

NON-FINANCIAL
STATEMENT (NFS)

2019

EXTRACT FROM THE 2019 UNIVERSAL
REGISTRATION DOCUMENT





March 1st, 2019

H.E. António Guterres
Secretary-General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary-General,

I am pleased to confirm that Esker supports the Ten Principles of the United Nations Global Compact on human rights, labor, environment and anti-corruption.

With this communication, we express our intent to implement those principles. We are committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects, which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. Esker will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the UN Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the Ten Principles. We support public accountability and transparency, and therefore commit to report on progress within one year of joining the UN Global Compact, and annually thereafter according to the UN Global Compact COP policy. This includes:

- A statement signed by the chief executive expressing continued support for the UN Global Compact and renewing our ongoing commitment to the initiative and its principles. This is separate from our initial letter of commitment to join the UN Global Compact.
- A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the UN Global Compact principles in each of the four issue areas (human rights, labor, environment, anti-corruption).
- A measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results).

Sincerely yours,

Jean-Michel Bérard
Founder and Chief Executive Officer
ESKER

A handwritten signature in black ink, appearing to read 'JM Bérard', written over a faint horizontal line.



Today, a company's performance is no longer measured by the achievement of its financial objectives alone. To be successful, a company must integrate a responsible and sustainable approach.

CSR is a main concern for Esker's 675 employees worldwide. Their commitment to implementing a sustainable development policy is crucial to supporting our customers in their digital and ecological transformation.

Esker constantly invests in preparing for the future and ensuring sustainable growth. Our innovation policy is based on openness and sharing with our external partners (e.g., research chair, schools, suppliers, etc.) to anticipate our customers' needs.

Eskerians are an essential resource for Esker and their well-being is a key issue. We are committed to employee training and career development. We listen to what they have to say through surveys and polls and regular dialogues with social partners are maintained.

Esker is involved in the economic development of its territory. We work with local partners to support the region's economic development as well as its influence by supporting culture and education.

As a company committed to the fight against deforestation, Esker's business process automation solutions help reduce the use of paper within an organization. Environmental concerns are also considered, from energy consumption in its offices, to waste material recycling at its mail factories.

These efforts and initiatives are helping build a sustainable development model which you can learn more about in this report."

JEAN-MICHEL BÉRARD,
CEO and President of Board of Directors

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Governance of corporate social responsibility

A CSR working group, comprised of the Chief Information Officer, the Chief Financial and Administrative Officer, Director of Human Resources the Director of Technical Services, an invited member of the Executive Board, and a project manager (exercising in parallel other functions within the company) meets once a month at the Group's headquarters. The members of this team exchange views about initiatives and good practices in the areas of human resources, ethics and the environment, spearheading initiatives focusing on employees and suggesting actions through the company's Executive Management.

An environmental and social action committee whose members include the head of General Services and motivated employee volunteers, proposes and implements concrete measures to raise employee awareness and reduce Esker's impact on the environment while ensuring a coherent social policy.

CSR correspondents in each subsidiary ensure that corporate responsibility initiatives are deployed in all entities.

THE THREE PILLARS OF OUR CSR APPROACH

Our CSR strategy is built around three priorities:



THE ENVIRONMENT,

because this is a question of immediate importance for the company which particularly affects our employees.



EDUCATION,

because supporting youth and providing them access to the jobs of the future will improve their employment prospects.



EXTENDING THE REACH OF OUR LOCAL TERRITORY,

because Esker is committed to maintaining its roots in its home region.

INVOLVEMENT IN THE ECOSYSTEM



The quality of our CSR policy is recognized by the financial community and, particularly by SRI investors (Socially Responsible Investing), through the Gaia-rating index rating produced by EthiFinance in complete independence. We are ranked 14th out of 74 for companies with less than €150 million in revenue.

Website: <http://www.gaia-rating.com/>



In 2019, our performance in the area of CSR was measured by the EcoVadis platform in order to promote transparency and the confidence of our customers and commercial partners. The Silver label, already obtained in 2018, was confirmed again this year, with a score of 58/100, placing Esker in the top 17% of companies evaluated by this platform.

Website: <https://ecovadis.com/>

WE SUPPORT



Esker joined the United Nations Global Compact in March 2019 and undertakes to respect its 10 principles in the area of human rights, labor rights, the environment and combating corruption. Global Compact France is mandated by the United Nations to support the 2030 Agenda and promote the adoption of the Sustainable Development Goals by the French economic stakeholders.

Website: <https://www.unglobalcompact.org/>

Presentation of Esker

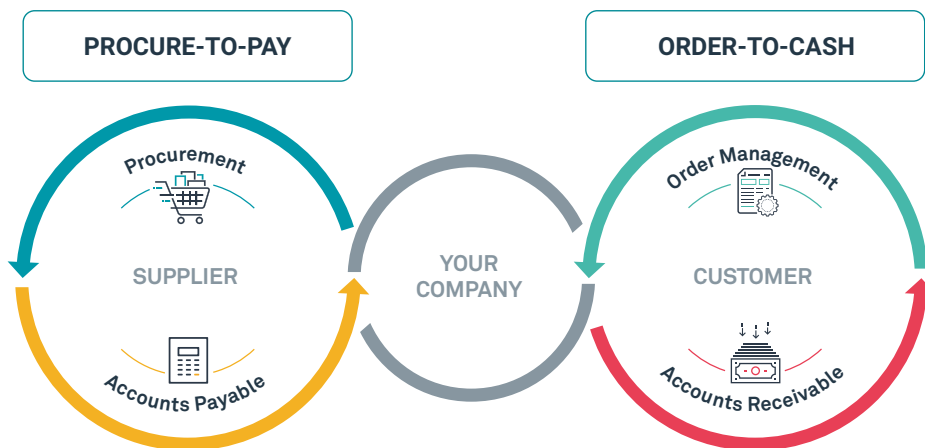
OUR BUSINESS

Esker's business and solutions are presented in [Chapter 1.4](#) of the universal registration document.

Esker is a worldwide provider of document process automation solutions for businesses. Esker software products are sold in the form of on-demand online services (SaaS) which represented 90% of Esker sales in 2019. The balance represented revenue from the sale of licenses, maintenance contracts and the corresponding product upgrades.

Based on Artificial Intelligence (AI), Esker solutions cover all customer and supplier cycles. They can accelerate and streamline these cycles by automating the corresponding business documents and significantly improve relations with customers and suppliers while freeing up administrative personnel from the more tedious, time-consuming tasks so they can be more productive.

Present in 14 countries, Esker teams distribute the Group solutions used by 6,000 customers throughout the world.



OUR VALUES

Our corporate culture is driven by core values: collaborating at a global level, building relations based on trust and respect of all parties, achieving progress through innovation, creating a healthy and positive work environment and focusing on satisfaction for all. These values guide us in our day-to-day actions, the way we work and inspire our 700 employees across the globe to build highly effective and innovative solutions.



One Team Beyond Boundaries: We encourage open collaboration between departments and countries. We bring people together and share ideas to grow strong and successful.



More Gratitude, Less Attitude: We believe that a successful organization is built on respect and trust. Appreciation and genuine communication create an environment where people feel truly valued.



Dare To Innovate, Initiate and Iterate: Thinking outside the box is a skill we value greatly. We start small and adapt along the way to reach ambitious goals – one story at a time.



Good Vibes Only: A positive work environment promotes better performance. We make sure everyone finds the right balance by respecting individual needs.



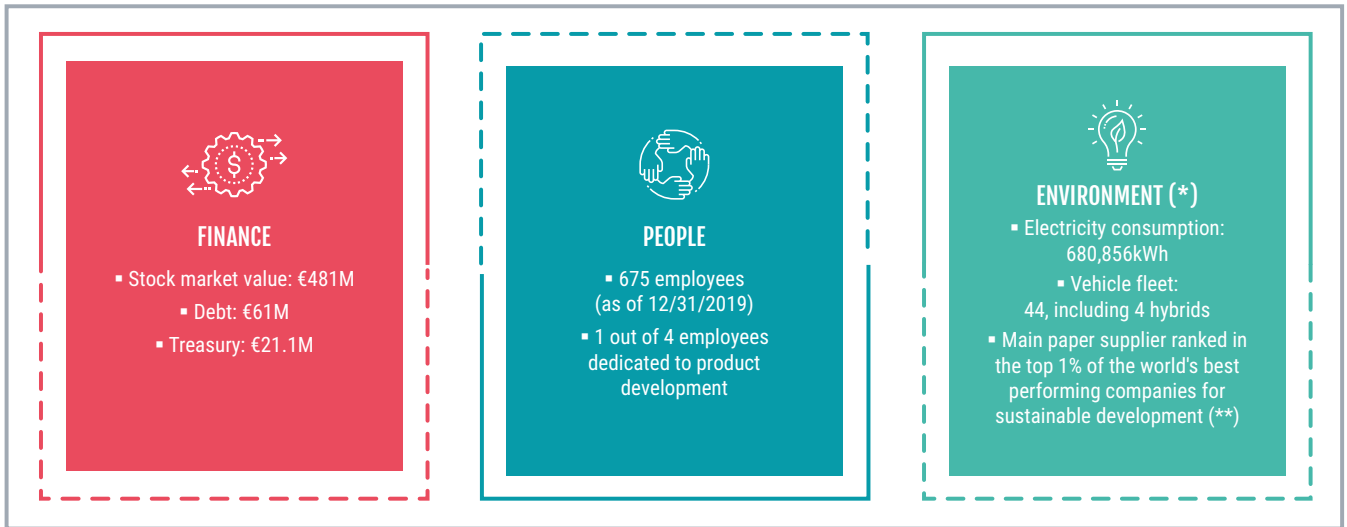
All Actions Toward Satisfaction: For our customers and employees, satisfaction isn't just a goal, it's our mission. Our experience and perseverance allow us to overcome challenges and deliver value.



BUSINESS MODEL

The description of the company and its activities is presented in *Chapter 1* of the universal registration document.

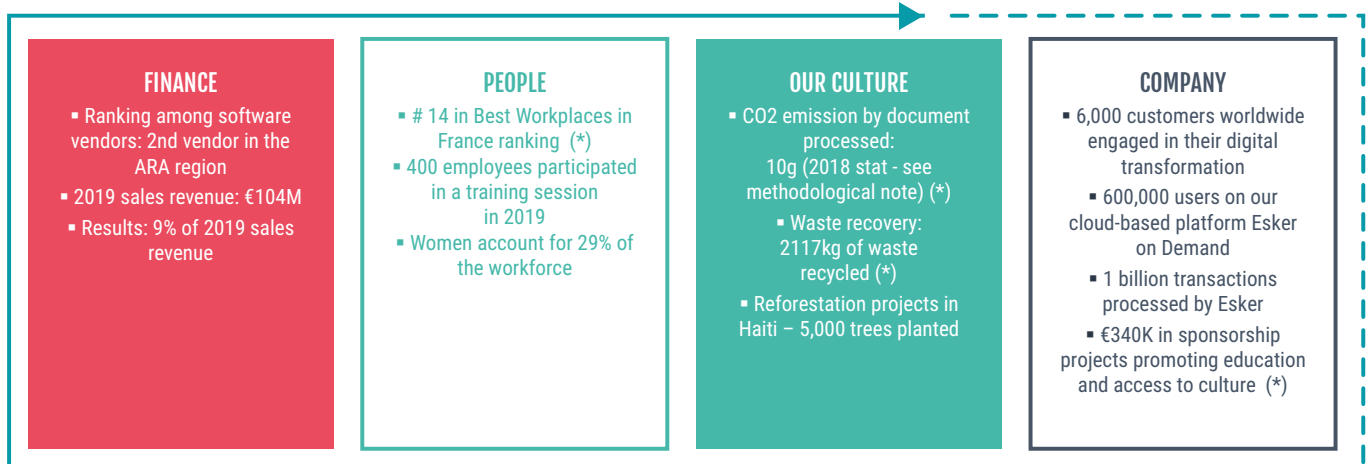
Our resources



Our activity



Our value creation











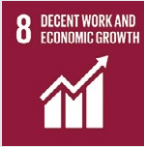

(*) French reporting scope only

(**) Ecovadis' evaluation of the supplier, Stora Enso



STAKEHOLDERS AND ECOSYSTEM

By nature, the activity of independent software vendor means that Esker interacts with several types of stakeholders within its ecosystem: employees, customers, technology and commercial partners, suppliers, professional bodies and civil society organizations. The quality of its relations and ethical conduct underpinning its operations within this ecosystem represent the foundations of Esker Group's core values.

Stakeholders	Value creation	System/Measures	Sustainable Development Goals
Employees	<ul style="list-style-type: none"> - Reinforcing Esker's attractiveness - Offering a caring and pleasant working environment - Ensuring the health and safety of employees - Helping talented employees develop their expertise - Maintaining constructive and regular dialogue 	<ul style="list-style-type: none"> - Conducting an annual customer satisfaction survey - Meetings with employee representative bodies - Developing expertise through employee training initiatives - Awareness-raising through training initiatives on first aid measures, fire risks and road safety 	    
Customers	<ul style="list-style-type: none"> - Supporting companies to successfully achieve their digital transformation - Ensuring the security of our information systems and protecting data about our activity, personnel and our customers - Reducing our customers' carbon footprint 	<ul style="list-style-type: none"> - Solutions to modernize and increase the added value of finance business lines - Reducing the use of paper in companies - Adopting a customer-centric organization - Ecovadis Label - A team devoted to monitoring and ensuring the security of our cloud platform 	 
Partners and suppliers	<ul style="list-style-type: none"> - Collaborate with our suppliers and service providers based on a code of business ethics - Encouraging the best practices in terms of protecting human rights and the environment 	<ul style="list-style-type: none"> - Choosing partners and suppliers based on environmental and social criteria - Technological partnerships to jointly develop software, technical integration and hosting services 	 
Investors and shareholders	<ul style="list-style-type: none"> - Reinforcing ethical governance - Maintaining growth momentum and attractive profitability 	<ul style="list-style-type: none"> - Listed on Euronext Growth - Index Gaïa - Communicating on a regular basis in accordance with best practices in English and French - Numerous meetings with investors and financial analysts - Participation in trade shows 	 



Stakeholders	Value creation	System/Measures	Sustainable Development Goals
Civil society	<ul style="list-style-type: none"> - Promoting access to culture and education to all - Optimizing energy consumption and waste recycling 	<ul style="list-style-type: none"> - Membership of the United Nations Global Compact - Providing financial and human support to training organizations - Contributing to the development of cultural programs accessible to all - Recycling company waste and reducing the consumption of resources 	     

Esker’s main corporate social responsibility risks and priorities

In accordance with the transposition of the European Non-Financial Reporting Directive (NFRD), Esker has included in its management report the Non-Financial Statement which describes the main governance, employment-related, environmental or social risks relating to its activity.

IDENTIFICATION OF RISKS

To identify these risks, an online survey was completed by all Esker employees to determine the issues they consider to be the most important and to ensure the coherence of the company’s CSR approach with the values of its employees as Esker’s main resource. This initiative is part of a more global process and method within the company designed to promote the participation of individuals in the decision-making processes to ensure their adhesion and motivation for implementing these actions.

Analysis was then conducted by the CSR working group (mentioned in the section Governance of Corporate Social Responsibility in the NFS’ introduction) to identify the impacts of the company on its entire ecosystem, in addition to the risk factors presented in *Chapter 4* of the universal registration document and the priorities identified through the employee survey.

Finally, the results of this analysis were presented to the Chair and Chief Executive Officer of the company in order to adjust and validate the major challenges and priorities.



These priorities are the result of a collective effort of the company’s management, its different business line departments and all employees who responded to the survey that were published in this document for 2019.

- **GOVERNANCE:** Respecting ethical principles in the conduct of Esker’s activities;
- **EMPLOYEES:** Attracting, retaining and developing talent;
- **SOCIAL:** Having a positive impact on our territory, companies and future generations;
- **ENVIRONMENT:** Contributing to the transition to a low-carbon economy.

In line with the priorities identified, its business model and the Group’s commitments, Esker has presented in this section the lines of action for creating value in connection with the Sustainable Development Goals representing a frame of reference recognized worldwide and shared by many companies and institutions worldwide.



KEY PERFORMANCE INDICATORS

The following table summarizes the main key performance indicators for each non-financial risk identified:

Non-financial priorities	Indicators	Reporting boundary	2017	2018	2019
Respecting ethical principles in the conduct of Esker's activities	Number of meetings presenting results	Group	2	2	2
	Number of meetings with employee representatives (<i>délégués uniques du personnel</i>)	France	-	10	10
	Platform availability rate	Group	99.8575	99.948	99.826
	Percentage of employees having received online training to raise awareness about data safety and protection, renewed annually	Group	100%	100%	100%
	Number of complaints for noncompliance with the GDPR	Group	-	0	0
Attracting, retaining and developing talent	Best Workplaces France ranking	France	29th	-	14th
	Percentage of positive responses to the question "Overall, I can say that the company is a good place to work"	France	94%	-	95%
	TrustIndex® established by the Great Place To Work Institute	France	84%	-	85%
	Number of employees at 12/31	Group	-	-	675
	- by gender	Group	-	-	198 women (29.33%)
	- by contract	Group	-	-	663 CDI
	Average seniority	Group	-	6.8 years	6.4 years
	New employees: total recruitment	Group	-	110	163
	- by gender	Group	-	-	56 women
	- by contract	Group	-	-	153 CDI
	Departing employees: total departures	Group	-	36	49
	- Resignation rate	Group	-	4.97% (27)	5.61% (36)
	- Dismissal rate	Group	-	0.37% (2)	0.15% (1)
	- Other reasons for termination	Group	-	1.29% (7)	1.87% (12)
	Absenteeism rate	Group	-	-	2.85
	Frequency rate	Group	-	14.4	7.05
	Severity rate	France	-	0.14	0.41
	Number of employees who received training	France	-	-	400
	Number training hours (in-house and external)	France	-	-	9472
Contributing the transition to a low-carbon economy	CO2 emissions per document processed	France	-	10g	not available
	Number of hybrid cars in the automobile fleet	France	-	-	4 out of a total of 44 vehicles
	Electricity consumption (kWh)	France	-	445,827	680,856
	Quantity of recycled waste (in kg)	France	-	1327	2116.8
Having a positive impact on our territory, its companies and future generations	Amount invested for education (in € thousands)	France	-	90	90
	Amount invested for culture (in € thousands)	France	150	50	250
	Number of customers	Group	-	-	6,000
	Number of users of the Esker on Demand platform	Group	-	-	600,000
	Number of transactions on the Esker on Demand platform	Group	-	-	1 billion



1 RESPECTING ETHICAL PRINCIPLES IN THE CONDUCT OF ESKER'S ACTIVITIES

Reinforcing ethical governance to ensure company sustainability

In addition to complying with laws and regulations, Esker integrates best practices in non-financial areas to improve performance and strengthen the confidence in the company of both its internal and external stakeholders and in this way contribute to the company's sustainability.



KEY PERFORMANCE INDICATORS:

- Two annual meetings presenting results
- Financial information available every quarter in English and French
- 10 meetings organized per year with the employee representatives (*délégués uniques du personnel*) (*)

POLICY

Social dialogue

Every company of the Group has its own system for the representation of employees through the bodies defined by law. Beyond the measures taken to comply with the legal provisions and regularly organized meetings, the Group attaches considerable importance to social dialogue which contributes to its economic performance. In this context, employee representatives may be consulted for subjects other than those that are not included among the mandatory topics. The results of the company are shared with employee representatives before being presented in a company meeting to all employees. This presentation is also available in English for all employees throughout the world.

Dialogue with shareholders and investors

To strengthen dialogue with shareholders and promote the long-term commitment of investors, Esker maintains regular contacts with these stakeholders. The results of the company are presented every six months in French and English to an audience comprised of investors, analysts and all persons interested in the company's activities. Information on quarterly sales is communicated to stakeholders. Finally, the company's management also participates in professional investor exhibitions. In addition, a specific website for investors enables all interested

persons to consult the latest presentations and contact the company's management to organize a meeting or obtain additional information or clarifications.

Compliance with the Sapin II law

The Administrative and Finance Department has adopted measures to comply with French Law on transparency, the fight against corruption and modernization of the economy (the "Sapin II" law). This initiative provided an opportunity to support Esker's transformation by reinforcing the adoption of an ethical and exemplary corporate culture under the direction of Executive Management. In this context, the responsible purchasing policy was initiated in 2019 by drafting a suppliers' code of conduct designed to ensure compliance with ethical principles by suppliers in the management of their own companies.

Respecting human rights

Esker is committed to respecting human rights in all countries where the company operates. In this framework, the company supports the UN Global Compact and a suppliers' code of conduct was drafted to ensure the support and commitment of its commercial partners in respecting rules relating to the environment, human rights, preventing discrimination, abolishing child labor and forced labor, as well as the rules with respect to fair wages and maintaining a healthy and positive work environment.





ACTIONS

Social dialogue

- A dynamic corporate agenda (*)
- 11 members and 9 alternate members in the Social and Economic Committee (*Comité Social et Economique* or CSE) team (*)

Dialogue with shareholders and investors

- Creation of a specific website for investors available in French and English
- Participation in exhibitions for professional investors

Compliance with the Sapin II law

- Launch of the mapping project for corruption risks and the inventory of practices of our subsidiaries
- Drafting of a code of conduct, a whistle blowing system, a policy for gifts (these documents are in the process of being validated) and an ethics clause and provisions for combating corruption integrated in supplier contracts

Respecting human rights

- Membership of the United Nations Global Compact
- Drafting a code of conduct for our main suppliers



RESULTS

10

Meetings with the CSE team during the year 2019 (*)

Number of visitors to the US investors site (online since March 2019):

24,000

pages viewed

4,000

single visitors

Number of visitors to the French investors site (online since November 2018):

17,000

pages viewed

3,200

single visitors


(*) France only



Ensuring the security of our information systems and protecting data about our activity, personnel and our customers

The risk of the failure of the production platform and attempts to penetrate our servers are described in [Chapter 4.1](#). Technological risks of the universal registration document.

Becoming increasingly sophisticated in recent years, cybercrime threatens the security, reliability and continuity of information systems and the digital sector is faced with increasingly important challenges for ensuring the protection of personal data.



KEY PERFORMANCE INDICATORS

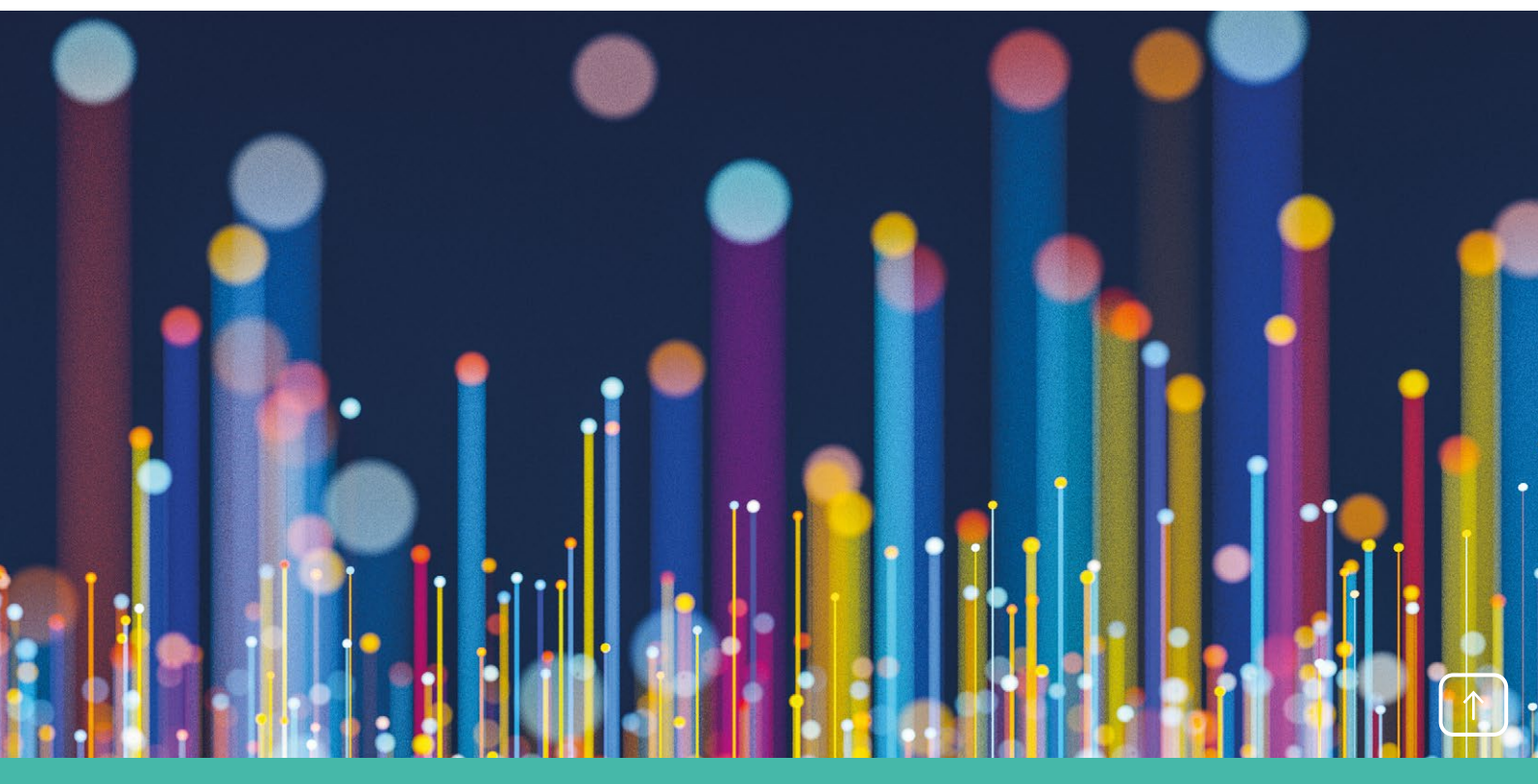
- The average rate of the availability of the Esker on Demand cloud platform in 2019: 99.826%
- The information security management system (ISMS) is audited and ISO 27001 certified for the Esker on Demand cloud-based activities
- 100% of employees worldwide have received online training to raise awareness about data safety and protection, renewed annually

POLICY

With a cloud platform available 24/7 throughout the world, IT security is a major issue for Esker that takes all possible measures to guarantee its customers a very high level of availability of its services. Specific themes are devoted to ensuring the safety and security of our structure. Esker is also equipped with an information security management system (ISMS) audited and ISO 27001 certified for the activities of its Esker on Demand cloud platform.

A Data Protection Officer (DPO) and an Information Systems Security Officer (ISSO) were appointed to monitor the proper application of the rules for ensuring the protection of personal data.

	ACTIONS		RESULTS
▪	Online training provided on an annual basis to raise awareness about information security risks and policies	▪	Number of complaints for noncompliance with the GDPR: 0
▪	Intrusion test performed once a year	▪	100% of employees successfully completed online training designed to raise awareness about data safety and protection
▪	Quarterly automated vulnerability scans		



2 ATTRACTING, RETAINING & DEVELOPING TALENT

Human resources at Esker in numbers

December 31, 2019, Esker Group had 675 employees (563 in 2018) including 303 outside of France (252 in 2018). The average age and average seniority were respectively 37.9 years and 6.4 years in 2019 (38.9 years and 6.8 years in 2018).



675
Employees



37.9
Average age



6.4 YEARS
Average seniority

Country	Women				Men				Total Group			
	Fixed-term employment contracts	Permanent employment contracts	Total	Average age	Fixed-term employment contracts	Permanent employment contracts	Total	Average age	Fixed-term employment contracts	Permanent employment contracts	Total	Average age
France	3	101	104	36.5	6	262	268	35.9	9	363	372	36.1
United Kingdom	0	7	7	41.8	0	15	15	43.8	0	22	22	43.3
Germany	0	10	10	NA	0	37	37	44.4	0	47	47	NA
Italy	0	2	2	45.6	1	9	10	37.2	1	11	12	38.6
Spain	0	7	7	43.2	0	12	12	41.2	0	19	19	41.9
Australia	0	2	2	42.4	1	10	11	43.3	1	12	13	43.1
Asia	1	11	12	36.3	0	12	12	38.8	1	23	24	37.6
Americas	0	54	54	38.6	0	112	112	38.3	0	166	166	38.4
TOTAL	4	194	198	38.1	8	469	477	37.8	12	663	675	38

Women accounted 29.33% of the workforce (compared to 29.84% in 2008) and men 70.56%.

This table includes all employees who were part of the workforce at December 31, regardless of the nature of their employment contract (in progress or suspended) with the exception of interns and international business volunteers (IBV), including fixed term and work-study contracts. Every employee is counted regardless of the length of time worked. The breakdown between men and women corresponds to the Group workforce at December 31.



Reinforcing Esker's attractiveness

To ensure the sustainability and development of the company's activities, Esker must attract and retain employees with highly specialized and complementary expertise. This goal is particularly challenging within the competitive sector of digital services where employment opportunities largely exceed demand. This requires providing a framework in terms of human relations, equipment and professional development opportunities designed to encourage employees to express their talent in the service of the company.



KEY PERFORMANCE INDICATORS

- 163 new employees joined in 2019
- Women represented 29.33% of the workforce
- 11 different nationalities in France and 19 worldwide

POLICY

Esker's recruitment policy, on which an internal HR Scrum team is working, comprised of recruitment specialists, a marketing project head and developers, is organized around different priorities:

- The development of the Esker employer brand by promoting the corporate culture, its expertise and the company's areas of differentiation
- The added value of our business lines and the work of teams on assignment with customers
- The simplification of the recruitment process and the diversification of sourcing to facilitate access to different applicant profiles
- Promoting an attractive referral program



ACTIONS

- Developing partnerships with schools (Lyon National Institute of Applied Sciences or INSA IF, 42 Lyon) (*)
- The multiplication of local educational initiatives by staff in schools, simulated meetings, school forums, etc. (*)
- Creation of a blog in France to promote the work of the technical teams (*)
- A measure to promote referrals with a €2,000 bonus (*)
- Promoting diversity in its workforce and combating discrimination by training members of the Human Resources Department about good recruitment practices
- Promoting our presence in social media among employees to increase our audience



RESULTS

- 2019 recruitment:

Recruitment	Women	Men	Total Group
Fixed-term employment contracts:	6	4	10
Permanent employment contracts:	50	103	153
TOTAL	56	107	163

- 10 articles written by employees in France and published in the Esker Labs blog (*)
- 33 employees co-opted in the world in 2019
- Women accounted for 34.35% of new employees
- 39% of new employees were less than 28 years of age, an age bracket representing 15% of the total workforce
- 1,710 new subscribers for a total of 4,950 subscribers to Esker France's LinkedIn page at the end of 2019 (compared to 3,240 at the end of 2018) (*)

(*) France only



Offering a caring and pleasant working environment

In a company where human capital represents the most important resource, the ability to retain talent is vital. To achieve this objective, companies must ensure the well-being of each employee by addressing both their collective and individual needs and adapting to evolving social trends.



KEY PERFORMANCE INDICATORS

- Ranking among the Best Workplaces in France: 14th in 2019 (*)
- Percentage of positive responses to the question "Overall, I can say that that the company is a good place to work" in the Great Place to Work survey: 95% (*)
- Average seniority: 6.4 years
- Resignation rate: 5.61%

POLICY

Esker takes into account the priorities of its employees by offering working conditions as closely aligned as possible with their expectations. Offices are designed by consulting with employees and their representatives with several areas specifically designed to address the teams' different needs. Esker seeks to promote a healthy environment based on a strong and positive corporate culture and to facilitate achieving a balance between private and professional life, by making it possible, for example, to engage in sports activities in the workplace. In France, and in our US subsidiary, Fun@work committees (made up of around 15 volunteer employees) organize activities in the offices to promote team spirit. Finally, because the search for meaning contributes to workplace wellness, a shared vision and role in executing projects is one of the integral missions of Esker managers.



ACTIONS

- Offering employees a high degree of flexibility for organizing their working hours
- Initiating a study on the possibility of adopting teleworking in coordination with the team CSE (*)
- Offering employees, technicians and supervisors a base compensation 5% above the minimum wage in 2019 (*)
- Offering one day of work per employee and per year to contribute to a CSR initiative of their choice (*)
- Promote gender equality in the company
- Offer preferential access to employees to the different venues and special events proposed by the Lyon Contemporary Art Biennial as part of our partnership (*)



RESULTS

- Selection of 34 part-time employees, or 5% of the workforce
- Launch in 2020 of a teleworking trial included on the agenda of six Social and Economic Committee meetings before final implementation (*)
- Turnover of the employee, technician and supervisory personnel category: 14% (15% in 2018) (*)
- Incidents of harassment reported in 2019: 0 (*)
- Women-men index: 90/100 (*)
- In 2019, as part of our partnership with the Lyon Contemporary Art Biennial, employees were able to participate in specific conferences, photo workshops, private and guided tours with their children, the collaborative intervention of an artist as well as private evening events at the Fagor Factory cultural venue and the Musée d'art contemporain de Lyon (*)

(*) France only



Ensuring the health and safety of employees

Measures to prevent professional risks are carried out every year in France in different areas and presented in detail in a specific document designed for that purpose (*document unique d'évaluation des risques professionnels*). In addition, a manager is appointed at each site with responsibility for implementing actions concerning the occupational health and safety of our employees.



KEY PERFORMANCE INDICATORS

- Frequency rate: 7.05 (vs. 14.4 in 2018) (**)
- Severity rate: 0.41 (vs. 1.23 in 2018) (**)
- The worldwide absenteeism rate: 2.85%

Breakdown of types of absences (worldwide, days of absence):

2,307

Illness + Commuting accidents + Occupational accidents

1,035

Maternity leave / Paternity leave / Adoption

591.5

Family events

528

Other causes

5,366

Total days of absences

POLICY

Esker ensures the health and safety of its employees by offering a jointly-designed, agreeable and functional workplace and by adopting the necessary health and safety measures. All employees at our headquarter office and in the United States are equipped with adjustable desks designed to limit the risk of musculoskeletal disorders. Employees in the mail production facility in Décines are equipped with security equipment adapted to their activity including safety boots and protective earplugs. All our offices throughout the world include rest or relaxation areas equipped with table football, game consoles or a multipurpose room at the headquarters where yoga and gymnastic sessions are organized. In France, employees are also eligible for massages organized by our Social and Economic Committee and healthy snacks are provided to our employees once a week in the form of fruit baskets. In France and in the United States, health information sessions are organized as "lunch'n'learn" events with health insurance partners. Every employee is eligible for reimbursement of any subscription or purchases made for their well-being such as for example a gym subscription, the purchase of a new bike or sports shoes.



ACTIONS

- Organization of a day devoted to raising awareness about road safety for cyclists (*)
- Organization of a visit to our mail production facility by our occupational physician at least every three years and monitoring its recommendations as applicable (*)
- Training employee volunteers in first aid and evacuation procedures in the event of a fire (*)
- Organization of a conference on the topic of "digital technology and our cognitive limits" (*)
- Promotion of the prevention platform on health practices (*Mes attitudes Santé*) in partnership with Malakoff Médéric (mutual and personal protection insurer): our French employees are able to obtain advice online on different subjects including health, diet, addictions, memory, etc.
- Appointment of a "Health / Workplace Wellness" ambassador in the HR team whom employees may contact for any questions relating to health at work (*)



RESULTS

- Implementation of a charter on the right to disconnect from digital devices: Esker in this way reasserts the importance of the proper use of digital tools and professional communications and the need to regulate their use in order to respect the rest and vacation periods, as well as ensuring the proper balance between the private and professional lives of employees. This charter is attached to our company rules of procedure
- 15% employees received first aid training (OSH) (*) *The French National Research and Safety Institute for the Prevention of Occupational Accidents and Diseases (INRS) recommends that 10% to 15% of employees receive OSH training*
- Percentage of employees trained in fire evacuation procedures: 8% (*)

(*) France only

(**) France only. Refer to the employment indicators in the methodology note

Helping talented employees develop their expertise

Esker's success is based mainly on the experience and expertise of its employees. For that reason supporting their training is vital to ensure the employability of employees both in respect to their internal career development and ensuring the maximum benefits of their skills for outside assignments.



KEY PERFORMANCE INDICATORS

- 400 employees received training in 2019 (*)
- 9,472 hours of training in 2019 (*)
- 34 employees worldwide benefited from internal career development opportunities in 2019

POLICY

The training policy is built around strategic priorities defined once a year by senior management at the request of managers who, after adopting new working tools and methods, require training for some of their staff and also for those staff wishing to pursue opportunities for career development or a career change. The training budget takes into account these priorities and their degree of priority. The needs expressed in professional interviews are studied and ranked in order of priority according to the above areas. For training organized by outside service providers, an evaluation is performed of the skills acquired to enhance the management expertise.

Esker also has its own internal training center, Esker University, which includes several instructors and numerous online modules accessible to employees throughout the world. Classroom-based training is provided to newly recruited employees. At the operational level, managers are provided a calendar of training actions to help them select the employees concerned.



ACTIONS

- Offer all employees the possibility to receive training at least once every three years (*)
- Propose new training programs for personnel development
- Give preference to internal candidates when posts become available by encouraging employees to apply for these positions in priority



RESULTS

- Internal mobility in 2019: 25 in France, nine in the United States

(*) France perimeter



3 HAVING A POSITIVE IMPACT ON OUR TERRITORY, COMPANIES & FUTURE GENERATIONS



KEY PERFORMANCE INDICATORS

- Participation in the local economy through volunteer-sector organizations and local economic initiatives: Digital League
- Sponsorship initiative promoting the development of the territory: the Lyon Contemporary Art Biennial, Research Chair of the INSEEC Business School

Contributing to the economic development of our region

Companies contribute to the development of the local economy by creating employment and added value and by joining forces with other local stakeholders to promote synergies and innovation.

POLICY

The engagement of Esker's Executive Management through local economic volunteer-sector organizations, and notably Digital League since 2014, promotes innovation within companies of the region and their economic development. The Digital League is a regional cluster of digital services companies pooling their efforts and sharing their expertise to promote the adoption of good practices among entrepreneurs, schools, laboratories, investors, institutions to produce synergies.

Esker has also been supporting the Lyon Contemporary Art Biennial since 2015 that provides a showcase for the artistic creations of many local artists and their performance. Esker also contributed to the creation of the Research Chair for Artificial Intelligence at the INSEEC business school, and actively contributes to its activities through its field-based expertise.



ACTIONS

- Active participation of Esker's Chair-CEO in the Digital League as co-chair (*)
- Sponsorship of the Lyon Contemporary Art Biennial: €250,000 (*)
- Financing of a Research Chair at the INSEEC business school in the amount of €60,000 per year to develop the fields of finance through Artificial Intelligence (*)



RESULTS

- Contribution to the network of the Digital League's network of more than 500 members (*)
- Artistic creations in connection with the Lyon Contemporary Art Biennial, through short channels in collaboration with the local economy (*)
- Results of research on Artificial Intelligence (*)

(*) France only



Supporting companies in their digital transformation

Digital transformation henceforth represents a major vector for the development of companies. Esker Group, through its offering of document process automation solutions, directly contributes to the lasting transformation of these companies and their employees.



KEY PERFORMANCE INDICATORS

- A worldwide customer base of 6,000
- 600,000 users of the Esker on Demand platform
- A total of 1 billion documents processed on the platform

POLICY

Esker intervenes as a trusted partner by providing digital solutions to optimize and boost the performance of company administrative and financial services and customer services. Our solutions contribute to creating a more stress-free work environment, making it possible to devote more time to higher added value tasks and improve relationships with suppliers and customer satisfaction.



ACTIONS

- Solutions offering more closely aligned to customer needs notably by deploying the Agile methodology and developing new functionalities more rapidly and on a more regular basis
- Developing a network of partners, notably to support customers: integrating solutions, training users and driving change



RESULTS

- 799 new contracts were signed in 2019

Customer testimonials



ESKER'S SOLUTION HAD A VERY POSITIVE IMPACT ON THE DAY-TO-DAY ACTIVITIES OF ACCOUNTANTS. JOB DESCRIPTIONS WERE REDEFINED WITH RESPONSIBILITIES BY SUPPLIER RATHER THAN TASK, WITH THE FOCUS ON WORKING TOGETHER AS OPPOSED TO WORKING SIDE-BY-SIDE IN ORDER TO PUT PEOPLE AT THE HEART OF OUR BUSINESS!"

ALEXANDRA VLATKOVI, ASSISTANT ACCOUNTING MANAGER, FEU VERT GROUP

WE CHOSE TO SWITCH TO AUTOMATED PROCESSES TO ELIMINATE THE EXPONENTIAL VOLUME OF PAPER THAT WAS BUILDING UP. MORE THAN DATA ENTRY, OUR NEED WAS MAINLY TO ASSIGN ORDERS TO THE RIGHT PERSON AND ENSURE THEIR TRACEABILITY. WITH ESKER'S SOLUTION, WE NO LONGER REQUIRE A PERSON TO SORT AND DISTRIBUTE FAXES ONE BY ONE TO THE DIFFERENT RECIPIENTS."

THIERRY FOURNIER CHIEF ADMINISTRATIVE AND OPERATING OFFICER, THE VAILLANT GROUP'S FRENCH SUBSIDIARY



Promoting access to education and culture for all

Access to culture and education is key to building a caring and inclusive society. Quality education ensures the employability of future generations while access to culture offers everyone an opportunity to open up new horizons, develop a critical spirit and broaden one's understanding of the world.



KEY PERFORMANCE INDICATORS

- Amount invested for education: €90,000
- Amount invested for culture €250,000

POLICY

By supporting the Lyon Contemporary Art Biennial, Esker contributes to the emergence and access of culture for all by promoting the values of excellence and professionalism. The impact of the Lyon Contemporary Art Biennial is both international and local, with visitors, journalists and artists coming from the entire world, but also local companies solicited by the event and the artists to support the production of their artistic creations.

We also provide support for the development of several schools in the region. Our engagement is both financial and human, with our employees, for example, presenting their business to students or giving them an opportunity to discover our company by organizing on-site visits. This support to schools helps students gain access to the job market, while increasing technical profiles offers available on the job market.



ACTIONS

- Donations of €50,000 per year for three years to the 42 Lyon school, a second chance school for coding, since 2018. Jean-Michel Bérard, Chair of Esker, is also a school administrator
- Intervention by employees at Ecole 42
- Intervention at the Eden School, a programming school for students who are no longer in the conventional school system, to learn the profession of developer, as early as middle school, where instruction is based on apprenticeship through action
- Sponsorship of a class of the INSA Lyon engineering school
- Donation of €250,000 in 2019 to the Lyon Contemporary Art Biennial



RESULTS

- 125 students trained by the 42 Lyon school in Lyon
- 2019 Lyon Contemporary Art Biennial:
 - 273,800 visitors
 - 78 of the territory's companies solicited
 - 5,000+ persons received at 80 events organized for companies and partners

Customer testimonials



WE NEEDED A SCALABLE SOLUTION THAT WOULD ALLOW US TO ADVANCE IN STAGES, AUTOMATING THE PROCESSING OF INVOICES WHILE GRADUALLY MOVING TO E-INVOCING. THIS IS WHY WE CHOSE ESKER'S SOLUTION IN ADDITION TO THE SIMPLICITY OF ITS ADOPTION AND EASE-OF-USE."

STÉPHANE POIRIER, PROJECT MANAGER, NEXECUR

ESKER'S SOLUTION MET ALL OUR GOALS. ITS MULTITUDE OF FUNCTIONALITIES MEANT THERE WAS NO REASON TO TEST ANY OTHER SOLUTIONS. PAYMENT REMINDERS ARE SENT OUT ELECTRONICALLY, OUR STAFF IS MORE PRODUCTIVE AND PROACTIVE AND OUR CUSTOMERS ARE HAPPY."

KARA DEIST, CFO, LINPEPCO

4 CONTRIBUTING TO THE TRANSITION TO A LOW-CARBON ECONOMY

Optimizing energy consumption and reducing the carbon footprint

In response to the threat of climate change, Esker is optimizing its resources to develop its businesses: the environmental risk linked to the activity of its mail centers, managing the energy efficiency of the digital flows (data centers, eco application design, etc.) and its automobile fleet. The policy for purchasing and depreciation also includes environmental criteria for computer equipment (purchase of Epeat Bronze or Gold certified workstations and servers and Energy Star certified monitors).



KEY PERFORMANCE INDICATORS

- 10 grams of CO2 per processed document (for 2018 - see methodology note) (*)
- 4 hybrid cars in Esker's automobile fleet (out of a total of 44 vehicles) (*)

POLICY

Esker's environmental policy is aligned with its commitment to environmentally positive sustainable development. In France, employees are encouraged to use low impact transport by reimbursing subscriptions for Lyon public transportation and a kilo metric allowance for employees commuting to work by bicycle and by making available a fleet of bicycles in our premises. The company's vehicle fleet is gradually being replaced by hybrid or electric vehicles. Production resources are optimized as part of a continuing effort to reduce electricity consumption and Esker selecting in priority suppliers in large part using renewable energy. Finally, to facilitate the transition of companies to document automation processes, Esker is contributing to reduce the use of paper among its customers and indirectly combating deforestation.

Customer testimonials



THANKS TO ESKER AND ITS AP AUTOMATION SOLUTION, THE USE OF PAPER HAS TODAY BEEN LARGELY ELIMINATED."

HERVÉ BIGOT, HEAD OF FINANCIAL PROJECTS, ADEO SERVICES

WE ENCOURAGE OUR VENDORS TO SUBMIT THEIR INVOICES DIRECTLY AND ELECTRONICALLY ON OUR SUPPLIER PORTAL. IT HAS HELPED US SIGNIFICANTLY CUT DOWN ON PAPER HANDLING AND IMPROVE THE EFFICIENCY OF INVOICE FLOW AND PAYMENT PROCESSING."

PROJECT COMMITTEE, SHARED SERVICE CENTERS, SUNWAY

(*) France only





ACTIONS

- Promoting employee use of low-impact transportation
- Signature of the partnership with a reforestation NGO (Reforest'Action)
- Increasing the percentage of hybrid or electrical vehicles in the company's automobile fleet
- Installing presence sensors managing 100% of the lighting in the common areas
- Installing an anti-heat film over 50% of the glass surface of our Décines site
- Raising awareness about the importance of eco-design to integrate environmental impacts in the design stage of our IT solutions and organization of a conference led by Frédéric Bordage in the Esker offices
- Selection of datacenter suppliers committed to sustainable development



RESULTS

- Installation of six charging stations for electrical bicycles
- A 50% increase in the capacity of our bicycle fleet
- 5,000 trees planted in Haiti in partnership with Reforest'Action
- Decrease of more than 25% in the number of W/H consumed per page produced at our Décines site
- Management agreement for the implementation of recurrent training programs to raise team awareness about developing good practices for eco-design software
- 100% of the environments of our new customers are hosted in Microsoft Azure public cloud using a minimum of 60% renewable energy, in accordance with Microsoft's targets

Customer testimonials



BY AUTOMATING THE PROCESSING OF CUSTOMER ORDERS AND THE SENDING AND ARCHIVING OF ELECTRONIC INVOICES, WE HAVE ACHIEVED SIGNIFICANT TIME SAVINGS. THANKS TO THE AUTOMATION OF THESE TWO STRATEGIC PROCESSES WE ARE MOVING TOWARD EFFICIENT AND ECOLOGICAL PAPER-FREE HANDLING."

ALBERTO BARBERO, CUSTOMER SERVICE MANAGER, BEL ESPAÑA

BY OUTSOURCING AND AUTOMATING OUR DOCUMENT FLOWS WITH ESKER'S SOLUTIONS, WE WILL NOT ONLY IMPROVE PRODUCTIVITY, BUT STRENGTHEN OUR INVOICING EXPERTISE WHILE CONTRIBUTING TO OUR ENVIRONMENTAL POLICY BY REDUCING PAPER CONSUMPTION."

BRIGITTE ANDREOLIS-CLAVIER, CFO, STACI

ESKER HAS ENABLED US TO DELIVER A SUPERIOR LEVEL OF SERVICE QUALITY TO OUR CUSTOMERS. THE AMOUNT OF SPEED AND TRANSPARENCY IN THE PROCESS ARE TWO KEY ELEMENTS THAT WILL ALLOW US TO ACHIEVE OUR OBJECTIVE OF ZERO PAPER IN THE FUTURE."

ALAIN FAVRE, CEO, GECITECH



Saving resources and recycling waste

As economic performance drivers, saving resources contributes significantly to protecting the environment while waste recycling contributes to the development of the circular economy.



KEY PERFORMANCE INDICATORS

- Electricity consumption: 680,856 kWh (*)
- Quantity of recycled waste: (*)
 - plastics 60.5kg (vs. 21kg in 2018)
 - paper/cardboard: 2,051.3kg (vs. 1,305kg in 2018)
 - sundry metals: 5kg (vs. 1kg in 2018)

POLICY

Esker seeks to achieve savings in the use of raw materials at its mail centers and our waste production is primarily linked to our mail production activities. The reduction of waste products by minimizing production scrap by adopting an ISO 9001 quality management system and increasing the waste recovery rate is therefore a priority. Raising staff awareness and facilitating the sorting of waste also are among the actions that will allow us to maximize the recovery of waste.



ACTIONS

- Reducing and recovering production scrap at the Décines mail production facility (*)
- Adopting an environmental management certification process (*)
- Implementing measures to raise staff awareness about recycling (*)
- Facilitating sorting at our headquarter office by providing recycling containers for batteries, light bulbs, plastic caps, plastic bottles, cans, paper, cardboard and aluminum coffee capsules (*)
- Selection of paper suppliers committed to sustainable development



RESULTS

- 10% less scrap in relation to 2018 at our Décines mail production facility; 100% recycling of ink, paper and envelopes production waste (*)
- Obtaining ISO 14001 certification of our mail center (*)
- Organizing morning workshops to raise staff awareness about recycling, the lifecycle of waste and the functioning of a sorting facility. (*)
- Quantity of recycled waste: (*)
 - plastics 60.5kg (vs. 21kg in 2018)
 - paper/cardboard 2,051.3kg (vs. 1,305kg in 2018)
 - sundry metals: 5kg (vs. 1kg in 2018)
- The main paper supplier ranked number one worldwide of the top-performing companies in terms of sustainable development

(*) France only





METHODOLOGY NOTE

Non-financial reporting covering all CSR indicators at the Group level was initiated in 2019. This approach highlights a positive dynamic and will result in the gradual extension of the scope for these indicators and their adoption.

Methodological explanations and limitations

The process for collecting information and indicators will be correctly updated, notably in light of the scope of the changes, and by raising the awareness of contributors in order to reinforce the quality and materiality of the information.

Reporting on certain indicators may have limitations due to:

- the absence of national and/or internationally recognized definitions;
- the necessary estimates, representativeness of the measures or limited availability of external data required for calculations;
- the practical procedures for collecting and recording this information.

For that reason, whenever possible, definitions, methodologies and, where applicable, the associated margins of uncertainty, are specified for the corresponding indicators.

GUIDELINES AND REPORTING SCOPE

Topics excluded from our Non-Financial Statement

Considering the nature of Esker's activities as presented in this document and, in particular, its business model, it would appear that the implications of the law on sustainable food (combating food insecurity, respecting animal well-being, responsible fair and sustainable practices and combating food waste) are limited for the company.

In addition, with respect to the responsible conduct of its activities, Esker Group ensures the compliance with all rules applicable in the country where it is present, including those governing tax evasion. Today, no Group entity has been subject to a tax audit.

Employment indicators

Employment indicators are those derived primarily from the internal reporting guidelines used to produce corporate social responsibility report for the entities concerned. For the Group, headcount data (incoming, outgoing, seniority) is centralized in the HRIS. Concerning absenteeism, accidentology, training, each subsidiary submits its own report to its entity for consolidation purposes.



Information on employees (number, gender, contract, seniority, recruitment, resignation) are derived from the HRIS used by the administrative department of the subsidiaries and the human resources departments. Apprentices and work-study program students are included in the headcount and interns and IBVs are excluded. Rates are calculated on the basis of the average permanent workforce over a 12-month period (641.7 in 2019). The resignation rate includes contracts terminated at the employee's initiative. The dismissal rate includes contracts terminated at the employer's initiative. The end of trial periods and negotiated terminations are included in a separate category: "Other reasons for termination." Resignations and dismissals concern only permanent employment contracts.

The absenteeism rate is based on the consolidation of absences derived from data provided by the subsidiaries and, for France, from an absence management tool linked to our HRIS.

The frequency and severity rate of occupational accidents are calculated on the French reporting scope using data provided by the payroll service which centralizes accident reports.

The absenteeism rate is calculated as follows: the total number of hours of absences of each subsidiary / the total theoretical number of hours worked in each subsidiary or 33,450.25 / 1,179,300. This excludes annual holidays and includes the number of days of absence for working days for the following category of absences:

- illness (Group), commuting and occupational accidents (France)
- maternity and paternity leaves, adoption, birth (Group)
- family events: birth, marriage, family death (Group)
- other causes: unjustified leave without pay, educational leave and training rights, transfer days, authorized leave, absence for a sick child, disabled worker absence, recovery days (Group)

Frequency and severity rates concern only France. The accident frequency rate represents the number of lost time injuries per million hours worked. The severity rate of lost time injuries is expressed in number of lost time calendar days per lost time injury divided by thousand hours worked. These two rates increased significantly in 2018 following the transfer of the company to the new premises. They then decreased significantly in 2019, after employees became accustomed to their commuting routines.

Concerning training, the indicators concern only France. Outside training provided by a service provider is included in this data as is our in-house training. Data on training derived from the HRIS enabled us to total the number of hours and the number of employees who participated in one or more training programs, external and/or in-house, organized in France in 2019. For internal training, Esker has a training platform, Esker University, and a training department with seven employees in 2019 (six in France and one in the United States). Interns and external consultants are excluded from this data, as is e-learning training.

The results of the Great Place To Work survey are provided by the Great Place To Work Institute, an independent organization and reference for workplace quality-of-life.

The presentations of the company's results are available at the website: <https://www.esker.com/investors/>.

The number of meetings with employee representatives (*délégués uniques du personnel*) was calculated from minutes of the Social and Economic Committee meetings.

The number of recruitments is based on reports established from the HRIS, based on the starting date of employees in 2019.

Employment indicators

The availability rate of the platform is available in real time at the Trust Esker site to which customers of the Esker on Demand platform have access.

Our internal training tool Esker University is able to monitor the number of employees who receive training and successfully completed the online training about the importance of data security and protection.

As part of our confidentiality policy, no complaints were received by our DPO.

The amounts paid in connection with this sponsorship agreement are justified by contracts signed with organizations supported by Esker.

The number of Esker customers and transactions on the Esker on Demand platform are based on reports issued by the company's CRM system. The number of the platform's users is determined by queries submitted by the development teams, indicating the number of identifiers having access to the cloud platform.

Environmental indicators

Environmental indicators concern the French reporting scope only. This includes the offices located at 113 boulevard Stalingrad in Villeurbanne, the Décines mail production facility, the offices of CalvaEDI in Paris and all data centers in France (internal IT of Esker France, Calva EDI, and the EoD servers), as well as all employees in France. The production activity of CalvaEDI was recognized for the carbon assessment, though excludes electricity consumption for their Paris premises and waste management for their offices as this is considered non-material (7 employees at the end of 2018).

The indicator selected by Esker to measure its performance in terms of reducing greenhouse gas emissions is the number of grams of CO₂ emissions by a document processed by the Esker on Demand production platform, all media combined.

CO₂ emissions per document processed were calculated by an external consultant, taking into account the following factors:

- **Total kg CO₂ Scope 1: 230,893** - Includes emissions from fixed sources of combustion (gas or generators), direct emissions from mobile sources with combustion engines (fuel consumption of company vehicles), direct fugitive emissions (leakage from cooling equipment).



Esker is not concerned by direct emissions originating from non-energy sources and biomass (soil and forests).

- **Total kg CO2 Scope 2: 10,469** - Includes indirect emissions from electricity consumption (lighting and consumption). Esker is not concerned by indirect emissions linked to electricity consumption (heating / air-conditioning - inseparable common expenses for Décines; production : machines / computers / servers), indirect emissions linked to the consumption of steam, heat, cold (consumption linked to the heat or cooling distribution networks).
- **Total kg CO2 Scope 3: 1,911,429** - Includes the purchase of products and services (raw materials, subcontracting of printer maintenance; security services for the surveillance of sites or servers, food services), the manufacture of goods , waste management (Villeurbanne site and the Décines production facility), inbound transportation of goods (transportation of raw materials), professional travel (professional travel of employees by their private vehicles; professional travel by plane/train) and employee commuting to and from work. Esker is not concerned by emissions linked to energy not included in categories 1 and 2 (extraction, production and transportation of fuel; emissions associated with the transport and distribution of electricity; extraction, production and transport of fuel consumed for production by the company), upstream leased assets, investments, transportation of visitors and customers, downstream transportation of goods, use of goods sold, the end of life of products sold, downstream franchises, downstream leasing.

Total greenhouse gas emissions from the different Esker sites in France in 2018 amounted to 2,153 tons. In 2018, the number of documents processed on the Esker on Demand production platform for France amounted to approximately 219.27 million documents including 42.14 million letters. The benchmark indicator for 2018 in consequence equals 10 grams of CO2 per document processed.

With respect to GHG emissions, for 2019, because data is not yet available, only information for 2018 is provided. A carbon assessment was performed in 2018, even though this is not required for the company; In addition, negative emissions corresponding to activities including recycling have a more important positive impact than the activity itself on the environment. For 2019, there is no specific item able to explain a more important increase other than the increase proportional to the company's activity. A marginal decline is even expected in 2019, as the number of documents processed has increased whereas energy consumption did not increase in this same period.

The number of hybrid cars in the Esker automobile fleet is determined by the information on the vehicle mentioned in our long-term leasing contracts with the company ALD Automotive. Vehicles actually delivered in the period are taken into account not only those made available by the service provider (there sometimes exists a small gap between these two figures) for employees of the head office and the Décines plant.

Electricity consumption is calculated from the invoices provided by our electricity supplier, EDF, for the head office and the Décines plant.

ELISE, which manages waste recycling for Esker provides reports every quarter on the activity and the quantity of waste recovered. The annual amount corresponds to the addition of these quantities.



NFS STATEMENT

Report by one of the statutory auditors designated as the independent third-party assurance service provider on the consolidated non-financial statement

Fiscal year ended December 31, 2019

To the annual general meeting of the shareholders

In our capacity as Esker's statutory auditors designated as the independent third-party assurance service provider certified by COFRAC under No. 3-1048 (for details on the scope refer to www.cofrac.fr), we hereby present our consolidated non-financial statement (hereafter the "Statement") presented in the group management report prepared for the period ended December 31, 2019 in accordance with the provisions of article L. 225-102-1, R. 225-105 and R. 225-105-1 of the French commercial code.

RESPONSIBILITY OF THE COMPANY

The Executive Board is responsible for issuing a Statement in accordance with the legal and regulatory provisions that includes a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, including key performance indicators. The Statement was prepared by applying the company's procedures (hereinafter the "Guidelines"), the significant elements of which are presented in the Statement and available on the company's website or on request from the company's headquarters.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions of Article L. 822-11 of the French commercial code and the Code of Ethics (*Code de Déontologie*) of our profession. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the codes of ethics, professional doctrine and applicable legal and regulatory texts.

RESPONSIBILITY OF THE STATUTORY AUDITOR DESIGNATED AS THE INDEPENDENT THIRD-PARTY

Based on our work, our role is to formulate a reasoned opinion expressing moderate assurance as to:

- the Statement's compliance with the provisions of Article R. 225-105 of the French commercial code;
- the sincerity of the information provided in application of Paragraph 3 of Section I and II of Article R. 225-105 of the French commercial code, namely the results of the policies, including key performance indicators, and the actions relating to the main risks (hereinafter referred to as the "Information").

However, it is not our responsibility to express an opinion on the company's compliance with other applicable legal and regulatory provisions, particularly with regard to anti-corruption measures and taxation, or on the compliance of products and services with the applicable regulations.

NATURE AND SCOPE OF THE WORK

Our work described above was performed in compliance with the provisions of articles A. 225-1. of the French commercial code determining the procedures according to which the independent third-party assurance service provider performs its engagement and according to professional doctrine of the of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this mission as well as the international standard ISAE 3000 (*Assurance engagements other than audits or reviews of historical financial information*).

We carried out checks allowing us to assess the Statement's compliance with the legal and regulatory provisions and the fair presentation of the Information:

- We duly noted the activity of all entities included in the consolidation scope, their exposure to the main social and environmental risks.
- We assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, impartiality and comprehensibility and taking into account best industry practices where appropriate.
- We verified that the Statement covers each category of information provided for in Section III of Article L. 225-102-1 on social and environmental matters as well as respect for human rights and the combating of corruption and tax evasion.
- We verified that the Statement discloses the information provided for in II of Article R. 225-105, where this information is relevant to the main risks and that it provides, where applicable, an explanation of the reasons for non-disclosure of the information required by the 2nd Paragraph of III of Article L. 225-102-1.
- We verified that the Statement presents the business model and a description of the main risks linked to all the entities included within the scope of consolidation, including, whenever relevant and proportionate, the risks engendered by business relations, products or services as well as the policies, reasonable diligence procedures and results, including key performance indicators.



- We consulted the documentary sources and conducted interviews to:
 - Assess the process for selecting and approving the main risks as well as the consistency of the results, including the key performance indicators presented, in terms of the main risks and policies described; and
 - corroborate the qualitative information (action and results) we deemed the most important¹ - for qualitative information related to certain risks (*corruption and taxation*), our review was performed at the level of the consolidating level, and for others at the level of the consolidating entity and on a selection of entities.
- We verified that the Statement covers the consolidated scope, i.e., all the companies included in the scope of consolidation in compliance with article L. 233-16 of the French commercial code, with the limits specified in the Statement.
- We have taken note of the internal control and risk management procedures implemented by the entity and assessed the data collection process used by the entity to ensure that the Information is both complete and accurate.
- For the key performance indicators and the other quantitative results² that we considered to be the most significant, we implemented:
 - analytical procedures consisting in verifying the correct consolidation of collected data as well as the consistency of changes in them;
 - detailed tests based on sampling, consisting in verifying the proper application of definitions and procedures, and in reconciling data with supporting documents. This work was conducted with a selection of contributing entities³ and covers between 54% and 100% of the consolidated data of the key performance indicators and results selected for these tests.
- We assessed the overall consistency of the Statement in relation to our knowledge of the entity.

We consider that the work we carried out by exercising our professional judgment allows us formulate a conclusion of moderate assurance; a higher level of assurance would have required more extensive verification work.

RESOURCES AND METHODS

Our work made use of the expertise of four persons in April 2020.

In the performance of this engagement, we were assisted by our sustainable development and social responsibility specialists. We conducted around ten meetings with persons responsible for preparing the Statement.

CONCLUSION

Based on our work, and bearing in mind the scope of our responsibility, we did not observe any significant misstatement likely to call into question the statement of non-financial performance's conformity with the applicable regulatory provisions or the fair presentation of the Information, taken as a whole, in accordance with the Guidelines.

COMMENTS

Without qualifying the above conclusion, and in accordance with the provisions of article A. 225-3 of the French commercial code, we draw your attention as an emphasis of matter to following comment: as specified in the methodology note of the consolidated non-financial statement, for the environmental indicators and certain employment-related indicators, the reporting boundary is limited to activities in France.

Villeurbanne and Lyon, April 30, 2020

One of the Statutory Auditors

DELOITTE & ASSOCIÉS

[French original signed by:]

Nathalie Lorenzo Casquet
Partner, Audit

Julien Rivals
Partner, Sustainable Development

This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

¹ Selected qualitative information Promoting access to culture and education to all Supporting companies to successfully achieve their digital transformation

² Selected quantitative information Number of meetings with employee delegates, Workforce (by gender, by contract), Average seniority of staff, Recruitment (by gender, by contract), Resignation rate, Absenteeism rate, Frequency rate, Severity rate, Number of employees which received training in 2019, Number of hours of training, CO2 emissions per processed document, % of hybrid cars in the automobile fleet, Electricity consumption.

³ Esker France





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