit is supported by a network of environment correspondents and the relevant support departments (Property Management, Purchasing, Information Systems, Communications and Industrial). Together with the Industrial Department, the Environmental Responsibility unit is responsible for the roll-out of the Environmental Management System (EMS) and ISO 14001 and ISO 14064-3 certification for certain sites. It also coordinates greenhouse gas assessments and annual reporting to CDP's climate change programme.

1.5.5. COMMUNITY ENGAGEMENT UNIT

Reporting to the Group's CR-SD Department, the Community Engagement unit is supported by an international network of key stakeholders leading local community engagement programmes. The CR-SD Department manages the Group's programme of action through Group sponsorship or partnership programmes, either by foundations in France and India, or directly by Group entities that enlist the support of their employees and, in some cases, clients.

1.5.6. 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 CR-SD Committee draws up the Group's roadmap for Corporate Responsibility, and tracks progress against the associated action plans.

1.5.7. 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, his or her deputy, and managers from the Group CR-SD Department. It met twice in 2016.

The Advisory Board's main responsibilities are:

- submitting recommendations on the Group's Corporate Responsibility strategy and priorities;
- providing Executive Management with useful benchmarking information related to Corporate Responsibility;
- providing information on legislative and regulatory developments and their impact as regards Corporate Responsibility.

In 2016, the Advisory Board consisted of the following three independent experts:

- Marie-Ange Verdickt, former Director of Research and Socially Responsible Investment at La Financière de l'Échiquier;

- Mark Maslin, Professor of Climatology at University College London (UCL);
- Frédéric Tiberghien, member of the French Council of State and honorary chairman of ORSE (*Observatoire de la Responsabilité Sociétale des Entreprises*).

1.6. Approach and methodology

A methodological note detailing the scope of reporting analysed, data collection processes and tools, exclusions applied and checks carried out can be found at the end of this section.

2. Market responsibility: interacting with our stakeholders to work for a more sustainable world

2.1. Background and key events

Interacting responsibly with stakeholders and adapting the improvement process to meet new digital challenges

Needs, uses, offerings and business model – in the face of rapid change resulting from digital technology, companies need to adapt and get on board the movement generated by 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 its stakeholders, with an emphasis on three key factors: dialogue, innovation and value creation.

Key events:

- For the eighth 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.

- Sopra Steria achieved EcoVadis Gold level for social and environmental responsibility, ethics and supply chain for the third year running, putting the Group in the top 5% of companies rated by EcoVadis.

- Fondation Steria-Institut de France has become Fondation Sopra Steria-Institut de France and has enlarged its scope to include environmental initiatives.
- In 2016, Sopra Steria published the second edition of its digital governance survey, extended to the whole of Europe.
- At the beginning of 2017, a Corporate Governance & Risk Management department was set up.
- The Group is a member of the club of sponsors of the Collège des Bernardins Digital Chair: "Humanity in the face of the digital challenge".

2.2. 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 its main stakeholders: clients, employees, shareholders and investors, partners, suppliers and civil society

To take into account rapid changes in its environment and new challenges linked to digital technology, in 2016 Sopra Steria initiated a materiality study of its key strategic challenges. Through this work, which will continue in 2017, the Group will use the materiality matrix to map challenges for stakeholders and adapt its 2020 progress plan for Corporate Responsibility so that it addresses them.

2.3. Challenges and key achievements

Challenges		2016 targets	2016 Results	2017-2018 ambitions
Stakeholder dialogue		Continue with sustained dialogue	■ Reinforced digital communications both in-house and externally ■ Ipsos/Sopra Steria European survey on citizens' expectations in respect of e-government ■ New initiatives involving clients (local authorities) centred on digital inclusion ■ Contribution to the Collège des Bernardins Digital Chair ■ Space to discuss and promote Corporate Responsibility as part of the "management kick-off" of January 2016 and 2017 (3,500 managers from around the Group)	■ Strengthen initiatives designed to raise awareness of Corporate Responsibility ■ Develop collaborative initiatives with the Group's ecosystem on issues related to the market, the environment, diversity and digital inclusion
Business ethics		Strengthen control system by incorporating new acquisitions	■ Launch a review to take into account future regulations from 2017 onwards (Sapin II Act and parent companies' duty of care)	■ Incorporate new regulations ■ Strengthen methods for monitoring ethical business practices at Group level
Responsible purchasing	Responsible Purchasing Charter	Roll out Group Responsible Purchasing Charter across all entities	■ The Responsible Purchasing Charter was rolled out to Group entities	■ Incorporate new European and local directives into the Responsible Purchasing Charter ■ Roll the new Charter out to Group employees involved in purchasing
	Have key suppliers assessed by a third party, EcoVadis	After France, the United Kingdom and HQ, roll out to Belgium, Luxembourg, Poland and Spain	■ Roll-out: Belgium, Luxembourg, Poland and Spain ■ Incorporate CIMPA, acquired in 2015, into the assessment process	■ Reinforce the programme to raise awareness of the EcoVadis assessment system among Group purchasing staff to increase the number of suppliers assessed
Client challenges	Know-how and services	Continue to innovate and develop new services to help our clients achieve their sustainable business development and performance goals	■ Innovative client projects in the healthcare, transport and energy sectors ■ Closer client relationships thanks to social, environmental and community initiatives integrated into client services ■ Innovation and skills development in the field of smart cities: Smart Harbor, SI@GO, Enjoy-MEL and Colibry	■ Continue to innovate in client projects ■ Develop common Corporate Responsibility initiatives between Sopra Steria and its clients
	Client satisfaction	Extend the key accounts policy to new clients	■ Broaden the key accounts target audience to new sectors ■ Align the key accounts policy at the European level	■ Continue to strengthen key account processes
Data security		Renew ISO 27001 certification	■ Renewed certification	■ Strengthened security measures ■ ISO 27001 extensions (new sites in Spain and France)

Roll-out of all actions directly addressing the market on the issue of Corporate Responsibility will continue across all entities and countries in 2017 and 2018.

2.4. Responsible dialogue that creates value and fosters innovation

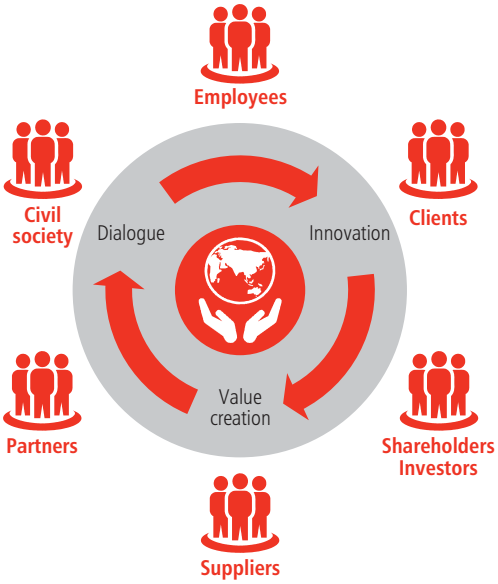
Stakeholder dialogue involves all Group entities, contributing to an innovative improvement process that creates value for Sopra Steria and its stakeholders.

CR ADVISORY BOARD

To add to its improvement approach, several years ago Sopra Steria established a Corporate Responsibility Advisory Board consisting of experts from the public and private sectors and civil society. These advisors support the Group and provide it with outside input, notably to help strengthen relations with key stakeholders. At the committee's last meeting in December 2016, Mark Maslin, the CR Advisory Board's environmental advisor and a professor of climatology, gave a presentation on the challenges of combating climate change and the importance of a major digital player such as Sopra Steria taking action on this subject within its sphere of influence.

DIGITAL CHAIR

As a European digital transformation player working with major organisations, Sopra Steria plays an essential role in contributing to and providing input into work on the societal impact of digital technology. Against this backdrop, in 2016 the Group decided to support the Collège des Bernardins Digital Chair through a two-year sponsorship programme. A key centre for gatherings and discussion on key societal issues with the aim of building a future that respects mankind, the Collège des Bernardins created this Chair in 2015 as part of its research activities. The Digital Chair is supported by a shared discussion process involving digital researchers and practitioners on the one hand and philosophers, anthropologists, theologians, sociologists and economists on the other to map out the key components of this digital culture and, above all, its main impacts on people and society. The aim is to work together to construct a framework of thought within which the development of digital technology can be conceived of as a form of human progress and not as something that risks negating our humanity – a framework from which a digital humanism can be born.



Stakeholder	Dialogue, innovation and value creation
Clients	■ Regular monitoring of client satisfaction at account reviews. ■ Co-development initiatives with clients focused on innovation, social inclusion and environmental clauses linked to Sopra Steria's services. ■ Meetings between Sopra Steria and its clients on the Group's contribution to its clients' Corporate Responsibility challenges and the Group's compliance with regulations. These meetings are supported, in particular, by third-party assessments (CDP, Gaia Index, EcoVadis) and specific questionnaires. ■ Sopra Steria involvement in clients' supplier days. Such gatherings provide an opportunity, in particular, to review expectations as regards Corporate Responsibility.
Employees	■ Local and Group-level internal communication through the corporate portal. ■ 2016 launch of an international Group newsletter dedicated to Corporate Responsibility: Sustainability Buzz. ■ Reinforcement of communication and awareness campaigns on sustainable development issues at the international level: World Water Day; European Sustainable Development Week; World Environment Day; European Week for Waste Reduction; International Volunteer Day; etc. ■ Incorporation of a Corporate Responsibility track into the induction process for new arrivals. ■ A dedicated mailbox open to all employees: corporate.responsibility@soprasteria.com.
Shareholders and investors	■ Sopra Steria Group is listed on Segment A of NYSE Euronext Paris. ■ The Group applies the AFEP-MEDEF Corporate Governance Code; every year, through its Registration Document, the Group informs shareholders of how it applies the recommendations of this Code. ■ Annual General Meeting of Shareholders. ■ Regular provision of ongoing and periodic information via press releases. ■ Meetings announcing the full-year and interim results to share the Group's strategy, financial performance and outlook with the financial community. ■ Investor communication via the "Investors" section of the Group's website (www.soprasteria.com) and a dedicated e-mail address (investors@soprasteria.com). ■ Meetings with analysts and shareholders. ■ Specific questionnaires, notably related to the requirements of Article 173 of France's Energy Transition for Green Growth Act, on funding. ■ Dedicated communications to employee shareholders (portal, newsletter, training on employee share ownership issues: corporate governance, stock market).
Partners	■ Co-innovation approach with key strategic partners in digital transformation: R&D programmes in cooperation with these partners. ■ Governance of strategic partnerships with dedicated managers, coordinated at Group level by a Corporate Alliance Officer: – **Microsoft:** Gold Certified Partner and Silver Certified Partner; – **IBM Software:** Premier Business Partner; – **SAP:** SAP Recognized Expertise (markets and solutions); – **Oracle:** Oracle Platinum Partner (Europe); – **HP Software:** HP Enterprise Silver Partner and Silver Specialist; – **Dassault Systèmes** (from 2017). ■ More specialised partnerships with sector-specific and technology vendors, coordinated by specialised Partner Managers. ■ Technological monitoring of GAFAS – Google, Amazon, Facebook, Apple and Samsung – and start-ups. This approach is supported by DigiLabs, the Group's innovation spaces. The goal is to strengthen expertise in the cloud, mobility and cognitive technologies. ■ Axway preferred partner. ■ Awards given by our strategic partners in 2016: – **IBM:** France Partner innovation award – **IBM:** International Cloud Partner award for innovative use of the Bluemix platform – **Oracle:** Partner Excellence award in the cloud and data centres category, following the success of a cloud project in Italy

Stakeholder	Dialogue, innovation and value creation
Suppliers and subcontractors	■ Responsible purchasing policy rolled out Group-wide and incorporating new local regulations. In France: Sapin II Act and parent companies' duty of care. In the United Kingdom: UK Modern Slavery Act. ■ Inclusive purchasing policy aimed at the supported employment sector, minorities and SMEs. ■ Regular meetings between buyers, suppliers and subcontractors. ■ Purchasing process that incorporates Corporate Responsibility from the supplier accreditation phase, through to requests for proposals and right through to contract stage. ■ Responsible purchasing charter. ■ Supplier CSR assessment (EcoVadis): ethical business practices, social and environmental responsibility and supply chain. ■ Initiatives relating to shorter payment terms (Sopra Steria is notably a signatory to the Prompt Payment Code in the United Kingdom).
Civil society	■ Community programmes in each country, adapted to local needs. ■ Partnerships and sponsorships with international and local NGOs in each country. ■ Partnerships between foundations in France and India and local non-profits and NGOs. ■ Active member of trade unions and industry groups: Syntec Numérique, Nasscom, Hertfordshire Chamber of Commerce, BCS Hertfordshire, Franco-Norwegian Chamber of Commerce, Den Norske Dataforening, IKT Norge, AEC, Agora, etc. ■ Cooperation with local authorities, schools and universities in the various countries where the Group operates. ■ Contribution to the Collège des Bernardins Digital Chair, which aims to analyse the main impacts of digital technology on people and society.
All stakeholders	■ Publication of an annual Corporate Responsibility Report audited by an independent third party. ■ Incorporation of future regulations such as European Directive 2015/95/EU on reporting of non-financial information and guidelines such as the Global Compact, GRI4 and ISO 26000. ■ Regular dissemination of information via the Group's website and social networks: Twitter, Facebook, LinkedIn, etc. In 2016, digital communication was stepped up significantly, fostering dialogue both internally and externally.

2.5. Business ethics

Sopra Steria's main priority in carrying out its day-to-day activities is observing business ethics.

Sopra Steria's Code of Ethics formalises this priority, which is based on the commitments of the United Nations Global Compact. The Code expresses the shared ethical principles that apply to all of the Group's entities and its entire scope.

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 the entities' commitments to carry on 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.

In conducting its business, the Group is thus committed to ensuring that its employees:

- work to prevent all forms of active or passive corruption, whether direct or indirect;
- abide by competition rules;
- maintain the confidentiality of information to which employees have access in the course of their duties and activities.

Sopra Steria is also committed to avoiding conflicts of interest.

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.

At the beginning of 2017, a Corporate Governance & Risk Management department was set up at Group level, reporting to Executive Management. The main responsibility of this central department is to develop the guiding principles of the Code of Ethics by incorporating new regulatory requirements and taking into account ongoing changes in the Group's scope.

Changes in the Code of Ethics will involve key stakeholders within the Group and will, in 2017, be the subject of an appropriate information and training programme.

2.6. A responsible purchasing policy

A continuous improvement process to manage supply chain sustainability and compliance and anticipate risks

To ensure a sustainable supply chain, the Group pursues a responsible purchasing policy, based on social and ethical guidelines and demonstrating a commitment to the environment. The Group is gradually rolling out responsible purchasing initiatives, supplemented by local activities tailored to the specific challenges that it faces in each country.

2.6.1. RESPONSIBLE PURCHASING CHARTER: BRINGING SUPPLIERS INTO THE GROUP PROCESS

A Responsible Purchasing Charter that draws on the principles of the UN Global Compact

Sopra Steria's Responsible Purchasing Charter, in place since 2011, sets out the fundamental principles of fair and transparent purchasing. It addresses the Group's Corporate Responsibility challenges and is underpinned by the commitments set out in the United Nations Global Compact on human rights, labour standards, the environment and preventing corruption. The charter is appended both to requests for proposals and to new and renewed supplier contracts. From 2017, the Charter will reflect new regulations linked, in particular, to the prevention of corruption and the duty of care. At the local level, the Responsible Purchasing Charter is adapted to each country's specific context. For example, in the United Kingdom, the charter was adapted to new local regulations in 2016 and rolled out to relevant entities.

2.6.2. ASSESSMENT OF SUPPLIERS BY A THIRD PARTY

The Group has carried out assessments of its suppliers in France for several years. This programme serves to monitor suppliers' observance of regulations and best practice with regard to environmental, social and ethical responsibility and to anticipate risks associated with the supply chain.

Assessment of key suppliers by a third party, EcoVadis

Sopra Steria has put in place a process of having its key suppliers assessed by a third party, EcoVadis, which specialises in carrying out CSR assessments of companies.

This assessment takes into account and anticipates local regulatory requirements (such as the duty of care for parent companies in France and the Modern Slavery Act in the United Kingdom).

This system includes 21 indicators relating to environmental, social and ethical responsibility and the supply chain.

Assessment of suppliers by EcoVadis has been put in place at Group (HQ) level as well as in France, the United Kingdom, Belgium, Luxembourg, Poland and Spain. The results of the assessment campaign will be used to adjust purchasing procedures.

In 2016, 67 of the Group's key suppliers, from an initial pool of 121 suppliers, were assessed. The assessment campaign achieved a 55% response rate. The findings of the assessment showed an average score of 55 out of 100, 13 points above the average EcoVadis score of 42 out of 100 across all sectors. Ratings were above the EcoVadis average on all four aspects: social, ethical and environmental responsibility and supply chain.

2.6.3. PURCHASING INCLUSIVE PRODUCTS AND SERVICES WITH A LOW ENVIRONMENTAL IMPACT

A purchasing policy that favours products and services with a low environmental impact

IT purchases managed by the IT department are concentrated among a small number of suppliers with a high level of maturity on Corporate Responsibility, particularly with regard to the environment. Computer hardware carries Energy Star and EPEAT Gold or Silver ratings. Preference is given to purchasing FSC- or Blue Angel-certified paper produced from sustainably managed forests, fair trade and sustainable catering products, and electricity generated from renewable energy sources.

In 2016, renewable energy covered 75% of energy consumption in France, rising to 100% in a number of countries.

As part of its drive for continuous improvement and by renegotiating contracts, Sopra Steria endeavours to increase the proportion of "green" products: FSC-, Blue Label- or NF Environnement-certified office supplies based on products that are recycled or recyclable, rechargeable, PVC-free or contain fewer chemicals.

The Group also favours the introduction of new, more sustainable services such as rental of electric or hybrid company cars, and delivery services using electrically powered bicycles and vehicles.

Ethical and inclusive purchasing in support of diversity

Sopra Steria works with many companies with a focus on diversity.

In France, the Group has entered into a preferred partnership with Atimic, a supported employment company in the digital sector that fosters employment for people with disabilities on technology projects on behalf of Group clients. This partnership also enables those clients to count services delivered by Atimic towards their disability employment targets.

Sopra Steria also uses companies in the sheltered and supported employment sector for services such as recycling of WEEE (Waste Electrical and Electronic Equipment), premises maintenance, mailshots and document scanning, catering services for meetings, and the fabrication of advertising items.

In the United Kingdom, Sopra Steria is involved, alongside public sector clients, in a programme enabling diversity-conscious suppliers (female-owned SMEs and companies) to be more easily accredited. Sopra Steria is also a signatory to the Prompt Payment Code and commits to honour its supplier payment terms.

In 2017, responsible purchasing best practice will continue to be rolled out, supported by increased awareness-raising among Group purchasing staff.

2.7. Security of data rolled out at Group level

Sopra Steria entities (in France, the United Kingdom, Germany, Scandinavia, Poland, Spain, Italy and India) are certified to ISO 27001 by accredited organisations. This applies, in particular, 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. This scope is steadily widening.

For entities such as Sopra HR Software, supplying human resources solutions and managing personal information, additional measures are in place (Binding Corporate Rules and ISAE-3402 audits).

2.8. Responding to clients' challenges: a day-to-day commitment

2.8.1. CLIENT SATISFACTION

Long-term relationships with key clients

For a number of years, Sopra Steria's client approach has been based on a key account strategy for all its target segments. Key clients are identified and selected according to performance criteria, development potential and compatibility with the Group's business lines and geographies.

Sopra Steria has developed specific approaches aimed at building long-term relationships with its key clients.

As such, most of its key accounts have been clients of the Group for over 10 years. These longstanding relationships reflect the quality of services delivered and the resulting client satisfaction.

Sopra Steria's level of client satisfaction is closely linked to both the quality of the products and services delivered by the Group and the continuous improvement of its Quality System.

The client satisfaction surveys and reviews carried out by Sopra Steria entities enable the Group to improve the quality of the services it delivers while taking account of client expectations.

The quality policy is backed by a high level of commitment from Sopra Steria's management, with the main focus being on meeting clients' requirements while continuing to deliver the strong performance that ensures that the Group retains the freedom it needs to offer them appropriate solutions.

All Sopra Steria entities (in Europe and India) have been certified to ISO 9001 by accredited organisations.

The Group has also responded to its clients' growing concerns about data security by setting out specific confidentiality rules and best practices applicable to production.

2.8.2. EXPERTISE AND SERVICES FOR SUSTAINABLE CLIENT PERFORMANCE

Innovation and digital technology: drivers of growth and sustainable performance for the Group's clients

Combining added value, innovative solutions and high-performance services, Sopra Steria supports its clients with their transformation programmes, helping them make the most of digital technology, particularly in the areas of augmented reality, mobility, new interfaces, connected objects, artificial intelligence, big data, the cloud, cybersecurity, smart cities, etc.

DIGITAL CO-INNOVATION: A PARTICIPATIVE APPROACH TO RESPOND EFFECTIVELY TO END USERS' CHALLENGES AS QUICKLY AS POSSIBLE

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.

Sopra Steria DigiLabs: spaces dedicated to digital co-innovation

- In 2016, digital co-innovation – a driver of value creation in the digital revolution – saw Sopra Steria staff and clients work together on disruptive technologies like virtual reality, augmented reality, the Internet of Things, artificial intelligence, data science and mobility. By involving business experts, end users and technical experts, this approach shortens the design phase, optimises processes and helps maximise access to digital technology.
- This approach is supported by DigiLabs, spaces dedicated to innovation to encourage the emergence of innovative solutions that will meet the new challenges faced by businesses and organisations. DigiLabs have been rolled out across the Group, in France, the United Kingdom, Spain, Germany, Norway, India and Singapore.

HARNESSING DIGITAL TECHNOLOGY TO CREATE VALUE: AUGMENTED REALITY, MOBILITY, NEW INTERFACES, CONNECTED OBJECTS, ARTIFICIAL INTELLIGENCE, BIG DATA, THE CLOUD, CYBERSECURITY, SMART CITIES, ETC.

Designing intelligent systems

- Designing intelligent systems to control energy demand from consumers and developing services to address new energy efficiency challenges faced by buildings.

Supporting transformation

- Supporting transformational uses and the digitisation of data exchange to offer services tailored to end users' challenges.

Developing services to manage risks

- Covering the entire security life cycle of applications, from governance through to monitoring.
- Developing an advanced cybersecurity programme for a major European university.

An application of HoloLens technology used in operating theatres
Harnessing augmented reality in healthcare through HoloLens technology. Sopra Steria is contributing to research into liver cancer alongside Microsoft and Oslo University Hospital. This project won the Microsoft Health Innovation award in early 2017.

IMPROVING THE PERFORMANCE OF PUBLIC SERVICES AND THE QUALITY OF SERVICES DELIVERED TO USERS

Performance and quality of services delivered to citizens

- Designing applications to foster access to services through digital technology: paperless processing, reducing the need to travel, and new services.
- Supporting seven Norwegian municipalities with the implementation of a shared cloud platform.
- Developing integrated mobile working environments for public sector employees.
- Improving security for means of transport.

HARNESSING EXPERTISE FOR SMART CITIES

Smart cities: making cities more attractive, reducing their environmental footprint and offering new digital services

- 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:
  - Smart Harbor: optimising harbour management by switching to paperless activity management and developing new services.
  - SI@GO: energy efficiency for buildings.
  - Enjoy-MEL: a digital ecosystem for developing the attractiveness of a major city.
  - Colibry: a platform for developing innovative, operational solutions that respond to the urban mobility challenges faced by smart cities, businesses and citizens.

Digital transformation for an innovative French region

In the Pays de Saint-Omer region (the new CAPSO* and the Pays de Lumbres Chamber of Commerce), Sopra Steria is supporting the definition and implementation of the region's digital strategy. The goal is to support the shift towards digital business activities and stimulate new opportunities:

- Opportunity studies linked to uses of digital technology: the cloud, remote working, single daily life card to facilitate access to public services
- Regional information system: to offer harmonised services and administrative support
- E-democracy platform: to guarantee access to information and expression for everyone and create the conditions to rekindle entrepreneurial momentum
- Healthcare platform: to facilitate access to services and promote preventive care
- Home automation pack: to help people who are losing their independence stay in their own homes
- Interactive terminals and shared online system: to give a boost to city centres and promote local business
- Tourism platform: to modernise the welcome given to both individuals and tourist industry professionals
- Supporting digital transformation:
  - Training regional stakeholders in using new digital tools
  - Promoting digital technology within the community: virtual reality application, digital table application, "Totem" building, cooperation with schools

The goal is to consciously lead the region into the third industrial revolution through an inclusive and far-reaching service. offering, supported by the Hauts-de-France region and the European Union.

* *CAPSO: Communauté d'Agglomération du Pays de Saint-Omer (Pays de Saint-Omer urban community).*

BUILDING TOGETHER WITHIN AN EXPANDED ECOSYSTEM TO BOOST LOCAL COMPETITIVENESS AND REGIONAL ECONOMIC DEVELOPMENT

Working together with users to build the services of the future and foster local economic development	■ Active participation by Sopra Steria in local inner-city initiatives in France to build together the city of the future through dedicated spaces for sharing resources, skills and knowledge: ■ TUBà, Lyon ■ Bordeaux Metro Pulse ■ Bouda, Boulogne ■ At the regional level, contributing to start-up development by mobilising expertise to bring to life the local ecosystem.

MEETING CLIENTS' CORPORATE RESPONSIBILITY CHALLENGES

Harnessing digital technology to achieve a low-carbon economy	■ Developing services that contribute to a low-carbon economy and supporting the digitisation of clients' activities. ■ Services benefiting from the carbon neutrality of all the Group's business travel, offices and data centres.
Taking into account the social dimension of Corporate Responsibility	■ Harnessing digital technology to work for a more inclusive economy and working with clients and civil society on the challenges of digital inclusion.
Ensuring client growth and sustainability and managing risks	■ Supporting implementation of risk management and regulatory compliance systems.

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

3.1. Background and key events

The digital revolution is fundamentally changing our society and working methods. 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, create and personalise new services.

To respond to these new challenges and meet its clients' high expectations of value creation, Sopra Steria, as a responsible employer, is helping its employees evolve into new digital jobs. In all the regions where it operates, the Group offers an inclusive working environment that stimulates entrepreneurial thinking and collaborative working.

Amid intense competition and a digital revolution that is shaking up our clients' business sectors as well as our own, 2016 was marked by an acceleration in the Group's large-scale transformation programme in support of Sopra Steria's ambitious Enterprise Project.

Key events:

- Sopra Steria is becoming one of Europe's leading recruiters. A total of 8,498 new employees joined the Group in 2016. In France, the Group is the biggest recruiter of young graduates in the digital field;
- almost 600 activities undertaken with schools;
- launch of the Sopra Steria–Institut de France Foundation Student Prize;
- more than 20,000 days' training in France on values to build a strong and united team;
- Happy Trainees accreditation for the fourth consecutive year;
- international roll-out of the women's network (Germany, France, India, Norway, United Kingdom).

3.2. Commitments

Sopra Steria's social responsibility policy aims to promote equal opportunities. It forms part of a continuous improvement approach, the aim of which is to reconcile economic effectiveness with social equity.

Human resources are at the heart of the Group's Enterprise Project. Sopra Steria is committed to anticipating future skills requirements, promoting mobility within the Group and offering a broad range of professional development training. The goal of these commitments is to help employees reach their full potential, while working hard to ensure respect for diversity.

The various programmes implemented by the Group in 2016 incorporate, in particular, challenges linked to diversity and employment for young people.

3.3. Challenges and key achievements

2016 targets	Results for 2016	Ambitions for 2017
WORKFORCE: Promoting equal opportunities		
Continue harmonising practices and rolling out the Group's standard job descriptions in all countries	■ Harmonised HR practices and gradually rolled out Group Core Competency Reference Guide to 59% of employees, covering virtually all countries but not all subsidiaries	■ Continue harmonising HR practices and rolling out the Group's standard job descriptions across all countries in 2017 and 2018
Roll out an international mobility programme to offer career paths and trajectories to young graduates in particular	■ International mobility programme formalised in 2016. Around 30 interns and work-linked training students in a number of countries (Spain, India, Benelux)	■ Continue to develop the international mobility programme
Support national efforts to boost access to employment for young people	■ 8,498 employees recruited, 44% of them under 26	■ Support national efforts to boost access to employment for young people
Develop workplace gender equality initiatives in all of the Group's countries and gradually put in place systems to monitor key indicators	■ Gradually structured women's networks in France, the United Kingdom, India, Germany and Norway. In 2016, women represented 31% of the workforce, and 27% of engineering, consulting and project management positions ■ Rolled out actions aimed at students to promote digital professions. In 2016, 30% of new recruits were women	■ Develop the appeal of digital jobs among women and continue to strengthen the visibility of women's digital skills both internally and externally
Include more information on social responsibility issues facing the Group in induction seminars and management tracks	■ Dedicated sequence in 17 "Group spirit" induction seminars (in France). ■ Presentation at 2016 kick-off of challenges and events relating to Group social responsibility, raising awareness among more than 3,000 managers from around the world	■ Continue to inform and raise awareness through induction programmes and corporate modules integrated into business-specific training

Human resources are at the heart of the Enterprise Project, and Sopra Steria's ambition is to create conditions that foster a sense of pride in working together in a spirit of entrepreneurship and sharing. This means being committed to the professional development of our 39,813 staff (39,228 excluding 2016 acquisitions), supported by Sopra Steria Academy and numerous projects offering stimulating career prospects, within each of our business lines and locations.

In addition to its proactive recruitment policy (with 8,498 new hires in 2016), the Group fosters employees' integration and professional development through an ambitious training plan.

To support its development over the long term, Sopra Steria's strategic orientations are examined and refined in the context of an Enterprise Project, communicated across all levels of the Group's organisation. Both in France and internationally, Sopra Steria acts in line with its values, demanding integrity and respect for fundamental rights from all its employees.

This Enterprise Project embodies the Group's strategic vision and is based on a system of shared values that guide management and contribute to the Group's operational performance.

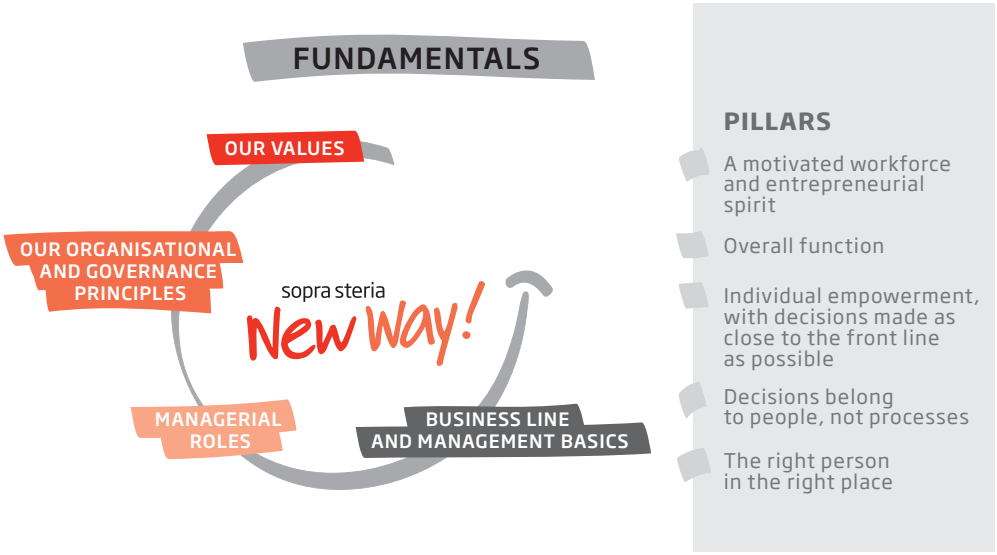
3.4. Culture and values that bring us together

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 difficult competitive environment and following the merger of Sopra and Steria, a unifying internal transformation programme is being rolled out. With Sopra and Steria both having strong cultures, it was vital that the Group quickly find a shared culture that everyone could take pride in. The aim of this programme is to unite all staff around the Enterprise Project and involve them in a differentiating project with strong DNA and focused on people.

This DNA is based on fundamentals and key principles called "pillars":

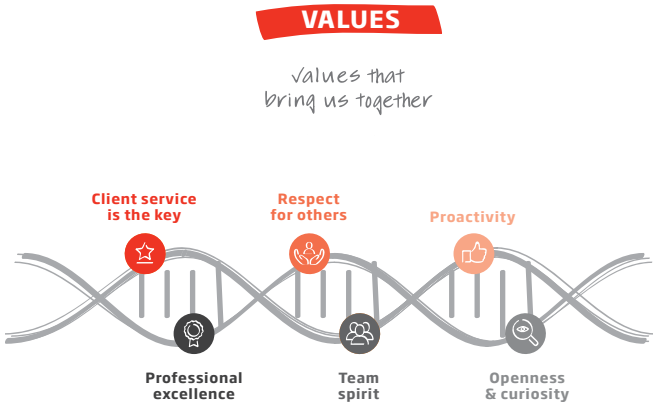


Our fundamentals are at the heart of our corporate culture. They consist of our values and of behaviours that are critical to the effective operation of our business. Our fundamentals also include our management style through the various roles played by managers, as well as key principles of organisation and governance that govern the way we operate. Our organisational model is supported by short, streamlined decision circuits. 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 Enterprise Project. They give us the opportunity to make 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.



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 Enterprise Project 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 an experience of "collective intelligence" that can be put into practice on a day-to-day basis.

It kicked off in 2016 in France and will continue across all of the Group's countries and subsidiaries until 2018. In each case, it is put together in close cooperation with each entity's management team to ensure that it is fully aligned with "local" challenges.

It represents a total of 50,000 training days, 20,000 of which were dedicated in 2016 to an initial wave of 12,600 staff, including 1,670 managers who attended a specific seminar.

3.5. An employment policy in support of professional excellence

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 transactions are also a strong driver of the Group's development and increase its volume of business. Thanks to the various acquisitions completed in 2016 (585 employees), the Group can now offer a comprehensive response to its clients' needs in the areas of transformation and competitiveness.

At 31 December 2016, Sopra Steria Group had a total of 39,228 employees (excluding 2016 acquisitions), mainly based in Europe, and in particular in France, the United Kingdom, Germany, Spain, Scandinavia and India. This scope covers 91% of the Group's workforce.

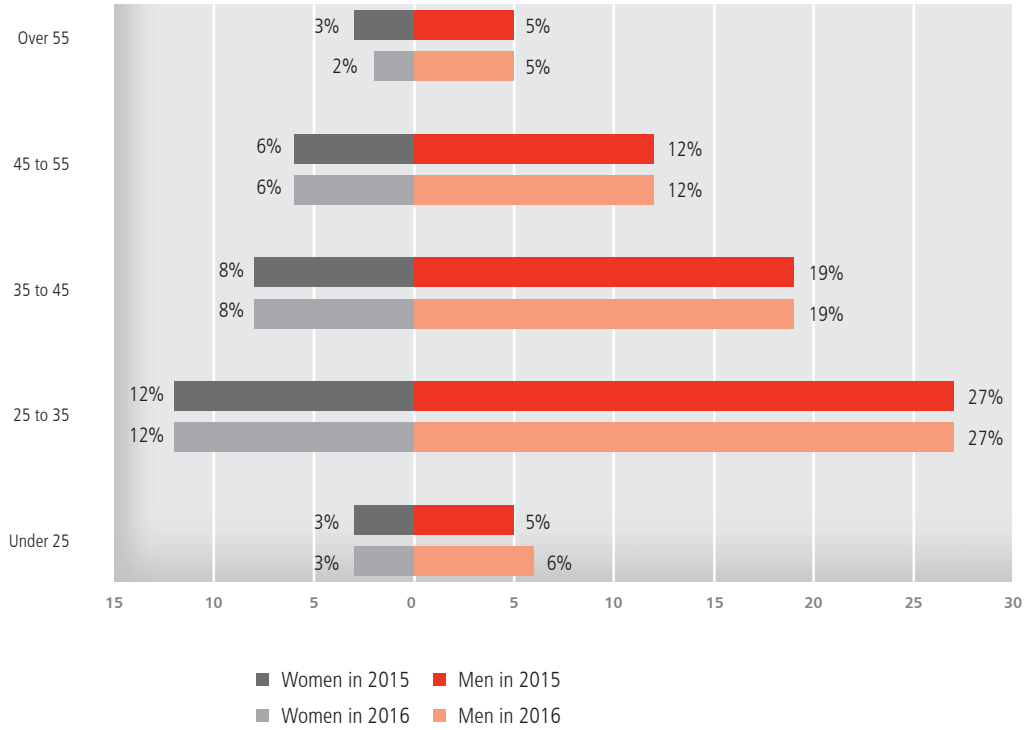
The proportion of permanent contracts, which has not changed for years, illustrates the Group's commitment to offering stable jobs while favouring employment for young people, by taking on more work-linked training students on temporary contracts. Work-linked training contracts are offered to future young graduates who thereby benefit from a mentoring system, financing of their tuition fees, and recruitment opportunities at the end of their work-linked training. This type of contract is becoming much more common in France (with 92% of fixed-term contracts held by staff on work-linked training programmes in 2016, compared with 89% in 2015):

- some 96.5% of employees are on permanent contracts, while 2.9% are on temporary contracts (excluding interns);
- the average age of employees on permanent contracts is 37.9, with an average length of service of 7.5 years.

The proportion of women in the Group's workforce remains stable, but is higher than the overall proportion of women in scientific careers (28%). Actions are in place in a number of countries to promote digital careers (see Section 3.14.2):

- women represent 31% of the workforce, and 27% of engineering, consulting and project management positions.

The age pyramid shows that the breakdown of the Group's workforce (excluding acquisitions) by gender and age remained stable between 2015 and 2016.



3.5.1. ATTRACTING MORE TALENT

Recruitment is one of the pillars of the Group's development strategy. The 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 employment for young people (44% of new recruits are under the age of 26). As regards the recruitment of experienced candidates, the Group uses trial periods to encourage employee mobility before undertaking any external recruitment. Information campaigns concerning vacant positions in the Group's various regions are disseminated via the Group's Face 2 Face internal portal.

As well as wanting an agile, mobile and digital recruitment process, young graduates entering the job market are looking for an ethical and socially committed company. The digital transformation has also affected the recruitment process with the arrival of new jobs and new recruitment methods tailored to candidates' expectations.

Against this backdrop of transformation, and to serve the Group's still very sustained growth strategy, in 2016 Sopra Steria recruited 8,498 staff (up 18% relative to 2015) and continued to reinforce its recruitment programme, with three main emphases:

- promoting careers in digital technology by highlighting our innovative expertise;
- fostering access to employment through an expanded range of school and university partnerships;
- strengthening links with local economic agents and thus promoting a policy of proactive recruitment in all job markets where the Group has a presence.

The Group continues to apply its dynamic policy of using work-linked training programmes and internships (with 10% more employees on work-linked training contracts in 2016 than in 2015, including CIMPA) and is launching an international mobility programme to help them achieve their qualifications and share the Group culture. In France, Sopra Steria is the leading recruiter of young graduates in its sector.

Social networks have become an integral part of the recruitment process and of the development of the Group's employer brand among an ever more mobile and connected younger generation. Sopra Steria's performance in benchmark rankings reflects the Group's stronger social media presence (ranked seventh in the PotentialPark ranking in the "social media presence" category). In a similar vein, Sopra Steria's HR Twitter account is the most popular of any account in the digital services sector in France, with 3,400 followers.

To support this key ambition, Sopra Steria places its educational partnership and trainee integration policy at the heart of its recruitment strategy. The Group's educational partnership policy is designed to serve two key objectives:

- increasing awareness of the Group and strengthening local relationships with target institutions by sharing content on our business areas, offerings and projects;
- facilitating the recruitment of young graduates, interns and work-linked training students.

In 2016, the Group carried out almost 600 activities with 220 partner schools and universities to boost its appeal with students on the ground.

Almost 600 activities undertaken with higher education institutions

Launch of the Sopra Steria–Institut de France Foundation Student Prize

The Student Prize is awarded to two teams of students who propose a project that combines digital, social and/or environmental innovation. The prize is intended to help the winning team launch its project through:

- a financial donation;
- support from Sopra Steria sponsors.

The campaign to promote this Student Prize in higher education institutions kicked off in September 2016, with the awards to be presented in March 2017.

A 10-year partnership for the 48th EDHEC Cruising Race.

In 2016, Sopra Steria celebrated the tenth anniversary of its partnership with the EDHEC Cruising Race, Europe's number one student sporting event. The race was held in Roscoff in April 2016. Twenty teams were sponsored, six of them including at least one crew member with a disability, supported by Sopra Steria's "Mission Handicap" team. The event included an all-day initiative to raise students' awareness of disability.

Examples of new activities undertaken with higher education institutions in 2016:

Digital Chair with CPE Lyon: including creation of a 30-hour Big Data module for around 50 fifth-year students.

Telecom Sud Paris: involvement in "green design week" – sociological and ethical discussion on digital technologies.

Thanks to this strong presence in higher-education institutions, in 2016 the Group was able to host 915 interns and 536 students on work-linked training programmes (scope: Sopra Steria France excluding acquisitions, of which more than 300 work-linked training contracts leading to degree-level qualifications). A large majority of these interns and work-linked training students went on to join the Group on permanent contracts. These figures, which once again increased year on year, point to the quality of Sopra Steria's internships and the warm welcome offered by the Group's staff.

A fourth year of Happy Trainees accreditation!

For the fourth year running, Sopra Steria secured "Happy Trainees" accreditation, making strong progress:

The overall score came in at 4 out of 5 (vs. 3.81 in 2015)

The recommendation rate rose to 88.3% (vs. 83.3% in 2015)

In 2017, priority will continue to be given to recruiting young graduates, interns and work-linked training students, as well as mobilising efforts around educational activities and partnerships. This educational partnership policy will continue to be extended to entities outside France under a dynamic and consistent Group-wide approach.

3.6. Inducting and training talented people

Amid accelerating digital innovation, evolving client expectations and changing employee aspirations, training is more than ever before a driver of commitment and professional excellence. Each employee plays an active role in shaping his or her career path.

Sopra Steria Academy, the Group's in-house training system, exists to support employee induction, promote a shared corporate culture and develop employees' skills. Training offerings were pooled and the new Campus By Academy was set up in 2016, allowing the Group to offer its new common core training.

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 changing client expectations. Training and knowledge-sharing are key drivers of success for Sopra Steria's Enterprise Project.

To foster a common 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 the integration of new recruits;
- support the Group's strategy by developing business skills and digital skills;
- share fundamentals, encourage employees to capitalise on best practice through the knowledge management system and promote the creation of international business communities;
- anticipate new ways of acquiring and transferring skills;
- foster the Group's international development.

New Way programme

Sharing the same corporate culture is essential to create a strong and united collective identity and ensure the Group's consistency and cohesion so as to support the Enterprise Project successfully. This emphasis also goes hand in hand with upskilling employees and retaining talented individuals.

To help pass on this culture to new recruits and for new managers, training on the Group's fundamentals will be reorganised to incorporate the messages given out in 2016 as well as the "New Way" of passing on those messages. It will thus be added to the "standard" training offered by Sopra Steria Academy.

3.6.1. INTEGRATION POLICY

Sopra Steria has put in place a robust induction and integration policy covering both new recruits and employees joining the Group through mergers and acquisitions. All employees are offered a tailored approach to help them take their first steps in the company and understand its culture, values and fundamentals.

This policy is based around an induction and integration process for new recruits and dedicated, tailored integration processes in the context of mergers and acquisitions.

Integration of young recruits

As soon as new employees arrive at Sopra Steria, they are offered an integration path structured around an induction day within their particular company, a three-day induction seminar, business-specific training, training in any relevant methodologies and technologies, interviews with management and peer discussions.

The three-day "Esprit de Groupe" (Team Spirit) training and induction seminar is held for all new employees who are just starting or in the early stages of their careers. The purpose of the seminar is to share the Group's history, Enterprise Project, values and offerings as well as our fundamental precepts with regard to our focus on service and high-quality projects. This highly interactive and innovative seminar helps employees network and is a key driver of employee loyalty.

Each country and subsidiary runs its own induction programme, based on shared goals, content and approaches, over one or more days depending on the country.

Once again in 2017, the aim is for each country and subsidiary to offer an induction programme, with revised shared modules notably covering Group values and fundamentals, based on the outputs from the unifying internal transformation programme.

Integration of newly recruited 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 Core Management Training in the United Kingdom and the Leadership Programme in Scandinavia.

3.6.2. A TRAINING OFFERING IN SUPPORT OF TRANSFORMATION

Due to its educational expertise, its knowledge of key business and strategic issues and its ability to organise seminars and training programmes, the Academy represents a vital instrument for supporting the change process in the workplace, along with the broader transformation of the Group.

In France, 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 organised by business line and by level, and are updated and enhanced each year with new modules.

Training is provided by a network of over 600 in-house instructors and external consultants.

The knowledge management system supports and supplements this training framework. This system, which can be accessed via the Sopra Steria portal, facilitates sharing of the Group's

fundamentals and capitalising on best practice through more than 60 international communities organised by business line, offering and expertise.

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

Regardless of business area, management training aims to develop all the necessary managerial skills with respect to sales, production, human resources development and finance.

The Campus Academy portal was completely overhauled in 2016, improving dissemination and awareness of the Group's training offering.

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 offering was also rounded out with country-specific initiatives, including the following:

- the Emerging Leadership programme in the United Kingdom, helping young managers learn the fundamentals of management;
- a new bid management programme in Scandinavia dedicated to pre-sales methods and management;
- a module rolled out to each project team in India, focused on responsibility and commitment.

In 2016, the training plan served the Group's strategic, commercial and operational direction in its new configuration, as well as helping share the Group's fundamentals. The roll-out of integrated training programmes covering topics such as Big Data, mobility, social media, the cloud, cybersecurity and architecture supported the development of digital skills.

In 2017, increased effort must be expended on adding to the training offering in the areas of emerging digital technologies and methods. An ambitious target of 16,000 days' training on these subjects has been set.

Alongside the development of this new content, new learning practices are being put in place aimed at raising staff awareness of and access to training, through digital learning techniques offered by the Academy and its partners.

Examples include the following:

- availability of blended learning modules;
- availability of modules with technological content supported by partner platforms.

In 2016, almost 900,000 hours' training were delivered across 74% of the Group, including almost 600,000 hours in France.

In 2017, updated content will become a permanent part of training for new entrants and newly promoted managers through programmes and training sessions that communicate the Group's fundamentals. It will thus be added to the training offered by Sopra Steria Academy.

3.7. 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 Enterprise Project while maintaining a high level of employee motivation.

Identifying and developing every talented individual within 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 stand to guide all our staff along robust and evolving career paths.

This emphasis on professional development is also supported by shared management tools, such as the Core Competency Reference Guide and our shared assessment and development process, fostering close relationships with and an in-depth understanding of our staff.

SOPRA STERIA CORE COMPETENCY REFERENCE GUIDE

The Sopra Steria Core Competency Reference Guide is a management tool designed to support career development, particularly as the Group experiences strong growth and internationalisation.

It describes all of the Group's business areas (consulting, integration, software development, infrastructure management, security, sales, entity management, and support functions). It allows employees to understand the skills required at each stage of their career, position themselves appropriately and consider accessible career paths within the Group depending on which skills they need to strengthen or develop.

The Core Competency Reference Guide is also a valuable tool that managers can use to bring further clarity to the trajectories available to each member of staff depending on their abilities and motivations and the Group's priorities.

Lastly, the Core Competency Reference Guide is also a key tool for giving candidates an overview of careers within the Group, attracting new talent and facilitating integration, especially for employees joining the Group as a result of mergers and acquisitions.

CONTINUOUS ASSESSMENT AND CAREER DEVELOPMENT

Sopra Steria uses an assessment and career development framework that enables the Group to regularly monitor each employee's development.

This framework helps maintain staff employability by ensuring continuous skills development. It is notably supported by individual target-setting interviews, pre- and post-project interviews and annual appraisal and development interviews, the output from which is shared with management at Human Resources Committee meetings.

Human Resources 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.

Work to harmonise the two foundational HR programmes (Core Competency Reference Guide and employee appraisal practices), kicked off in the context of the merger in 2015, continued and was gradually rolled out in 2016:

- the Core Competency Reference Guide was rolled out across Sopra Steria France, Spain, Italy and Benelux, and within the I2S, Sopra Banking Software and Sopra HR Software subsidiaries in France and other countries (59% of employees covered);
- for the first time since the merger, 38,000 Group employees (excluding CIMPA) were appraised using the same criteria.

The roll-out of the Core Competency Reference Guide will continue in 2017, with the aim of adapting it to each country's specific context, expectations and priorities. International working groups will be formed to push ahead with work on digital training methods (e-learning, MOOCs, communities, etc.) and revisit the content and methods used in the Welcome Seminar rolled out to all countries.

3.8. 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 each country's operational requirements. To encourage international mobility, internal communication campaigns are promoted via the Group portal. In France, a support policy has been put in place (including help with relocating, finding a new home, etc.).

In 2016, a new international mobility programme was rolled out in cooperation with higher education institutions, offering interns and work-linked training students an international mobility option to help them obtain their qualifications and learn about the Group's culture and to better integrate them into the Group.

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 the New Way;
- strengthening the sharing of expertise and delivery models within the Group;
- offering exciting career development prospects.

In 2016, 135 employees took up international mobility opportunities and 12 countries (including France, the United Kingdom, Spain, Norway, Benelux, India and Morocco) hosted 92% of international movers.

The new option for interns and work-linked training students launched in 2016 led to around 30 interns and work-linked training students being hosted for periods ranging from two to six months in a number of the Group's countries (India, Spain, Sweden, Benelux, etc.).

We are continuing with our efforts in 2017, increasing the number of opportunities available to employees, interns and work-linked training students at foreign subsidiaries.

3.9. A remuneration policy designed to retain valuable employees

Compensation is a way of recognising each individual's contribution to the Group's performance. In order to support its growth, the Group seeks to attract, motivate and retain its employees by providing them with consistent remuneration 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.

The process for adjusting remuneration is based on the assessment system described above and HR cycles that are organised each year.

REMUNERATION IN FRANCE

Average base salary continued to grow.

The ratio of the highest to the lowest salary in France increased relative to 2015.

	2016***	2015**	2014
Ratio of highest to lowest gross annual base salaries	16.6	15	15
Number of employees whose gross annual salary is less than or equal to €20,000*	1	3	3
Number of employees whose gross annual salary is less than or equal to €26,000 (€2,000 x 13 months)	295	403	491
Average gross annual base salary *(in euros)*	€45,229	€44,045	€43,451

* *The lowest gross annual salary in 2016 was €19,890, vs. €19,825 in 2015, and only concerned one person.*

** *2015 headcount does not include the CIMPA workforce, interns or company officers. It includes full-time equivalent permanent contract staff in service from 1 January to 31 December.*

*** *2016 headcount does not include 2016 acquisitions (Active3D, LASCE Associates and Cassiopae), work-linked training students, interns or company officers. It includes full-time equivalent permanent contract staff in service from 1 January to 31 December.*

3.10. Employee share ownership policy

In the past, Sopra and Steria have each put in place their own employee shareholding schemes. In April 2016, Sopra Steria Group introduced its first international employee share ownership programme to give employees a more meaningful stake in the Group's performance. The programme is being repeated in 2017.

This programme, which is called We Share, consists of the following:

- a share purchase programme rolled out in 15 countries in 2017 as part of the Group Savings Plan (*Plan d'Épargne Groupe* or PEG in French), either via an employee investment fund or directly where local regulations prohibit the use of employee investment funds, with the company making matching contributions;
- 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, one out of every four employees signed up in 2016, rising to one out of every two in some of the Group's companies and geographies.

By giving employees a stake in the company's long-term development, this programme also 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 7.6% of the share capital (and 8.6% of voting rights) held by employee shareholders at 31 December 2016, Sopra Steria Group is Europe's number one digital services firm in terms of employee share ownership.

3.11. 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 organised within specific institutions, depending on each country and legislative regime. These institutions are preferred contact points in respect of labour relations.

In 2016, labour relations were particularly broad (covering a wide range of issues) and intense in an environment characterised by increased reliance on the courts resulting from the continued process of integrating Sopra and Steria staff in all countries in which both groups operated. In France, the process of re-appointing bodies was successfully completed.

In Europe (France, the United Kingdom, Spain, Germany, Belgium and Luxembourg), the main topics addressed with employee representatives in 2016 were compensation, employment policy (professional development, gender equality, etc.), workplace health and safety, and changes to the employer's legal status.

In this context, 59 agreements were signed with trade unions on these subjects, covering 53.2% of the workforce, and 167 agreements were in force in 2016 in Europe (France, the United Kingdom, Germany, Belgium and Italy).

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

In 2017, labour relations remain a key issue for the Group's future development.

3.12. 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 businesses, 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 (with 68% of employees in Belgium, France, Spain, Germany, India, Italy, the United Kingdom, Switzerland and Poland covered by such plans).

A psychological counselling and support unit is also available to employees in a number of countries (69% of employees have access to this type of support in the following countries: France, the United Kingdom, Scandinavia, Germany and Poland). This unit is made up of psychologists and is completely independent from the company. Employees can access this anonymous, confidential and free service at any time by calling a toll-free number.

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 buildings, furnishings, heating and air conditioning, etc.) and food (canteen, water, etc.). A health and safety agreement covering CIMPA France was signed in 2016.

In 2016, there were no occupational illnesses recognised in France by CPAM (the national health insurance body). The absence rate is calculated in accordance with the rules used for the social audit (see definition in appendix). It held steady in 2016 at 3.2% (compared with 3.3% in 2015). The frequency rate of workplace accidents increased slightly in 2016 (2.29% vs. 1.46% in 2015), as did their severity rate (0.043% vs. 0.035% in 2015), though both remained very low and linked to the hazards of everyday life.

WORK ORGANISATION

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

In 2016, 6.6% of Group employees were part-time, stable relative to 2015 (6.7%). In 2017, the Group intends to continue with and step up its actions in relation to health and safety.

3.13. Diversity: a key issue for more innovation and better performance

Sopra Steria Group's policy with regard to fighting discrimination is consistent with its approach based on the principle of promoting equal opportunity. This approach focuses on both staff employability and the challenges faced by civil society.

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.

3.13.1. EMPLOYMENT 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.

While some such regulations are mainly intended to prohibit all forms of discrimination (in the United Kingdom, the Netherlands and Norway), some (in Germany, Austria, Spain and Italy) lay down an obligation to employ people with disabilities. Any company not meeting this obligation must pay a specific contribution to an organisation promoting employment for people with disabilities. Furthermore, many Group companies in various countries have adopted a series of measures aimed at going beyond legislative requirements in promoting employment for people with disabilities.

In France, the Group has continued to pursue a proactive policy in support of people with disabilities. The proportion of employees with disabilities increased in 2016, ending the year at 2.30%, thanks to buoyant recruitment (both direct and indirect) and efforts to retain employees with disabilities. This proportion exceeded that for the sector as a whole (1.2%).

Awareness campaigns organised in cooperation with trade unions also helped raise awareness of disability issues both within the company and among students. More than 5,000 employees and students took part in such campaigns, designed to change people's views on disability.

Inclusion programmes for young people with disabilities continued in 2016, including the following:

- the "Handitutorat" programme, launched in 2013, through which more than 40 secondary school students with disabilities were offered mentoring by students of top educational institutions and universities, supported in turn by Sopra Steria managers;
- the third "Handivoile" challenge, part of the EDHEC Cruising Race (ECR), once again provided an opportunity to involve students in a disability-friendly event, with six mixed crews consisting of

students with and without disabilities, and an awareness day at the ECR Village.

Sopra Steria also continued with actions in support of the indirect employment of people with disabilities by significantly increasing expenditure in the sheltered employment sector (up 60% relative to 2015). In particular, increased co-contracting of IT services with a range of supported employment companies illustrates a desire to integrate more employees with disabilities into the Group, as well as highlighting progress made on the indirect employment of people with disabilities.

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.

3.13.2. WORKPLACE GENDER EQUALITY

The Group remains committed to workplace gender equality, with a focus on three areas: attracting more female employees from engineering schools, being mindful of non-discrimination in women's careers, and promoting gender diversity in scientific career paths.

In 2016, this commitment was reflected, in particular, in work to harmonise key HR processes at Group level, enabling the Group to pursue an improvement process illustrated by the following indicators:

- **Workforce**: the proportion of women in the Group's workforce was stable, 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 whole. (In Europe, according to a 2015 mutational analysis, women represented less than 30% of the sector workforce, and 27% in France; source: Syntec Numérique, 2015 figures).
- **Recruitment**: 2,587 women were recruited, accounting for 30% of Group recruitment.
- **Salaries**: in France, male and female applicants with identical qualifications, degrees, skills and experience are offered identical starting salaries.
- **Career**: the annual staff appraisal process, which ensures gender equality, was rolled out and supported by management in each country. As such, during annual HR cycles, Human Resources Committees monitor compliance with principles of fairness in decisions concerning promotion, compensation, immersion periods in new roles, and training.
- **Compensation**: the company has committed to closing the gender pay gap in certain classes of jobs. This gap is analysed in detail as part of the appraisal and pay review cycle.
- **Training**: the proportion of women and men trained is consistent with the gender breakdown of the workforce (across France, Spain and India combined).

The Group encourages concrete local initiatives in each country to promote its commitment to workplace gender equality. Examples:

- In **France**, the "Passer'Elles" network, formed in 2015, was consolidated. Female employees acting as digital sector career ambassadors were trained in leadership, and activities continued in schools and universities to promote careers in the science and digital sectors among young women.
- In **Scandinavia**, the "Women" network continued its mentoring programme for female employees, as well as continuing to gather feedback from female students to provide them with guidance in their career choices.
- In **India**, the "WOW – World of Women" club mobilises women in the Group to facilitate their career development. The "POSH – Prevention of Sexual Harassment" awareness programme, rolled out in 2015, continued to combat the sexual harassment of women in the workplace.
- In **Germany**: the network regularly meets with management to share best practice.

3.13.3. INTERGENERATIONAL APPROACH

Pension reform and changes in society have significant implications for access to employment among young people and the lengthening of the average working life.

Against this backdrop, the Group makes every effort to ensure that all generations are well represented within its workforce by taking care to support its older employees as well as fostering generational renewal. Sopra Steria makes it a priority to recruit young people (with 44% of new recruits in 2016 under the age of 26) and pays close attention to the transmission of knowledge and skills, a key component of intergenerational management.

In 2016, 9% of the workforce was aged under 25 (compared with 9% in 2015) and 8% was over 55 (vs. 8% in 2015).

Commitment to older employees in France

To recognise the skills and experience of older employees while helping young graduates find their place in the working world, the Group has entered into commitments in France under the 2015-2017 "generation contract" action plan. These commitments in support of over-50s relate, in particular, to recruitment (0.5% of over-50s), continued employment (8% of the workforce over 50) and professional development to raise older employees' skills (5% of all training must relate to over-50s).

In 2016, the Group achieved its targets for the recruitment and overall proportion of older employees (with 1% of new hires and 14% of employees over 50). The Group maintained its drive to develop skills and qualifications among older employees. A total of 13% of all training delivered was to over-50s. Measures were also

adopted to give consideration to future career development during in-depth interviews. Information sessions were held for employees affected by end-of-career adjustments and the transition from working life to retirement.

The Group also promoted knowledge and skills transfer – a key component of its policy of supporting older employees with the aim of successful intergenerational management – by appointing a mentor for every new recruit aged under 26.

3.13.4. 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.

In France, the Group has held special sessions every year since 2007 to train young people in digital technology before they can be hired on permanent contracts. Thanks to this scheme, 200 young people joined the Group on permanent contracts in 2016 (compared with 210 in 2015).

To help unemployed young graduates in areas other than IT find jobs, Sopra Steria has teamed up with Pôle Emploi, France's network of job centres, and specialist organisations like EPEC. Through this partnership, young people are offered access to retraining programmes leading to professional qualifications and given the opportunity to be directly involved in IT projects entrusted to the Group, in particular under the terms of social inclusion clauses (a total of over 55,000 hours have been spent on such projects, more than 32,000 of them in 2016).

Sopra Steria participates in an employee sponsorship programme run by the non-profit "Nos Quartiers ont des Talents" to support young graduates from underprivileged neighbourhoods. Group volunteers sponsored more than 20 young graduates seeking employment in 2016.

In the United Kingdom, the partnership with non-profit organisation Career Ready also provided support for unemployed young people, particularly through volunteer mentoring by Group employees.

In 2017, the Group will continue with actions to prevent discrimination and will encourage best practice in favour of diversity. The Group is committed to:

- promoting employment for people with disabilities (whether direct or indirect);
- maintaining a higher proportion of women in the Group's workforce than in the sector as a whole and promoting gender equality in the digital sector;
- contributing to the national effort to recruit young people while continuing to employ older people;
- working with employment organisations to support young people from underprivileged neighbourhoods.

3.14. Promoting and complying with the fundamental conventions of the International Labour Organisation (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 laws 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 applies a social policy with the aim of safeguarding the health and safety of each of its employees and treating everyone in the workplace with dignity and respect.

Sopra Steria remains particularly attentive at all times to ensuring compliance with principles of equality, diversity and non-discrimination, as much in relation to its recruitment practices as in the development of its employees' careers.

3.14.1. UPHOLDING FREEDOM OF ASSOCIATION

As a participant in the United Nations Global Compact, Sopra Steria is committed to upholding freedom of association and recognising the right to collective bargaining. Sopra Steria reaffirmed this commitment in its Code of Ethics, published in 2015 and applicable across the whole of the new Group.

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 makes an effort to implement measures intended to improve professional relations between the company and its employees.

3.14.2. REPUDIATION OF FORCED CHILD LABOUR

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

3.15. Regional impact

3.15.1. EMPLOYMENT AND REGIONAL DEVELOPMENT IN FRANCE

Sopra Steria remained a major driver of growth in regional employment in 2016, recruiting 2,494 new employees on permanent contracts in France (stable relative to 2015), with almost 59% of these outside the Paris region.

The Group has 17,886 employees in France (excluding 2016 acquisitions), almost two-thirds of whom are based outside the Paris region.

To serve its clients and meet their needs as effectively as possible, Sopra Steria has developed regional service centres and boosted its workforce at its regional sites. This policy has resulted in many jobs being created in regions other than Paris. The number of work-linked training students rose by 23% relative to 2015 in terms of apprentices recruited (157 in 2016 vs. 128 in 2015) and by more than 6% in terms of vocational training contracts (379 in 2016 vs. 359 in 2015). Furthermore, recruitment of young graduates following internships remained buoyant, up 20% relative to 2015 (359 in 2016 vs. 297 in 2015).

3.15.2. EMPLOYMENT AND REGIONAL DEVELOPMENT IN SPAIN

Sopra Steria confirmed its positioning as a major provider of regional employment in Spain, with 700 new staff recruited onto permanent contracts. Recruitment across the country, already high in 2015, was stable year on year (with 701 new employees recruited onto permanent contracts in 2015).

Recruitment remained buoyant among under-25s, including in struggling regions where unemployment has reached record levels within the European Union, especially among under-25s (almost 40% of whom are unemployed; source: INE).

3.16. Summary of workplace-related indicators

Workforce-related indicators cover the workforce in all Group subsidiaries. They are set out by subject area, geographical region and year at 31 December. The information identified by the ✓ sign has been verified by the independent third party with a reasonable level of assurance.

They 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; and 2016 figures include the workforce at Cassiopae, Active3D and LASCE Associates. Given that Sopra and Steria merged in 2015, indicators for that year include the workforce at both companies, explaining 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 that expires 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" training indicators were harmonised across all countries as follows: number of hours' training divided by seven (compared with eight for Spain and India in 2015).

3.16.1. WORKFORCE AT 31 DECEMBER

WORKFORCE BY GEOGRAPHICAL REGION (INCLUDING ACQUISITIONS) ✓

Scope/Topic	2016	2015	2014	2013	2012	Remarks
GROUP	**39,813**	**38,450**	**37,358**	**16,284**	**14,303**	
France	18,227	17,606	17,048	10,219	9,386	
International (excluding France)	21,586	20,844	20,310	6,065	4,917	
o/w United Kingdom	6,508	6,722				
o/w India	4,909	4,743	5,103	1,181	999	
o/w Spain	3,100	2,763	2,425	2,042	1,689	
o/w Germany	2,141	2,109				
Workforce: management-level staff (*cadres*) ✓	**36,628**	**35,570**	**34,058**	**15,474**	**13,572**	**The notion of management-level staff (*cadres*) is specific to France. The number of management-level employees outside France is extrapolated based on the figures for France.**

FULL-TIME EQUIVALENT (FTE) WORKFORCE (EXCLUDING INTERNS) ✓

Scope/Topic	2016	2015	2014	Remarks
GROUP	**38,404**	**36,674**		
France	17,633	16,638	16,511	
International (excluding France)	20,771	20,036		
o/w United Kingdom	6,245			
o/w India	4,835	4,741		
o/w Spain	3,057	2,707		
O/w Germany	1,981			

WORKFORCE BY CONTRACT TYPE ✓

Scope/Topic	2016	2015	2014	Remarks
Permanent contracts				
GROUP	**96.5%**	**96.8%**	**97.2%**	
France	96.8%	97.4%	97.7%	
International (excluding France)	96.3%	96.4%	96.8%	
o/w United Kingdom	96.8%	96.0%		
o/w India	98.2%	97.7%	97.9%	
o/w Spain	93.3%	96.1%	96.0%	
o/w Germany	95.8%	95.6%		
Fixed-term contracts				
GROUP	**2.9%**	**2.7%**	**2.3%**	
France	3.0%	2.3%	2.1%	
International (excluding France)	2.8%	3.0%	2.5%	
o/w United Kingdom	3.2%			
o/w India	1.8%	2.3%	2.0%	
o/w Spain	6.6%	3.5%	3.8%	
o/w Germany	0.9%			
Internships				
GROUP	**0.6%**	**0.5%**	**0.5%**	
France	0.2%	0.3%	0.2%	
International (excluding France)	0.9%	0.6%	0.7%	
o/w United Kingdom	0.0%	0.0%		
o/w India	0.02%	0.0%	0.1%	
o/w Spain	0.2%	0.4%	0.2%	
o/w Germany	3.4%	3.0%		

AVERAGE LENGTH OF SERVICE OF EMPLOYEES ON PERMANENT CONTRACTS ✓

Scope/Topic	2016	2015	2014	Remarks
GROUP	**7.5**	**7.6**	**7.4**	
France	8.0	8.0	7.6	
International (excluding France)	7.1	7.3	7.3	
o/w United Kingdom	11.1			
o/w India	4.2	4.1	4.0	
o/w Spain	5.4	5.4	5.6	
o/w Germany	8.6			

AVERAGE AGE OF EMPLOYEES ON PERMANENT CONTRACTS ✓

Scope/Topic	2016	2015	2014	Remarks
GROUP				
France	37.4	37.5	37.5	
International (excluding France)	38.3	38.4	38.1	
o/w United Kingdom	44.0			
o/w India	31.0	30.7	30.7	
o/w Spain	37.3	37.4	37.2	
o/w Germany	43.4			

RECRUITMENT: ALL CONTRACT TYPES ✓

Scope/Topic	2016	2015	2014	Remarks
GROUP	**8,498**	**7,197**	**6,890**	
France	3,414	2,560	2,493	
International (excluding France)	5,084	4,637	4,397	
O/w United Kingdom	994			
o/w India	1,656	1,572	1,618	
o/w Spain	936	807	663	
o/w Germany	353			

TURNOVER OF EMPLOYEES ON PERMANENT CONTRACTS ✓

Scope/Topic	2016	2015	2014	Remarks
GROUP	**15.5%**	**15.9%**	**15.3%**	
France	12.9%	12.5%	10%	120 dismissals in 2016, vs. 201 in 2015
International (excluding France)	**17.7%**	**18.8%**	**19.9%**	
o/w United Kingdom	18.9%			
o/w India	23.6%	30.5%	36.9%	
o/w Spain	14.8%	11.8%	7.8%	
o/w Germany	13.4%			

3.16.2. TRAINING

TRAINING (EXCLUDING INTERNS AND WORK-LINKED TRAINING STUDENTS) ✓

Scope/Topic	2016	2015	2014	Remarks
Number of training hours delivered during the financial year ✓				
France	589,952	470,212		
India	141,677	166,563		
Spain	95,133	74,759		
Germany	28,950			
Norway	36,786			
Morocco	7,256			
Number of days' training delivered during the financial year ✓				
France	84,279	67,173		
India	20,240	20,820*		
Spain	13,590	9,345**		
Germany	4,136			
Norway	5,255			
Morocco	1,037			
Average number of days' training per person ✓				
France	4.8	4.0		
India	4.2	4.4		
Spain	4.4	3.5		
Germany	2.2			
Norway	4.5			
Morocco	4.6			

* *The figure published in the 2015 Registration Document has been adjusted from 20,820 to 23,795 after the calculation method was updated to make data more comparable (with one day equating to seven hours in 2016 vs. eight hours in 2015).*

** *The figure published in the 2015 Registration Document has been adjusted from 9,345 to 10,680 after the calculation method was updated to make data more comparable (with one day equating to seven hours in 2016 vs. eight hours in 2015).*

3.16.3. LABOUR RELATIONS

Scope/Topic	2016	2015	2014	Remarks
Agreements signed in the year				
France				
UES	4			
Sopra Steria	2			
Sopra Banking Software	4			
I2S	2			
Sopra HR Software	2			
CIMPA	5			
Germany				
Sopra Steria	27			
Sopra Banking Software	4			
Sopra HR Software	1			
CIMPA	5			
Belgium				
Sopra Steria	1			
Sopra Banking Software	0			
Sopra HR Software	0			
United Kingdom				
Sopra Steria	0			
Italy				
Sopra Steria	2			
Number of collective bargaining agreements in force				
France				
UES	11			
Sopra Steria	19			
Sopra Banking Software	16			
I2S	0			
Sopra HR Software	10			
CIMPA	15			
Germany				
Sopra Steria	42			
Sopra Banking Software	15			
Sopra HR Software	1			
CIMPA	15			
Belgium				
Sopra Steria	7			
United Kingdom				
Sopra Steria	15			

3.16.4. WORKING CONDITIONS AND ORGANISATION

Scope/Topic	2016	2015	2014	Remarks
France				
Frequency rate of workplace accidents in France	2.29%	1.46%	2.07%	Method for calculating 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	0.043%	0.035%	0.039%	Method for calculating 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 ✓	3.2%	3.3%	3%	This rate is calculated based on the average full-time equivalent workforce. It takes into account absences for illness, workplace accidents and travel accidents. It is the ratio of the number of actual calendar days' absence and the number of workdays theoretically available.

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

Scope/Topic	2016	2015	2014	Remarks
GROUP	**6.6%**	**6.7%**		
France	6.3%	6.1%	6.0%	
International (excluding France)	6.8%	7.2%		
o/w United Kingdom	13.1%	13.9%		
o/w India	0.04%	0.04%		
o/w Spain	7.0%	6.5%		
o/w Germany	9.9%	11.1%		

3.16.5. EQUAL TREATMENT

a. Disabilities

I PROPORTION OF EMPLOYEES WITH DISABILITIES ✓

Scope/Topic	2016	2015	2014	Remarks
France	2.30%	2.05%	2.08%	Calculation method: number of employees with disabilities recognised within the company (Disabled Worker Unit) increased by 50% according to the 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 according to the rules established by AGEFIPH, an organisation that promotes employment for people with disabilities.

b. Proportion of women in the workforce

Scope/Topic	2016	2015	2014	Remarks
Workforce: women				
GROUP	**31%**	**31%**		
France	27%	26%		
International (excluding France)	34%	31%		
o/w United Kingdom	44%	46%		
o/w India	35%	34%		
o/w Spain	26%	28%		
o/w Germany	23%	24%		
Recruitment of women				
GROUP	**30%**			
France	26%			
International (excluding France)	33%			
o/w United Kingdom	44%			
o/w India	38%			
o/w Spain	17%			
o/w Germany	22%			

c. Proportion of young and elderly employees

WORKFORCE BY AGE BRACKET

Scope/Topic	2016	2015	2014	Remarks
GROUP				
Under 25	9%			
Over 55	8%			
France				
Under 25	9%			
Over 55	7%			
International (excluding France)				
Under 25	8%			
Over 55	9%			
o/w United Kingdom				
Under 25	6%			
Over 55	19%			
o/w India				
Under 25	19%			
Over 55	0.2%			
o/w Spain				
Under 25	4%			
Over 55	2%			
o/w Germany				
Under 25	2%			
Over 55	15%			

PROPORTION OF OLDER EMPLOYEES IN FRANCE

Scope/Topic	2016	2015	2014	Remarks
Number of employees aged 45 and up	4,277	3,960	3,809	
Percentage of employees aged 45 and up in relation to the workforce at 31 December	23.9%	23.4%	22.3%	
Number of employees aged 55 and up	1,168	1,031	955	
Percentage of employees aged 55 and up in relation to the workforce at 31 December	6.5%	6.1%	5.6%	

4. Environmental responsibility: innovating in support of the environment for the benefit of our clients

Environmental issues, and particularly climate change, will increasingly affect society and the way businesses operate. As the European leader in digital transformation, Sopra Steria is at the heart of a business sector that can have a positive impact on companies' environmental footprints by supporting development projects geared towards new uses of digital technology, responsible purchasing programmes and increasing supply chain involvement. This is made possible by the development of new technologies enabling the creation of new services, paperless activities and processes, and shorter development and manufacturing cycles.

Furthermore, the Group has for a number of years pursued a major programme to reduce the environmental impact of its business and to pass on the benefits to its clients, particularly through its carbon-neutral programme.

4.1. Background and key events

At the time of the COP21 conference in Paris, Sopra Steria committed itself to the fight against climate change by joining Business Proposals for COP21, an international coalition that supports the development of an internal carbon price, and by working with "We Mean Business", an international initiative launched by CDP. In this context, the Group committed to reducing its greenhouse gas emissions by 15% between 2014 and 2020. This commitment covers Scopes 1, 2 and 3, over which the Group can exert direct influence (greenhouse gas emissions generated by business travel and energy consumption at offices and on-site and off-site data centres).

Sopra Steria aims to become a European IT services provider that is recognised as environmentally responsible and able to manage the sustainability of its operations and supply chain. The Group follows an environmental policy aimed at significantly reducing its greenhouse gas emissions and the environmental impact of its activities and passing on the benefits to its clients, notably through the Group's carbon-neutral business travel, offices and data centres.

Key events:

- Reduction of greenhouse gas (GHG) emissions for 2016 in line with the Group's target (emissions attributable to business travel offices and data centres):
  - Location-based: down 6.6% relative to 2014 (1)
  - Market-based integrating the impact of renewable energy: down 19% relative to 2014 (1)
- Launched a pilot of an internal carbon price in the United Kingdom for business travel.
- Increased proportion of renewable energy used to cover consumption:
  - Offices and on-site data centres total (electricity consumption): 69% (20.4% in 2015, Scope 2 only)
  - Offices total (energy consumption): 50% (Scopes 1 & 2)
  - On-site and off-site data centres total (electricity consumption): 63% (Scopes 1, 2 & 3)
- Broadened CarbonNeutral® certification to all Group offices, in addition to carbon-neutral certification for data centres and business travel.

(1) Including Scope 1 (excluding fugitive emissions) and Scopes 2 and 3 (including off-site data centres and business travel; excluding overnight hotel stays).

- Applied circular economy principles to waste management:
  - 98% of WEEE (Waste Electrical and Electronic Equipment) has a second life
  - 92% of paper and cardboard waste recovered through selective sorting is recycled
- Ranked at "Leadership" level in CDP Investor Climate Change and Environment Benchmark.

CDP
DRIVING SUSTAINABLE ECONOMIES

4.2. Commitments

As an international player, it is critical that we reduce the environmental impact of our energy consumption and our business travel. But we are going further, with innovative programmes such as carbon offsetting and investment in renewable energy projects and access to water. And reducing our consumption and protecting resources day to day is a natural fit with our Group culture.

Every day, both management and staff support the Group's Corporate Responsibility commitments with pragmatism and a desire for excellence. We interact with our entire ecosystem to ensure that these commitments create value for everyone, with one shared goal: to contribute to the performance and sustainability of the Group and its clients. The Group thus undertakes to lead the whole of its organisation to integrate, plan and implement a progress plan, updated annually, to reduce the carbon footprint of its business.

To conduct its environmental policy, the Group undertakes to implement a programme of actions based on six innovative sustainable development themes:

1. Integrate the principles of the low-carbon economy:
   - Adopt a scientific model for calculating the target reduction in its carbon footprint (science-based targets) while helping its clients, staff, partners and suppliers reduce their own emissions;
   - Introduce an internal carbon price;
   - Use renewable energy.
2. Adopt CarbonNeutral® programmes for the Group's offices, data centres and business travel;
3. Use an Environmental Management System (EMS) and ISO 14001 certification;
4. Integrate the principles of the circular economy and the conservation of resources (energy, paper, water, etc.), both in its operating methods and by making its suppliers and clients more aware of what they can do to contribute;
5. Develop more environmentally friendly services;
6. Contribute to local and international initiatives in cooperation with other economic agents to move forward action on the environment and combat climate deregulation.

4.3. Challenges and key achievements

The targets set in 2015 to reduce the Group's environmental footprint were deepened and added to in 2016.

In 2015, the Group set itself a primary target of reducing its greenhouse gas emissions. Changes to Article 225 of the Grenelle 2 Environment Act recommend, among other things, identifying significant greenhouse gas emissions arising from the company's business, including in particular the use of the goods and services it produces. In 2016, Sopra Steria therefore opted to adjust its 2015 location-based target and extend it to a market-based target. This adjustment means the target better reflects the impact of the proportion of renewable energy used by the Group to cover its energy consumption.

According to the definition given in the GHG Protocol, the location-based method of calculating emissions reflects the average intensity of emissions from networks through which the electricity consumed is supplied. As such, it mainly uses an averaged emission factor for networks.

Meanwhile, the market-based method of calculating emissions calculates them taking into account the specific nature of the chosen energy contracts and can reflect the company's specific desire to move towards a policy of lowering its emissions.

2016 targets	2016 Results	2017 ambition and 2020 vision
ENVIRONMENT: Innovate to reduce the environmental footprint		
1. Reduce greenhouse gas emissions by 15% between 2014 and 2020	Emissions from business travel, offices and data centres ■ Reduction in GHG emissions at Group level: • 6.6% relative to 2014 (location-based) • 19% relative to 2014 (market-based, including the impact of renewable energies) ■ Reduction in GHG emissions per employee: • 10.6% relative to 2014 (location-based) (1) • 21.8% relative to 2014 (market-based) (2	■ Reduce Group greenhouse gas emissions (Scopes 1 and 2 and categories 6 and 8 of Scope 3) by 15% by 2020 relative to 2014 (both location-based and market-based) ■ Scientifically model the Group's carbon footprint reduction target in 2017/2018 (Science Based Targets)
	Emissions from business travel ■ Reduction in GHG emissions per employee: 11.9% relative to 2014 (not including overnight hotel stays) ■ Reduction in GHG emissions at Group level: • 3.4% relative to 2015 (not including overnight hotel stays and with CIMPA) • 5.3% relative to 2015 (without CIMPA) ■ Introduction of an internal carbon price for business travel in the United Kingdom	■ Reduce carbon footprint of business travel ■ Extend introduction of pilot internal carbon price to other countries
	Emissions from offices and data centres ■ Reduction in GHG emissions from offices per employee: 46.7% relative to 2015 (market-based) ■ Reduction in GHG emissions from on-site and off-site data centres: 32.3% relative to 2015 (market-based)	■ Reduce carbon footprint of offices and data centres
	Share of energy from renewable sources used to meet consumption ■ Electricity consumption in offices and on-site data centres: 69% in 2016 (Scope 2) vs. 20.4% in 2015 ■ Energy consumption in offices: 50% in 2016 (Scopes 1 & 2) ■ Energy consumption in on-site and off-site data centres: 63% in 2016 (Scopes 1, 2 & 3)	■ Increase the share of energy from renewable sources in the Group's electricity consumption to 85% by 2020
2. Be carbon-neutral for the Group's business travel and data centres	■ Commitment to CarbonNeutral® certification for all Group business travel and data centres ■ CarbonNeutral® certification obtained for all Group offices in 2016 (effective early 2017) ■ Group business travel, offices and data centres: 47,574 tCO_2e offset in early 2017 ■ Business travel: 35,316 tCO_2e offset in early 2017	■ Be carbon-neutral for the Group's business travel and data centres.
3. Set up an Environmental Management System (EMS) for the new reporting scope and roll out ISO 14001 certification to more sites	■ Implemented new ISO 14001:2015 standard at some of the Group's certified sites	■ Strengthen the environmental management system (EMS) and prepare for 2017 implementation of ISO 14001:2015 certification at new sites and continue to extend it to some existing sites
4. Extend the life cycle of products used by the Group	■ A second life was given to 98% of the Group's waste electrical and electronic equipment (WEEE) in 2016 ■ Involved suppliers in identifying channels for recycling the waste supplied ■ Harmonised WEEE policy in the majority of countries ■ United Kingdom on track to achieve its target of zero WEEE at landfill sites by 2020, with 0.65% in 2016 ■ In 2016, 92% of paper and cardboard waste from selective sorting was recycled in the Group	■ Contribute to the circular economy by promoting more effective use and recycling of resources and a reduction in the level of waste produced ■ Gradually extend the 'zero waste to landfill' policy, initiated in the UK, across the Group

(1) Location-based: a method for calculating greenhouse gas emissions based on a system of emissions factors arising from the geographical region covered.

(2) Market-based: a method for calculating greenhouse gas emissions based on a system of emissions factors arising from the supplied energy source.

2016 targets	2016 Results	2017 ambition and 2020 vision
5. Mobilise all staff	■ Provide information at entity-level meetings ■ Supported network of Group correspondents during international environmental activity campaigns (recycling, water, etc.) ■ Rolled out e-learning module in the United Kingdom ■ First Group newsletter dedicated to Corporate Responsibility: Sustainability Buzz	■ Roll out e-learning training to the entire Group
6. Incorporate best practice into offerings and solutions implemented at client sites	■ New digital transformation programmes supporting clients, combining business development with environmental performance	■ Use digital innovation to reduce our clients' environmental impact
7. Maintain a high level of recognition	■ CDP Climate Change: obtained A- score; joined 'leadership' panel	■ Maintain a high level of recognition and transparency, as sought by clients and investors by sharing with them the results achieved under a comprehensive and transparent approach

4.4. An innovative environmental policy supported by a structured Group approach

To limit the environmental impact of its activities, Sopra Steria has adopted a proactive environmental responsibility policy that is consistent with the Group's business requirements.

4.4.1. AN INNOVATIVE ENVIRONMENTAL POLICY

In 2015, Sopra Steria launched an environmental management programme sponsored by Executive Management and rolled out to all Group entities. In particular, this includes a carbon neutrality programme, the gradual introduction of an internal carbon price and the use of renewable energy.

This programme is part and parcel of the broader ongoing commitment to sharing information every year about the efforts made by Sopra Steria and the results achieved. It is based on the Group's key commitments and supported by the Group's Environmental Management System (EMS).

4.4.2. AN ENVIRONMENTAL MANAGEMENT SYSTEM ENSURING THAT PRACTICES ARE HARMONISED

The Environmental Management System in place serves as the reference framework ensuring that practices are harmonised across all entities. It incorporates ISO 14001 and ISO 14064-3 certification.

In all entities and countries where the Group operates, the Environmental Management System has been developed in accordance with ISO 14001. The programme to roll out the latest version, ISO 14001:2015, was launched across a dozen sites in the United Kingdom in 2016 and will gradually be extended to other countries between now and 2018.

- ISO 14001 certification is active in the following Group countries: Belgium, Denmark, France, Germany, India, Norway, Poland, Spain, Sweden and the United Kingdom.
- Sopra Steria has also carried out independent emissions checks in India and the United Kingdom, in accordance with ISO 14064-3.

Some new buildings already have the best environmental certification and will be gradually 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 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.

4.4.3. ORGANISATION FOR COORDINATING AND IMPLEMENTING PROGRESS PLANS

Energy management for buildings and IT infrastructure, and responsible purchasing, are managed by departments on an ad hoc basis and by a network of environment correspondents covering all Group entities.

Sopra Steria's organisational structure for addressing environmental questions is as follows:

a. Environmental Responsibility Unit

The purpose of this unit is to define environmental policy at Group level, manage the progress plan and coordinate its implementation. It reports to the Corporate Responsibility and Sustainable Development Department, which obtains Executive Management sign-off of its broad direction.

b. Functional departments

A number of functional departments are more specifically involved in the environmental approach (the Real Estate, Purchasing,

Industrial and Information Systems Departments). They are involved in defining the Group's environmental policy and implement action plans.

c. Network of environment correspondents

Sopra Steria has established a network of correspondents who monitor the programme's roll-out within each Group entity. These correspondents report to the Group Environment Unit on the implementation of actions, analyse results achieved and difficulties encountered, and propose improvement plans at Group-level briefings held every two months.

4.4.4. EMPLOYEES COMMITTED TO THE ENVIRONMENT

The day-to-day involvement of all employees in limiting the environmental impact of the Group's activities is a major challenge requiring operating rules and procedures and an ongoing programme of information.

Furthermore, dedicated pages have been created on the internal network to identify potential problems and gather suggestions for improvements.

To ensure employees are better informed and take into account environmental issues, e-learning modules have begun to be rolled out in the United Kingdom and will gradually be developed in other countries.

Lastly, all staff are encouraged to take part in various annual international events such as World Water Day, Earth Hour, European Sustainable Development Week, World Environment Day and European Week for Waste Reduction.

4.4.5. MAPPING KEY ENVIRONMENTAL CHALLENGES IN LIGHT OF THE GRI

This work, which began in 2016, is set to continue in 2017 with a view to securing approval from SBT (the Science Based Targets initiative). (1)

ENVIRONMENT: Innovate to reduce the environmental footprint

Targets	Indicator	GRI
1. Reduce greenhouse gas emissions by 15% between 2014 and 2020 (target set in January 2015)	Group greenhouse gas emissions (Scopes 1 and 2 and Categories 6 and 8 of Scope 3)	G4-EN15, G4-EN16, G4-EN30, G4-EN19, G4-EN3, G4-EN4, G4-EN6
	Greenhouse gas emissions from business travel	
	Greenhouse gas emissions from offices and on-site data centres	
	Greenhouse gas emissions from on-site and off-site data centres	
	Geographical coverage of countries that have adopted the internal carbon price	G4-EN27, G4-SO1
	Percentage of renewable energy used by the Group to cover its power consumption	G4-EN1
2. Be carbon-neutral for all Group business travel, offices and data centres	CarbonNeutral® certification for all Group business travel, offices and data centres	G4-EN 32, G4-EN33
3. Improve the Environmental Management System (EMS), prepare for implementation of ISO 14001:2015 certification at new sites and continue with progress plans at existing sites	Geographical coverage of ISO 14001 certification, implementation of new 2015 version and roll-out of e-learning training	G4-1, G4-34
4. Develop the circular economy in operating methods and client support	Quantities of WEEE and other waste collected Percentage use of re-use, repair and recycling	G4-EN23, G4-EN15, G4-EN16, G4-EN3, G4-EN6, G4-EN19
5. Mobilise all staff	Information and training produced by type of media	G4-SO1
6. Incorporate best practice into our offerings and our clients' solutions	Identify projects that help reduce our clients' environmental footprint	G4-SO1
7. Maintain a high level of recognition and transparency, as sought by clients and investors, by sharing the findings of external assessments	CDP Climate Change score Gaia Index score EcoVadis rating	G4-SO1, G4-33, G4-43, G4-44

(1) 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.

4.4.6. ADOPTING A SCIENTIFIC MODEL TO MANAGE THE REDUCTION IN GREENHOUSE GAS EMISSIONS

In 2016, Sopra Steria embarked on a major project on greenhouse gas emissions from its key suppliers and clients together with Science Based Targets (SBT), 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. This complex project is set to continue in 2017, with the aim of securing SBT approval in 2017.

4.5. Group greenhouse gas emissions reduced in line with target

In the context of France's Energy Transition for Green Growth Act, which supplements Article R. 225-101-5 of the French Commercial Code (the Grenelle 2 Act), Sopra Steria is endeavouring to identify financial risks arising from the effects of climate change, and significant greenhouse gas emissions resulting from its activities.

Sopra Steria's target of reducing its greenhouse gas emissions by 15% by 2020 relative to 2014 was set taking into account rapid expansion in the Group and its activities and its ambitious Enterprise Project. To support this commitment, Sopra Steria launched new initiatives in 2016 that will be developed in 2017. Firstly, Sopra Steria committed to scientifically model its greenhouse gas emissions reduction target (using science-based targets). To secure SBT approval of its reduction target and the method used, Sopra Steria is working on the greenhouse gas emissions arising from the activities of its key clients and suppliers. This complex work is set to continue in 2017, with the aim of securing SBT approval in 2017 or 2018.

To reduce greenhouse gas emissions in 2016, action plans mainly focused on business travel, energy consumption at offices and data centres (both on-site and off-site) and efforts to improve the efficiency of the Group's IT equipment.

4.5.1. REDUCTION IN OVERALL GREENHOUSE GAS EMISSIONS BY 6.6% (LOCATION-BASED) AND 19% (MARKET-BASED) RELATIVE TO 2014

In 2016, Sopra Steria reduced its greenhouse gas emissions per employee by 7.6% (location-based) and 21.8% (market-based) relative to 2015. The Group is on track to achieve its six-year target of reducing greenhouse gas emissions by 15% and has achieved a 6.6% location-based reduction (market-based: 19%) in two years of operation, launched a pilot of an internal carbon price, increased the proportion of renewable energy to cover its energy consumption and reduced fugitive emissions.

TOTAL GREENHOUSE GAS EMISSIONS FOR SCOPES 1, 2 & 3 (CATEGORIES 6 AND 8)

CO_2 (tonnes of CO_2 equivalent)	Scope 1 emissions	Scope 2 emissions (Offices + on-site data centres)		Scope 3 emissions (Off-site data centres)		Scope 3 emissions (Business travel)		Total emissions		Absolute change		Number of employees	Change per employee	
		Location-based	Market-based	Location-based	Market-based	Location-based	Market-based	Location-based	Market-based	Location-based	Market-based		Location-based	Market-based
2014	2,328	21,335	14,098	5,482	1,998	35,006	33,562	64,151	51,986			35,107		
										-4.0%*	-1.5%*		-3.3%*	-0.8%*
2015	2,237	21,381	15,723	4,725	1,227	33,244	32,005	61,587	51,192			34,860		
										-2.7%*	-17.7%*		-7.6%*	-21.8%*
2016**	2,430	20,755	7,190	4,590	1,603	32,152	30,909	59,927	42,132			36,697		
Including overnight hotel stays**						36,559	35,316							
Absolute change 2016/2015***	+8.6%	-2.9%	-54.3%	-2.9%	+30.6%	-3.3%	-3.4%	Two years' reduction 2016/2014		-6.6%	-19.0%		-10.6%	-22.5%

Location-based: a method for calculating Scope 2 and 3 greenhouse gas emissions based on a system of emissions factors arising from the geographical region covered.

Market-based: a method for calculating Scope 2 and 3 greenhouse gas emissions based on a system of emissions factors arising from the supplied energy source.

* *Change observed between year Y and year Y+1.*

** *Including CIMPA in 2016.*

*** *Excluding overnight hotel stays and including CIMPA.*

In 2016, 69% of the Group's power consumption (offices and on-site data centres, Scope 2) was provided using renewable energy sources.

In the United Kingdom, a pilot project to establish an internal carbon price has been put in place to incentivise entities to take more account of environmental challenges.

Improvement efforts are focused on those emissions over which the Group has direct control (energy used in offices, on-site data centres and business travel) or over which it is able to exert significant influence (data centres managed on behalf of the Group by external hosting providers).

4.5.2. BUSINESS TRAVEL: AN ENVIRONMENTAL AND FINANCIAL CHALLENGE

a. Travel policy

Sopra Steria has a large number of sites in over 20 countries, notably in France, the United Kingdom and India.

With this in mind, Sopra Steria has opted not only to make all its business travel carbon-neutral but also to reduce travel by putting in place a multi-pronged action plan:

- use of new information technologies for internal and external meetings at Group sites;
- encouraging the use of the most eco-friendly 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 must take into account requirements arising from the Group's specific model of close, local relationships with its clients.

Business travel (excluding overnight hotel stays):

- Group total: down 3.4% vs. 2015 (including CIMPA); down 5.3% vs. 2015 (excluding CIMPA),
- Total per employee: down 8.3% vs. 2015, down 11.9% vs. 2014,
- Breakdown of travel-related emissions: Road 44%, Air 33% and Rail 10%.

Since 2014, the Group has reduced greenhouse gas emissions per employee resulting from business travel by 11.9% (excluding overnight hotel stays).

In 2014, the Group's greenhouse gas emissions arising from business travel totalled 33,562 tonnes of CO_2 equivalent.

In 2016, emissions were reduced to 30,909 tonnes of CO_2 equivalent (not including overnight hotel stays), representing 77% of the Group's total emissions (market-based).

Furthermore, since 2016 Sopra Steria has included overnight hotel stays when calculating emissions resulting from business travel. They account for 13% of total travel-related emissions.

All of the Group's business travel was certified carbon-neutral in early 2017.

Furthermore, efforts undertaken since 2014 to collect data and boost data quality led to an increase in the proportion of actual data provided in 2016. Lastly, from 2016 onwards, greenhouse gas emissions resulting from business travel take into account overnight hotel stays linked to such travel.

Beyond the framework established by the Group, each entity and country implements initiatives to reduce business travel and associated emissions as the local context allows.

b. Introduction of an internal carbon price

The Group decided in 2016 to introduce an internal carbon price for business travel. A pilot project was launched covering all entities in the United Kingdom. In mid-2016, an internal carbon price applied to all employee business travel was included in the financial information sent to each entity and business line. This new piece of data will help entities:

- better take into account the environmental impact of their business travel;
- become more aware of the need for the Group to rationalise its travel requirements.

The pilot is to be extended to more countries from 2017.

4.5.3. INCREASING ENERGY EFFICIENCY

a. New sites that meet the most recent environmental standards

For new sites, Sopra Steria's policy is to favour low-energy buildings that meet new environmental standards and have more efficient equipment and control systems.

The Group's policy is to favour buildings eligible for the new RT 2012 (2012 thermal regulations), BBC (low energy consumption), HQE® (high environmental quality), BREEAM (Building Research Establishment Environmental Assessment Methodology) and LEED (Leadership in Energy and Environmental Design) standards. These choices are made to remain consistent with the criteria for enhancing the quality of the Group's work environment.

In France, several Group sites incorporate these new environmental standards:

- Green Office® Meudon, a building using cutting-edge technology, is certified BREEAM, HQE-BBC® *Bâtiment Tertiaire* (high environmental quality office building) and HQE® *Exploitation* (high environmental quality operations).
- The Limonest and Colomiers sites have the highest level of HQE® certification.
- New buildings under construction will also be covered by the latest environmental certification: the Limonest extension and the planned new site in Lille will carry a BREEAM Very Good rating, the new site in Aix-en-Provence will be HQE® certified and the commercial headquarters in Paris, which is undergoing a complete renovation, will carry both a BREEAM Very Good rating and HQE® certification.

Outside France, the Group also has sites with environmental accreditation or that have implemented innovative systems:

- in India, Noida Site 3 is certified LEED Gold Level. New premises were also opened in 2016 in India's "Silicon Valley" in Bangalore, on the doorstep of international aerospace industry players and other major clients of the Group. This new investment meets the most stringent environmental standards and offers the highest possibility capacity in terms of digital connections;
- in Sweden, Sopra Steria is based in Stockholm in an environmentally friendly building that recovers excess heat produced by activity at the nearby central train station to heat the building. It also has an eco-intelligent building cooling system that uses water from the Klara Sjö canal.

b. More efficient offices and data centres

Sopra Steria is keen to limit the environmental impact of its business and is therefore working to reduce energy consumption at its offices and on-site data centres, over which it has direct influence. Furthermore, Sopra Steria is working with those companies that host its off-site data centres to optimise energy consumption and associated power usage effectiveness (PUE).

Energy consumption at offices and on-site data centres (located on Group premises) is responsible for a significant portion of the Group's emissions. The Group is working to reduce energy consumption and expand the use of renewable energy to power buildings. In 2016, 63% of energy consumed by on-site and off-site data centres came from renewable energy (Scopes 1, 2 and 3).

New off-site data centres have very efficient PUE ratings. In Norway, thanks to a partnership with a major software publisher and host, Sopra Steria has access to cloud services hosted in a new data centre. In Germany, the Group's new host controls security, energy consumption and air conditioning at its data centre using networks of specialised sensors. The new data centre selected in Belgium meets the highest environmental standards and has an optimum PUE rating (1.25).

Following the transposition into domestic law of the European Directive on energy policy (Directive 2012/27/EU), after France and Germany, Spain kicked off an energy audit of its sites in 2016 and will roll out its improvement plan in 2017.

Starting in 2016, all the Group's offices are included in its carbon-neutral certification programme.

As such, at the beginning of 2017, all Sopra Steria's offices and on-site and off-site data centres were certified carbon-neutral for 2016.

Furthermore, the Group reduced its greenhouse gas emissions per employee by 46.7% (market-based) for offices and by 32.3% (market-based) for on-site and off-site data centres relative to 2015.

c. Choosing more energy-efficient IT equipment

The principles underpinning this approach mean acquiring more compact and energy-efficient machines and extending the lifespan of IT equipment.

The Group has opted to acquire more compact and energy-efficient machines that carry an environmental accreditation.

Energy Star

Sopra Steria's desktop computers, laptops and servers comply with manufacturer standards (Energy Star 5.0 and 5.2) and generate low energy consumption. Laptops are also equipped with three-cell batteries, which recharge quickly, or with a fast-charging battery system (ExpressCharge™).

EPEAT

The computers used by the Group comply with the EPEAT (Electronic Product Environmental Assessment Tool) standard, with certified products falling into one of three categories (Gold, Silver or Bronze) based on a range of environmental performance criteria.

The Group's computers all have EPEAT Gold or Silver ratings.

Virtualisation

Under Sopra Steria's IT infrastructure virtualisation plan, which has been in place for several years, IT centres pool and optimise their hardware resources.

This plan results in increased processing capacity while reducing the number of physical machines and thereby reducing power consumption.

d. Increasing use of renewable energy

Sopra Steria has adopted an innovative approach to reducing its environmental impact by increasing the proportion of renewable energy to cover its energy consumption. Thanks to its efforts in 2016, the Group achieved a proportion of renewable energy use equivalent to 69% of total electricity consumption at its offices and on-site data centres (Scope 2), significantly higher than in 2015 (when the proportion of renewable energy equated to 20.4% of consumption). The target now is to achieve 85% coverage of total energy consumption at offices and on-site data centres by renewable energy in the next few years.

The use of renewable energy is made possible by investing in projects that are able to generate zero-carbon activity, where possible using instruments such as Guarantees of Origin (GOs) and International Renewable Energy Certificates (I-RECs).

Proportion of power consumption covered by renewable energy (Scope 2: offices and on-site data centres):

- United Kingdom: 72%
- France: 75%
- Germany 96%
- Sweden, Switzerland and Denmark: 100%.

International Renewable Energy Certificates: Sopra Steria's new partner for renewable energy

Sopra Steria has purchased International Renewable Energy Certificates (I-RECs) based on a hydroelectric power project. The purchase of these certificates covers power consumption at the Group's data centres in India.

In 2015, Sopra Steria was the first company to adopt the renewable energy solution PowerPlus™, developed by Natural Capital Partners to cover renewable energy needs outside Europe and North America. The I-REC standard has since established itself in response to growing demand for solutions.

I-RECs provide a direct, independent and verifiable mechanism for accessing renewable energy that promotes renewable energy production in India; the Group can only purchase them based on the electrical power grid.

A sharp increase in the proportion of renewable energy used in 2016

In 2016, the proportion of renewable energy used by the Group covered 69% of electricity consumption at offices and on-site data centres (Scope 2) and 50% of energy consumption at the Group's offices (Scopes 1 and 2).

Lastly, renewable energy (green power) now accounts for 63% of energy consumption at the Group's on-site and off-site data centres (Scopes 1, 2 and 3).

4.5.4. A BUSINESS WITH LITTLE IMPACT ON WATER CONSUMPTION

Sopra Steria uses very little water: it is used only for sanitary purposes. Furthermore, assessing the amount of water consumed by the Group as a whole remains a complex endeavour, since it depends on utility management system readings provided by the Group's various lessors. Given the limited impact of its activities on water, Sopra Steria has therefore opted not to publish a water consumption indicator, though it does encourage initiatives that help lower its water consumption.

However, Sopra Steria believes that protecting water resources is the major challenge facing humanity over the coming decades. In this context, and as an international economic agent that can play a part in promoting the protection of water resources within its sphere of influence, since 2012 the Group has been working with international organisations to help their efforts to protect water resources. This point is explored in more detail in the "Community engagement" section of this report.

4.6. Carbon neutrality: a complementary alternative

The Group's carbon neutrality is supported by an offsetting mechanism that corrects for residual greenhouse gas emissions by funding renewable energy projects in India.

India has committed to increase its power generation capacity with an emphasis on the greenest, most sustainable production methods. The four projects supported by Sopra Steria through its offsetting programme help India achieve its goal of developing its own renewable energy production capacity.

- **Harapanahalli Wind**: located in the Davangere district of Karnataka, southern India, this wind turbine project delivers carbon-neutral electricity. This wind farm generates almost 81,000 MWh a year while improving air quality and creating local jobs.
- **Theni Wind**: located in Tamil Nadu state, southern India, two wind farms generate almost 100,000 MWh of renewable energy a year. By replacing electricity that used to be produced from primary fossil fuels, this project avoids the production of 140,000 tonnes of greenhouse gas emissions a year. It also helps improve air quality and create jobs.
- **SELCO Solar Energy Access** (in schools supported by Sopra Steria as part of its community activities): this project, run by SELCO Solar Pvt and Natural Capital Partners, provides very low income households with solar equipment consisting of solar-powered water heaters and photovoltaic systems. The benefits are also financial: the project is supported by regional rural banks and microfinance institutions to help the most underprivileged households secure credit at acceptable terms. The project also helps provide pupils and students with lamps so they can do their homework. It covers 65 schools and has helped provide 2,666 solar-powered lamps.
- **India Solar Water Heating**: this project supplies households and small and medium-sized enterprises in rural regions all over India with solar-powered water heaters. It encompasses the manufacture, installation and maintenance of this solar-powered equipment. Equipment is distributed by private entrepreneurs or large businesses that act as distributors and franchisees.

4.7. Low-carbon services that add value to our clients

Carbon neutrality for all the Group's business travel, offices and data centres contributes to a low-carbon economy.

Thanks to this low-carbon policy, introduced a number of years ago, clients' supply chains can now benefit from services with a small environmental footprint.

Furthermore, major digital transformation programmes being undertaken by clients supported by the Group are helping significantly reduce their environmental footprint while developing innovative services linked to new uses.

Sopra Steria thus provides 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, the Group excels in guiding its clients through their transformation projects to help them make the most of digital technology, while seeking to reduce the environmental footprint of their activities.

REDUCING THE ENVIRONMENTAL FOOTPRINT OF HUMAN ACTIVITIES

Energy	■ For a number of clients in the energy sector, helping develop smart systems for managing consumer energy demand. ■ Rolling out smart meters that enable two-way communication with the central system for residential clients of French gas and electricity providers. These smart meters let consumers manage their energy use more effectively, which in turn helps better regulate demand for providers. ■ For businesses in the real estate and energy sectors, developing home energy management solutions that address the new challenges of energy efficiency.
Transport	■ Optimising urban transport and multimodality to promote the use of safer, more regular and more attractive modes of transport with a low carbon impact.
Digitisation	■ Process optimisation and paperless exchange thanks to digital technology.

Performance improvement programme for Airbus aircraft, mainly through fuel savings on the A350 and NEO programmes

As part of the services it delivers at Airbus's Flight and Integration Test Centre, Sopra Steria is involved in preparing tests and analysing test data that is used to check engine performance for the A350-900 and 1000 families.

The purpose of these programmes is to optimise aircraft performance, which notably reduces the environmental footprint of engines.

Sopra Steria uses Big Data technology to support Airbus in its NEO programme, thus optimising certification campaigns for its aircraft, which are made more environmentally economical.

Implementation of a waste collection solution in Mumbai (MCGM)

Steria India Ltd has installed a Vehicle Tracking and Monitoring System (VTMS) attached to the Municipal Corporation of Greater Mumbai (MCGM). The system can be used to track waste collection vehicles and other public service vehicles. The project's scope covers over 1,900 municipal vehicles across 24 parking facilities and more than 20 garages spread across multiple neighbourhoods within the city. The project makes it possible to coordinate the collection of approximately 2,500 tonnes of household waste and 900 tonnes of construction waste a day from 1,000 collection points, four interchanges and three unloading areas.

I-transport project in a major Asian city

By offering innovative traffic management solutions, Sopra Steria helps make roads safer while optimising traffic flow. The i-transport solution, which has been rolled out in a major Asian city, allows for more granular and efficient traffic management. The solution plays a role in protecting the environment and contributes to cleaner air and better quality of life for citizens.

Chorus Pro

Launched in 2015, the Chorus Pro programme, run by France's Agency for State Financial Information Technology (AIFE) with Sopra Steria, enables paperless processing of supplier invoices in the public sphere (1 million businesses and 80,000 public entities). The system simplifies relationships between businesses and the authorities and shortens processing timescales for 95 million invoices a year via an omnichannel platform.

Gloucestershire County Council

For Gloucestershire County Council, Sopra Steria has used Sustainable Service Delivery to:

- reduce energy costs, consumption and greenhouse gas emissions from ICT, including a 43% reduction in the energy consumed by the Council's estate of end-user devices (desktop and laptop computers);
- improve reuse and recycling of retired and redundant ICT equipment, ensuring over 1,000 devices were reused and another 1,000 recycled to the highest standards for sustainability;
- provide work placements for local people, including those from disadvantaged backgrounds, and to promote local businesses. This point is developed in the "Community Engagement" section of this chapter.

"Using their Sustainable Service Delivery methodology, Sopra Steria has helped us improve the environmental performance of our ICT, support greater digital inclusion in Gloucestershire, provide employment, apprenticeship and work experience opportunities, promote entrepreneurship, champion the local economy, and generally do more for our local community – all while transforming our technology to make it more modern, collaborative, resilient and efficient."

Andy Gilbert, Head of ICT, Gloucestershire County Council

PUTTING DIGITAL TECHNOLOGY TO WORK TO CREATE VALUE FOR ORGANISATIONS AND USERS

Transforming uses	■ Digitising information exchange and integrating businesses' knowledge so as to be able to offer services tailored to end users' challenges. ■ Digitising manufacturing processes to optimise costs and delivery timescales. ■ Paperless processing of supplier invoices in the public sphere to simplify relationships between businesses and the authorities and shorten processing timescales.

Digiconso digital process for Crédit Agricole Consumer Finance

The Digiconso project, run by Sopra Banking Software on behalf of Crédit Agricole Consumer Finance, will be able to handle almost 10,000 personal loan applications a day thanks to a completely digital process. Not only will this process reduce the need for both Crédit Agricole/LCL customers and advisers to travel, it has already prompted staff responsible for managing and developing the project to limit their own travel. Almost 150 employees, customers and Sopra Banking Software, located across 14 sites, conduct 75% of meetings remotely, either by telephone or using videoconferencing. A total of over 12 face-to-face meetings are avoided each week, together with the associated travel.

DEVELOPING EXPERTISE TO SERVE THE CITY OF THE FUTURE

Reducing the environmental footprint of cities and urban services	■ Harnessing digital technology to improve quality of life for citizens and promote sustainable economic development through smart cities. ■ Digital transformation of regions through energy management and roll-out of urban mobility.

Preventing urban congestion – Project Colibry/Smart Cities

This workstream – part of the Smart City Master Plan – is managed by Toulouse Métropole and SMTC TISSEO, together with consortiums of businesses and partners including Sopra Steria, around projects targeting the airport area.

It has two primary goals:

- to reduce congestion on major urban road routes, amid increasing mobility;
- to influence behaviours and define new means of influence that complement infrastructure (data and new digital tools).

Project Colibry aims to reduce the use of private vehicles across the Toulouse/Blagnac/Colomiers airport region, in favour of new mobility solutions (car pooling, car sharing, cycling, etc.) and through actions carried out jointly by the local authority and businesses (cross-referencing of public and private data, optimisation of intercompany travel plans, creation of multi-service, multimodal hubs with co-working areas, etc.).

Source: Toulouse L'Open Métropole – Bilan Smart City 2016

DEVELOPING PROOFS OF CONCEPT (POCS) TO CONTRIBUTE TO DIGITAL CO-INNOVATION

Co-design to mobilise collective intelligence	■ Developing a collaborative approach that fosters creativity in the design of new services and uses.
Sopra Steria DigiLabs and PoCs for digital co-innovation	■ DigiLabs rolled out across around 10 Group countries, to involve clients in innovation and encourage the emergence of solutions to the challenges of the future. ■ PoCs: • Demonstrate the use of new services. • Feed into a research and development strategy covering a number of target themes.

PoC Energy Consumption Device (ECD): a solution that helps with energy management

The Energy Consumption Device (ECD) is a device that displays daily, weekly or monthly energy consumption in kWh or euros.

The ECD project is a demonstrator positioned to meet new regulatory requirements on ECDs connected to "Linky" smart electricity meters in France. To deliver this project, which helps optimise energy consumption for a sample group of clients, Sopra Steria, a pioneer in designing and implementing IoT [(1)] solutions, is supported by its IoT Centre and offers its clients a full range of services.

- Support with the design and management of IoT projects.
- Designing IoT solutions in response to new uses or new regulatory requirements.
- Developing demonstrators or PoCs under a co-innovation approach.
- Roll-out of the solution with the support of a network of partners and Sopra Steria's IoT Line.

Sopra Steria has developed unique expertise in energy management for homes (SmartHome), office premises (SmartBuilding), power grids (SmartGrid) and cities (SmartCities), taking advantage of functionality offered by the new Linky and Gazpar smart meters.

The ECD consists of a box based on the Raspberry Pi 2 computer with a touchscreen display, and can be used to test:

- the Linky meter's connectivity over WiFi, LoRa and ZigBee;
- display of current consumption from the meter and daily, weekly and monthly totals in kWh and euros;
- remote configuration of prices used in the display unit;
- feedback of information from the display unit.

MEETING THE CHALLENGES OF SUSTAINABLE DEVELOPMENT

Digital technology for a low-carbon economy	■ Developing products and services to support digitisation of activities in different industry sectors. ■ Sopra Steria services benefiting from the carbon neutrality of the Group's business travel, offices and data centres.

(1) IoT: Internet of Things.

PoC Open Data Localise: Open Data in the service of solar power

The open data movement is a trend towards the online sharing of digital data based on a series of 10 criteria guaranteeing free access and reuse by anyone. The map represents IRIS areas of different colours depending on their potential: the darker the area, the higher the index and the more attractive the area.

The project allows maps to be created showing the distribution of catchment areas according to their potential. These maps identify IRIS areas with strong sales potential at a very granular level, make it easier to apply geomarketing techniques to choose locations for points of sale, and optimise travel time for door-to-door salespeople.

The base map and shopping centres are provided by Open Street Map, IRIS geographical divisions are provided by the French government website, and income and housing data are available from the Insee website. All these data are thus freely accessible and usable by anyone.

4.8. The circular economy: a new challenge for the Group

The circular economy aims to achieve a paradigm shift relative to the so-called linear economy, by limiting environmental impact and wastage of resources and increasing efficiency at every stage of the commodity economy.

The circular economy functions as a loop, limiting non-recyclable waste. Its aim is to produce goods and services while reducing consumption and wastage of commodities and energy. The circular economy is based on the "cradle to cradle" principle, as opposed to the "cradle to grave" principle of the linear economy.

Sopra Steria aims to reduce its environmental impact by purchasing sustainable products whenever possible, recycling its waste, supporting renewable energy production and managing its business in a resource-efficient way, thus incorporating circular economy principles into the way it runs its business.

This approach is gradually involving the Group's stakeholders, including in particular its suppliers, partners and clients.

Since 2016, European regulations have required all economic agents to adopt new circular economy principles, notably regarding food waste. Although its service businesses are not directly affected by this directive, the Group has opted to work with catering suppliers that operate within this regulatory framework.

4.8.1. CIRCULAR ECONOMY PRINCIPLES APPLIED BY THE GROUP

The circular economy is based on various principles applied by Sopra Steria within the scope of its business.

- **Local ecology**: implement an industrial organisation within a given geographical area that is characterised by optimised management of stocks and flows of materials, energy and services. The Group's expertise in the technology needed for modern smart cities allows for more efficient use of resources and reduces the environmental impact of the relevant stakeholders.
- **Economy of functionality**: prioritise use over ownership; sell services rather than goods. A significant proportion of the IT equipment used by Sopra Steria is made available for multi-user use.
- **Reuse**: introduce products that no longer meet consumers' primary needs back into the economic cycle. A large proportion of the Group's IT equipment is repaired and subsequently transferred or resold by the supplier. In the United Kingdom, the Group has worked with a client in Harrow to set up IT centres equipped with former Sopra Steria computers that have been recycled. A number of Group entities have put in place arrangements to store electrical and electronic equipment on site so that it can be recommissioned and given a second life outside the Group (France, United Kingdom, Belgium and India).
- **Repair**: find a second life for assets that are no longer functional. Equipment that is no longer in use is recovered, recommissioned or donated to non-profits in most of the countries where the Group operates.
- **Recycling**: reuse waste as a raw material for the manufacture of new products. By implementing selective sorting increasingly widely, the Group is encouraging its suppliers to produce recycled paper from waste paper (United Kingdom). The same is true for the production of new products from cans, plastic and glass.
- **Recovery**: recover a portion of waste materials to manufacture new products (e.g. precious metals, fluorine) or generate energy (e.g. thermal energy). The Group uses suppliers that recover rare metals from computers and phones so they can be reintroduced into the industrial production chain. Other components of waste are used as fuel at incineration plants, providing energy for district heating systems and generators.

4.8.2. MAXIMISING THE LIFE CYCLE OF WEEE

Whenever possible, Sopra Steria uses IT equipment that is highly energy efficient or carries an environmental label (Energy Star or EPEAT). The Group also manages its installed base of IT equipment in accordance with very precise guidelines with a view to controlling costs and protecting the environment.

Equipment is listed in a database managed using HP's AssetCenter software. Technical, financial and usage information is continually updated over the equipment's life cycle, allowing the Group to optimise its life span and ensure it is reprocessed in accordance with circular economy principles.

Sopra Steria uses specialist providers, including in particular supported employment companies, to process its Waste Electrical and Electronic Equipment (WEEE). Once checked, hardware that cannot be put back on the market becomes WEEE and is sent to authorised dismantling sites so that some waste can be reused in the manufacture of new products.

Even once an item of equipment has been removed and reprocessed, the Group maintains information relating to its final destination in its database. In order to ensure that electrical and electronic equipment reaching the end of its useful life is managed in an environmentally friendly manner, the Group sells most of its equipment to certified organisations. Lastly, a portion of PCs coming to the end of their useful lives is donated to schools or charitable associations.

The scope of actual data on WEEE was broadened significantly in 2016 relative to 2015. The Group continued with its policy of aligning WEEE handling processes across the countries in which it operates. Suppliers are encouraged to provide waste tracking forms and produce statistics on the type of processing undertaken (re-use, repair, recycling, recovery).

Circular economy:

- Optimisation of end-of-life WEEE in France by ATF Gaia (2016 figures).
- 65 kg of materials from laptop computers reintroduced and recovered in manufacturing (i.e. a total of 86%).
- 954 kg of materials from cathode ray tubes reintroduced and recovered in manufacturing (i.e. a total of 88%).
- 1,037,130 kg equivalent of CO_2 avoided.
- 1,300,500 litres of water saved.

53% absolute reduction in the Group's WEEE in 2016 relative to 2015, across a scope encompassing Benelux and CIMPA (France, Germany and the United Kingdom); groupings of certain offices and data centres; a reduction in the number of suppliers tasked with collecting WEEE; and an increase in data quality.

- 98% of the Group's WEEE (including CIMPA) has a second life.
- 64% is recycled (recovery of materials or heat production), 34% reused (resold or donated) and 2% incinerated.

The United Kingdom business is continuing to pursue its goal of sending zero waste to landfill sites by 2020. In 2016, only 0.65% of WEEE was sent to landfill sites.

4.8.3. MAXIMISING THE LIFE CYCLE OF OTHER WASTE

In France, Spain and the United Kingdom, Group entities use environmentally accredited printer paper (FSC, PEFC, Blue Angel, Paper Loop).

For the buildings and facilities it controls, the Group has put in place local policies aimed at reducing the amount of non-hazardous waste generated. Sopra Steria also works with building owners to develop selective sorting and optimise waste recovery during reprocessing.

France

Selective sorting in France is handled in two ways:

- by specialist companies managed by the Group, which closely monitor quantities disposed of and allow for better traceability by providing waste tracking documents;
- by local councils or service providers not managed by the Group (for multi-tenant properties).

At end-2016, selective sorting run by specialist companies managed by the Group was in place at one-third of all French sites.

A major selective sorting campaign was also run by site managers and adopted in various other Group countries.

India

The Group has put in place an aggressive policy of reducing consumption of paper, disposable cups, plastic and water. As a result, consumption of A4 paper fell by 25% in 2016 relative to 2015. Use of cardboard cups was reduced by over 10%.

Wastepaper is processed by specialist companies. All printer toner cartridges are processed under the HP Planet Partners Rewards programme.

Spain

The Group has worked with specialist providers to manage wastepaper and recycle empty ink and toner cartridges. For the past two years, selective sorting has been in place at all sites for organic and plastic waste, packaging, glass and batteries.

United Kingdom

In 2011, Sopra Steria initiated a closed-loop paper recycling programme, now extended to all Sopra Steria sites in the United Kingdom.

An important step in the circular economy, the closed paper loop is for recycling paper, ensuring that virtually all paper from Sopra Steria sites is recycled and subsequently reused in new paper. This initiative saw 128 tonnes of paper recycled in the United Kingdom in 2016.

92% of paper and cardboard waste collected through the Group's selective sorting systems is recycled.

All wastepaper and cardboard produced by the Group in Denmark, India, Norway, Spain, Switzerland and the United Kingdom is fully recycled.

Sopra Steria also recommends the use of environmentally accredited printer paper (FSC, PEFC, Blue Angel, Paper Loop).

4.8.4. STAKEHOLDER DIALOGUE

The Group's clients have become significantly more mature on issues connected to climate change, energy transition and the gradual introduction of the circular economy. It is no longer simply an option for them, but rather a requirement that they also pass on to their suppliers.

The circular economy is just one example of a broader approach that is being adopted across the Group's entire ecosystem. Sopra Steria's ambition is to help create long-term value by working with its clients, partners and other stakeholders to develop innovative solutions and services that serve to optimise resource use and reduce environmental risk.

The Group is active in discussing and promoting initiatives adopted by its suppliers in support of combating climate change.

Networks First: the supplier that has made the biggest contribution to sustainability in the United Kingdom

Among the seven awards given to its suppliers, Sopra Steria UK chose Networks First for its commitment to the environment.

The Group is pursuing initiatives in various countries that contribute to the definition of future domestic policies and regulatory measures designed to reduce environmental risk.

In the United Kingdom, the Hertfordshire Chamber of Commerce is promoting the combat against climate change by supporting initiatives dedicated to the low-carbon economy. It has set up an Innovation and Sustainability Forum to support local businesses through the transition. Sopra Steria's Head of Environment runs this Innovation and Sustainability Forum and works with people from other industry sectors, academia and the business world to encourage local businesses and other organisations to better manage their environmental impact.

Sopra Steria is also part of TechUK, which responds to UK government consultations concerning changes to carbon taxes and environmental regulations (CRC, CCL and ESOS). This organisation recognises the carbon tax as a necessary component of the climate change prevention strategy.

In Belgium, Sopra Steria is a member of Agoria, an organisation that aims to improve the economic and social environment through activities at both federal and regional level; its political entities also defend its members' interests at government level. For example, Agoria negotiates the content and terms of sector-wide agreements on energy policy for highly energy-intensive businesses. This organisation also promotes technologies linked to renewable energy within its Renewable Energy Club.

All these initiatives are pursued by the Group in line with its two commitments:

- within We Mean Business, a group of organisations that recognise the switch to a low-carbon economy as one of the only drivers of sustainable economic growth. In the context of this initiative, Sopra Steria has committed to define a greenhouse gas emissions reduction target that meets the requirements of the Science Based Targets scheme;
- with respect to the Conference of the Parties, which defines broad outlines and a framework of action to act on climate change.

4.9. Maintaining a high level of recognition

4.9.1. LINKING ENVIRONMENTAL PERFORMANCE TO ENERGY EFFICIENCY ISSUES

The most important issue for Sopra Steria's environmental policy is to seek to optimise the Group's environmental performance in the most economically efficient way while delivering a high level of excellence to clients. As such, Sopra Steria has adopted an approach that combines the economic reality with opportunities offered by innovation. The effectiveness of this approach, which has been transparently communicated to external domestic and international assessment and certification bodies, means the Group enjoys a high level of market recognition.

Gaia Index

Sopra Steria achieved a score of 88 out of 100. This result puts the Group towards the top of the index, with a score of 86 out of 100 on the Environment component, an improvement relative to 2015. Sopra Steria also achieved the maximum score of 100 for its Environmental Management System and waste management policy.

CDP
DRIVING SUSTAINABLE ECONOMIES

CDP Climate Change

Sopra Steria achieved a rating of A- in the CDP Climate Change 2016 ranking, putting the Group in the CDP's "Leadership" category, which is reserved for companies leading the way in combating climate change. This rating is established by comparing responses given by businesses in a given sector. It means Sopra Steria is ranked by the CDP as being in the top three technology firms for its environmental performance.

EcoVadis

Sopra Steria achieved a score of 80 out of 100 on the environment component. This score makes Sopra Steria one of the highest rated companies in the sector.

CarbonNeutral® certification

In early 2017, Sopra Steria will secure CarbonNeutral® certification for all its premises for financial year 2016. This is an addition to CarbonNeutral® certification already obtained for its data centres and business travel. This triple certification, awarded by an international organisation that adheres to the strictest standards, underscores the Group's commitment to Corporate Responsibility and, more specifically, its commitment to managing the environmental impact of its activities.

Since its launch in 2002, the CarbonNeutral® protocol has been updated annually to reflect industrial and scientific best practice for the measurement and reduction of greenhouse gas emissions. Sopra Steria's certification provides international recognition for actions carried out under the Group's environmental policy and its carbon offsetting programmes.

4.10. Continuing to move forward in 2017 with a view to the long term

For 2017, Sopra Steria will continue with its environmental programme to continue reducing the environmental impact of its activities, as well as involving all stakeholders in its improvement approach.

This challenge, which is important not only for the environment but also for the Group's financial performance, must be shared at every level of the company and firmly embedded in its activities. With this in mind, Sopra Steria and all its departments and operating entities will be working with the Group's suppliers, partners and clients. The aim is to create a virtuous circle of progress where the required developments and changes will be helped by new digital technologies.

4.11. Overview of environmental indicators

The indicators set out below are collected via the Group's internal management systems and specific requests sent to departments and country correspondents with responsibility for these issues. The information identified by the ✔ sign has been verified by the independent third party with a reasonable level of assurance.

4.11.1. GREENHOUSE GAS EMISSIONS FROM BUSINESS TRAVEL (ROAD, AIR, RAIL AND HOTELS) ✔

(in tonnes of CO_2 equivalent)	**Air, Road, Rail & Hotel**	**Air, Road & Rail**	
	2016	**2016**	**2015**
France*	15,267	14,694	16,512
Germany and Austria	8,183	6,747	6,460
United Kingdom*	4,195	3,263	3,364
Belgium & Luxembourg	2,548	2,488	2,508
India	2,687	1,508	1,526
Spain*	1,733	1,657	1,057
Norway	384	370	507
Italy	508	440	279
Morocco	271	265	264
Switzerland	283	280	261
Tunisia	92	85	125
Poland	151	115	114
Denmark	74	67	92
Sweden	39	37	54
Singapore	91	88	45
Cameroon	34	33	38
Netherlands	0	0	25
Algeria	5	5	5
Côte d'Ivoire	6	6	4
Gabon	4	4	4
SOPRA STERIA TOTAL	**36,559**	**32,152**	**33,244**
SOPRA STERIA TOTAL** (Less green travel in Germany)	**35,316**	**30,909**	**32,005**

* *CIMPA was included in the 2016 scope for France, the United Kingdom and Spain.*

** *Total less green travel in Germany equating to 1,243 tonnes of CO_2 in 2016.*

Air, rail and road travel are based on 91.1% actual data (compared with 75.5% for 2015 actual data).

Estimated data are calculated based on information from countries that show similar patterns of business travel and overnight hotel stays.

A 1.5% increase has been added to all data to reflect as closely as possible data that might have been reported after the closing date for data on business travel.

For the sake of clarity, figures have been rounded to the nearest unit.

4.11.2. ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS FOR OFFICES AND ON-SITE DATA CENTRES [(1)] ✔

	Energy consumption of offices and on-site data centres (in MWh)				Renewable energy as % of total electricity consumption (Scope 2)		Greenhouse gas emissions from offices and on-site data centres (tonnes of CO_2 equivalent)			
	2016		2015		2016	2015	2016		2015	
	Scope 1	Scope 2	Scope 1	Scope 2			Scope 1	Scope 2 Market-based	Scope 1	Scope 2 Location-based
France	5,390	26,489	2,935	28,318	75%		739	822	284	2,336
United Kingdom	4,563	10,840	5,462	12,176	72%	70%	992	1,450	1,067	6,270
India	1,655	12,244	2,900	11,684	100%		417	0	653	9,687
Germany	0	2,177		2,337	96%	93%		251		855
Belgium	905	2,139	855	2,168	48%	48%	183	487	158	411
Norway	0	1,967		1,827	0%			839		38
Spain	0	3,184		1,673	0%			1,397		484
Poland	21	657	24	780	0%		4	509	5	533
Italy	132	802	157	723	0%		27	348	29	288
Switzerland	97	339	116	653	100%	99%	23	6	9	25
Denmark	0	83		333	100%	100%		3		69
Tunisia	0	1,085		243				645		142
Sweden	0	133		138	100%	100%		7		10
Morocco	0	415		169				247		98
Luxembourg	224	135	175	165	100%	100%	45	0	32	65
Singapore	0	243		79				111		40
Cameroon	0	91		24				54		14
Algeria	0	9		3				5		2
Côte d'Ivoire	0	8		2				5		1
Gabon	0	4		2				2		1
TOTAL	**12,987**	**63,043**	**12,623**	**63,563**	**69%**	**20.4%**	**2,430**	**7,190**	**2,237**	**21,381**
2014 TOTAL FOR REFERENCE			**11,565**	**64,215**					**2,328**	**21,335**
2016/2015 change	+2.9%	-0.8%						NA*		

Scope 1: direct combustion of fuels (oil, gas, fuel oil and biodiesel) required in operations owned or controlled by the Group.

Scope 2: energy consumed by the Group (electric power, and heating, steam and cooling systems).

The emissions factors used in calculating this indicator are partly based on the location-based definition and the methodology of Defra (the Department for Environment, Food and Rural Affairs) in the United Kingdom. Some factors are also based on reference data from the International Energy Agency (electricity) and others on the GHG protocol (fuel). For calculating market-based emissions, AIB (Association of Issuing Bodies) factors are also used.

Location-based: a method for calculating Scope 2 greenhouse gas emissions based on a system of emissions factors arising from the geographical region covered.

Market-based: a method for calculating Scope 2 greenhouse gas emissions based on a system of emissions factors arising from the supplied energy source.

* *For 2016, Scope 2 is calculated using the market-based method; this means strict comparisons between 2015 and 2016 are not possible. However, market-based results highlight the effects of purchases of renewable energy.*

(1) A data centre or similar setup refers to a set of IT equipment which, according to the IMSL definition, features controlled access, secure space for projects, climate control and an uninterruptible power supply.

4.11.3. ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS FOR ON-SITE AND OFF-SITE DATA CENTRES [(1)] ✔

	Energy consumption of on-site and off-site data centres *(in MWh)*		Renewable electricity as % of total energy consumption (Scopes 1, 2 & 3)		Greenhouse gas emissions from on-site and off-site data centres (Scopes 1, 2 & 3) *(in tonnes of CO_2 equivalent)*	
					2016	2015
(in kWh)	2016	2015	2016	2015	Market-based	
United Kingdom	14,298	14,595	88%	86%	832	1,037
France	12,684	10,974	30%		332	644
Scandinavia	3,598	3,162	56%		699	26
India	2,070	2,206	87%		70	1,696
Switzerland	433	1,103	100%	100%	-	144
Germany	798	1,007	63%	97%	221	-
Belgium	1,012	951	93%	100%	14	-
Poland	588	361	0%		498	282
Luxembourg	291	171	100%	100%	-	-
TOTAL	**35,771**	**35,208**	**63%**	**50.3%**	**2,666**	**3829**
2014 TOTAL FOR REFERENCE		**37,574**				
2016/2014 change		-4.8%				

Scope 1: Direct combustion of fuels (oil, gas and fuel oil) required in operations owned or controlled by the Group.

Scope 2: Energy consumed by the Group (electric power, and heating, steam and cooling systems).

Scope 3: Indirect emissions resulting from the activities of sources belonging to a company other than Sopra Steria or under that company's control, particularly those generated by the business travel of employees and the energy consumed in data centres not directly operated by the Group.

The emissions factors used in calculating this indicator are partly based on the location-based definition and the methodology of DEFRA (the Department for Environment, Food and Rural Affairs) in the United Kingdom. Some factors are also based on reference data from the International Energy Agency (electricity) and others on the GHG protocol (fuel). For calculating market-based emissions, AIB (Association of Issuing Bodies) factors are also used.

Market-based: a method for calculating Scope 2 greenhouse gas emissions based on a system of emissions factors arising from the supplied energy source.

(1) A data centre or similar setup refers to a set of IT equipment which, according to the IMSL definition, features controlled access, secure space for projects, climate control and an uninterruptible power supply.

4.11.4. WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT, WASTEPAPER AND REPROCESSING ✔

	WEEE									Paper and cardboard					
	2016					2015				2016			2015		
	kg	Reuse (sale, donation, repair)	Recycling/recovery	Incineration	Landfill	kg	Resold	Re-used	Recycled	kg	Recycled	Destroyed	kg	Recycled	Destroyed
India	28,316	15.98%	84.02%	0%	0%	107,181	75%		25%	28,410	100%	0%	27,217	100%	
United Kingdom [1]	7,327	36.32%	62.76%	0.27%	0.65%	25,674	11%	89%	0%	131,839	100%	0%	146,900	100%	
France [2]	24,612	55.85%	38.32%	5.82%	0%	20,939		43%	56%	60,342	83.92%	16.08%	96,269	89%	13%
Germany [3] and Austria	8,832	9.70%	90.28%	0%	0.02%	2,605			98%	43,565	98%	2%	45,214	98%	2%
Norway	1,685	63.50%	36.50%	0%	0%	1,317	NA			5,782	100%	0%	7,670	100%	
Switzerland [4]	681	0%	100%	0%	0%	688			100%	3,700	100%	0%	3,549	99%	
Italy [5]	838	84.20%	15.80%	0%	0%	627	30%	50%							
Sweden [6]	0	0%	0%	0%	0%	566	NA			0 [11]	0%		802	100%	
Spain [7]	1,603	66.74%	24.75%	8.36%	0.15%	454				9,938	100%	0%			
Denmark [8]	1,816	47.40%	52.60%	0%	0%	142	NA			1,580	100%	0%	827	100%	
Poland [9]	0	0%	0%	0%	0%	53			100%						
Benelux [10]	1	0%	100%	0%						80,569	75%	25%			
TOTAL	**75,712**	**33.67%**	**64.16%**	**2.10%**	**0.07%**	**160,246**				**365,725**	**92%**	**8%**	**328,448**		

(1) Scope: Sopra Steria (excluding SSCL JV and NHS SBS) and CIMPA (0 kg of WEEE reported for CIMPA).

(2) Including CIMPA for WEEE.

The increase relative to the previous year is due to some former Steria sites being switched over to former Sopra sites.

(3) Including CIMPA for WEEE.

The increase in WEEE relative to 2015 is due to data centre closures and new site openings (e.g. Cologne).

(4) Does not include Sopra HR Software (small workforce).

(5) Estimate based on pro rata unit/volume figures used in Spain in 2015 for e-waste (excluding batteries and fluorescent lamps). Based on an estimate of 60 batteries = 36 kg, supplied by a United Kingdom supplier based on the volume of batteries recovered. Estimated weight of a lamp: 0.8 kg.

(6) WEEE is currently stored on site and will be recorded in 2017.

(7) Does not include Bilbao (business centre) or Victoria (small workforce).

(8) The increase in WEEE is due to the closure of a large site at end-2015.

(9) WEEE is currently stored on site and will be recorded in 2017.

(10)198 kg of WEEE stored on site. Estimated quantity of paper at Marche-en-Famenne based on pro rata data gathered from Benelux (excluding Marche-en-Famenne) relative to the number of employees.

(11) Data not available.

WEEE volumes may vary substantially from one year to the next depending on whether a portion of IT hardware is replaced.

For the sake of clarity, figures have been rounded to the nearest unit.

5. Community engagement: working alongside local communities and vulnerable populations

In 2016, the Group maintained its commitment to support vulnerable populations, focusing on actions in four areas: digital inclusion, access to education, access to employment and water rights. To fulfil this commitment, involving hundreds of employees, the Group is supported by two foundations in France and India, and is developing sponsorships with non-profit organisations. Community action in response to local issues also involves employees in each country, a notable example being a major community education programme in India.

5.1. Background and key events

Key events:

- Launch of the 13th Sopra Steria–Institut de France Foundation Student Prize in France and expansion of the Foundation's purpose to include the environment
- Launch of the first "green classes" in India, including educational and environmental actions in schools supported by the Group
- Sopra Steria becomes a sponsor of Fondation Yehudi Menuhin in Belgium

5.2. Challenges and key achievements

2016 targets	Results for 2016	Ambitions for 2017
Provide access to education	■ Implemented an education programme in 58 schools in India for 60,000 children from poor rural backgrounds ■ Higher education scholarship programme in India: 49 new students enrolled (out of a total of 410) ■ Sponsorship of Fondation Yehudi Menuhin in Belgium focusing on educational and arts programmes for children ■ Initiatives in Spain, Germany, France	■ Broaden countries' involvement in the four key themes of the Group's community engagement programme – education, digital inclusion, employability and access to water – by fostering synergies ■ Develop "green classes" in India linking educational and environmental issues
Foster digital inclusion	■ Ten projects supported by the Sopra Steria–Institut de France Foundation ■ Four new computer labs converted to solar energy in schools in India (out of a total of 19 schools) ■ Initiatives in the United Kingdom, Poland, Norway, etc.	■ Support new initiatives that respond to local challenges
Contribute to employability	■ Professional development centre in India: 1,422 students enrolled; 116 have found work ■ Initiatives in France, the United Kingdom and Norway	■ Support employee volunteering and fundraising
Be committed to water rights	■ Sponsorships with Green Cross, 1001fontaines, Tchape, Planet Water Foundation and Puits du Désert	■ Foster interaction with our ecosystem: civil society, foundations, clients, partners, etc.

5.3. Digital inclusion: making digital technology accessible to everyone

In 2016, drawing on over 15 years' experience, the **Sopra Steria–Institut de France Foundation** continued to support projects that combine digital and social or environmental innovation. Employees volunteer to sponsor projects, providing support to the non-profits concerned and offering advice and expertise. In 2016, the Foundation supported 10 non-profit projects sponsored by Sopra Steria staff, including a school in India.

doc-depot, the community-based digital deposit box

The doc-depot digital deposit box is a software solution that allows homeless people to save their documents and personal information, with the help of social workers. It was designed and developed by an employee involved in Adileos, a non-profit organisation. In 2016, it was adopted by a dozen social welfare organisations in France's Hauts-de-Seine *département*. Doc-depot is a response to the call for experiments issued by the Ministry of Social Affairs and Health in 2016 for a digital deposit box facilitating access to rights for at-risk people. The Foundation continued to support this project in 2016 to help develop a new weather alert module and complete a security audit. This support will continue in 2017 to help the non-profit in its growth phase.

Two new projects kicked off in 2016, with the Foundation's support. The first, with non-profit Oasis d'Amour in Lyon, consists of creating an environment for learning and expression for young artists using specially adapted software at the Le Bouquet special school for developmentally challenged children in Lyon. The second, with non-profit Donner Recevoir, aims to combat isolation among elderly residents of retirement homes by enabling them, with the support of their care providers, to talk to their families over a Skype connection using digital tablets. In 2017, the Foundation will continue to support these two non-profits, as well as three ongoing projects: JobIRL, the leading social network providing career advice to 14-25-year-olds; Dry Care Auxivia, which promotes improved monitoring of hydration for elderly people; and Interface Handicap, an innovative portal on digital solutions and services accessible to people with all types of disability.

In other Group countries, many local initiatives were launched or continued with clients, partners and employees.

Gloucestershire County Council

For Gloucestershire County Council, Sopra Steria has used Sustainable Service Delivery to support digital inclusion, and has:

- provided learning, skills development and work experience opportunities through apprenticeships, mentorship and work placements for more than 10 local young people, some of them from disadvantaged backgrounds;
- designed a digital inclusion project that will provide access to ICT equipment, the web and skills training to disabled, unemployed and older people in Gloucestershire;
- sponsored a Mozilla Badge for Enterprise [(1)] in partnership with a local college, which will encourage students to develop entrepreneurial skills, whether to start their own business or be a highly desirable, enterprising employee;
- supported local small businesses and the local economy by offering business opportunities to SMEs.

This project has also enabled a reduction in the County's IT system. This point is developed in the "Environment" section of this chapter.

In Poland, the Group has been supporting orphanages in the Katowice region since 2012 by installing computer rooms and organising English classes with the help of volunteers from the company. In 2016, a new computer room was installed and around 10 volunteers gave English lessons to children. The project is funded through an annual staff collection and support from local subcontractors.

As part of its community engagement programme, in 2016 Norway continued to support Ferd Social Entrepreneurs (FSE), one of the country's leading private investment companies. The partnership is based on the donation of around a hundred hours of pro bono consulting to a project run by Minos, a firm that is developing an online platform for schoolteachers to help them detect the risk of child abuse or harassment. The platform is due to be operational in 2017.

5.4. Education: a key factor in integration

In India, a major educational programme has been in place for the past several years as part of the fight against poverty. The Group considers education to be a key factor in social integration in India, with its high levels of inequality. The educational programme is aimed at children from poor rural areas attending public-sector schools located close to the company's sites. In 2016, over 60,000 children benefited from the programme in 52 schools ranging

(1) A "digital badge" is an online record of achievements, tracking the recipient's communities of interaction that issued the badge and the work completed to get it. Digital badges can support connected learning environments by motivating learning and signalling achievement both within particular communities as well as across communities and institutions. (Source: Erin Knight White Paper).

from primary to high school. A new project was launched in Bangalore to support education for 80 orphans. The aim is to offer comprehensive support in each school, including IT laboratories, smart whiteboards in classrooms, solar panels, English, sports and drama classes, and initiatives to raise environmental awareness, with a focus on educating girls. New computer rooms have also been converted to run on solar power, bringing the total to 19.

Support also includes playground equipment, computer and exam preparation classes, milk-based nutritional supplements, school uniforms and shoes. It is supported by hundreds of volunteers who help guide children through their school career.

The educational programme will continue in 2017, with the aim of evolving towards "green schools", incorporating the use of solar power, access to drinking water, vegetable gardens and sanitation facilities.

In France, in 2016 the Group became a sponsor of a rugby club in a problem area near Paris with a high level of social diversity. The club uses rugby to reach out to many young people from difficult areas at risk of social dislocation and help them find purpose in life. They find a place for themselves within a team, learn to work together and make positive plans for the future. In particular, this sponsorship deal aims to help the club finance the infrastructure it needs for its development.

As regards Congés Solidaires outreach projects, the Group has for several years been involved in the Planète Urgence programme, which gives employees opportunities to pass on their skills to projects initiated by local stakeholders in developing countries. Employees use their leave to go on assignment and the company pays the associated costs. Since its launch, the programme has allowed Group employees to take part in around 40 projects in Africa, Asia and Haiti.

In Germany, as part of a training programme for managers, a social week was held to support children with learning difficulties at the *Windmühlenschule* special school in Mainz. Furthermore, the salary-rounding scheme was continued to fund charity projects, on a voluntary basis and with matching contributions from Sopra Steria.

In Spain, Sopra Steria remains committed to the Balia Foundation for vulnerable children through two actions: volunteer academic tutoring and donations of IT equipment for educational centres in Madrid and Seville.

5.5. Training as a path to employment

In India, the programme of university scholarships set up by the Group enables students from schools supported by Sopra Steria to continue their higher-education studies. It is entirely funded through an annual fundraising event, the Share and Support Day, with contributions from Sopra Steria employees, clients and supporters. To date, 410 scholarship students have benefited from the programme, 184 of whom have completed their studies and found work.

To offer training opportunities to pupils at Sopra Steria schools who are unable to pursue long-term studies, a Career Development Centre has been set up in Chennai, in partnership with the NIIT foundation and sponsored by Sopra Steria Norway. The centre offers short vocational training courses and skills development programmes. In 2016, these courses were taken by 1,422 students, 116 of whom found work.

Lastly, Sopra Steria supported a programme of professional development for women in sewing centres, to help increase their employability. Three centres opened in 2016, helping women open their own sewing workshops.

In other Group countries, employability initiatives are also run with the help of volunteers.

In Norway, staff once again joined forces in 2016 to participate in the programme to provide funding for student scholarships in India. Funds raised as part of the annual "The Challenge" event were supplemented via a voluntary salary deduction scheme. Furthermore, Sopra Steria has for several years been running computer classes for the unemployed and for immigrant women, in cooperation with the Church City Mission in Oslo. In 2016, 17 employees were involved in running these classes on a volunteer basis.

In the United Kingdom, volunteers contributed to the Prince's Trust course, which provides support for young people aged 16-30 who are at risk or seeking employment. Around 30 volunteering assignments were undertaken with the help of employees, helping more than 300 young people.

In France, the Group has for several years worked with the non-profit Nos Quartiers ont des Talents to help young people from disadvantaged neighbourhoods find work.

5.6. Other initiatives linked to local or emergency situations

In 2016, a number of countries implemented fundraising programmes or supported actions with the help of employees in response to local community emergencies.

In the **United Kingdom**, employees are allowed to devote a day to local community activities. The Group also offers scholarships and matched funding for projects proposed by employees. In 2016, thanks to this scheme put in place by the Group, the annual Community Matters fundraising campaign was an opportunity for hundreds of employees to organise activities to fundraise to support numerous charities. More than 80 community non-profits and projects were helped by these actions in support of a variety of causes, notably in education and schools, healthcare, medical research, sport, and help for the homeless. Sopra Steria regularly

gets involved in community projects alongside its clients, an example being Phoenix, with which it has worked to raise funds, food and clothes for homeless people in Birmingham.

In Italy, following the earthquake that struck the central part of the country in August 2016, large numbers of staff joined forces to provide financial support to the Parma region with Sopra Steria's help.

In Belgium, the Group became a sponsor of Fondation Yehudi Menuhin, which supports projects intended to give a voice to the voiceless through artistic expression, notably through educational programmes for children.

In Spain, a food collection project is run every year to support the food bank, which redistributes food to the city's various charities free of charge, and help the poor.

In India, vaccination campaigns were run in partnership with the Max India Foundation in schools in Pune and Noida and surrounding villages. Mobile dental centres were set up and awareness campaigns launched in schools, targeting thousands of children.

Through the Swatch Bharat campaign, part of the government's Clean India programme, Sopra Steria ran sanitation and awareness campaigns on hygiene-related topics and contributed to the construction and maintenance of sanitary facilities in schools.

In France, two sponsorship deals put in place in 2014 to promote culture continued, supporting the following:

- the Royaumont Foundation to promote the conservation of Royaumont Abbey, support young artists by helping them gain access to employment, and promote old and new artistic works;
- the Auvers-sur-Oise festival to promote talented new musicians and help them launch their artistic careers.

5.7. The right to water: a major humanitarian effort

Since 2012, the Group has been committed to the right to water, which it believes constitutes the key challenge facing humanity over the coming decades. Water is life. Yet today, this non-renewable resource is polluted, wasted and over-exploited. More than 1 billion people have no access to safe drinking water and 8 million people, half of them children, die from water-borne diseases every year. The increasing scarcity of this vital resource in some parts of the world, generating growing political tension, and pollution that makes water unsafe to drink in the most disadvantaged regions, constitute major risks for many populations. Although the Group's business has only a limited impact on water resources, it has opted, as a responsible corporate citizen, to make this humanitarian and environmental commitment a key pillar of its social and community policy. This commitment is widely shared by the Group's employees and stakeholders.

The Group's commitment to the right to water is underpinned by financial sponsorship from international organisations working for greater awareness of water-related issues: access, sanitation and the prevention and reduction of pollution. The Group currently sponsors Green Cross, 1001fontaines, TCHAPE, Les Puits du Désert and Planet Water Foundation.

GREEN CROSS

Since 2012, the Group has been supporting this organisation, established by Mikhail Gorbachev in 1993, through a commitment to the French arm and, since 2016, to the global organisation as part of the Smart Water for Green Schools programme, notably in Côte d'Ivoire. The aim is to finance programmes that supply drinking water and provide schooling for children from the poorest families. In 2016, Sopra Steria Spain also committed itself to funding a sustainable irrigation project in Bolivia, in partnership with the Bolivian national institute for innovation in agriculture and forestry.

1001FONTAINES

The Group also supports 1001fontaines, an international aid organisation that aims to bring about long-term improvements in the health of rural populations in developing countries, by helping them produce and consume safe drinking water. In 2014 and 2015, Sopra Steria funded the construction of a safe water production plant in a region of northeastern Madagascar with no water supply network. The plant now provides drinking water for 1,250 villagers and will eventually serve 4,000 people.

Funding for a second plant was kicked off in 2016 and will continue in 2017, with the aim of providing drinking water to the population of another village in Madagascar.

TCHAPE

This NGO works in Chad to promote environmental protection, access to drinking water and schooling for child soldiers. The Group and one of its French entities are funding the construction of wells in Chad as part of an agriculture and agroforestry project in the Wadi-Djeddi and d'El-Khiezi regions. This COP21-accredited project is monitored by one of the organisation's teams in France, which tracks the project's progress to help people in this region access water and improve their food self-sufficiency.

LES PUITS DU DÉSERT

This non-profit, supported by the Group in 2016, is working with a local NGO and French public development aid organisations to fund the construction of wells in northern Niger, providing access to water for 60,000 people living in isolated areas. The Group's support will continue in 2017.

PLANET WATER FOUNDATION

Sopra Steria supports a large number of schools in India. In 2015, the Group decided to work with Planet Water Foundation to install AquaTowers to provide schoolchildren with drinking water.

The AquaTower system uses very low-maintenance ultrafiltration water treatment technology. PWF provides training in how to use and maintain the system. The Group continued with its programme in 2016, with three new AquaTower installed in schools, giving a total of eight towers providing over 19,000 schoolchildren with access to safe drinking water. The programme will be rolled out to more schools in 2017.

6. Approach and methodology

The Sopra and Steria groups, which officially merged on 1 January 2015, produced a single Registration Document for the new Group with effect from fiscal year 2014, including a section on Corporate Responsibility.

Since then, the Corporate Responsibility report, which forms Chapter 3 of the 2016 Registration Document, has aimed to set out the most relevant information on the Group's activities. This report sets out the progress targets identified in the roadmap put together for Sopra Steria Group for 2016/2017.

The information required to draw up this report is collected according to the reporting procedure. This procedure is reviewed each year so that changes in the Group's scope and reporting approach may be added to it. The regulatory requirements established by the French Grenelle 2 Environment Act set out a framework with 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 42 themes from the Grenelle Environment Act applicable to the structure of its reporting. Monitoring these themes provides a suitable measure of the Group's progress on the four aspects of Corporate Responsibility: the market, the workforce, the environment and community engagement.

This report includes a significant amount of information pertaining to Article 225 of the Grenelle 2 Environment Act and that is in keeping with the general principles of the guidelines of the GRI (Global Reporting Initiative) and complies as closely as possible with the components of ISO 26000.

In this regard, a cross-reference table is provided at the end of this chapter. The 2016 report contains 53 indicators for Sopra Steria Group, including six Key Performance Indicators (KPIs), 29 quantitative indicators and 21 qualitative indicators.

Furthermore, in accordance with 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 provided for by 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 that makes it possible to collect the relevant data and leverage the results in this document.

The "market" component includes five indicators, one of which is quantitative and four qualitative.

The "workforce" component includes 35 indicators, including three Key Performance Indicators (KPIs), with 23 quantitative indicators and 12 qualitative indicators.

For the "environment" component, seven indicators have been established: three Key Performance Indicators (KPIs), with six quantitative indicators and one qualitative indicator.

- The indicator covering Waste Electrical and Electronic Equipment (EN.qt.2) incorporates a "circular economy" view in its presentation of waste prevention, recycling and elimination measures.
- The indicators covering energy consumption at offices and on-site data centres, and at on-site and off-site data centres, are shown under the heading "Sustainable use of resources".

The "community engagement" component includes six indicators, two of which are quantitative and four qualitative.

Sopra Steria's Corporate Responsibility policy applies to all Group entities. The headcounts given in the workforce section of this report include 12 employees of Delta Development Systems (Algeria), Sopra Banking Côte d'Ivoire and Sopra Banking Gabon, three non-consolidated subsidiaries of the Group. Sopra Banking Software Pte Ltd (Singapore) is not included in the scope this year (its headcount is not significant).

Depending on the indicator, the geographical scope is either:

- all Sopra Steria businesses worldwide (= 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 (Sopra Banking Software, Sopra HR Software and I2S in particular). For the environmental indicators, the report does not include Steria's joint ventures (SSCL and NHS SBS);
- data on CIMPA, acquired by Sopra Steria in 2015, are specifically identified;
- the activities of Sopra Banking Software, a subsidiary of Sopra Steria Group, are also indicated;
- the Corporate Responsibility reporting process covers the calendar year from 1 January to 31 December 2016. Any exceptions to calendar year reporting are indicated for the data involved.

The environmental scope does not include Cassiopae for this financial year.

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.

Reporting process and tools

The three successive stages in the reporting process are as follows:

- identifying the data and preparing to collect them;
- collecting and consolidating the data and checking for consistency so as to produce indicators;
- using the indicators for publication in the Corporate Responsibility Report.

The reporting tools are as follows:

- the reporting protocol, containing the information needed for contributors to collect indicators. This is primarily intended for internal communication within Sopra Steria;
- indicator definition sheets, describing in detail the characteristics of the indicators set out in the Corporate Responsibility Report;
- indicator collection sheets, allowing contributors to supply qualitative information and quantitative data;
- SharePoint and MyGroups shared spaces, managed by the CR-SD Department, used to archive all information gathered;
- The Group makes use of a variety of tools to meet regulatory reporting requirements in this report, such as Greenstone software, ERMs and BEE files for environmental indicators, and Indicia software for workforce indicators.

The combination of the reporting protocol, indicator sheets and data collection sheets, managed on a collaborative platform, provides the information necessary to give a clear understanding of the tasks and constitutes the guide for the contributor.

Other information on the reporting protocol is available on request from Sopra Steria's CR-SD Department.

Data collection

The CR-SD Department is in charge of coordinating the Corporate Responsibility reporting process. Correspondents for each component (market, workforce, environment, and community engagement) are responsible for collecting data. They distribute indicator-specific definition and collection sheets to the network of contributors. Available in French and English, these definition and collection sheets state the definitions, scope, unit, calculation methods, data sources used, contact persons and verifications performed.

A collaborative reporting platform put in place via the Group's intranet is used to disseminate and share data and incorporate any changes made. The reporting documents, including the verification process, are available on the platform.

The Group uses Indicia to collect and consolidate workforce data, which is then consolidated within the report after being checked by an external party.

Specific calculations for certain indicators

In order to provide a clear understanding of the information communicated, Sopra Steria has endeavoured to specify, whenever necessary in the report, the definitions, calculation methods or estimation methods for certain reported indicators. Where there is a change in the calculation method for indicators already included in a previous report as a result of clarifying information and, in particular, improvements in estimates, a new publication is issued detailing the changes so as to improve the comparative baseline for the following year.

Exclusions

Sopra Steria publishes qualitative and quantitative data in its report on all the subjects required by the French government decree implementing Article 225 of the Grenelle 2 Environment Act. However, several indicators, when they are deemed not material to the Group's service-sector business, are not addressed in this report. This non-material information concerns matters relating to consumer safety, land use and the protection of biodiversity, noise pollution and any other specific form of pollution, and the amount of provisions and guarantees for environmental risk. These exclusions are specified in the cross-reference table appended to the report. Food waste prevention and measures adopted to promote consumer health and safety are not directly relevant to Sopra Steria, which has therefore not made any specific commitments in this area.

Methodological notes and limitations

The 2014 report provides the benchmark for assessing progress. The methodological notes and limitations for each indicator are presented in the report.

Controls and verification

Once the data has been collected and checked through consistency tests that establish a reliable audit trail, the CR-SD Department consolidates them, performs final checks and ensures their overall consistency before sending the final report to be checked by the independent third party.

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

Fiscal year ended 31 December 2016

To the Shareholders,

In our capacity as an independent third party, member of the Mazars network and one of the Statutory Auditors of Sopra Steria Group, certified by COFRAC under number 3-1058 [(1)], we hereby report to you on the consolidated workforce-related, environmental and social information for the year ended 31 December 2016, presented in the Management Report (hereinafter referred to as the "CR 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 defined by regulations, the Code of Ethics governing the audit profession in France and the provisions of Article L. 822-11 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with ethical standards, the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes (CNCC, the French national institute of statutory auditors) relating to this type of engagement as well as 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 CR Information).
- express, at the Company's request, a reasonable assurance conclusion that the information selected by the Company and identified by a √ sign in the "2016 Corporate Responsibility Report" chapter of the Management Report is presented, in all material respects, in accordance with the Guidelines.

Our work was carried out by a team of five people between October 2016 and February 2017, and required a total of about ten weeks.

We conducted the work described below in accordance with the professional guidance issued by the CNCC for this type of engagement, the administrative order of 13 May 2013 setting forth the manner in which an independent third party should perform its engagement, and, with regard to the reasoned opinion on the fair presentation of CR Information and the reasonable assurance conclusion, in accordance with the ISAE 3000 international standard [(2)].

I – Statement of completeness of CR 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 CR 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 CR 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 CR Information in the Management Report.

(1) The scope of this certification is provided (in French only) on COFRAC's website: www.cofrac.fr.

(2) ISAE 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information.

II – Reasoned opinion on the fair presentation of CR Information

Nature and scope of work

We conducted around ten interviews with the people responsible for preparing the CR 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 CR Information that is exhaustive and consistent, and obtain an understanding of the internal control and risk management procedures involved in preparing the CR Information.

We determined the nature and scope of our tests and procedures according to the nature and importance of the CR 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 CR Information that we considered to be the most important (see Annex):

- at the parent company level and that of the Group's Sustainable Development 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 selected sample represents an average of 59% of the workforce and between 64% and 86% of quantitative environmental data.

For the other consolidated CR 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 CR 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 CRInformation, taken as a whole, is not presented fairly in accordance with the Guidelines.

III – Reasonable assurance report on selected CR 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 CR 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 59% of the workforce and between 64% and 86% 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 2017

Independent third party

Mazars SAS

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

ANNEX

CR Information considered to be the most important	Representative sample of entities
■ Workforce	■ Cassiopae
■ Workforce by age bracket and type of employment contract ■ Average FTE workforce ■ Percentage of managerial-level employees in workforce ■ Average age of employees on permanent contracts ■ Average length of service of employees on permanent contracts ■ New hires ■ Turnover rate for staff on permanent contracts	■ Sopra Steria Group and its French subsidiaries ■ Sopra Banking Software (France) ■ CIMPA (France) ■ Sopra Banking Software (Morocco) ■ Shared Services Connected Ltd ■ Steria India Limited ■ Steria AS Norway ■ Sopra Steria Polska ■ NHS SBS (United Kingdom)
■ Absence rate	■ Sopra Steria Group and its French subsidiaries ■ Sopra Banking Software (France)
■ Number of hours and days of training ■ Average number of training days per employee	■ Sopra HR Software (Spain) ■ Sopra India Private Ltd ■ Sopra Steria Group ■ Sopra Banking Software (France)
■ Percentage of employees with a disability	■ Sopra Steria Group and its French subsidiaries ■ Sopra Banking Software (France) ■ CIMPA (France)
■ Energy consumption (offices and on-site data centres) ■ Energy consumption of data centres (on-site and off-site) ■ Greenhouse gas emissions (business travel) ■ Greenhouse gas emissions from energy consumption (offices and on-site data centres) ■ Greenhouse gas emissions from energy consumption of data centres (on-site and off-site)	■ France (Sopra Steria Group, Sopra Banking Software, CIMPA France, Sopra HR Software) ■ India (Sopra India Private Ltd) ■ United Kingdom (Sopra Steria UK) ■ Poland (Sopra Steria Polska) ■ Spain (Sopra Steria España SAU, Sopra HR Software, CIMPA PLM España SL)
■ Quantity of WEEE generated	■ France (Sopra Steria Group, Sopra Banking Software, CIMPA France) ■ India (Sopra Steria) ■ United Kingdom (Sopra Steria UK)

Cross-reference tables: Sopra Steria's compliance with Grenelle 2, Global Reporting Initiative (GRI) and ISO 26000 indicators

WORKFORCE COMPONENT

	Sopra Steria 2016 CSR-SD Report			
Grenelle 2	**Page no.**	**Section**	**GRI 4**	**ISO 26000**
Action taken and guidelines followed by the Company to take into account the social consequences of its activity	95	3.4. Culture and values that bring us together		6.2. Organisational governance 6.4. Labour practices
	103	3.12. Working conditions and organisation		
Employment				
■ Total workforce	97	3.5. An employment policy in support of professional excellence	G4-10	6.4. Labour practices 6.4.3. Employment and employment relationships
■ Breakdown of employees by gender, age and geographical region				
■ Hirings and dismissals	98	3.5.1. Attracting more talent	G4-LA1	
■ Remuneration and trends	101	3.9. A remuneration policy designed to retain valuable employees		
Organisation of work				
■ Organisation of the work schedule	103	3.12. Working conditions and organisation	G4-LA6	6.4. Labour practices 6.4.7. Workplace health and safety
■ Absences				
Employee relations				
■ Organisation of dialogue between employees and management, including in particular procedures for informing, consulting with and negotiating with staff	102	3.11. Labour relations		6.4. Labour practices 6.4.5. Labour-management dialogue
■ Overview of collective bargaining agreements				
Health and safety				
■ Workplace health and safety conditions	103	3.12. Working conditions and organisation	G4-LA5	6.4. Labour practices 6.4.7. Workplace health and safety
■ Overview of agreements entered into with trade unions or employee representatives in respect of workplace health and safety			G4-LA8	
■ Workplace accidents, including in particular their frequency and severity, and occupational illnesses			G4-LA6	
■ Occupational illnesses				

Grenelle 2	Sopra Steria 2016 CSR-SD Report		GRI 4	ISO 26000
	Page no.	Section		
Training				
■ Policies implemented in respect of training	97	3.5. An employment policy in support of professional excellence	G4-LA10, G4-LA11	6.4. Labour practices 6.4.3. Employment and employment relationships
■ Total number of days' and hours' training	99	3.6.2. A training offering in support of transformation	G4-LA9	
Equal treatment				
■ Measures adopted to promote gender equality	104	3.13. Diversity: a key issue 3.13.2. Workplace gender equality	G4-LA13	6.3.7. Discrimination and vulnerable groups 6.3.10. Fundamental principles and workplace rights
■ Measures adopted to promote the employment and inclusion of people with disabilities	103	3.13. Diversity: a key issue 3.13.1. Employment for people with disabilities		
■ Anti-discrimination policy	103	3.13. Diversity: a key issue	G4-HR3	
Promoting and complying with the provisions of ILO conventions concerning				
■ upholding freedom of association and the right to collective bargaining	105	3.14. Promoting and complying with the fundamental conventions of the International Labour Organisation (ILO)	G4-HR4	
	105	3.14.1. Upholding freedom of association		
■ elimination of discrimination in employment and professions	103	3.13. Diversity: a key issue	G4-HR3	
■ elimination of forced or compulsory labour ■ effective abolition of child labour	105	3.14.2. Repudiation of forced child labour		
General environmental policy				
■ The Company's organisation to take into account environmental issues and, where applicable, environmental assessment or certification processes	116	4.4. An innovative environmental policy	G4-1, G4-34	6.2. Organisational governance
	116	4.4.2. An Environmental Management System ensuring that practices are harmonised across the Group		
	116	4.4.3. Organisation for coordinating and implementing progress plans		

Grenelle 2	Sopra Steria 2016 CSR-SD Report		GRI 4	ISO 26000
	Page no.	Section		
■ Employee training and information initiatives concerning environmental protection	117	4.4.4. Employees committed to the environment		
■ Resources dedicated to preventing environmental risks and pollution	116	4.4.2. An Environmental Management System ensuring that practices are harmonised across the Group		
■ Amount of provisions and coverage for environmental risks, provided that such information is not liable to seriously harm the Company in any ongoing litigation		This subject does not relate to Sopra Steria's activities		
Pollution				
■ Measures to prevent, reduce or remedy discharges into the air, water and soil that seriously affect the environment	119	4.5.2. Business travel: an environmental and financial challenge	G4-EN23, G4-EN15, G4-EN16	6.5.3. Preventing pollution
	118	4.5. Group greenhouse gas emissions reduced in line with target		
	119	4.5.3. Increasing energy efficiency		
	121	4.5.4. A business with little impact on water consumption		
	125	4.8. The circular economy: a new challenge for the Group		
■ Consideration of noise and other forms of pollution specific to an activity		This subject does not relate to Sopra Steria's activities		
Circular economy				
■ Measures to prevent, recycle, reuse, otherwise recover, and eliminate waste	125	4.8. The circular economy: a new challenge for the Group	G4-EN 22, G4-EN 23, G4-EN 31, G4-EN-32	6.5.3. Preventing pollution
■ Waste prevention actions	125	4.8. The circular economy: a new challenge for the Group		
Sustainable use of resources				
■ Water consumption and water supply depending on local constraints	121	4.5.4. A business with little impact on water consumption	G4-EN3, G4-EN6, G4-EN19, G4-EN15, G4-EN16	
■ Consumption of raw materials and measures adopted to improve efficient use of these resources	119	4.5.3. Increasing energy efficiency		
	121	4.7. Low-carbon services that add value to our clients		

Grenelle 2	Sopra Steria 2016 CSR-SD Report		GRI 4	ISO 26000
	Page no.	Section		
■ Energy consumption, measures adopted to improve energy efficiency and use of renewable energy	119	4.5.3. Increasing energy efficiency		
	119	4.5.3. Increasing energy efficiency		
■ Land use		This subject does not relate to Sopra Steria's activities		
■ Food waste prevention		This subject does not directly relate to Sopra Steria		
Climate change				
■ Significant greenhouse gas emissions arising from the Company's business, including from the use of the goods and services it produces.	118	4.5. Group greenhouse gas emissions reduced in line with target and off-site	G4-EN15, G4-EN16, G4-EN30, G4-EN19, G4-EN3, G4-EN4, G4-EN6, G4-EN7	6.5.5. Mitigating and adapting to climate change
■ Adapting to the consequences of climate change				
Protecting biodiversity				
■ Measures adopted to protect or develop biodiversity		This subject does not relate to Sopra Steria's activities		
Regional, economic and social impact of activity				
■ Employment and regional development	98	3.5.1. Attracting more talent	G4-EC7	6.8. Community involvement and development
	106	3.15. Regional impact		
■ Residents and local populations	106	3.15. Regional impact		
Relations with persons or organisations that have an interest in the Company's activities				
■ Conditions for dialogue with these persons or organisations	87	2.4. Responsible dialogue with all stakeholders	G4-15, G4-16, G4-24, G4-25	
■ Partnerships and sponsorship	133	5. Social responsibility/ community engagement		
Subcontracting and suppliers				
■ Ensuring that purchasing policy takes into account social and environmental issues	89	2.6. A responsible purchasing policy		6.6.6. Promoting social responsibility in the value chain
■ Extent of subcontracting and recognition of social and environmental responsibility commitments in relations with suppliers and subcontractors	90	2.6.2. Assessment of suppliers by a third party	G4-EN32	
Fair operating practices				
■ Action taken to prevent corruption	89	2.5. Business ethics	G4-56 to G4-58, G4-SO4	6.6. Fair operating practices
■ Measures adopted to promote consumer health and safety		This subject does not relate to Sopra Steria's activities		

Grenelle 2	Sopra Steria 2016 CSR-SD Report		GRI 4	ISO 26000
	Page no.	Section		
Other action taken to promote human rights				
	82	1. Sopra Steria: committed to a more sustainable world		
	133	5. Social responsibility/ community engagement		
Other indicators mentioned in the report			G4-3, G4-4, G4-5, G4-6 G4-7, G4-8, G4-17, G4-18, G4-23, G4-28, G4-29, G4-30, G4-31, G4-33	

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Sopra Steria, a European leader in digital transformation, provides one of the most comprehensive portfolios of end-to-end service offerings on the market: consulting, systems integration, software development, infrastructure management and business process services.

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