



## GLOBAL COMPACT

# Communication on Progress 2016

# Word from our Chief Executive Officer



The ARaymond Network links 6500 people in 25 countries in 2016. Our goal as an enterprise is to generate value and meaning for our collaborators, for their families, for our customers, for our partners, for our communities, for the societies in which we are present and operate.

In 2016 we worked on our strategy for the 15 coming years, with the 143 top Executive Officers and Managing Directors who represent 25 countries and cultures of our enterprise. All participants involved their direct collaborators in this construction in order to get their comments, inputs and proposals.

This strategic construction carried by more than 300 people worldwide will be finalized and published in 2017.

Our strategic plan anchored in our values is based on a strong Manifesto claiming what we do believe and what we are aiming for:

**Our convictions:**

**Our company is a social web**, we connect ourselves and other collaborators, suppliers, partners and communities with care, pleasure and solidarity .

**Our company fosters people to reach greater achievements:** we contribute to generate a meaningful life for ourselves and others.

**We believe our company is part of the global ecosystem:** we connect ourselves to our planet and the nature from which we get our resources – to preserve it.

**We believe attitude beats skills:** respect, active listening and care are catalysts for collaboration.

**Our entreprise acquires its consistency** and cohesion from our passion for assembly solutions.

**Our entreprise gets its strength through dialogue**, cross-collaboration, and cross-fertilization: the output of a group of people is stronger than the one of individuals.

**Our intentions in action (for ourselves, our customers, suppliers, partners and communities)**

We provide consistency to make people flourishing a reality: we support and train leaders through the active practice of servant leadership values, nonviolent communication and mindfulness.

We build green buildings, we invest in green equipment, we develop eco-products. We will work in the most advanced projects, concerning this matter in each of our markets;

We involve each talent in the development of our entreprise. All roles are important.

We develop and encourage community projects providing a common interest and sense.

We create and adapt our technologies, services and business model for the needs of our customers in the future.

In 2016 we continued actively our participation in the Mindfulness and Economic Peace Chair.

We continued to develop our Servant Leadership training program in Grenoble and started some local

trainings in the US and in several European countries.

We continued our initiative to support locally in several countries different education programs for young disadvantaged people in need.

All new building construction we launched in China, Europe and Turkey have LEED certification goals.

We decided in 2016 to launch a full worldwide compliance program which shall be finalized and activated during 2017.

The ARaymond entreprise renews its engagement towards the Global Compact and its 10 principles regrouped under the 4 themes: Human Rights, Labor, Environment and Anti-Corruption.

Antoine RAYMOND

CEO



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- 1 - Human Rights and Labor: Principles from 1 to 6
- 2 - Environment: Principles from 7 to 9
- 3 - Anti-corruption: Principle 10





# 1

## Human Rights and Labor: Principles from 1 to 6

### Actions and Results





# ARaymond mobilized for a better safety performance!

## Safety Leadership Project: from wishful thinking to reality!

**Safety is at the core of our concerns and our values : respect our people!**

This is not only a wishful thinking! How to walk the talk!

Safety figures as well as points of focus and examples of best practices have been reviewed for more than 2 years at the top management level.

Our safety performance remaining flat and as the global results did not show any significant improvement, the ARaymond network thought it was necessary to impulse and inspire a new dynamic throughout the network - it started in 2016 with :

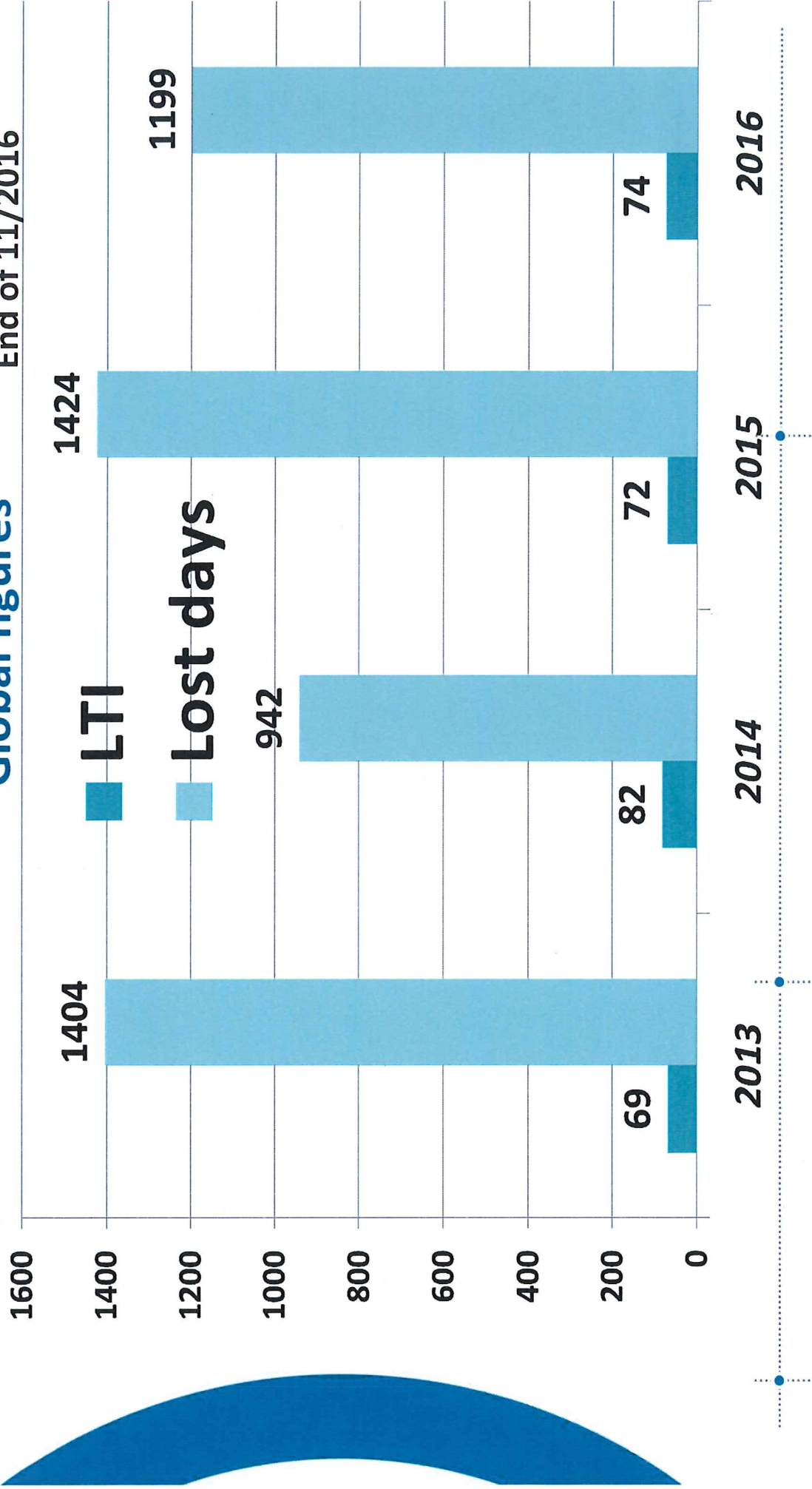
- The creation of the Safety Promise
- The creation of the commitment Charter
- The Engagement from the ARaymond safety network to roll-out the project
- The Engagement of the Top Management to support the project



# Safety Leadership Project

## Global figures

End of 11/2016



# Safety Leadership Project

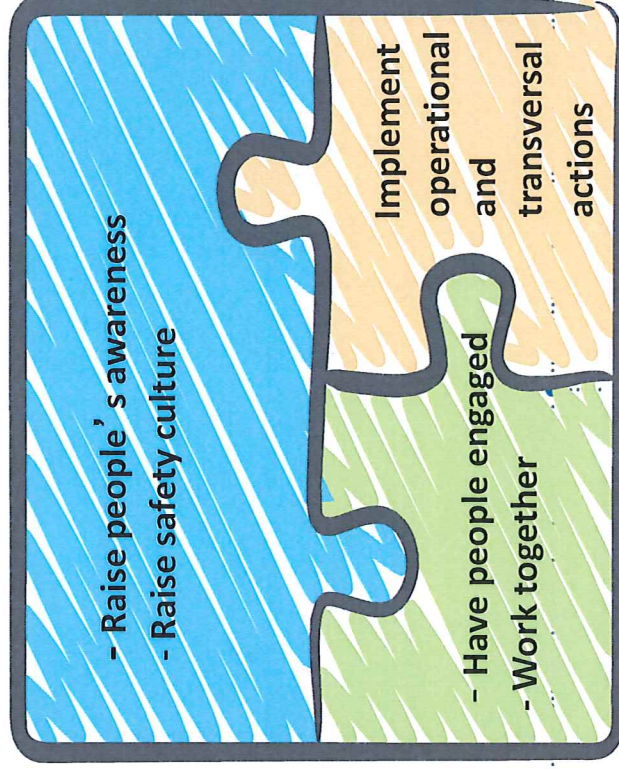
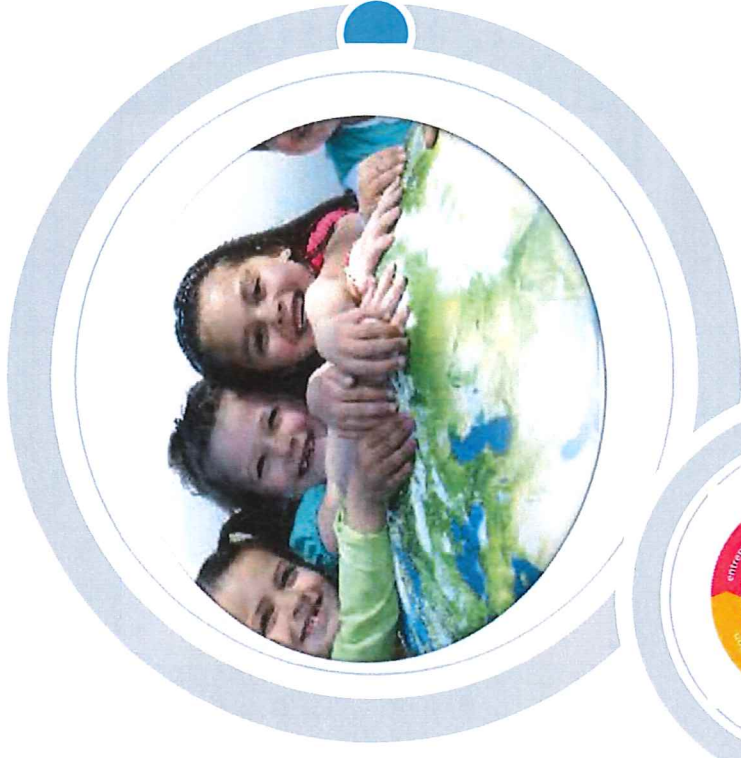
- History and Meaning

## Some dates

- 2013: creation of the Safety Network
- October 2014: Safety as a subject at the EXCO
- **October 2015: A new impulse needed! Why?**

2015 LTISR

+ 50% vs 2014



total responsibility and exemplarity  
in **CARING** for people and assets





# Safety Leadership Project

## SAFETY PROMISE

### WHAT?

ARaymond commits to creating the conditions needed to care for people's safety kindly and totally so that it becomes naturally embedded into everyone's mind.



### TO WHOM?

For employees, customers and any stakeholder involved in the company's activities.

### WHERE?

In all job practices at every level of management, our decisions and actions focus on ensuring workers', users' and contractors' health and well-being in our processes and solutions.

### WHEN?

At strategic consideration level and in the day-to-day operations, permanent care of others, full transparency, and continuous improvement are the key elements of our Safety Culture.



# Safety Leadership Project

## SAFETY COMMITMENT CHARTER

- C1:** I have an exemplary safety behavior in line with the safety promise and with the safety guiding principles, wherever I am, whenever I make decisions and take actions.
- C2:** I systematically take into consideration people's safety and the assets preservation when I design, procure and implement an asset's investment.
- C3:** I pay full attention to ensure the users' safety with the products and services which I contribute to develop, produce and deliver.
- C4:** I relentlessly focus on ensuring the safety of the people who work around me, wherever I am in the network and without distinction of organizational affiliation.
- C5:** I take any opportunity to make my working pairs and any stakeholders aware about the critical importance to implement the safety promise and to respect the safety guidelines.
- C6:** I build my safety management approach on encouraging a safety mindset and a preventive approach to safety in line with the « servant leadership » principles.
- C7:** I commit to notifying any instance when I perceive or detect a danger related to occupational health or preservation of assets wherever I am in the company network.



# Network's Engagement

and engaged regarding  
2016 AR NETWORK SAFETY commitments

*(Illegible signatures)*

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11/11/11

I am engaged to deploy step by step

in order to  
engagement -

*[Handwritten notes and scribbles]*



# Safety Leadership Project

## Exco's Engagement

To the Safety Network,

As members of the EXCO and following the presentation of the great work carried out by the Environmental, Health & Safety Community to develop the Safety Promise and Engagement Charter, we would like to thank each of you for your outstanding contribution to protect our colleagues and our assets.

As members of the EXCO we commit to:

- *total respect and commitment to the Safety Promise and the 7 pillars of the Engagement Charter;*
- *bringing our full support to deployment through the Safety Network, according to the planning decided;*
- *implementing any and all means recommended by the Safety Network, validated by the EXCO, to prevent to every extent possible, safety incidents and to ensure the health and wellbeing of our people and assets;*
- *regularly follow the EH&S initiatives progress, reporting of key elements, and help to eliminate any roadblocks limiting progress, whilst respecting the group values, in order to improve our results, at the service of our colleagues and customers.*

Many thanks,

Best regards

The EXCO Members



# Safety Leadership Project

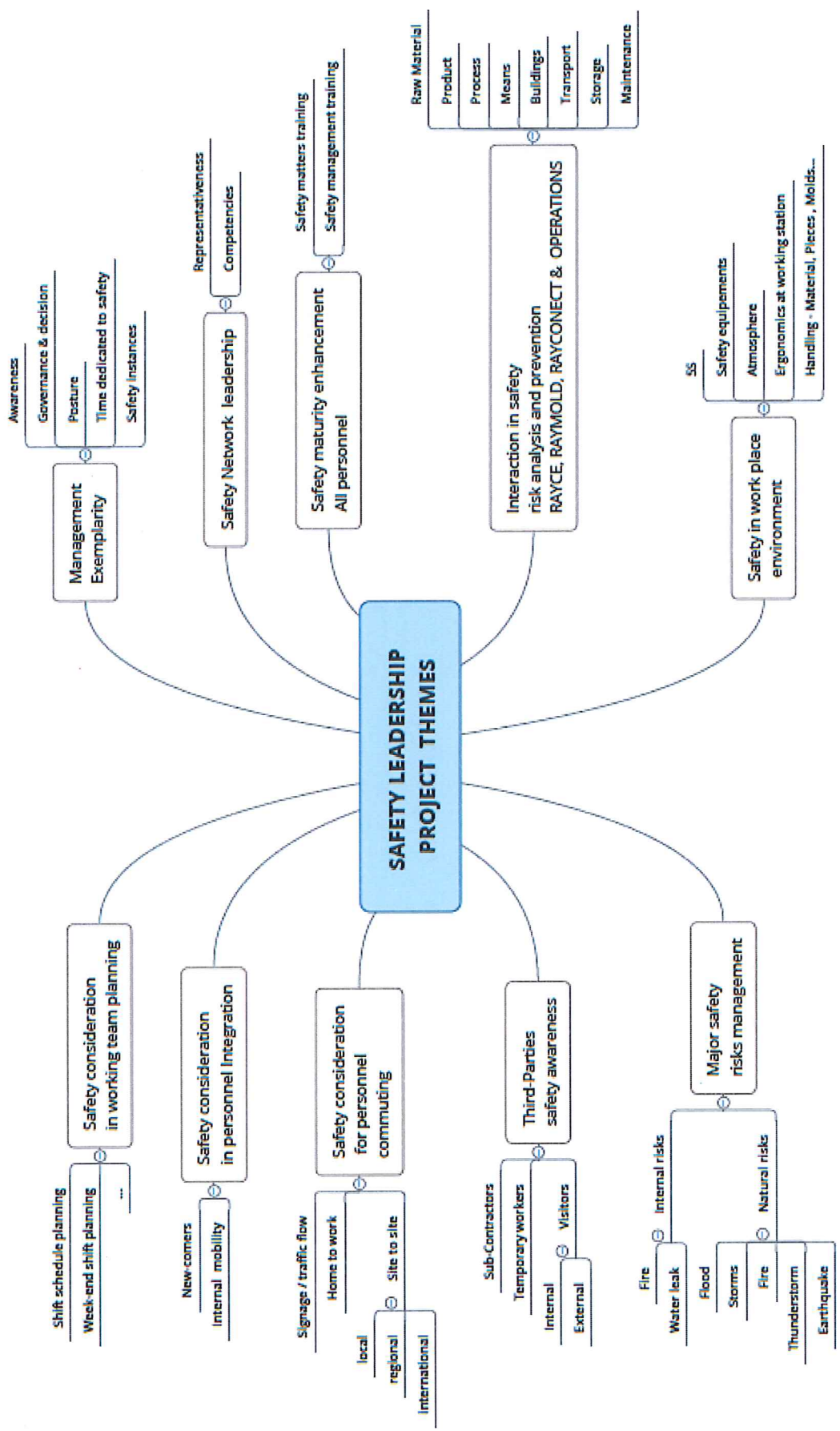
## - PROJECT NEXT STEPS

- This is not a top-down approach to Safety. We want it to be cooperative, in order to have everyone in the Network involved and committed to improve safety on a daily basis.
- Commitment comes from shared and voluntary experience with a true meaning. How ?
  - Work on concrete safety action themes (next page) through specific workshops in order to :
    - bring the understanding of the promise and of the commitment charter
    - share feelings on safety matters through real life testimonies
    - promote personal action towards safety improvement through efficient and innovative teamwork



# Safety Leadership Project

## Workshop Themes





# Safety Leadership Project

- In 2017, the whole ARaymond network will work on the following themes:
- *Management exemplarity*
- *Safety network leadership*
- *Safety in the workplace environment*
- *Safety maturity enhancement: all personnel*

These workshops will raise the safety awareness, this will also allow to start worldwide thinking in a collaborative mode. The inputs will feed the lessons learnt and best practices.

The work to monitor safety at the network level will increase the global network skills and safety awareness.

# ARaymond mobilized against disability!



ARaymond<sup>®</sup>  
MORE THAN FASTENING





# ARaymond: mobilized against disability

ARaymond is mobilizing to integrate and maintain the employment of people with disabilities.

In 2016, French entities of the Network have decided to communicate about handicap at work with their employees through multiple actions.

A leaflet have been created to inform people about disabilities and which help the company can provide to employees with an handicap.

A breakfast has been organized with the participation of an entrepreneur who was severely injured during a plane accident. His message is aimed at making people aware of the difficulties of disabled people but also at showing them that these people are not so different and that they need to be integrated in the work environment.

Last but not least, presentations of employees projects linked to handicap have been organized: especially the “handi-chien” program.

Safety Leadership Project

# ARaymond: mobilized against disability

Tous mobilisés  
pour le handicap



« Apporter de la valeur ajoutée à la communauté,  
c'est aussi accueillir les différences comme  
une richesse pour l'entreprise »

Antoine RAYMOND, Président du Réseau ARaymond

ARaymond  
MORE THAN FASTENING

## ARaymond et le handicap

L'entreprise est engagée dans une démarche en faveur du respect, de la diversité et de l'égalité des chances. Dans cet objectif, ARaymond se mobilise pour intégrer et maintenir dans l'emploi les personnes en situation de handicap.

ARaymond met en place des actions (aménagement de poste de travail, réorganisation des tâches ou des horaires, travaux d'accessibilité, analyse ergonomique des postes, etc.), afin que chaque personne puisse trouver sa place dans le monde du travail.

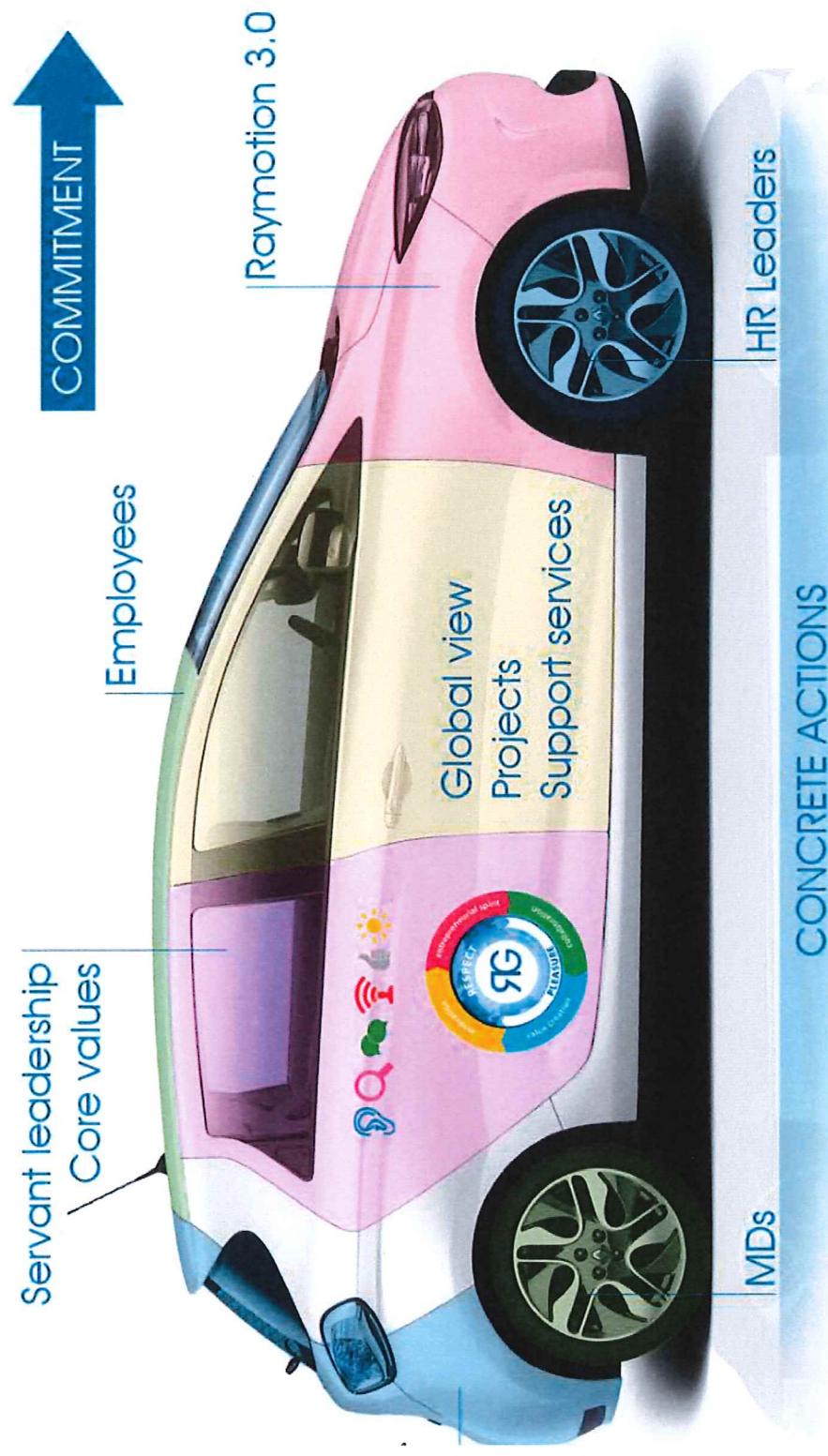
**« Fidèle à ses valeurs, ARaymond s'engage à recruter, faire évoluer et maintenir dans l'emploi des personnes en situation de handicap, tout en assurant leur bien-être au travail »**

Géraldine EYRAUD, Directrice RH du Réseau ARaymond

ARaymond  
MORE THAN FASTENING



# ARaymond mobilized to have its employess grow!





More than 300 “Servant Leaders” have followed the Servant Leadership Program until now. Launched in October 2012, this project aims at developing a new management approached based on encouraging, supporting and listening to people.



## Some testimonials



Testimonial on Servant Leadership –  
**Angela Chiera**, MP&L Manager,  
Rayconnect Rochester Hills

**-Did you learn anything new about yourself or your managerial style as a result of Servant Leadership?**

No. I have had past “mentorship” in this type of managerial style but it was not specifically called “Servant Leadership”.

**-How has Servant Leadership helped you? What benefits are you seeing? Has it impacted your staff?**

Has helped me to learn how to trust and delegate responsibilities. I don’t need to be the problem solver for everything. Some people are happy to have their input heard, to feel they are part of the solution.

**-What was your favorite part of the training program?**

Learning the different personality types and how each type may solve an issue.



Testimonial on Servant Leadership –  
**Corry Diller**, Manufacturing Engineering Manager, ABU  
Rochester Hills

**-Did you learn anything new about yourself or your managerial style as a result of Servant Leadership?**

One of the things that I realized about myself, prior to attending Servant Leadership, is how I had the tendency to approach new tasks and/or ideas with a negative mind set. As Managers, or even employees, we get so involved with day to day tasks and situations that it can often have an impact on our overall behaviors or mindset, which can directly affect staff, colleagues or even customers, unknowingly in a negative way. Being honest and transparent, as I prepared to attend the Servant leadership training classes my initial outlook was closed minded. I instantly took a mindset that the training was taking me away from my daily work and that I didn’t have time to dedicate to 1.5 days away from the office. I was very pleased with how the overall training went and really enjoyed the speaker and coordinator. I feel that today I have a more open, positive mindset and approach my work and staff with encouragement.

**-How has Servant Leadership helped you? What benefits are you seeing? Has it impacted your staff?**

How Servant leadership has helped me the most is I’ve learned to have a positive attitude and try to create a positive work environment. I realized that my negative mindset fostered a negative working environment, which is just the opposite of the type of environment we would like to create for our employees.

I have also worked on some simple engagement strategies, such as saying “good morning” and walking the shop floor each morning with a smile, greeting employees. It seems so simple but I think before Servant Leadership training I would get caught up with the task at hand and I was wasn’t necessarily coming across as a helpful and friendly manager. I have also focused on being more encouraging to my employees and giving compliments when they have done a good job and rewarding them with gift cards when they have gone above and beyond their job duties. I feel like my new attitude has helped my staff feel more appreciated and has had an overall positive impact.

**-What was your favorite part of the training program?**

I enjoyed meeting fellow ARaymond employees who share some of the same leadership qualities, working together and discussing possible solutions.

Some testimonials



Testimonial on Servant Leadership –  
**John Reimann**, Quality Manager,  
ABU Rochester Hills

Testimonial on Servant Leadership –  
**Bill Lindberg**, Industrial Engineer and ATOMS Coordinator,  
ARTM Flemingsburg

**-Did you learn anything new about yourself or your managerial style as a result of Servant Leadership?**

The key learning I received was the matrix that showed how management styles have gone from the Pyramidal Style, onto the matrix style, now moving towards the Network approach. Being old enough to go through all three approaches, I found the Organizational Style matrix chart a good way to show the positive trend towards becoming a Servant Leader in today's work place.

**-How has Servant Leadership helped you? What benefits are you seeing? Has it impacted your staff?**

One of the actions that came out of my Servant Leadership activity was to co-lead with the Operations Manager the daily Tier 2 meeting at 9:00am, which allows our Cross-Functional Team to escalate the key operation issues that have impacted their workload in the last 24 hours. Although this meeting only lasts 15 minutes, it gets the key issues in front of the Servant Leaders so the appropriate resources can be applied to get a quick resolution back to the team.

**-What was your favorite part of the training program?**

I always like the Myers-Briggs activity. This was the third organization that I have worked for where I was asked to participate in the MBTI activity and have always found it fun by understanding the results of my preferences and comparing how to relate to other co-worker preferences that I work with on a daily basis.

I haven't finished the class but I believe I could respond to a few of these questions. I'll have a lot more to say after I complete my homework and attend the next session. I really think that this is the leadership style that all successful companies will be embracing in the future.

**-Did you learn anything new about yourself or your managerial style as a result of Servant Leadership?**

The MBTI gave me an understanding of my strengths and weaknesses. With this insight I can better prepare for challenges and take full advantage when an opportunity to use my strengths arrives. It also helps me to categorize people I'm working with and start to understand their strengths and weaknesses as well.

About managerial style, the only leadership style available to someone in my position is the servant leader style. Understanding how to make it work is invaluable to me. I believe that using what I've learned in this class will help me to achieve more rapid and sustainable implementation of the ATOMS program at our plant.

**-How has Servant Leadership helped you? What benefits are you seeing? Has it impacted your staff?**

I'm still waiting to implement my action plan and I expect to really see some positive changes in meetings that I conduct and group work that I will be leading. I hope to have a lot more to say here in the next few months. I'm positive that this will change the way I interact with everyone in the workplace.

**-What was your favorite part of the training program?**

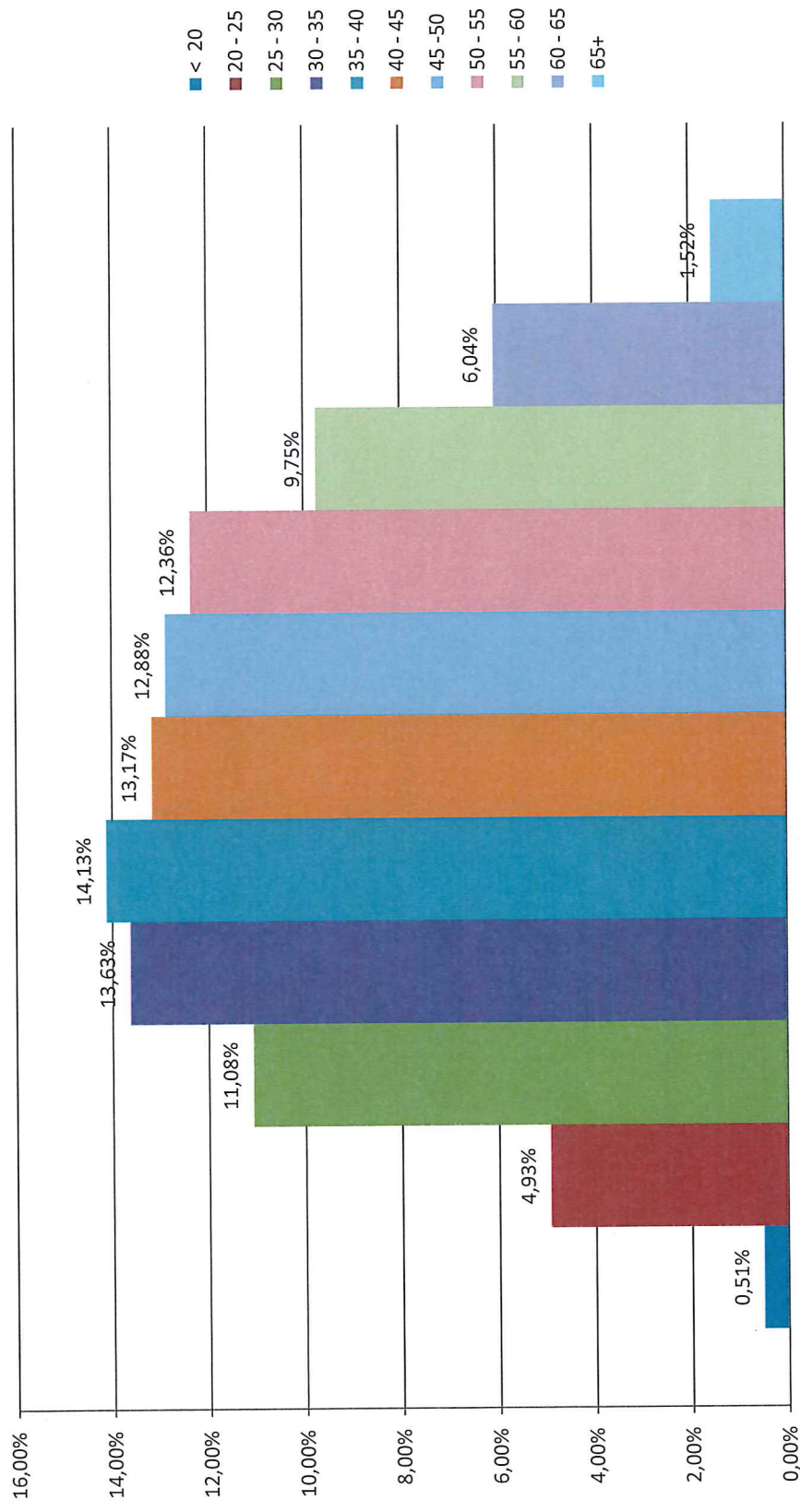
As the only American in my class I really enjoyed the diverse group of attendees. I also enjoyed the interactive and engaging way that the class is conducted. I never felt bored or zoned out. I thought the guest speaker on "Well-being in the work" place did a fantastic job. I feel that I am not only attending a valuable class but I am joining a global support group. I am very grateful for this opportunity.



Title of presentation - Legal entity

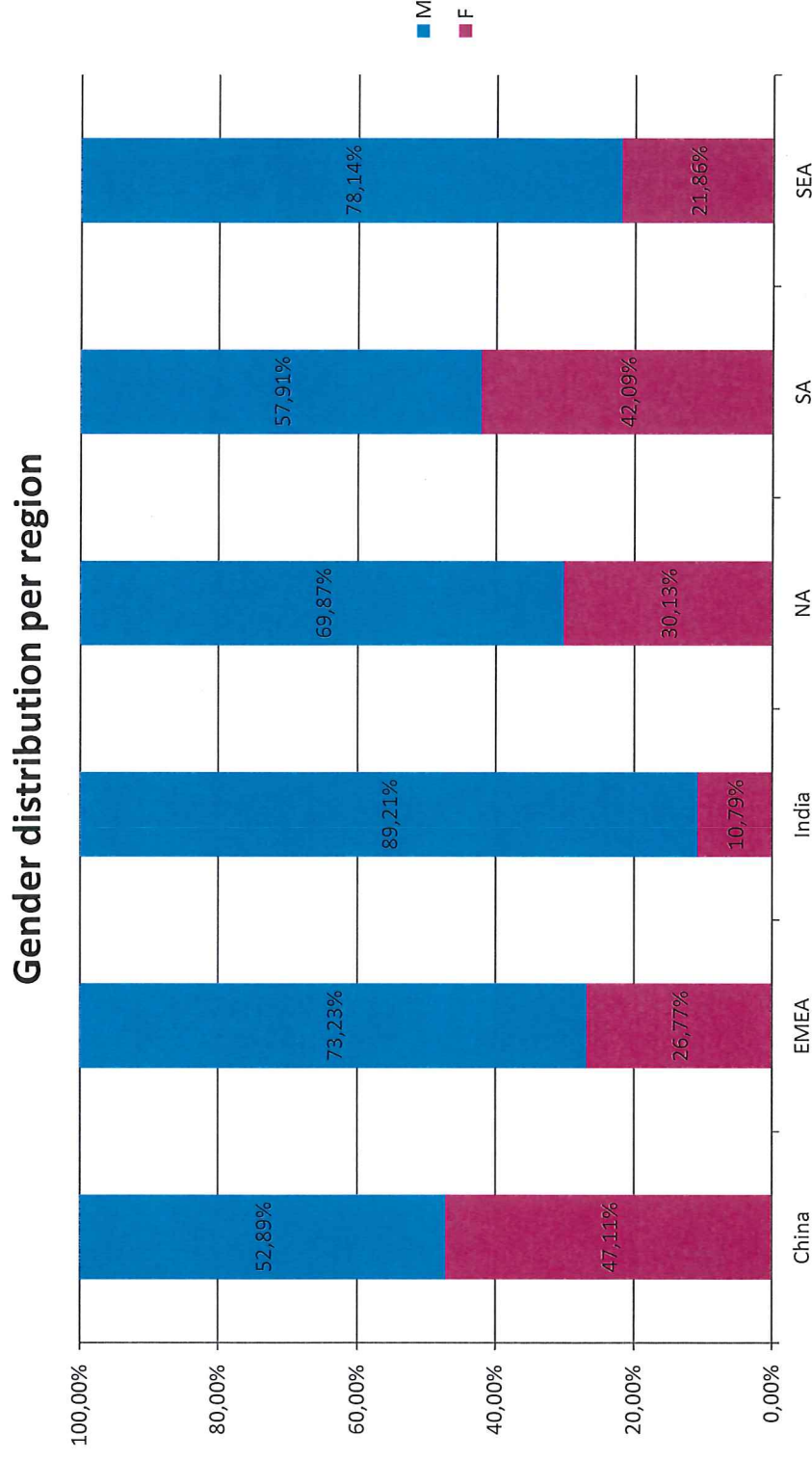


# ARaymond Network : Age pyramid - 2016



AR network average = 42.6 years

# ARaymond Network : Gender distribution - 2016

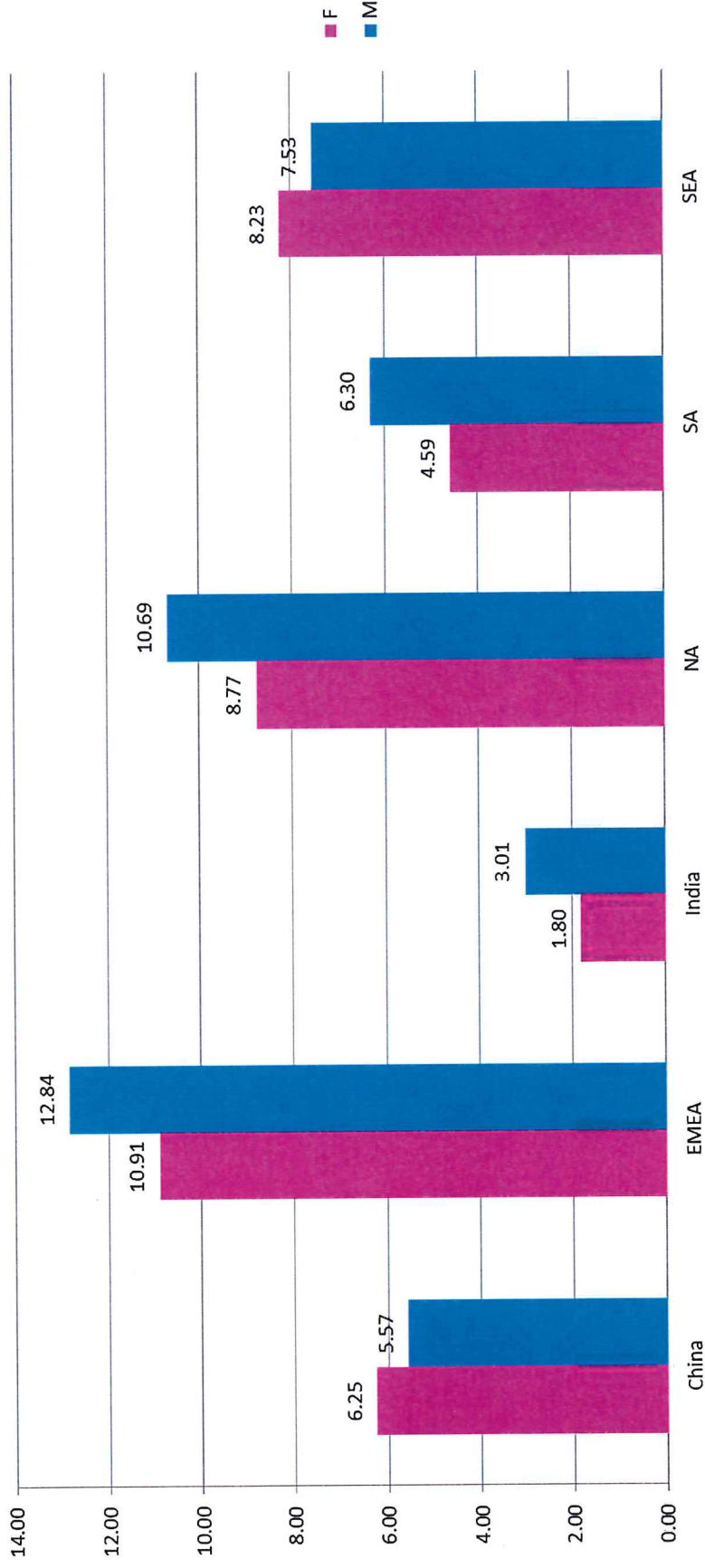


AR network average = 70 % Male / 30 % Female



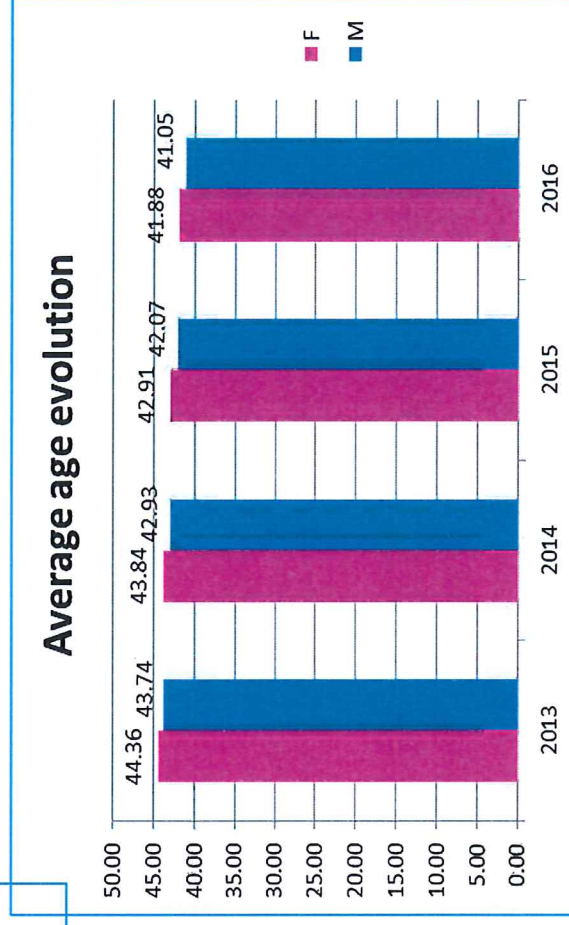
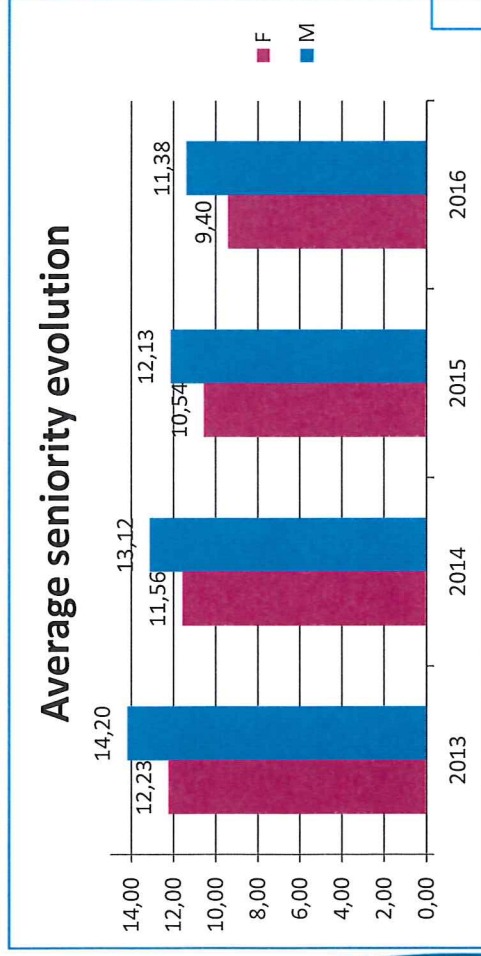
# ARaymond Network : Seniority

Average Seniority by Region 2016



AR network average = 10.77 in 2016

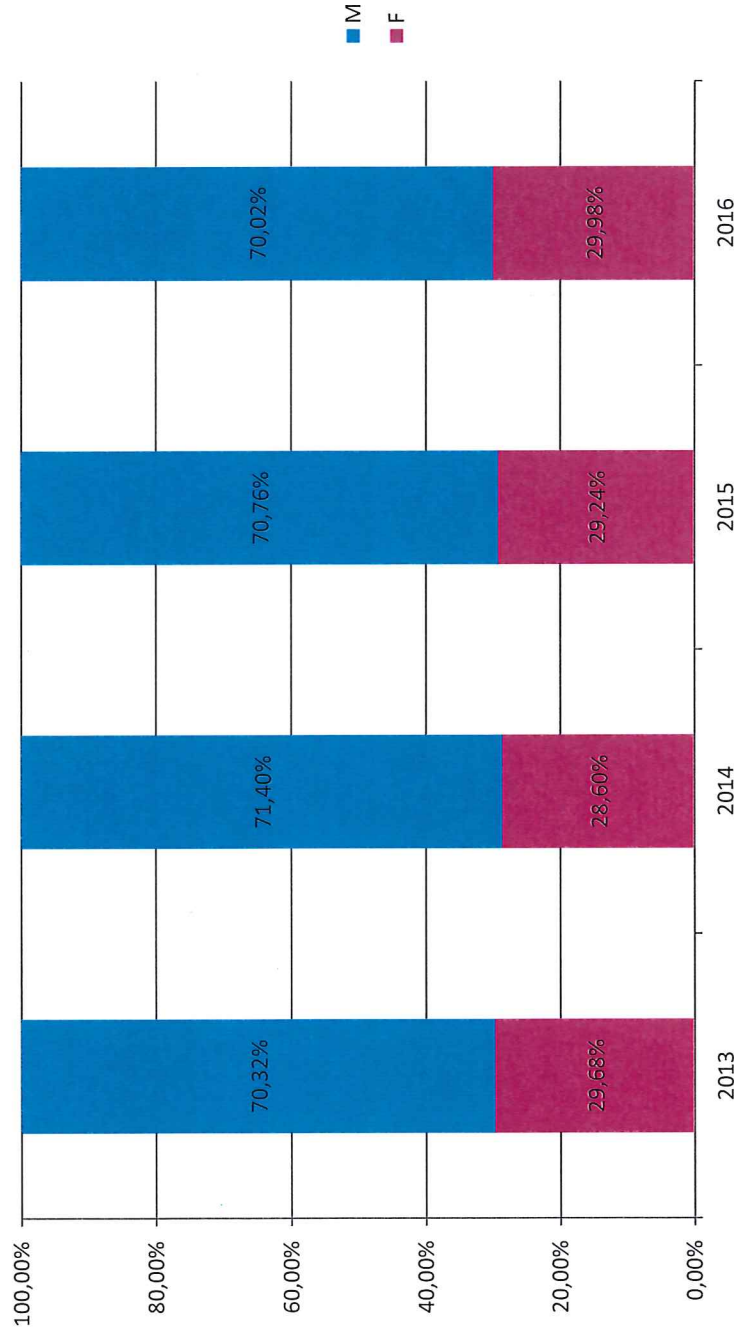
# Average age and seniority evolution





# Gender distribution evolution

Gender distribution evolution



# 2

## Environment: Principles from 7 to 9

### Actions and Results

- Eco Design
- Highlights on local actions
  - CONIPHER
  - Green Building week
  - Photo contest





# ARaymond mobilized for Environment

Eco design approach for quick connectors



# Eco design, why ?

Environmental Guidelines exist within the AR Network.  
Global discussions on global warming potential, greenhouse effect, ... being held currently in the world.

## What can we do ?

Eco design approach should be « integrated », from product design, to the product end of life.

This eco design approach is not only a technical matter, it concerns the whole company.



Nous, tous, employés du Réseau Araymond, souhaitons contribuer pro-activement à un monde meilleur en agissant de manière éco-responsable et en partageant les éléments clés du succès ci-après avec la communauté mondiale. Nous nous efforçons, à tous les niveaux de nos activités, de préserver et d'améliorer l'environnement.

### DIRECTIVES ENVIRONNEMENTALES INTERNES

*Visibles des...*

**Employés Araymond**

- Prendre en compte les impacts environnementaux de nos activités et de nos produits.
- Promouvoir et encourager la formation et la communication.
- Minimiser et réduire au maximum le gaspillage des ressources.

**Processus et Bâtiments Araymond**

- Prendre en compte les impacts environnementaux de nos activités et de nos produits.
- Optimiser la consommation des matières premières et consommables.
- Réduire la consommation d'énergie et d'eau.
- Choisir des fournisseurs responsables.
- Utiliser le bac à café de réduction d'émission de CO2.
- Être proactif en matière de réglementation de production.

**Partenaires Araymond**

- Prendre en compte les impacts environnementaux de nos activités et de nos produits.
- Choisir leur prise de conscience et encourager leur dynamique à travers la production.

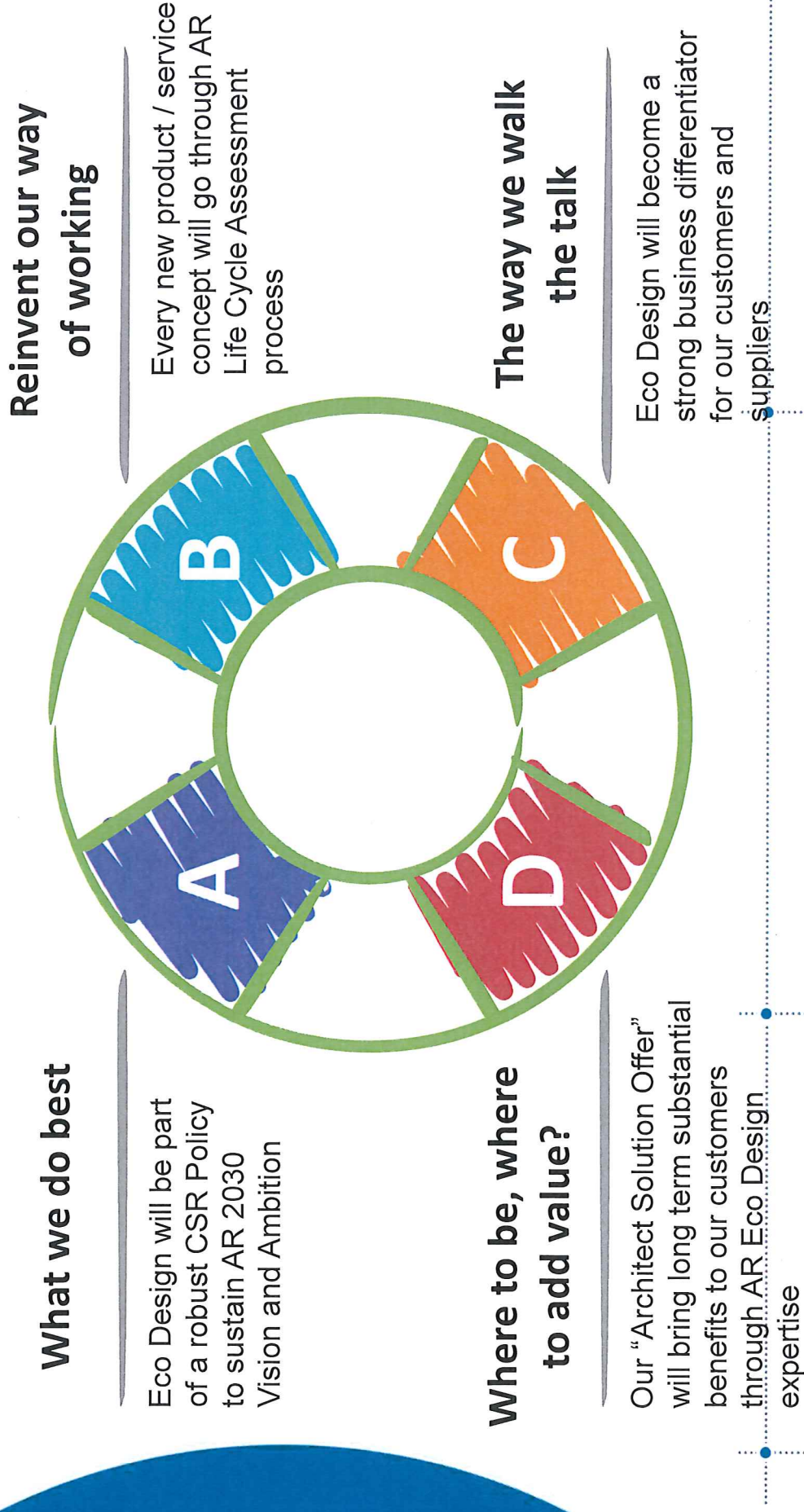
**Partenaires Araymond**

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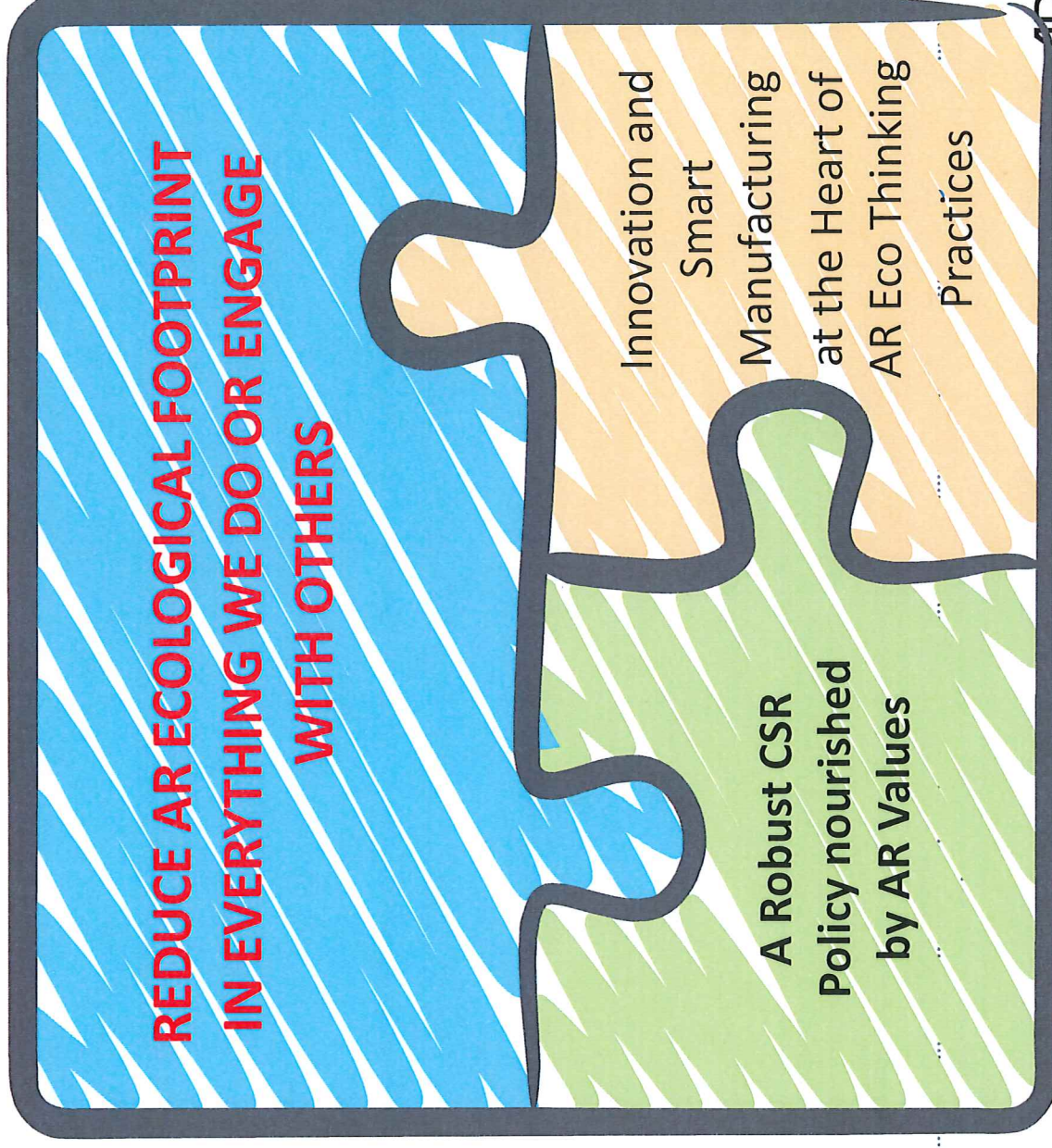
ARaymond 9G Rayspect



# WHY: How Eco Design connects to ARaymond Vision?



# WHAT: Scope to be explored



Title of presentation - Legal entity



# Strategic Initiative

What differentiator does this initiative aim for ?  
(Unique proposition)

Leverage Eco Design constraints within AR entire value chain to boost our creativity and provide new innovations and more business opportunities

Link to the Strategic Axes and the 2030 ambitions it supports

- Enhances AR Image (customers, OEM's, Partners) = Positive Business Discriminator
- Enables Sustainable Innovation (Eco Innovation) and Sustainable Production (Production without destruction)

Link to 4 pillars:

- Vision
- Guiding Beliefs
- Strategic Assets
- Stakeholder commitments

- Engages our collaborators, customers partners & shareholders on the long term (especially Generation Y)
- Strengthens the alignment with our Values (Innovation and Respect)
- Corporate Social Responsibility: Enhance Manufactured Capital & Natural Capital

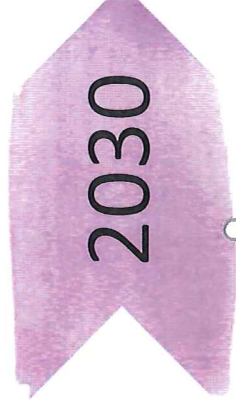
Scope to explore

“Produce more with less”: to improve AR Products, Services and Systems while reducing impacts on the Environment and Health.



# HOW: Workgroup Recommendations

- Define Ecological Targets for our Top Suppliers
- Systematically use Virtual Prototyping to reduce design iterations with physical prototypes
- We are leader in depollution systems and low permeation fluid handling solutions



- Certify a Life Cycle Assessment Tool for AR Products and services
- Provide Ecofriendly IT devices and equipment
- Engage in Paperless Office Strategy
- Build up an Ambitious CSR Policy
- Set up a Global Office Waste Recycling Program
- Development roadmap in place to reduce by at least 50% the ecological impact of our new products & services
- Eco Design Thinking and Practices is a strong business discriminator for supplier nomination across all regions and markets

# ARaymond mobilized for Environment

## Highlight on local actions

ARaymond India



Our subsidiary located in India received both ISO 14001:2004 and OHSAS 18001:2007 Certifications. They also celebrated for the 1st time « **World Green Building Week** » From September 26th to October 2<sup>nd</sup>, 2016.

# Highlight on local actions

## ARaymond France

**Project Conipher** (CONcrete Insulation PHotovoltaïc Envelop for deep Renovation)

**CONIPHER** is a collaborative European Project. It is part of the « LIFE Environment » financing programme which contributes to the climate and environment protection through actions plans in Europe. We got involved in the project back in 2010 after we participated in the « Pôle D'innovation Constructive » and further to our relationships with Vicat.

**The objective of the project is to conceive an innovative system combining high-performing concrete, insulation and photovoltaïc panels.**

ARaymond's mission is to develop interfaces which allow to fix the concrete frame with insulator to the bearing wall. As an alternative, it is also possible to clip the photovoltaïc panel to the concret frame. This 3-year project (since September 2015) involves most of the ARaymond France departments: sales, R&D, finance, industrialization, methods, purchasing and quality.

The ARaymond group also supports on the legal aspects (contracts, agreement, intellectual property, confidentiality agreement). VICAT, ARAYMOND and CEA-INES collaborate in this innovating concept which will be marketed by VICAT.

**Europe finances 60% of this project. This projects aims at proposing a « ready-to-use » solution which will have an immediate commercial outlet.**

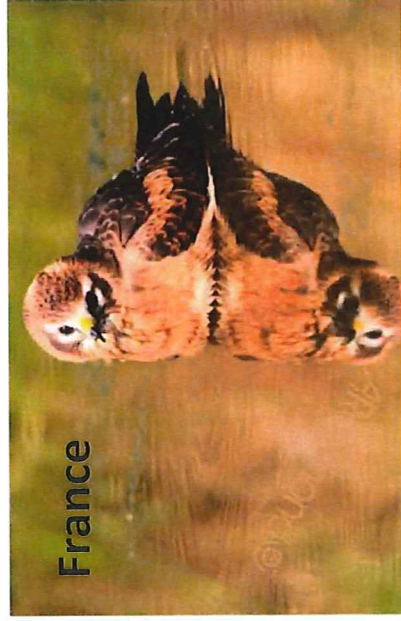




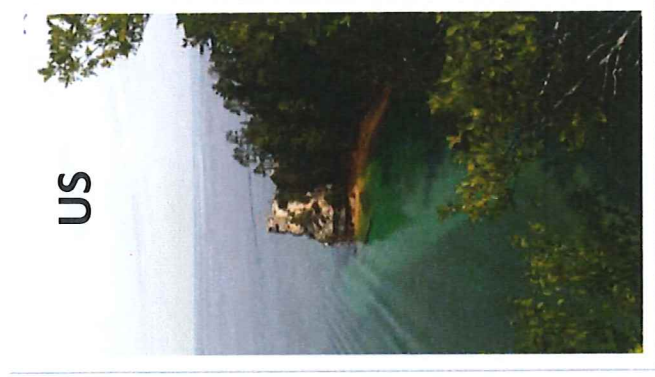
# Highlight on local actions

5th International Photo Contest: « Something in the Environment Worth Protecting »

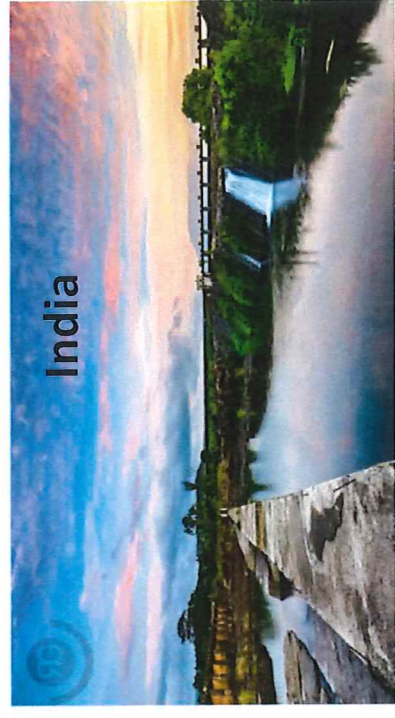
## 1st Rank Winners



France



US



India



## 2nd Rank Winners





**3**

## **Anti-corruption: Principle 10**

**Actions**





# ARaymond mobilized for Compliance

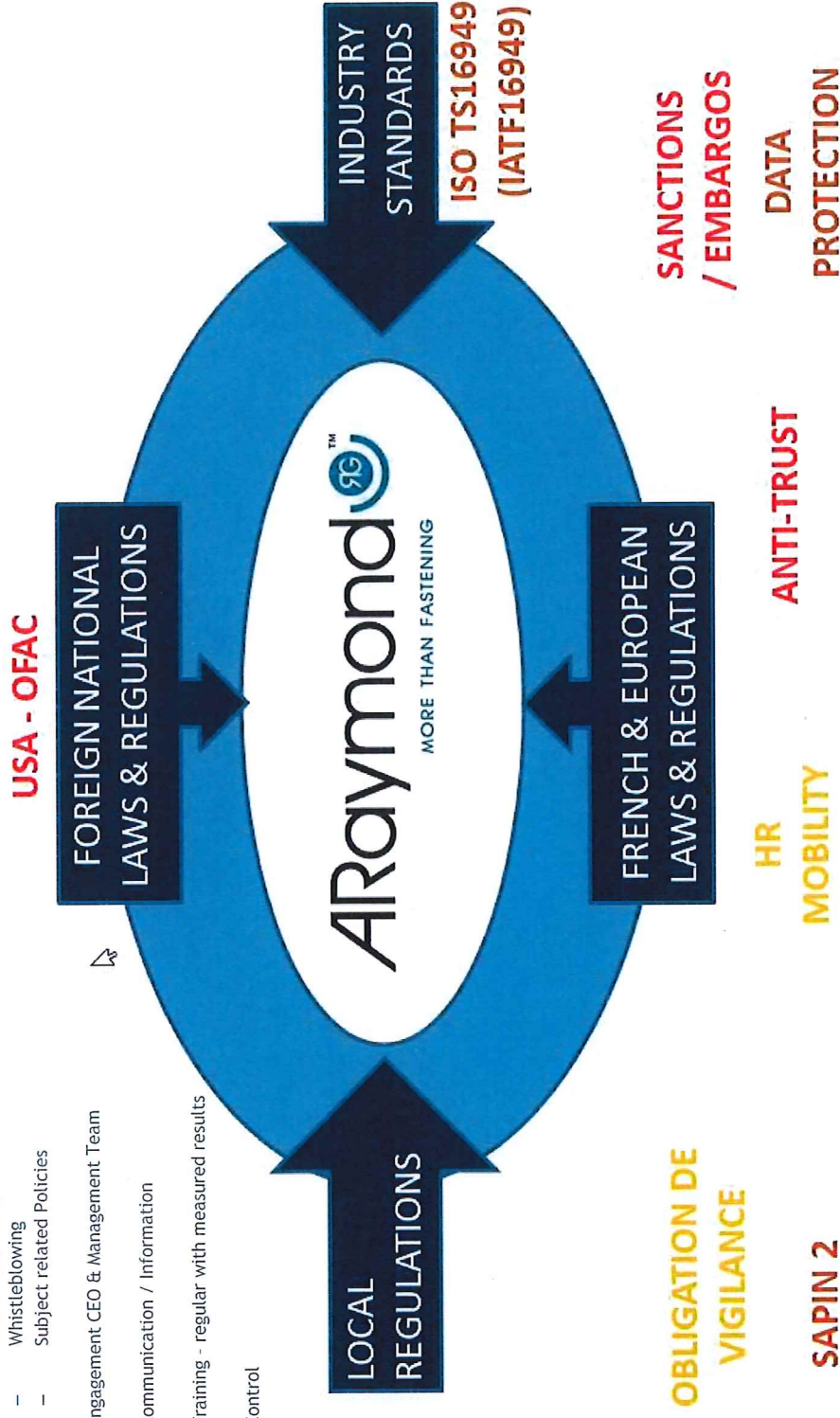
- Corporate Responsibility
  - Risk Mapping
  - Code of conduct
  - Ethics
  - Anti-bribery Policy
  - Whistleblowing
  - Subject related Policies

- Engagement CEO & Management Team

- Communication / Information

- Training - regular with measured results

- Control





# ARaymond mobilized for Compliance

- ARaymond is committed to respecting principles of good governance and sustainability. This includes respect for universally recognized principles on human rights, labour rights the environment, anti-corruption and ensure free market competition. As part of this commitment, Araymond seeks to ensure that th company operates in accordance with both national and international standards.
- To math the obligation of the SAPIN 2 law, ARaymond is launching a compliance program in 2017. As part of this compliance program, ARaymond will undertake a risk assessment in all countries of the ARaymond's network. This review will identify areas of risk and indicate which measures need to be implemented or developed.
- The risk mapping takes the form of a questionnaire which is designed to give ARaymond a better understanding of how the network manages its exposures with respect to corruption, human rights including labor rights and environmental protection principles. The questions included in the questionnaire therefore reflect the requirements outlined in the French legislation as well as international standards.

## COP 2016

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