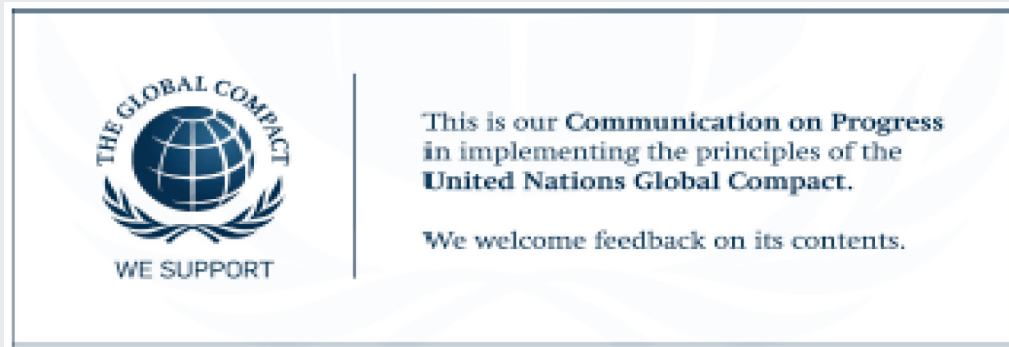


GLOBAL COMPACT 2014





COMMUNICATION ON PROGRESS 2014

Lyon, 9th December 2014

In 2010, the AKKA Technologies Group confirmed its commitment to support and promote the United Nations Global Compact and the 10 principles for Human Rights, labour rights, the environment and anti-corruption, which fit in seamlessly with the values upheld by the group since it was founded.

I hereby reiterate our desire to promote these principles and pursue the efforts made in what we do and how we work. Our commitment is part of a policy of ongoing improvement. Three main beliefs guide our approach to our responsibility: respect for human rights and business ethics in all of our organisations; our ability to create a respectful, nurturing working environment to encourage the development of skills and innovation; our commitment to ongoing improvement to reduce the impact of our activities on the environment.

Committed to responsible, transparent communication, we undertake to make this information public and accessible to all our stakeholders through the publication of our Communication On Progress 2014 on our website.

Maurice Ricci

Chief Executive Officer

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HUMAN RIGHTS

Principe 1 - *Businesses should support and respect the protection of internationally proclaimed human rights;*

Principe 2 - *Make sure that they are not complicit in human rights abuses.*

AKKA Technologies is an international Group with nearly 11,000 employees based in Europe, America and Asia. These experts strive towards innovation and support the big players in general industry and the service industry in all their innovation processes and the whole lifecycle of their products, from the design phase through to manufacturing.

In AKKA Research, the Group boasts its very own research centre that is fully dedicated to innovation and anticipating the technology of the future. AKKA's centres of excellence work throughout Europe on international work packages and offer their unique expertise in the key areas of Systems Engineering, Product Engineering, Process Engineering, Support Engineering, Embedded Systems and Electronics, Information Systems and Consultancy.

Its ability to lead major transnational projects with real strategic challenges for their clients establishes AKKA Technologies as an undeniable leader in the field of engineering and technology consulting. In the space of two years, the Group has doubled in size following the takeover of Aéroconseil in 2011, and the acquisition of 65% of MBtech, Daimler's R&D subsidiary, in 2012. To support the Group's new dimension and its future growth, AKKA has restructured by creating 3 main business units: France, Germany and the Rest of the World. After 30 years of growth in the service of innovation, in 2013, AKKA Technologies recorded a turnover of 879 million Euros.

In order to respect our annual commitments to report on our results, the scope of the 2014 Communication On Progress (COP) will focus mainly on France.

As of 31 October 2014, the Group employs 10,679 people in 20 countries (52% of whom work in France, 26% in Germany and 22% in the Rest of the World).

2014 ACTIONS

We make a commitment to our clients to respect fundamental human rights, and we have signed all the relevant documents about respecting human rights in our organisations.

Every employee can get in touch with staff representatives (union delegates, elected members of the Works Council or employee delegates) who are present in all the Group's organisations if they feel that they are suffering from discrimination or any other wrongdoing. Regardless of the chain of command, they can also talk to the Human Resources manager, auditor or any other public authority about any potential wrongdoing.

Within the context of promoting our CSR actions internally, details of how we respect international fundamental human rights agreements and our support for the 10 main principles of the Global Compact have been included in the welcome booklet that is given to all new recruits and is available on our Intranet, ANAIS.fr. In the same context, a description of our actions has been included in our Annual Report.

At Group level, a Code of Conduct has been put together for all members of the Group. This code is an ethics guide for all employees of AKKA Technologies and independent partners when they are acting in the name of the Group.

2014 RESULTS

In France, 100% of employees are represented by staff-elected bodies. Each of the 8 works councils has met every month. The Group Committee has met 4 times.

In each of our agencies, AKKA Technologies makes public its support for the 10 principles of the Global Compact.

Over the period of the COP, there have been no reports of any ruling that human rights have been violated or any order, fine or any other event.

2015 TARGETS

To make the CSR Report a communication tool in its own right.

LABOUR

Principe 3 - *Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;*

Principe 4 - *The elimination of all forms of forced and compulsory labour;*

Principe 5 - *The effective abolition of child labour;*

Principe 6 - *The elimination of discrimination in respect of employment and occupation.*

2014 ACTIONS

► Labour Relations

In 2014, the Group Committee met 6 times (including the fact that one meeting lasted for 2 non-consecutive days) in ordinary and extraordinary sessions, looking at points on the agenda corresponding to the tasks voted for by the Group Committee at the end of 2013, including in particular an analysis of the annual accounts, forecast figures, an examination of the group's economic situation, changes in jobs and staff numbers, and other points about the organisations, pending negotiations, changes to representative bodies etc.

► HR Development – Wellbeing in the Workplace

In accordance with the commitments made in the agreement on Psychosocial Risks signed in October 2012, the members of the central monitoring committee were given 2 days of training on Psychosocial Risks. Those responsible for HR (HR Directors and Managers), as well as members of the Health and Safety Committee were also given training, in accordance with the provisions of the agreement.

These provisions complement the guide for what to do between contracts aimed at managers and consultants between projects, which was drawn up in 2013.

In order to continue to encourage mobility among employees within the Group, a number of actions were implemented in 2014:

- Mobility requests facilitated on our HRMS Ingenium (requests for geographical mobility expressed at any time of the year / requests for professional mobility expressed during one-to-one interviews)
- Reengineering of the internal job board (AKKA Jobs) and the associated processes (greater coordination with recruitment & subsidiaries to make sure information is updated every month), rotation of offers showing clear improvement and the effective publication of international opportunities (at the end of October, improvement of 150% compared to the whole of 2013)
- Monthly monitoring of applications with mobility contacts in France and internationally
- Notification of publications to the whole HR Director/Manager community as well as to the international mobility unit (AKKA France) and to the “mobility advisors” at our subsidiaries for all international opportunities
- Greater communication: regular news flashes about mobility (English version since April 2014 for our subsidiaries), overhaul of the Mobility section on our intranet (including a new international mobility section), link on the Ingenium homepage etc.

We have re-launched the third AKKA Awards. This large-scale competition is open to all AKK employees and is designed to recognise and nurture talent.

As happens every year, a week of sporting and cultural activities was organised in the Toulouse area.

During the 2nd half of 2014, we introduced an induction scheme for new employees. This means that every new recruit is given an AKKA Welcome kit, linked up with an induction mentor and invited to individual and group sessions that they can find on an induction “roadmap”.

We have also launched a new HR communication tool, “AKtus RH”, which is sent out to employees every quarter with their payslip. The topics dealt with respond to employees’ frequently asked questions and practical HR issues.

► **Health/Safety**

We have launched a campaign to prevent musculoskeletal problems. We have organised 2 ergonomics days at 2 AKKA agencies, and these will be repeated in 2015. Alongside this, we are working on putting together a Group ergonomic procedure to make sure our employees’ workstations are appropriately equipped.

Following on from the renewal of our CEFRI and MASE certificates in 2012, we carried out follow-up audits.

All regulatory training is planned by our Risk Prevention department.

(500 training sessions a year)

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► **Nurturing talent**

We provided 43,000 hours of professional training (45,000 over COP 2013), so an average of 8 hours per consultant (8 hours in 2013). Within this context, 9,115 hours of training were given internally, including in particular within the context of training sessions at the AKKA Institute, our in-house training institute.

► **Developing our employees’ technological skills and areas of expertise**

Helping them to develop their understanding of advanced technological tools and methods is vital for us.

In 2014, the AKKA Institute focused on consolidating the development of training courses for each main area of expertise and the development of Knowledge Management to draw on the sharing of knowledge and know-how and capitalising on best practices.

As well as this, individual training courses were introduced to make it easier for employees to find a new position within their department.

► Evolving through training

For us, training is a tool with which to recognise individual skills and performance, helping all employees makes the most of themselves and be proactive in their career progression. Training helps to anticipate and support the evolution of our different areas of expertise and contribute to the steady growth of our employees' professionalism by the acquisition or development of new skills. It also improves the understanding and involvement of every individual in our business plan, which is the Group's real DNA and the foundation on which its values are built.

Indeed, it is essential for the Group to be able to develop our talents, within the context of new projects, with mobility or career progression in France and internationally.

We are also creating a real dynamic around training every day, making this an undeniable asset that makes us really stand out and a driving force to make sure our talented employees remain loyal to us.

The development of a Human Resources Information System (HRIS, or SIRH in French), mainly focusing on developing our Human Capital and the employability of our employees is a part of that. This tool gives every employee the opportunity to be proactive in his/her professional development (adding information to his/her personal space, mobility requests submitted at any time, preparation for interviews to deal with professional projects and help with implementation over time etc.) and provides access to shared, structured, synchronised tools to facilitate interaction.

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Within AKKA Research, our in-house research centre, consultants who are between projects can play an active part in monitoring future technological challenges.

Within the context of its innovative recruitment policy, young interns have the chance to complete their internships at AKKA Research. Supervised by experienced project managers, they can take part in innovative technological projects.

► Diversity and non-discrimination

At the end of October 2014, AKKA Technologies encompasses 60 different nationalities (compared with 57 in 2013). More than 16% of our new recruits are foreign.

In accordance with the agreement not to discriminate against older employees and our commitment to professional equality between men and women, we are putting together a comparative report on the current situation including equality for access to training. The report, which is presented every year to representative bodies, shows the corrective measures to take where applicable, as well as the measures that have been taken.

At the beginning of 2014, we came to the end of the negotiation process which began in early 2013 looking at employing people with disabilities, with the unanimous signature of an agreement, signed by all the AKKA Group's trade union organisations in France; this agreement was approved by the administrative authority (DIRECCTE) in May 2014, after it was presented to the validation committee. It is valid for a period of 3 years and sets ambitious targets in terms of employing people with disabilities. Roll-out began once it had been approved.

Convinced of the richness that the diversity of its employees offers, AKKA Technologies' Disabilities Mission (or Mission Handicap in French) has reiterated its commitment on the occasion of the Disability Employment Week (Semaine pour l'Emploi des Personnes Handicapées, or SEPH in French). Thanks to a number of actions for employees with disabilities, the Group has defined a number of ambitious targets: supporting employees with disabilities, adapting their workstations, improving working conditions, recruiting new employees on permanent and temporary contracts, sandwich course contracts and internships, integration within the company and the working environment and combining our strengths. In practical terms, the Group launched a major poster campaign throughout all of its agencies, specifying its commitments.

A partner of the association Nos Quartiers ont des Talents (literally, our neighbourhoods have got talent) since January 2011, AKKA has launched a mentoring scheme for young people (Bac+4 minimum) from underprivileged areas who have problems joining the workforce. Volunteer employees support young graduates from difficult backgrounds to become part of a professional environment.

A partner of the Lyon-Duchère sports association, based in a popular part of the city, for 5 years, AKKA helps the club organising educational sporting activities in keeping with the Group's values.

In accordance with its values, AKKA is contributing in its own way by helping to reopen a social driving school (Auto-Ecole Sociale, or AES in French) in Lyon. An approved driving school, an AES offers people with social and financial difficulties learn to drive. However, as well as traditional driving lessons, young people will also be assessed on their diligence and behaviour.

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2014 RESULTS

► Labour Relations

100% of our employees in France are covered by a collective bargaining agreement; the majority of them are represented by elected bodies (works councils, staff delegates, DUP, occupational health and safety committee). The Group uses the SYNTEC's collective bargaining agreement.

On 29 January 2014, the Group signed an agreement about disabilities.

2014 was mainly focused on negotiating the establishment of staff representative bodies within the context of an economic and social unit (Unité Economique et Sociale, or UES in French), which was legally established on 27 January 2014.

This involved elections for works councils and staff delegations within the context of this UES, and so working with trade union organisations to define how the groups were split and how seats in the constituencies were divided.

In November 2014, negotiations were still ongoing.

► Wellbeing in the workplace

In the Toulouse region, 23 cultural and sporting activities were organised, bringing together 393 participants from Monday 23 June until Thursday 26 June 2014.

In October 2014, we worked with 24 employees on their move from France to one of the Group's international subsidiaries and helped 44 young graduates keen to gain international experience on the volunteers for international experience (VIE) scheme.

Renewal of financial support for 9 sporting, cultural and solidarity projects in keeping with the group's values.

► Health/Safety

From 1 January to 31 October 2014, AKKA recorded 2.22 workplace accidents causing absence, and a severity rate of 0.055.

Within the context of its national awareness-raising campaign for "ergonomic workstations", the Group launched:

- 1 poster campaign entitled "Adoptons la bonne position" (literally, let's adopt the right position)
- 2 musculoskeletal problem prevention days organised at our Gerschwin agencies on 17 June and also 1 day at our new Blagnac Aéroconseil agency on 19 June, both led by an ergonomist.

More than 80% of employees questioned found the day useful and are putting into practice what they learned.

► Nurturing talent

Over the COP period, AKKA Technologies provided 43,000 hours of professional training (45,000 over COP 2013), so an average of 8 hours per consultant (8 hours in 2013).

Within this context, 9,115 hours of training were given internally, including in particular within the context of training sessions at the AKKA Institute, our in-house training institute.

In accordance with our Skills Development policy, AKKA Research mobilised 43 project managers for 4,178 days and 487 consultants who were between contracts for 9,880 days (so an average of 21 days).

► Diversity and non-discrimination

As of the end of October 2014, AKKA has 10,679 employees (21.2% of whom are women and 78.8% men), of 60 different nationalities.

In France, more than 16% of the Group's recruits were foreign.

The Management Committee France, made up of 3 people, is 66% female.

In France, 0.69% of the Groups' employees in France have a disability, and 8 employees with disabilities were recruited in 2014.

Within the context of the Nos Quartiers ont des Talents association, 9 employees mentored around twenty young people, 15 of whom found a job.

The Group renewed its support for the Lyon-based association, Ressort, helping managers and young graduates find work. 8 AKKA employees volunteered for HR activities within the association, helping to put HR professionals in touch with people looking for jobs. As well as this, interviews were organised with key people within the Group to help define their personal projects.

2015 TARGETS

► Labour relations

2015 will see the ongoing roll-out of the agreements signed in 2013/2014, and they will be followed up by committees.

► Wellbeing in the workplace

Roll-out of the 2nd phase of the "On Track" project, helping to put the Group's managers and employees right at the heart of the organisation's business plan. This project is based on 6 main actions that will punctuate 2014-2015.

After a pilot phase at the end of 2013 at one of its companies, the Group rolled out an HR Information System during 2014 for all of its French offices. The employees play a key role in this, and they can fill their own personal area on the system (documents, mini-CV, diplomas etc.), access useful information (specific reference material, links to internal offers, to the OnTrack contribution platform etc.), and express their views of different aspects of their work and their prospects when preparing for their annual employee interviews.

► Health / Safety

Continuing an awareness-raising campaign on ergonomics in 2015 to prevent work-related illnesses caused by musculoskeletal problems.

Over the COP period, no ruling, order or fine was reported in relation to obstructing the right to freedom of association, impeding the right to negotiate, the use of forced or compulsory labour, child labour or discrimination in terms of employment or occupation.

ENVIRONMENT

Principe 7 - *Businesses should support a precautionary approach to environmental challenges;*

Principe 8 - *Undertake initiatives to promote greater environmental responsibility;*

Principe 9 - *Encourage the development and diffusion of environmentally friendly technologies.*

Our environmental policy fits in with our commitment to ongoing improvement. It covers three areas relating to the Group's activities: preventing pollution (greenhouse gas emissions and fire risk), reducing the impact of our activities on the environment and raising awareness among our consultants. To steer the Group's Environmental Policy, the "Environmental Prevention" department (Prévention Environnement in French) was set up in 2010. With 4 members, this department is completely dedicated to guiding our Prevention and Environment policy (Politique Prévention et Environnement in French). Reporting directly to the Senior Management France, this group has the job and the responsibility to make sure the Environmental Management System is implemented and upheld in accordance with demands.

2014 ACTIONS

► Environmental management

Reiterating the Management's commitment to the Health, Prevention and Environment policy.

Securing the ISO 14001 certification in December 2012 for Aeroconseil offices in Blagnac and Lyon Vaise. In July 2012, the Sindelfingen offices of MBtech, the AKKA Group's subsidiary, have also achieved ISO 14001 certification. This means that these organisations are committed to implementing ongoing improvements to their practices and preventing pollution by introducing practical actions adapted to what they do.

A Group employee association has launched an environmental responsibility campaign with in-house events and awareness-raising for all employees about Eco-Attitude, with a number of measures:

- Poster and email campaign during Sustainable Development Week and the European Week for Waste Reduction (talking about golden rules for sorting waste at some agencies);
- Preparation of a guide to being environmentally friendly called "le memento environnemental" (environmental handbook) at the end of 2012;
- Organisation of a cycling day and a mobility day.

► IT

Making 80% of what can be paper-free (so an increase of +5% / 1 January 2013) in data centres. Introduction of Green IT for all new agencies.

100% of equipment is collected and handled by third party companies dedicated to energy recovery for their components.

Roll-out of a system ("Cisco Jabber") to link up PCs to rooms equipped with videoconferencing facilities with the option to link up 200 different computers across the group. Linking up the AKKA videoconferencing system with its new subsidiary, MBtech.

Launch of a Private Cloud at AKKA, offering the facility to see and use all the Server and Storage resources of the Group's different data centres.

► **Benefit:** Using all the Group's capabilities before buying new equipment.

Study looking at the option to spill over to external data centres in the event of heavy usage.

Creation of a portal to automate the provision of resources.

► **Benefit:** Implementation speed and autonomy of project teams.

► **Travel / transport**

Introduction of a company travel plan at our Blagnac agency at the beginning of 2014.

A mobility survey connected to geolocation was conducted in April 2014 among this agency's employees. The results of this survey were announced during Mobility Day on 10 October 2014.

Promotion of the use of videoconferencing, reducing travel: introduction of remote videoconferencing systems for meetings from employees' PCs.

Promotion of car-sharing during Sustainable Development Day along with low-impact means of transport (rental of electrical vehicles, promotion of cycling and electric bikes etc.).

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► **Technological innovation**

In order to embrace the ecological and industrial challenges of the future, in February 2012 our engineers developed a self-driving car, the Link&Go. They are now working on a new version of the driverless car, the Link&Go 2.0.

2014 results

► **Materials & Waste**

100% of the office paper used in our agencies in France is PEFC and FSC certified. (Recognition of forest certification schemes for the sustainable management of forests).

► **Energy**

Thanks to a number of schemes introduced to reduce our energy consumption (centralisation of temperatures, reduction of how long lights last etc.), we have saved 12% of energy at certain agencies.

2015 TARGETS

Maintenance of the ISO certification (renewal) and annual Management review.

Study looking at introducing photocopiers where the printing is managed by a code or a swipe card (to avoid unnecessary printing and encourage the confidentiality of printed documents).

Continuing to raise awareness among employees about being environmentally friendly: the golden rules of sorting waste currently being rolled out across new agencies.

Roll-out of the Plan de Déplacement Entreprise (Company Travel Plan) action plan at the Blagnac agency.

Extension of videoconferencing systems for meetings from employees' PCs; improvement of the quality of old video equipment as well as an extension of the number of videoconferences at major sites.

Opening up videoconferences to external companies, connection to "Skype for Business".

Opening AKKA's Cloud portal for new projects in the software development sector.

Use of external data centre for occasion use using lots of resources (test environment).

Continuing our research into preparing a prototype for a carbon-free vehicle and official presentation at the benchmark international trade shows.

ANTI-CORRUPTION

Principle 10 - *Businesses should work against corruption in all its forms, including extortion and bribery.*

2014 ACTIONS

The Code of Conduct drawn up at the end of 2013 has been rolled out to all members of the AKKA Group. The Code covers corporate values, the principles of ethical conduct, the obligation to comply with the laws and regulations and the rules to be respected in terms of combating corruption and conflicts of interest.

The basic benchmark for internal control, the “Standards de Contrôle Interne du Groupe AKKA” (AKKA Group’s Internal Control Standards) continue to evolve in order to follow the Group’s growth and internationalisation. The purpose of the benchmark is to specify the operational management rules applicable to all members of the Group. The Standards are reminders of the basic principles of internal control (separation of tasks, formalisation of delegations and sub-delegations etc.) and list the internal rules to be respected for all key processes. The implementation of the Standards lies within the remit of the CEOs/CFOs of each of the Business Units.

A risk analysis was conducted at the Group’s three Business Units with the support of those responsible for all the management processes: Sales & Project Management, Purchasing, Finance, Staff Management, Information Systems, Security, etc. This analysis helped to identify procedures requiring more security or ongoing improvement.

2014 RESULTS

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The Group’s Internal Audit department completed a dozen audits in 2014, divided across the Group’s three Business Units: France, Germany and the Rest-of-World.

No cases of corruption were reported were imposed for a failure to respect the law or regulations.

2015 TARGETS

To emphasise the collaboration between the Group’s Internal Control department and the focal points of the Business Units with a view to raising awareness among operational employees about the Group’s management and corporate ethics principles.

To set up a Compliance Committee to help tackle cross-disciplinary and/or cross-border issues demanding the expertise of several departments/roles.

Preparation of a 2015 audit plan dealing with organisations and/or processes deemed sensitive as a priority.
Involvement of the internal audit department in ad hoc issues at the request of the Group’s Executive Committee.



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Our Communication On Progress 2014 on www.akka.eu