



The open banking platform. For each business. Everywhere

April 2018



SAB COMMITMENTS FOR A SUSTAINABLE DEVELOPMENT

Progress Report



Network France
WE SUPPORT

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Introduction



1

LETTER FROM THE PRESIDENT

Every day, we act for tomorrow

Member of the UN Global Compact since 2007, SAB has been more actively involved in the CSR approach in order to uphold the fundamental principles of the United Nations in the areas of Human Rights, Labour Standards, Environment and Anti-Corruption.

Aware that the behaviour of a company is as important as its economic success, SAB has implemented many actions that have constituted over time, a real open sesame roadmap for a CSR approach worthy of the name; actions that the company promotes, frequently shares, with its internal and external stakeholders.

If clients and partners, many of whom committed to similar governance, provide the opportunity to discuss on the good practices of a company that is responsible both on the human and economic sides, **the 725 employees are the primary players, because without them, " SAB Adventure " which started 30 years ago, could not have lasted.**

Indeed, since the start, the development of SAB and its subsidiaries ("SAB Group") has been the main objective of the partners of the company. The values and qualities, the foundation of SAB Group, supported by its employees, have enabled it to acquire a healthy and recognized position in its market on the national and international levels.

In 2015, to support this evolution, the founding partners brought the World Bank into the capital of SAB, via its IFC financing fund.

In 2017, in agreement with this new shareholder, it was decided to proceed with a **capital increase reserved for all Group employees** with more than 2 years of seniority. This new impetus for collaboration has been achieved and will continue in a spirit consistent with what a responsible company should be.

But it is also with the support of Global Compact France that SAB has come all the way, implemented actions and has been more actively involved in the national network by being a contributor to good practices included in the Guide of Sustainable Development Goals.

And it is with the same conviction that I renew, without reservation, SAB support for the values stated by the United Nations Global Compact. I am counting on everyone, collaborators and stakeholders to carry out this task.



Olivier PECCOUX,
Founding President of SAB GROUP

We engage in an action just to act, not to retreat/ Georges Clémenceau

BRIEF SUMMARY OF THE GROUP ACTIVITIES– 1/2

With more than 700 employees, SAB Group is the leader in the French banking software market.

SAB provides supports to the banks and financial institutions (retail banks, business banks, private banks, payment institutions, microfinance institutions, etc.) for consultancy, deployment, managing changes and integration of its **SAB AT** solution. SAB has been also providing since many years a **digital offer** involving a comprehensive offer for the clients of the bank with Your Portal Customer, and another one for the bankers themselves with Your Portal Banker.

SAB software package offers are also enriched with a complete range of **tasks and services** starting from integration to supply of « as a service » mode, going through training or outsourcing of back-office.

With IFC (member of the World Bank Group) as a shareholder, SAB continues to develop its offer and its expertise, with an **international strategy** going from France and Europe to Africa, and from the Middle East to Polynesia.

MORE THAN 200 REFERENCES

Banques de détail	Banques privées	Banques d'entreprises	Etablissements de paiement et nouvelles activités

BRIEF SUMMARY OF THE GROUP ACTIVITIES– 2/2

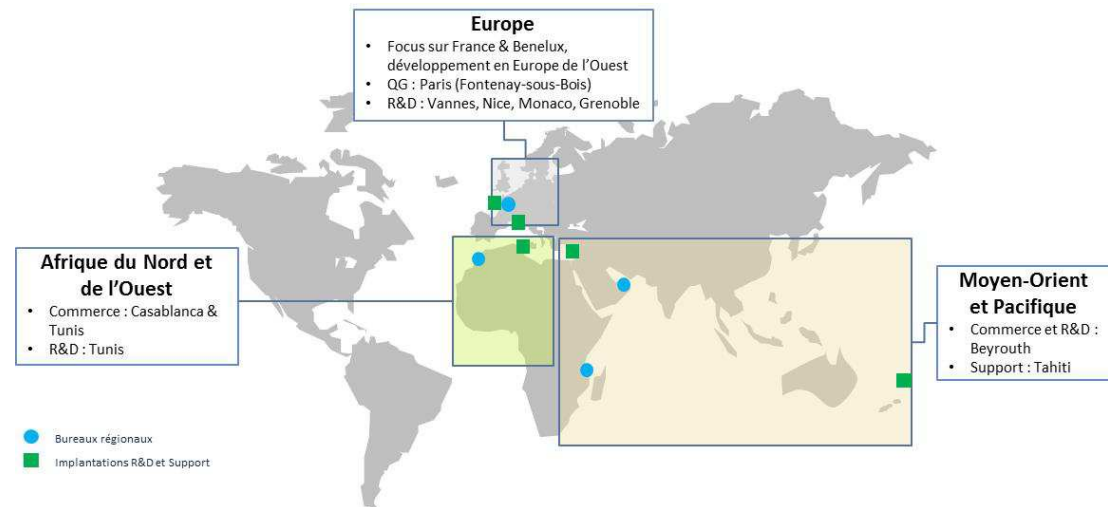
SAB Group has become an international presence and is forging a rich corporate culture, diversified and based on the dual competence information system / banking and finance activities.

Since its creation, more than 200 banking references, installed worldwide and over the 5 continents, have trusted SAB.

The software package SAB AT has been deployed in more than 20 countries. The management of its proper functioning and the continuity of its operations are ensured by support centres mainly in France, Lebanon, Tunisia and Tahiti.

Outside France, the commercial presence is ensured by many subsidiaries :

- SAB Tunisia for Algeria, Tunisia and Central Africa countries
- SAB Morocco for Morocco and West Africa
- SAB Mediterranean for the Middle East



ENDORSED PRINCIPLES

The on-going implemented actions and new initiatives reflect once again this year the support provided by SAB Group to the 10 principles of the UN Global Compact ([Ref. ANNEX « History of SAB CSR Approach »](#)).

All company departments contribute to this end and numerical results, presented in the different chapters below, are collected throughout the year by these departments (transversality of the involvement).

The sustainable Development committee, composed of 6 members including the President of SAB and representing all sites/subsidiaries, performs the analysis, draws conclusions that will serve as a framework to the approach of next year and proceeds to the drafting of this report. Committee ad-hoc meetings enable ensuring a monitoring of result changes throughout the year.

→ Since joining their local Global Compact network in late 2016, the subsidiaries in Lebanon and Tunisia have a more concrete vision of the CSR approach developed at the Group level.

Keeping our stakeholders informed is integrated in our communication and involvement approach.

For this purpose, the sustainable Development committee worked with the legal department so that the CSR clauses are included in the contracts that bind us to our suppliers and our clients, in order to make them aware of the fundamental principles of the Global Compact. These clauses were submitted for validation to the members of the Executive Committee and are now included in all contracts since January 2016.



SDG IMPLEMENTATION

Sustainable Development Goals (SDG)

The **17 SDG (or international agenda for the horizon of 2030)** adopted in September 2015 by 193 countries at the United Nations are intended to reduce inequalities between rich and poor countries, to move towards peace, to preserve the planet.

Aware of their importance for a more fair transition of the world, SAB appropriates them and inserts them into its governance.

→ **Several implemented actions –societal, environmental- are included in the eponymous guide.**





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Social
Responsibility



2



HUMAN RIGHTS AND WORK STANDARDS

We confirm that our company respects fully the French legislation which incorporates all the international conventions, and that our field of business makes us less exposed to situations involving the violation of human rights.

In addition, we also ensure that our stakeholders do the same. Partnerships and suppliers, of whom we have outsourced staff on group sites, are subject to all our attention, especially in what concerns hiring ad-hoc or permanent suppliers and student trainees. Hence, SAB applies to its entire staff, as well as to the outsourced staff, the provisions of the Labor Code in force in France and respects the Articles L 4153 of the Code.

SAB respects all the work standards (freedom of association and the right of collective bargaining, elimination of any form of forced or mandatory labor, abolition of child labor, elimination of employment and occupational discrimination) and applies a well precise conduct rules concerning these standards.

In addition, SAB faithfully applies the recommendations given by the French Government and / or the Ministry of Foreign Affairs, whenever a risk or a conflict arises in the countries of our subsidiaries and our clients:

- Client missions are immediately stopped,
- As for the corporate sites, everything is done to protect the employees (moving to secure areas and French metropolis sites: Lebanon 2006),
- Concerning areas with health threats, warnings from the Ministry of Foreign Affairs are taken into account by the Human Resources Management who maintains an up-to-date information.



WORKING CONDITIONS– 1/6

RECRUITMENT / INTEGRATION

Work contracts are mainly open-ended (98%), with few others for a fixed determined period to meet the pressure of works during temporary projects or to replace an employee during a long-term absence.

- Human resources management, responsible for recruiting, issues every new employee a work contract describing the work conditions, the termination conditions and the job description.
- On the first day of work, the new employee receives an intranet presentation on the introductory booklet through the HR intranet which includes lots of information about the daily life within the company :
 - Internal rules, professional convention,
 - management of business expenses, leaves and standby duties procedures,
 - Code of ethics : current recasting to take into account whistle-blower procedures and their inclusion in the internal regulations.
 - ➔ Review of the NICT charter of use and IT charter under study for implementation by the end of first quarter of 2018.
- A customized access to this tool is given to the new employees so that they can browse it at their convenience.

- Within the month that follows recruitment, a presentation on the sustainable development approach is provided within the « new employee » module context by a member of the Sustainable Development Committee.

➔ **A CSR introductory video is being prepared by the Sustainable Development Committee and the Communication department and will be subject to a last update during the handover of the post in May.**

- Several pages under the heading “communication” on the HRIS are dedicated to the subject of Sustainable Development and an information message on the approach is addressed to the new employee by the head of the Sustainable Development Committee. It is an occasion to help educate the individual on the appropriate use of equipment and the appropriate eco-citizen behaviour.
- The company undertakes to provide the employees with the best possible working environment (fixed or portable according to their functions), their own telephone line, and Internet/Intranet access in order to allow a successful completion of their tasks.

➔ **A night hotline installation was subject to several adjustments.**

➔ **At SAB Monaco, an on-site ergotherapist intervention project is underway, in partnership with the occupational health care office.**

If an employee suffers from a posture problem, the human resource management makes every effort so that the employee is followed by an ergotherapist. Thus, a complete workstation (mouse, ergonomic keyboard, footrest, chair) was made available to an employee. This file was funded by SAB and the AGEFIPH.



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WORKING CONDITIONS– 2/6

RISK PREVENTION

Working conditions, associated risks and means of preventing and dealing with them are defined annually by the HR Management in agreement with the personnel representatives (Committee for Hygiene, Safety and Working conditions CHSW). They are recorded in a Unique Risk Assessment Document (DUER) where the company commits itself to make of this document a real tool serving to advocate actions in order to optimize working conditions.

No incidents involving the company have been reported related to the application of labor standards.

- **Establishment of an OSH (Occupational safety and health) response report or SAB collaborator in the absence of OHS and transmission to the HR Management following accident / malaise in the premises**
- Updated regularly, **the DUER was completely reviewed and validated in November 2017** to take into account **the implementation of a night hotline in June 2017**



→ NIGHT HOTLINE

Several actions have been carried out to support the shift from daytime work to night work for a team of 8 people eventually (deployment in 3 phases June and September 2017 and June 2018):

- Fire training in the handling of fire extinguishers and the guide / queuing function,
- First aid rescuer training at work,
- Training related to the regulation of sleep and food mode by Mysommeil.com.

A member of the CHSW and the local HR department have accompanied the employees in all these trainings.

In addition, this new scheduled time was the occasion for the refurbishment of the cafeteria and the provision of chairs for breaks during the night.

This night process was coordinated with CHSW, validated by the social partners; finally presented to the Labor Inspectorate, then validated (recruitment and collegial implementation procedures).



WORKING CONDITIONS – 3/6

THERE IS MORE....

- As part of travel in France and abroad, including areas at risk, an insurance contract with broad coverage is implemented. The insurer provides the necessary arrangements- especially the repatriation of people- when health problems or conflict occurrence necessitates the departure from the country. It should be noted that Lebanon, host country of one of our sites is not considered a hazardous area.

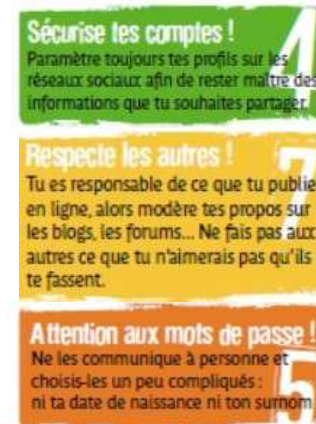
All information on this subject can be viewed by every employee on HR intranet. In parallel, a health monitoring is provided by the HR management who follows the recommendations of the Ministry of Foreign Affairs band via the site ARIANE.

- Part-time work contracts continue to be granted or renewed. They increase slightly every year and cover both employees in 2nd period of career and young employees (including few men) for whom the demand is mainly justified as being in charge of toddlers.

→ On one of the sites of the French metropolis, **there are 31 part-timers employees in 2017 (28 in 2016)**, representing 21% of the site workforce

This part time is validated by the HR Management following the request of an employee.

- Some early retirees, not decided to retire completely, have requested to continue in their work. They provide specific missions and remain in this way integrated to the young teams the time of transmission of knowledge and know-how.
- After studying the development of an end-of-career plan, the HR Management have validated two days of remote work/week for the last 18 months of employment, as soon as the employee reports a real seniority in the company and forwards his retirement date



IT CHARTER and GDPR

For several years now, SAB Group has placed Information Systems Security at the heart of its strategic concerns, and has acquired enhanced resources in this area orchestrated in an ambitious action plan.

In 2017, the Information Systems Security policy was the first to be reviewed and developed, and will be deployed in 2018.

→ **The Charter of Use of our IS has been finalized and validated and will be an integral part of the internal regulations.** For employees, a safety awareness MOOC in the developments has been elaborated and widely deployed.

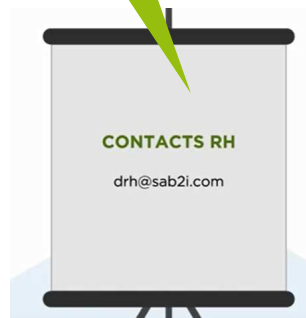
→ In 2018, this security awareness will extend to all employees in the context of the GDPR implementation - General Data Protection Regulations – so that **everyone knows their rights and duties** in this area and acquires good reflexes in his daily practice, **whether it is related to our customers data or internal data specific to employees.**



WORKING CONDITIONS – 4/6

DISABILITY

And if I
declare
my
disability
to HR
contacts
...



Even if the number of disabled employees within SAB France does not reach the 6% stipulated by law, SAB attitude is clear: "equal opportunity recruitment practices". Most of the actions implemented are carried out within the framework of the CSR approach and are reflected in the selection of projects for the apprenticeship tax, the responsible procurement policy (caring company for sorting / collecting / recycling paper).

SAB continues its development by having recourse to the protected sector and integrates companies of this sector in the list of its partnerships.

→ **In addition to responsible purchasing, a "Patronage Heart Surgery" action to save children** has been initiated during the purchase of end-of-year gifts for employees.

In order to put more emphasis on disability and so that employees who think they are in a situation of disability can declare themselves as such -80% of cases of disability are denied- a video was produced « **SAB s'engage contre la discrimination liée au handicap** ». (SAB is committed against the discrimination related to disability). The HR Management focuses in this video on the fact that anyone who thinks he is in a state of disability can benefit from a RQTH system (official recognition of a person status as a worker with disability).

→ **An employee unwilling to make a declaration, has however made a move to talk about it and the physical discomfort encountered in certain situations was resolved.**

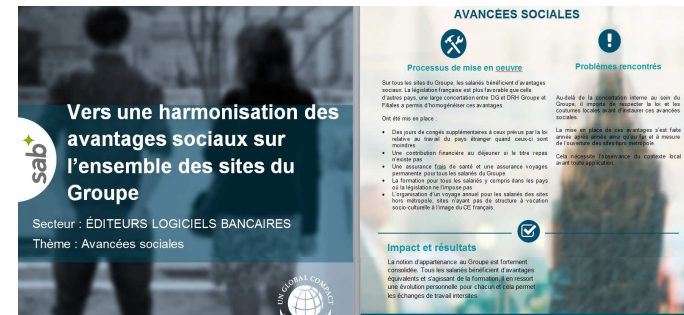
Many employees practice a sport assiduously, allowing them to participate in competitions, marathon in particular; so they are supported by the Management and the Works Council. A handisport action project is envisaged and could be a vector for raising awareness of the concept of disability.



WORKING CONDITIONS – 5/6

SOCIAL BENEFITS

- 100 % of the employees of SAB France, Monaco and Polynesia are covered by collective agreement. The same case applies to SAB Tunisia.
- At all the Group sites, employees receive social benefits.
Since 2016, increase in the number of leave of absence for a Sick Child or + 1d/child <12years
➔ After a transition period of 2 years, SAB confirms the option of a **responsible medical contract** applicable from January 1, 2018, to the best of the expectations of the employees and after reflection with the social partners (improvement of the alternative medicine post for example but also limitation of some items of the fee schedule) **and this without increasing the cost of the contribution, or even a decrease of about 11%**
- It is to be noted that many benefits specific to the French law are also granted to employees of foreign sites. Accordingly, a large agreement exists between GM and HRM and GM/HRM of subsidiaries.



This applies to :

- leaves: the company provides additional days to those provided by the Labour Law of the country where SAB site is based,
- a financial contribution for lunch which takes the form of a meal or a package,
- a health insurance for all employees of the Group (standardisation for all the sites of France since 01.01.14)
- Organisation of annual trip for the employees outside France, sites that do not have socio-cultural activities structure like the French EC.
- ➔ **Applied to the Lebanese site, has been validated for the Tunisian site that will make its first trip in spring 2018.**
- Training for all the employees of the Group, including the sites/subsidiaries in countries where it is not imposed by the Law,
- Permanent travel insurance for all the employees.

WORKING CONDITIONS – 6/6

SOCIAL BENEFITS (suite)

- Lebanese law does not provide for a medical examination or regular health check-ups throughout the working life; the management of SAB has requested that a financial study be established for the implementation of a medical check- up for every Lebanese employee. If this project succeeds, it will concern all new employees. This medical program will be spread over few years for all former employees.
- A support has been set in Lebanon to take into account the years of war context; it consists of a financial participation in the tuition fees of the employees children and continues in a situation always fragile given the geopolitical events in the neighbouring countries.

(Conflict consequence: public school abandoned by the state forcing Lebanese to enrol their children in private schools).

The internal event is not forgotten to promote cohesion between employees. Occasional activities are organized by the EC (Twelfth night cake the same day on all the French metropolis sites, barbecue also the same day if the weather allows it, festive Sunday for children's Christmas) and Christmas gift from the General Management, under the Christmas tree, for employees.

→ **The general information meeting held once a year at each site was an opportunity in 2017 for 8 employees / meeting to participate in a site other than their own and thus get to know distant collaborators** ; for this purpose a questionnaire was proposed and a drawing lots was organized to designate the winners.



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TRAINING- HR

The initial training takes an important place and the continuous training is provided according to the employees motivations and skills and according to the requirements of the company mainly during restructuring or business evolution.

Over the past few years, the share devoted to training at SAB France sites averages 2.85% * of payroll. (* the required legal rate is 1%)

This share decrease between 2016 and 2017 can be explained by a lower cost of some training sessions, especially the English ones, and when they are aimed at groups and not only at individuals.

→ Training in English initiated on one of the sites of the French metropolis and followed by 54 % of employees in 2014, is renewed every year and **was extended to all the sites of the metropolis and to the site of Monaco in 2017**. It is diffused in a classroom or remote mode (e.g. : over the phone for sales representatives, consultants from all the relevant sites and 5 employees from Grenoble site).

In addition, the increase in internal training in e-learning mode (SAB Academy) should be emphasised; it has a lower financial impact on the training budget. A "blended-learning" module is made available to the involved employees, for example, via the integration program into SAB common basis.

As in past years, training employees of subsidiaries, located in countries where the law does not impose it, are provided the same as in French metropolis; in addition, it can be provided to the staff of the service providers.

→ On the occasion of the fire safety training organized during the implementation of the night hotline, **the site clearance company staff joined SAB collaborators to take this training.**



	SAB France		Group
	Number of trained employees	Percentage of total payroll	Total number of trained employees
2014	158	2.67%	437/615
2015	238	2.38 %	391/640
2016	273	3.45 %	460/684
2017	295	2.86 %	541/725

In 2017, the percentage of the employees who received training was as follows:

- 88 % of employees of SAB France
- 75 % of employees of the Group

→ **At SAB Lebanon, since 2014, a financial support** (50% of the project, capped at 500 USD) has been provided to employees, having **5 years of seniority** and who wish to follow **an external training leading to a Project Manager certificate**.

A vast field of « training », initiated and managed by SAB Academy service, independent of the HR Management, has been deployed since 2014.

HR management and SAB Academy cooperate closely as it will be seen in the next paragraph and in § TRAINING-SAB .

TRAINING « SAB ACADEMY » 1 / 3



Sab Academy is a training department in SAB Group at the service of all SAB Community:

- Group employees
- SAB Clients
- Partners integrator of SAB solution

Created in 2014 (2 employees, 3 in 2015), it acquired additional skills by involving an instructional designer and by becoming open to alternate training. Since 2016, 5 individuals are working together.

Since 2016, this internal training organization has been providing programs facilitating the use of SAB AT software package in “classroom” form and via an online learning portal. The latter initiates self-training and helps to promote the development of team skills and the training and transfer of knowledge to our partners and customers.

This “e-learning” approach is more responsible in terms of environment and economy (less use of papers) and also on the social level because it leads to more user autonomy.

It features the diagram of the 3 pillars of Sustainable Development.



TRAINING « SAB ACADEMY » - 2/3

Three types of training are addressed to the stakeholders, according to the needs and the seniority in the company:

- **The module « New employee » or « integration week »**; provided over 4 days (3 weeks before) in e-learning format complemented by a daily briefing presented in classrooms, this training is split into 2 parts:
 - General culture and company policy including sustainable development,
 - Knowledge of the software package.
- **The module « SAB AT Certification base »**; set up in April 2016 for two-month sessions for a group of 20 people approximately, is intended for all the Group employees, other than the new employees, and is part of the continuing education.
5 sessions have been carried out during the past year but the duration of the last two has been reduced to 1 month; considered more effective and motivating, the module will now be provided in this way,

This "blended-learning" mode will facilitate access for all to the training but the user will not be left unanswered, regular reviews will be provided in the presence of the trainer / trained.



➔ *After two years of its existence, SAB Academy offer has been expanded by developing and deploying **18 new programs** for employees as well as customers and partners.*

- **Module Clients or Partners:**
 - Clients : during specific requirements
 - Partners : during upgrade version or switch-over, local partners are associated to employees and receive, in advance, a training on the software package knowledge.

In the continuity of these trainings, feedback is very important in terms of "business" information. A satisfaction questionnaire is submitted at the end of the training in order to contribute to the improvement of the modules (e.g. 2 months session => 1 month).

In addition to the autonomy that results from the permanent availability of the tool and therefore from its use by the employee or the client at any time, the implemented SaaS mode has the effect of considerably reducing the logistics and to have better training follow-up.

This new training approach is perceived as well structured and providing a good overview of the knowledge to be acquired.

TRAINING « SAB ACADEMY » 3/3



Modalités de déploiement - Socle de connaissances générales

Le déploiement de tous nos parcours de formation est réalisé dans un mode hybride avec un complément en présentiel. Nous utilisons chacune de ces deux modalités (e-Learning / Présentiel) là où elle apporte plus de bénéfice :

- **e-Learning :**
 - Contenu structuré, optimisé et centré sur l'essentiel. Ce qui évite une surcharge cognitive futile.
 - Intégration des cas pratiques et des exercices. Ce qui favorise l'implication et une immersion dans le progiciel dès les premières phases de la formation.
 - Evaluation tout au long de la formation. Ce qui permet à l'apprenant de mesurer ses connaissances *in situ*, et de se rattraper si besoin.
 - Synthèses qui ponctuent chacune des séquences de parcours. Ce qui favorise l'ancrage des informations.
- **Présentiel :**
 - Nous déployons systématiquement nos parcours e-Learning suivis d'une séance de debriefing avec un expert. Ces séances ont vocation à compléter les parcours avec des :
 - Travaux dirigés
 - Retours d'expériences
 - Expertise métier
 - Questions / réponses

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Offre SAB Academy

sab⁺



EVOLUTION 1/2

- So far, the employees had, at the end of every year, an annual development interview with their manager in order to assess the role played by each one of them over the past year and to define the future objectives, taking the past into account.

Since 2016, the Annual Development Interview process (interview, synthesis, development of the Training Plan) has been centralised at HR Management in collaboration with SAB Academy. This allows identifying the training requests and to have a better visibility on raising the employees level of competencies. As a result, following the 2016 Annual Development Interview session, 730 training requests were registered.

- Another “employee / HRM” meeting called “professional development interview”, mandatory since 2016 and to be renewed every two years, was implemented as early as the last quarter of 2015. The 2nd Professional Development Interview session is in progress with a target of 3 sessions to be completed by April 2020 and concerning the employees present since 2014.

The HR Management and SAB Academy have initiated a process in the form of a quarterly training committee to centralize the training requirements mentioned in the two types of interviews, including managers requests, and establish a training plan over 18-month period.

- The growth of the company business is reflected in the resource gaps that need to be filled quickly. **First of all, we favour internal mobility**, offering a good opportunity to our interested employees to evolve. **Co-optation, with a reward**, is also a recruiting method that has been deployed since few years and is **an opportunity for employees to show their interest in the company**.



- Employees in the second half of their career, a little more numerous every year, are the result of both aging and recruiting. It is noted in the “working conditions” chapter that the possibility of few days of remote work was proposed under certain conditions.
- Employees referenced « seniors » (45 years and older) represent around 40 % of the workforce of SAB French metropolis, or 131 employees of a total of 333. The percentage of recruited persons every year is variable, but never zero. **Out of 56 hires completed in 2017, 8 are seniors.**
- Positioning of employees: completion of a jobs reference database based on the organisation of the business lines of the company divided into 5 families (consulting, engineering, project manager, BPO manager and internal services). This reference database objective is to position all the employees (title/function) according to SAB skills map and, if needed be, the collective agreement.

Management mapping of the Client-Relation and Software Production services including Maintenance was completed by the end of 2016. The Management Mapping of the (sales, products and marketing, OTR and internal financial services, legal, general purchasing services, HR) services were completed during 2017 and by the end of last year, mapping of all the activities of the company were completed.

EVOLUTION 2/2

MOVE : Structural optimisation of the businesses within the company

The project MOVE announced at the end of 2015 is deployed in a transversal way and concerns all the businesses of the company. In addition to management control and accounting, it is intended to optimize the planning of services related to the business (Client- Relation, Production, and Maintenance).

The objective of proposing a global vision, a control and an improved follow-up of projects has led to the training of 200 APM (Activity Project Manager) since one year, or approximately 30% of the Group total workforce.

→ Every new « APM » hired benefits of this training, **they were 5 in 2017.**

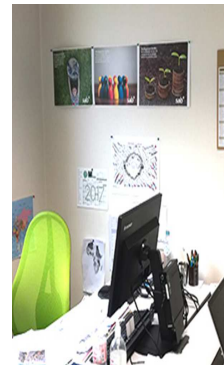
The induced transition might be perceived as an administrative overload by the APM when it comes to look at the big picture of the businesses from different points of view.

→ Last year provided the opportunity to focus on the fact that **the valorisation of tasks is imposed over time.**

- Already, the mission orders, made mandatory, have allowed a better assessment of the need or not of displacements and that is how the cancellation of unnecessary displacements has the following result: => less travels => less expenses => less negative impact on the environment => less fatigue for employees.

This is a perfect example of the application of the 3 pillars of sustainable development (societal, environmental, and economic).

→ If we go back one year, **the tracking and centralisation of the expenses incurred allow to have a better view of the costs linked to the displacements.**



The objective is to open the resources skills from one department to another and thus to emphasize the need for a real cross-connection of skills for the benefit of the whole Group, or in a way to get them out from behind closed doors.

The goal is to develop skills internally by training employees within a team rather than having recourse to the skills of another team. As a result, more employees will be trained and less employees will be diverted from their missions.

MOVE has therefore teamed up with HR Group and the Client Relations Service, requesting this development, to move forward the **skills mapping**, mentioned earlier.

This has enabled us to list mini CVs internally and to target particular type of employees for particular missions, which has led to a structural optimization of the Group businesses.

→ **This process was extended to all the businesses of the Group.**

This project, a real enrichment for the company, continues to be developed with the ERP installation within a single tool for all the processes. Initially foreseen for the last quarter of 2017, it will be operational by the fall of 2018.

WOMEN AND MEN

Since its establishment, SAB has pursued a very open policy related to recruitment, characterized by a rich mix of human diversity: nationalities, cultures, languages, women / men percentage. This factor is as important in SAB internal communications as it is in its communications with clients based throughout the world, and allows the Group to integrate smoothly the local differences - respect of public holidays (traditional and religious) -. The Group includes 21 nationalities.

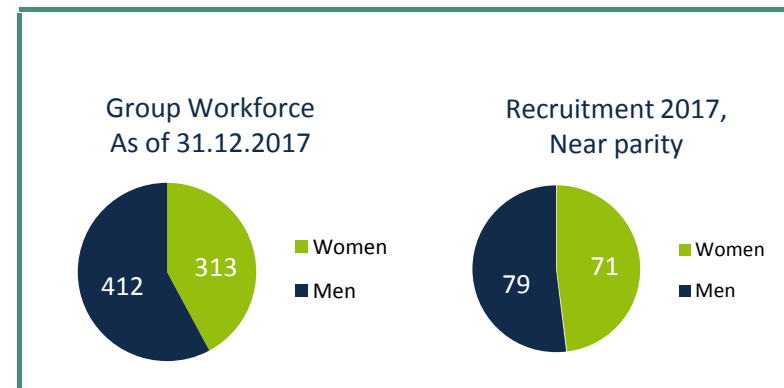
This « mix » also allows a more in-depth approach to the sustainable development process; since every country has its own sustainable development policy initiated by its own governing body.

- With a total workforce of 725 employees, divided into 313 women and 412 men, our company continues to show a women/men percentage close to the parity (**43 % of women to 57 % of men**); 1% in favor of women compared with 2016. It is always noted a strong representation of men in this sector of business.
- Recruited employees in 2017, for all the Group, reflects also a near parity: 70 women/ 79 men.
- In addition to the members of the Executive Management (1 woman / 4 men), women are present in different strategic committees (HR, OTR) with members of the EM in a proportion of 33% or 2W / 4M.

And we find the near parity of the Group at the position of :

- **Manager / Business Manager: 10 women / 13 men,**
- **Manager / Team Leader: 15 women / 19 men.**

Based on skills, qualifications and experience, the wage policy of SAB is not at all discriminatory in identical posts.



EDUCATIONAL ACTIVITIES– 1/3

- The educational partnerships apply from college to university in the form of internships, alternating work-study contracts (apprenticeship and professionalization) and are as follows for the year 2017:
 - 4 internships ranging from a period of few days (college discovery internship) to 6 months,
 - 7 professionalization contracts ranging from a period of 8 months to 2 years
 - 1 apprenticeship contract over a period of 3 years.

To be noted that in 2016, a « student » employee at the Communication department, has chosen SAB CSR approach for his graduation report and helped with the Cop presentation and helped with the peer review.

In addition to the implementation of regulations governing the remuneration of trainees :

- ➔ Bonus allocated from the first day of training (legal obligation if training period is 2 months),
- ➔ Bearing the expenses of the public subscription transport/50 % the days of presence,
- ➔ Restaurant voucher for all the trainees.

At the end of 2017, recruitment of an HR profile committed to carry the recruitment and evolution of the employer brand, in particular vis-à-vis universities and colleges, and thus be a vector of the company CSR approach. Several projects are under study for actions in 2018.

Commitments made during the last few years with the world of education are for some completed , pending for others to be resumed in 2018 :

- SAB / UBS partnership for cyber security has not been manifested in new apprenticeship contracts in 2017 given the redesign of the support service, but should be addressed at the start of the academic year next September.

(As a reminder, as part of the implementation of a new specialty "cyber security" at the University of South Brittany, a unique training of its kind in France, SAB had offered its support by signing an apprenticeship convention for 3 young apprentices from a class of 24 students, one of whom became an employee at the company in September 2016)

- The Trophy for sustainable finance, created in 2014 and manifested by the remittance of the trophy from 2015 to 2017, has not been renewed in 2018 ; The operation became expensive in time and in money.

➔ *However, the partnership was not interrupted with OIFD (Observatoire international de la Finance durable) of SKEMA Business School and SAB joined **a summer university on african banks in july 2017** ; it was a **financial and human contribution**, during which, **two employees provided trainings during the whole week of the event.***

EDUCATIONAL ACTIVITIES– 2/3

Place à présent à André Mallol (directeur VIPE 1987 - 2011) et Olivier Peccoux (directeur @SAB_Banking) pour un témoignage sur l' #accompagnement de @VIPEVANNES il y a 20 ans ! #implantation #entreprise #vannes



11.12.17 / VIPE Vannes 30 years :

At the occasion of the Territories day, Olivier Peccoux, President of SAB Group, came to express his commitment since more than 20 years to the local communities and the University world.

To be noted that the site of SAB was opened in Vannes in 1997 and at the occasion of the 20 years of its establishment, the local stakeholders including the academic community policy makers have shared a moment filled with exchange

These two events have triggered interaction with new contacts and actions are already on the agenda:

- ➔ **Two engineers provided a workshop within the framework of « Jeudis du Numérique »** taking place at the UBS in partnership with University of South Brittany and the VIPE association,



And others on development:

- ➔ Make communities, educational institutions and companies work together to develop projects related to **digital education**.
- ➔ Academics, applied research with labs and courses of study ...) that the UBS Foundation promotes, **a local project that could bring together the various activities and actions around the data**. The idea would be to bring together digital companies, university and its foundation and enthusiastic individuals, in order to create support for projects, exchanges and collaboration around the different themes of data (personal data, strategic, business digitisation, digital skills ...).

EDUCATIONAL ACTIVITIES– 3/3

- As part of the payment of the apprenticeship tax, which funding is oriented for more than 50%, we have the ability to decide on the allocation of payment but still the destination remains for training organizations.

Our support involves local actions next to our sites based in the French Metropolis and since many years, the Management has selected a broad diversity of themes with a direct link to Sustainable Development fundamentals (environment, disability, integration of young people). This selection is the result of a joint approach between the Management, the Human Resources and the Sustainable Development Committee.

- In 2012 we have focused on the integration of young then on disability in 2013.
- In 2014, biodiversity was the object of the main projects, and the environment on a larger scale in 2015 (Cop 21) and 2016.
- **In 2017 the emphasis was placed on the social projects :**
 - ✓ Collaborative games to help children with autism to come out of their isolation,
 - ✓ Video on job-search techniques,
 - ✓ Digital signage to improve communication within an establishment,
 - ✓ Providing a relaxation area to communicate other than via the virtual world,
 - ✓ Help mastering the spelling codes.

Given the different locations of the company, each region is endowed whenever it is compatible with the chosen theme.

The helped establishment transmit the results of engaged actions thanks to this support (permanent financing sometimes), which enables us to have connection with them. Some invites us to discover the achievements performed and to hear his testimony.

Apprentissage, sélection 2017

Ile-de-France



Jeux coopératifs pour l'inclusion scolaire

Mise en place de jeux comme médiateur entre les élèves afin de s'engager dans l'inclusion scolaire de jeunes personnes autistes.



La vidéo pour les techniques de recherche d'emploi et la sensibilisation à la lecture

Filmer une simulation d'entretien ou la présentation d'un ouvrage, afin de maîtriser sa communication orale et sa posture en entretien, ainsi que de partager le plaisir de la lecture.



Impossible n'est pas français

Pallier les brèches dans lesquelles les défaillances orthographiques s'insinuent tant à l'oral qu'à l'écrit, grâce au projet Voltaire.

Bretagne



Affichage dynamique

Projet éducatif mené par les étudiants de BTS, pour de nouveaux outils d'affichage, en remplacement des supports papier, peu adaptés aux nouvelles générations et source de gaspillage.

Grand Est



Aménagement d'un espace détente

Offrir aux élèves un espace loin du monde virtuel pour se rencontrer, échanger, découvrir l'art thérapie, aider à mieux vivre en cas de difficultés liées au stress, à l'anxiété ou au handicap. Offrir un espace détente, genre « jardin japonais » avec du mobilier adapté (banc, table, chaise-hamac ...) pour retrouver sa sérénité et bien se préparer avant les examens.

TRANSVERSALITY AND COMMUNICATION

- Annual meeting on each site to distribute to all the employees the results of the company and its strategy for next year acting thereby the transparency of our actions.
- A quarterly information called « météo des projets (Projects weather) ».



- Regular meetings of HR Management with the Works Council, staff representatives, the CHSW and the Committee of Sustainable Development. A project on disability was finalised in cooperation with the Works Council (see § Disability).
- Annual meeting of the Executive Management with the Sustainable Development Committee, then regular meetings on needed basis and transversal meetings with other departments/managements. Extended steering committee to Sustainable development on ad-hoc basis.
- Regular publication (3-4 times/year) of the activities and news of the company addressed to employees, via the internal newsletter.
- The newsletter « SAB Scope » is distributed electronically to our clients, many times per year, according to the latest news of the Group.
- A quarterly Flash Info is made available to clients on a dedicated web space: It shows a dynamic to remain proactive in the face of regulatory changes or reforms in progress / to come and maintains contact with the client.
- Meetings are also organised with service providers whose employees are operational on SAB sites.



The HR management and the Sustainable Development committee interact regularly :

- A Presentation on the SD approach during the administrative welcoming; A detailed presentation is made within the recruitment month during the integration week set up by SAB Academy.
- Information on the Sustainable Development approach via the HR intranet along with all other information,
- Joint study for the selection of the variable part of the apprenticeship tax.

The HR Management occasionally solicits the SD committee on topics related to labour rights and sustainable development, an integral part of the Group organizational chart. As such, the HRM may report existing or planned practices at its monthly meetings to the Executive Committee.

Integrating CSR criteria in the profit-sharing calculation was validated in the meeting of SD/HR/EM in 2016. This can only be done in the next agreement intended for all the employees and planned for 2019.



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Environmental responsibility



3

EQUIPMENT AND ELECTRIC AND ELECTRONIC WASTE PRODUCTS

For every acquisition of equipment, the purchasing department conducts a preliminary study with suppliers to include Sustainable Development principles. Information and/or discussion with the sustainable Development committee.

→ *Already started few years ago, **the elimination of the personal printers has accelerated** in favour of printing centres accessible to groups.*

Electrical and electronic waste products are subject to recycling in line with the regulations currently in force, and several actions undertaken in 2010 and still pursued today have enabled their reduction :

- Central processing units and PCs are leased for 3 years (on a 1/3 year renewable basis); their recycling is therefore guaranteed by the manufacturer-supplier,
- Screens purchased at the end of the 3 years and kept till the end of their life-cycle. The oldest ones are then sold to the second-hand market in order to be re-used. They are also kept beyond 3 years in order to be installed as 2nd screen in the departments necessitating additional screens,
- Dematerialisation is adopted according to the needs, and at the opening or re-development of every site, only hardware or systems which observe sustainable development are installed and we are systematically in favour of server virtualization technology,
- Almost all used consumables are collected by the suppliers and service providers (toner, ink, cell phones, maintenance products, electrical equipment)



- **Other waste products** not covered by service providers are sorted and collected either by voluntary agencies (batteries), or by service provider (paper, cardboard boxes, plastics) and, at certain Group sites, in partnership with local authorities who make collection facilities available to companies.
- *Equipment rented on France sites but **the delivery of 7 screens for the IUT of Vannes was validated at the end of 2017 and carried out in March 2018***
- *No donations to schools in 2017 by the Lebanese site but **symbolic sale of twenty computers to employees of the company for a 2nd life.***

In partnership with cleaning companies, eco-labelled products are used at 90% in the French metropolis sites and the staff is trained on the use of these products. Being a contributor to this process with those service providers, SAB participates to the respect of the environment.

ELECTRICITY CONSUMPTION

The consumption of electricity is also monitored and consumption monitoring is applied to almost all sites.

- Lighting, heating and air-conditioning are all subject to reminders to be used reasonably.
- Keeping equipment (screens) in standby mode during the day and switching off the majority of electrical hardware at the end of the day are widely recommended (computers, printers, photocopiers, video projectors, etc.) and slowly the movement is becoming a reflex .
- The air conditioning system of the internal DATA centre PC room has been completely renewed and on this occasion the most "green" technologies were used (lower electricity consumption, latest gas generation).

➔ **Illumination with LED** deployed and replaced gradually, since 6 months on the sites of the metropolis.

➔ **Installation of detectors** in common areas in the site of tunisia.

At SAB Lebanon, it is always very difficult to get significant figures given the recurrent power cuts, it is equipped with a private generator enabling the reduction of consumption at night as well as holidays and weekends. But the highly fluctuating public supply does not allow monitoring the consumption.

Annual electricity consumption /person in kW

	2015	2016	2017
Fontenay	2 141	1 804	1 743
Vannes	3 071	2 847	2 659
Monaco	1 808	1 561	1 101
Tunis	1 978	1 231	1 358
TOTAL	8 998	7 443	6 861

The decrease in individual electrical consumption is continuous: - 7,8 % between 2016 and 2017.

- To be noted that the highest individual consumption is in Vannes, site on which are hosted all the servers of the Group

PAPER CONSUMPTION AND RECYCLING – 1/3

The reduction in paper consumption is again and always on our agenda, the main rule being « do not print unless necessary » and for which the Committee of Sustainable Development send regular reminders (posting, Sustainable Development messages).

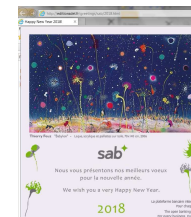
- More digitization by the administrative services :

- ✓ The widespread adoption of invoice payment by bank transfer and direct debit, which started in 2011 reached 99.99%,
- ➔ Dematerialisation is being studied within the framework of the MOVE project :
 - Reminders are now digitized and their installation at the end of 2015 in France, has become widespread in the Group subsidiaries.
 - The installation of an ERP (integrated computer system) is under study for implementation, scheduled initially by the end of 2017 but rescheduled to the fall. It will enable a better management of the purchases, a reduction in payment deadlines and a dematerialisation of the invoice issuance/ reception.
- ✓ For inter-site mail transmissions in France, the internal solution is favoured via staff on business trips. Otherwise, it is the postage rate of « lettre verte » (green letter) of the Post office that will be used

- Paper version of the internal newsletter discontinued ; available to be read on-screen using the Human Resources management tool,



- Reduction as much as possible of paper documentation for training purposes, made available on the server,
- At every renewal of the staff representatives, the Neovote system is used; it has certainly a financial cost, which is largely offset by lower logistics and wage costs,
- Holiday electronic cards since 2008.



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PAPER CONSUMPTION AND RECYCLING – 2/3

The reduction in individual paper consumption at the Group level is very real , **-12 % between 2016 and 2017**, even if the movement is irregular from year to year and from site to site.

Consumption is higher at the Group headquarters, given the presence of the group administrative departments, which are implicated in more printing (commercial contracts, legal contracts, HR documents).

But also:

- ✓ Editions depart more and more systematic by the providers (banks, service providers) to SAB.
- ✓ Significant increase in the number of contracts issued by the Commercial and Legal Departments .

To be noted that digitization, a good practice for reducing paper consumption, can be used to print end documents (invoices, train and plane tickets, etc., ...); SAB is not spared and is printing now the formally delivered documents by mail and this has been increasing over the past years, thus the company's effort to maintain a permanent decrease in these levels during the 10 last years.

Number of paper sheets printed / person / year

	2014	2015	2016	2017
SAB Fontenay	1 531	1 166	1 343	1 200
SAMIC Monaco	785	765	765	797
SAB Vannes	526	429	440	397
SAB Liban	965	460	416	336
SAB Tunisie	354	423	444	272
TOTAL	4 161	3 243	3 408	3 002

PAPER CONSUMPTION AND RECYCLING – 3/3

Paper consumption is inevitable, but as a corollary to this, every effort is made to ensure that the "used" paper is recycled to the maximum. Therefore, the introduction of recycling boxes is being widespread on the sites of the French Metropolis and this is the fitting occasion to involve service providers, specifically dedicated to this operation.

- At the head office of the company, a partnership was signed by the end of 2013 in order to apply this system of collection and the sorting of paper, cardboard, cans and plastic bottles. SAB Employees were informed and made aware directly by the service provider teams of the purpose of this sorting to which they must participate daily.

In 2017, 4.5 tons of paper were recuperated (In addition to the paper consumption, the cardboard were included also). the results of this operation provided by the various service provider reveals a global positive environmental impact which enabled :

- **Saving 77 trees,**
- **Saving 135 m3 of water,**
- **As well as 18 kWh ,**
- **Preserving 2.48 tons of Co2.**



➔ **An agreement for the collection of recyclable waste has been signed between SAB Tunisia and Tunisia Recycling Association (l'Association Tunisie Recyclage)**



Through this system, **SAB has participated in the creation and development, in Ile de France, of 79 jobs for individuals with disabilities and / or in professional integration** and all employed on permanent contracts. This process of sorting-collecting-recycling of paper/cardboard is currently operational on the sites of SAB French metropolis.

In cooperation with the Urban Community where the 3rd site is based, at Vannes, and after three years of sharing the collection of cardboard, grouping ten companies, the collection of large packages for all companies is managed since the fall of 2015 by local governing bodies. The initiative of a small group of companies has accelerated the development of an extended collection that could hardly be operational.

Other tracks are used to enhance the process :

- A purchasing policy of the Group oriented towards suppliers who have their own sustainable development approach; initiated in 2008, this purchasing policy has grown year-after-year (paper originating from forests labelled FSC/ Forest Stewardship Council which means papers with fibres coming from forests managed in a sustainable way -, cleaning products referenced 'eco-label', printers having recto/verso functions and standby mode, etc...).

HOME/WORK RIDE

- Carpooling is now rooted in the habits of many employees of the company. It is mainly used on sites where public transport is less or little developed, including outside French metropolis. The numerical result is in decrease, but is explained by the resignation of many employees residing far from the workplace. On the other hand, other employees took over, but for shorter trips. *(It is to be noted that carpooling concerns all types of journeys: home-company, hotel- company during inter-sites travel, at lunch breaks).*

For the « single » drivers, three hybrid vehicles in the auto fleet (2 company/1 private).

➔ **In 2017, a charging station has been installed in the parking of the company.**

➔ **Within the framework of energy transition, a Corporate Travel Plan (PDE) is being finalized for the two main sites** of the metropolis whose head office is in Ile de France where the majority of employees use public transport. *The Local Travel Plan Networks (PDIE) envisaged last year on the site of Vannes, cannot currently succeed , 90% of interested companies are geographically at the opposite side of SAB in the city.*

Transport modes evolution on the various sites of the Group

Monthly kms travelled in carpooling

	2015	2016	2017
**Number of kms saved/month	24 262	22 399	16 031
*Quantity of non released CO2	3 712 kg	3 427 kg	2 453 kg

*An average car releases 153g of CO2/km

**saved = not travelled by the car of transported passengers

Monthly kms travelled by public transport

	2015	2016	2017
Bus/Train hors Ile de France	1 329	13 686	22 037

Monthly kms travelled on foot/on bike

	2015	2016	2017
On bike	2 335	2 553	2 453
On foot	816	934	720

- The use of public transport is high on sites where car use is slightly widespread but where bus-train-metro are widely developed (capital, major city). This concerns both the home-company trips and station / airport-company trips:

- 36 % of France sites employees or one third of which 65 %* of the head office employees (Ile-de-France) use public transport and most of them associate 2-3 kms /day of walking; it is a deserving “green” practice when we know the conditions under which we often travel.

➔ *In decrease since last year, due to the approximation of the workplace for some of them.

To be noted also, an increase in the use of such transport on the other Group sites, where they are not as developed as in Paris and its suburbs.

- 2.5 % come on foot or on bicycle, some of them travels up to 20 kms / day.

- The practice of soft transport (on foot or on bicycle) applies on all sites of the Group, registering a fairly homogeneous travelled distances from one year to the other.

SAB Grenoble is particularly remarkable: since many years, all employees have stopped taking the cars, registering a significant number of kms on the “bus-bike-foot” odometer .

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COMMUNICATION TOOLS

➤ Telecommunication

The installation of new communication tools (video conferencing, web conferencing, teleconferencing) initiated few years ago, is continuing and the use of the tools is increasing constantly.

The video conferencing equipment has become obsolete and was subject to renewal and deployment on all the sites by the end of 2015 for implementation in 2016.

Although flights have dropped by 30% between 2015 and 2017, there are disparities between rail and air and between sites.

➔ This can be explained in several ways:

- The transition from prospects to customers changes the number of trips,
- The prospected country induces trips by train or plane.

The rise recorded for rail transport between 2016 and 2017 internally is due in part to two main points:

- More customers in France than abroad,
- Internal events (20 years of a site, participation of employees during general information meetings on site other than their own).

All these communication tools are a significant alternative for short period travels and, in addition of being less expensive, they have a positive human impact because they generate less fatigue and are more friendly with private life, mainly for the most frequently requested consultants. They are therefore preferred whenever possible.

Their use has also been made easier with the internal numbering for almost all sites (stop passing through the international network is saving time and money and they are now 6 sites (97 % of the global employees) that can be reached internally).



➤ Travels

Air travels are undergoing a decline but rail transport has increased significantly for the reasons explained above.

However, it does not mean an underutilization of videoconferencing, on the contrary, this mode of exchange continues to grow:

➔ It has become **accessible since few months on the portable PC**.

Number of rail travels of France Metropolis sites

Type of Travel	2016		2017	
	Intersites	Clients Prospects	Intersites	Clients Prospects
Train	183	194	226	387
TOTAL	377		613	

Number of the Group air travels

Type of Travel	2016		2017	
	Intersites	Clients Prospects	Inter-sites	Clients Prospects
Airplane	274	657	356	527
TOTAL	931		883	

To be noted that , 1 274 air travels were performed in 2015

BUSINESS TOOLS– 1/2

Referencing SAB products in the 1st publication of the AFDEL guide is a recognition of the « eco-responsible » added-value of SAB Group.

This added-value, defined in the « Work process » chapter, is the result of two SAB applications referenced « FlowMind » and « SaaS », which have been subject to constant development since their initiation in 2010 and for which AFDEL has mentioned once again SAB in its 2nd publication in 2013.

➤ **FlowMind**, tool installed during 2010 and integrated into the latest software version, allows the dematerialisation of documents. It is used in:

- Business processes (banking product subscriptions, accounts and transfers management...)
 - ⇒ The automation of transfer procedure enables a client to multiply by more than 10 the dematerialization of relevant documents.
- The administrative processes to manage different files (retirement and employment protection insurance, holiday requests, naturalization procedure at the Ministry of Interior...).
 - ⇒ computerised file management of retirement / health / family agency helps to handle 880 types of documents equalling approximately to 1,750,000 documents per year and per fund over the 35 funds within the agency.

Through this contribution to reduce the circulation of paper between distant participants, there can be no doubt that FlowMind is a very ecological tool

➔ At a conference organized by one of our partners, on “innovation in the service of humankind” theme, we measured how much the digitalisation was at work in the public sphere and that **the majority of communities present were using our workflow tool**. It was a useful exchange of experience to help us better support our clients “banking establishments “ in the implementation of this tool.



Woli is used to input a delivery request and to follow it without asking about its progress status by email, which helps to reduce the mail flows

BUSINESS TOOLS– 2/2

SaaS, meaning « Software as a Service » or services upon request, is a concept involving a subscription to a software package rather than the purchasing of a license. This rental mode is in regular expansion since two years. In all the tenders, it is proposed to select between license and SaaS.

The interest of payment institutions in SaaS mode is increasing constantly and since its implementation in 2009, the number of concerned establishments, including outsources clients, has increased from 1 to 25 establishments.

By allowing sharing of resources on virtualisation infrastructures by many companies, the impact is serious on electricity consumption.

To this, is added the very positive impact emanating from the recycling of power issued from servers necessary to outsourcing and that our supplier knew how to exploit to **benefit from thermal efficiencies** in two actions, one effective and the other one in finalisation phase :

- ✓ *The arboretum of the site,*
- ✓ *Some premises of the new university- works nearing completion - near the site.*

This shows the involvement that might exist between the client and the supplier.

And also about SAB AT

Financial institutions are manifesting an increase interest to make a step towards the Digital banking. Neither a project nor a software package but an approach that SAB offers to its clients via SAB AT, the foundation of deployment towards the Digital banking.

➔ SAB observes an increasing number of clients requesting to adopt this new version : 7 in 2015, 11 in 2016, 8 in 2017 and already 3 on-going starting 2018.

The characteristics of digital Banking are multiple and are in line with the sustainable development approach; It is in this spirit that SAB AT offers :

- The simplification of processes by the dematerialisation of processes
⇒ Documents digitisation, zero paper
- The security, « key element », to protect the transactional data of banks clients,
- The innovation to bring flexibility,
- The exploitation of information to know better the clients,
- The client experience to provide customised services and of proximity,
- The access to all distribution channels for every client.



BIODIVERSITY 1/2

SAB Group defends bees since 2011: in addition to the installation of a hive within its headquarters site, SAB has also invested in the program of safeguarding the black bee of Ile de France via sponsoring a hive on behalf of the association «Conservation of black bee in Ile de France(CANIF).

→ **A 2nd hive was installed at the headquarters of the company in spring of 2017.**

In June 2015, SAB made a step forward by hosting, on another site of the metropolis, some populated hives of black bees from the islands of Groix and Ouessant for which is applied a sustainable beekeeping.

→ The announcement of an organic certification for 2018 was a hope of short duration ; everything was looking great, springtime flowering was excellent BUT the disaster appeared in early summer. An area that has been fallow for years and near the hives has been seeded with neonicotinoid-treated seeds; a week later, the apiary had no living bees left. A period of time was imposed before bringing bees back there and meanwhile, **the beekeeper will house a SAB hive, after spring swarming, in a remote but environmentally safer area.**



→ On the Vannes site, an attempt has been made with the agglomeration to **set up vegetable composters (waste collected at the cafeteria) and managed by the provider of green spaces of the company.** This gracious provision widely established for individuals for several years, was not available for companies and the application for SAB was a first ever and has led to several other requests. It was an opportunity to present a reminder on the rules of waste sorting during an educational workshop proposed by a representative of the city of Vannes during the establishment of the composter.



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BIODIVERSITY 2/2

→ 519 cedars planted in Lebanon on 27 October 2017

SAB Mediterranean, the Lebanese entity of SAB Group, has embarked in 2016 on a biodiversity approach to support a cedar plantation in Lebanon, planned to reach about 700 trees over 3 years. Why 700? Because there is 700 employees and in this way enabling every employee of the Group to feel fully engaged in this action.

Every planted cedar will hold the name of a SAB employee and a certificate will be given to every employee to formalise the action. **Accordingly, 519 were planted on 27 October 2017 by the employees of SAB subsidiary in Lebanon.** This reforestation operation has taken place in Kfardebian, some forty kilometres north-east of Beirut, not far from the ski slopes. **This operation will continue in 2018 to reach the number of 700 trees.**

The project in which SAB Lebanon participates is carried out by the NGO Jouzour Loubnan; on a very large area that will be fenced, it is planned to plant more than 10,000 cedars and junipers.

Why cedar? In addition to its very strong symbol for all Lebanese, the cedar is seriously under threat due mainly to the global warming.

This action in favour of the environment is part of the sustainable development objectives redefined by the UN in 2015 and supported by SAB Group. The reforestation project in Lebanon is a continuation of the previous actions related to the establishment of hives and was registered in the sustainable development objectives guide within the Objective n° 15 « terrestrial life ».





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Anti-corruption



4

CODE OF ETHICS – 1/2



SAB commitment to the fundamental principles of sustainable development includes also fighting corruption in all its forms. So far, SAB Group has no knowledge of having been or being exposed to situations involving anti-corruption .

This commitment was strongly underlined when the World Bank joined the capital of SAB and, as a reminder, IFC focuses on a high quality requirements and vigilance, beyond those linked to sustainable development, and this situation requires us to continue our development according to the spirit and moral and professional behaviour that we have always followed and respected.

➤ The code

Notwithstanding that our business exposes us to less corruption situations, it is important that the company focuses on the fight against corruption seriously. To this end, following the announcement of the Presidency last year to work more formally against corruption and after a few months of reflection in consultation with various departments (Human Resources, Sales Management, Sustainable Development Committee, External Third Party) a code of ethics, "the SAB code," was born in 2014.

SAB code does not replace the internal rules which govern the reciprocal obligations - Rights and duties - and working conditions of employees and employer. It is an addition which content deals only with anti-corruption.

➔ ***In application of the law Sapin II, the existing code of ethics is being revised to take into account the whistle-blower procedures. It will be an integral part of the rules of procedure, in the form of an appendix.***

In addition to the information of the General management announcing the implementation of a code of ethics since 2014, every employee has received individually a copy of this code and every new employed receives one on the spot and can at any time find it on the HR intranet. Furthermore, it is stated on the company website that it will be given to any stakeholder who requests it and will become accordingly enforceable against it.

➤ Ethics committee

Finally, an ethics committee composed of people from different departments of the company and an external third party- guarantee of judgment neutrality- has an intranet address in order to deal with requests for advice and concerns.

➤ Auditors

In addition to this code, it is to be noted the annual legal obligation of accounts certification by the auditors for every legal entity -triple verification of expense report after the HR Management and the accounting department- without omitting the certification of the Group consolidated balance sheet. In this, they ensure that the chain of command, the signing of the order to pay the bill, is respected. They are guarantors of the internal audit procedures relating thereto and for which the General management at its high level ensures the control of all the financial movements and certifies that there is no circulation of liquid cash.

➤ The IFC / World Bank

Finally, the shareholder IFC verifies the correct functioning in the balance sheet presented at the quarterly meeting of shareholders.



CODE OF ETHICS – 2/2

➤ The e-learning

In order to maintain awareness, an e-learning (tool developed by Transparency International) has been made available on the Human Resources server so that all Group employees, can at any moment re-appropriate the approach.

To assist this approach, it was decided to proceed in stages and the first group of employees representing all the commercial services of the company was invited to discover it ; 100% of the concerned employees have tested it and a summary was transmitted to the Sustainable Development Committee via the sales managers of different sites / corporate subsidiaries. In 2016, it was the Communication, Marketing, Legal and SAB Academy services which “applied” it.

➔ *In 2017, the administrative services « applied » it as well as the sites outside the metropolis.*

It appears that it was necessary to do so and that even the most experienced in transactions were unable to find always the right answer, in one way or another, that’s to say having thought that there was corruption when there wasn’t and vice versa.

But for many, it proved to be inappropriate, addressing non-lawyers, the lack of audio to make it more alive.

➔ however, the project could not materialise given the urgency to validate the business modules in priority. In order to compensate for that, **a video on CSR to present the 4 main principles of the approach and therefore that of anti-corruption, has just been validated.**



The availability of this tool was the occasion for the Executive Management to renew, via the intranet, what was the rules of an ethical conduct.

Finally, and for briefing, as mentioned in the chapter of endorsed principles, the Committee of Sustainable Development and the Legal department have collaborated on the implementation of CSR clauses to be inserted in all clients/suppliers contracts where the extract related to anti-corruption is as follows : « ... active member of the French network, SAB has implemented several actions to support the 4 fundamental principles of the Organization and particularly the enactment of a code of ethics defining the rules of conduct applicable within SAB Group ». Two years after their implementation, It appears that some clients accept these clauses as they are, but others impose their format.



ANTI-CORRUPTION BUSINESS APPLICATIONS

SAB offers to its clients ANTI-CORRUPTION BUSINESS APPLICATIONS including one that enables to install an **anti-money laundering policy** within the framework of obligations for which they are liable.

These bank obligations fall within three levels of surveillance: simplified, moderate, or tightened up vigilance. For a bank, knowing the client is based mainly on the establishment and checking of identification prior to the start of the relationship. This accurate knowledge, regularly updated, will enable any atypical transactions which might be linked to criminal activities to be detected and any suspicious circumstances to be reported.

Another solution « **SAB FATCA** » answers the regulatory requests of fiscal transparency (see details) while proposing, among others, a scalable solution every year. Going from assets aggregation to generation of declarative flow, for the IGA and non IGA (Inter Governmental Agreement) establishments. The native graphic SAB solution has been developed since 2012 in different versions and 50 clients use it now and receive training provided by SAB.



SAB puts its expertise at the service of the banks both in respect to client knowledge (regular review of third parties management, published or internal blacklist controls) and transactional controls (the CTO module which enables suspicious transactions to be detected, the Profiles module which highlights clients with a conduct different from that defined by themselves, and, finally, the Dormant Accounts module which enables the surveillance of dormant accounts....re-activated).

FATCA pour les Nuls : La lutte anti-fraude américaine.

Pourquoi n'y a-t-il pas d'américains dans les listes de « Panama Papers » ? Peut-être grâce à FATCA !

(i.e., Internal Revenue Service « IRS »), voté en 2012 et entré en vigueur le 1^{er} juillet 2014.

ou de percevoir des revenus par l'intermédiaire d'institutions financières étrangères ou non américaines.

Imane Mouaouin, Consultante, s'est fortement investie dans les solutions SAB sur ce thème et donne également des formations aux clients. Elle nous éclaire.

FATCA a pour objectif d'accroître la transparence fiscale vis-à-vis de l'IRS en vue de lutter contre la fuite fiscale. Comment ? En obligeant les autres pays à leur communiquer les informations bancaires des citoyens américains.

La législation FATCA (Foreign Account Tax Compliance Act) est un texte de loi introduit par le ministère américain du Trésor et l'administration chargée de la collecte des impôts

FATCA concerne les personnes (morale et physique) dites américaines, susceptibles d'investir et/

Détail des US Person :
Un citoyen des États-Unis, personne résidant aux États-Unis, certaines personnes qui passent un nombre important de jours aux États-Unis chaque année, les sociétés américaines, partenariats et trusts américains.



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SDG and Conclusion



BUSINESS APPLICATIONS WITHIN THE SPIRIT OF SDG

Nickel account

The SAB AT banking platform is at the heart of the Nickel Account information system

The Nickel Account opens in 5 minutes, safely, in Tobacco Press and allows everyone to have an account, a bank account identification (RIB) and a payment card. Nickel-Account is a payment account service open to all, without conditions of income, deposits or estate, and without the possibility of overdraft or credit.

The installation of SAB AT and the use of the latest technologies on the market have allowed the Nickel-Account to start quickly, flawlessly and ensure in particular:

- Real time (the customer knows the balance of his account at any time in real time),
- Online account management,
- Automatic detection of potentially fraudulent transactions.

Solidarity sustainable development booklet

A new module dedicated to solidarity savings: following the transformation of the sustainable development booklet (LDD) into a solidarity sustainable development booklet (LDDS) on January 1, 2017, allowing banks to promote solidarity finance to their savers and also to finance solidarity-based businesses or associations, SAB has developed a module that allows banks to quickly set up the creation of a new LDDS product and automatically transform the stock of old LDD into LDDS.



SUPPORT OF SUSTAINABLE DEVELOPMENT BROADER OBJECTIVES



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→ **SAB Partner Member of the European Microfinance Network – EMN (Réseau européen de la Microfinance)** is an association of around 100 members from 26 European countries whose goal is to exchange experiences and good practices among its members and **to promote microfinance as a tool against social and financial exclusion in Europe .**

SAB has joined this association both to increase its visibility in the microfinance sector and to reach European targets that are increasingly in need of IT tools and for which SaaS model can be a solution.

→ **Financial contribution to NGOs following SAB internal actions:**

“SAB Cake”: In Lebanon, at Christmas, cakes are prepared by employees, then sold internally. The amount raised is doubled by the management of SABMED and then donated to a humanitarian association. This action is renewed every year since 2015.

SDG Guide

→ *After the social advances in 2016, SAB is engaged to biodiversity in 2017*



THERE IS MORE...

To what has already been stated, we should add the actions in favour of sustainable development, initiated several years ago, but which have since been improved and spread more widely throughout the Group sites :

- The organization of the annual seminar with our clients in respect with the three pillars of sustainable development, an opportunity for the President to be re-engaged publicly. In June 2017, as previous years, it was again held in a central place, accessible by all public transport and providing a service with respect to social responsibility,
- The answer to every questionnaire on our commitment to prospects and clients / suppliers requests. More than 50% of our clients has a CSR policy among who 20 % are members of the Global Compact of the UN; 72 % of our partners have a CSR policy and 28% are signatories of the Global Compact ,
- The regular press releases during events related to Sustainable Development either public or internal to the company,
- The introduction of products issued from fair trade in vending machines,
- The use of eco-label products for cleaning premises on the sites of the French Metropolis. A reciprocal implication was developed between one of these sites and the service provider for whom the site has become pilot enterprise at each innovation, whether it is improved working conditions–health, security- or beneficial for the environment,
- The participation in local actions during national or international days (sustainable development week, week for waste reduction, week of eco-friendly means of transportation, etc.)



The involvement and participation in workshops/conferences organized by the Global Compact France.

Member of Club Advanced since four years, SAB participates to all workshops organised by the Global Compact France. This support in addition to the exchanges with other companies, including clients, has enabled SAB to progress in its CSR approach.

Since 2015, SAB has :

- contributed to the implementation of the Advanced platform and its presentation at the UNESCO (Member of the editorial committee of the eponymous club),
- spoken at the GC France/OBSAR conference on sustainable procurement, Presence at the Club PME Climate conference,
- transmitted the good practices during the edition of the SDG guide by SDG Compass and GC France,
- joined its subsidiaries of Lebanon and Tunisia to their local network of the Global Compact,
- participated in the 1st Global Shaker to reflect on the future of the association and its members.

COMMUNICATION OF THE APPROACH

No illusion, integrating the sustainable transforms all the company and for all these practices outlined above, the committee of sustainable development has successfully overcome internally the resistance for changes. In addition, the transversality in the decisions has been imposed (more reviews—meetings and written info -between the different departments on the existing actions or the ones to be implemented and the experts who were unable to let go of their powers, are more involved in the approach.

The information on our approach is permanent, both externally and internally, as well as the commitment to support the 10 principles of the Global Compact, renewed for 10 years in the declaration of the President of the company. Various supports are available to employees and partners, so that they have in mind this daily action :

- Permanent display in all the Group premises on dedicated tables and presence of Kakemono in the lobby as a reminder of the 10 principles of GC- UN.



- searchable by intranet via the communication tool "HRIS" of the HRM,



- Under the form of flyers summarising SAB approach and available in the lobby of every building of the Group,
- during "recall bites" messages of the SD committee via the dedicated intranet,
- readable in the SD forum of the Internal Journal of the Group : **pómm**
- publicly available on our website **sab+**



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Annex



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ANNEX : HISTORY OF SAB CSR APPROACH -1/2

A commitment from 2007

- Membership in the Global Compact of the UN and the Global Compact France
- Nomination of a Sustainable Development Manager at the level of the Group

An approach phase in 2008

« The Sustainable Development at our scale »

- Creation of a Sustainable Development Committee integrating a correspondent-member at each site of the Group with a first mission to give a clear picture and to raise awareness at the staff level
- Installation of a dedicated e-mail accessible to all the staff members via the intranet
- 1st Communication of good practices (Cop)

An action plan in 2009

« Good practices today to preserve tomorrow »

- Raising awareness among stakeholders (clients/suppliers, prospects) ; implementation of multiple local actions
- Constant communication with the staff via a forum in the internal newsletter of the company
- 2nd Cop

Significant results in 2010

« Put the right dose of future in our actions »

- Decrease in various power consumption (electricity, paper); better management of WEEE and implementation of sustainable purchasing policy
- Tools development, relevant to the Group activity, and referenced for their eco-friendly added value (Flowmind, Saas management in hubs-)
- 3rd Cop

Integration of the last sites of the Group to the approach in 2011

« Every day we act for tomorrow »

- Deepening actions and homogenization of the approach on all sites: the committee welcoming word at every recruitment and access to a dedicated space to the approach for all on the company server.
- 4th Cop validated « Active Level »

The support of 10 principles of the Global Compact in 2012

« The real future is today »

- Development of the University/Company partnership
- 5th Cop validated « Active Level »

Group public commitment via multiple actions in 2013

« Every day we act for tomorrow »

- Creation of SAB award for the Sustainable Finance
- Partnership University/SAB for the creation of the new training to cyber security, unique training in France
- Drafting of ethics chart
- 6th Cop validated « Advanced Level »



ANNEX : HISTORY OF SAB CSR APPROACH - 2/2

Integration to Club "Advanced" in 2014

« Every day we act for tomorrow »

- Member of the Club « Advanced » composed of 35 companies of which 19 of eponymous level
- Implementation of « Code SAB » (anti-corruption ethical code)
- 7th Cop reviewed by the peers and validated «Advanced » for the 2nd year

Implementation of the Advanced platform in 2015

« Every day we act for tomorrow »

- Member of the Club Advanced editorial committee
- Active participant to the implementation of the Advanced platform
- Speaker at the round table /conference on sustainable Purchasing(GC France/OBSAR)
- CSR commitment presentation to students of the ESSEC By SAB Group President
- Participation to the Stand GC France/COP 21
- 8th Cop (3rd of Advanced level)

Membership of two SAB subsidiaries, Lebanon and Tunisia, in the local network of Global Compact, in 2016

«Every day we act for tomorrow»

- CSR clauses in all client / supplier contracts
- Presentation of 3 SDG in the eponymous guide B&L/GC France
- Participation in the project implemented by the NGO Jouzour Loubnan, in favour of the biodiversity
- 9th Cop (4th of Advanced level)

Opening up the company capital to all the employees of the Group in 2017

«Every day we act for tomorrow»

- Implementation of the reforestation project in Lebanon in
- Presentation of a « biodiversity » SDG in the eponymous guide B&L/GC France
- Participation to the Global Shaker / GC France (reflexion on the future of the association and its members)
- 10th Cop (5th with level Advanced)



A complete text of Cop transmitted to the UN unit of the Global compact is available at the CSR chapter at our site « www.sab2i.com ».



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