



THIS IS OUR COMMUNICATION ON PROGRESS (COP)  
WHICH DESCRIBES THE EFFORTS WE HAVE MADE INTERNALLY TO  
APPLY THE 10 GLOBAL COMPACT PRINCIPLES CONCERNING HUMAN  
RIGHTS, EMPLOYMENT RIGHTS, ENVIRONMENTAL PROTECTION AND  
THE FIGHT AGAINST CORRUPTION.

2017

Commitment Renewal  
of Vignal Lighting Group

Dear Secretary General,

I have pleasure in confirming Vignal Lighting Group's continuing support for the United Nations Global Compact. We hereby renew our commitment to adopt, support and apply the 10 founding principles relating to human rights, employment rights, environmental protection and the fight against corruption in our sphere of influence.

We also wish to express our determination to ensure that these principles progress by continuing to build them into our company's strategy, business culture and operating methods.

Please find attached our communication on progress for 2017.

Yours sincerely,

Jean-Louis Coutin  
President of the Vignal Lighting Group



### A word from the President

If we all want to live together in harmony, it is essential that we respect each other and respect the planet.

With the backing of our shareholders, we have taken the initiative to devise a CSR policy aimed at organising our activities and measuring our progress.

All Vignal Lighting Group employees are happy to participate in this scheme.

The Group's CSR reports are widely shared with all our partners, both internal and external.

A highlight of recent years has been the setting up of factories on other continents, with a view towards supporting our clients and limiting inter-continental transport.

In France, we have a new factory, built to the highest international standards. This will significantly improve both our working conditions and our carbon footprint.

Jean-Louis Coutin  
President of the Vignal Lighting Group

## Taken from the activity report – Eurazeo – “We are makers” - 2016

“The way in which the Vignal Lighting Group has been designed provides an illustration of the company’s strategic vision, which places the value driver of Corporate Social Responsibility at the very heart of their strategy. Vignal Lighting Group’s model is based on two cornerstones: general product design aimed at minimising development costs; and manufacturing locally in order to be closer to clients, to take economic issues into account and to reduce the impact on the environment.”



From left to right:  
Jean-Louis Coutin  
Chairman of Vignal  
Lighting Group  
Joanne Dubail  
Principal  
Olivier Millet  
Chairman of the Executive  
Board of Eurazeo PME  
Member of the Eurazeo  
Executive Committee  
Pierre Meignen  
Managing Director

### VIGNAL LIGHTING GROUP ACTIVE ON SEVERAL FRONTS

**A**ccompanied by Eurazeo PME since 2014, Vignal Lighting Group is the European leader in lighting and signaling for industrial and commercial vehicles. It has 400 employees and generated €83 million in revenue this year, 75% of which internationally. The group has already undergone a comprehensive transformation in less than three years with the help of Eurazeo PME, which accompanies its external growth and international expansion. “It is our business to identify potential champions and we also share this expertise with our portfolio companies,” states Olivier Millet, Chairman of the Eurazeo PME Executive Board. Vignal had already acquired ABL Lights in 2014, anticipating the shift to LED. A new external growth transaction was initiated in September 2016 with the purchase of the Swiss company CEA, which manufactures safety products for special vehicles (beacons and bar lights in particular). The group will thus be able to complete its product range, while bolstering certain European market positions, particularly in the agricultural sector. At the same time, Vignal invested in its production tool in France, building a new 11,500 m<sup>2</sup> industrial site in Corbas, near Lyon. The site’s design illustrates the company’s strategy, which places corporate social responsibility as a value driver right at the heart of its approach. The Vignal Lighting Group business model has two pillars: a global product concept to minimize development costs and local manufacturing to accompany its clients as closely as possible, taking into account economic challenges and limiting the environmental impact. It was therefore decided to invest in plants meeting the world’s highest standards in Europe, North America and soon Asia, in close proximity to markets. A new production site will open in China in 2017, in order to serve rapidly expanding markets. Vectors of long-term growth, these projects are fully supported by Eurazeo PME, in particular thanks to Eurazeo’s competency center in Shanghai.

**“We are pleased to have contributed to the growth of this company for nearly three years; now it can meet numerous challenges.”**

Pierre Meignen



CSR and the 5 Key Points...

organising sustainable development

### CSR

Vignal Lighting Group has incorporated the environmental, social, societal, responsible purchasing and governance issues concerning all its divisions into its Corporate Social Responsibility project. Its industrial and sales policy is dictated by these priorities.

### Employee Involvement

Involving the employees means recognising their skills and improving them through training, giving them the means to exercise responsibility and encouraging them to make suggestions for improvements and play an active role in the work of an autonomous production team.

### VPS –Vignal Production System

In order to design innovative products that are easy to produce at a high level of quality and at the lowest cost and at the same time reduce development times, Vignal Lighting Group has widened the organisation into Project Teams and the simultaneous study of products and processes.

### Ongoing Innovation

In order to design innovative products that are easy to produce at a high level of quality and at the lowest cost and at the same time reduce development times, Vignal Lighting Group has widened the organisation into Project Teams and the simultaneous study of products and processes.

### Supplier Involvement

By involving our suppliers, we benefit from their ability to innovate and are able to develop productivity plans with them and improve quality. Vignal Lighting Group is looking to establish and maintain close, long-term relations with a small number of suppliers chosen from among the best in the world that will be profitable to both parties.

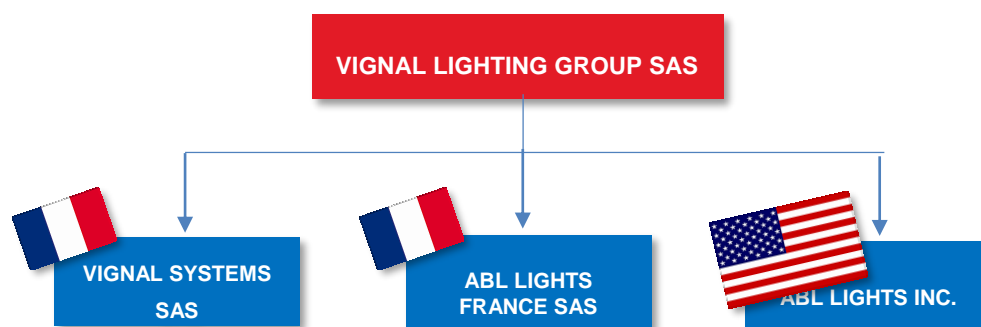
### Total Quality

The goal of total quality is to achieve customer satisfaction. To meet their expectations in terms of product and service quality, it requires the total, continuous and rigorous application of the 5 Key Points. It is implemented by every member of the company and the suppliers.





The scope of the Vignal  
Lighting Progress Report



The framework of the Vignal  
Lighting Group's CSR reports

The CSR reports are in response to a regulatory requirement (the Grenelle II law) to which the Vignal Lighting Group must adhere within the application scope of our majority shareholder.

The report reference document has a total of 158 indicators.



## The Vignal Lighting Group

### Progress Plan

#### 1 ASSURER UN SOCLE RSE SOLIDE

#### Deploying our CSR cornerstones

Setting up a Group CSR body.

Drafting annual reports with regards to the requirements of the Grenelle 2 Environmental Law.

A CSR assessment analysed by the Advisory Board.

Drafting Carbon and Social Barometer assessments.

#### 2 IDENTIFIER LES ENJEUX ET OPPORTUNITÉS D'UNE PERFORMANCE DURABLE

#### Overseeing CSR progress objectives

Environmental: reducing our impact with regards to CO<sup>2</sup>.

Social/societal: sharing a corporate project with employees.

Responsible purchasing: limiting the CSR risks in our supply chain.

#### 3 ACCÉLÉRER ET PÉRENNISER LA CRÉATION DE VALEUR DURABLE

#### Involvement in CSR acceleration programmes

Responsible Purchasing Programme: reducing risks, protecting the reputation of the company and its products while contributing to social progress.

Diversity Programme: to promote and encourage diversity.



## Vignal Lighting Group

### Governance Indicators

#### Measured in 2016

Operational governance  
Shareholder governance  
Specialist committees on the Advisory Board or the Board of Directors

#### 2016 highlights

- ✓ Quantified CSR progress objectives put in place
- ✓ AFEP/MEDEF recommendations made reality: at least 30% independent administrators
- ✓ Setting up a Compensation Committee and an Audit Committee

### 2016 highlights

#### 🔗 A new mentoring programme

Eurazeo, our majority shareholder and Vignal Lighting Group both share the same conviction: diversity is a performance indicator. Launched in 2014, the aim of the “Eurazeo Pluriels” programme is to promote diversity within those companies where Eurazeo are a majority shareholder. This commitment became reality in 2016 with the launch of a unique **crossover mentorship** programme, which brings together personnel from 15 holding companies. Devised to promote the professional development of all those involved, this innovative mentorship scheme meets this ambition by selecting mentor and mentee combinations that ensure diversity with regards to gender, age and social background.

In 2016, Alexandra Motto-Ros, Vignal Lighting Group’s R&D Director, was selected from the Group to participate in the Eurazeo Pluriels programme.

“This mentoring programme came at a time where I was making a significant transition within my professional career. Being able to benefit from an external perspective given by someone with experience and from outside of my chain of command was extremely rewarding from both a professional and personal point of view.

I was able to speak openly with my mentor with regards to the key areas of development within my career while making the most of their advice and experience.”

Alexandra Motto-Ros –Vignal Lighting Group R&D Director







Vignal Lighting Group

Environmental Indicators

#### Measured in 2016

Water  
Energy – excluding fuel  
Fuel  
Airborne Emissions and Climate Change  
Waste  
Compliance with environmental regulations  
Environmental certifications  
Environmental training and/or organisation  
Dealing with environmental and pollution risks

The new Vignal Lighting Group site in Lyon saw reductions in energy consumption



Water  
-73%



Gas  
-67%



Electricity  
-17%

#### 2016 highlights

##### ✓ Vignal Lighting Group

The two Vignal Systems sites (Vénissieux and Corbas) were moved to a new site less than 2 km away.

Energetic assessment of the new Corbas site:

- The upper section of the activity area and offices have been insulated in accordance with RT2012.
- The natural light coverage has been increased in the “activity” area and in the offices.
- 100% LED lights have been introduced across the site.
- A “free cooling” system was put in place in the activity area.
- A system was put in place for recovering calories (cold or hot) during building air regeneration.
- There is a specific network for cooling the moulding machines using a heat-resistant system
- There is a variable-speed compressor and a system for recovering generated heat.
- Processes: 3 100% electric injection moulding machines (electricity consumption lower than 60%).

##### ✓ ABL Lights France

- A carbon assessment was drafted.
- The amount of dangerous waste generated was significantly reduced.
- The Caen site was rendered fully compliant.

##### ✓ ABL Lights Inc.

- A carbon assessment was drafted.

## 2016 highlights

### 📍 A new factory in Corbas (France)

Head office, R&D centre, offices and production. Surface area: 11,500 m<sup>2</sup>



### The advantages of the new Corbas site

#### Improved working conditions:

The workshop boasts a so-called “free cooling” natural cooling system. This system allows savings to be made in terms of energy costs while limiting the need for climate-control systems. Daylight enters the workshop naturally (double that required according to the regulations). Optimises personnel movement.

#### Enhanced security:

- Clearly marked areas for trucks, cars and pedestrians.
- A workshop on one single level with wider passageways.
- More than 90% of all products are stored at shoulder height (< 1m60).
- Lifting operations are restricted and kept separate from pedestrian areas.
- 5 loading docks.
- Fire detection plus “sprinkler” fire detection in each zone.
- A new Group Data Centre server room with gas extinguishing system.
- Safety footwear obligatory in production zones.
- Secure access using badges and cameras.

#### Savings made on energy across all levels:

- The free cooling system in the workshop plus a natural and environmentally-friendly climate-control process.
- Internal and external LED lighting.
- Insulation in accordance with RT2012 (low energy consumption) in the offices and workshops.
- Variable-speed heat pump and renewed air energy recovery system.

#### Advantages:

ESD\* certified workclothes and flooring aimed at protecting LED/electronic products.

\*Electro Static Discharge

## 📍 The acquisition of CEA, based in Rancate in Switzerland

The acquisition of CEA, Europe's leading manufacturer of revolving lights, was finalised in September 2016. This move sees Vignal Lighting Group acquire a high-quality manufacturing site located in Rancate in Switzerland, with significant skills in optics, electronics and mechanics. It also sees us extend our reach as a company, encompassing a wide range of safety products for specialist vehicles, while strengthening our position in a number of different European markets, including the agricultural sector.



At Vignal Lighting Group, we are continuing our process of internationalisation and now have industrial sites in three continents: Europe, America and Asia.



Vignal Lighting Group

Social Indicators

### Measured in 2016

- Allocation of staff and jobs
- Working hours
- Absences and workplace accidents
- Diversity and gender equality
- Compensation
- Social security
- Managing skills
- Social dialogue and societal commitment

### Faits marquants 2016

- ✓ Vignal Lighting Group: a drop in turnover between 2015 and 2016.
- ✓ In 2016, Vignal Lighting Group participated in a crossover mentorship programme developed by Eurazeo Pluriels.
- ✓ Vignal Lighting Group improved employee protection and wellbeing. There was a significant reduction in the frequency and severity of accidents.
- ✓ At Vignal Lighting Group, we involve our employees in value creation and company results through employee shareholders and the introduction of a profit-sharing scheme

The schemes introduced in association with staff representative bodies have helped Vignal Lighting Group to improve employee protection and well-being.



Frequency of workplace accidents

-52%



Severity of workplace accidents

-63%



Vignal Lighting Group

Supplier & subcontractors

#### Measured in 2016

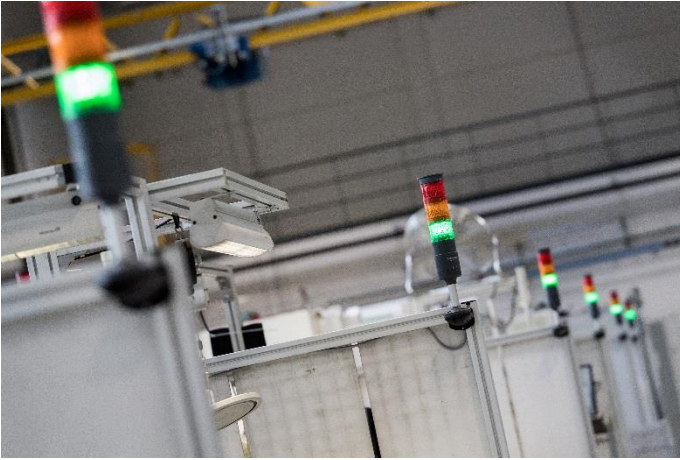
Suppliers and subcontractors, including:

- CSR certified suppliers
- CSR questionnaires for suppliers
- CSR supplier audits
- A policy and/or charter for responsible purchasing

#### 2016 highlights

- ✓ At Vignal Lighting Group we are continuing to implement our Responsible Purchasing strategy: a risk matrix has been drawn up in addition to a CSR questionnaire aimed at priority suppliers.
- ✓ In March 2016 a Code of Conduct was drawn up for business relationships.





## Combating corruption

### Vignal Lighting Group's ethical principles

Over the years, Vignal Lighting Group has acquired an unrivalled reputation through our culture of integrity and ethical conduct.

Any exchanges held with our partners are based on this trust and this reputation.

The Group's Management have made a commitment to raising awareness among teams as well as stakeholders with regards to ethical behaviour and have put schemes in place, including the [Code of Business Ethics](#), aimed at strengthening the Group's reputation and targeting excellence.

This Code of Business Ethics is applied across the whole group and is available to all employees and stakeholders via the website. It encourages respect for professional ethics in the form of principles of action, including:

- Confidentiality
- Declaring any conflicts of interest
- The use of assets
- Political and associative activities
- Lobbying / combating corruption
- Combating money-laundering
- Combating anti-competitive practises
- The use of social media.



## The 10 principles of the United Nations Global Compact

### Human rights

To support and respect the protection of international law with relation to human rights within our sphere of influence

To ensure that we are not complicit in any violation of these rights.

### Workers' rights

To ensure that freedom of association is respected and that collective bargaining is recognised.

To eliminate all forms of forced or mandatory work.

To ensure that all child labour is abolished.

To eliminate discrimination with regards to employment and occupation.

### The environment

To support a preventative approach with regards to environmental issues.

To undertake initiatives aimed at promoting greater environmental responsibility.

To promote the rise and spread of environmentally-friendly technology.

### Combatting corruption

Committing to combat any form of corruption within our sphere of influence, including extortion and bribery.

Communication on Progress  
Industrial and CSR Management – October 2017