



# #2016 - CSR REPORT



▼ PASSION FOR TECHNOLOGIES

### **1- STRATEGY AND PROFILE**

EDITORIAL	3
PASSION FOR TECHNOLOGY IS IN OUR DNA	4
SPECIFIC AND COMPLEMENTARY CHROMOSOMES	6
SUSTAINABLE BUSINESS STRATEGY	7
INNOVATION AS A MARKER OF OUR DNA	9
2 - SCOPE AND MANAGEMENT	10
REPORTING SCOPE AND METHODOLOGY	10
STEERING OF CSR	11
DIALOGUE WITH OUR STAKEHOLDERS TO MOVE FORWARD TOGETHER	12
3 - SOCIAL CHALLENGES: PEOPLE AT THE CENTRE OF OUR APPROACH	13
PROMOTING SOCIAL DIALOGUE	15
ATTRACTING TALENT AND PROMOTING OUR EMPLOYER BRAND	18
ENSURING THE HEALTH, SAFETY AND WELFARE OF EMPLOYEES	19
FOSTERING EMPLOYABILITY	21
PROMOTING A COMPREHENSIVE DIVERSITY POLICY	24
ENCOURAGING MOBILITY	25
4 - ENVIRONMENTAL CHALLENGES: RESPONSIBLE GROWTH	26
5 - SOCIETAL CHALLENGES: BUSINESS ETHICS	28
6 - PERFORMANCE INDICATORS	30
CROSS-REFERENCE TABLE	30
TABLE OF INDICATORS	31
7 - REPORT ESTABLISHED BY AN INDEPENDENT PARTY	33

### **EDITORIAL**

3

10 11 12

# "A UNIQUE POSITIONING, A DNA CHARACTERISED BY A PASSION FOR TECHNOLOGY AND A CLEAR VISION OF OUR STRATEGIC CHALLENGES"

or over 30 years, our Group has been an acknowledged player in the engineering market. Through its growth, unshakable strategy and its ability to anticipate new technologies, AKKA has been able to achieve an international dimension and become a key partner for its customers. AKKA has built and preserved this unique positioning throughout its history, enjoying sustainable momentum thanks to its strategy of balances. This allows - the Group to present a global services offering with high value added, which we continue to ramp up through strategic acquisitions, our innovative in-house research centre and the unique place we give to the men and women of the Group.

Over the past 30 years, we have created the solid foundations for an innovative and effective company focused on meeting environmental and social challenges through innovation and technology.

AKKA Technologies contributes to sustainable development and emerging challenges by integrating energy savings, personal and product security, new materials, Big Data and many other key challenges into its innovative solutions. Beyond legislative constraints, our 13,000 talented employees in 20 countries are aware of their role in the implementation of the company's Corporate Social Responsibility and the opportunity it represents for our customers' technology projects. Through a process of continuous improvement and commitment, we wish to continue our efforts, including increased visibility on the societal commitment, the reduction of our environmental footprint and the social dynamics within the Group and our subsidiaries.

This report shows how the Group integrates CSR into its operations and activities, including some of its customer projects. Much progress has been made in recent years since the signing of the Global Compact in 2010. This year in particular, we have included new subsidiaries in the non-financial reporting scope.

Corporate Social Responsibility is growing steadily and occupies an increasing place in our organisation. It mobilises and engages the men and women of the Group, making us confident in our ability to create a sustainable future.



Maurice RICCI Chairman of the Board and Group CEO

3 | AKKA TECHNOLOGIES #2016 - CSR REPORT

# PASSION FOR TECHNOLOGY IS IN OUR DNA

AKKA Technologies is a European Engineering and Technology Consulting Group that supports large manufacturing and tertiary services companies, seeing their projects through from the initial studies and R&D to large-scale production.

Through expertise in complementary business lines and structured diversification, the Group brings real value added to customers in numerous business sectors including aerospace, automotive, space/defence, cybersecurity, consumer electronics, telecommunications, chemicals, pharmaceuticals, steel, energy, rail, marine and service industries.



Maurice RICCI Chairman of the Board and Group CEO

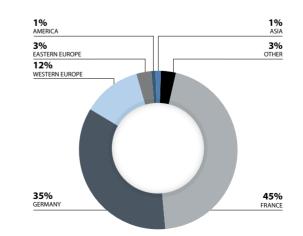
# **CHANGE IN CONSOLIDATED REVENUE** (IN €M)





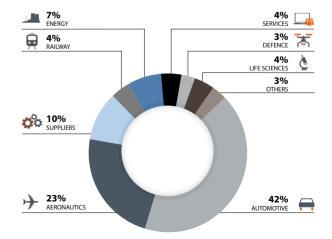
**OUR 10 MAIN CUSTOMERS** AIRBUS GROUP • ALSTOM • BMW • DAIMLER • GSK • RENAULT • SAFRAN • THALES • VOLKSWAGEN • VOLVO

# **BREAKDOWN OF 2016 REVENUE** BY BU



**4 | AKKA TECHNOLOGIES** #2016 - CSR REPORT

# **BREAKDOWN OF 2016 REVENUE** BY BUSINESS SEGMENT



### SPECIFIC AND COMPLEMENTARY CHROMOSOMES



As a family company, AKKA Technologies is imbued with the thinking of its founder and Chairman. The Group was founded on 1 April 1984 with the aim of providing flexibility, responsiveness and quality of service to our first customer, the Renault Group. Guided by a determination to innovate in the service of its customers, the Group grew fast with the aim of combining an entrepreneurial spirit with a constant and visionary strategy.

This strategy is based on four balances: customers, geographical zones, business sectors and finance. The wide-ranging expertise it offers and the know-how of its cross-disciplinary teams enable the Group to cover the complete lifecycle of a product, and as such to provide the technology solution best adapted to customers' needs.

Since the Group's creation, three underlying values have been the foundation of the corporate project:

- Ambition: to give our customers the best;

- Respect: especially of all employees, customers and local communities;

- Courage: to take risks and to do what is needed to bring our ideas to conclusion.

The managerial dynamic aims to unite all employees around these collective values. But the underlying idea remains the same: embody and share innovation on a day-to-day basis without jeopardising the overriding sense of belonging and the company's sustainability.

Over the years, and in line with its acquisitions, the Group has grown and evolved. Now structured by Business Units, the Group is committed to managerial autonomy. This is where growth, the empowerment of each team and intra-group synergies lie.

### GOVERNANCE

An international company, AKKA Technologies' corporate governance is based on three key management bodies: the Board of Directors, the Executive Committee and the operational management of the various Business Units, France, Germany and International.

In recent years, the fast diversification of the Group's international activities has prompted it to expand its governance by setting up operating divisions in charge of Western Europe (excluding France and Germany), Eastern Europe and Asia & the Americas.

Note that CSR is the subject of an annual management review involving a review of the non-financial report included in the registration document.

For more information on corporate governance, please refer to sections 14 and 16 of the Registration Document.

### SUSTAINABLE BUSINESS STRATEGY

Being active across all industrial sectors guarantees the sustainability of the Group's business expertise. In-depth knowledge of these sectors, leveraging the know-how built up within our 21 skill centres, enables AKKA Technologies to provide its customers with innovative, creative and sustainable solutions.

#### Sustainable development integrated into our offers and projects

The satisfaction of our customers is central to our concerns. Oriented by their specifications, we consistently aim to develop innovative solutions combining economic, environmental and social benefits. We act with our partners and employees in accordance with ethical standards; we are a player of excellence building the world of tomorrow.

For instance, AKKA Technologies provides its customers with technological solutions making it:

- a strong player in sustainable mobility in the automotive sector, as well as in aerospace;
- a player in the development of smart and connected cities;
- a force in the improvement of economic performance through predictive maintenance.

The strategic importance of the projects entrusted to us by our customers and compliance with non-disclosure agreements prevent us from going into detail on the integration of sustainable development in the assignments performed by the Group.

#### Diffusion of skills, appropriation of expertise

In a constantly evolving world where technology changes rapidly, sharing expertise and business skills with all Group employees is of strategic importance: this is why the Group over the last two years has developed its Marketplace project aimed at giving all customer-facing managers an understanding of the full range of our skills so that they can serve as ambassadors. The project was initiated in conjunction with a seminar in 2014. Further sessions followed until 2016, allowing more than 250 managers to be trained in over 30 major offers. In 2017, all managers will have access to even more detailed pre-sale presentations covering the full spectrum of the Group's skills. These presentations are classified by market (aerospace, etc.) if they are sector-specific or assembled in the form of cross-cutting skills presentations.

Lastly, the customer approach process itself is now poised to evolve under the impetus of the Group's new cross-cutting sales department. This approach will be presented as a massive open online course (MOOC) by the AKKA Institute to script the presentation of offers. The presentation kit will be available via the new Group CRM and backed up by modern tools and marketing methods.





Illustration of our multi-sector presence



# ENVIRONMENTAL SIMULATION DIVISION A START-UP WITH BRIGHT PROSPECTS



### **"WE ARE SEEING AN INCREASE** IN CUSTOMER DEMAND, THESE SERVICES DOVETAIL VERY WELL WITH OUR PORTFOLIO"

All technical products and components are subjected to the most varied environmental influences determining the way they are used and their lifecycle. Water, salt and sun - are you thinking "holidays"? For some, these words are top of the list of environmental influences to which components and technical products are subjected during their useful lives.

Rapid fluctuations in temperature, amplitudes taking temperatures too high or too low, ultraviolet radiation, salt, dust, mist and acid rain are all phenomena with implications for components, some of which can even cause functional limitations or outages.

True to the motto "Bring the environment into the laboratory", a team of MBtech mechanical engineers in Germany has been dedicated to "Complete Vehicle Trials" since the summer of 2016. The objective is to increase the resilience and functional reliability of vehicles, and in turn to enhance the product image.

"We are seeing an increase in customer demand, these services dovetail very well with our portfolio"

The offer in the field of environmental simulation includes technical controls, climatic chambers, corrosion tests in artificial atmospheres, rooms with salt spray, salt fog spray testing, corrosion modification testing, condensed water testing, controls such as solar simulations, and temperature and water projection shock tests. The aim is to validate the products used in specific environmental conditions and to ensure the development of economically sustainable products.

The automotive market is not the sole target of this exercise. Original equipment manufacturers, and the construction, energy, shipbuilding, aerospace and electronics industries are also part of the target.

# **INNOVATION AS A MARKER OF OUR DNA**

Innovation has been AKKA Technologies' prime strategic focus since the company was founded. The idea for the Group is to showcase its unique expertise, materialised in innovative solutions developed for its customers. To this end, the Group has created AKKA Research, an internal research centre. It is the tangible expression of the AKKA Group's commitment to providing innovative solutions to current and future societal and environmental challenges.

The Group makes a principle of developing collaborative technology solutions that positively impact the environment.

A genuine collaborative platform, AKKA Research relies on the pooled knowledge and expertise of over 13,000 in-house employees. Externally, it builds on partnerships with customers, stakeholders in public and private research, and colleges. This combination of skills allows it to design and develop disruptive solutions in relation to existing technologies.

For several years, the Group has demonstrated its commitment in an innovative approach to sustainable mobility:

### "INNOVATION AT AKKA REPRESENTS AN OBVISOUS LINK **BETWEEN SECTORS, CULTURES** AND PEOPLE. IT IS OUR DNA, THE **EXPERTISE EMBODIED BY OUR** ENGINEERS"

**Christele Wawrzyniak** Head of Innovation at AKKA Research

- In February 2013, AKKA Technologies unveiled Link&Go, the electric and autonomous concept car of the future. The Group's flagship project, this driverless vehicle is constantly pushing back the technological boundaries of the smart city of the future as it progresses. Innovations such as Link&Go demonstrate our ability to think outside the box. This year, Link&Go travelled well beyond our borders: our innovative ability won praise at the World Government Summit in Dubai and from the Ministers of the Economy of China, Belgium and Canada. Link&Go was also recently featured by our partner Dassault Systèmes in a virtual showroom at CES Las Vegas to demonstrate its role in the city of tomorrow. Today, AKKA no longer sees Link&Go as simply an autonomous vehicle; it is seeking to integrate it into an intelligent and connected environment. New mobility is central to the Group's strategy: it will ultimately reduce the impact on the environment and ensure the highest level of security.

- In July 2014, AKKA Technologies coordinated the project behind the world's first visual aircraft inspection robot, Air-COBOT (Aircraft enhanced Inspection by smaRt & Collaborative rOBOT). The main role of this all-terrain and autonomous robot is to hunt down technical defects

on aircraft on the ground, to ensure compliance with maintenance, environmental and safety standards for aircraft, airports and passengers. Developed in a consortium, Air-COBOT is designed to carry out 70% of the visual inspections required by regulations, on a daily basis, for the maintenance, repair and inspection of aircraft. It works with airline staff. AKKA Technologies unveiled its prototype at the 2015 Paris Air Show. Dynamic demonstrations of the robot's skills are planned in 2017.

- In March 2015, the Group announced that it was working with Stelia on the development of PLUME S3L, a lightweight composite structure for aircraft seats. The project is a response to the challenges of climate change, the need for the aviation sector to reduce greenhouse gas emissions and its exposure to fluctuations in the price of fossil fuels. PLUME accordingly aims to significantly reduce aircraft weight while maintaining the highest level of security. AKKA Technologies teams won the tender for this project thanks to their globally recognised aerospace expertise, but also thanks to their innovative approach to environmental issues. The PLUME project will enter a decisive phase this year, when many ways of lightening materials will be studied.

This spirit of innovation is part of our overall strategy and one of our daily concerns. It is the driver of our development and our very essence. For more information on our innovation strategy, please refer to chapter 11 of the Registration Document.



Air-COBOT

PLUME





### **REPORTING SCOPE AND METHODOLOGY**

This CSR report covering the 2016 calendar year was prepared pursuant to article L. 225-102-1 of the French commercial Code (known as the "Grenelle 2" law).

In view of its international footprint, the Group takes into account the principles and recommendations of the Global Reporting Initiative.

As a signatory of the UN Global Compact, the Group also presents here its Communication On Progress for the year 2016.

### Non-financial reporting scope

The CSR report is prepared in accordance with financial reporting and quantitative data extracted from the internal information system. The data make reference to the following scopes:

- Group: the scope referred to as "Group/AKKA Group/AKKA Technologies Group/AKKA Technologies" covers the consolidated data of the AKKA Technologies Group;
- France: the scope referred to as "France" includes CSR data relating to the following entities: AEROCONSEIL, AKKA I&S, AKKA Informatique & Systèmes, AKKA Ingénierie Documentaire, AKKA Ingénierie Process, AKKA Ingénierie Produit, AKKA Life Sciences, AKKA Research, AKKA Services, Casciopé, EKIS France, Real Fusio, Matis Informations Technologies, Matis Technologies-M.T., et Modélisation Assistance Technique Informatique Scientifique (Matis entities: new in 2016);
- Germany: the scope referred to as "Germany" includes CSR data relating to the following entities: MBtech Verwaltungs, MBtech Group and its subsidiaries, MBtech Consulting, Proceda Modelbau, MBtech EMC and ATP (subsidiaries: new in 2016).

### Preliminary remarks

- The number of entities included in the CSR reporting scope continues to increase as planned. The Group aims ultimately to harmonise the financial and non-financial consolidation scopes.

At this stage, the information on the International BU is only consolidated for indicators bearing on the workforce and changes in the workforce, wages and some gualitative information.

The goal for 2017 will be to include new subsidiaries, including those of the International BU with significant impact or activities.

- As far as possible, and to show the change of certain CSR indicators over time - and thus highlight positive developments or those requiring special vigilance – the indicators are presented for the 2015-2016 period (at constant or current scope depending on the relevance).

- The reporting scope is confined to operational data and only partially includes indicators relating to assigned projects.

#### Definition of indicators

AKKA Technologies operates in numerous countries where legislation and cultures differ. Hence, some indicators relating to the French nonfinancial reporting have been subject to arbitrage. As such, the Group has established its own CSR reporting standards.

The information presented below has been subject to a report established by an independent third party.

The information was established in view of the nature of the activities of AKKA Technologies and the social, environmental and societal impacts associated with it. The following information required by law is less relevant to the services of the AKKA Technologies Group, performed primarily in offices:

- Elimination of forced or compulsory labour and the effective abolition of child labour;

- Provisions and guarantees for environmental risks;

- Measures to reduce waste or repair discharges into the air, water and soil that have an adverse impact on the environment;

- Noise and other forms of pollution specific to an activity;
- Fight against food waste:
- Water consumption and supply in relation to local constraints;
- Land use;
- Adaptation to the consequences of climate change.

Moreover, in view of their relationship with projects conducted by the Group on behalf of its customers, the following themes cannot be addressed. The Group is nevertheless aware of the impact that projects may have on the environment:

- Consumption of raw materials and measures to improve efficiency in their use;

- Measures taken to preserve or develop biodiversity;

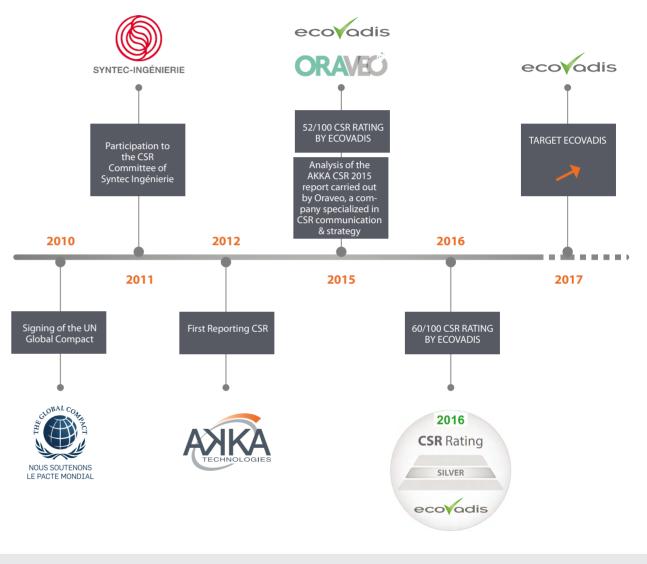
Measures taken for the health and safety of consumers.

The Group recognises that it may use its influence with its customers to prompt them to take sustainable development into account in their specifications, but is also aware of the free will of its contractors and by principle respects all clauses on which it is questioned.

# STEERING OF CSR

Corporate Social Responsibility occupies an increasing place in AKKA's organisation and the completion of its projects.

In recent years, our determination to move forward has been reflected in greater involvement in initiatives related to social, environmental and societal commitments:



#### Project Management CSR

The preparation of the 2016 CSR Report was steered by the Group's internal control department, in close collaboration with the numerous contributing cross-cutting functions: Human Resources, Quality, Safety, Environment, Purchasing, Consolidation, Communication, etc

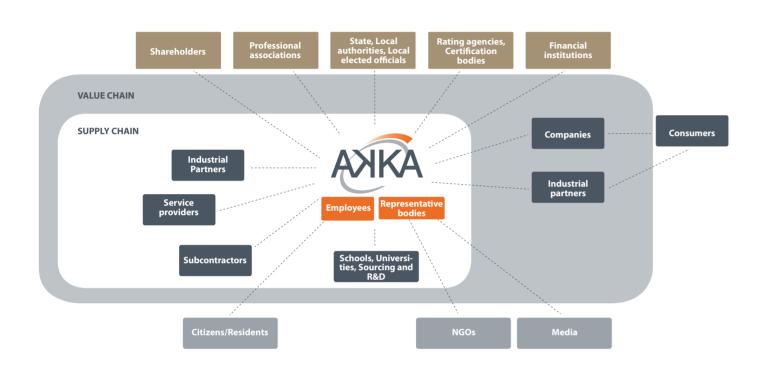
Within each reporting scope, the CSR Committee worked with designated KPI Leaders in charge of collecting, analysing and reporting key indicators. To ensure consistency in the collection of information, the committee established internal standards and indicator sheets to facilitate mutual understanding.



## DIALOGUE WITH OUR STAKEHOLDERS TO MOVE FORWARD TOGETHER

In 2016, applying the approach laid down in the specific CSR guide for the engineering sector, AKKA Technologies worked to identify its stakeholders.

AKKA strives to deliver a clear, honest and transparent message to each of its stakeholders, and to develop information, consultation and dialogue tools. Special events such as fairs can be forums for dialogue.



### Video chat:

Paolo Del Noce, CEO France, and Didier Baichère, HRD France, responded to numerous questions from AKKA France employees on subjects as diverse as AKKA's organisation, markets, wages, well-being at work, etc.

Employees were able to ask questions in advance or live, and were encouraged to express themselves freely. The exchanges could be viewed in meeting rooms made available especially, or directly on PCs.

More than 1,600 employees attended the chat, and the replay was viewed 677 times.

The AKKA France management aims to continue this form of dialogue; another edition is scheduled for September 2017.

In line with the determination to advance our approach and our commitment to openness and dialogue with our stakeholders, a dedicated CSR email address has been created: CSR@akka.eu

AXKA

**O**TCHAT VIDEO

5 à 13h3

Please feel free to share with us your opinion on our initiatives or your expectations related to the AKKA Technologies Group's CSR approach.

# SOCIAL CHALLENGES: FOSTERING EMPLOYABILITY

As an engineering company, AKKA Technologies places people at the centre of its approach, - they are our primary asset. The OnTrack project launched in 2014 enabled the Group to identify social challenges and to respond through a robust and ambitious Human Resources policy, which will be described in the sections below.

#### CHALLENGES

Promoting social dialogue
Attracting talent and promoting our employer brand
Ensuring the health, safety and welfare of employees
Fostering our employees' employability
Promoting a comprehensive diversity policy
Encouraging mobility



AKKA logo by the men and women of the AKKA Group

ACTIONS BY AKKA
Social agreements Employees involved in the Group's strategy
School policy Challenge AKKA
Prevention and awareness Quality of life at work Sporting activity and health Working conditions
Training as a key focus Innovative training tools Management support
Disability agreement Responsible subcontracting
Effective international mobility policy An innovative HR information system

**3 - SOCIAL CHALLENGES** 

### **GENDER DISTRIBUTION**



The recruitment policy of the AKKA Group is based on a principle of equal opportunities. Our principal hiring criteria are skills and personal qualities; - this enables us to build successful teams of men and women.

### **CHANGE IN WORKFORCE**



# **PROMOTING SOCIAL DIALOGUE**

The various entities comprising AKKA Technologies apply and comply with local laws in their host countries, sector-wide agreements in the relevant countries (Syntec in France) and the provisions of collective agreements when signed at Group level (by country) or by legal entity.



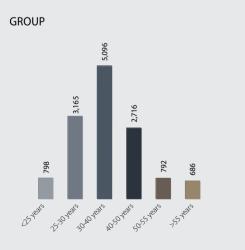
### "IN FRANCE, AKKA TECHNOLOGIES IMPROVES WORKING CONDITIONS AND STRENGTHENS SOCIAL DIALOGUE THROUGH 11 AGREEMENTS SIGNED IN 2016"

#### Social agreements

L'année 2016 a été riche en matière de dialogue social, en France 2016 was a remarkable year in terms of social dialogue, especially in France. Considering that the establishment of constructive social relationships is based in part on the institution of forums for the representation of employees, and also considering legal and societal developments, the AKKA Technologies Group's management negotiated and signed a majority Group agreement (excluding Matis) on the right to organise. Other than the resources it gives employee delegates, the agreement sets out the way in which employee bodies operate, especially in view of the establishment of an Economic and Social Unit (ESU).

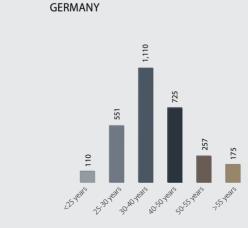
- Pre-electoral memorandum: noteworthy among major and defining agreements, after negotiations spanning many months, was the signing of a memorandum governing the organisation of elections for site committees and employee delegates within an Economic and Social Unit.

This was the culmination of several years of discussions that resulted in the organisation, for the first time in France, of professional elections for more than 5,000 people between November and December 2016.



# **AGE DISTRIBUTION**

FRANCE



14 | AKKA TECHNOLOGIES #2016 - CSR REPORT

Offication of a press of the state of the st



#### **Patrick Houry - Group HRD**

- Management of Employment and Professional Trajectories (MEPT): in France, the Group signed a new Management of Employment and Professional Trajectories (MEPT) agreement for a period of three years.

The objectives of this agreement are to:

- anticipate changes in our businesses and skills, especially targeting key skills needing to be strengthened or acquired;

- increase AKKA employees' understanding of the various business lines, as well as any changes (regional, national, international) within the Group, with the implementation of professional development paths;

- establish the resources and accompanying measures necessary for the management and anticipation of these developments, particularly through training and support for geographical and job mobility: graduation bonus, payment of MOOC certification, mobility installation bonus, day off for moving, etc.



- Disability agreement: the previous three-year agreement ended on 31 December 2016, with the goal well and truly achieved: the Group hired 25 permanent employees in 2016, on a target of 30 over three years. Taking a broader measure, the goal was to make 60 hires in all types of contract over three years; the final number was 71.

The negotiation of a new agreement for the employment of people with disabilities has begun, and should be completed early in 2017. Meanwhile, Matis concluded a three-year agreement on this subject in early 2016.

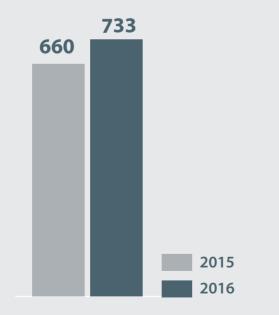
- Intergenerational contract: implementation of the agreement on intergenerational contracts continued, and the negotiation of a new agreement will take place in early 2017, the previous agreement having expired on 31 December 2016. Matis has also signed a three-year intergenerational contract, which came into force early in 2016.

- Wages: the Group in France also signed several addendums bearing on collective remuneration (profit sharing, company savings plan). This amendment allowed the Group (excluding Matis) to make an employer's contribution on employee payments in both 2016 and 2017.

In Germany, the MBtech Economic Committee meets once a month, and the equivalent of France's HSC met each guarter in 2016 (excluding MBtech Consulting and Proceda). The German system comprises several local bodies equivalent to the Works Council in France. If necessary, they meet weekly.

The Economic Committee must be informed and consulted on certain issues, especially those affecting working conditions. The consultation must result in a positive response before the company can implement the proposed initiative.

# WAGES (IN €M)





2016 Tour de France of our branch offices – Toulouse

#### Employees involved in the Group strategy

Chaque année, la Direction AKKA France met en place des conditions Each year the AKKA France management establishes occasions for direct dialogue with its employees. The 2016 Tour des Agences attracted







more than 2,600 employees on 20 dates on several local sites. Other than being informed of the Group's strategy, prospective changes in dimension and the challenges ahead, employees were encouraged to take the floor in order to intensify the exchange.

**1,600** employees live

17 | AKKA TECHNOLOGIES #2016 - CSR REPORT

## ATTRACTING TALENT AND PROMOTING OUR EMPLOYER BRAND

Cultivating and sharing our passion for technology has been the AKKA Technologies Group's overriding aim since its inception. Our goal is simple: enable all our employees to express their talent and enhance their skills.

#### How?

- By allowing them to work on complex projects of considerable size, both locally and internationally, thanks to our multi-sector footprint, our control of a product's entire V-model and our decidedly international positioning.
- By offering a rewarding and stimulating environment through our own Design Centres in which more than half of our engineers work.
- By joining a team in which talents can exchange, learn or pass on their experience.
- By allowing them to participate in innovative projects disrupting the established market and to develop creativity within our in-house research centre, AKKA Research.

In this way, the AKKA Group's school policy is designed to forge bonds with students, but also with school management teams, taking action in several different areas:

- HR, helping students establish their CV or assisting them in future iob interviews, etc.
- Technological, sponsoring research chairs, courses on the innovations of the future or practical classes on technical problems, etc.
- Sponsoring students, by providing organisations with the financial and technological support needed to develop technical and sporting projects, such as the PV3E at ESTACA, which competes in the Shell Eco Marathon, ISAE SUPAERO Robotics, which takes part in the Coupe de France in Robotics, the ENSEIRB MATMECA Rocket Club, which participates in C'Space, and TOOS, managed by BDS at Supélec, an omni-sports tournament that brings together over 3,000 students on the Central Supélec campus over a weekend.



Some of our partner schools in France and Germany



### Challenge AKKA

A key event for our Group, the Challenge AKKA is part of our history. During a skiing weekend, we offer students a venue for relaxed exchanges with all of the Group's stakeholders and with management which is closely involved in the event and uses it as a forum for explaining our corporate vision and future plans.

The Challenge AKKA is a welcoming sporting event where students can interact in a special way with our leaders, managers, consultants - as well as our recruitment teams. It is a great opportunity to explore our Group, our expertise and our professions or our business sectors through discussions with our ambassadors.

It is a weekend to talk about future careers and opportunities, etc. Exclusive career opportunities are offered in line with business expectations, sectors, etc.

Passion for technology, teamwork, respect, ambition and a hunger for performance are many values dear to the Group, and ones that are reflected in the Challenge AKKA.

# **ENSURING THE HEALTH, SAFETY AND WELFARE OF EMPLOYEES**



An environmental health prevention policy was formalised by Maurice RICCI in 2010, and extended by the members of the France Management Committee in January 2015. The goal is to strive for zero accidents.

AKKA Technologies' health and safety management system is focused on risk prevention, in strict compliance with regulations and the contractual obligations of customers. It is on this basis that AKKA Ingénierie Process has obtained MASE certification for three years in two offices (Lezennes and Lyon) in France. The AKKA Ingénierie Process and EKIS entities have undergone the radiation protection audit No. 2 process for their activities with ionising radiation in nuclear facilities. In Germany, a plan to obtain ISO 45001 certification is being studied.

AKKA Technologies has established a seven-person structure to facilitate its risk prevention policy in France and a three-person structure in Germany. All initiatives are managed by these prevention specialists, and local contact people are present on some sites (occupational safety officer), with 70 safety advisors in Germany for instance.

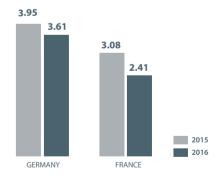
	Number of work related illness in the year		Number of workplace accidents with sick leave		Frequency rate		Severity rate		
	France	Germany	France	Germany	France	Germany	France	Germany	
2015	-		18	14	2.33	3.10	0.028	0.025	
2016	1		24	31	2.33	4.86	0.04	0.06	

#### Prevention and awareness

Moreover, the Risk Prevention Services conduct a specific safety training programme for all employees; more than 800 people were trained in safety in 2016 in France, an increase of 3%. In Germany, specific training sessions for high-voltage electrical risk, introduced in 2015, were repeated in 2016 for employees working on test benches, in partnership with the MBtech Academy.

Each year, employees designated to intervene immediately after accidents are trained internally via our occupational health and safety (OHS) officers or externally. In 2016, AKKA has over 320 OHS officers (170 in France and 150 in Germany). Defibrillators are installed in some offices, and training for emergencies such as fire has been deployed.

An internal communication system to inform employees about risk and prevention measures has been implemented within the Group. A Health and Safety Week is organised in Germany, in partnership with nutritionists. It features talks by nutritionists, athletes and company doctors aimed at raising employee awareness about well-being at work. In France, the Risk Prevention Service continued its work on road risk as well as on ergonomics and the prevention of musculoskeletal disorders through awareness raising and work by occupational medicine and specialised ergonomists.



# **ABSENTEEISM RATE(%)**



The Andromède site inaugurated in 2016

#### Quality of life at work

In accordance with commitments including the Agreement on Psycho-Social Risks signed in October 2012 and renewed in 2015, the AKKA Technologies Group's general management (excluding Matis) commissioned ELEAS to conduct a diagnosis of the guality of life at work. One hundred and fifty people were interviewed, and the result of the diagnosis was delivered to the members of the HSC and the Management Committee during the second half of 2016.

The diagnosis, the firm's recommendations and the first draft of an action plan will now be presented in early 2017 to the Psycho-Social Risks Monitoring Committee. Management aims to work effectively with this body to finalise the constitution of working groups, leading to the determination of plans for concrete and operational actions.

#### Sporting activity and health

To encourage German employees to maintain good health, weekly running training is organised in some offices. Germany also promotes employee participation in local foot races. In Papenburg, gym membership is awarded to employees performing track driving endurance tests so as to reduce the monotony of their jobs.

In France, perpetuating AKKA's commitment to open-air sports (motor sports, ski challenge, etc.), the Group offers a new course to encourage encounters between employees in offices and to promote sporting activities.

#### Working conditions

AKKA places particular emphasis on regularly improving its employees' working conditions. AKKA opened two major sites this year, Andromède in Blagnac and Flugfeld in Sindelfingen. Both sites were designed and fitted out to promote synergies and exchanges, to allow close and quick collaboration on projects, but also to improve the environment and employees' working conditions.

We believe that taking pleasure in working together is essential to AKKA Technologies' success today and tomorrow.



### **AKKA'ttitude**

Having the AKKA'ttitude means offering a work environment that promotes wellness and supports employee health. Sports and innovation are both part of the AKKA Technologies DNA, so AKKA'ttitude owes it to itself to be innovative. High-tech and fun, the objective of the Challenge Connecté is to raise funds for a charity but also gives participants the opportunity to play sports or take part in afterwork events. Whether or not people are keen sports players is immaterial: the overriding aim is to foster social interaction and a team spirit.

### **FOSTERING EMPLOYABILITY**

#### Training as a key focus

The AKKA Technologies Group sees training as a tool for the recognition of skills and the promotion of individual performance, enabling everyone to achieve their full potential and to be an actor in their career development. It serves to anticipate and support change in our business, plays a role in the constant enhancement of the professional skills of our employees, and facilitates the understanding and day-to-day commitment of everyone to our corporate project. Moreover, revealing our talents, as part of new projects, mobility, or career development, is essential for the Group.

As such, AKKA Technologies firmly believes that the key to the success of its corporate project is a strong human and managerial dynamic where everyone can reveal their talents in motivating challenges, and be actors in their career paths.

#### Innovative training tools

Two internal structures, AKKA Research and AKKA Institute, are at the heart of the system for training and developing our employees' innovation potential in the service of our customers: :

#### **AKKA RESEARCH**

AKKA Research aims to:

- propose disruptive technological building blocks for customers and with our customer partners;
- promote technology transfer between sectors;
- promote exchanges between employees on innovative topics and to ramp up their skills;
- ensure technological intelligence and provoke new ideas among our employees by facilitating creativity sessions;
- promote employee inventors and technology projects

#### AKKA Institute – MBtech Academy

Established in 2007, AKKA Institute is the Group's internal university. A similar structure, the MBtech Academy, exists in Germany.

These training institutes have several objectives:

- assist new consultants from their induction;
- promote career paths and facilitate employees' sector and geographical mobility;
- provide support to consultants' business, technical and hierarchical developments:
- provide technological and methodological support to all stakeholders;
- encourage the deployment of the Group's development model;
- leverage and standardise the Group's good practices among management teams;
- In connection with the Group, AKKA Institute offers its employees training and support systems geared towards clear educational objectives.



#### Focus on Start training

The challenges facing the Group are to succeed, learn and excel, and to manage developments in the company and our employees" employability capital" in a complementary manner. AKKA's business managers are a precious and strategic force for the Group's growth; considerable efforts are devoted to training and preparing them, building up their autonomy and responsibility. To help them, AKKA Technologies has designed training and support schemes specifically dedicated to the challenges faced by the sales teams. Split into 12 modules, the Start training allows young business managers to assimilate the Group's strategic vision:

- learn the fundamentals of the job of manager;
- understand the environment and customers:
- assimilate the AKKA Technologies business model and find out what makes a good business manager;
- comprehend the Group services offer;
- become acquainted with the management consulting team

### "THE FEEDBACK HAS ALLOWED ME TO SEE WHAT I WAS MISSING WHEN INTERACTING WITH CUSTOMERS. IT WAS VERY USEFUL. REVIEWING THE METHODS LEARNED IN START HELPED ME A LOT"

#### **Damien Durant - Junior Business Manager**

#### Focus on E-learninstitute

Innovation should also benefit our employees. With this in mind, AKKA Institute has expanded its range and launched a comprehensive training course in e-learning format. Its goal is to create a more attractive and more interactive environment to train our employees on certain fundamental issues, providing them with the keys to their success, and taking into account the constraints related to our business, such as geographical distance or the availability of our consultants. A new platform is set to open in 2017.



#### Management support

The induction process for new employees is well established. Each new employee is given a "Welcome Package" and has an induction godfather or godmother. They also get invitations to individual and collective events, which they can identify on the induction "roadmap" in France. In Germany, new employees also attend two-day training courses aimed at facilitating their induction, preparing them for contact with customers, and strengthening their sense of belonging in the business.

- In addition to the training courses already implemented for our business managers, a qualifying training programme has been implemented in France (pilot in 2016) and Germany, backed up by various learning formats such as group-based workshops on the Agile methodology for specific learning topics.
- Specific training has been implemented in France and Germany to train managers on the annual performance review, focused on dialogue and motivation.
- In Germany, a **360° interview** extending the OnTrack project has been implemented for managers, together with structured feedback at the end of the interview. This approach has been accompanied by return training, enabling managers to conduct improvement workshops with their team, focused on collaboration and communication.
- Experiments with new training methods: in an increasingly mobile and connected environment, the Group has encouraged its employees to take MOOCs in addition to conventional training since the beginning of 2016. They are accessible to all employees who want to develop their skills through additional and innovative solutions. All they need is an internet connection. Participating in a MOOC requires self-discipline and a healthy dose of motivation. But unlike conventional training programmes, MOOCs also allow participants to manage their time independently. With this in mind, a selection of MOOCs identified by the Group Training Department is offered each month through news flashes and on the Anais homepage. In addition, a Training 2.0 community is active on Yammer, the Group's internal social network,

**"MY GODMOTHER CONTRIBUTED** A LOT WHEN I JOINED THE COMPANY. SHE GAVE GREAT ADVICE AND HELPED MONITOR THE ACHIEVEMENT OF OPERATIONAL **OBJECTIVES THROUGH THE** ROADMAP. IT'S REASSURING TO HAVE THAT SORT OF SUPPORT" Maxime d'Ornano - New employee, France

to relay information dynamically and to permit direct exchanges

with employees. Lastly, the cost of the certification of such training, when it dovetails with the Group's business, is paid by the Training Department on request.

 Graduation bonus: to support employees in their personal efforts to bolster their employability, we grant a bonus to all employees who graduate with a degree in one of the Group's business specialities (excluding those that are in decline) when the training was not partially or totally funded by the employer (individual training schemes are excluded).





The number of hours of professional training provided in 2016 was up significantly compared with 2015 in France and in Germany alike.

This trend can be ascribed to the extension of the CSR reporting scope, overall workforce growth and the inclusion of "Welcome Days" induction sessions (in Germany).

Roughly three-quarters of the training effort was devoted to the acquisition of new professional skills, and to technologies and solutions applied to our businesses. The remaining effort was devoted to the general professional development of employees, including language training – a key element in an international group such as AKKA.

Through this proactive policy, employees are usually trained at least once every three years, a pace that allows us to better anticipate technological developments.



#### AKKA Awards: recognising our employees' talent!

and the United Kingdom.

"I CAMF AWAY WITH NFW CONFIDENCE IN HANDLING THE MANAGEMENT OF MY TEAM: TAKING OVER AN EXISTING TEAM THAT DOUBLED THE SIZE OF MY INITIAL SCOPF MEANT THAT I NEEDED ASSISTANCE

Pierre Petit - Business Manager

It is through our motivated employees, and with the overriding aim of providing innovative solutions to our customers, that we strive to release our Group's technological potential in each of our host countries. This is the thinking behind the AKKA Awards, which have been going for four years. The in-house competition, open to all Group employees, is geared towards rewarding our employees' day-to-day work, talent and personal investment. To participate, employees can submit a project they brought to fruition alone or in teams, in-house or for a customer. It is based on the DNA of our Group; innovation, In 2016. the candidate projects were from from France, Belgium, Germany, Czech Republic, China, Italy, Spain



### **PROMOTING A COMPREHENSIVE DIVERSITY POLICY**

# **DISABLED EMPLOYMENT RATE** (%)



AKKA Technologies renewed its commitment to diversity in 2016:

- Signing of the Diversity Charter (France)
- Appointment of a person dedicated to diversity issues (France)
- Member of the AFMD (French Association of Managers of Diversity)

AKKA signed its first handicap agreement in 2014. Valid for a period of three years, it covers four main areas:

- Recruitment: appointment of a dedicated recruiter in France and partnerships with specialist local stakeholders to ensure smooth integration. In the last three years, AKKA France has recruited 71 people with disabilities (compared with a target of 60 set in the agreement). Moreover, for 2017, we set a target of recruiting 50 candidates from minority backgrounds. including 25 people through Mozaik RH. Mozaik RH is France's leading recruitment and human resources consulting firm specialised in the promotion of diversity. Since its creation in 2007, Mozaik RH has worked with over 150 companies, generating more than 11,000 job interviews resulting in 4,000 hires of young graduates and experienced candidates.
- Integration and retention: with a three-person team deployed at the regional level, mechanisms are in place to facilitate integration, including adapted workstations, training, help with medical expenses and days of authorised absence. To facilitate the quality of daily life, Matis offers its eligible employees Employment Service vouchers to put towards domestic services (housekeeping, childcare, etc.).
- Communication and awareness: AKKA takes numerous initiatives to increase the awareness of its employees and managers. The HandiKap by AKKA application has been developed to provide information on the various types of disability. Participation in external events like the Free Handi'se Trophy also helps change perceptions and raise awareness among employees.
- Responsible subcontracting: AKKA seeks to foster partnerships with the protected sector (see Enjeux sociétaux : l'éthique des Affaires pour plus de détail).

### FREE HANDI'SE TROPHY 2016

"Above all, it's a gathering of several people with big hearts. The sporting conditions may be very arduous, but the combined efforts of the Free Handi'se Trophy team, the volunteers and participants from other companies make the experience a memorable one. The race is an opportunity to give people with disabilities the chance to work and move forward hand in hand with a "nondisabled" partner.

The atmosphere is festive and gives us a chance to get closer to each other: we all share the same sensations, the good ones and the less comfortable"

S. Bourlon - AKKA'Skou 2016 team member



The 2016 AKKA'Skou team: Guillaume, Stéphane, Yves and Florian

## ENCOURAGING MOBILITY

AKKA Technologies' HR strategy aims to attract and develop the best talent in the market, as a means of giving fresh impetus to the Group's growth. Our value proposal is based on our belief that an international group can provide fertile ground in which employees can achieve their potential, flourish and grow.

### Effective international mobility policy

The objective of the Group's international mobility policy is to establish shared rules for managing international skills transfers that match our business needs. The policy was drafted with a view to harmonising the practices of AKKA's various entities. It is applicable to all employees and all locations. It was designed to promote flexibility within the organisation and to offer favourable conditions for employees on international assignments or working on customers' premises. Various initiatives were carried out this year:

- Consolidation of the Mobility Community with the fourth mobility seminar in November 2016:
- Establishment of the AKKA Move communication programme;
- Launch of a monthly internal newsletter, putting each country successively in the spotlight;
- Development of a mobile application for mobility (information on subsidiaries, in-house jobs with the opportunity of submitting applications via the application) to be rolled out in the second half of 2017.



# (VIF)

### An innovative HR information system

In 2014, the Group rolled out an HR information system (Talentsoft's Ingenium) for all of its French entities.

A central place is given to employees, who have a personal space (to file documents, a mini CV, diplomas, etc.), access to information (business references, links to internal offers, a link to the OnTrack contribution platform, etc.), and can air their views on various aspects of their job and future prospects when preparing the annual appraisal interview. Expressions of interest in mobility are also simplified (geographical mobility in France or internationally at any time in the year/professional mobility during individual interviews).

The system was expanded in 2015 by an integration assessment, allowing new employees to give feedback on their integration within the Group (with the aim of identifying areas for improvement in the process). In 2016, the Talentsoft solution was rolled out in Germany as a recruitment and mobility tool.

In France, we applied the solution's Talent Management module to support the People Review for all employees. The main challenges are to apply objective criteria in employee management practices so as to promote talent retention consistent with the needs of the Group and to foster the loyalty of people identified as "essential", but also to have a timeline tracking our talents year by year.



- Implementation of the process of monitoring employees in their mobility, with an annual appraisal and the practical use of acquired skills;



### **ENVIRONMENTAL CHALLENGES: RESPONSIBLE GROWTH**

The French and German operations together comprise more than 60 sites. The activities performed on these premises are mostly office activities (excluding test benches related to our automotive projects in Germany). Their impacts are chiefly those of standard business operations (energy, travel, waste).

All sites are located in urban or suburban areas; none is located in a protected area. However, environmental consequences stem from the number of the sites involved and the need for substantial infrastructure and computer/electrical equipment on some sites.

The Group committed to reining in its environmental impact in France when obtaining ISO 14001 certification for its headquarters in Lyon in 2012. This certification was renewed in 2015. Germany in turn embarked on the ISO 14001 certification process for its Böblingen site in September 2016, with the goal of obtaining certification by the end of 2017.

The Group's facilities in France and Germany are committed to continuously improving their practices and preventing pollution by taking concrete initiatives consistent with their business lines. Employees are regularly informed of environmental impacts and encouraged to adopt an eco-aware attitude in their day-to-day behaviour:

-Sustainability Week with a product tasting fair;

- Photo contest during Mobility Week;

- Bike day: cycle to work, get free repairs and learn how to fix problems; - Awareness raising about waste sorting and recycling through the sorting charter.



### **Reducing greenhouse gas emissions**

In view of its international expansion, AKKA Technologies has rolled out IT tools designed to facilitate communication and exchange. Such tools also serve to reduce travel and related greenhouse gas emissions.

The Group continues to install videoconferencing equipment at its main sites. In 2016, 40 meeting rooms were equipped, 27 with Cisco technology and 13 with Skype technology.

In addition to these facilities, users can join audio- or videoconferences from their PC:

- The Cisco Jabber solution allows PCs to connect to rooms equipped with videoconferencing systems, offering the possibility of 32 connections simultaneously throughout the Group. In 2016, we counted around 750 users (100 in Germany, 150 in international locations, 500 in France);

- The Microsoft Skype for Business solution is also gaining popularity within the Group. Some 1,500 employees used it in 2016. This communication tool facilitates contacts, both internally and with external companies. Our goal is to have 2,500 users by the end of 2017.

To support this commitment to reduce our greenhouse gas emissions, purchasing departments in France and Germany, in charge of managing business travel, introduced a policy to improve monitoring and reduce business travel. One objective of this policy is to give priority to environmental aspects and only to authorise travel when alternative means such as videoconferencing or conference calls are unavailable.

The number of air trips on the French scope has increased in line with

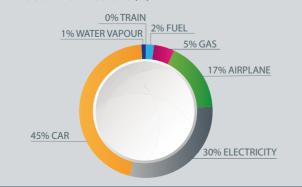
the Group's international expansion.

At the same time, the impact of travel is reduced by virtue of a car policy under which service vehicles and company cars are selected on the basis of their GHG emissions.

In France and Germany, GHG emissions amounted to 18,610 Teq. CO2 in 2016.

The main sources of GHG emissions within the Group are the use of cars (hired and leased), followed by electricity in our buildings and air travel.

### **GREENHOUSE GAS EMISSIONS (%)**



### **Reducing our energy consumption**

Since 2015, AKKA has taken action to control and reduce its energy consumption. In 2016, this took concrete shape with the construction of two new sites in France and Germany (Andromède, located in the joint development zone eco-neighbourhood in Blagnac, and Flugfeld, in the town of Sindelfingen), both of which are High Environmental Quality (HQE) buildings. The Flugfeld site, for example, is equipped with a passive heating system in its "workshops".

Factoring responsible management into our buildings (new BBC site, streamlining of surfaces, energy optimisation) helped cut electricity consumption per square metre by 14% in France between 2015 and 2016.

At the same time, AKKA continues its strategy of virtualisation to reduce its server fleet. For AKKA in France and MBtech in Germany, 90% of servers are virtual and 10% physical. For Matis, 60% of servers are virtual and 40% physical.

In 2016, the energy consumption of AKKA Technologies' buildings in France totalled 5.5 GWh.

In Germany, energy is derived from a range of sources (electricity, fuel oil, natural gas, etc.) and used in a variety of activities (offices, workshops and test benches). MBtech's annual energy consumption was 18.4 GWh in 2016.



Raising our employees' awareness

#### **Reducing office waste**

The Group also manifests its environmental commitment through its policy of sorting and recycling waste, which involves the following initiatives:

- Introduction of a badge-based printing system to guarantee secure printing while reducing paper consumption. In 2016, the four sites concerned had 20 multi-function printers. In 2017, we will bring this initiative to seven sites, with 60 multi-function printers.
- Recovery and recycling of 100% of electrical and electronic equipment: a national contract with Reisswolf Germany provides for the centralised collection of paper and computer hardware. In 2016, 10 tonnes of waste were recycled in France through AfB, a company from the protected sector, and Veolia Triad Electronics. A further 2 tonnes were recycled in Germany;
- Launch of a tender in France to introduce waste sorting (paper, cardboard, plastic, metal) in the main French offices in 2017.

### **REDUCTION OF THE ENERGY** CONSUMPTION OF OUR BUILDINGS

Improvement of the air conditioning of our data centre on the Andromède site by an urbanisation system:



- Air conditioning through a raised floor;
- Hot aisle/cold aisle;
- Server racks lined up in a cold aisle to force the cold air flow over the equipment;
- Freecooling system consisting in directly using outdoor air to cool the cooling circuit so as to limit energy consumption.

The principle behind a cold aisle is to create a physical boundary between the cold air drawn in and the hot air released by the material.

This serves to improve cooling efficiency while achieving energy savings by increasing the efficiency of air conditioning.

When a containment system is used to isolate the cold aisle, the side doors and roof retain cold air, all of which is used to cool the servers. This reduces the volume of air that needs to be cooled and avoids a return of hot air to the front of the racks. This results in reduced power consumption and allows for greater potential hosting capacity, thereby offering better preparation for the future.

# SOCIETAL CHALLENGES: BUSINESS ETHICS

Since 2010, AKKA Technologies has confirmed its commitment to support and promote the United Nations Global Compact and its 10 principles.

While the CSR reporting scope does not vet cover all Group entities. the ethical principles of the Global Compact are part of the AKKA Code of Conduct, applicable to all of our employees.

To promote mutual respect and quality human relations at work, the Group's Code of Ethics is available on the Intranet.

### **Ethical supplier relationships**

AKKA's Code of Conduct also sets out essential precepts underpinning relationships with the Group's partners: the fight against corruption and fair trade practices.

We aim to ensure that the Group's ethical principles are formally shared with our external service providers. The Code was accordingly distributed to all French subcontractors and suppliers of industrial purchases in early 2016. The Code is an integral part of the legal framework governing the relationship between the parties on the scope of suppliers in Germany.

It should be noted that in 2016, the Group was not the subject of any complaints in respect of corruption, conflicts of interest or non-compliance with legislation.

#### **Responsible outsourcing**

As AKKA is an engineering company, outsourcing mainly relates to services (business and operational services).

# €363K

AMOUNT OF SERVICES ENTRUSTED TO FRENCH COMPANIES IN THE PROTECTED SECTOR IN 2016

While the proportion of outsourcing is relatively stable for the Group as a whole (12% in 2016, compared with 11.3% in 2015), work conducted with companies in the protected sector is growing steadily:

- The process for inclusion on our suppliers panel encourages external suppliers to promote co-contracting with the protected sector;

 Most gardening and caretaking work is performed by companies in the protected sector:

- Since 2016, partnerships with the protected sector have spread to business outsourcing, with the integration of new suppliers in the areas of office and computer equipment.

CSR criteria are part of the supplier evaluation process, and will take on even greater importance in 2017. As such, companies seeking either to join the supplier panel or to renew their contracts will be asked to demonstrate their social and environmental commitment.

#### Local roots

On top of its employer engagement, the AKKA Technologies Group supports local and national organisations that share its values of courage, respect and ambition in the fields of medicine, sports and professional integration.

#### Professional integration and social action

# DES TALENTS

Nos Quartiers ont des Talents: collective sponsorship to encourage the employment of young graduates from disadvantaged neighbourhoods.



Ressort: job search for long-term unemployed people and new graduates.



Lyon-Duchère Sports Association: contributing to the social cohesion of a working-class neighbourhood. Acting for youth on the development of educational and civic projects, on top of its sporting purpose.

#### Medical and humanitarian actions



Vaincre la Mucoviscidose: the Group has developed medical management software for cystic fibrosis patients.

"WE HAVE BEEN PERFORMING OUTSOURCED SERVICES IN AEROSPACE ENGINEERING SYSTEMS FOR AKKA SINCE 2016. FOR SOME OF OUR EMPLOYEES, THIS PARTNERSHIP REPRESENTS REINTEGRATION INTO THE WORLD OF WORK; FOR ALL OF THEM, IT IS SYNONYMOUS WITH THE DEVELOPMENT OF SKILLS AND PROFESSIONAL GROWTH – ALL IN A BENEVOLENT ENVIRONMENT. THE EXTENSION OF SCOPE PLANNED FOR 2017 REFLECTS THE OUALITY AND CONFIDENCE THAT CHARACTERISE OUR **RELATIONSHIP**"

Catherine Huard Lefin – Head of EA Bureau Gestion Conseil 31



1 maillot pour la vie: an organisation that provides moral support, dreams and hope to hospitalised children by allowing them to meet top athletes.



2012 Students Challenge: humanitarian student raid in Morocco.

Focus on Les Apprentis d'Auteuil:



AKKA Technologies has supported Les Apprentis d'Auteuil for several years. This year, it played a role in the development of a driving school for people experiencing hardship alongside Association pour la Mobilité et l'Emploi des Jeunes in Caluire, near Lyon. The company also helped finance Savoirs pour Réussir, a partner association of Les Apprentis d'Auteuil that offers workshops to combat illiteracy, notably helping 150 young people in an apprentice training centre in Savoie and Haute-Savoie. AKKA also took part in a program of helping 10 young people on their career path: adapt driving permit obtention to achieve greater success. AKKA Technologies plans to continue the partnership in 2017.

#### Focus on sponsoring:

Each year, AKKA France offers support for its employees' personal projects. Nine projects received support in 2016. "Florian M. organises a volleyball tournament and competition during the Telethon. The idea is to bring together as many people as possible, whether or not they are registered players in a federation, for volleyball challenges and games – the challenge being to keep the ball in play for as long as possible – during the Telethon, over the weekend from 2 to 3 December. The money raised by the drink stand and from tickets was donated entirely to the Telethon. Stanislas Larnier of the Toulouse office supports Les Bouchons d'Amour." AKKA France has committed to setting aside space to collect used corks for the association in its French offices. The association collects corks to buy equipment for disabled athletes, to improve the living conditions of people with disabilities and to assist humanitarian operations as they take place.

A societal commitment with benefits for all!

# **CROSS-REFERENCE TABLE**

	INDICATORS (GRENELLE 2 – Art. 225)	GRI	ISO 26000	Global Compact	AKKA's response
SOCIAI	INFORMATION				
1	Total workforce Breakdown by geography Breakdown by gender	LA1			RD section 9.4.1
	Breakdown by age group				RD section 9.4.3
2	Change in workforce/Hires/Departures	LA2	6.4.4		RD section 9.4.1
3	Wages	LA3			RD sections 9.4.1 and 9.4.3
4	Organisation of working hours	– LA7			RD section 9.4.3
31	Absenteeism				RD section 9.4.3
5	Organisation of social dialogue	LA4	6.4.3/5	3	RD section 9.4.3
6	Review of collective agreements	LA5			
7	Occupational health and safety conditions	LA4			RD section 9.4.3
8	Review of agreements signed with trade unions or employees' representatives on occupational health and safety	LA9	6.4.6	4 and 5	RD section 9.4.3
32	Workplace accidents	LA7 LA7			RD section 9.4.3
9	Objectives and strategy in terms of training	LA11			RD section 9.4.3
10	Total hours of training	LA10	6.4.7		RD section 9.4.3
11	Measures taken to promote gender equality	LA14			RD section 9.4.3
12	Measures taken in favour of people with disabilities	LA13		6	RD section 9.4.3
13	Anti-discrimination policy	LA13			RD section 9.4.3
33	Respect for freedom of association and the right to collective bargaining	HR5/LA4/LA5		3	RD section 9.4.3
34	Elimination of discrimination in respect of employment and occupation	HR4/LA13/LA14	6 2 10	6	RD section 9.4.3
35	Elimination of forced or compulsory labour	HR 6/7	6.3.10	4	Issue not addressed, see 9.4.2
36	Effective abolition of child labour	H6		5	Issue not addressed, see 9.4.2
ENVIRO	NMENTAL INFORMATION				
14	Organisation of the company to take account of environmental issues and, where applicable, environmental assessment or certification procedures	Management approach	6.5.1/2	7, 8 and 9	RD section 9.4.4
15	Employee training and information for the protection of the environment				RD section 9.4.4
16	Resources devoted to the prevention of environmental risks and pollution	EN30			RD section 9.4.4
37	Amount of provisions and guarantees for environmental risks provided that such information is not liable to cause serious prejudice to the company in an ongoing dispute	EN28/EC2			Issue not addressed, see 9.4.2
17	Measures to reduce waste or repair discharges with an adverse impact on the environment into the air, water or soil	EN22/EN23/EN24			Issue not addressed, see 9.4.2
18	Measures for prevention, recycling, reuse, other forms of recovery and disposal	EN22	6.5.3		RD section 9.4.4
19	Noise and other forms of pollution specific to an activity	EN25			Issue not addressed, see 9.4.2
20	Fight against food waste	EN25			Issue not addressed, see 9.4.2
21	Water consumption and supply in relation to local constraints	EN8/EN9/EN21			Issue not addressed, see 9.4.2
22	Consumption of raw materials and measures to improve efficiency in their use	EN1			Issue not addressed, see 9.4.2
23	Energy consumption	EN3/EN4	6.5.4		RD section 9.4.4
	Measures taken to improve energy efficiency and the use of renewable energies	EN5/EN6/EN7			RD section 9.4.4
38	Land use				Issue not addressed, see 9.4.2
24	Significant sources of greenhouse gas emissions generated as a result of the company's activity, notably through the use of the goods and services it produces	EN16/EN17/EN19/EN20	6.5.5		RD section 9.4.4
25	Measures taken to preserve or develop biodiversity	EN11-EN15/EN25	6.5.6		Issue not addressed, see 9.4.2
39	Adaptation to the consequences of climate change	EN18/EC2	6.5.5		Issue not addressed, see 9.4.2
SOCIET	AL INFORMATION				
26	Employment or regional development	EC8/EC9	6.8.5		RD section 9.4.3
27	Local, economic and social impact of the activity on local or local populations	EC1/EC6	6.8		RD section 9.4.5
28	Conditions of dialogue with these people or organisations (integration companies, teaching institutions, NGOs, residents, etc.)	4.14 to 4.17	5.3.3		RD section 9.4.5
29	Partnerships and sponsorship	EC14.11-4.13	6.8.9		RD section 9.4.5
30	Consideration of societal and environmental Issues in the purchasing policy	EC6/HR2/HR5-HR7			RD section 9.4.5
40	Importance of outsourcing and consideration of their societal and environmental responsibility in relations with suppliers and subcontractors	3.6 and 4.14	6.6.6	1, 2 and 9	RD section 9.4.5
41	Action to prevent corruption	SO2-SO4/SO7/SO8	6.6.3	10	RD section 9.4.5
42	Measures taken for the health and safety of consumers	PR1/PR2	6.7.4	1 and 2	Issue not addressed, see 9.4.2
43	Measures taken in favour of human rights	HR	6.3	1 and 2	RD section 9.4.5

# TABLE OF INDICATORS

\_

	INDICATORS (GRENELLE 2 – Art. 225)	Units		2016			2015	
	SOCIAL INFORMATION		Group	France	Germany	Group	France	Germany
1	Total workforce	Number	13,252	6,349	2,928	12,222	ND	ND
	Breakdown by gender	% men	79%	ND	ND	79%	ND	ND
		% women	21%	ND	ND	21%	ND	ND
		< 25 years	798	468	110	631	ND	ND
	Breakdown by age group	Between 25 and 30 years	3,165	1,498	551	2,746	ND	ND
		Between 30 and 40 years	5,096	2,387	1,110	4,915	ND	ND
		Between 40 and 50 years	2,716	1,289	725	2,576	ND	ND
		Between 50 and 55 years	792	386	257	755	ND	ND
		> 55 years	686	321	175	599	ND	ND
2	Change in workforce/Hires	Number	4,231	2,071	652	2,775	ND	ND
	Change in workforce/Departures	Number	3,279	1,778	465	2,624	ND	ND
3	Wages	€k	733,000	ND	ND	660,000	ND	ND
31	Absenteeism	%	ND	2.41%	3.61%	ND	3.08%	3.95%
	Accidents with lost time	Number	ND	24	31	ND	18	14
22	Frequency rate		ND	2.33	4.86	ND	2.33	3.10
32	Severity rate		ND	0.04	0.06	ND	0.03	0.03
	Number of occupational diseases	Number	ND	1	-	ND	ND	ND
10	Training/Effort	Hours	ND	47,704	47,642	ND	41,852	32,247
22	Employees with disabilities	%	ND	2.01%	1.30%	ND	1.90%	1.40%
	ENVIRONMENTAL INFORMATION							
23	Energy consumption (buildings)	GWh	ND	5.5	18.4	ND	ND	ND
24	Greenhouse gas emissions (GHG)	T. CO <sub>2</sub> eq.	ND	ND	18,610	ND	ND	ND
	SOCIETAL INFORMATION							
	Outsourcing/revenue	%	12.0%	ND	ND	11.3%	ND	ND
40	Amount of services entrusted to companies in the protected sector	€k	ND	363	ND	ND	ND	ND

#### 6 - PERFORMANCE INDICATORS

#### Absenteeism

Absenteeism: the types of absences taken into account in the absenteeism rate are sick leave and work-related accidents.

The rate is calculated by dividing the number of days of absence by the theoretical number of days worked over the period.

Number of days of absence for the period = sick leave + lost time due to occupational diseases + lost time due to an accident during a commute + lost time due to a workplace accident. The indicator does not include absences for scheduled, holiday or maternity/paternity leave.

#### Workplace accidents

Frequency rate: Tf1 = (number of accidents with lost time/hours worked) x 1.000.000.

Severity rate: Tg = (number of days lost due to workplace accidents/ hours worked) x 1,000.

Hours worked: sum of hours worked for all employees in its contractual definition and/or employment data for the period (scheduled and holiday leave excluded).

Days lost: days lost to workplace accidents are counted in calendar days.

#### Workforce, changes in the workforce

Headcount as of 31 December of the year in question.

All types of contracts are included in the workforce (permanent, fixed term, temporary, training contracts, apprenticeship contracts), except the following:

• suspended contracts (parental and sabbatical leave essentially),

internships.

Intra-group movements are not reported in actual movements.

#### **GHG** emissions

Greenhouse gas emissions reported cover the main direct and indirect emissions attributable to AKKA's activity under scopes 1, 2 and 3.

They stem chiefly from the consumption of fossil fuels (natural gas, heating oil and vehicle fuels). Their sources include travel (plane, train and hire cars) and electricity consumption. Other emissions sources are not considered material, and have not been quantified.

The emission factors used are those provided by ADEME's greenhouse gas resource centre

#### Training

All types of internal and external training are included for all types of contracts, in accordance with legal standards governing the inclusion of training in each country.

Exclusions in France and Germany:

- Absenteeism: absences from a training course are not counted in the trained workforce. (Cancellation fees are included in training expenditure where applicable.)
- Combined work-study programmes (and their equivalent in Germany): hours of attendance at the training centre are recorded (but time spent in the company is not taken into account).

 Security training (first aid, electrical, chemical clearances, nuclear, etc.) and other training which do not meet the applicable legal standards.

Other exclusions in France:

- Individual training leave (CIF),
- Any training given to interns and employees on apprenticeship contracts.

Other exclusions in Germany:

Coaching,

On-the-Job training

#### Disability

Employees with disabilities.

For France, the data reported are consistent with the mandatory declaration of employment of disabled workers (DOETH).

Exclusions: Interns.

#### Wages

Personnel expenses before the deduction of subsidies (hereof CICE).

### Report of one of the statutory auditors, appointed as an independent body, on the social, environmental and societal information contained in the management report

#### To the shareholders,

In our capacity as statutory auditors of AKKA Technologies designated as an independent body, accredited by COFRAC under number 3-1048,<sup>(1)</sup> we hereby present our report on the consolidated social, environmental and societal information for the year ended 31 December 2016 (hereinafter the "CSR information"), presented in the management report pursuant to Article L. 225-102-1 of the French Commercial Code (Code de commerce).

#### Responsibility of the company

It is the role of the Board of Directors to prepare a management report including the CSR information referred to in Article R. 225105-1 of the French Commercial Code, in accordance with the CSR reporting protocol used by the company (hereinafter the "Framework"), as summarised in the management report and available on request from the company's registered office.

#### Independence and quality control

Our independence is defined by regulatory requirements, the code of ethics of our profession (code de déontologie) and Article L. 822-11 of the French Commercial Code. We have also implemented a comprehensive quality control system including documented policies and procedures to ensure compliance with ethical standards, professional doctrine and applicable legal and regulatory requirements.

#### Responsibility of the statutory auditor

It is our role, on the basis of our work:

- to certify that the required CSR information is presented in the management report or, if the CSR information is not presented, that an appropriate explanation is given, pursuant to Article R. 225-105, paragraph 3 of the French Commercial Code (certification of presentation of CSR information):
- to express a conclusion of limited assurance that the required CSR information, taken as a whole, is presented fairly in all material aspects, in accordance with the Framework (reasoned opinion on the fairness of the CSR information).

Our work mobilised the skills of four people and took place between January and March 2017 for a period of approximately four weeks. We were assisted in our work by our specialists in corporate social responsibility.

<sup>(1)</sup> the scope of which is available on the website www.cofrac.fr <sup>(2)</sup> ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information

Our work described below was carried out in accordance with the decree of 13 May 2013 determining the manner in which the independent body conducts its engagement and in accordance with the professional doctrine of the French National Institute of Auditors (Compagnie Nationale des Commissaires aux Comptes) concerning this engagement and, concerning the reasoned opinion on the fairness of the CSR information, with the international standard ISAE 3000.(2)

### 1. CERTIFICATION OF PRESENTATION OF CSR INFORMATION

### Nature and scope of our work

On the basis of interviews with the individuals in charge of the relevant departments, we reviewed the company's sustainable development strategy with respect to the social and environmental impact of its activities and its social commitments and, where applicable, any initiatives or programmes it has implemented as a result.

We compared the CSR information presented in the management report with the list provided for by Article R. 225-105-1 of the French Commercial Code.

Where certain consolidated information was not presented, we verified that an appropriate explanation was given, in accordance with Article R. 225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers 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 limits set out in section 9.4.2 of the management report.

### Conclusion

On the basis of this work and taking into account the limits mentioned above, in particular as regards energy consumption, greenhouse gas emissions, accidents at work, absenteeism and hours of training, we certify the presentation of the required CSR Information in the management report.

### 2. REASONED OPINION ON THE FAIRNESS OF THE CSR INFORMATION

#### Nature and scope of our work

We conducted approximately 10 interviews with the people responsible for preparing the CSR information in the departments overseeing the procedures for collecting information and, as necessary, the managers of internal control and risk management procedures. in order to:

- assess the appropriateness of the Framework as regards its pertinence, completeness, reliability, neutrality and clarity, taking into consideration, where applicable, best practices in the sector;
- verify the implementation of a process for collecting, compiling, processing and checking the completeness and consistency of the CSR information, and obtaining an understanding of the internal control and risk management procedures relating to the preparation of the CSR information.

We determined the nature and scope of our tests and inspections on the basis of the nature and importance of the CSR information having regard to the company's characteristics, the social and environmental challenges of its business, its guidelines on sustainable development and best practice in the industry.

#### For the CSR information we considered most important:<sup>(3)</sup>

- at the level of the consolidating entity and consolidated entities,(4) we consulted documentary sources and conducted interviews to corroborate qualitative information (organization, policies, actions), we implemented analytical procedures on quantitative information and verified, on a test basis, data calculations and consolidation, and checked their consistency and uniformity with the other information contained in the Management report;
- on the basis of their activity and contribution to the consolidated indicators, their location and risk analysis, we conducted interviews to verify the correct application of procedures, and implemented detailed tests on a sample basis, checking calculations and reconciling justifying documents. The sample selected in this manner

represented on average 70% of employees, i.e. between 70% and 100% of the guantitative social and environmental information presented.

We assessed the consistency of other consolidated CSR information on the basis of our knowledge of the company.

Lastly, we assessed the pertinence of the explanations, if any, that were given for the total or partial absence of certain information.

We believe that the sampling methods and sample sizes we used, exercising our professional judgement, allow us to formulate a limited assurance opinion. A higher level of assurance would have required a more extensive review. Because of the use of sampling techniques, as well as other limits inherent in the operation of any information and internal control system, the risk of failing to detect a material misstatement in the CSR information cannot be entirely eliminated.

### Conclusion

Based on our work, we did not identify any material anomalies liable to call into question the fact that the CSR information, taken together, is presented truthfully, in accordance with the Framework.

Neuilly-sur-Seine, 21 March, 2017

One of the statutory auditors, Deloitte & Associés

<sup>(3)</sup> Quantitative social information: Workforce as of 31 December, Breakdown of workforce by age group, Breakdown of workforce by sex, Frequency rate of workplace accidents, Severity rate of workplace accidents, Number of workplace accidents with lost time, Number of hours of training. Quantitative environmental information: Energy consumption of buildings, Greenhouse gas emissions. Qualitative information: Quality of working life at AKKA, Development of the employability of employees, AKKA Group Recruitment Policy, Business ethics.

(4) Entities in France (Aeroconseil, AKKA I&S, AKKA Informatique et Systèmes, AKKA Ingénierie Documentaire, AKKA Ingénierie Process, AKKA Ingénierie Produit, AKKA Life Science, AKKA Research, AKKA Services, Casciopé, EKIS France, Real Fusio, Matis Informations Technologies, Matis Technologies (M.T., Modélisation Assistance Technique Informatique Scientifique) and in Germany (MBtech Group and its subsidiaries MBtech Verwaltungs, MBtech Consulting, Proceda Modellbau, MBtech EMC and ATP).

### Layout and publication: Marketing & Communications Department

Photo credits: AKKA Technologies, MBtech Group GmbH & Co. KGaA, fotolia.com

This document was produced using manufacturing processes, products and raw materials (paper, ink, etc.) with the least possible environmental impact. The paper used for this Activity Report is FSC (Forest Stewardship Council) certified. FSC certification attests to compliance with a series of principles and internationally recognised forest management criteria. The aim of FSC certification is to promote responsible forest management.

35 | AKKA TECHNOLOGIES #2016 - CSR REPORT



**AKKA TECHNOLOGIES** 9-11 rue Montalivet - 75008 Paris - FRANCE Tél. +33 (0)1 56 69 26 59

▼www.akka-technologies.com