

# ***SWORD***

UPGRADE YOUR BUSINESS



## **Sword Group**

**Sustainable development  
policy and social and  
environmental responsibility**

**March 2020**

## Group

Sword Group is a European IT company specializing in the global supply of software and services to regulated industries.

Sword Group is building its expansion on the foundation of values and principles implemented by its executives and staff members.

The purpose of this document is to formalize the shared values and principles that are essential to Sword Group and its staff members so that everyone can refer to and comply with them.

These values and principles clearly assert Sword Group's ethical commitment and responsibility in all areas of the Group's business with regard to shareholders, company members, customers, suppliers and various partners.

Another purpose of this document is to rally employees around the Group's values and principles which they commit to respecting as key players in the life of Sword Group.

As a company with strong, sustainable and profitable growth, Sword Group applies a development approach based on specialization, proximity and the quality of its services.

In working with rigorously selected organizations, the Group continues to offer innovative ideas to its customers, while ensuring its business knowledge, technical expertise and ability to innovate over the long term.

The on-going objective of excellence and leadership is developed in line with the Group's founding values: respect, rigour and involvement.

The company asserts its commitment to the Global Compact in accordance with the ten principles set out therein.

Jacques Mottard  
Chairman and Chief Executive

# 1. General conduct

Sword Group signed the Global Compact (United Nations Global Compact) in 2011, committing itself to complying with the ten principles relating to human and labour rights, the environment and corruption.

In signing the Global Compact, the company wanted to show that it is a corporate citizen in the global economy. The choice of the Global Compact was made because it guarantees a globally recognized framework as well as sustainability. Sword Group thus ensures that the ten principles enshrined in the United Nations Global Compact are respected:

- Universal Declaration of Human Rights
- Declaration of the International Labour Organization on Fundamental Principles and Rights at Work
- Rio Declaration on the Environment and Development
- United Nations Convention against Corruption.

## Human rights

- Companies are invited to promote and ensure the protection of international human rights law in their sphere of influence and
- To ensure that their own companies are not complicit in human rights violations.

## Labour law

- Companies are invited to ensure freedom of association and to recognize the right to collective bargaining
- Elimination of all forms of forced or compulsory labour
- Effective abolition of child labour
- Elimination of discrimination in employment and occupation.

## Environment

Companies are invited to:

- Apply a precautionary approach to environmental issues
- Undertake initiatives to promote greater environmental responsibility; and
- Promote the development and dissemination of environmentally friendly technologies.

## Anti-corruption measures

- Companies are encouraged to take action against corruption in all its forms, including extortion of funds and bribery.



[www.unglobalcompact.org](http://www.unglobalcompact.org)

The social responsibility of Sword Group is to consider the company not only as a production facility and profit centre, but also as having a responsibility for its environment (human aspects internally and externally, preserving the environment, etc.).

The application of this general framework takes concrete form in various actions tailored to the specific features of Sword Group, its business lines, employees and subsidiaries.

## 2. The human factor

### Education, alternating training and continuing education

Sword is a specialized services company. The added value Sword offers to its clients is greatly contingent on the quality of training and specialization of its human resources. This is one of the most important vectors in the expansion of Sword. This is why the company pays special attention to managing skills and teams and has specific procedures in place to:

- Maintain skills and pool knowledge through the implementation of training and knowledge capitalization and sharing processes. These processes are consistent with the specific features of each of our competency centres and make it possible to 'grow' our staff members to become specialists in their field. To do this, the various educational means provided by Sword include:
  - Specialized and general documentary assets
  - Tutorial references for each speciality
  - Support for new staff members in the form of mentoring and sponsorship
  - Implementation of on-line or external training, implementation of certification programs
- Maintaining team motivation throughout the term of a contract based primarily on an organization in small-size competency centres, strong involvement by management in the competency centre, internal mobility and personalized training plans
- Change management: induction and departure of a new staff member in a team taking account of the project's constraints and objectives.

As such, Sword is constantly investing in training.

The Sword investment is not restricted to staff training; it also takes the form of outreach to universities and engineering schools through various types of actions:

- Internships: defined in accordance with opportunities provided by Sword and student expectations. Each year all internships have resulted in hiring proposals
- Integration of alternating students in Sword teams
- Regular involvement in France, for example in curricula intended to create a bridge between the company and the school:
  - Paris Nanterre university (Paris X)
  - Claude Bernard University - Lyon 1
  - Lyon 2 university, computer sciences and statistics section
  - INSA (National Institute of Applied Sciences) - Lyon
  - Ingésup - Advanced IT engineering training - Lyon
  - Polytech - Lyon
  - TELECOM Saint Etienne
  - TELECOM Nancy
  - SIMPLON
  - EPSI
  - Computer Sciences IUT - Bourg en Bresse
  - CPE School
  - ENSG in Paris
  - Human Booster
  - Sponsor of a class of geomatics engineers at the ENSG
  - ESIR (Rennes advanced engineering school)
  - ISTIC - Rennes 1 university
- Participation in research and development projects linking fundamental research and the company.

The number of interns, alternating students, apprenticeships and vocational training contracts rose by over 38% between 2018 and 2019.

## Managerial excellence

In light of the kind of activities undertaken by Sword and the type of contracts it implements (80% fixed-rate contracts), the organization has been adapted to take account of and the success of this type of activity, particularly in terms of its management:

- Organized into profit centres: the company has been structured as specialized, autonomous and federated competency centres, each with its own management. Each specialized service centre is a profit centre responsible for own output and results
- Project knowledge and expertise: managers in charge of specialized competency centres have technical training in computer sciences and all have extensive experience in IT project management in fixed-rate mode. Most of them are experts in their own field of competence
- Reinforced technical management: each competency centre relies on technical management which is directly integrated in the steering and guidance of the competency centre in the same way and with the same weight as commercial management
- A specialist's commercial approach: the Sword sales force is based primarily on its know-how and ability to innovate and support innovative and structuring projects in its specialist fields. Managers in charge of the trade section are directly linked to each competency centre and have a technical background, which makes it possible for them to add relevance in our speciality areas.

## Staff empowerment

Most Sword Group employees and sub-contractors are managers with a high level of qualification. Sword provides its staff members with a wide range of tools intended to make their day-to-day tasks easier. 80% of the Group's engineers have four or five years' higher education.

Sword has many knowledge capitalization tools that allow teams to independently access relevant information and the right specialists where appropriate.

Tools tailored for every need:

- Laptops for mobile workers, with external access to the Sword information system; all staff members have one or two additional monitors for their laptops to ensure greater comfort when working
- State-of-the-art collaborative tools (e-mail messaging, instant messaging, collaborative spaces, standardized document reference systems, professional HR tools, customer relationship management tools, each Group site is equipped with video conference rooms)
- Sophisticated tools such as a semantic search engine covering all company resources  
Methods promoting staff empowerment and accountability in particular through the use of agile development methodologies
- Quality work environment: Offices are organized into small project teams and never have more than five people per room. Access to management is also ensured by the geographic proximity of offices.

## Improving information in the company

Sword employees are involved in the company strategy through short hierarchy chains and regular information.

Entity meetings are held at least twice a year, where a free discussion addresses:

- Results and outlook for the entire Group along with its strategy directions
- Results and outlook for the entity in question, along with sales opportunities and strategy directions
- A comprehensive review of current projects, difficulties encountered and successes
- Focus on best practice

The services rendered by Sword are fixed-rate services in 80% of cases. Staff members are therefore in Sword premises for most of their work time. The term of services rendered in customer premises is capped at three years. Each service is regularly reviewed by the staff member and his or her supervisor. Team proximity promotes informal discussions and effective information dissemination.

## Work - Life balance

The Sword Group offers a number of facilities to enable staff members to develop a better balance between work, family commitments and leisure time.

- Some Sword offices make it possible for staff members to access sports facilities, tennis courts, soccer pitches and rest areas and to take part in team sports events
- Employees who so wish may create part-time work schedules
- Geographic mobility is always conditional on the staff member's approval. Sword's international presence also allows staff members to be offered international opportunities
- A range of fresh produce is offered to staff members to help ensure a sound diet and eat healthily

These include:

- Provision of free fruit baskets
- Partnership with companies selling fresh produce via small-scale local or home-made producers (weekly delivery of vegetable baskets on-site and/or food trucks featuring a variety of home-made products,
- Various workshops offered during break times (vegetable garden, midday game, midi book, etc.).

## Equal treatment

Sword applies a number of measures to ensure the best possible equality of professional treatment within the Group. These measures are as follows:

- Annual one-on-one interviews conducted by company managers - the interview report is completed jointly by the manager and staff member
- Performance-related compensation packages described in an annual assignment sheet - regular results assessment
- Annual training review (broken down in particular by sex) - up by 62% over 2019
- Half-year review (in France) indicating the minimum and maximum compensation by staff category (broken down in particular by sex)

Special attention is paid to equal opportunities in hiring:

- Recruitment announcement systematically posted on APEC and LinkedIn for France
- Standard advertisement always drafted in gender-neutral wording
- Standardized recruitment process with as a foundation a logic testing session intended to provide recruiters with objective decision-making criteria

Sword has implemented regular monitoring of equal treatment between employees. Monitoring involves regular surveillance of indicators such as the breakdown of compensation packages by sex in the various regions with a comparison of average salaries between the current and previous year.

## Disability

The Group has very few employees with disabilities, as there are almost no applications made. Sword assists in integrating differently-abled individuals by using companies employing persons with disabilities, for example in sorting records, recycling and acquiring office supplies.

## Profit-sharing

Sword Group staff members share in the company's results either by annual profit-sharing mechanisms or via the award of stock options (mechanisms differ according to the laws and regulations in the various countries where the Group has subsidiaries).

## 3. Environment

### Management of impact on the environment and natural resources

Sword Group activities are service activities with a persistently low environmental impact. Nevertheless, we have implemented a simple and concrete policy of preserving the environment and reducing energy consumption in the context of sustainable development.

- Electricity consumption: lights, computers and all electrical appliances are switched off whenever possible
- Implementation of buildings which comply with insulation standards
- Widespread use of 'radar' switches to reduce superfluous electricity consumption
- Annual audit of buildings by APAVE to assess the quality and continued performance of electrical facilities
- Implemented virtualization of all IT servers in 2007 which divided kW/h consumption by six
- Reduced greenhouse gas emissions by controlling the use of "air conditioners"
- Limited travel by making best use of modern communication technologies (telephony, video conferencing, etc.) including when piloting customer projects. Each Sword facility has a meeting room with a video conferencing system for virtual meetings
- Implementation of Microsoft Skype instant messaging between the Group's international sites and outside allowing point-to-point dialogue between employees or with a customer using IP telephony, instant messaging, application sharing and video
- Maximum use of public transport for urban travel. Support meets part of the cost of season tickets in order to promote public transport. Creation of an electric bicycle fleet since 2014 which can be used by staff members for journeys during the week and on weekends. Subsequent acquisition of electric cars.
- Car-pooling incentive for all of our engineers' out-of-town business trips
- Travel by rail whenever possible and especially for inter-site travel
- Minimize hard copy printing for projects. Engineers print only the final version of documents. All document reviews are done via a computer. The Group's print service provider has Imprim'vert certification and complies with the principles laid down by the Forest Stewardship Council (FSC) and the Program for the Endorsement of Forest Certification (PEFC)
- Paper reuse and recycling
- Construction and extension of all Sword buildings according to HQE standards
- Recycling of computer hardware and consumables (ink cartridges) using qualified companies
- Cap on fiscal vehicle horsepower for company cars (fleet average power 6.7 HP)
- Implementation of a policy specific to each country. For example, the Belgian subsidiary has set up an "Ecoteam" that monitors the impact of work on the environment. Paper used for in-house purposes, for example, is 100% recycled. Bicycles are available to staff members for small trips. A special certification process for environmental compliance has been initiated.

## 4. Community

### Presence in society

The various Sword facilities contribute to their region's local dynamics and accordingly undertake various actions:

- Sponsorship of social and cultural activities
- Participation in clusters aimed at strengthening the economic appeal of the regions where Sword operates. For example, Sword is the administrator of the health cluster in the Rhône-Alpes region and a member of the Cap DIGITAL competitiveness cluster in Paris
- Investment in higher education through involvement in school curricula, participation in student forums, and internship offers developed with the schools and students concerned
- Strict compliance with labour law in each country where Sword operates
- Hiring in local employment pools or via voluntary mobility
- Participation in the Simplon program which trains refugees, teenagers outside the school system, children, long-term job-seekers and employees seeking to change profession
- Support for non-profit organizations: Sword sponsors the Léon Bérard centre for combatting cancer (CLB) in various support actions. Sword provides equipment to charities providing school support in Africa (Wassadou Pont Trambouze).



## 5. Measuring results

### Assessment

#### Training, interns and alternating students

As an extension of the unremitting investment made by Sword in training in order to create a bridge between schools and companies, the Group continues with a number of interventions (conferences and presentations) with key educational institutions in France.

2015	CESI-EXIA: Engineering School - Lyon Claude Bernard university - Lyon
2016	CESI-EXIA: Engineering School Lyon Paris Nanterre university (Paris X) MIAGE - IT methods applied to business administration: Grenoble Alpes university Polytech - Tours
2017	CESI-EXIA: Engineering School Lyon Paris Nanterre university (Paris X) Claude Bernard university - Lyon INSA - National Institute of applied Sciences - Lyon Ingésup - Advanced IT engineering training - Lyon Polytech - Lyon
2018	CESI-EXIA: Engineering School Lyon Paris Nanterre university (Paris X) Claude Bernard university - Lyon INSA - National Institute of applied Sciences - Lyon Ingésup - Advanced IT engineering training - Lyon Polytech - Lyon ENISE - Saint-Etienne
2019	Paris Nanterre university (Paris X) Claude Bernard - Lyon 1 university University of Lyon 2, computer sciences and Statistics Section INSA - National Institute of applied Sciences - Lyon Ingésup - Advanced IT engineering training - Lyon Polytech - Lyon TELECOM Saint-Etienne TELECOM Nancy SIMPLON EPSI Computer Sciences IUT Bourg en Bresse CPE School

	<p>ENSG in Paris Human Booster</p> <p>Sponsorship of a class of engineers in geomatics at ENSG ESIR (Rennes Advanced Engineering School)</p> <p>ISTIC - Rennes 1 university</p>
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## Training

Employee training has always been a fundamental part of Sword, whether internal or external. Training rose by 7% in 2019 compared to 2018.

The company also welcomed 33% more alternating students than in 2018.

At Sword their training leads to qualifications, as they are directly assigned to teams in customer projects.

## Work - Life balance

Sword continues to make it easier for employees to balance work, family and play. Together with its Economic and Social Council in France, Sword encourages the continuation of programs that enable staff members to access tennis courts and soccer pitches and to participate as a group in sporting and cultural events.

## Gender equality in the company

At Group level 30% of employees are women.

The number of women entering Team France increased by 10% in 2019.

All new hires, commitment and compensation are based strictly on the individual's knowledge and abilities without any consideration for gender.

## Management of environmental impact and natural resources

### Public transport

38% of staff members in France use public transport.

### Electric bicycles

Sword provides staff members with electric bikes.

The fleet has over 80 electric bicycles in France, i.e.13.8%.

### Electric cars

Sword contributes to the acquisition of electric cars (cars with a maximum range of 400 km) for its staff members. 70 electric cars are in service in France. 12% of employees use electric cars on a daily basis.

## Business Travel and Communications

Sword operates in 22 countries. Every year the company implements new video conferencing systems to reduce greenhouse gas emissions arising from business travel. In 2019 90% of staff members were able to organize video conferences and collaborative work using these tools.

## **Recycling at Sword**

### **Paper and cardboard**

Sword systematically recycles all its paper and cardboard waste via the public collection system.

Sword ensures recorded, measurable and clean collection in a responsible cardboard and paper recycling system. Records are also destroyed and recycled by an entity specialized in the destruction and recycling of unused documents.

### **Plastic cans & bottle**

New initiative launched in 2019: recycling of plastic cans and bottles at French sites.

### **Coffee capsules**

All coffee capsules used on the Lyon site are recycled by the coffee supplier.

### **On-site coffee machines**

All on-site coffee machines are electronically programmed to accept personal coffee cups as a replacement of plastic cups. As of 2019 no machines dispense plastic cups.

### **Ecological car washing**

Sword offers free car washing services to staff members with electric cars. Sword uses a company specialized in water-free ecological car washing services with ecological products.

### **Mobile phone recycling**

Sword has been recycling its mobile phones since 2012. To date Sword has recycled more than 200 units.

## 6. Conclusion

A company with strong, sustainable and profitable growth, the Sword Group is pursuing an expansion approach based on specialization, proximity and the quality of its expertise and services.

In working with carefully selected organizations, Sword continues to deliver innovative ideas to its customers while maintaining its business knowledge, technical expertise and ability to innovate.

The on-going pursuit of excellence and leadership by Sword is developed in line with the Group's founding values: respect, rigour and involvement.