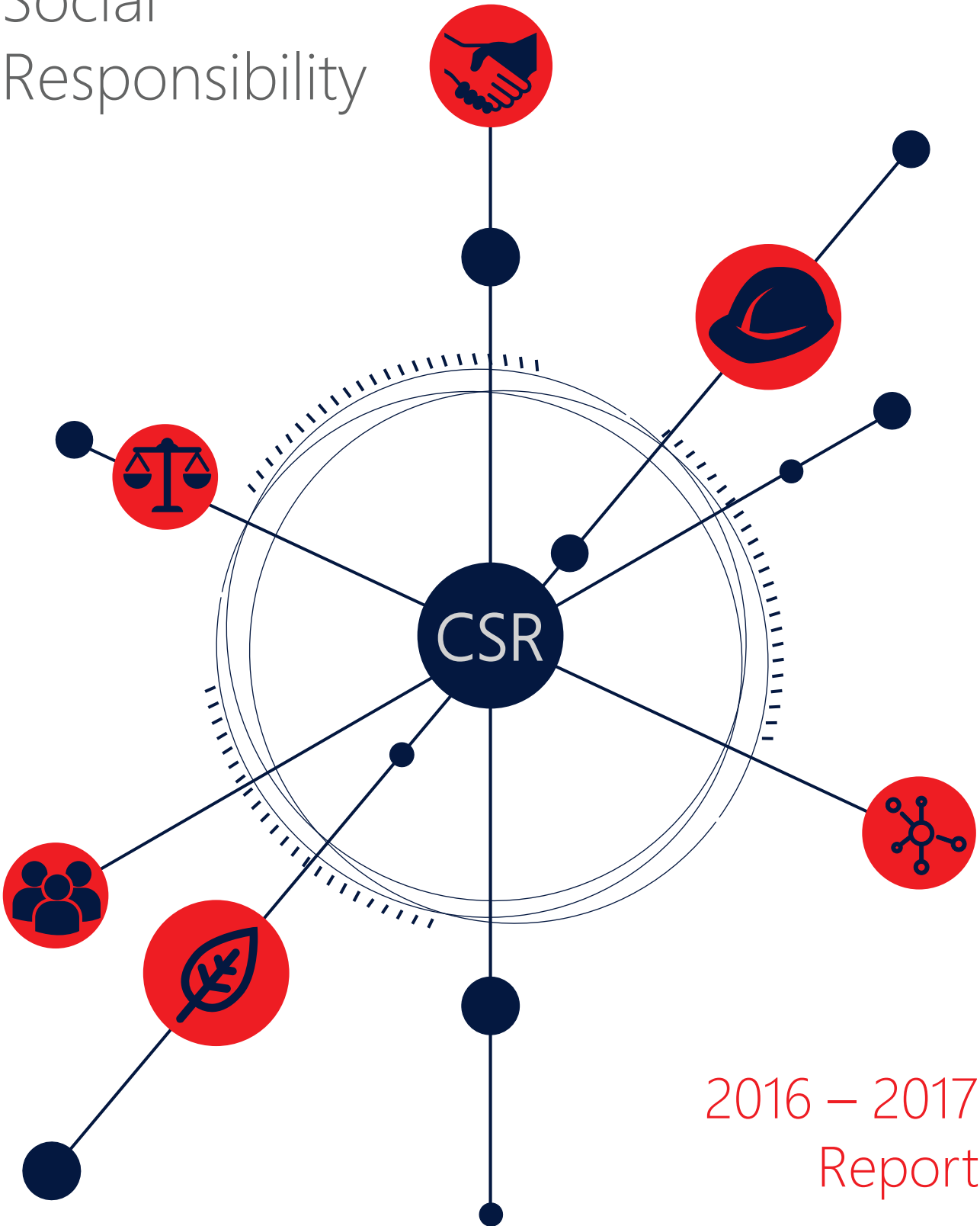


Corporate  
Social  
Responsibility









2016 – 2017  
Report



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# A WORD FROM THE CEO

Patrick Lacquement



An independent and family-owned group, Ponticelli is one of the major European service providers for industrial companies in the energy, industry and large infrastructure works sectors.

We follow our clients all over the world helping them adapt their industrial tools to the changes taking place in their sector by providing our experience and efficiency to guarantee their performance.

Everywhere, on land and sea, we design, build, modernize and maintain their production units to guarantee safety and performance in the long term.

As a general contractor and experts in the mechanical, piping, lifting and design trades, we rely on our employee's unparalleled efficiency, ingenuity and determination to meet our client's most difficult challenges.

To succeed in the long term in a constantly evolving context, our Group, which will celebrate its 100<sup>th</sup> anniversary in 2021, is changing.

The CAP 100 strategy plan, which was launched in 2016, integrates safety and human capital amongst its top priorities.

The Group is reinforcing its presence on renewable energy markets and is convinced that the control of energy production and consumption is a crucial issue for our planet and our company's sustainability. By investing in GenSun in 2016, the Group became a player in the construction and maintenance of photovoltaic installations.

Becoming a member of the United Nations Global Compact, an international standard in sustainable development, is also an important sign for our employees, clients and partners of our commitment.

More than ever social responsibility must influence our behaviour, actions and contribute to enhancing our Group's appeal.

## CAP100 : THE KEY ISSUES

- Safety**  
Guarantee safety for all, whatever the field of intervention.
- Profitability**  
Support our company's sustainability.
- Diversification**  
Apply our know-how to new markets and territories.
- Innovation**  
Be a source of proposals and seize opportunities.
- Human Capital**  
Evolve towards better leadership and be more agile.

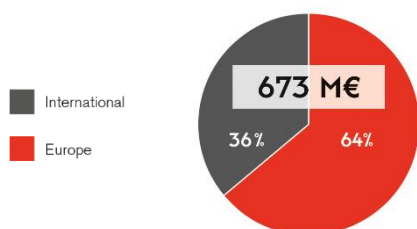


# OUR ACTIVITIES

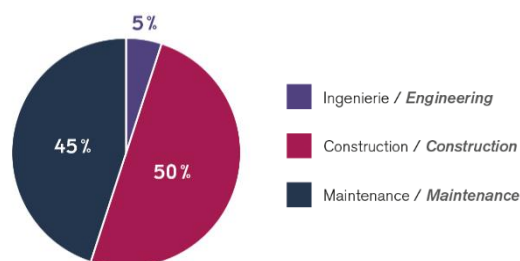
## IN FIGURES



**Chiffre d'affaires opéré par le Groupe en 2016**  
2016 The Group's operating turnover



**Répartition du chiffre d'affaires opéré Groupe par expertise**  
Breakdown of the Group's operating turnover per expertise



## IN THE WORLD



# GOVERNANCE & SUSTAINABLE DEVELOPMENT STRATEGY

## TAKING LONG TERM COMMITMENTS

The Group's CSR program is based on 4 major areas of actions, reflected by commitments. We follow the results of the actions carried out in each area by using key indicators.

In 2017 RSE commitments were integrated into the Group's QHSE policy to improve their visibility.

As the following results show, mobilisation is increasing:

- being involved in communities and marking our presence in the countries we work in
- promoting culture
- encouraging employee commitment

- developing human capital
- putting the health and safety of our employees amongst our top priorities

**1 significant partnership signed with "Mécénat Chirurgie Cardiaque"**

**4.23% of payroll invested in training\***  
**2.3: accident frequency rate**

- reinforcing our environmental approach
- reducing our CO<sub>2</sub> emissions
- using our waste

**12 hybrid petrol vehicles added to our fleet**

- formalising our commitment
- consolidating our practices
- raising awareness amongst our employees
- involving our stakeholders

**78% of our most vulnerable personnel have been trained in Ethics**



## ENSURING THAT DECISIONS ARE MADE COLLECTIVELY AND WITH INTEGRITY

Once again this year, quarterly CSR committees have followed the progress of CSR actions (ethical approach, solidarity projects, environmental roadmaps...).

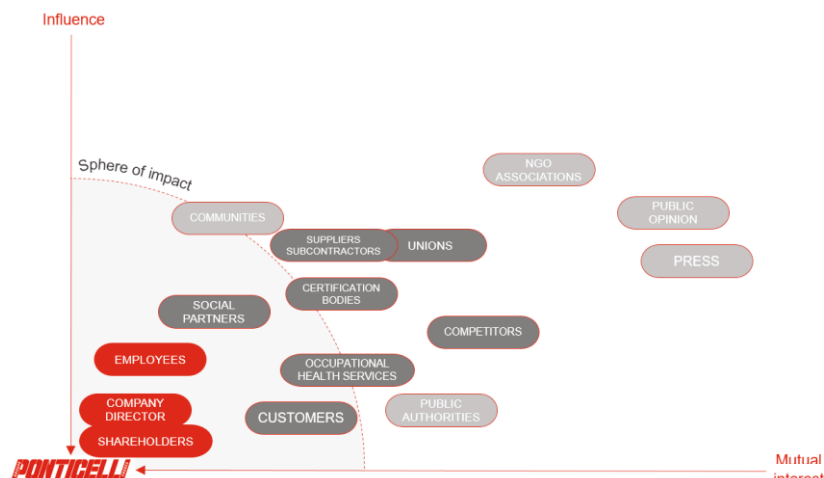
# TAKING INTO ACCOUNT AND INVOLVING OUR STAKEHOLDERS

In 2017 we continued discussions and collaboration with our stakeholders.

The relevance of the stakeholders was reassessed by the General Management in a management review.

Occupational health services have been added. The Group maintains close constructive discussions with occupational doctors and includes them in discussions about health issues. An occupational doctor is a member of the health committee.

Furthermore, a yearly meeting with doctors involved in the Group enables discussions about progress and the measures to be taken.



# BEING A RESPONSIBLE COMPANY

The Group has publicly reinforced its CSR commitments by officially joining the United Nations Global Compact.

The Global Compact is a voluntary commitment to international standards concerning sustainability and is the most important initiative to be taken at a global level.

By joining the Global Compact, the Group integrates and supports the United Nations objectives, promoting the values of the Global Compact throughout its sphere of influence. The actions carried out every year will be published in a COP (Communication On Progress).

Joining Global Compact



External assessments carried out in 2017 confirm our commitment and our CSR performance:

ECOVADIS  
SILVER level

Assessing the Group for the 5th year running, ECOVADIS rated it:

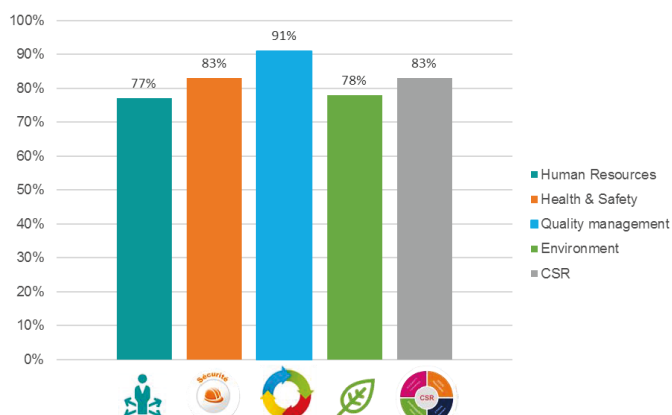
- in the **TOP 9%** of business across all sectors
- and in the **TOP 11%** of businesses in the same category

This year our score has progressed by **23%**.



ACHILLES  
83% score

In 2017 ACHILLES carried out an audit for the first time in Human Resources, Health, Safety, Quality management, Environment and CSR.



# SOCIAL RESPONSIBILITY

*The Group's men and women are its greatest assets. We are therefore doing our utmost to create a dynamic and safe working environment where the professionalism of each and every one is secured.*



Human capital and safety are two of the five issues making up the CAP 100 strategic plan which will take us up to the company's centenary in 2021.



## DEVELOPING HUMAN CAPITAL

Training is a key feature in the Group's Human Resources policy.

The aim is to reinforce skills, encourage employee's individual progress and develop collective knowledge.

Important means have been set up to reach this goal, such as:

- « FORMA+ »: recruitment and training of 50 technicians qualified BAC+2/3 during a 16-week course (theoretical and practical immersion on our worksites). 36 of them are now employed by the Group.
- « INGE+ »: with 2 weeks of classroom sessions and 2 weeks of immersion per year for 3 years, this is aimed at young engineers and executive staff. The objective of this course is to encourage their progress within the Group.

Career management is carried out using the following: people review, strategic workforce planning (GPEC) over a 5 year period, yearly assessments...

These tools can be used to review each employee's professional situation, follow their progress and encourage internal mobility.

For greater efficiency, a digitized method for monitoring development in Human Capital is currently being used (Information System of Human Resources).

### In figures

**ECOVADIS : « Advanced » level on social issues**



An internal training institute



**3,269 sessions\***

**40,000 hours\*** - 54%  
QSSE training



**539 employees are**  
taking or have taken an  
e-learning improvement  
course

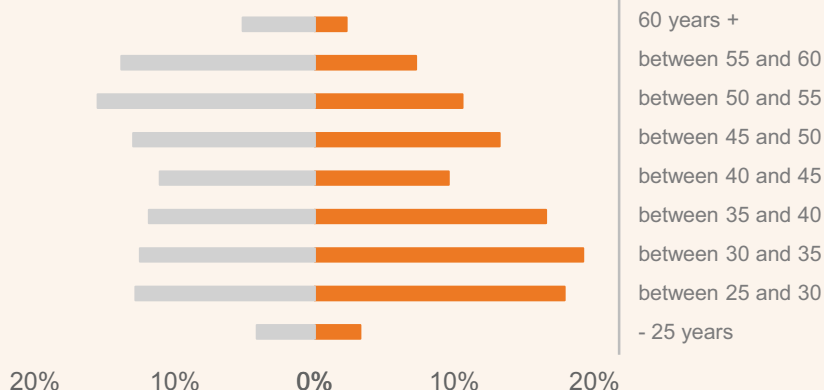


**2989 employees**

89,9% men

**10,1% women – 5% women on the management committee and 21% at the General Assembly**

Group workforce at 30th November 2017 - excluding trainees/internes - excluding Valtube and GenSun subsidiaries





# PUTTING THE HEALTH AND SAFETY OF OUR EMPLOYEES AMONGST OUR TOP PRIORITIES

## In figures



Frequency rate: **2.3** in 2017 – **2.9** in 2016

*Average frequency rate in our profession in 2016 : 38.9*

Severity rate: **0.20** in 2017 – **0.22** in 2016

Lost time injury cases: **23** in 2017 – **33** in 2016

## CAP 100 TARGET

Reduce the number of accidents(work and travel) by **20% per year**

Safety is our conviction. Our prime target is « zero accident », as reaffirmed by our CAP 100 strategic plan.

Amongst the key actions carried out in 2017:

- “**2hrs safety**” on the theme of “the cardinal rules and their application” to encourage the adoption of the rules by everyone and strengthen management involvement in applying them in the field
- analysis of our **safety culture**, carried out at the beginning of 2017 in one of the Group's entities, which illustrated the relevance of our tools and methods
- setting up of a **monitoring unit** for the whole Group, in charge of informing all the entities of regulatory and QHSE standard changes, and making sure that they are applied



*Regulations booklet with prohibitions and good practices*



*2hrs safety in Angola*



*SafeDay Arkema Jarrie*



*“ Principles of stowage ” video*

- **working with our clients**, particularly the TOTAL Group, on safety issues in connection with major risks (work at height, consignments, lifting...)
- active participation in **discussion groups about Safety and Experiments** carried out with the Industrial Safety Culture Institute (ICSI) about potentially high-risk situations in order to reinforce prevention regarding safety matters
- our teams' active participation in **World Day for Safety and Health at Work (SafeDay)** alongside our clients

- reinforcing communication: **monthly safety themes** in connection with major risks and topics concerning the Group
- **sharing experience and good practices between existing and new employees** by means of educational and awareness videos made by experts and employees with more than 30 years service in the Group



## A recognized Health and Safety Management

**70%** of entities MASE and/or OHSAS 18001 certified

**20** agencies/subsidiaries CEFRI (nuclear sector) certified

# ETHICAL APPROACH

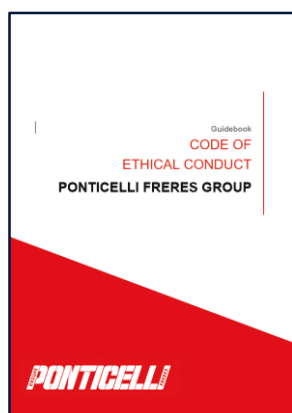
*Because the world we live in today is increasingly exposed to ethical risks, we are strengthening our approach to maintain a our flawless reputation of being a professional and well-respected service company.*



## FORMALISING OUR COMMITMENT

In 2017 two key actions reaffirmed the importance of ethics:

- the Group's CEO issued a reminder about the existing measures in a note sent to all the management
- the Code of Ethical Conduct containing the principles was attached to the Internal Rules and Regulations



To reinforce the Code of Ethical Conduct's application, a guide is readily available, providing concrete examples of the Group's founding guidelines in ethics.

### A recognized ethics approach

In the most recent ECOVADIS assessment the Ponticelli Frères Group progressed from being in the **TOP 26%** to the **TOP 13%** of suppliers assessed in its category

## CONSOLIDATING OUR PRACTICES

### Dedicated addresses

#### Internal:

- assistance or advise:  
[conseilethique@ponticelli.com](mailto:conseilethique@ponticelli.com)
- to report incidents:  
[alerteprofessionnelle@ponticelli.com](mailto:alerteprofessionnelle@ponticelli.com)

External: [ethique@ponticelli.com](mailto:ethique@ponticelli.com)

Mapping of ethical risks has been updated to take into account the development of the Group's context and intervention zones, notably geographically.

An email address has been created for external parties to report incidents or obtain information.

To verify compliance with ethical principles, audits have been set up. These quarterly assessments involve the Group's Purchasing and Auditing Department managements.

Information is given on the alert system and the dedicated email addresses through training courses for the most vulnerable employees.

## Training in figures

100% of the Management Committee (CODIR)

100% of the HR management and its correspondents in all entities

100% of the Purchasing management and its correspondents in all entities

78% of our most vulnerable employees



## RAISING AWARENESS AMONGST OUR EMPLOYEES

Following initial training in ethics for the Management Committee and the Human Resources management, further sessions were organised for our most vulnerable employees (commercial personnel, project managers and purchasing personnel).

From 2018 onwards, training will be given other categories of personnel.

Those training sessions are taught by EURO COMPLIANCE, external specialised organism.



## INVOLVING OUR STAKEHOLDERS

The Group's major suppliers must sign an undertaking related to integrity and honesty in commercial relations.

Selection and accreditation of suppliers and sub-contractors takes into account their ethical commitment.

Numerous discussions and sharing of good practices about ethics have taken place this year with our main clients.

### Targets for 2018

Training for 100% our most vulnerable employees

Training given to clerical, technical and supervisory personnel

Raising awareness for productive manpower

## Our stakeholder's commitment

100% of contracts over €100,000 include CSR commitments



Daniel Ponticelli, Company Secretary,  
Chairman of the CSR Committee and Group Ethics Officer

## A Strengthened Ethics Approach

"It is crucial that we are able to reassure our clients, partners and employees we work according to pre-defined, controlled rules regarding transparency and integrity.

The actions we have carried out reaffirm our commitments."

# ENVIRONMENTAL IMPACT

*Even though our environmental footprint is limited as we are a service provider for industry, we are doing our utmost to reduce its impact and protect the environment.*



## REINFORCING OUR ENVIRONMENTAL APPROACH

An environmental diagnostic carried out in the Group's entities in 2016 revealed the following:

- strengthened communication with employees
- diffusion of harmonised documents and materials

The Environment Committee created in July 2016 which combines inter-entity skills met on a monthly basis and worked on enabling tools and materials for entities.

Sharing information and good practices on environmental matters within the QHSE network has been encouraged by the creation of a discussion channel in YAMMER, a social network currently being used in the Group.

Actions targeting the reduction of energy consumption have been undertaken in our installations, particularly by carrying out thermal insulation works and installing LED lighting.

### In figures

3 entities ISO 14001 : 2015  
certified



18 vehicles equipped with  
driving black boxes



### Targets for 2018

- 🌱 increase the number of hybrid petrol vehicles in our fleet
- 🌱 install black boxes in 150 new vehicles
- 🌱 certify one more entity ISO 14001

## REDUCING OUR CO<sub>2</sub> EMISSIONS

Our greenhouse gas assessment showed that 60% of our emissions come from our automobile fleet.

2017 was marked by important progress made within our automobile fleet. Orders for hybrid petrol vehicles and small service vehicles that are 100% electric significantly increased.

Tests carried out in 2017 on driving black boxes were positive in terms of reducing the number of claims made, eco-driving and fuel consumption. Installation of black boxes will continue in 2018.

Reducing our CO<sub>2</sub> emissions also depends on the used of innovative tools which encourage transversality and limit travelling (collaborative work spaces, discussion channels, video and audioconferences...).

## USING OUR WASTE



Waste was one of the themes in our 2017 communication plan.

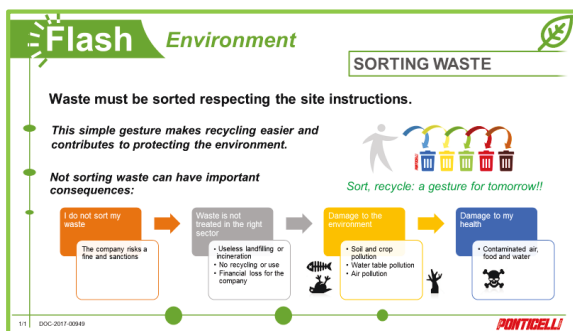
An information booklet about waste was issued to all the Group's entities.

The booklet resumes the regulations about prevention of waste in a circular economy, the different waste classifications, regulations applicable to hazardous waste and the stages of an approach to waste management.

Furthermore, for everyone's information, a flash bulletin on waste sorting and the consequences of breaching the rules has been issued.

Local initiatives have been taken concerning waste. For example, the Northern Agency has become a member of the ECOPAL association.

This association works on the application of principles of industrial ecology and circular economy, especially by transforming a company's waste into raw material for another.



## BIODIVERSITY



In February 2017 our subsidiary SMRI joined the SNPE association (awareness, protection, nature and environment).

Aware of the environmental importance of bees and their survival for biodiversity, SMRI set up 4 beehives on their premises.

Furthermore, so the bees can gather pollen, nectar producing plants have been planted around the hives.

Volunteer employees have been trained by a beekeeper and make sure the bees remain in good health.

The first harvest of honey was made at the end of August.



# SOLIDARITY COMMITMENT

*Having a positive impact and contributing to local development in the countries we work in has been our objective for several years. We support solidarity initiatives and projects on the themes of development, education, health and culture.*



## BEING INVOLVED IN COMMUNITIES AND MARKING OUR PRESENCE IN THE COUNTRIES WE WORK IN

### SamuSocial in Pointe-Noire in the Congo

The partnership set up in 2016 with this association continued with further donations being organized. A suitcase full of school supplies and 20kg of clothes were given out to children.



### “Relais du cœur” in Seine-Saint-Denis

In 2016, the Group financed the purchase of a van used to distribute meals and clothes. Thanks to this extra van more daily rounds were made possible to face up to increasing needs for assistance.

### Donation of solar panels

Our subsidiary GenSun donated solar panels to the NGO “Lumière pour tous”. This NGO installs lighting and distributes electricity in kindergarten and primary schools in Burkina Faso.



### Support for “Green de l’Espoir”

Through our long term relationship with the French cystic fibrosis association “Vaincre la Mucoviscidose”, the Group made a donation of 163 golf articles. This golf tournament collects funds for the association and finances research.

## PROMOTING CULTURE

### Sponsoring major exhibitions

In partnership with Parisian museums, the Group has been sponsoring major art projects for several years:

- in 2016, the Douanier Rousseau exhibition at the Orsay Museum
- in 2017, Bridgestone Museum of Art exhibition, Ishibashi Foundation Collection, at the Orangerie Museum

Head Office and Central Services employees were invited to a private visit at the Orangerie Museum.

### Contributing to musical diversity

For the last 10 years we have supported an entire region in France with our client's and partners' participation in the Jazz in Marciac festival.



# ENCOURAGING EMPLOYEE COMMITMENT

The Group supports committed employees by donating to associations that they support. Once again this year successful actions were undertaken.

## In figures

9 employees projects supported by the Group

81 employees took part in sporting events to raise funds for charities



Personnel from the Lorraine agency rallied together to help a colleague whose daughter suffers from the Angelman syndrome by offering her 80 days leave and by taking part in the Metz marathon.

Thanks to this, a donation was made to the association created by Eva's parents to improve her quality of life.

The fight against breast cancer mobilised personnel from:

- the Normandy agency who ran the Amazon women's race
- the Northern agency and COCHEZ took part in walks organized by the association "Audomarose"

Employees from the Northern agency took part in the "Parcours du Cœur" race organised by the French Cardiology Federation, an important association fighting against cardiovascular diseases.

For the 5th year running, employees from the Head Office and the Northern Agency took part in the "Virades de l'Espoir", a race organised by the French cystic fibrosis association "Vaincre la Mucoviscidose".



## Solidarity spirit for Portugal



Following the terrible forest fires in Portugal, on the initiative two Central Services employees, donations were collected for an association providing aid to the local population.

Thanks to strong mobilisation 30 boxes of basic essentials and clothes were sent to Portugal.

## Alicia

On the initiative of Grand Export department, 43 employees and their children took part in the RunDisney race to raise funds for the association "Mécénat Chirurgie Cardiaque".

The funds raised financed an operation in France for a little girl suffering from a severe heart defect.

Alicia, born in December 2016 in the Congo Brazzaville (a country we work in) underwent successful surgery in October 2017.

The General Management met a lively young girl with her foster mother just before she left to rejoin her family.



MECENAT  
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