

GLOBAL COMPACT 2015

Report on workplace standards, human resources development and action to fight corruption.

FINANCE AND INSURANCE

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Period of time covered: January 2015 - December 2015

This document describes the action taken to comply with the principles of Global Compact. It follows the initial document issued in late 2004, as well as documents covering the period from January 2007 to December .

How do you intend to communicate your progress to the shareholders?

“Shareholders are constantly involved in the Henner Group’s operations by taking on a management role. They are perfectly informed and a part of the Global Compact program, and the measures brought in.”

GLOBAL COMPACT 2015 - THE CHAIRMAN’S COMMITMENT FOR THE HENNER GROUP

EDITORIAL

Since 2003, the Henner Group has been committed to supporting the ten principles of Global Compact in the areas of human rights, working conditions and environmental protection.

We are convinced that the overall benefits of a plan such as Global Compact lie in the results achieved at every level of the company, which is why all Group employees continue their efforts to increase the positive effects of our action and behaviour, and explore all possible areas of improvement.

In 2016, personally and on behalf of the Henner Group, the company I chair, I maintain my commitment to the cause of Global Compact, and ask all the Henner Group’s employees to further their efforts:

- ▶ To preserve the benefits of action already taken,
- ▶ To find new constructive and practical ideas that can be put into place.

In 2016, we will continue to work in support of the action taken as part of our ten-year strategic plan for 2020. One of our priority projects for this year is the implementation of the policy against corruption throughout the company. The project was initiated by our compliance manager – a position created in 2015.

By reiterating our commitment to this Charter, our Group and its 1,500 employees are resolutely committed to supporting the ten principles of Global impact through their everyday action, by applying the internal charter, and by adhering to these Values.

It is on behalf of the Group as a whole that I am taking on this commitment without reserve.

Charles Robinet-Duffo
Chairman and CEO of the Henner Group

HUMAN RIGHTS, WORKING CONDITIONS

OPERATIONS MANAGED IN 2015 (BOXED TEXT):

► Facilitating access to medical care for all members

As a reminder, the Henner Group has been particularly focused on expanding its network in developing countries since early 2004, owing to the growing number of Members residing in these countries.

Since 2009, a number of local and regional agreements were signed, considerably increasing the size of the network. The group's medical network has grown **more than 30%** since 2013, and now has some **36,000** healthcare providers in **164** countries outside the United States. These agreements provide employees and their families with access to healthcare, even in areas far from major cities.

In the United States, the Henner Group has signed deals with several providers (Global Excel, Olympus Managed Health Care, United Healthcare International), providing access to local networks including some 4,700 hospitals and 724,000 providers of outpatient care, and no fewer than **67,000** dentists across the country.

Our members benefit from the following services:

- Direct settlement for hospitalisation and out-patient care
- Exceptional rates keeping healthcare expenses and member copayment down.

The teams of network coordinators in **2015** cover the entire world, including **five correspondents based in Africa**, helping us to get closer to our customers, improve access to healthcare, and facilitate the reimbursement process, as well as **six** coordinators based in our various subsidiaries.

We have Henner locations in nine countries: South Africa, Angola, Gabon, Yemen, Côte d'Ivoire, Kenya, Singapore, Tunisia and France.

A medical team of 7 doctors (5 in 2012), 2 dental surgeons (1 in 2012), a pharmacist, a negotiator and 10 medical assistants (4 in 2012) are constantly monitoring various measures to ensure our members receive quality treatment in line with **international medical standards**, particularly with regards to hospitalisation. Their worldwide healthcare expertise, backed by a database of reasonable and customary rates charged in 166 countries, guarantees that the quotes they offer are consistent and avoids the risk of abuse and fraud.

► Crisis management during the Ebola epidemic in Africa

The Henner Group has brought in various measures to support the employees and families living in areas affected by Ebola:

- Close coordination with assistance companies in order to address the specific evacuation needs in the countries in question,
- Medical information to answer questions and concerns specific to the epidemic
- A weekly update on the Henner Group website of the network providers able to receive patients in the area in question,
- Psychological support via videoconference for employees and families to avoid situations of panic and anxiety.

► Access to treatment in Yemen during wartime

In April 2015, the Henner Group brought in various measures to provide access to treatment for beneficiaries affected by the conflict in Yemen since 2014:

- ▶ Close monitoring of providers by our local correspondent in Yemen,
- ▶ Clients are sent a weekly list of providers and their opening hours,
- ▶ New direct settlement agreements with medical providers to ensure available treatment,
- ▶ Close contact with clients in order to find solutions in cases of emergency or special needs

▶ Promoting local management

As part of the group's development, since early 2007, the Henner Group has recruited local employees in Singapore, Boca Raton (USA), Tunis (Tunisia), Nairobi (Kenya) and Lisbon (Portugal). In 2015, new locations were opened in Berlin and Dubai. A new office was also opened in Reims, France.

Local recruitment offers the following advantages

- ▶ **For employees:** Working for a company that respects human and workers' rights. All employees at our regional branches abroad are recruited locally, trained in Paris at the company's head offices, and supervised by the central teams. They all benefit from healthcare cover provided by the company which goes beyond the legal obligations of the country of residence. This is done to maintain equality among all Henner Group staff.
- ▶ **For the company:** Enabling us to providing our members with local, quality service, adapted to the country in which they live.

In 2015

- ▶ **Staff numbers at our regional branches abroad increased by 12.2% (19.7% in 2014, 32.7% in 2013, 17.4% in 2012, 14.7% in 2011, 2.5% in 2010).**

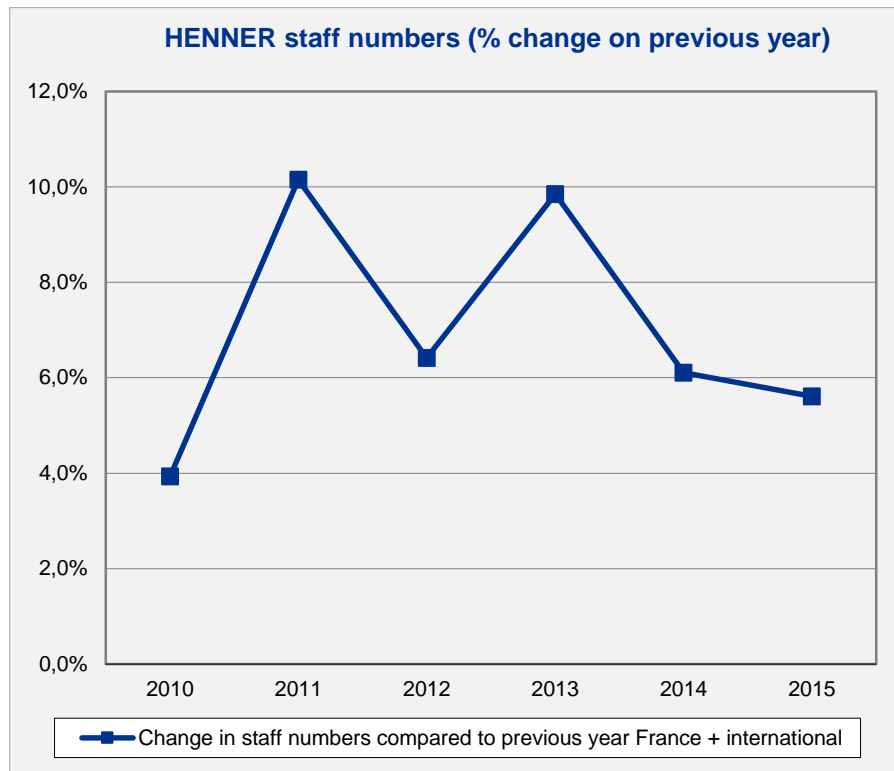
In France, the Henner Group continues to recruit staff regardless of their country of origin or culture.

In 2015

- ▶ **Staff numbers in France rose by 4.7% (4.5% in 2014, 14.2% in 2013, and +9.2% in 2012, 7.4% in 2011, 2.7% in 2010).**

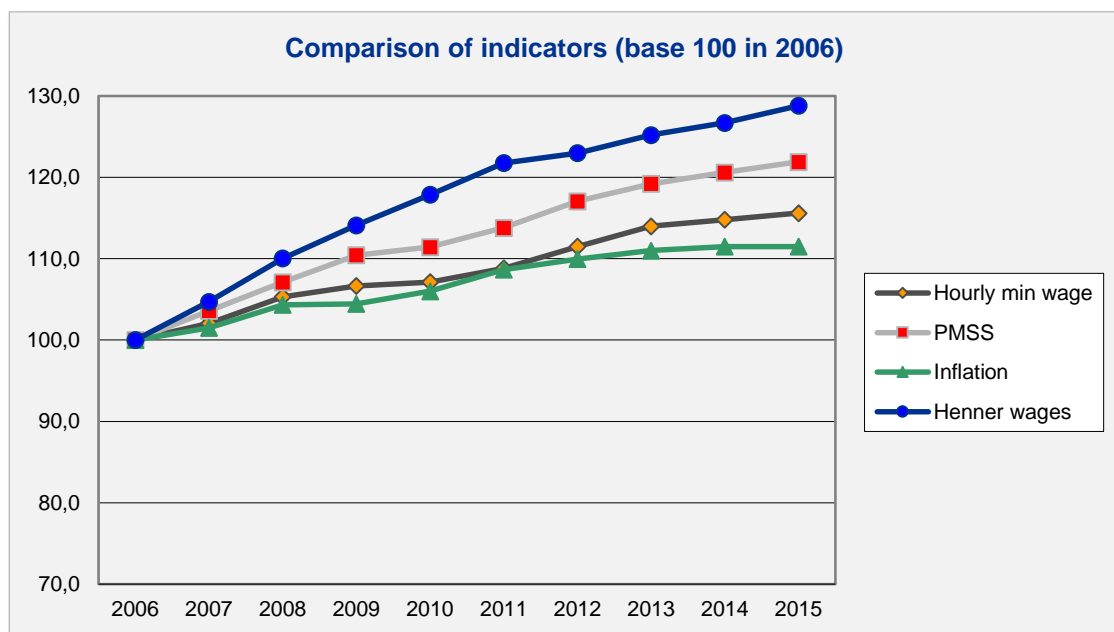
In **2015**, the total number of Henner Group staff members on permanent contracts grew by **5.6%**.

▶



► Wage policy

The Henner Group wage policy shows that wages increase faster than the official indices despite the harsh economic climate.



*Henner wages = average yearly increase

► The disability policy in the workplace

The Henner Group supports diversity and equal opportunities in the workplace. As such, all positions are available to individuals with disabilities.

The disability policy

Initiated by the board, and in particular the HR and communications director, the Henner Group's disability and diversity policy was launched in January 2014 at the annual employees' day.

Since then, the Henner Group has carried out an in-depth analysis in order to formalise its priorities for recruitment, training and employment of individuals with disabilities.

On 23 Sep 2015, the Henner Group signed a partnership agreement with the Paris branch of the Agefiph – an association for disabled individuals in the workplace – to determine six areas of focus for its disability policy.

The selected areas will help the group reach its objective of 4% employment of disabled individuals within three years of signing the agreement.

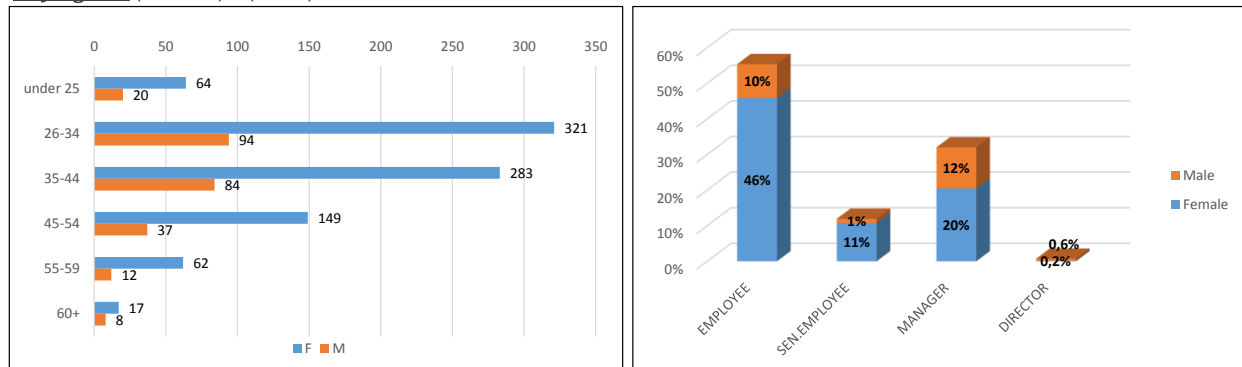
- **Recruitment** – The Henner Group systematically sends its job ads to Agefiph and similar associations in the region, to help set up suitable contracts and run specific recruitment drives for a more reassuring integration.
- **Employment maintenance** - The Henner Group has undertaken to formalise its employment maintenance processes in line with HR and occupational health and safety policies.
- **Communication** - The Henner Group will communicate both internally and outside the company about its commitments to diversity and disability.
- **Education, awareness** – The Henner Group will train certain employees, in particular Human Resources officers and managers to support the recruitment, integration and employment of disabled individuals. The Henner Group will also set up awareness campaigns for all employees of the group.
- **Protected and adapted sector** – The Henner Group is working on improving its dealings with the protected sector and is incorporating companies from the sector into its list of partners.
- **Coordination** – By introducing disability officers at the group's main locations, Henner is providing local support for its disabled employees.

Looking beyond the financial benefits, the priorities of the Henner Group's disability and diversity policy lie in the social and human benefits.

► Policy to ensure equality between women and men in the workplace

The Henner Group is unique in that nearly 80% of its employees are female. Indeed the insurance brokerage and administration sector traditionally employs more women than men.

Key figures (as at 31/12/2015):



In the basic principles underlying its values and culture: team spirit and solidarity, a sense of service, professionalism and the value of human relations. **To demonstrate its commitment as a socially responsible employer, the Henner Group has incorporated female-male workplace equality and the fight against all types of discrimination into its human resources social and development policy.** The Henner Group directors and its social partners has twice signed a collective agreement on male-female equality in the workplace (in 2012 and again in December 2015).

Based on a detailed situation analysis, the following areas have been highlighted in an effort to achieve workplace equality and promote the principle:

- Access to employment
- Access to vocational training
- Equal pay
- Career management
- Work and employment conditions for part-time employees
- The balance between the employee's work and private life

The Henner Group has undertaken the following:

- To ensure an identical level of classification and wages upon arrival for women and men.
- To ensure a gender balance at all levels of the company and give men and women with the same skills access to the same jobs regardless of their responsibilities.
- To encourage equal access to training in order to ensure equal opportunities for one's career, develop e-learning, carry out training during work hours, remove restrictions on travel, etc.
- Ensure full wages for paternity leave

► Policy for the employment of young people and seniors

In 2010, the Henner Group undertook to promote equal opportunities for employment and career management, regardless the age of its employees, **in order to allow individuals to lead a fulfilling career until retirement age in the best conditions possible and, at the same time, avoid penalising access to employment for young people.**

The Henner Group directors and its social partners in 2010 signed an agreement encouraging the hiring of seniors. In September 2013, it signed a generational agreement designed to promote the sustainable insertion of young people coupled with the hiring and employment of seniors.

Having analysed the age breakdown of its employees, the Group undertook the following initiatives:

► Sustainable insertion of young people

- **Permanent contracts for young employees:** more than 110 employees under 26 were hired on permanent contracts between 2013 and 2015,
- **Introduction of an induction program**
- **Traineeships and sandwich courses:** the Group hired more than 30 student employees on sandwich courses, and more than 30 trainees between 2013 and 2015,

► Employment of seniors

- **Hiring and employment of seniors:** senior employees (55 and over) make up 8.6% of the Henner Group's employees (31/12/2015). The rate of employment for the category increased slightly by 0.10% in 2012 and by 0.17% in 2015.
- **End of career arrangements and transition into retirement:** the Henner Group has introduced a gradual reduction of working hours and the partial maintenance of wages for senior employees who have worked full time over several years. The aim is to facilitate the transition into the employee's future retirement.

The Henner Group is keenly aware that diversity and equality in the workplace leads to social balance and complementarity.

► Develop and promote our approach to social responsibility

The Henner Group is committed to social responsibility, which takes into account the impact its decisions and activities can have on society and the environment. The relocation of its head office provided the chance to reinforce its sustainable development policy based on the following actions:

- No air conditioning in the offices (13,000 sq.m.) to reduce energy consumption, replaced with a more ecological air cooling system,
- Motion sensor lighting to reduce energy consumption,
- Limited parking to encourage employees to use public transport and reduce CO² emissions,
- "Ecological" company restaurant: carbon footprint monitoring, environmentally-friendly nutrition, recycling of unsold items,
- Coffee machines: cheaper rates for employees who use their own mug to reduce plastic cup use,
- Ecological garden: local plants requiring little watering, compost, insect hotel.

To take its social responsibility a step further, the Henner Group encourages all its employees to adopt an environmentally friendly attitude.

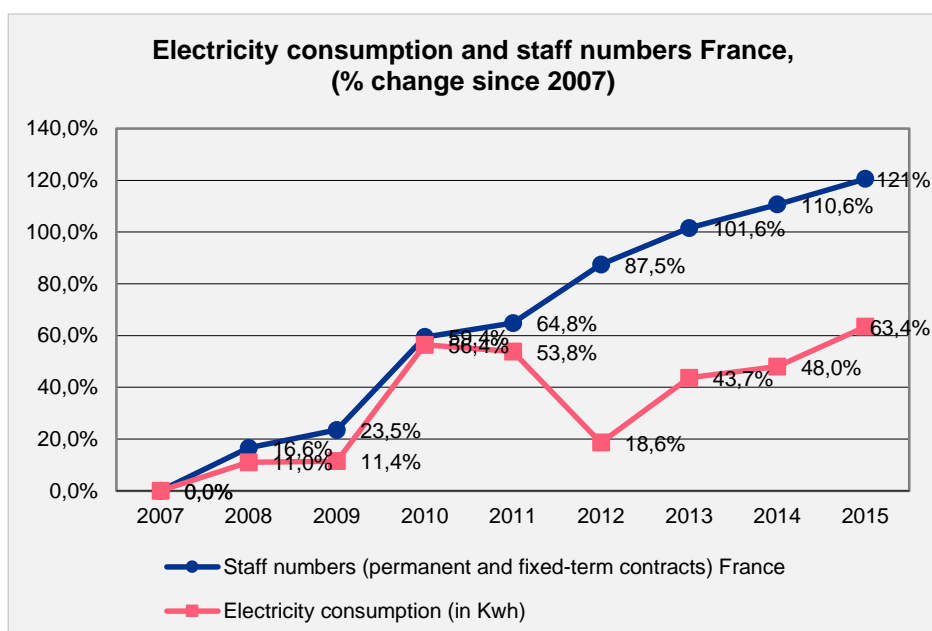
ENVIRONMENT

POWER CONSUMPTION

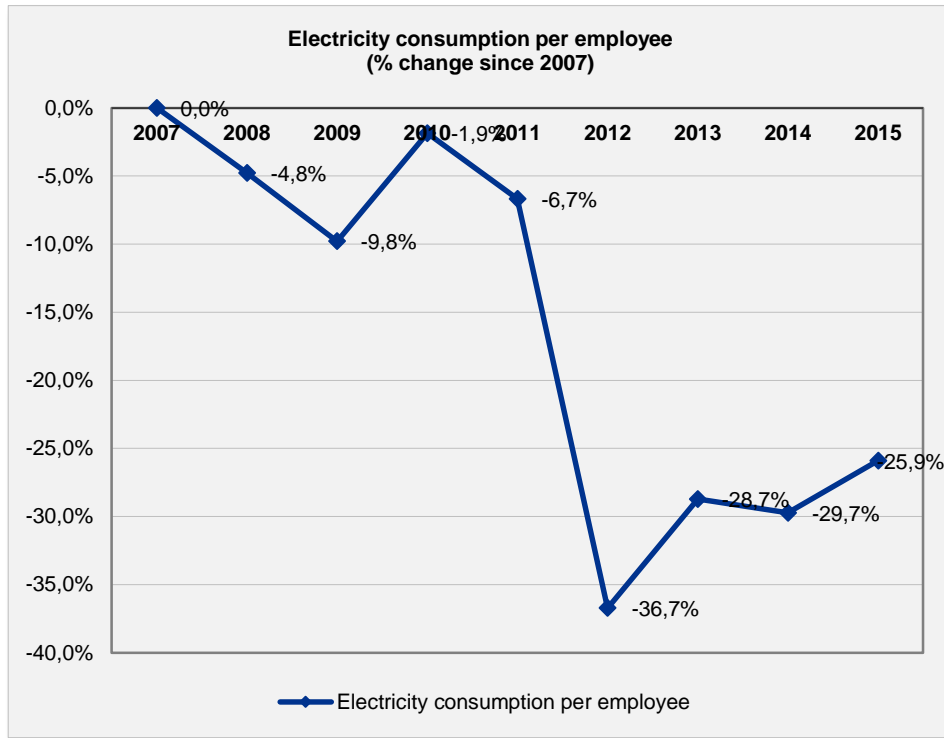
The power consumption policy and adapted resources have proven effective over the past few years, and was confirmed in 2015 despite a slight rise. The rise was caused by an exceptional incident that occurred on our electrical system requiring advanced equipment.

In 2015, electricity use increased by 10% from 2014, while the number of employees increased by 4.7% over the same period (see graph below).

Results achieved in 2015 (see change in power consumption in kWh and employee numbers in France).



The graph below show the change in power consumption per employee since 2007. In 2007, power consumption per employee stood at 2,955 kWh. By 2015, this fell to only 2,190 kWh per employee.



RECYCLING OF ALL IT EQUIPMENT (MONITORS, KEYBOARDS, TOWERS, ETC.)

Recycling of IT hardware is now systematic.

The recycling of IT equipment is done by an authorised company, certified by Moody Certification.

	2010	2011	2012 ¹	2013	2014	2015
Computer monitors (in kg)	590	780	0	808	84	0
IT waste (in kg)	1060	1332	0	6315	1287	1029

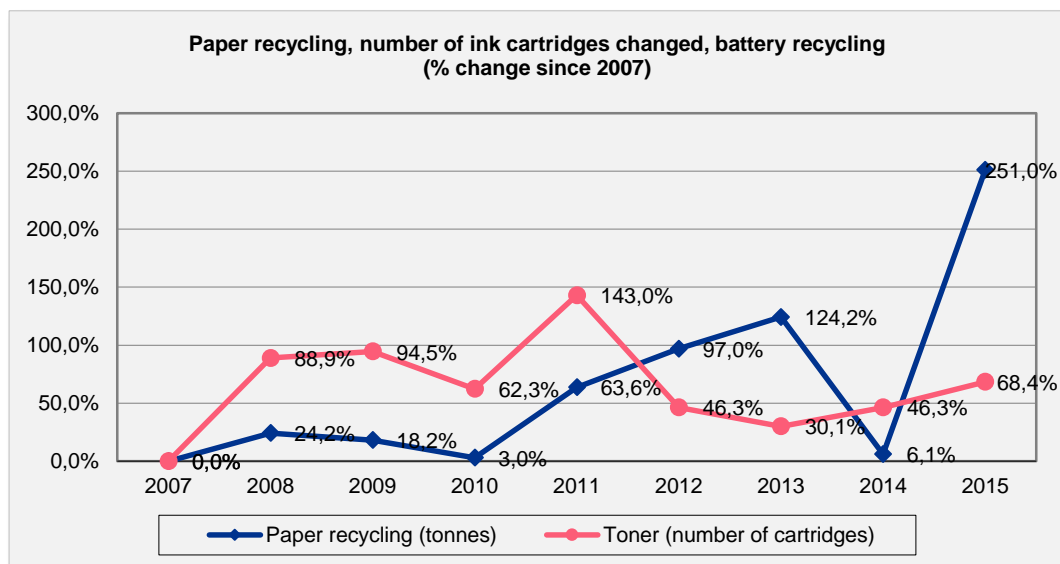
PAPER RECYCLING AND INK CARTRIDGES

Paper recycling increased considerably in 2015 (packaging, archives, etc.), owing to the removal of a significant number of documents from the archives for destruction. The large-scale removal of documents was initiated ahead of the relocation of our offices to Neuilly-sur-Seine.

Similarly, the number printer cartridges, which decreased significantly in 2012, rose again by 15% from 2014 while staff numbers grew by 4.7% over the same period.

¹ In 2012, there was no recycling of IT hardware as the entire range had been replaced (end of the recycling cycle).

Results obtained in 2015

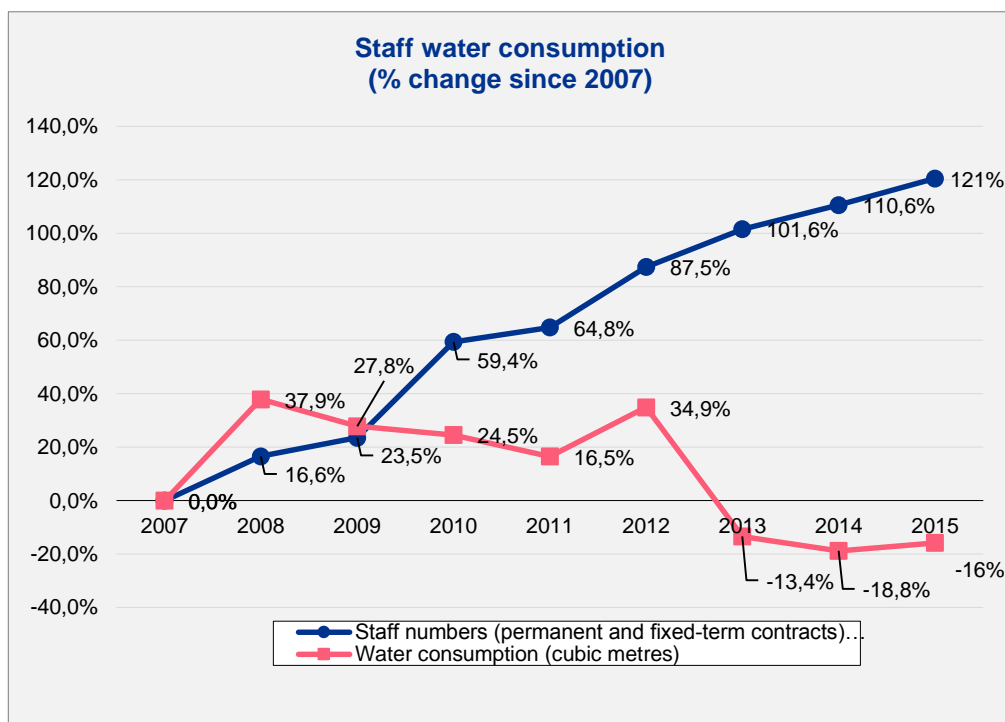


WATER CONSUMPTION

The water consumption policy along with simple and adapted resources have also proven effective over the past few years, including 2015.

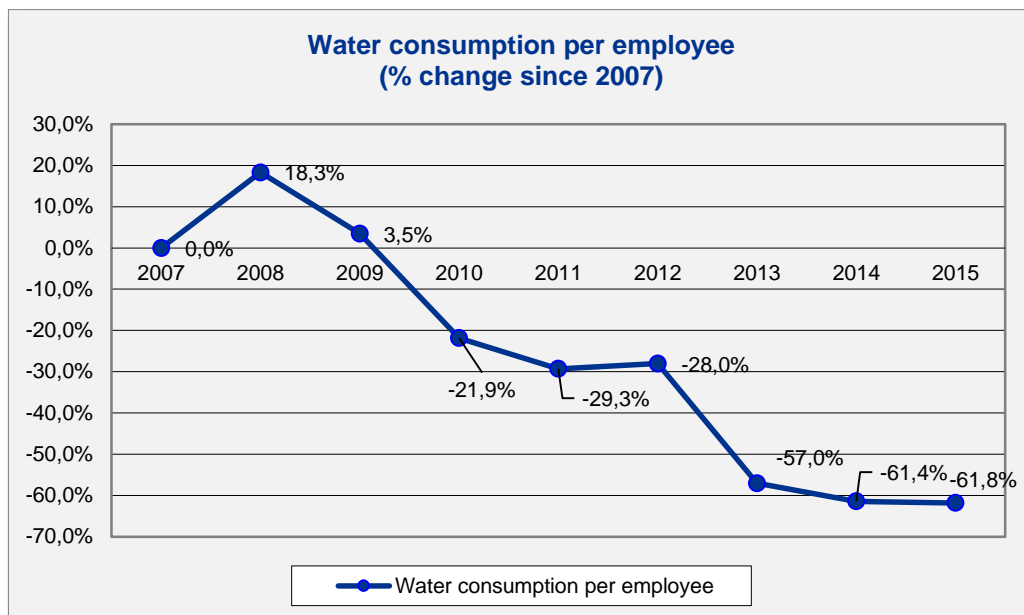
In 2015, water consumption dropped by 6.2% from 2014, while staff numbers increased by 4.7% over the same period.

Results obtained in 2015



As shown in the graph, there has been a reduction in water consumption since 2013, which is 16% lower than in 2007 despite the increase in staff numbers in France.

In 2015, water consumption per employee dropped by 61.8% since 2007.



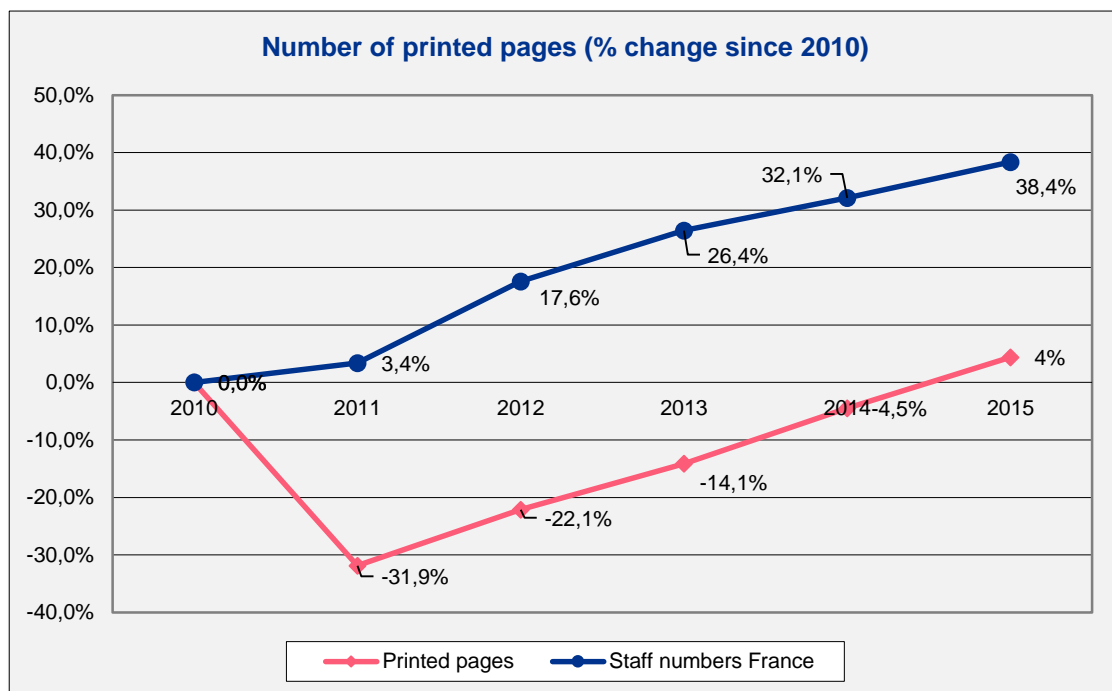
PAPER CONSUMPTION

In line with our policy to reduce printing costs, which was decided and set up in 2010, the printers we use are all-in-one photocopier, printer, scanner, and fax machines, with secure access and default settings such as double-sided printing, black & white, etc.

In 2011, the number of pages used fell by 3.8 million, i.e. a 31.9% decrease.

In 2015, paper consumption increased by 9.3% from 2014², while the number of employees increased by 4.7% over the same period. The Group is gradually replacing paper statements and cards with electronic versions, in an effort to reduce paper consumption.

² Correction to the 2014 Report: The number of printed pages stood at 8,237,948 in 2014.



FIGHTING CORRUPTION

► Corruption and conflicts of interest

Corruption is a scourge that affects most countries and economic systems. With over 60 years of experience as major player in the field of insurance brokerage and administration, the Henner Group is keenly aware of the importance of fighting corruption and the role it plays in doing so.

The Henner Group condemns all types of corruption including extortion and bribery, and encourages its employees to behave ethically and loyally in their everyday activities.

By fostering values such as loyalty, integrity, and professionalism, the Henner Group strives to maintain business relations with our clients, suppliers and partners based on respect and trust. In line with the Policy on the prevention, identification and management of conflicts of interest that applies to all its employees, the Group pays particular attention to the conflicts of interest that can arise when delivering the type of advice and other services that our group specialises in, both in France and abroad.

With this in mind, the Henner Group has set up rules governing the following:

- invitations to business dinners, which must be related to the company's projects and activities,
- reimbursement of travel and accommodation expenses, which must be directly related to the company's products and services,
- gifts in kind (offered or received) which are forbidden as they may be mistaken for attempted corruption.

For 2015, ahead of the introduction of the European Directive “Solvability 2”, the Henner Group undertook to incorporate clauses regarding the fight against corruption into its administration agreements and brokerage partnerships.

The Henner Group also intends to continue the fight against money laundering and the financing of terrorism (AML-CFT). As part of the AML-CFT procedures, it establishes the link between corruption and money laundering. It is important to note that any money from corruption is to be considered “dirty” money. The money is said to be laundered in order to be reincorporated into the legal economy before being invested or spent.

The Henner Group is also looking at implementing a system to identify politically exposed persons (PPE). Owing to their political, legal or administrative position, PPEs are inherently exposed to corruption and must be monitored closely to identify the origin and destination of any money received or paid.

► Fraud

Our fight against fraud and abuse covers corruption in all its forms in order to provide quality care.

In 2013, the Henner Group recruited a fraud manager based in Paris. The fraud manager works in tandem with a network of fraud contacts in each team in Paris and its regional offices (Nairobi, Tunis, Boca Raton, Lisbon, Dubai and Singapore). Officers receive specific training on how to detect suspected fraud, while the fraud contacts receive training on how to investigate those cases.

The teams in Paris and the local fraud contacts achieved the following:

- All new client service officers have been trained to detect suspicious cases (counterfeit invoices, verification of treatment provided),
- Improving fraud detection and investigation methods based on data mining tools,
- Medical analysis of cases by the medical department to detect inconsistencies, This analysis is based on expertise of the Henner Group’s doctors in medical practices around the world,
- The setting up of two steering committees (international and French domestic) to decide on cases of fraud,
- Itemised procedures detailing the client service officer's role and responsibilities, the internal audit department and the involvement of the medical department,
- Reporting to clients and risk carriers when further disciplinary or judiciary action is needed.

Changes in the cases analysed:

- In 2012, 13 cases of suspected fraud were detected in France and 268 abroad
- In 2013, 10 cases of suspected fraud were detected in France and 492 abroad
- In 2014, 170 cases of suspected fraud were detected in France and 5,000 abroad Abroad, these figures can be explained by the massive fraud detected specifically in one country. In France, the significant increase is mainly due to the intensive training given to all our teams to improve detection.

In 2015, the number of cases of suspected fraud detected by the Henner Group increased significantly for the same reasons: More than 6,650 cases abroad, and 230 cases in France. Henner has stepped up its verification of reimbursement claims, while the number of external alerts has increased, both of which have contributed to the increase.

It is also worth noting that in line with the Solvency 2 directive and recommendations of the French Prudential Supervisory Authority (ACPR), the Henner Group has introduced measures to fight against money laundering and the funding of terrorism.



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