

SOCIAL  
ENVIRONMENTAL  
RESPONSIBILITY 2019





# S U M





# MARY

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## THE GROUP'S COMMITMENT TO CSR

**Badreddine OUALI**  
Executive Chairman

“**2019 was intense for everyone at VERMEG.**”

Together we focused on delivering our transformation plan, with Regions able to take our range of banking and insurance solutions to five continents and provide local support for our Clients during their digital journey. Our regional strategy is already giving results, including big successes in cross-selling, led by Latin America and Asia. VERMEG is now a global company, fully integrated and positioned to expand.

As I often say, hard work reaps rewards at VERMEG. Our values, **Committed, Ingenious and Authentic**, enable us to excel and offer all our staff unique opportunities to express their talents, passions and drives to succeed together. VERMEG is different because we've made employee satisfaction one of our responsible growth targets throughout all the company's operating divisions and across its ecosystem.

VERMEG now generates nearly €100 million in revenue and employs more than 1,400 staff. That's double in four years. During 2019, we recruited over 300 young engineers, who we mentored from their end-of-study internship to their first six months with the company, following a standard-setting programme. Male/female parity remains an essential objective, which is unique in our industry.

This fourth CSR report heralds a major new phase: our responsible company targets have been fully incorporated into our organization and operational processes. The entire VERMEG ecosystem is now realizing our ambitions: relations with our staff, suppliers, clients and partners are guided by a shared responsibility. The proof: **we've now been given a Gold rating score by EcoVadis**, which recognizes CSR-leading companies, with an operational strategy comprehensively implemented in the organization and with results and benefits measured in order to be improved.

Thank you and well done to the team and CSR ambassadors who have done some incredible work over the last four years to achieve our responsible company ambition, making VERMEG a model amongst the world's largest publishers.

**Happy reading!**



“

*As I often say, hard work reaps rewards at VERMEG. No doubt it is because our DNA, is truly embedded with the three strong values that link all of us since we started our adventure in 1993: Committed, Ingenious and Authentic.* ”



Empowered  
by **VERMEG**





“

Whether you are Insurers, Wealth Managers, Asset Servicers, your Business Roadmap needs to adapt drastically to innovation, and seize the opportunity with the quickest time-to-market. At Vermeg, we are continuously investing on adaptive solutions and innovations in the Digital ecosystem.”

04



# A COMPANY DRIVEN BY ITS CLIENTS' DIGITAL TRANSFORMATION

Three strategic goals  
for the Group's global  
expansion by Target





# A COMPANY DRIVEN BY ITS CLIENTS' DIGITAL TRANSFORMATION

## Three strategic goals for the Group's global expansion

Three strategic goals shaped the company's roadmap, jointly boosting growth and increasing development opportunities for the teams.

1

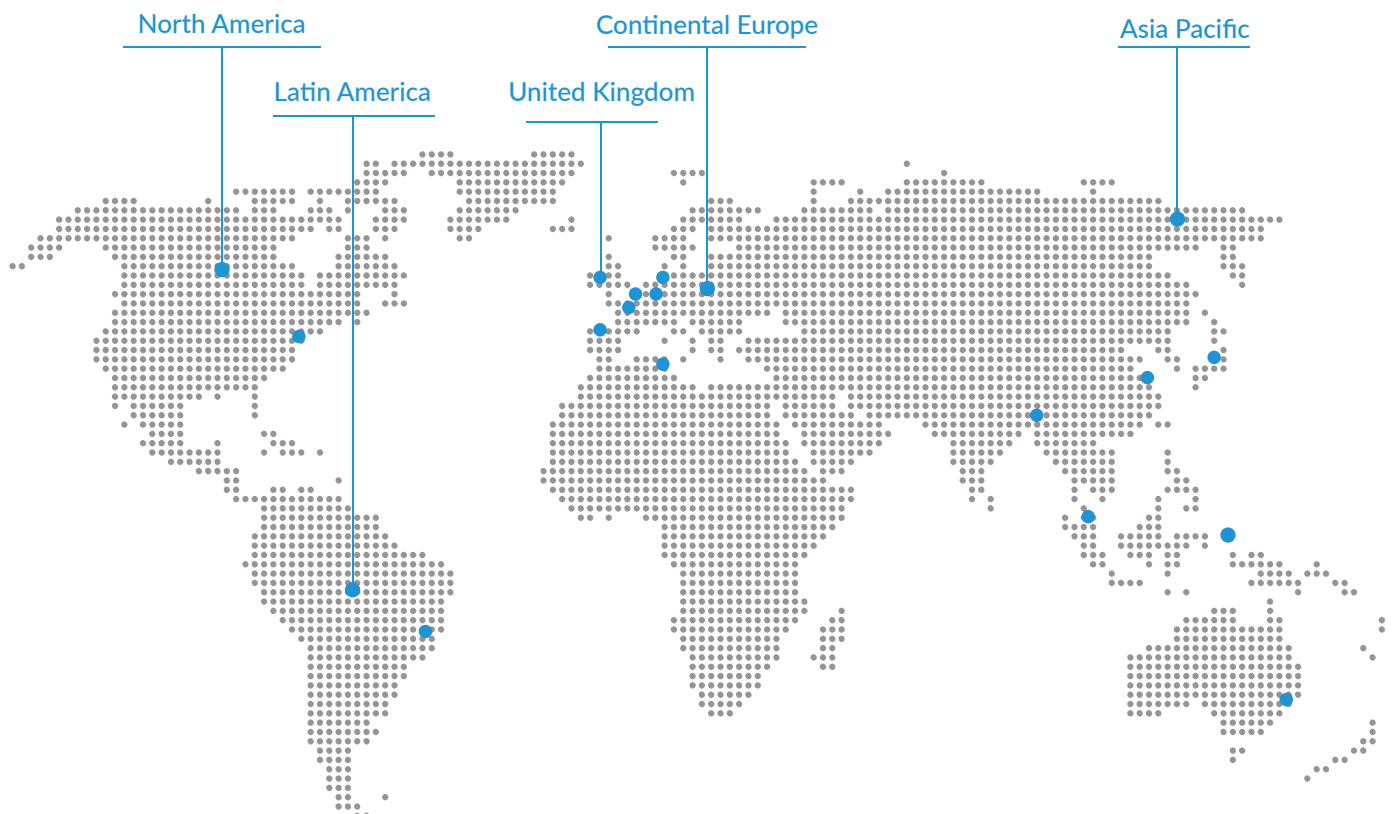
Developing strong regional franchises, responsible for expanding their presence locally, by prioritizing the most strategic VERMEG products and solutions for their market

2

Accelerating the digital development strategy by comprehensively supporting Clients in implementing their digital transformation programmes with the aim of redesigning the client journey and improving the client experience

3

Accelerating business growth in insurance by providing innovative offerings in the regional markets





A tighter, simpler and clearer organization has been introduced to deliver the Group's operational transformation and take full benefit of our operational efficiency drivers.

The organization is built on three pillars, which now underpin VERMEG internationally:



## **A smaller senior management team to lead VERMEG's operational transformation**

Facilitating the Group's next growth phase, Badreddine Ouali has chosen to give the directors greater responsibilities in order to simplify interactions within the Group and delegate decision-making. The aim is to empower both the directors and the teams under their leadership by setting clear targets and relinquishing control over operating budgets.

Cascading down the Group's CSR strategy, EMPOWERED by VERMEG has also applied to our operations since 2019 with the directors serving as a management model and conveying company values.

We then thought it important to introduce the Group directors responsible for delivering the Group's transformation and adjusting operating processes and modes to maximize VERMEG's responsible company drivers.





## Group directors in the Regions



### **JOSEPH KUBEYKA**

DIRECTOR ASIA PACIFIC REGION

After managing the Asia Pacific region for Lombard Risk prior to its acquisition by VERMEG, Joseph now leads that strategic region for the Group. With over twenty years' experience of business development in the region for several world-leading publishers, Joseph brings specialist knowledge in risk management, private banking and capital markets. His regular business successes provide a fantastic example when recommending the Group's three industries to clients.



### **FATHI TRABELSI**

DIRECTOR OF THE MAINLAND EUROPE REGION

Fathi joined the VERMEG Group in 2018 as Director of the Wealth & Asset Management business line. In January 2019, he took responsibility for the Mainland Europe Region to develop sales of our Banking & Insurance products and Digital Transformation offering. Fathi gained invaluable business development experience within the company DXC Technology, where he was responsible for P&L for the Mainland Europe region.



### **KHALED BEN ABDELJELIL**

DIRECTOR OF LATIN AMERICA REGION & PRODUCT DIRECTOR

Khaled has been part of the VERMEG adventure alongside its directors since 1999 and now leads oversees the LATAM with the support of two local leaders. His role is key for VERMEG's development in the American Spanish-speaking Region.



### **FERGAL LEONARD**

DIRECTOR OF THE NORTH AMERICA REGION

Fergal has led the Group's activities in North America since June 2019. He has over twenty years' experience in global technology companies, particularly as Director of Sales with NICE Actimize, with 50% revenue growth over the two last years.



### **PAUL THOMAS**

DIRECTOR OF THE UK REGION

Paul joined the Group in June 2019 to lead the pre-sales, sales and services activities for all Group industries in the UK.

Paul brings his considerable experience as a director in several global technology companies, including AxiomSL, where he secured deals worth several million euros, as well as the publishers ION Trading (Margin Trading), Misys (Treasury and Capital Markets), Milestone Group (Buyside – Investment Automation) and Dion Global (FATCA/CRS reporting and FX OTC pricing service). At Misys, Paul began his career as a business analyst, later moving to consultant and pre-sales and sales manager, before finally managing key accounts in Europe.



## Directors of Group Industries



### **BRAHIM HALMAOUI**

DIGITAL TRANSFORMATION DIRECTOR

Brahim joined VERMEG in June 2018 with CEO experience from DXC Financial Services. He worked in the US from 1996 to 2002, where he contributed to expanding the company NA before returning to France to take the position of Global Director of Sales and Services. Brahim began his career as an engineer with IBM, Matra Espace and SOCS.



### **KHALED BEN ABDELJELIL**

PRODUCT DIRECTOR

Khaled has been part of the VERMEG adventure alongside its directors since 1999 and now leads the Group's product portfolio in addition to the LATAM region.

He has held various positions over the last twenty years, including managing the Services Division and R&D.

Khaled is an experienced strategic programme director with financial institutions and leading central banks.

He has often demonstrated his leadership when developing the Group's business units, particularly following the integration of the company BSB and during the acquisition of Lombard Risk.



### **IMED BEN MIMOUN**

R&D DIRECTOR

Since 1996, Imed has played a leading role in the VERMEG adventure. Heading a team of 400 staff, Imed now has two responsibilities: delivering the development roadmap for all Group products and standardizing the product development tools and methods.

Imed began as a developer in 1996 and led the Megara tool's redesign soon after, successfully taking it to Santander in Spain. His leadership then extended to all Group products (Solfia, Soliam, etc.).

Imed took responsibility for Palmyra in 2004 and has since led the functional and technical developments, making it one of the most productive platforms on the digital transformation market.

## Directors supporting the Regions and Industries in the growth plan



### **KAWTHER ZOUARI**

DIRECTOR FINANCE & LEGAL

Kawther joined VERMEG in 2008 as Group Financial and Legal Director, a position that she still holds today. Kawther worked within Ernst & Young for many years before joining the Group.



### **MOUSSER JERBI**

DIRECTOR OPERATIONS SUPPORT FUNCTIONS

Mousser joined VERMEG in 2016 after nearly thirty years in technology companies, including ten years as Chief Business Officer with Ooredoo. Mousser is also an active member of several charities and professional bodies, including TACT in Tunisia, which aims to equip IT engineers to provide offshoring services to multinational groups. Mousser has played a key role in developing and implementing the CSR strategy within the Group.

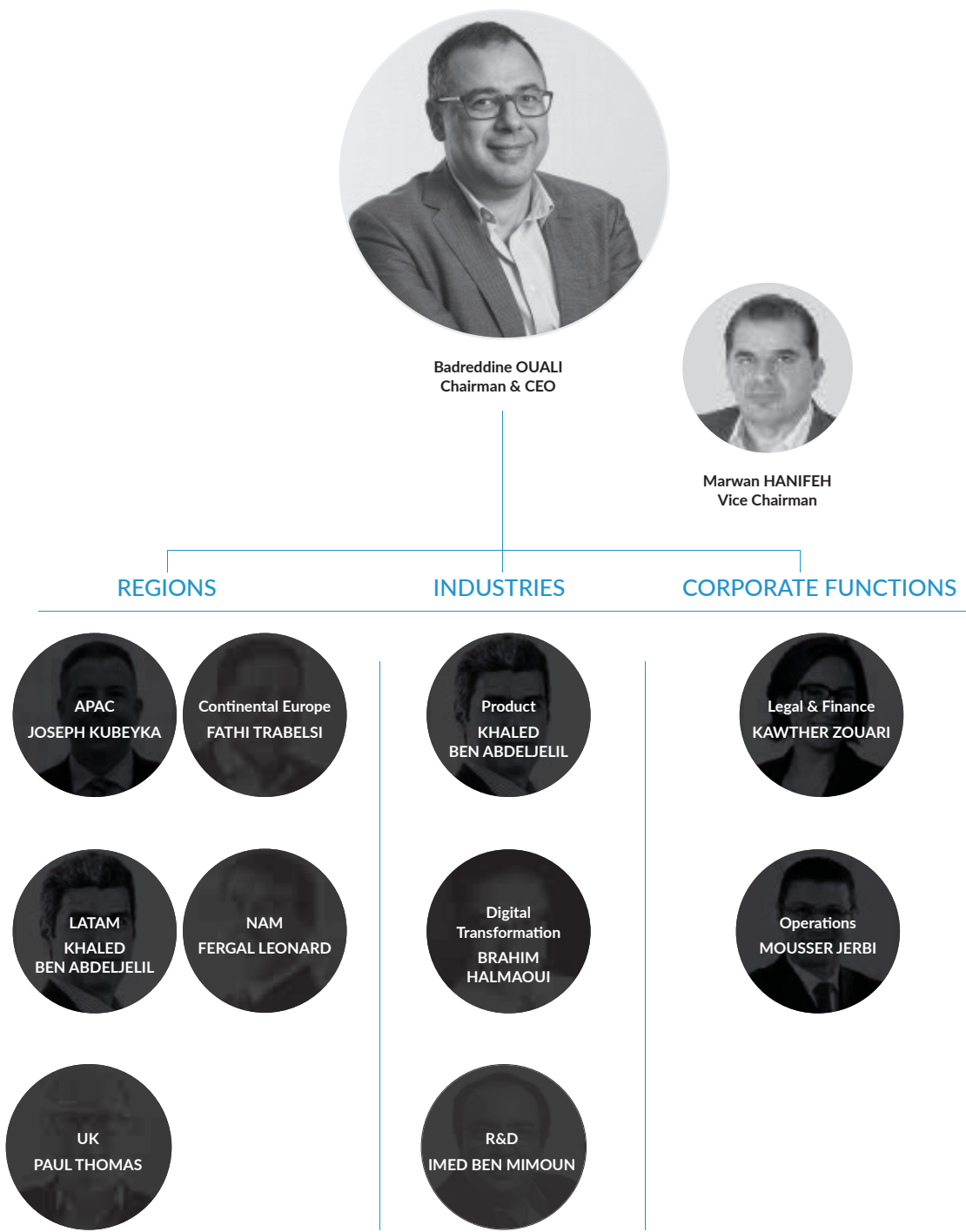
Mousser leads all the Group's support functions: VERMEG's human resources, CSR, communication, IT and Cybersecurity, in addition to his function as Country Managing Director for Tunisia.



# A TIGHTER ORGANIZATION, WITH RESPONSIBLE DIRECTORS ACTIVE IN DECISION-MAKING

In a marked change to the 2015–2019 period, Badreddine Ouali wanted to delegate and empower the Group’s directors to fluidify collaboration in the Group without diluting responsibilities.

## BOARD ORGANIZATIONAL CHART





For this tighter organization, a new group governance was introduced in June 2019, with:

**A bimonthly executive committee attended by the Group's Board, with the following agenda:**

- Business tracking indicators
- Issues being addressed
- Risks and mitigation plan

**A biannual sales seminar bringing together all sales forces, with the following agenda:**

- Sales performance indicators
- Strategic workshops on the offerings
- Business ambition

**A Voice of the CEO, where Badreddine Ouali updates all the staff on the Group's activity and progress.**

Every Board member is entrusted with cascading down the governance into their area of responsibility as they see fit.

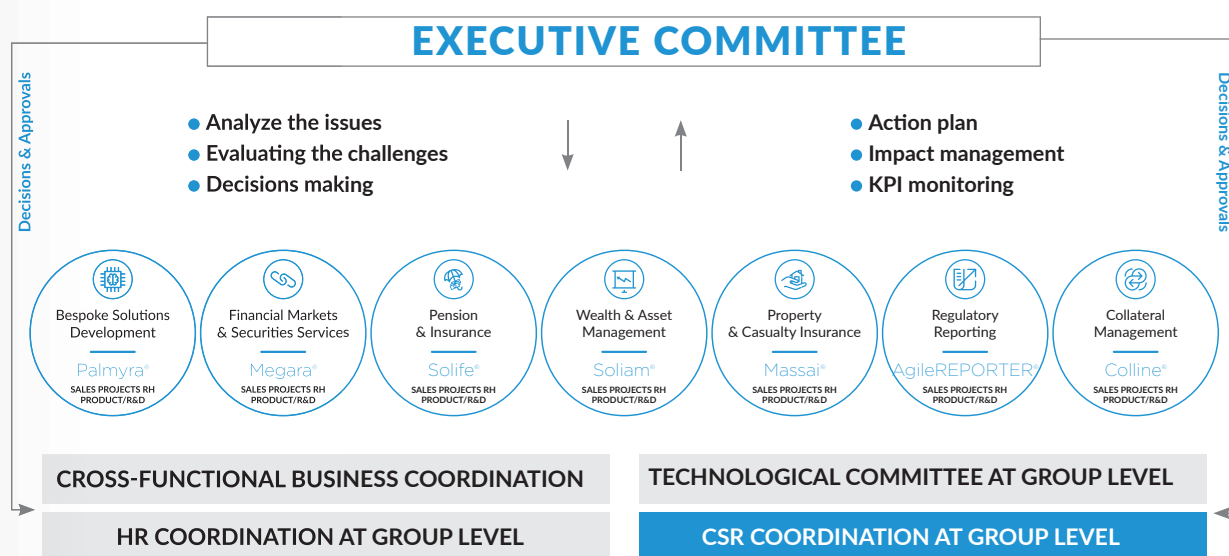
Mousser JERBI by heading all Operations and with the transversal power this role grants, guarantees the convergence of all the group practices according to VERMEG CSR engagement, and the spreading of the CSR spirit worldwide throughout all business units, industries and levels.

Therefore, the Group's CSR governance implemented since 2017 that incorporates the coordination and management of CSR initiatives, in line with the collective dynamic launched through the CSR Challenge in 2016, continues to be effective during 2019 including new regions and new business lines.

The Group's Executive Committee continues to emphasise the implementation of responsible initiatives in the various regions, as being essential to the Group's successful transformation, with the aim of measuring concrete annual results and progress.

## CSR AT THE HEART OF VERMEG GOVERNANCE

including CSR in all Regions





## A PUBLIC ENGAGEMENT TO IMPROVE CONTINUALLY ITS CONTRIBUTION AND BECOME A VALUABLE SUSTAINABLE DEVELOPMENT ACTOR

In addition to this governance, and to measure the performance of its CSR initiative and target improvements, the Group continues to annually subscribe since 2012 to the certification services from EcoVadis platform, which is one of the main collaborative platforms assessing the sustainable development performance of suppliers to global supply chains.

During 2019 the Gold level was finally reached and VERMEG is now placed among the top 5% of suppliers recognized by EcoVadis as being the most advanced and committed to sustainable development in all sectors. This demonstrates a continual improvement since it started this evaluation and since it awarded the Silver level in 2017.

Furthermore, starting from June 2018 VERMEG joined the United Nations Global Compact initiative to support its social and societal component. VERMEG is committed to applying the 10 fundamental principles and to report annually on its progress made in the 4 areas of

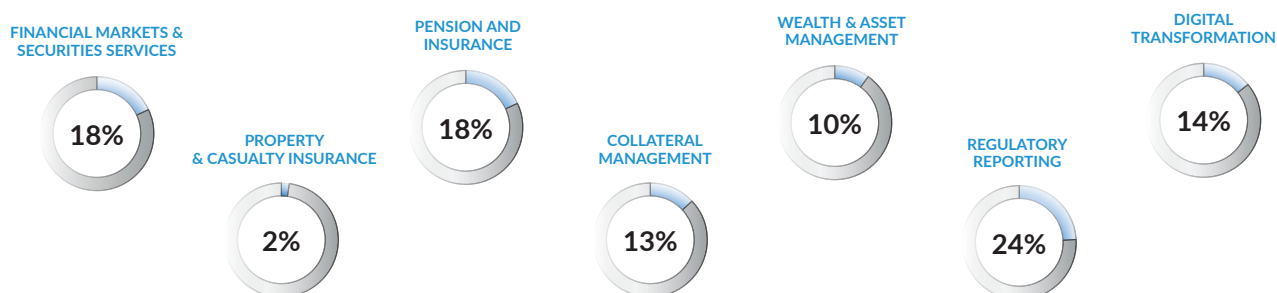
1. Human Rights
2. Labor Standards
3. Environment
4. Fight against Corruption

By signing the UN Global Compact, VERMEG is of course also committed to align its CSR strategy to cover all 17 sustainable development GOALS highlighted by the UN. The detail of this commitment is made publicly available by UN GC on its website.

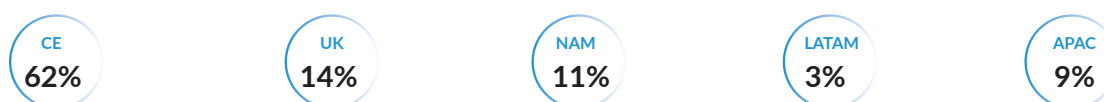
## 2019 KEY DATA AND INDICATORS



### REVENUE SHARE BY BUSINESS



### REVENUE SHARE BY REGION



### WORKFORCE



### NATIONALITIES





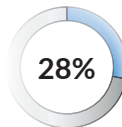
“

EcoVadis' Gold Medal is based on a comprehensive diagnosis of criteria relating to companies' actions and policies on 4 Area: the environment, working conditions, business practices and sustainable procurement. VERMEG is now placed among the top 5% of suppliers recognized by EcoVadis as being the most advanced and committed to sustainable development in all sectors, which demonstrates a continual improvement since it started this evaluation in 2012 and since it awarded the Silver level in 2017.”

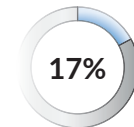


**REVENUE AS VALUE  
CREATED**  
**63 %**

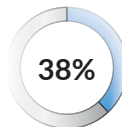
**GOVERNANCE  
& TEAM**



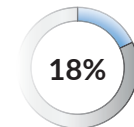
**ENVIRONMENT**



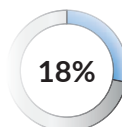
**SOCIETAL (SOCIAL  
& TERRITORIES)**



**ART & CULTURE  
DEVELOPMENT**



**INCREASE  
CSR DIRECT BUDGET**



**VOLUNTEERING TIME OFF  
(VTO) BUDGET**



**United Nations**  
Global Compact





“

VERMEG is now One company. This demonstrates in our business ambition obviously but not only! In fact, three CSR axis were identified in 2017 under our valued label “Empowered By VERMEG”: Carbone Neutral - Equal Opportunities - Art Culture Development; and this strategic framework, elaborated with all our staff, became the cornerstone of the group’s CSR initiatives. Today, we are proud to see our CSR framework becoming also Global as employees share the same objective: act as a role model for others and inspire.

”

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# A COLLECTIVE AMBITION

Deploying our  
«Empowered  
by VERMEG»  
program globally





# A COLLECTIVE AMBITION

## Deploying our «Empowered by VERMEG» program Globally

From the outset, Badreddine OUALI, the Chairman and Founder, involved the company and its staff in initiatives to benefit wider society: actions for economic and social development by founding “Réseau Entreprendre” in Tunisia then “Fondation Tunisie pour le Développement” in France, support for the social and solidarity economy, improving the lives of disabled and disadvantaged children, patronage to help young artists... VERMEG is driven by the ambition to be an exemplary company, recognized for the quality and dedication of its teams working for all stakeholders.

Starting from January 2017, the Group Executive Committee, leaded by people recognized for their leadership, humanity and team spirit, launched a new Program Empowered By VERMEG starting with CSR Challenge , enabling every member of the company to submit the CSR proposals.

A collaborative platform was created to allow all our staff, at all hierarchical levels, to put forward ideas and vote to launch the proposals posted on the platform in order to implement the CSR initiatives that receive the most votes.

In fact, few companies consult all their staff to develop a framework structuring their CSR initiative. In fact, initiatives are generally defined by the Board's CSR manager and often staff are only asked to participate in the implementation of annual plans. Mousser JERBI, the Group's COO and Myriam SANHAJI, the Group's CSRO, have deliberately chosen to ask the staff for their views and ensure that they want to follow the path taken by the company founder.

As VERMEG decided to involve all employees in the Empowered By VERMEG Program, it was definitely not a given! Awareness sessions were held to mobilize staff and get their appetite to be part of VERMEG CSR strategic guidelines. This worked far above original expectations, demonstrating that the CEO's dedication to sustainable growth and ethics in business as a person has inspired all levels of management.



## THREE AXIS GATHERED UNDER WHAT IS NOW A VALUED LABEL IN THE COMPANY ORGANIZATION « EMPOWERED BY VERMEG »

The initial CSR Challenge launched within the program "Empowered by VERMEG" raised the interest of over 300 members of the Group, who proposed over 60 CSR initiatives.

Thanks to the staff vote for the best proposals and the analysis of all the suggestions compiled on the platform, it was possible to identify **3 Axis** for the Group's CSR strategy.

The interest of VERMEG employees for these 3 axes has been amply reinforced and confirmed during the following years through the **CSR Survey** which is undertaken annually for all the employees.

2019 was a critical and intense year to transmit the passion from Tunis and continental Europe, where it was initially launched, to the new regions and get the commitment of employees all over the world to support the three axes. Ambassadors were named in all regions as volunteers and « Empowered by VERMEG » is now a Globally valued Program.

Around 60 responses were collected during 2019, and 125 new suggestions and ideas were analyzed to highlight the actions to be added in the 2020 CSR road map.

125

Number of CSR proposals collected

### CARBON NEUTRAL TARGET

- New transport policy: car, plane, cycle, etc.
- Development of videoconferencing, teleworking, etc.
- Converting buildings and server rooms
- Offsetting CO2 emissions by tree planting



47



### EQUAL OPPORTUNITIES

- Support for education
- Reducing regional inequalities
- Non-discrimination – Diversity
- Occupational wellbeing



37

### ART & CULTURE PROMOTION

- Support for talent at VERMEG
- Grants for young artists
- Artistic and cultural patronage emphasizing socially conscious activities and events

41



“

We are proud to be recognized in the top 5% of suppliers for our Corporate Social Responsibility initiatives. Our CSR program, called **Empowered ByVERMEG**, based on a strong bridge between Social Corporate Responsibility and Employee Wellbeing Responsibility, is carried by all our staff all over the countries where we operates.

Reaching EcoVadis Gold certification demonstrates an ongoing effort that we take seriously to integrate CSR into our business strategy and values. We are actively engaged in building a culture that offers innovative, sustainable solutions, acts ethically and responsibly and limits our impact on the environment to ensure a better future for our world, employees, customers and communities.”

”

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# CSR STRATEGY

Gold Medal from  
EcoVadis thanks  
to continual dialogue  
with stakeholders







# CSR STRATEGY VERMEG AWARDED THE ECOVADIS GOLD MEDAL

## Thanks to continual dialogue with stakeholders






It is essential that VERMEG listens to its stakeholders all over the world - clients, staff, suppliers, public authorities, regulators, students, charities, investors, financial backers, etc. - in order to understand their expectations, how they view our company and the road that they want to see us take. This interaction enables VERMEG to identify the main risks and opportunities, adapt its approach and improve its performance.

It is by listening that VERMEG intends to create the conditions for responsible, sustainable and shared economic development with its stakeholders.

The huge challenge was to extend this dialogue from Belgium, France, Luxembourg, Spain and Tunisia to include new countries where the expansion has taken the group, including: United Kingdom, Singapore, Hong Kong, China, Australia, Japan, United States, Brazil, Mexico.

|   | Our mission   | Forms of dialogue   |
|---|---|---|
| <b>Clients</b><br> | Establish a real partner relationship with customer, based on mutual trust and close communication, in order to accompany them by offering the best products and services, which will guarantee sustainable growth for both clients and VERMEG. | <p>VERMEG evaluates continually the quality and performance of each product and services through a project portfolio management by the leaders of the business that guarantee a regular monitoring.</p> <p>In 2019 a new appraisal process was implemented by which a Client communicates its satisfaction in terms of quality of products and services. This includes the evaluation of business loyalty, data protection, security (ISO 27001) and CSR behavior such as promoting carbon reduction initiatives, energy spending, food care and respect to others.</p>   |
| <b>Staff</b><br>   | Encourage an open and flexible working environment, constantly developing staff skills, identify talents, grow High Potential and raise future leaders.   | <p>VERMEG promotes happiness at work as the company cares about its employees. Therefore, the group is constantly looking for new, more interactive and reliable mechanisms, stemming from the principles of proximity, to make the exchange with its employees not limited to the classical framework of the evaluation.</p> <p>This materialized again through:</p> <ul style="list-style-type: none"><li>• The VERMEG Academy which relays the importance of management proximity and the crucial role of the Empowered by VERMEG program to stand for Employees Well Being Responsibility.</li><li>• The success of this program extension to new regions demonstrates VERMEG's ambition to continually improve the quality of life at work in the whole group.</li><li>• The usage of engagement and satisfaction measurement platforms in some regions, such as Peakon internally and Glassdoor externally.</li></ul> |



|   | Our mission  | Forms of dialogue   |
|---|--|---|
| <b>Staff</b><br>         |  | <ul style="list-style-type: none"> <li>The HR team who keeps listening to staff member when leaving the company and record their reasons, as any resignation is closely analyzed to understand the rationale and get lessons learned to promote Staff happiness and ensure career path is on track at best interests</li> </ul> <p>But 2019 was also intense as VERMEG decided not only to compensate again the inflation rate in Tunisia through exceptional increase rate as done the years before, but also through a new retention plan to all employees still in the company in 2021.</p>  |
| <b>Counterparts</b><br>  | <p>Raising its Eco system toward more sustainable development by choosing responsible business counterparts, behaving responsibly towards them and influencing them through a flawless exemplarity.</p>                                | <p>To spread the responsible business spirit, VERMEG's CSR Policies Handbook, Code of conduct and Anti-bribery Rules have been communicated to counterparts as mandatory behavior in business with VERMEG.</p> <p>It makes its Code of Conduct available to all its business counterparts on its web site: Suppliers, Contractors, Partners, Competitors, etc....</p> <p>Likewise, VERMEG accepts to sign and comply with the ethical guidelines it receives from any of them.</p> <p>VERMEG outlined theses efforts to EcoVadis in the last survey and no doubt this was critical for the company to be awarded the Gold Medal.</p>  |
| <b>Society</b><br>      | <p>Being a determining actor and innovator who pro-actively contributes to the public debate, the development of the city, on the crucial axes of development, namely environment, education, health, employability and inclusion.</p> | <p>VERMEG is involved in several associations and think tanks and contributes intellectually to public dialogue in line with its industry expertise and knowledge.</p> <p>In this approach, VERMEG wants to be at the forefront of practices in its field. In other words, beyond the public debate, it encourages and pushes to adopt new initiatives in the countries where the group is, while remaining very connected to reality and the local problems.</p> <p>This is also done through the many partnerships developed with non-governmental organizations, associations, schools and universities, companies in the same sector, to raise common issues, reduce inequalities and disseminate new management methods, concerned about the social and environmental responsibility.</p> <p>2019 was remarkable for VERMEG as the company significantly increased its contribution to Public State initiatives in Tunisia. This materialized in Environmental initiatives launched to prevent public trash bags namely. Efforts have also been reinforced to emphasize partnerships with universities (ESPRIT engineering school, Sesame, etc) in order to enhance employability in the ITC sector by increasing the number of engineering graduates: over 350 students integrated VERMEG as work-study members and are continuing school alternately with their new job.</p> |
| <b>Authorities</b><br> | <p>Maintain direct and constructive relations with the regulators and being part of professional bodies, both locally and internationally.</p>   | <p>The company founder and directors are asked by the Tunisian government and economic organizations to contribute to thinking on development projects, structures and legislation.</p> <p>The company founder and leaders are solicited by the Tunisian government and economic organizations in Europe to contribute to the reflection around various development and structuring projects, sometimes impacting texts of Law.</p>   |
| <b>Investors</b><br>   | <p>Attracting engaged donors who are more and more concerned with socially responsible investments and meeting the expectations of financial backers who are increasingly seeking sustainable development businesses.</p>              | <p>By opening to new external investors, VERMEG remains up to date in terms of international standards and is constantly challenging itself. In the same way, it collects through its board of directors the expectations of its shareholders and their return to improve its sustainable development performance.</p>  |



## MATERIALITY ANALYSIS

The materiality exercise remained the backbone of VERMEG CSR strategy. It is essential to structure the process by identifying clearly and unanimously the challenges for VERMEG, and prioritize the efforts according to the three dimensions of the Materiality:

1. Importance for our stakeholders, on the vertical axis.
2. Importance for VERMEG's leaders, on the horizontal axis.
3. Maturity Level reached, through the size

The materiality analysis involves identifying and ranking the various objectives inherent to our economic, social or societal responsibility as an actor in the ICT and FINTECH sectors.

Resulting from an initial working group led by Myriam SANHAJI, global CSR Director, some twenty VERMEG leaders, managers and staff representatives were involved in developing the Materiality Matrix through several workshops over the second half of 2017, with the aim of promoting responsible company management and innovation.

This analysis has been refined annually with the focus on assessing VERMEG's level of maturity for each identified objective, with the aim of measuring the concrete results of all initiatives, each objective is given a level of attainment reflecting current practices in all divisions and countries in which the group operates:

1. No action in place to meet the objective.
2. Some isolated actions, but performance is not measured.
3. Several actions in place, with performance measured.
4. Actions in place that are fully anchored in the company's governance at all management levels (structured action plans with performance management targets and indicators).
5. Structured action plans with performance details communicated to stakeholders.

As VERMEG grew its global footprint in 2019, CSR management involved stakeholders from the 5 regions in reviewing the Materiality Matrix through focus interviews to align views on:

- The year achievement
- The new regions attention points and expectations
- The matching of the challenges highlighted by VERMEG's stakeholders with the 17 Sustainable development goals identified by United Nations (<https://un.org/sustainabledevelopment/sustainable-development-goals/>).







The emphasis was again set on the bridge between the “Corporate Social Responsibility” and the “Employee Wellbeing Responsibility”, as the ultimate Goal for VERMEG through its sustainability approach.

In fact both management and employee are persuaded that without addressing the CSR challenges worldwide (saving the planet, climate, natural resources, etc.), and in each territory (poverty, security, education, employment, etc.), the well-being of every human cannot be truly reached even if its employer provides the best working place.

The review of the Materiality Matrix during 2019 was based on the same bottom up approach described the years before as follow:

- Workshops led by head of CSR and external experts with the ambassadors to recognize the issues raised under the 3 axis voted by all the employees
- Inquiries with the managers, the directors and Executive committee to validate the stakes and the priorities



## BOTTOM UP APPROACH

### CSR Challenge and Materiality Analysis

|                             |   |  |  |
|-----------------------------|---|--|--|
| <b>CSR Challenge</b>        | <ul style="list-style-type: none"> <li>• Launch of the CSR Challenge at the Group level (BE, FR, LU, TN)</li> <li>• More than 60 suggestions via the SLACK application,</li> <li>• The votes results raised 3 Axis which are very important to our employees</li> </ul>                       | <b>3 AXES</b>                              |  CARBON NEUTRAL<br> EQUAL OPPORTUNITIES FOR ALL<br> ART&CULTURE MECENAT |
| <b>Materiality Analysis</b> | <ul style="list-style-type: none"> <li>• Workshops led by external CSR experts with the ambassadors to recognize the Issues raised under the 3 axis.</li> <li>• Inquiries with the managers, the directors and Executive committee to validate the stakes and their priority.</li> </ul>      | <b>7 CHALLENGES</b><br>Grouping 13 TARGETS | <ul style="list-style-type: none"> <li>● GOVERNANCE</li> <li>● SOCIAL</li> <li>● REGIONS</li> <li>● CORE BUSINESS</li> <li>● ENVIRONMENT</li> <li>● PROCUREMENT</li> <li>● CULTURAL AND ARTISTIC DEVELOPMENT</li> </ul>  |
| <b>Materiality Review</b>   | <ul style="list-style-type: none"> <li>• Present CSR Challenge output to new regions</li> <li>• Embark new ambassadors</li> <li>• Confirm the 3 Axis that are the backbone of the CSR strategy globally</li> </ul>  |  |  |
| <b>CSR Assessment</b>       | <ul style="list-style-type: none"> <li>• Annual Event to present the group's CSR strategy and achievements in all the countries</li> <li>• CSR Survey launched annually during this event and filled online by employee to persist the dialogue with all the internal stakeholders</li> </ul> |  |  |

## VERMEG'S CSR STRATEGY

| 7 Challenges |               | 13 Targets  | 3 Axis   |  |
|--------------|---------------|---|--|--|
| 1            | GOVERNANCE    | <ul style="list-style-type: none"> <li>- CSR within Governance</li> <li>- Ethics</li> <li>- Employees Protection</li> </ul>   |  CARBON NEUTRAL<br> EQUAL OPPORTUNITIES FOR ALL<br> ART&CULTURE MECENAT |  |
| 2            | ENVIRONMENT   | <ul style="list-style-type: none"> <li>- Energies Climate Resources</li> </ul>  |  CARBON NEUTRAL   |  |
| 3            | SOCIAL        | <ul style="list-style-type: none"> <li>- Work Life Quality</li> <li>- Job Quality – Attraction</li> <li>- Equitable Values Sharing</li> <li>- Non discrimination – Diversity - Inclusion</li> </ul> |  EQUAL OPPORTUNITIES FOR ALL  |  |
| 4            | TERRITORIES   | <ul style="list-style-type: none"> <li>- Contribution to education</li> <li>- Contribution to prosperity in the regions</li> </ul>  |  EQUAL OPPORTUNITIES FOR ALL  |  |
| 5            | CORE BUSINESS | <ul style="list-style-type: none"> <li>- Eco -socio-conception of software solutions &amp; services</li> </ul>  |  CARBON NEUTRAL<br> EQUAL OPPORTUNITIES FOR ALL  |  |
| 6            | PURCHASE      | <ul style="list-style-type: none"> <li>- Responsible Procurement</li> </ul>   |  CARBON NEUTRAL<br> EQUAL OPPORTUNITIES FOR ALL  |  |
| 7            | ART & CULTURE | <ul style="list-style-type: none"> <li>- External and Internal Art&amp; Culture Development</li> </ul>  |  EQUAL OPPORTUNITIES FOR ALL<br> ART&CULTURE MECENAT   |  |



## THE 3 DIMENSIONS OF VERMEG'S CSR STRATEGY

- The 3 Axis of the CSR Challenge result from the staff vote
- The 7 challenges behind these axis, involve all the stakeholders, internal and external
- The most urgent 13 Targets supporting these challenges result from the materiality analysis

As described in our previous CSR reports, the Materiality Analysis has enabled us to identify 7 Challenges for VERMEG, structured around a total of 13 Targets clearly defined.

During the year, the CSR team of course coordinates the actions and events in respect of this strategy, in all the countries where VERMEG operate, but a different emphasis was rolled-out according to local specificities, the needs and the maturity of the subsidiary.

### 1 Incorporating CSR into the company's governance

1. Implement CSR governance at all management levels.
2. Define a code of ethics followed by all company staff, provider and partners.
3. Provide optimal protection for staff in the various countries where VERMEG operates.

### 2 Minimizing our environmental impact

4. Implement an effective policy to save energy, the climate and natural resources.

### 3 Internal Social Responsibility making us a leading employer

5. Provide excellent working conditions.
6. Propose attractive positions facilitating the development of staff skills.
7. Ensure the fair distribution of value creation.
8. Maintain non-discrimination at all levels and encourage diversity and inclusion.

### 4 Equality in the regions

9. Contribute to wealth development in the regions.
10. Contribute to education in the regions.

### 5 Doing business responsibly

11. Eco-social design of solutions proposed to clients, with the emphasis on fair practice and data protection.

### 6 Sustainable and ethical procurement

12. Follow a responsible procurement policy in-house and with suppliers in order to reinforce both Sustainable and Solidarity purchases.

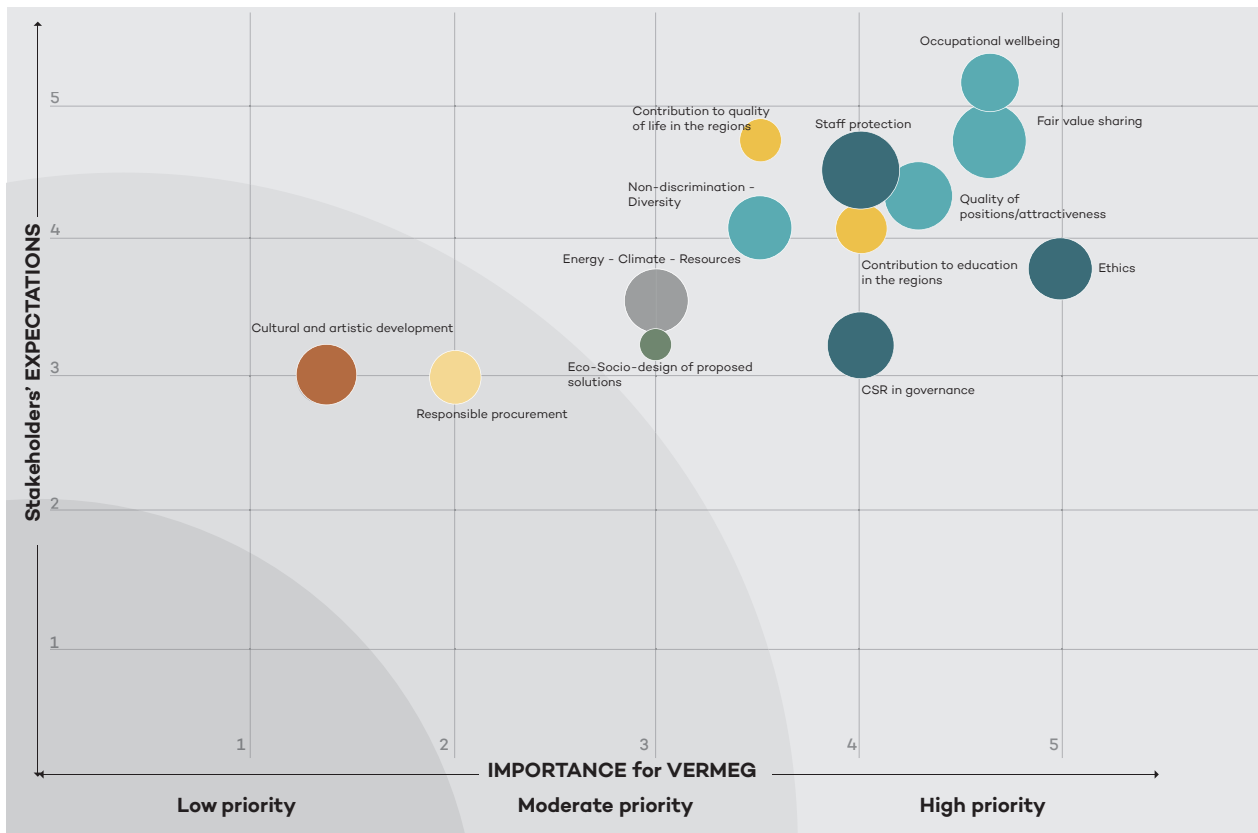
### 7 Cultural and artistic development

13. Support outside artists and cultural events through patronage, as well as promote artistic talents within the company.



## MATERIALITY MATRIX

### 13 Targets for VERMEG CSR Strategy



● GOVERNANCE    ● SOCIAL    ● REGIONS    ● CORE BUSINESS    ● ENVIRONMENT    ● PROCUREMENT    ● CULTURAL AND ARTISTIC DEVELOPMENT

#### LEVEL OF MATURITY



- 1 : No action
- 2 : Isolated actions, performance not measured
- 3 : Several actions with performance measured
- 4 : Structured actions in the management system (action plan, target and indicator)
- 5 : Structured action plans with performance details communicated

This materiality matrix, underpinned by the collective ambition reiterated by our staff during our CSR Challenge, has become the backbone of VERMEG's CSR policy.





To monitor its CSR commitment, VERMEG defined a dashboard with indicators enabling it to measure the progress made in these 13 aspects of its CSR strategy.

The table presented is updated in 2019 with the maturity acquired in each area, but also taking into consideration the recommendations received from EcoVadis that laid the groundwork for VERMEG to get the Gold Medal.

As previously committed, VERMEG will continually evolve its CSR strategy and its extra-financial communication according to the level of materiality of the issues in the years to come. In addition, Leaders want to update the materiality matrix by interviewing external stakeholders in the coming years.



## MATCHING VERMEG'S TARGETS WITH THE 17 SUSTAINABLE DEVELOPMENT GOALS

| UN Sustainable development goals       | AXIS  | TARGET  |
|--|---|---|
| Partnerships for the goals             |    | 1. CSR within Governance  |
| Peace justice and strong institutions  |    | 2. Ethics   |
| Good health and wellbeing              |    | 3. Employees Protection   |
| Climat action                          |    | 4. Energies Climate Resources   |
| Life on land                           |    | 4. Energies Climate Resources   |
| Decent work and economic growth        |    | 5. Work Life Quality<br>6. Job Quality – Attraction<br>7. Equitable Values Sharing  |
| Quality education                      |    | 10. Contribution to education   |
| Gender equality                        |    | 8. Non discrimination – Diversity – Inclusion   |
| Reduce inequality                      |    |   |
| Sustainable cities and communities     |    | 4. Energies Climate Resources<br>9. Contribution to prosperity in the regions<br>13. External and Internal Art& Culture Development                                     |
| Responsible consumption and production |     | 9. Contribution to prosperity in the regions<br>11. Eco -socio-conception of software solutions & services<br>12. Eco-socio-conception of software solutions & services |
| No poverty                             |    | 9. Contribution to prosperity in the regions  |
| Zero hunger                            |    | 9. Contribution to prosperity in the regions  |
| Clean water and sanitaries             |   | 4. Energies Climate Resources   |
| Afordeable and clean energy            |    | 4. Energies Climate Resources   |
| Industry inovation and infrastructure  |    | 12. Eco-socio-conception of software solutions & services   |
| Life below water                       |    | 4. Energies Climate Resources   |

## CSR QUANTITATIVE GOALS FOR 2020

On the basis of the approved strategy and calculated indicators, the Executive Committee has set quantified goals for the 7 Challenges, to reach the «Gold» level of EcoVadis certification. These goals were reviewed and adjusted to take into consideration the new dimension of the group.

|   |               |  |
|---|---------------|--|
| 1 | GOVERNANCE    | • CSR budget is to be stabilized around 0,5% of revenue  |
| 2 | ENVIRONMENT   | • Carbon emissions, set against revenue, to fall 8% per year   |
| 3 | SOCIAL        | • Percentage of women amongst the managers and directors to rise 25%   |
| 4 | TERRITORIES   | • Volume of man-days contribution to the regions, to reach the average of 0,5 Volunteering day a year per employee as granted by the Volunteering Policy |
| 5 | CORE BUSINESS | • Implementation of an Environmental Management System (EMS),  |
| 6 | PURCHASE      | • Proportion of solidarity procurement to move towards 15% of total purchases  |
| 7 | ART & CULTURE | • Budget allocated to cultural and artistic development to stabilize around 30% of CSR budget  |





“

We continue to be convinced that focusing on the improvement of our employees' well-being through our contribution to protecting their environment, to perfecting their work conditions, to supporting their territories and to continuously feed them culture and arts, will improve everyone's well-being, either directly with our achievements or indirectly by setting an example to push others, whatever their kind or size, to do the same and also commit to sustainable development.

”

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# VERMEG AS A RESPONSIBLE COMPANY

Challenges  
and achievements  
by Target





# CHALLENGE 1

## CSR Management results embedded in VERMEG Governance

In 2019, VERMEG has reached a global footprint as one company, operating in Tunisia, Continental Europe, United Kingdom, North America, Asia Pacific and Latin America. This fast-growing international expansion enables the company to support Client global projects and opens many opportunities for career possibilities. It also required CSR leadership to adapt the operational CSR governance into VERMEG's new company governance as Badreddine Ouali took over as CEO with strong leadership.

In fact, the CEO immediately decided to set a new management rule: EMPOWERMENT of executive leaders and set-up of validation toll gates for strategic decisions, as they estimated it is required to reach their objectives. This mainly includes strategic decisions on budget (plan and reviews), Client proposals, People management, R&D and CSR strategic guidelines.

As of 2019, he also decided to put Corporate operational committees directly under Executive Leaders responsibility, thereby focusing his role on defining the vision, building and implementing the strategic roadmap for VERMEG with Executive Leaders and the Board of Directors.

Therefore, as CSR Leader, Myriam SANHAJI aligned CSR governance in 2019 to meet the CEO new management rules with the following strategic guidelines:

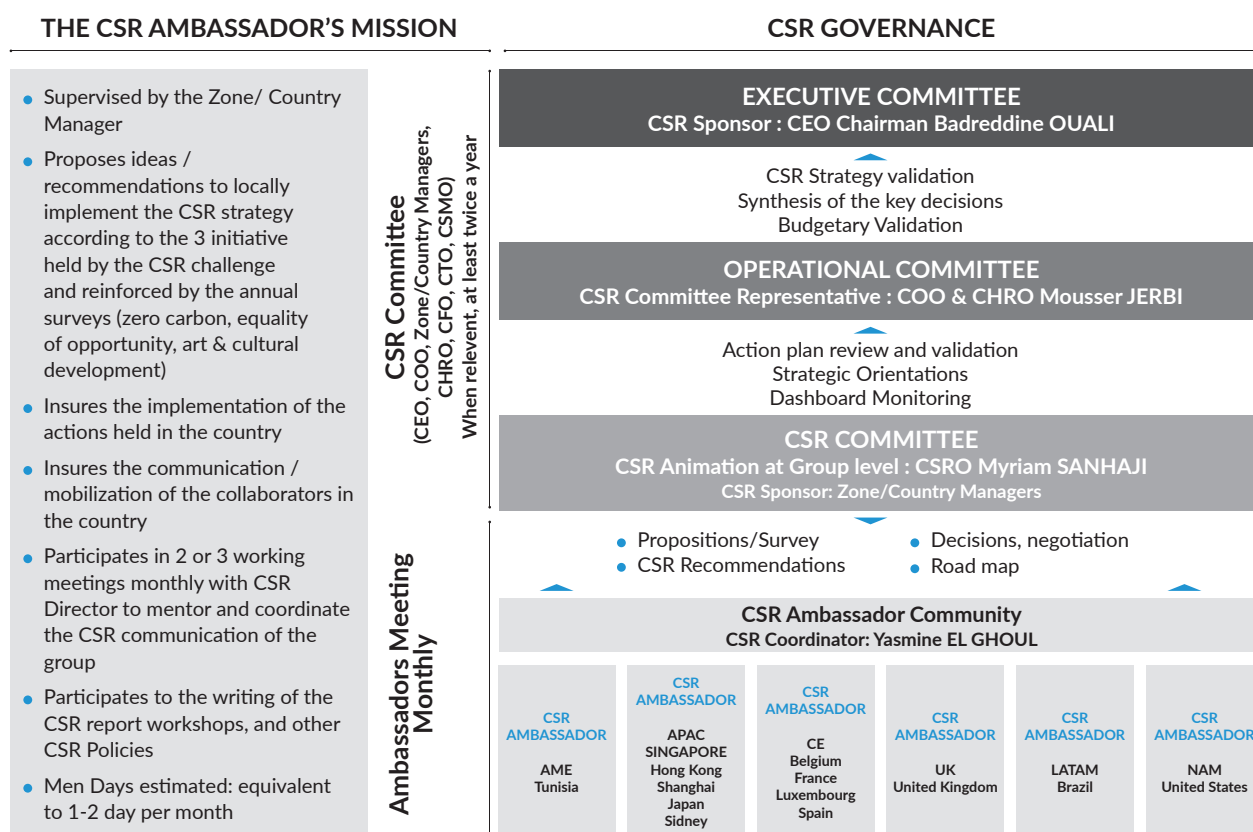
- Empowerment of CSR Leader requiring toll gate with CEO and COO to set yearly objectives and make strategic decisions
- Mobilization of CSR Ambassadors in the 5 regions
- CSR embedded in VERMEG operating model
- CSR benefits can be measured and valued for Clients and employees
- «Empowered By VERMEG» program continues to deliver its promises to employees in order to enhance their wellbeing



## TARGET 1 IMPLEMENTING CSR GOVERNANCE

As described in the previous CSR Report, the CSR governance was extended to integrate, additionally to EUROPE and MEA regions, the new regions where VERMEG Group has now offices: NORTH AMERICA, LATIN AMERICA, UNITED KINGDOM and ASIA PACIFIC, increasing the CSR team and community to more than 30 members.

### EXTENDED NEW CSR GOVERNANCE FROM 2019



This CSR governance was adjusted again during 2019 to take into consideration the evolution of the group worldwide.

It materialized in:

- Extended CSR Director missions, roles and responsibilities
- Appointments of new voluntary ambassadors and replacement of old ones
- Simplification of CSR operational governance to reflect empowerment guidelines

## 1

**As full-time CSR Director**, Myriam SANHAJI was instrumental in getting VERMEG recognized as a responsible role model company in the software industry. Not only was VERMEG awarded the Gold Medal from EcoVadis, a rare achievement in the industry, but her continuous and strong involvement since the company was created to promote non-discrimination, gender diversity, talent and educational support for disadvantaged children was again critical in 2019 for the success of «Empowered by VERMEG». To adapt to the new management rules, Myriam validated with COO Mousser JERBI the new missions for the CSR Director at VERMEG.



In terms of missions, roles and responsibility, CSR Director:

- Is responsible for the CSR strategy and management
- Sets the annual performance priorities and objectives with COO
- Sets the budget for delivering expected performance
- Reports to COO to validate CSR objectives, budget and present progress
- Reports to the Executive Committee maximum twice a year when relevant to arbitrate and require strategic decisions
- Leads the CSR team and the community of voluntary ambassadors
- Represents VERMEG for CSR ambition and corporate support to State CSR initiatives in the Regions

**2 A CSR Management backbone remained focused on CSR voluntary Ambassadors** in each country in 2019. Their role is key to support «Empowered by VERMEG» program and deploys initiatives. Their role has been modified to reflect to the VERMEG corporate governance:

- Liaise with local teams to deploy CSR strategic guidelines and make recommendations to CSR Director
- Promote Carbon neutral, equal opportunities, Art & Culture in the regions and local countries
- Coordinate with CSR Director to maintain Gold Medal award with EcoVadis
- Taking steps to meet the challenges selected within the materiality matrix studies
- Measure the results obtained in each country and contribute to measuring the performance indicators of VERMEG's CSR policy

HR colleagues from each region continue during 2019 to be highly involved to ensure «Employee Wellbeing Responsibility» and CSR are mutualizing efforts. Working with the VERMEG Academy members is namely key here. Especially, Yasmine EL GHOUL who continues, in addition to her CSR ambassador role, to organize the awareness sessions and campaign about the important role of employees and new joiners for the success of our CSR engagement. She also provides a substantial assistance in orchestrating the community of ambassadors across the world, as the number became important following the inclusion of the new geographic zones beginning of 2019.

## CSR TEAM IN JANUARY 2019

| CSR Ambassadors  |  |  |   |   |   |
|--|--|--|---|---|---|
| AME<br>(Africa & Middle East)  | APAC<br>(Asia & Pacific)   | CE<br>(Continental Europe)   | LATAM<br>(Latin America)  | NAM<br>(North America)  | UK  |
|                 |   |   |               |  |                      |
| YASMINE EL GHOUL TN<br>MALEK TOUHAMI TN<br>MOHAMED GHIZAOUI TN<br>HELA HICHRI TN<br>FIRAS NASRI TN | KENNY LEE SP<br>ANGELINA NG HK<br>SHRINATH DIVAS HK<br>MICHELLE JI SH<br>YIQUN GU SH | THOMAS ONGARO BE<br>CHRISTELLE VAN DEN BRANDE BE<br>ELSA MANOLIS BE<br>NATHALIE HOTTIN FR<br>YAMEN BOUSRIH FR<br>HALA HAFEZ FR | HEIDI DIAS LU<br>BERNARD NOEL LU<br>SIMON DEMOULIN LU<br>SOFIENE CHAMEKH ES<br>MEHDI BEN KAHLA ES | HBIB TANOUBI BR<br>SUSAN MIKE US<br>ALEKSEY DRUKAROV US                               | SOPHIE WALLACE UK<br>SAMUEL WELFORD<br>SMITH UK<br>HANNAH REED UK<br>GEORGE RICHES UK<br>LAURA CAMERON UK |

**3 CSR Committee** was also adapted in 2019 to align with empowerment guidelines. Its role is still to discuss and approve CSR strategy, decisions and budget but participants and frequency has switched to «when relevant» with a minimum of twice a year against regular monthly committees.

The CSR Committee is chaired by COO Mousser Jerbi and is composed of CSR Director Myriam Sanhaji, Finance (CFO or deputy) and HR Leader. Executive Leaders of Regions and/or Industry are invited by COO when relevant.



The CSR Director is responsible of proposing to the COO to put a CSR Committee on the agenda to address the following topics:

- CSR annual strategic guideline and objectives
- CSR ambassador framework review
- «Empowerment by VERMEG» Program issues to address
- Propose initiatives
- Share achievements
- Alert on risks and propose mitigation actions
- Budget

The CSR Committee frequency is at least twice a year (February and September as guidelines) which was done in 2019. If escalation to CEO is required to take critical decisions, the COO reports to him.

Consequently, the CSR Director adapted the way of working with ambassadors, switching from bi-monthly CSRAmbassadors Committee to «when relevant» forum with all ambassadors with a minimum of quarterly video-conference meeting. The CSR Director favored bi-lateral interactions with ambassadors and ensured opinions and ideas are shared using digital collaborative tools rather than forum meetings.

In total, although CSR governance has been simplified, it is important to stress that it does not jeopardize CSRAchievements at all in 2019, as was namely shown by the award of the EcoVadis Gold Medal this year. Direct interactions and digital collaborative way of working was favored to optimize time, reduce number of meetings and committees and therefore improve the quality of life at work. The Simplification of CSR governance in 2019 resulted in more efficiency, more impact on operating model and more results as EcoVadis evaluated VERMEG.

The CSR Director is empowered to ensure that VERMEG CSR policy is fully considered in the company's transformation and expansion, particularly as it affects all the Regions and Industries, and not only the corporate function division.

During 2019, the Executive Committee did not meet as the COO did not need to escalate to align executive leadership on strategic decisions. Meanwhile, the CSR Committee met quarterly to:

1. Approve priorities and objectives for 2019 with the target to be awarded the EcoVadis Gold Medal
2. Approve guidelines to review the CSR governance to align with the new Corporate governance including new regions and review the ambassadors volunteers
3. Approve actions and initiatives for Carbon Neutral, Equal opportunities, Non-discrimination, VERMEG Got Talent, Gender diversity
4. Approve the budget including the organization of workshops in regions to build new strategic CSR guidelines and targets to 2025.

In addition to the governance above, and as already described in the previous CSR Reports, the Board of Directors has already organized its functions to ensure a level of control over its sustainable development:

- The merged function of Chairman with Chief Executive Officer gave Badreddine OUALI, the full latitude to continue developing the CSR strategy and make it fully embedded within his business growth strategy, with the support of his Vice Chairman Marwan HANIFEH who is also very committed to sustainable development
- The composition of the Board targets a balance of experience, competence and independence. Indeed, on one hand the competence, the experience of the financial world and the management of large companies, and on the other, the acute knowledge of global geopolitical issues with Serge DEGALLAIX - Senior Official Ambassador and also Executive Director of "Fondation Tunisie pour le Development" (a NGO who aims to promote and advance economic and social development through partnerships and direct action in the following issue areas: youth unemployment, regional disparity, gender inequality, and access to health care and cultural activities), - attests to the concern given by Group executives to engage the company on a long-term basis with stakeholders.





## TARGET 2 SPREADING ETHIC SPIRIT TO ALL STAKEHOLDERS

With its 3 strong values (Authentic, Committed, Ingenious) , and above all its Authenticity value (integrity, morality, sincerity), VERMEG has always been a good example in terms of ethical, both through its practices and its employees, but also in the choice of its customers, suppliers and partners.

That being said, this did not prevent the launching of a transversal project for the formalization and the harmonization of all the practices at group level in order to spread the ethic spirit to all its stakeholders, internally but also externally. This urgency resulted from:

- The acquisitions of international companies and the integration of new geographical areas with existing local country policies
- The evolution of international standards in terms of ethical conduct and their convergences towards global standards
- The EcoVadis certification, which reinforces the emphasis on this requirement of formalism and communication
- The expectation of employees regarding more transparency and awareness, to improve their feeling of security and their adhesion

### ACHIEVEMENTS DURING 2019

- Publication of the “Ethic Policy as Code of Conduct for VERMEG and all its Stakeholders” on the group website (<https://www.vermeg.com/empowered.html>)
- Distribution of the CSR policy Handbook and all the relating Policy Rules documents internally (through Intranet and internal systems) and externally (through response to RFI/RFP, various publications, etc) to spread the compliance spirit. This manual is crucial as it centralizes in a unique document the CSR Charter of the group (incorporating the 10 UNGP universal principles, as a kind of high level Constitution), and all the resulting policies including the Ethics Policy.
- Clarification of the reporting process to the CSR Committee of any Ethic incident / alert through its hotline email ([empowered@VERMEG.com](mailto:empowered@VERMEG.com)) accessible to the CSR Officer (responsible for CSR compliance among other ethics), but also to the CHRO, the COO, the CISO and the CEO.
- Sending the “Ethic Policy as Code of Conduct” for signature to some external stakeholders, starting with IT suppliers and partners as the most important.
- Redaction of some complementary Rules documents to clarify the procedure for some Ethic issues mentioned in the Policy: for example, the policy rules document for Whistleblowing to explain how to report any incident/ alert including Ethic ones, and the escalation from the management and/or HR to the hotline of the CSR Committee that guarantee confidentiality.



## COMPLEMENTARY ACTIONS IN 2020

- Signature of the “Ethic Policy as code of Conduct” and the “CSR Policies Handbook” by All VERMEG Top management and employees through the HR information system
- More awareness training on critical Policies Rules by VERMEG Academy, for current employees and new joiners, with a special focus on Anti-Slavery And Trafficking Policy (to guarantee conformity of the management with Modern Slavery Act 2015 of UK Parliament ), Health and Safety policy (to maintain a low rate of work-related accidents and illness and prevent some risks in the ICT sector such as musculoskeletal disorders, burnout and view troubles), Anti Bribery and corruption policy for people in direct relation with clients and markets actors (sales, consultants, projects managers, etc.).
- Extending the Signature of the “Ethic policy as a code of conduct” to other external stakeholders and completing all the providers list, globally and locally according to the register of suppliers.
- Better monitoring of the Providers Register through the new purchase system (the recording of Ethic policy signature, evaluation of behavior and reputation taking into consideration CSR commitment, market certification or label awarded if any, list of banished suppliers for proved or public non-conformity)
- Requesting CSR certification from third parties such as important providers (i.e. EcoVadis based on Iso26000 standards) but also small ones (i.e. AFNOR certification in France for companies with less than 50 employees) to guarantee due diligence on CSR and ethics issues
- More formalism from the Finance department regarding audit of control procedures to prevent corruption, approval procedure for sensitive transactions (e.g. gifts, entertainment), corruption risk analysis performed.





## TARGET 3 STAFF PROTECTION

As already described in previous Reports, VERMEG is present in countries where staff protection levels are different, therefore the group is committed to apply the international standards in all its subsidiaries.

The following actions are continually in progress to reduce the potential gaps:

- Equity in labor rights by granting equivalent ones in all countries even where it's not mandatory by local regulations (i.e. generalize flexibility Policy to the whole group allowing remote work and flexi time, extending paid sick leave in Tunisia where only 3 days are covered by local social security, etc.).
- Generalizing same advantages and reducing payroll gaps taking into consideration the purchase power in each country (i.e. Extra cost engaged even not mandatory such as exceptional increase rates, additional private health insurance for complementary coverage, international health insurance, supplementary pension contribution, etc.).
- Centralization of all the process same way in the internal systems (HR system, Time Sheet and project monitoring system, etc.) to be able to have KPI and dashboard to monitor improvements and risks globally and by county (such as sick leaves, work accidents, functional diseases, extra time work, worked weekends, CSR alerts, etc.).
- Selecting in each country where this is possible and offered, an Anonymous Whistleblowing Platform as Hotline to protect identity of the informers.
- Reinforcing the compliance control of the CSR committee through its ambassadors in each subsidiary, as described in the governance section (including Health and Safety compliance, Ethic compliance etc.).

## CSR COMPLIANCE REINFORCED FOR EMPLOYEE PROTECTION VERMEG GOVERNANCE including CSR COMPLIANCE in all Regions





## CSR IN GOVERNANCE ASSESSMENT

### 2019 STRENGTHS

| INCORPORATE CSR INTO DECISION-MAKING   |  |
|--|--|
| +18% Increase of CSR Direct Budget   | +16% for the CSR Governance  |
| +125 Number of the new CSR Proposals collected through the CSR Survey  | +81 contributors   |
| +711 Man-Days of CSR team Workload Involving around  | 45 Staff with full- or part-time , from top management to junior members   |
| ETHICS   | STAFF PROTECTION   |
| Publication of Ethical policy as Code of Conduct on the group website and diffusion for Signature by top Management, employees, provider and partners. | Reconduction of Exceptional pay raise and retention plan to reduce compensation gap between countries, especially those were exchange devaluation is huge with high impact on purchase power |

### 2019 AREAS FOR IMPROVEMENT

| INCORPORATE CSR INTO DECISION-MAKING  |  |
|---|--|
| < 220 Man-Days of Volunteering, whilst the target rate is over than too 650 man-days, taking into consideration the half day of volunteering provided by VERMEG to every staff member   | < 5 % of employees attended Ethics Training sessions (anti-corruption, bribery issues, anti slavery, nondiscrimination, etc.)  |
| ETHICS  | STAFF PROTECTION   |
| Process for anonymous whistleblowing is still not available in some countries where reporting of suspected wrongdoing or dangers in relation to our activities (including bribery, fraud or other criminal activity, miscarriages of justice, health and safety risks, damage to the environment and any breach of legal or professional obligations) is still namely done. | Indicators on occupational accidents and illnesses, as well as the weekends and evenings worked in certain countries. With the Number of failings or breaches handled or rejected, still to be formalized in the internal system taking into consideration the confidentially best practices |





# CHALLENGE 2

## Minimizing our environment impact

Although its environmental impact is naturally low due to the primarily intellectual nature of its services, VERMEG continues to carry out an annual carbon assessment to measure its Greenhouse Gas (GHG) emissions over its financial year and constantly questions its working methods to reduce the environmental footprint of all its activities and limit waste.

This annual exercise still allows to identify new areas of improvement to be pursued.

### ENVIRONMENT POLICY

#### 6 PRINCIPLES

1. **Environmental Governance** to fulfil all national and international compliance obligations, that must be reinforced by the implementation of an Environmental Management System (EMS), which promotes the integration of the different requirements of ISO 14001 (Environment), Iso14064\_3 (Greenhouse gases), ISO 9001 (Quality), ISO 45001 (Health / Safety), etc. within the Global management system of VERMEG.
2. **Carbon Neutral Program** to reduce the environmental footprint of all its activities and operations especially regarding key resources
3. **Green IT approach** for its products and services to drive direct and indirect reduction of environmental and climate impact
4. **Sustainable Consumption and purchase policy** against overconsumption and wasting habits, giving preference to services and products with low impact on environment and equipment with higher life cycle
5. **Waste management for more waste Minimization**, waste Reuse and waste Recycling in all countries regardless their maturity level regarding environment
6. **Green offices target**, based on a continual watching and benchmarking of the market innovations regarding Eco constructions, infrastructures, materials, equipment, furniture, logistics etc. but also on Employee engagement programs to increase adoption of green practices with less impact on environment and make sustainability more visible and actionable



## TARGET 4 ENERGY, CLIMATE AND RESOURCES PROTECTION

to target the Carbon Neutral. These measures were immediately enforced, as describes in the previous report, and continue of course to be reinforced every year to reduce the impact on:

- Formalize an Environmental Policy within VERMEG's CSR Policies Hand Book for the whole group.
- Increase shuttle buses to limit the emissions from staff home/work travel by mutualizing transport morning and night for Tunis offices . In fact, following an analysis of the journeys made by staff with little access to public transport, the use of individuals cars and taxis remain huge, so additional meeting points were created in the staff's main residential areas to enable them to travel together.
- VERMEG's Executive Committee decided to reduce diesel cars till banishing them by replacing company cars exclusively with electric or hybrid vehicles if possible in the countries where VERMEG operates. In Brussels diesel cars were replaced by gasoline and by hybrid vehicles. In Luxembourg diesel cars were replaced by gasoline ones.
- Promotion of car-sharing although not mandatory, the pooling of transport methods is widely recommended in communication campaigns, particularly in the countries where home/work journeys are long.
- Generalizing to all employees the use of telecommunication software (such us Skype Enterprise, Teams, etc.) and optimizing the network usage though high-tech solutions (such us Cisco WebEx).
- Provision of quality video conference tools on all sites and in several meeting rooms, making it possible to limit air travel. The number of video Conference and equipped rooms in Tunisia doubled the last years.
- Implementation of a new Service Operations Center (SOC) in Tunisia office, to monitor and optimize the IT of the group including the impact on environment of our infrastructure (servers, desktop, laptops, internet traffic, etc.) , with the possibility to add the centralization of lights control of all buildings (i.e., programing extensions, etc.).
- Systematic detection of refrigerant leaks when there is any doubt about them, as these gases have a major impact in terms of GHG (greenhouse gases) through an annual audit report.
- Generalization of the waste-reduction program already implemented in many offices, to all countries even those where no regulation and no collection services are operated by the local authorities.



Tunisia



Shanghai



London



Bruxelles



Luxembourg



New York



Paris



## SUB TARGET 4.1 WASTE-REDUCTION PROGRAM

### WASTE-REDUCTION PROGRAM CONTINUES IN 2019

- **Waste sorting and collection extension**, as already done in Europe and NAM offices, to Tunisia through partnership with a local private company for collecting and recycling wastes (AFREC African Recycling), but also to China where this became mandatory starting from June 2019.
- **Waste management campaign** through awareness sessions animated by external specialists when possible (such as Elise in VERMEG France), and local CSR ambassadors in other countries (accent set on Tunisia and China during 2019 where this practice is new and not yet in the culture)
- Increased use of **re-manufactured consumables** such as coffee cups,
- Recycling **coffee pods** in countries where collections is done, such as Europe
- Collecting **plastic bottle lids** in Tunisia to benefit the charity for the disabled “Emel Tounes”
- Collecting **computers and ink cartridges** for recycling by specialized organisms (such as Ecoprint in VERMEG Tunis)
- **Saving paper print** by modernizing the printers and switching to double-sided printing by default on the printing systems
- **Green electronic signature** encouraging recipients not to print the messages
- Destroying and **recycling «paper»** documents collected by partners (MCA in Belgium, Valorlux in Luxembourg, Ecora In Tunis, Green Offices in London, etc.)
- **Reducing paperwork** in countries with supporting more electronic versions (e.g. extending electronic payslips already implemented in Tunis to France and other countries, electronic approval of internal policies and contracts on internal HR system, electronic signature through DocuSign, etc.)
- **IT and general donation policy**, extended to the entire Group. For example, in Luxembourg, expiring PCs are systematically resold to employees by the delegation for symbolic prices, while in Tunisia they are given to working students and interns and the remaining stock is donated to students NGO, schools or any other non-profitable organism.

## SUB TARGET 4.2 CARBON REDUCTION PROGRAM

A fourth carbon assessment was carried out for 2019, by enlarging the scope this year to include the new countries (UK, US, China, Singapore and HK) in comparison to previous years where it was only limited to the EMEA region (Belgium, France, Luxembourg, Tunisia).

The initial approach (limited to considering 4 sources, «business travel», «energy» and «electricity usage» on the sites» and «refrigerant leaks») was adopted again for the 2019 financial year, excluding home/work travel and paper usage.

Some corrections had to be made over the previous financial year due to variation in the quality of the data collected, but the quality of reporting seems to be stabilizing. This exceptional corrective measure for the third year, was approved again to maximize the transparency and reliability of carbon assessments, given that the move towards a more mature system when the geographical scope will be stabilized, will remove the need to correct previous assessments.



## 2019 CARBON ASSESSMENT – Trend Evolution

### Breakdown of total VERMEG greenhouse gas emissions

#### THE RESULTS - 2019



##### Conclusions of the Carbon Assessment - 2019

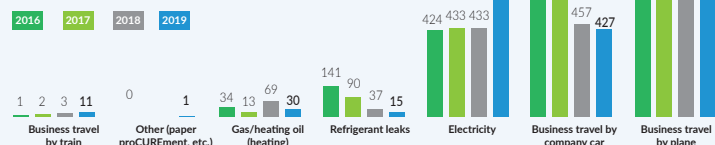
- The Increase of Global Scope\* emissions to 3150 Teq CO<sub>2</sub> in 2019 (with an uncertainty of 10%), is totally resulting from new regions added in the measured scope (UK, NAM and APAC), while the previous years the scope was limited to EMEA. Therefore the comparison with 2018 is non relevant.
- Reduction in 2019 of the Carbon intensity versus Workforce for both, Global Scope\* (-5%) and Legal scope\*\* (-21%), are more relevant to evaluate the efforts made during 2019.
- 16% Reduction of emissions on Legal Scope\*\* for EMEA that decreased to 450 Teq CO<sub>2</sub> against 540 Teq CO<sub>2</sub> in 2017 and 2018.
- 77% of emission are still generated by business travels despite the effort to reduce them, resulting from clients and new offices in new far regions (APAC and LATAM).

##### VERMEG – CO<sub>2</sub>-EQ TONNES REJECTED NEW SCOPE 2019

ADDING TO EMEA SCOPE NEW REGIONS UK, NAL, APAC

### 3150

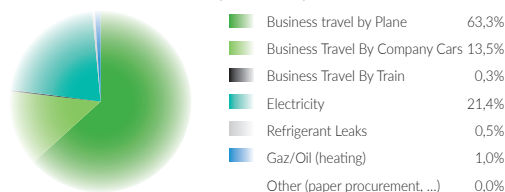
Tonnes of CO<sub>2</sub> equivalent rejected in 2019 for the measured NEW SCOPE (EMEA, UK, NAM, APAC)



#### BY SOURCE

- The decrease of fluid leaks continues from 90 to 37 Teq CO<sub>2</sub> in 2018 and to 15 Teq CO<sub>2</sub> in 2019 where only Shanghai office detected some.
- Emissions generated from business travel by company cars are reduced again during 2019 from 457 to 427 Teq CO<sub>2</sub>.
- Increase of electricity emissions is due to the consumption in new regions: UK, US, CHINA, SINGAPORE, and HK
- Emissions by plane travel remain the first source, representing 63% in 2019 against 58% in 2018

##### Total emissions in CO<sub>2</sub>-eq tonnes By Source 3154



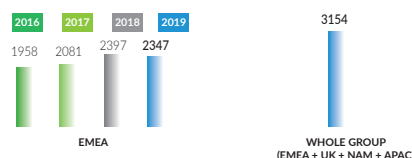
#### BY REGION

- In the EMEA zone for the first year there is a reduction of 2,1% in the Global Scope\* emissions, that decreased to 2350 Teq CO<sub>2</sub> in 2019 against 2400 Teq CO<sub>2</sub> in 2018.

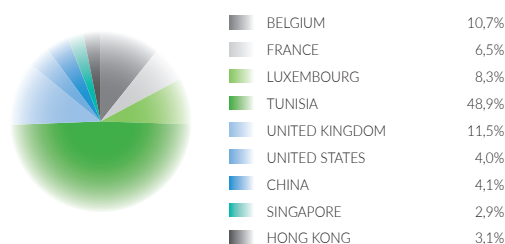
#### BY COUNTRY

- The Global Scope Emissions by country is approximatively matching with the size of each site even the data collection method needs to be perfected next year for new regions.
- The proportions of direct emissions generated by heating and the use of electricity on the various sites are shown in the following graph.
- The differences can be explained by the country's heating methods and energy mix (France and Tunisia use only electricity (including for heating) but France "enjoys" a CO<sub>2</sub>-low energy mix whilst Tunisia has a more «disadvantageous» energy mix, In Belgium and Luxembourg, the use of fossil fuels penalizes the Carbon, etc.)

##### Global Scope emissions CO<sub>2</sub>-EQ tonnes



##### % Global Scope emissions By Country



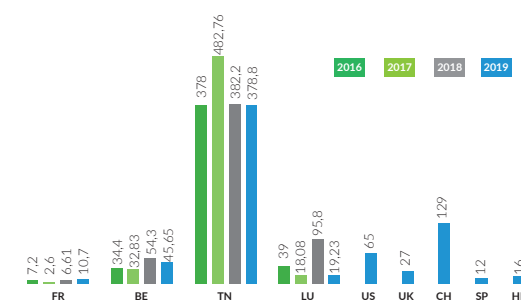
#### COMPARISON OF LEGAL SCOPE EMISSIONS

This fourth carbon assessment measured the impact of the action taken during 2019 and the progress still to be made in the future to reach the 8% decrease fixed in the global goal. This is also to consider the sources of emissions not taken into account this year, but possibly to be measured for the next years such as:

- Emissions associated with commuting (work -home travel) by launching an annual survey to collect data as was done in 2017
- Indirect emissions associated with inputs purchased other than paper (office automation, etc.)
- Emissions associated with web use (servers, desktops , laptops, etc.)
- Emissions associated with subcontracted activities

To conclude, as already mentioned in the previous reports, the "Carbon Intensity versus Workforce", that are considered key indicators and serve as a yearly reference to monitor the improvement for the group Carbon impact, show an encouraging enhancement that must be reinforced and strongly structured next years.

##### Comparison of legal scope emissions (energy co<sub>2</sub>-eq tonnes)



\* Global scope = Legal scope + emissions associated with professional transport (plane, train, car), excluding commuting home-work travel

\*\* Legal scope = emissions associated with fossil fuel combustion to heat premises (fuel oil, gas), electrical consumption of buildings and leaks of refrigerants from cold units



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To conclude, as already mentionned in the previous reports, the “Carbon Intensity versus Workforce”, that are considered key indicators and serve as a yearly reference to monitor the improvement for the group Carbon impact, show an encouraging enhancement that must be reinforced and strongly structured next years.

| CARBON INTENSITY                               |        | FY 2018 | FY 2019 | Reduction |
|--|--------|---------|---------|-----------|
| Global Scope Carbon intensity versus Workforce | GLOBAL | 3,03    | 2,87    | -5%       |
| Legal Scope Carbon Intensity versus Workforce  | GLOBAL | 0,68    | 0,5     | -21%      |

## 2019 AREAS FOR IMPROVEMENT

- Standardize the source data concerning business travel (especially air travel). For item 1, systematic reporting by transport providers is recommended to make the process more reliable.
- Continue to upgrade the skills of the referents of the newly integrated scope this year and ensure that the following data are properly taken into account: Refrigerant leaks and business travel.
- Carry out a global study making it possible to integrate home-work travel within the perimeter (excluded this year)
- Finally, take inspiration from the methodology proposed by Carbone4: “Net Zero Initiative” to engage VERMEG in an active system of contribution to planetary carbon neutrality.



On the group's global scope, the increase in emissions observed is entirely due to the new regions included in the scope, thus completing the EMEA region tracked historically. On the constant EMAE historical perimeter, a reduction in greenhouse gas emissions was observed, in particular due to a reduction in emissions from electricity consumption.

From a methodological point of view, the VERMEG group continues to improve the quality of the data collected thanks to the reliability of extra-financial accounting and the improvement of the indicator collection process through the information system integration launched end of 2019 end to be continued in 2020. ”

*Jean-Luc Dothée, Vertuel Director, CSR Board*

## SUB TARGET 4.3 HOME/WORK TRAVEL REDUCTION

The home - work travels, remain monitored even out of the carbon assessment scope, in order to reduce their impact. The analysis is carried out by using a Survey communicated to all the subsidiaries to compare local practices.

The results and the conclusions of the last Survey made end of 2017 that cover the EMEA scope highlighted the following main statements:



1. 57% of staff members completed the VERMEG Group's first home/work online survey which is a correct rate but should be improved for the next
2. Almost 5 MILLION KM have been estimated following this study on an average staff of 700 which confirm the importance of the emissions due to commuting
3. Very different practices between the countries require implementing various initiatives (e.g. 78% individual and collective taxi travel in Tunis, 85% public transport in Paris, almost only car travel in Brussel and Luxembourg).

| WORK HOME TRAVEL IN KM - EMEA REGION |            |          |           |           |
|--------------------------------------|------------|----------|-----------|-----------|
| PARIS                                | LUXEMBOURG | BRUSSELS | TUNIS     | GROUP     |
| 352 473                              | 548 290    | 297 193  | 3 621 557 | 4 819 514 |

Furthermore, the analysis of commuting result and the qualitative feedbacks from users, who were asked to suggest solutions to reduce the commute, identified 3 mains expectations:

1. The importance of developing car-sharing, particularly in Tunisia where the volume of rotations at midday made it necessary to find solutions encouraging the staff to lunch around the worksites in Tunis and proposing food corner inside VERMEG premises.
2. Promoting teleworking especially in countries where people live far such as Brussels and Luxembourg, and in other countries where public transport system is very weak such as Tunisia.
3. Incentives to use common transport also in Bruxelles and Luxembourg as already done in France (subsidize the monthly subscription Navigo ) and in Tunisia ( «VERMEG Bus" initiative in Tunisia remains very popular and the number of shuttles was increased again in 2019).

The next Survey for home work travel is postponed until the end of 2020 for the whole group including the new regions, and the periodicity of 3 years will be reduced through a yearly update to be able to integrate this in the scope of the annual Carbon Assessment.

## SUB TARGET 4.4 CARBON COMPENSATION PROGRAM

As VERMEG wants to do more in order to reduce its carbon impact, taking part and launching initiatives, to counterbalance its CO2 emissions by planting trees, was totally integrated in its strategical action plan since the first carbon assessment.

Therefore, with its aim of reaching zero environmental the planting tree operations launched around the city of Tunis in 2017 still continue for the third year, and similar actions are searched in the other countries where the group operates.

“

Aware that the effort to reduce our greenhouse gases will not be able to reduce our impact to 100%, we already initiated our first compensation actions with the aim of structuring a Compensation approach and a plan which covers all the countries where VERMEG's subsidiaries are located.”

Christelle VAN DEN BRANDE, CSR Ambassador Belgium



## OPERATION 1 GREEN PARKS PATRONAGE

Planting parks as part of “Mécénat Vert” program, which is a tripartite program launched by the Tunisian Environment Ministry with local authorities and companies to revitalize the urban parks that can no longer be maintained by the state.

Each company pledges to manage two parks for three years, so the first one for VERMEG is near the registered office in Le Lac1 business district and the second in a disadvantaged residential area in the Kram, opposite to Le Lac 3 district. For the two parks, VERMEG engaged its staff and specialist charities such as Gaia care farm and Acacias for All.

Furthermore, VERMEG hired a landscape company to be responsible for the maintenance services and to organize planting days for the third year.



## OPERATION 2 FIGHT AGAINST DEFORESTATION

Forest planting operation called “Green Boots”, that was launched by the NGO “Tunisian Association for Communication and Technology (TACT)”, with the state organism CRDA “Commissariat Régional au Développement Agricole”, to save devastated forests after natural or human damage (fire, etc.)

For the third consecutive year, VERMEG as a TACT’s founder member took part in this expedition involving the staff of more than 8 companies, that consisted of planting 1,000 trees in Zeldou forest near Testour the first year, then in Sejnane forest in the region of Bizerte, and finally the third edition “GREEN BOOTS 3” in Zaghouan forest launched this year with the ATR “Association Tunisienne des Randonneurs”.

The generalization of the CO2 emission compensation scheme remains a priority in the VERMEG road map, by prospecting for various and strong partnerships in Europe and elsewhere in the world (such as the partnership already studied with the association Acacia for All whose mission is to plant 1 million trees in southern Tunisia to combat desertification).

The implantation was again postponed, to be able to propose a global one including the new regions in the CSR main Goal 2020, as during 2019, VERMEG dealt with high priority business challenges.





## CHALLENGE 3

### Being a Leading, responsible and attractive employer

VERMEG's competitiveness and brand image have always been closely linked to our responsibility as an employer, because the quality of our products and added value of our services depend primarily on our staff.

Therefore, from the beginning we strongly decided collectively to meet the following social challenges with actions and results constantly demonstrating our concrete commitments in the following four areas:

- Occupational wellbeing
- Quality of positions offered to staff
- Non-discrimination and diversity
- Fair value sharing

The staffing of our Human Capital team continues also during 2019 to be strengthened, as recommended through the Beyond transformation project, to be able to meet this high challenge not only in Europe Middle East and Africa regions, but also in the new ones.



## TARGET 5 OCCUPATIONAL WELLBEING

Throughout 2019 VERMEG group maintained as previous years its effort and actions to ensure that every VERMEG staff member, in every country, is given ideal working conditions enabling them to be happy and fulfilled in the performance of their duties. For VERMEG's leaders, staff wellbeing in their day-to-day environment and roles is the best guarantee of bringing clients quality products and services..

### 2019 STRENGTHS

| OCCUPATIONAL WELLBEING |  |
|------------------------|--|
| 1622 K€                | Allocated over the period to improve the working environment in the ten countries (break areas, green spaces, comfortable and ergonomic furniture, etc.) |
| 120 K€                 | Budget for after-works team activities in addition to the Work Council team-building and Group team-building budget                                      |
| < 5 Day                | Average days of sick leave for the whole group which a maximum of 11 in 2 countries.   |
| 0                      | The number of work accidents leading to sick leave throughout the Group for the third year   |

### 2019 AREAS FOR IMPROVEMENT

| OCCUPATIONAL WELLBEING   |  |
|--|--|
| Information on occupational illnesses and work accidents deemed confidential by HR are still paper managed in the staff files (cf. List of legal recognized occupational illnesses by country) | Information on the number of evenings and weekends worked are still processed by local HR outside the information system |

## SUB TARGET 5.1 BETTER WORKSPACE

Offering a modern approach for workplace design to all employees became for VERMEG a must to create a good mood and boost productivity. Therefore the refining of all its existing offices, started when launching its program "Empowered by VERMEG", continues during 2019 with the same focus and action plan :

1. The optimization of all the premises, especially the new countries offices (London, Birmingham, New York, Madrid, Hong Kong, Singapore and Shanghai) according to the standards already applied:
  - Good situation in the best business centers, close to the major roads
  - Easy access by several means of transport
  - Large airy working area offering optimized working conditions
  - Workstations with ergonomic chairs and light, high-performance laptops
  - Proximity to quality food restaurants and cafés
  - Access to a canteen and cafeteria within the building shared with other companies when possible
  - Sociable break, relaxation and dining areas with modern and ergonomic furniture
  - Various entertainment in the break area such as bike desk, pool table, baby foot, video game consoles, Chess table, etc.
  - Green out door space when possible
  - Big plants and green decoration through plant frames and green walls



2. Moving some old offices to new buildings when current one cannot be modernized and upgraded (such as Paris, London, Shanghai)
3. Extending in some countries the already existing offices to give more space to current teams and support the group growth.

For example in Tunisia the 4 offices located in the best business area of the Berges de Lac (Biwa, Constance, Neuchatel and Malaren) too dense, so two new buildings were added during 2019, one in the Tunis capital in the new business area of Lac II and the other one in a more decentralized area around the touristic city of Sousse where quality of life is known to be more attractive than the capital one.

## SUB TARGET 5.2 MULTIPLYING WELFARE INITIATIVES

With the aim to increase staff wellbeing, VERMEG encourages the welfare initiatives suggested by the staff in addition to the legal ones.

Therefore in addition to the initiatives already existing that continue to be supported and generalized to new offices when possible, several new initiatives are launched and enriched every year through the CSR survey, the CSR ambassadors and the work councils members.

- Availability of organic fruit baskets in large working and relaxation areas on all sites
- Regularly hosting sales of organic and fair-trade products on the premises, including small businesses from disadvantaged areas as well as companies employing disabled workers or people reentering the job market
- Sponsoring some employees to organize sales booths in VERMEG premises but also in external fair events to promote their handmade works (painting, artisan jewelry and accessories, etc.) as part of VERMEG Got Talent program
- Giving the staff symbolic and usually fair-trade gifts on various occasions (organic product selection from Gaia care farm with personalized packaging and card in VERMEG Tunisia, homemade chocolate for Men day celebration in Luxembourg, rose gift for all VERMEG Women during International women day, local handmade artifact for end of the year gifts and guests visiting VERMEG premises, etc.)
- Encouraging birthday celebration, such as "anniversary of the month" day in VERMEG Brussels or the birthday parties by team's members in the open spaces in VERMEG Tunis, etc.
- Providing grinding grain machines or filter coffee machine for those who do not want to use coffee pods for healthy reasons
- Sponsoring 50% of the prices of all the drinks and food dispensers with the target to develop new partnerships to add more healthy products starting from next year
- Encouraging socialization and entertainment activities (breakfasts, cocktail parties, outings, after-work drinks, cultural show, games parties such as bowling game and "pétanque" game, etc.)
- Organizing on-site events during special occasions, including sometimes family members (Saint Nicholas celebration during Christmas in Brussels, National Day of Traditional clothes in Tunisia, World Cup match display, etc.)
- Allocating multiple Budgets for Team Building, to boost and diversify extra professional activities proposed by the Management, the Country Managers and the Work Councils (retreat WE or day with special animation and dynamic games, cooking courses, painting workshop, cultural visits, shows sponsoring, etc).

Among the new suggestions studied during 2019 and postponed to the next years:

- The team building travel to discover all together new countries and culture.
- Wedding and new born gift
- Studies awards and scholarship for employee's kids
- Provide a wall of expression in the premises to allow employees to leave message, quotes, photos, draw, etc. to share with their colleagues' various topics that create spontaneous and material exchange counterbalancing the virtual one through the social media



## SUB TARGET 5.3 PROMOTE HEALTHY PHYSICAL ACTIVITIES

Totally convinced of the huge benefits of being active and getting out for physical and mental health, VERMEG encourages employees to increase their sport activities and enhance their work life balance. This aim is to create a positive effect on employees mood, body, but also a great way to manage stress and to reduce the risk of developing later-life diseases.

Concretely, VERMEG supports and finances several sports through works councils. It also participates in sports events proposed by the CSR ambassadors to support various causes.

The sports-related initiatives started on previous years are of course maintained and reinforced during 2019:

- Sponsorship of sports committee to propose various activities according to employee expectations
- Participation in the Business League football tournaments, both in Tunisia and Morocco in 2018
- Participation in the third edition of the TACT Champions League Football Tournament, for the member companies of the ICT association
- Various intra-company sports tournaments such as Padel for women enlever still Foot for men
- Sponsoring of 50% sports subscriptions in various sports clubs around VERMEG offices. This This encourages and boosts the practice of sports at lunch time or after work in Tunisia but also in Paris and Luxembourg
- Regular sessions of Yoga and anti-stress in the premises of VERMEG
- Financing the participation of employees in foot races whose revenues are donated to NGOs such as the Smart Run in Luxembourg and “Les Foulées de Megara” semi marathon in Tunisia
- Sponsoring of 50% of membership in Hiking group “Association Tunisienne des Randonneurs”, to encourage discovering natural sites, camping in virgin beaches, mountains or lac areas, climbing hills, aquatic walking, etc.
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As expectations relating to occupational well-being evolve constantly, VERMEG continues to listen to the staff suggestions through bimonthly meetings with the ambassadors, CSR annual survey and also meetings with each country's Works Council members, to develop new original initiatives for the next years. Therefore, new suggestions were validated end of 2019 to be implemented during 2020 according to each country preferences:

- New trendy sports such as Cross Fit, Pilate, Climbing, etc.
- Mediation sessions and retreat
- Introducing some self-defense sports such as Jiu-jitsu, Kraf Maga, Kick Boxing ,
- Online sport sessions at least twice a week that are kept available for all employees who cannot attend physical or external sessions



Team Building New York



Child at work



Team building trip activity Luxembourg

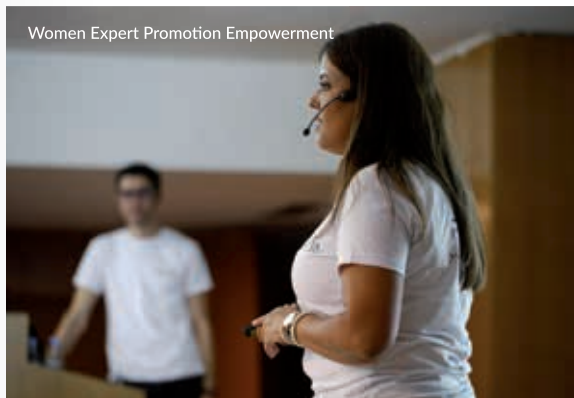


## TARGET 6 EMPLOYMENT QUALITY

Over the previous years, the executive Committee headed by the CEO of VERMEG, emphasized the importance of deploying new efforts in each country to better manage teams, increase talent, value and share experiences, increase efforts of training and thus deploy a responsible managerial model ensuring the development of each employee in his position.

Therefore, VERMEG made significant efforts to integrate the performance of the Human Resources function as a key success lever for VERMEG's transformation which led the group to get a label of Finest place to Work in Tunisia.

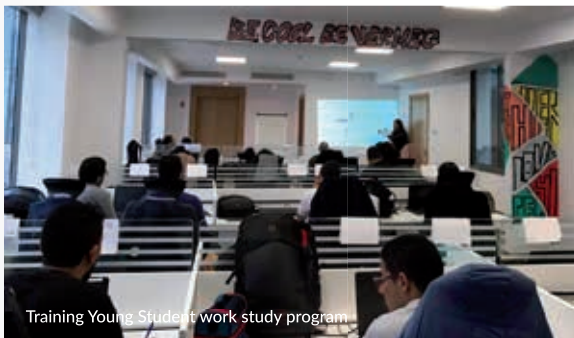
The group included in its strategy the periodic evaluation of its as employer and to expend this market recognition to other countries as soon as its growth is stabilized and its model becomes mature.



Women Expert Promotion Empowerment



Palmyra Day Eco Socio Design of Product Through Palmyra



Training Young Student work study program



Training Vermeg Academy New Joiner Welcom Session



Training The trainers



Training Young Student work study program



Palmyra Day 2



Training Young Student work study program



## SUB TARGET 6.1 CONSOLIDATION OF THE HR STRUCTURE

A reflection was launched about the Human Resources global and transversal role in the context of the whole worldwide group, and this reflection led to the conclusion of the necessity to identify its main strategic scopes and clearly distinguish them in the organization with a formal mission, goals, tasks and required skills.

The new global Human Resources structure approved by the Executive Committee, with the appointment of a single Group Head overseeing one Global Supervisor by each skills' area, was deduced from the following main functions.

### FUNCTIONS CONSOLIDATED AROUND THE HR STRUCTURE

Four main functions and three cross-disciplinary functions

| 1  | HUMAN CAPITAL MANAGEMENT  | 2   | TRAINING   | 3   | ADMINISTRATION  | 4 | CSR |
|--|---|---|--|---|---|---|-----|
| <b>CAREER MANAGEMENT</b><br>Skills profiles<br>Career paths<br>Talent management<br>Mobility | <b>RECRUITMENT</b><br>Recruitment pitches/<br>Employer brand<br>Headhunters/<br>partnerships<br>Turnover management | <b>VERMEG ACADEMY</b><br>Training modules<br>Training programs<br>Management<br>Management of service providers | <b>PAY &amp; SOCIAL</b><br>Pay<br>Social (paid leave, WC, etc.)<br>Legal | <b>Corporate HR Data</b><br>Centralization<br>Reconciliation<br>KPI         | <b>EMPOWERED By VERMEG</b><br>Initiatives<br>Annual report<br>Communication<br>Management |   |     |
| 5  | <b>ORGANIZATION AND PROCESSES</b>   |   |  | Organizational charts, job descriptions<br>HR processes<br>HR communication |   |   |     |
| 6  | <b>HRMS MANAGEMENT</b>  |   |  | Practical development<br>Online tools/templates                             |   |   |     |
| 7  | <b>MANAGEMENT OF THE HR STRUCTURE</b>   |   |  | HR Strategy<br>HR Economic Model<br>Dashboard                               |   |   |     |

In parallel to this structure, an HR Committee was launched at the group level, chaired by the CEO and led by the Chief Human Officer, to monitor the VERMEG's HR transformation.

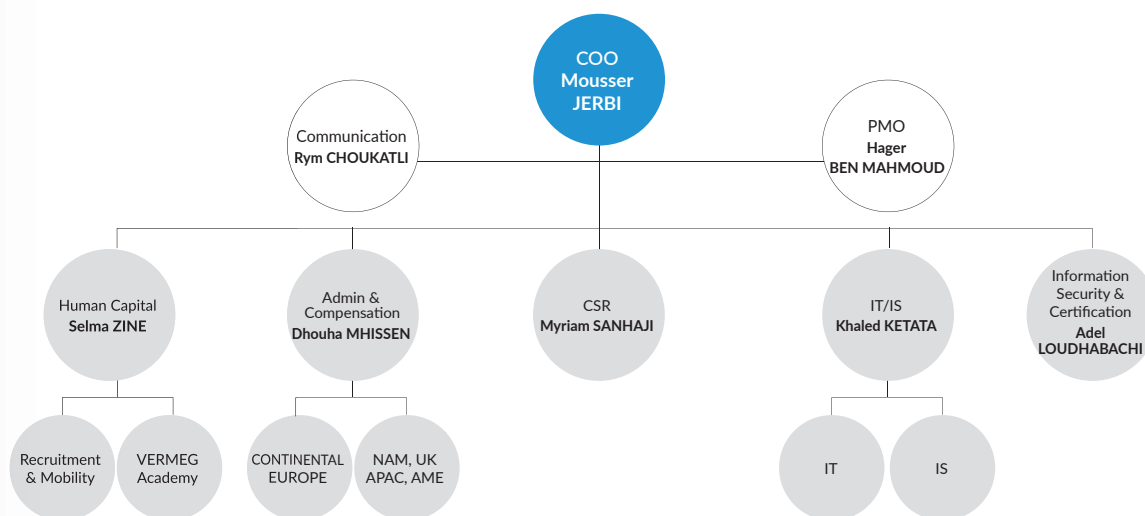
Furthermore, HR correspondents in each business line were designated, and the HR function managers report on the progress of their work to these correspondents regularly.

These structural reviews led to the following HR organization adjustments within VERMEG:

- Integrate the Human Resources as a part of Operations transversal structure, taking into consideration the cruciality of HR in the VERMEG business.
- Separate totally between Human Capital management and Administrative HR management as two main HR directions, in order to allow each one focusing on its huge challenges resulting from to the integration of the new regions and optimizing the HR process on the group global level.
- Include the VERMEG Academy as a part of the Human Capital management and not as a separate training center, due to the crucial role this entity plays in the career development plans, the succession plans and the knowledge transfer plans.
- Strengthen the HR management by creating opportunities for new director positions instead of manager ones, reporting directly to the group COO Mousser JERBI, acting also as the group CHO among the Executive committee.



## HR TARGET ORGANIZATION WITHIN OPERATIONS IN 2019



All this HR restructuring and reorganization efforts, made it possible to take quickly steps to many positive achievements among which:

- Better integration of employees upon their arrival in the company with the WELCOME program: it is during the embedding of newcomers that the company's DNA is communicated and the expectation of having employees empathic, tolerant, assertive with a broad cultural openness.
- Define attractive development opportunities with progressive career paths tailored to the position Define the requirements of key company positions in terms of responsibilities, expected results and necessary skills.
- Make Group practices consistent between the countries and business lines, in order to offer the same level and quality of positions according to skills and performance, irrespective of the project or roles.
- Clarify the need for joint training and training specific to each business line.
- Organize occasional coaching sessions on VERMEG premises (anti-stress, crisis management, etc.).
- Train the staff for advanced positions either in expertise or management, such as, consultant, project manager and manager.
- Structure mobility programs between the business lines, but also internationally to enlarge the staff's horizons.
- Reach more digitalization facilities as requested by the staff and the management, through various launched initiatives:
- A global HR dashboard for the whole group to better monitor the risks and opportunities. This was possible thanks to the generalization of the same HR System, HR Access, to all the countries by migrating and stopping specific ones (People Soft in UK and US, Sage Payroll in Tunisia, etc.). The publication and access to the first version of this dashboard, and the automation was granted Q2 2019.
- A Centralized recruitment platform accessible to applicants through the web site, HR members and managers from all the countries, early 2019.
- A HR Portal which is an Employee/Manager interface based on a guided process approach, an intuitive user interface, responsive/Mobile architecture, and employee self-service orientation accessible from any web browser, tablet or mobile phone that will replace the currently used application: HRIS Space.
- A Global Internal Documentation platform offering a unique, quick and multi devices access to the whole group; centralizing both the common doc and the specific ones by countries (policies, internal regulations, processes, employee hand books, etc.).
- A CSR Collaborative platform concentrating all "Empowered By VERMEG" program activities and news, with the plan to integrate it to the global Intranet when ready.

The positive impact of these achievements thanks to the HR rearrangement, can be reflected through the departure rate decreased in 2019 versus 2018 at the group level and also in Tunisia where, VERMEG's position remains amongst the companies with the better retention rate, despite the high turnover in ICT sector.



| RETENTION                |         | FY2018 | FY2019 | Decrease |
|--------------------------|---------|--------|--------|----------|
| Attrition Rate           | GLOBAL  | 25,4%  | 23,9%  | -1,4%    |
|                          | TUNISIA | 29,4%  | 25,8%  | -3,7%    |
| Regretted Attrition Rate | GLOBAL  | 21,4%  | 16,5%  | -4,9%    |
|                          | TUNISIA | 26,3%  | 22,5%  | -3,8%    |

Furthermore, staff commitment, which has always been vital to VERMEG's success, remains a key strength that boosts attractiveness to job applicants despite a very competitive environment due to the brain-drain that affects the ICT industry worldwide.

This enables the group to keep the same high recruitment trend than previous years, in many countries/regions such as Tunisia, APAC and LATAM, where business growth requires staffing.

| ATTRACTIVENESS               |           | FY2017 | FY2018 | FY2019 |
|------------------------------|-----------|--------|--------|--------|
| Recruitment over the periode | GLOBAL    | 181    | 330    | 537    |
|                              | TUNISIA   | 161    | 263    | 486    |
|                              | CHINA     | -      | 3      | 5      |
|                              | SINGAPORE | -      | 5      | 12     |
|                              | HONG KONG | -      | 1      | 4      |
|                              | BRAZIL    | -      | -      | 5      |
|                              | MEXICO    | -      | -      | 2      |

The improvement on the Stability of new recruits was also obvious during 2019, as enhanced globally and in almost all the countries, reaching even 100% in more than one, despite the volatility of ICT staff.

| NEW RECRUITS STABILITY        |                | FY2017 | FY2018 | FY2019 |
|-------------------------------|----------------|--------|--------|--------|
| Rate of recruitment stability | GLOBAL         | 84%    | 87%    | 95%    |
|                               | BELGIUM        | 67%    | 60%    | 100%   |
|                               | FRANCE         | 78%    | 100%   | 100%   |
|                               | LUXEMBOURG     | 100%   | 67%    | 75%    |
|                               | TUNISIA        | 84%    | 91%    | 96%    |
|                               | UNITED KINGDOM | -      | 60%    | 70%    |
|                               | UNITED STATES  | -      | -      | 100%   |
|                               | CHINA          | -      | -      | 100%   |
|                               | SINGAPORE      | -      | -      | 92%    |
|                               | HONG KONG      | -      | -      | 75%    |
|                               | BRAZIL         | -      | -      | 80%    |
|                               | MEXICO         | -      | -      | 100%   |

Despite these optimistic results, VERMEG does not overlook the risk of the brain drain, especially in the least developed countries. Therefore, in parallel with these structuring axes, the HR team used the studies' results and benchmarks, conducted with the management team in previous years, to implement creative and out of the box solutions.

New initiatives have thus emerged with a focus on the expectations of each employees segment, that are described in the sections below.





## SUB TARGET 6.2 A STRONG COMMITMENT TO STAFF TRAINING

VERMEG's strong commitment to training remains an essential resource to adapt to transformations, develop skills, facilitate professional development for our staff and therefore contribute to a more efficient company. Therefore, every year the Group continues to provide a significant amount of training within the VERMEG Academy to advance all company staff according to their needs.

The main training challenges have always been and remain :

- Successfully induct new recruits (welcome and integration)
- Train the teams in project management and service management (consulting soft skills)
- Increase the business expertise of teams (banking, insurance, digital transformation, etc.)
- Keep the technical expertise up-to-date taking into consideration the very fast technological evolution
- Strengthen management skills based on the manager coach approach
- Train internal instructors, coaches and mentors to leverage training capacities
- Use VERMEG Academy to leverage the employability in ICT sector

To reach these challenges and ensure the success of the planned actions, which were collectively decided in a worldwide context covering more than 10 countries, the VERMEG Academy reinforced its course catalogue by deploying advanced modern methods, which can reach a wider target and faster spread the knowledge transfer: e-learning, MOOC, virtual classrooms, and quizzes.

Some of the accomplishments VERMEG Academy repeats every year are:

- New Joiner Integration Program: 2-day integration sessions were organized each month in a hotel with an average attendance of more than 25 persons. The sessions were animated by VERMEG academy members, but also by experts and managers from business lines.
- Train the Trainers Programs: workshop sessions for all seniors and experts involved in internal trainings:  
The Consultant program: Launched in all the offices by HeadLink Partners, to harmonize and strengthen consulting soft skills levels according to the international standards and the client's high expectations.
- The manager Coach Program: The quality of management is a major lever for employee success, motivation and commitment in VERMEG. For this reason, the group positions the manager as the company's first HR contact and representative of the Group's Human Resources policy. As such, in July 2017, the Group rolled out a collective intelligence seminar with its senior executives to jointly define the objectives of VERMEG's transformation, and how to support the transformation of managerial postures towards more entrepreneurship, transversally and promoting talents and diversity. The first experimental seminar, after getting the adhesion of the participants (mix of directors and managers), were proposed on a larger scale to take stock of the transformation and ensure the implementation of these good practices over time. This seminar was followed by additional individual coaching program by external experts in leadership development (duration between 6 and 12 months).
- Reinforcement of the languages programs: With the group's expansion, new programs were launched in English as requested by NAM and APAC regions (partnership with Berlitz) and in Spanish and Portuguese as requested by LATAM countries (a partnership with Cervantes).
- Introducing Learning platforms: To enlarge its offer and promote online training, VERMEG Academy included in its catalogue access to external eLearning platforms:
  - Plural Sight: technology skills platform providing web development, IT certification and on demand training through +6000 courses, skill assessment and live mentoring.
  - Fit For Banking: digital learning on technical topics in Corporate as Investment banking, Private Banking and Digital Awareness.



- Implementing a Learning Management system for the whole group: Various tools to manage trainings were used by VERMEG Academy according to the business line and the region (HR Access, Confluence, Learn Upon, Intuition that includes Banking & Finance courses, Preply Languages platform, etc.). The choice was made to only keep Learn Upon, and to centralize all the training management on this LMS thanks to an integration of this tool with VERMEG global HR system, HR Access.

The year 2019 was explosive in term of training volume and cost increase, taking into consideration the massive launch by VERMEG of its new strategic "Work-Study program" in early 2019 with about 80 employees, and reaching around 400 at the end of year.

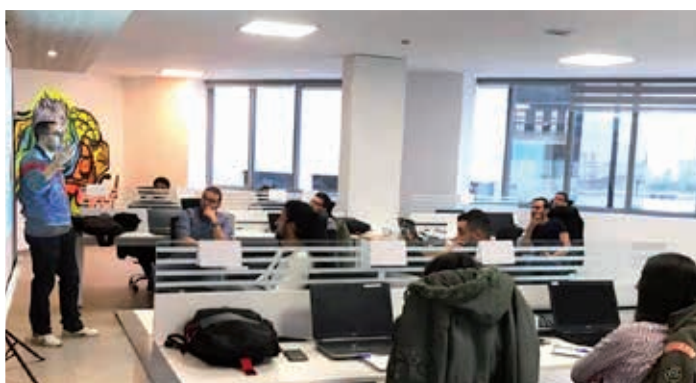
The impact of this strategic investment on the training figures are reflected in the KPI below.

| MASSIVE TRAINING STRATEGY                  | FY2017    | FY2018      | FY2019      |
|--|-----------|-------------|-------------|
| Training Cost                              | 520 580 € | 1 702 967 € | 3 415 027 € |
| Number of days training                    | 6 663     | 10 182      | 24 761      |
| Days given by internal trainers            | 994       | 493,9       | 1232,5      |
| % People trained (versus workforce flux)   | 88%       | 87%         | 67%         |
| Average Training Cost by Employee (EUR, €) |           | 2 287 €     | 2 847 €     |
| Training Budget Rate Versus Revenue        | -         | 2,1%        | 3,7%        |
| Training Budget Rate Versus Wage bill      | 1,8%      | 3,2%        | 5,9%        |

“

This huge investment, to enhance young people employability by offering support to education in a very competitive ICT sector where the market suffers from a lack of skills and resources, confirms VERMEG's engagement to contribute to the value creation on the territories where the Group operates, and to be a major player in sustainable development beyond its own growth, as a top-ten worldwide software publisher.”

Myriam SanHAJI, CSR Director VERMEG





## SUB TARGET 6.3 INTERNATIONAL MOBILITY TO ATTRACT AND RETAIN TALENTS

Since VERMEG's creation, international mobility has been strongly encouraged and valued as a skill to be developed. Employees from all countries travel to the Group's various offices and work on the sites of their clients' countries. Also new joiners are generally invited to travel to VERMEG academy headquarter in Tunis for the Welcome integration training session.

In addition, medium and long-term mobility programs have been set up to meet the clients' needs as well as employee requests. The proposed mobility formulas are adapted to the different contexts to ensure the best professional experience for the Group's employees: temporary assignment, secondment agreement, transfers, expatriation, etc.

Taking into consideration the new acquisitions, the mobility may slow down in order to be able to clarify the needs of each region according to the adjustments of the group organization.

A communication to all VERMEG announcing the return of the mobility program, is then sent through multi channels with the publication of open positions including opportunities in also new zone: New York, San Paolo, London, Singapore, Sousse, etc.

The application process is made with transparency on the HR System, through "My Mobility" space, where each employee can post its application and present its motivation. The HR with the business line and the country manager validate the retained candidates.

| MOBILITY OPPORTUNITIES      | SUB-INDICATOR       | FY2017 | FY2018 | FY2019 |
|-----------------------------|---------------------|--------|--------|--------|
| International mobility      | GLOBAL              | 32     | 18     | 17     |
| Mobility By Destination     | TO BELGIUM          | 2      | 3      | 1      |
|                             | TO FRANCE           | 25     | 13     | 9      |
|                             | TO SPAIN            | 4      | 0      | 1      |
|                             | TO UNITED KINGDOM   | -      | 1      | 2      |
|                             | TO UNITED STATES    | -      | 0      | 3      |
|                             | TO SINGAPORE        | -      | 1      | 1      |
| Mobility per Origin Country | FROM FRANCE         | -      | 6%     | 6%     |
|                             | FROM TUNISIA        | -      | 83%    | 71%    |
|                             | FROM UNITED KINGDOM | -      | 6%     | 12%    |
|                             | FROM SINGAPORE      | -      | 0%     | 6%     |
|                             | FROM AUSTRALIA      | -      | 0%     | 6%     |





## TARGET 7 FAIR VALUE SHARING

Sharing the value created by VERMEG staff has been important to the VERMEG Board for years, with the implementation of a legal structure «MANCO» enabling senior staff to hold a percentage of VERMEG's capital.

During studies to develop the materiality matrix, the leaders and CSR ambassadors asked to go even further. Therefore even more engaging initiatives, based on profit-sharing, incentives and employee benefits, that were measured in the previous year, were granted to confirm the staff crucial role in the group and also to fight against the brain-drain in the least developed countries:

- Increasing the comparative studies by the HR team on pay levels in each country to ensure that VERMEG provides appropriate levels of pay for all the positions in the company.
- Adjustment of pay policy based on setting clear and measurable targets taking into consideration local difficulties, including for example very attractive financial support available for staff in some countries, more generous restaurant vouchers than the legal ones for the staff in Tunis who struggle to access food service areas due to high inflation, etc.
- Launch VERMEG Car pack to enable young people living in areas which are not covered by public transport and VERMEG shuttles, to have their first car. This pack offers access to best car prices with automobile partners, better loan conditions also with bank partners, but also includes a partial subsidy by VERMEG of the personal contribution and the monthly reimbursement. All employees with at least 1,5 years in VERMEG, not in a probation period, and with a good appraisal result are eligible for this program. The success of this advantage was huge as the number of car packs granted, grow from 3 when it was launched in 2017 to more than 30 in 2019.
- Continue applying special pay raise for all staff in the countries where money devaluation was very important (i.e. in Tunisia the average rate superior to 12% while national increase rate is around 6%; Validation of a special compensation adjustment for Managers, equivalent to 30% of salary increase, in order to reduce the gap generated by the devaluation of the local currency compared to other countries where the group is present, etc.)
- Launching of a retention plan with specific incentives, equivalent to one year of salary, for all employees still in VERMEG In Two years.. Official communication by the CEO to all VERMEG was sent in January 2019 and confirmed by contract endorsement.
- Loyalty program to celebrate seniority at VERMEG ( 5years, 10, 15, 20...) through an award but also a discovery trip for two persons toward a choice of countries with strong cultural heritage.

| VALUE SHARING WITH STAFF            | FY2017   | FY2018   | FY2019   |
|-------------------------------------|----------|----------|----------|
| Average Compensation                | 43 965 € | 37 908 € | 43 908 € |
| Wage Bill versus Revenue            | 53,2%    | 66,1%    | 62,6%    |
| Training Budget Versus Revenue      | -        | 2,1%     | 3,7%     |
| Training Budget Versus Wage bill    | 1,8%     | 3,2%     | 5,9%     |
| Average Training Cost by Employee   | -        | 2 287 €  | 2 847 €  |
| % Company capital held by the staff | 5%       | 5%       | 5%       |





## TARGET 8 DIVERSITY INCLUSION AND NON-DISCRIMINATION

Based on the principle of Equal Opportunities For all, VERMEG remind in its CSR Charte but also its Code of Conduct the importance of diversity, inclusion and non-discrimination.

Internally, as long as the candidate or the employee carry the Company three values, "Authentic- Committed – Ingenious", and her/his skills meet the jobs requirements, her/his position is granted and protected regardless any consideration. Furthermore, some positive discrimination programs are conducted with the HR committee to reinforce diversity and inclusion in work place.

Externally and especially in the cities and communities where VERMEG can have an impact, the group support multiple activists and NGO carrying out various nondiscrimination and inclusion causes to enlarge the maximum its scope, through the following actions communally adopted in the different countries and empowered by the top management:

- Take part in the public debate to first of all, establish the legal framework protecting from discrimination when missing, secondly strengthen the application of this framework and thirdly change mentalities (as VERMEG is often approached as a company to testimony on her position internally as employer, but also on her position in the territories as a CSR player)
- Make VERMEG people to take part to this public debate (through kind of internal workshop, or webinar) to listen their feeling and option, collect their ideas, make their mentalities evolve if necessary and push them to act as ambassador of these causes too through their volunteering.
- Establish partnerships with the associations to offer them sponsoring, that could be legal, financial, logistical or volunteering.
- Keep a continual eye on the best practices through a market watch ensured by the CSR ambassadors globally and in each country in order to benchmark them and Launch minority support programs (i.e. with HR Team for positive discrimination recruitment / promotion, with the Finance department for solidarity purchase program, with Communication and Publica Relation service to launch campaign, etc.)



### SUB TARGET 8.1 STATEMENT OF EQUAL EMPLOYMENT OPPORTUNITY (EEO)

VERMEG applies to the Corporate Equality Index Survey since 2017 to be recognized as an employer meeting the requirements of US federal law as enforced by the Equal Employment Opportunity Commission. Its application was approved and VERMEG was the only non-American company to gain that official recognition.

Actions taken as part of the evaluation include the official publication on the VERMEG website of its "Equal Opportunities in Employment Statement", which was ratified by the Board and warmly welcomed by internal and external stakeholders.

VERMEG has since included its statement in its job adverts to attract all competent candidates for its vacant positions, without exclusion based on race, color, ancestry, ethnic origin, sex, pregnancy, sexual orientation, gender expression, civil status, age, religion, political convictions, social status or disability.

#### EQUAL OPPORTUNITIES IN EMPLOYMENT STATEMENT

VERMEG is committed to creating a diversified environment and is proud to be an equal opportunity employer for all qualified individuals. Our Policy prohibits discrimination in employment without distinction, exclusion, or preference based on race, color, ancestry, ethnic origin, sex, pregnancy, sexual orientation, gender expression, civil status, age, religion, political convictions, social status or disability. All staff actions, including, but not limited to, pay, benefits, transfers, and lay-offs are based on the principle of equal employment opportunities.

[www.vermeg.com/empowered.html](http://www.vermeg.com/empowered.html)

To disseminate this statement, training and awareness sessions about "Inclusion in workplace" with external experts, were organized for all the Executive Committee members and also for all the Directors and animated by an external specialist. Same sessions are planned annually in each country for a larger audience, as follows:

- First sessions for the managers country by country
- Second sessions for all employees



Thanks to the new subsidiary in New York, VERMEG was able to apply for the Best Place to Work for LGBT Equality Label, that evaluates LGBTQ-related policies and practices including non-discrimination workplace protections, domestic partner benefits, transgender-inclusive healthcare benefits, competency programs, and public engagement with the LGBTQ community. The target is to be part of the top-scoring companies CEI that are not only establishing policies to affirm and include employees in the United States, but they are also applying these policies to their global operations and impacting millions of people all over the world. For the third year in a row VERMEG was awarded this Best Place to Work for Equality Label, and is proud to take part of this cause that not only concerns the US, but also the other countries where the group operates.



The impact of the Human Rights Campaign's Corporate Equality Index over its 18-year history is profound. In this time, the corporate community has worked with us to adopt LGBTQ-inclusive policies, practices and benefits, establishing the Corporate Equality Index as a primary driving force for LGBTQ workplace inclusion in America and across the globe.

These companies know that protecting their LGBTQ employees and customers from discrimination is not just the right thing to do -- it is also the best business decision. In addition, many of these leaders are also advocating for the LGBTQ community and equality under the law in the public square. From supporting LGBTQ civil rights protections in the US through HRC's Business Coalition for the Equality Act, to featuring transgender and non-binary people in an ad in Argentina, to advocating for marriage equality in Taiwan -- businesses understand their LGBTQ employees and customers deserve to be seen, valued and respected not only at work, but in every aspect of daily life.



*Alphonso David HRC President*



## SUB TARGET 8.2 EQUALITY BETWEEN MEN AND WOMEN

VERMEG continues its efforts to promote gender diversity and professional equality between men and women, and create the conditions for true fairness at all stages of working life:

1. Women Recruitment

2. Women Retention

3. Women Promotion

Fighting for this cause never ends, even during growth periods, therefore basic and essential goals for non-discrimination between men and women have been set very early by the group founders, and reconducted year after years regardless of the expansion, , the organization and the management changes. These goals are even more highlighted by Top management in all occasions (corporate events, executive committees, Chairman speech, public intervention, management meetings, etc.) to prevent against any discrimination risk and regression, that could occur, especially during crisis periods.

### GENDER EQUALITY ESSENTIAL GOALS

- Enhance the women recruitment and retention to reach gender parity
- Empowering Women by implementing the Women's Empowerment Principles (WEPs)
- Promote professional development of women via access to senior and key positions
- Implement solutions to enable a fair Work-Life balance
- Provide equal pay for men and women
- Train the staff, managers and leaders to address micro-discrimination
- Develop diversity intelligence for both men and women
- Understand and ban stereotypes, particularly through targeted internal communication

The company has been recognized for years for its pivotal role promoting gender diversity in the MENA region and its efforts to facilitate the life of female staff.



This role was boosted again through its partnership with the GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit ) that started in 2015 as part of its "Work-Life Balance" project, which was launched in the framework of the EconoWin program "When Women Work, Economies Win" with a very ambition action plan.

| AXIS Communicate on the Gender Diversity (GD) and the project to boost best practices in other companies                       |          |  |
|--|----------|--|
| <b>Module 1:</b><br>Facilitate reconciliation of family and professional life to build loyalty among parents, especially Women | Effort 1 | Institutionalize a flexible schedule / working from home system.   |
|  | Effort 2 | Train employees and managers on the new flexibility system and make them aware of performance and benefits.                                    |
|  | Effort 3 | Sponsor special hours agreements with nurseries, kindergartens and summer clubs around the offices   |
|  | Effort 4 | Sponsor a network of nannies to ensure the care of children in case of a specific needs especially for women coming back from maternity leaves |
|  | Effort 5 | Install a catering support with take-out meals by employees in the evening, for themselves and their families                                  |
| <b>Module 2:</b><br>Retain women new recruits and long-term employees  | Effort 1 | Promote the long-term career path and evaluation process for Women.  |
|  | Effort 2 | Establish a mentoring system for young women by senior ones  |
|  | Effort 3 | Launch a coaching system to deconstruct stereotypes and psychological resistance.  |
| <b>Module 3:</b><br>Communicate on the GD and the project to boost best practices in other companies                           | Effort 1 | Formalize and communicate the GD strategy as well as a GD charter.   |
|  | Effort 2 | Position VERMEG as a model company in terms of GD internally and externally  |
|  | Effort 3 | Develop a GD and retention Dashboard in a participatory manner and use it for decision-making and GD communication.                            |

Many achievements to balance family and working life were reached and have even been joined continually by new initiatives, mainly described below:

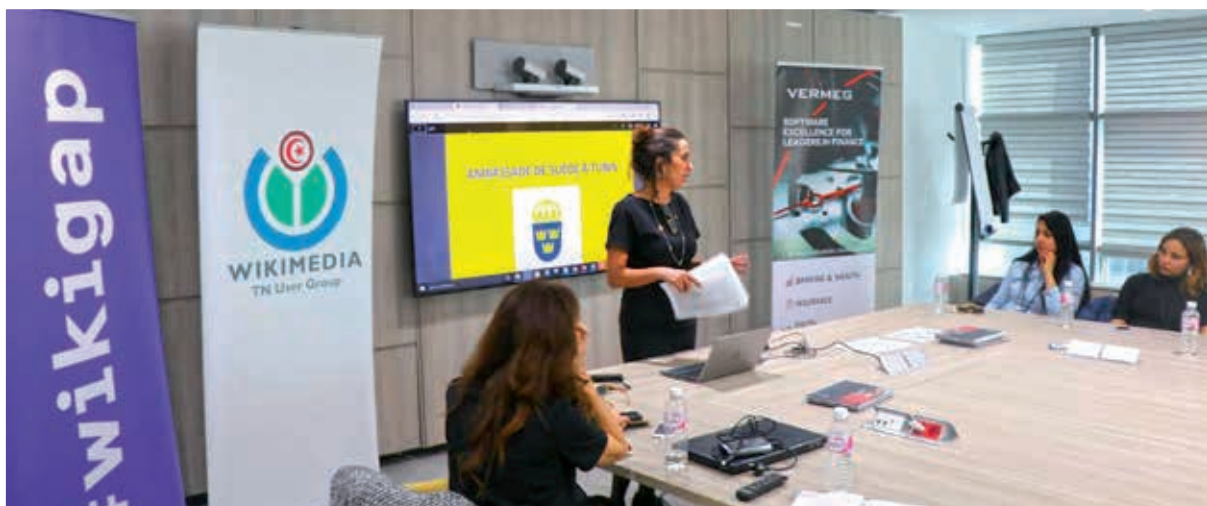
- Flexibility Policy implementation, even on the HR system, since 2016 with Flexible hours, Teleworking and Partial time
- Training and support for managers on the flexibility policy with the development of reduced hours and teleworking, but also in terms of organizing the work and accommodating the demands of parenthood
- Formal monitoring when mothers return from maternity leave to offer special support ( such as «new mom» initiative offering night help during the 2 first weeks, assistance and advices through internal moms community, etc.)
- Sponsoring a kindergarten to open close to VERMEG with flexible hours and subsidize 50% of fees by child, which enables parents to have their children near their work place and occasionally let them there after usual working hours, taking into consideration the challenging projects in ICT sector
- Awareness sessions for the staff with external experts about the importance of male/female equality in the workplace
- Celebrating International Women's Day and local equivalents (i.e. engaged event with female-led NGO in VERMEG premises, symbolic gifts bought from ongoing fair-trade businesses, run by women in order to remind that the challenge for their empowerment is still ongoing, etc)
- Greater emphasis placed on hiring young women graduates but also experienced women as their contribution to the IT sector has been widely proved, even in countries where women in the IT sector is becoming very rare (i.e. France and Belgium)
- Coaching for women in management positions, addressing in particular the rights of women in the workplace, the progress to safeguard and the actions needed to reduce inequalities in the business sector
- Workshops on diversity intelligence and non-discrimination during the induction of new staff members to stress the importance of the issue for VERMEG's Board and highlight the inclusion
- Reinforcing the partnership with GIZ by taking part in all new programs ( Gender Diversity Circulator which brings together the companies seen as successes in gender diversity to share experiences and benefit of new solutions, Women Talent program to address best engineering and business students before their graduation to empower their leadership and better prepare them for the professional word, etc.)
- New partnership with women NGOs, such as the association FACE against exclusion and for female empowerment in regions other than the big cities, which led to the organization of a female recruitment day, training seminar on basic soft skills to enhance employability of newly-graduated women.



“The GD Circulator is a global exchange platform with 40 companies already selected from Europe, the Middle East and North Africa. Connecting companies both regionally and globally creates the potential to collaboratively enhance the economic and political relevance of GDM. The GD Circulator boosts know-how and strengthens networks on Gender Diversity Management.

MENA and Europe will be represented by key actors from the private sector, political entities and civil society to lay out the way ahead to boost female employment in the MENA region and Europe.”

<https://econowin.org/#>



International Women Day reminding high challenges for Gender Diversity



Since the launching of “Empowerd By VERMEG” program and to better structure its initiative as indicated in its Gender Diversity action plan, VERMEG included in its annual report some KPI's comparing the situation of women and men in the company, to highlight changes and evolutions.

The initial dashboard showing the positive results already achieved is updated periodically and presented again to the staff representative bodies, is now includes all regions and all the stages of the women working life.

- Women Recruitment: The women parity continues to be increased for the third year even the percentage of women recruitment is still under the men one.

| WOMEN PARITY                    |         | FY2017 | FY2018 | FY2019 | Variation |
|---------------------------------|---------|--------|--------|--------|-----------|
| Gender Diversity: % Female      | GLOBAL  | 37,0%  | 37,7%  | 38,1%  | 0,4%      |
| % Female recruitment            | GLOBAL  | 37%    | 42%    | 39%    | -2%       |
| % Female repartition by Country | TUNISIA | -      | 66,6%  | 77,1%  | 10,5%     |

- Women retention and global stability are improving in comparison to men's rates, especially in the countries below where the proportion of women departure is clearly lower.

| WOMEN RETENTION            |                | FY2019 |
|----------------------------|----------------|--------|
| Women Departure Versus Men | GLOBAL         | 40%    |
|                            | BELGIUM        | 36%    |
|                            | FRANCE         | 38%    |
|                            | TUNISIA        | 44%    |
|                            | UNITED KINGDOM | 27%    |
|                            | UNITED STATES  | 22%    |
|                            | SINGAPORE      | 43%    |

- Women Promotion has obviously enhanced as the HR committee stressed its importance during the appraisal process. This progression is recorded at almost all levels, except for the executive and board ones, where it is becoming critical. Therefore, for the new high-level open positions, women's applications will be privileged for the same level of skills.

| WOMEN PROMOTION                |                                  | FY2017 | FY2018 | FY2019 | Variation |
|--------------------------------|----------------------------------|--------|--------|--------|-----------|
| Women in management versus men | GLOBAL                           | 28,6 % | 24,4%  | 36,0%  | 11,6%     |
|                                | Women at Senior Level            | -      | 32%    | 35%    | 2%        |
|                                | Women at Manager level           | 17%    | 20%    | 21%    | 1%        |
|                                | Women at Director level          | 17%    | 10%    | 14%    | 3%        |
|                                | Women in the Executive Committee | 14%    | 14%    | 9%     | -5%       |
|                                | Women in the Board               | 25%    | 25%    | 25%    | 0%        |

- Women Salary gap is reduced in almost all the countries, as decided and communicated by the HR Committee to the management following the alert generated by the compensation analysis of the last appraisal results. Furthermore, there is still a focus on the important salary gap for the manager position, where VERMEG needs to apply more equity.

| EQUAL PAY                              |            | FY2017 | FY2018 | FY2019 | Variation |
|--|------------|--------|--------|--------|-----------|
| Gap of Average salary women versus men | BELGIUM    | 93%    | 60%    | 69%    | 8%        |
|  | FRANCE     | 93%    | 76%    | 88%    | 12%       |
|  | LUXEMBOURG | 62%    | 78%    | 72%    | -7%       |
|  | TUNISIA    | 68%    | 62%    | 69%    | 7%        |



## SUB TARGET 8.3 INTERGENERATIONAL WORK PLACE

VERMEG, like all technological companies, is happy to encourage the recruitment and retention of young people under the age of 25 bringing innovative and creative new spirits among the teams, therefore numerous job offers continue for them every year. However, the company is also committed to taking every opportunity to recruit staff over 55, depending on requirements and their expertise.

| INTERGENERATIONAL RECRUITEMENT                 | FY2017 | FY2018 | FY2019 |
|--|--------|--------|--------|
| Senior recruitment >55                         | 0%     | 2%     | 1%     |
| Recruitment between 25 and 55                  | 62%    | 82%    | 56%    |
| Young recruitment =<25 & first-time jobseekers | 34%    | 16%    | 42%    |

The representativeness of senior people is enhanced thanks to the integration of new subsidiaries in 2018 but also the recruitments of new senior people in various offices. During 2019, the huge recruitments of young people in Tunisia impacted the global rate, but it remains almost the same in the other countries.

| SENIOR PRESENCE | FY2017 | FY2018 | FY2019 |
|-----------------|--------|--------|--------|
| GLOBAL          | 0,9%   | 4,0%   | 2,6%   |
| BELGIUM         | 4,3%   | 11,5%  | 11,6%  |
| FRANCE          | 1,6%   | 3,9%   | 5,6%   |
| LUXEMBOURG      | 0,0%   | 3,7%   | 1,9%   |
| TUNISIA         | 0,6%   | 0,5%   | 0,4%   |
| UNITED KINGDOM  | -      | 14,3%  | 13,0%  |
| UNITED STATES   | -      | 27,0%  | 27,3%  |
| HONG KONG       | -      | 8,9%   | 8,3%   |
| BRAZIL          | -      | -      | 25,0%  |

## SUB TARGET 8.4 MULTICULTURALISM

VERMEG is always enthusiastic to share its humanistic values as well as its expertise and to spread the spirit of «World citizen» in each member. Therefore, it promotes multiculturalism and encourage recruiting a wide range of nationalities in all the countries where the group has offices.

| CULTURAL DIVERSITY      |                | FY2017 | FY2018 | FY2019 |
|-------------------------|----------------|--------|--------|--------|
| Number of Nationalities | GLOBAL         | 12     | 24     | 35     |
|                         | BELGIUM        |        | 7      | 4      |
|                         | FRANCE         |        | 8      | 5      |
|                         | LUXEMBOURG     |        | 9      | 8      |
|                         | SPAIN          |        | 2      | 2      |
|                         | TUNISIA        |        | 10     | 7      |
|                         | UNITED KINGDOM |        |        | 13     |
|                         | UNITED STATES  |        |        | 7      |
|                         | CHINA          |        |        | 3      |
|                         | SINGAPORE      |        |        | 10     |

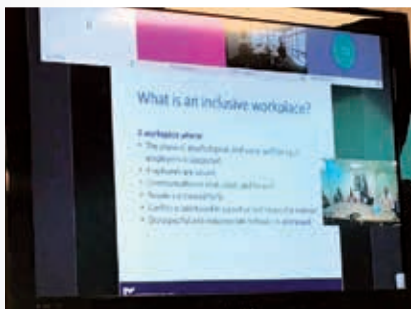
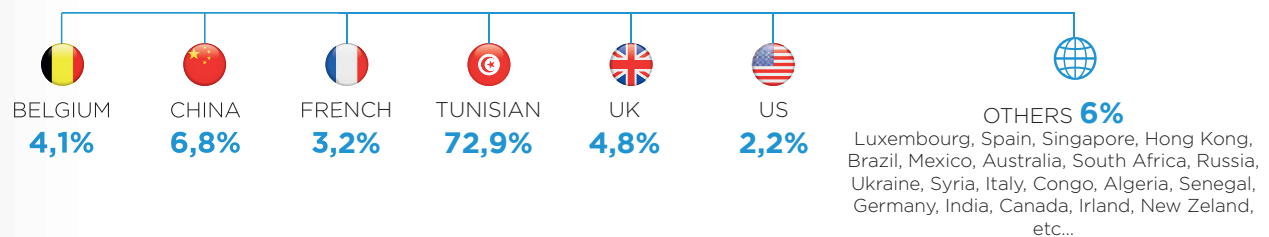


VERMEG that used to encourage hosting overseas students from all countries through spontaneous applications or partnerships with associations such as AIESEC (interns from Greece, Mexico, Brazil, Malta, Ukraine, US, etc.) and IAESTE (interns from India, Japan, etc.) will reactivate its network in the new countries.

Furthermore through the CSR ambassadors or the work council members various cultural celebrations are held each year in the offices, such as traditional day in Tunisia, Chinese day in UK, Saint Nicholas Day in Luxembourg and Brussels, Noel celebration in Paris, etc.

## CULTURAL DIVERSITY

35 Nationalities





## 2019 AREAS FOR IMPROVEMENT AS LEADER EMPLOYER

All these efforts to improve employment conditions, which have been ongoing for years to remain a leading, responsible and attractive employer internationally, gave VERMEG the honor of being crowned Top Employer in Tunisia. The distinction was awarded as part of an International Top Place to Work program in 2018, where many companies took part.

For each participating company, a large sample of staff were asked to complete a very detailed survey. For VERMEG:

- The survey was conducted via two questionnaires, one emailed to HR and the other to a wide sample of staff
- More than 80% of employees were interviewed (around 500), with a return rate of 52%.

### THE EIGHT SECTIONS OF THE QUESTIONNAIRES



“

The initiative, which is organized by the American institute Best Companies in several countries around the world, recognizes companies that provide the best working environment and can attract and retain their staff. In today's market, being an attractive employer isn't just a good thing, it's a necessity. Staff commitment can influence attractiveness, retention, output and performance. Therefore, this certification is only given to companies that meet the highest standards of excellence in working conditions.”

*Program Manager, Best Places to Work in Tunisia <http://www.meilleuremployeurentunisie.com>*

After the survey result, improvement areas were identified for each section. VERMEG is of course continuing to analyze them and planning their implementation with the aim of extending participation to other subsidiaries including the new regions.

The label generalization was postponed to 2020. As explained in previous the report, following the last acquisition additional time is required to analyze expectations collected through various sources in the new countries and to run improvement actions before launching any certification of Best Working Place.

In a meanwhile, new feedback sources were analyzed among which:

- **Peakon**, the world's leading platform for measuring and improving Employee Engagement deployed in VERMEG UK, US and APAC countries. The rating was raised from 6 to 6.4 while the ICT market sector rating is about 7.8. The diagnostic by segment and the various comments were used to launch first quick win actions with the new CSR ambassadors in these regions
- **Glassdoor**, the international website, where current and former employees anonymously review companies essentially relating to their management and culture. VERMEG rating was raised to the score 4 in 2019 with the following sub ratings:



# Top Place To Work



United Nations  
Global Compact



“

We are very proud to be one of the Best Places to Work for LGBTQ Equality in 2019, as inclusion is the pillar of our Equal Employment Opportunities strategy and employee well-being.

VERMEG Group's CSR commitment, has been embedded in the company's DNA since its foundation and we work to spread this spirit in all the countries where we operate.

Therefore, as expected by the HRC group from the top-scoring companies of this year's CEI, VERMEG is not only establishing policies that affirm and include employees here in the United States, but we are committed to apply these policies to our global operations and impacting millions of people beyond our shores.”





# CHALLENGE 4

## Equality in the regions

One of the major new initiatives related to Equality in regions, was the implementation of a volunteering policy at the whole group level, as requested during the CSR Challenge, which demonstrated that VERMEG staff wanted to contribute to initiatives benefiting various causes that affect the regions.

The policy gives every employee who wants to participate in a CSR initiative, whether initiated by VERMEG or by an approved external organism, the opportunity to volunteer for half a day.

A system allowing staff to donate their half day to their colleagues in case they cannot take it, which was proposed by the



### VOLUNTEERING POLICY

Beginning of January 2018, VERMEG has added a volunteer time off policy to our list of employee benefits

Empowered  
by VERMEG

### ANNEX 3 - LIST OF VALIDATED ORGANISM

This list is validated by the CSR Comitee and updated every year by adding or removing new according to the suggestions received from VERMEG members.

| NGO   | Description  | BE | FR | LX | TN |  |  |  | Website                     |
|---|--|----|----|----|----|--|--|--|-----------------------------|
| WWF   | An international non-governmental organization for the protection of nature and the environment, with a strong commitment to sustainable development.                | x  | x  | x  | x  |  |  |  | wwf.org                     |
| SOS VILLAGE   | An association that offers orphaned siblings a framework for family life and the assurance of a lasting emotional and educational relationship until their autonomy. | x  | x  | x  | x  |  |  |  | sosvill.org                 |
| EFE   | An affiliated network of locally-run non-profit organizations in the middle east & north africa (mena)   | x  | x  | x  | x  |  |  |  | efe.org                     |
| AFS   | Prepares and activates future leaders, global citizens with intercultural skills to engage, lead and collaborate effectively in different cultural settings.         | x  | x  | x  | x  |  |  |  | afs.org                     |
| CRON ROUGE  | An international humanitarian movement that protects human life and health. To ensure respect for all human beings, and to prevent and alleviate human suffering.    | x  | x  | x  | x  |  |  |  | redcross.org                |
| MÉDECINS SANS FRONTIÈRES                              | An international humanitarian non-governmental organization best known for its projects in war-torn regions and developing countries affected by endemic diseases.   | x  | x  | x  | x  |  |  |  | msf.fr                      |
| GREENPEACE  | An ngo of environmental protection fighting what it believes to be the greatest threats to the environment and biodiversity on the planet.                           | x  | x  | x  | x  |  |  |  | greenpeace.org              |
| FACE  | Promotes the social and societal commitment of companies to combat all forms of exclusion, discrimination and poverty.   | x  | x  | x  |    |  |  |  | fondationface.org           |
| RESTOS DU CŒUR  | Distributes free food to the most deprived people.   | x  | x  |    |    |  |  |  | restosducoeur.org           |
| HOPITAL SANS FRONTIÈRE                                | A humanitarian organization set up within rotary international to rehabilitate and equip the poorest health centers in the world.                                    | x  | x  |    |    |  |  |  | hst.be                      |
| SOS FAM   | An organization whose general objective pursued by sos fam is to reduce poverty in rural areas by supporting peasant agriculture and its actors.                     | x  | x  | x  |    |  |  |  | sosfam.be                   |
| RESEAU ENTREPRENDRE                                   | An association of business leaders under the motto: "to create jobs, create employers". It has developed an international presence in 10 countries.                  | x  |    | x  | x  |  |  |  | ressau-entreprendre.org     |
| MAISON DU MEUBLE RECYCLÉ                              | Protects the environment by collecting old wooden furniture and by recycling them.   | x  |    | x  |    |  |  |  | maisondumeublerecycle.lu    |
| MOUVEMENT ÉCOLOGIQUE                                  | Focuses on sustainable development, safeguarding a healthy and liveable nature and environment, improving the quality of life.                                       | x  |    |    |    |  |  |  | meco.lu                     |
| CENTRE POUR LA PROMOTION DES ARTS (CPA)               | An organizations that enhances teaching methods by focusing on creativity and art and implement continuous training of artistic techniques.                          | x  |    |    |    |  |  |  | cpa.lu                      |
| LIGHT FOR THE WORLD                                   | Its objectives are to combat blindness, improve the quality of life of blind persons and their families and defend their rights in the most disadvantaged countries. | x  |    |    |    |  |  |  | light-for-the-world.org     |
| VIADON BOSCO  | An ngo active in education, training and employment support for young people in africa.  | x  |    |    |    |  |  |  | viadonbosco.org             |
| AVAAZ   | An international non-governmental organization of cybermilitantism.  | x  |    |    |    |  |  |  | Avazaz.org                  |
| PETITS FRÈRES DES PAUVRES                             | Its activity is the personal accompaniment of isolated people who are living difficult psychological situation whether in collective accommodation or hospitals.     | x  |    |    |    |  |  |  | petitsfreresdespauvres.fr   |
| SECOURS POPULAIRE FRANÇAIS                            | A non-profit association whose mission is to act against poverty and exclusion.  | x  |    | x  | x  |  |  |  | secourspopulaire.fr         |
| COAL  | An association that works on sustainable development and research in order to promote the emergence of a culture of ecology.   | x  |    |    |    |  |  |  | projetcoal.org              |
| CŒUR ET CONSCIENCE                                    | Association working in the field of education and health.  | x  |    |    |    |  |  |  | coeursetconscience.org      |
| ARMÉE DU SAUT   | Association fighting against all forms of exclusion.   | x  |    |    |    |  |  |  | armeedusaut.fr              |
| GERES   | An association committed to improving the living conditions of populations and the preservation of natural resources.  | x  |    |    |    |  |  |  | geres.eu.fr                 |
| AGIR POUR L'ENVIRONNEMENT                             | An association of citizen mobilization in favor of the protection of the environment.  | x  |    |    |    |  |  |  | agirpourl'environnement.org |
| FRANCE NATURE ENVIRONNEMENT                           | A federation of associations for the protection of nature and the environment, representing 3,500 associations, grouped in 80 member organizations.                  |    |    | x  | x  |  |  |  | frn.asso.fr                 |
| FONDATION TUNISIE POUR LE DEVELOPPEMENT               | Designed to promote and support the economic and social development of the tunisia whether by direct action or in partnership with institutions.                     | x  | x  |    |    |  |  |  | fondationtunisie.org        |
| LA FONDATION DE L'ABBE PIERRE                         | Its mission is to enable every deprived person to access decent housing and a dignified life, irrespective of the amount of his resources and his social situation.  | x  |    |    |    |  |  |  | fondation-abbepierre.fr     |
| VERMECT   | Association for children created by VERMEG.  | x  |    |    |    |  |  |  | vermeg.com                  |
| GAIA  | Committed to preserving the right of hip by providing them with appropriate care through a personalized therapeutic and educational follow-up program.               | x  | x  | x  |    |  |  |  | ftb-gaia.com                |
| TUNISIAN ASSOCIATION FOR COMMUNICATION AND TECHNOLOGY | A non-profit organization devoted to the advancement of the ict sector in tunisia and to the development of the employability of graduates.                          | x  | x  | x  |    |  |  |  | facebook.com/TACT           |
| ACACIAS FOR ALL                                       | Cares about climate change adaptation for rural populations awareness campaigns/training for farmers adaptation/reforestation program.                               | x  |    |    |    |  |  |  | facebook.com/acaciasforall  |
| TUNISIAN CULTURE NETWORK                              | An association that works on the cultural development and the artistic decentralization through projects in favor of the youth and the artists.                      | x  |    |    |    |  |  |  | culturenetwork.tn           |
| LA FÉDÉRATION TUNISINNE DES CINÉ CLUBS                | Deals with dissemination of the cinematographic culture through discussions, conferences and cinematographic events.   | x  |    |    |    |  |  |  | ftcc.org.tn                 |
| LART RUE  | Invests in public space and working to promote access to culture and the democratization of the arts.  | x  |    |    |    |  |  |  | lartnue.com                 |
| L'ARTISTE TUNISIEN SANS FRONTIÈRE                     | The association actively promotes the tunisian artists internationally, helping them to follow the right spots in order to expose                                    | x  |    |    |    |  |  |  | art-sansfrontieres.com      |





## TARGET 9 CONTRIBUTING TO ECONOMIC DEVELOPMENT IN THE REGIONS

Making VERMEG staff aware of the realities of unequal opportunities is relevant for teams at all hierarchical levels, as proven by the numerous initiatives launched and repeated for many years.

Although already expansive, the initiatives have been extended with actions that demonstrate that they are no longer limited to Tunisia but a requirement in all countries where VERMEG operates to support national systems reducing the various gaps on their territories.

| <div>18</div> <div>PARTNERSHIPS WITH EXTERNAL STAKEHOLDERS ON SOCIETAL ISSUES</div>   |   |  |
|---|---|--|
| <b>GIZ ECONOWIN</b><br>Gender Diversity, Promotion of women Talent & Leadership<br><a href="http://www.econowin.org/fr">www.econowin.org/fr</a>                     | <b>RESEAU ENTREPRENDRE,</b><br>Entrepreneurship new startups<br><a href="http://www.reseau-entreprendre.org">www.reseau-entreprendre.org</a>  | <b>FACE Fondation Agir Contre l'Exclusion</b><br>Non-exclusion, Female Empowerment and Youth reintegration<br><a href="https://www.fondationface.org">https://www.fondationface.org</a> ,    |
|  <small>Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH</small> |    |    |
| <b>GAIA,</b><br>Non-exclusion, Mentally handicapped children<br><a href="http://www.fth-gaia.com">www.fth-gaia.com</a>  | <b>TACT Tunisian Association for Telecommunication and Technology,</b><br>Employability and Education<br><a href="http://www.tact.tn">www.tact.tn</a>   | <b>FTPD Fondation Tunisie pour le Développement,</b><br>Health, Employability, Entrepreneurship and Culture<br><a href="http://www.fondationtunisie.org">http://www.fondationtunisie.org</a> |
|    |    |    |
| <b>SOS Village,</b><br>Non-exclusion, Abandoned children<br><a href="http://www.sosve.org">www.sosve.org</a>  | <b>ATUGE Association Tunisiennes des Grandes Ecoles,</b><br>Entrepreneurship and Employability<br><a href="https://atuge.org">https://atuge.org</a>   | <b>ENVIRONNEMENT MINISTRY,</b><br>"Green Patronage », Parks rehabilitation<br><a href="http://www.environnement.gov.tn">www.environnement.gov.tn</a>   |
|    |    |    |
| <b>ACACIAS FOR ALL,</b><br>Environment, Trees planting<br><a href="http://www.acaciasforall.org">www.acaciasforall.org</a> )  | <b>CFW Cultural Funding Watch,</b><br><b>Entrepreneurship,</b><br>Support creative industry for culture and arts<br><a href="http://www.culturefundingwatch.com">www.culturefundingwatch.com</a>  | <b>KALLPA</b><br>Association for the Integral Promotion of Health and Development for population<br><a href="http://www.kallpa.org.pe/">www.kallpa.org.pe/</a>                               |
|    |    |    |
| <b>SMART TUNISIA</b><br>Employability & Foreign Investment in ITC<br><a href="http://www.smarttunisia.tn">www.smarttunisia.tn</a>                                   | <b>MINASSA by INCO and DROSOS</b><br>Incubator for cultural & creative industry<br><a href="http://www.minassa.co">www.minassa.co</a> , <a href="http://www.inco-group.co">www.inco-group.co</a> ,<br><a href="http://www.drosos.org">www.drosos.org</a> <a href="http://www.culturefundingwatch.com">www.culturefundingwatch.com</a> | <b>ARCHIVART</b><br>Digital Platform to promote Young Artists and art archive<br><a href="http://www.archivart.co">www.archivart.co</a>  |
|    |    |   |
| <b>IFT Institut Français en Tunisie</b><br>Art & Culture Development<br><a href="http://www.institutfrancais-tunisie.com">www.institutfrancais-tunisie.com</a>      | <b>ARC EN CIEL ABSL</b><br>Access to active and educational leisure for Youth<br><a href="http://www.arc-en-ciel.be">www.arc-en-ciel.be</a>   | <b>OLYMPIC BEJA</b><br>Sport in deprived areas<br><a href="http://www.facebook.com/OfficielOB">www.facebook.com/OfficielOB</a>   |
|    |    |   |





## ACTIONS TO PROMOTE EQUAL OPPORTUNITIES

### INITIATIVES REPEATED YEARLY

- Founding the Ver'Act association in July 2012 to create a life unit hosting young teenagers from the INPE (National Institute for Children Protection ) to offer them better home and educational facilities, as the authorities can no longer care of them
- Sponsoring for the Gaia care farm educating mentally handicapped children
- Sponsoring the charity SOS Village by financing two units for abandoned children and additional initiatives
- Initiating volunteering at weekends to support various charity initiatives
- Partnership for female empowerment in rural areas in various countries (with FACE in Tunisia, Kallpa in Peru)
- For over ten years, VERMEG Luxembourg has been supporting OYA (On Y Arrivera) , a group of friends working to help sick children with neuromuscular diseases, through volunteering to confection candy bags then through buying some as a gift for the staff during Santa celebration
- Policy of donating half a day's work to charity or any CSR activity, financed by the company, with possibility to get extra Volunteering Time Off from other colleagues
- Ordering collection boxes to be placed in the reception and break areas to raise funds for orphanages, schools and student residences
- Financing through FTPD the Brain Health program that aims to create research centers and care spaces for the study of brain disease
- Contributing with GIZ to the project "Promote Women Talent" in the best engineer and management schools to enhance their leadership and to prepare them to better fight against stereotypes and success in their professional career
- Donating IT material for external organizations (schools, ATUPE, etc) and organizing various collection for charity donation (Winter for Lions Club, Educational material for Trisomy 21 association)
- Participating in SMARTRUN™ in Luxembourg, that contribute to support various solidarity initiatives, such as hosting refugees (Caritas and the Red Cross), support for youth (Adecco's Win4youth program), integration of people with reduced mobility
- Sponsoring various activities and events aiming equal opportunities (i.e. House construction for needy family in Vietnam through Scouts de France, Earth day organized by World Wildlife Fund, Volley ball youth girls team of Yutz- Thionville ASVB club, etc.)



## SUPPORT FOR THE SOLIDARITY ECONOMY

### INITIATIVES REPEATED YEARLY

- Co funding and coordination of “Réseau Entreprendre” in Tunisia with business support for young companies and financing in the form of interest-free loans
- Active participation in the Tunisian Association for Communication and Technology (TACT), of which VERMEG has been a founding member since 2011
- Support to SMART Tunisia, a national public-private project aiming to create 50,000 jobs in the IT industry by 2025 through funding and co-management
- Buying products from local fair-trade companies (birthday gifts, Christmas gifts, ground coffee from artisans instead of aluminum pods, etc.)
- Make VERMEG premises available free of charge for various artisan sales, new fair-trade companies supported by local associations (FACE, GAIA, etc.) but also new fair-trade companies sales, young artists sales, etc.

In addition and in this context, the VERMEG's sales and marketing teams offer also trainings free of charge to enhance the sales skills of these starters entrepreneur

- Taking part in spreading the CSR culture in the countries where the compliance with sustainable development goals is not yet mandatory by the regulatory (i.e. through NGO CONECT, Confederation of citizen Business in Tunisia, <https://www.conect.org.tn/>)
- Taking part in increasing employability and job offer of ICT sector in the regions, for example by implementing a VERMEG office in Sousse far from Tunis capital a target to hire new 100 persons.
- Sponsoring the program ELIFE of FTPD that aims to design, construct, and lead 10 centers of technology, entrepreneurship, and culture in 10 interior Tunisian cities to enhance the wellbeing, the skills development and the opportunities for ISET schools' graduates
- Taking part to various Public debate with strong engagement to continue to be a major actor for promising States initiative boosting the ICT sector (i.e during the last Tunisian-French Economic Forum, about the project of opening a «Station F» in Tunisia, which is an incubator of startups in Paris that brings together an entire entrepreneurial ecosystem under one roof. The VERMEG Founder and CEO, Badreddine OUALI, was affirming his total support and involvement in this project through his foundation FTPD to promote young startups in Tunisia)



**The selected regions for ELIFE centers face the highest unemployment rates in the country and have scarce access to growth opportunities. Each center will welcome 5% of youth (ages 19-29) of the city. The goals are: Reduce inequality between young tunisians, Increase employability, Develop greater enterprenarship skills and Improve wellbeing.**

*Houssam Manai Executive Director of FTPD*


### NEW INITIATIVES FOR 2019

- Accepting SMART Tunisia presidency through VERMEG's CEO, Badredine Ouali, with the target to extend the international notoriety worldwide of this ICT investor destination, including with Silicon Valley companies in US
- New partnership with Cultural Funding Watch to support its mission that consist in the establishment of an inclusive, responsible and sustainable resources mobilization practices for the Arts and Culture sector, through a central hub serving as a platform for capacity building, information and research in the field of financing creative industries in the MENA region and increasingly in the African continent.



## TARGET 10 CONTRIBUTING TO EDUCATION IN THE REGIONS

In developing countries where VERMEG operates, support for education coming from private sector is vital for economic development and employability. Therefore, VERMEG allocates a large part of its support to projects relating to education, as well as the hard and soft skills required by the job market.

| <div>15</div> <div>NUMBER OF EDUCATION-RELATED PARTNERSHIPS IN THE REGIONS</div>   |  |  |
|--|--|--|
| <b>AFS Inter-Cultural Programs,</b><br>International student exchanges from and to Tunisia<br>( <a href="http://www.afs.org">www.afs.org</a> )   | <b>TBS School</b><br>Internship program for actuarial science students<br>( <a href="http://www.utunis.rnu.tn">http://www.utunis.rnu.tn</a> )        | <b>4C, Career and Certification skills Center of Higher Education Ministry,</b><br>Orientation for students<br>( <a href="https://www.4c.tn">https://www.4c.tn</a> )   |
|   |   |    |
| <b>UTICA Digital Talent,</b><br>ICT training platform in Tunisia based on the national ICT jobs and skills database.( <a href="http://www.digitaltalent.tn">www.digitaltalent.tn</a> ) | <b>AIESEC,</b><br>The world's longest youth run organization<br>Cross-cultural internships<br>( <a href="http://www.aiesec.org">www.aiesec.org</a> ) | <b>EFE Education for Employment,</b><br>Program review in IT technician schools<br>( <a href="http://www.efe.org">www.efe.org</a> )  |
|   |   |    |
| <b>Maison de la Tunisie,</b><br>Grants for overseas disadvantaged students<br>( <a href="http://www.ciup.fr/maison-de-la-tunisie">www.ciup.fr/maison-de-la-tunisie</a> )               | <b>SUPCOM,</b><br>Scoll Hakththon for social entrepreneurial ship<br>( <a href="http://www.supcom.mincom.tn">http://www.supcom.mincom.tn</a> )       | <b>IAESTE International Association for the Exchange of Students for Technical Experience,</b><br>Internships for overseas students<br>( <a href="http://www.iaeste.org">www.iaeste.org</a> )                                      |
|   |   |    |
| <b>DAUPHINE Tunis,</b><br>Study grants for the new Big Data and Actuary sectors<br>( <a href="http://www.tunis.dauphine.fr">www.tunis.dauphine.fr</a> )                                | <b>TAYLOR Institute,</b><br>Startup Hackathon<br>( <a href="http://www.taylorinstitute.org">www.taylorinstitute.org</a> )                            | <b>IREX, Thomas Jefferson Scholarship program,</b><br>Grants for US exchanges to develop the leadership of young Tunisians; Employability and action against the brain drain<br>( <a href="http://www.irex.org">www.irex.org</a> ) |
|   |   |    |
| <b>SESAME University,</b><br>Work-Study program for engineers and management students<br>( <a href="https://universitesesame.com">https://universitesesame.com</a> )                   | <b>ESPRIT, Engineering and Technologies School,</b><br>Work-Study program for ICT students<br>( <a href="http://www.esprit.tn">www.esprit.tn</a> )   | <b>ATUPE,</b><br>Tunisian Association for Students parents, Enhancing conditions in primary schools  |
|   |   |    |



“

School 42 is a totally free school. It's not a business, it's not a company, it's not an investment. It is an institution that can only walk with lost funds. Structurally, it is something in which you can not collect money from students, at all, or from future employers. It's something non-profit and 100% patronage. It will be, zero payment for students.”

*Badreddine OUALI VERMEG Chairman & CEO*

## INITIATIVES REPEATED YEARLY

- Contribution to the national UTICA-INFOTICA project project to implement the Digital the Digital Talent platform, started end of 2015, for which VERMEG has been the pilot company for implementation of the national ICT jobs and skills database
- Reinforcing the partnership with EFE to boost the employability of the ICT qualification by launching additional training programs, both hard skills and soft skills, with a new focus in 2017: the ISET (Higher Institute of Technical Studies), whose employability rate is one of the lowest
- Grants for schoolchildren and students to finance studies, both local and abroad (Maison de la Cité in Paris, Dauphine Tunis students, etc.)
- Sponsoring AFS students exchange program permitting students aged among 15-18 years from all over the world (Italy, Belgium, France, Switzerland, US, Canada, etc.) to come Tunisia for one study year hosted by a local family, and in a meanwhile permitting Tunisian students to live same experience abroad
- Partnership with IREX to support the reintegration of young people returning from the US following a year of study sponsored by the Thomas Jefferson Scholarship program, with immersion in the company enabling them to gain whatever is needed to find a job quickly in their country of origin with prospects as ambitious as their projects (job fairs, speech during the reintegration day, panel and round tables, etc.)
- Schoolbags are purchased every year then distributed by the staff to benefit children from needy families in different regions far from the capital, as part of a global initiative «TACT 1,000 schoolbags» launched since 2017
- Sponsoring educational activities of students, entrepreneurial projects , exchange programs for young (robotics project of ENIM school students, artificial intelligence project of INSAT school students, technology social and environmental innovation such as Supcom school Hakathon, Startup We of Taylor Institute at Cogit, student competitions such us Hult Prize, etc.)
- Holding open days within VERMEG with essential training on expression techniques and the fundamentals of the business world, to which schools in disadvantaged areas and unemployment graduates being supported by charities are also invited (young women from rural zones empowered by FACE, etc.)
- Contributing through VERMEG experts, coach and trainer to events and actions launched by the Ministry of Higher Education in Tunisia through the 4C centers that aim to give all students and graduates of higher education access to an advisory, training, certification and support service for professional integration
- Partnership with the ATUPE, an organism representing voluntarily the students and parents in primary schools, supporting its educational projects and defending the quality of its teaching, in order to provide a structured framework for parent involved in improving the life in their kids' schools, with material or immaterial help
- Participating to the program “Egalité des Chances” through ATUGE in partnership with Article 1 (<https://article-1.eu/>) which works for a society where orientation, success in studies and professional integration do not depend on social, economic and cultural origins
- Partnership with SESAME and ESPRIT schools for the work-study new program in ICT sector that aims to enhance the employability of students at graduation
- Taking part in new actions, events and organization relating to education and sponsoring them when required (Enactus which acts to foster progress through entrepreneurial action and youth engagement, Wikimedia conference a global movement whose mission is to bring free educational content to the world, Help me Learn which targets training coach in Education for a Peace Culture world Citizenship and Tolerance, sport association inside school etc
- Supporting any FTPD educational current projects (i.e. ELIFE-TACT-ISET program, etc.) and future initiatives ( i.e. the proposal to carry the project of the first “Ecole 42” in Tunisia, following discussions during the last Tunisian-French Economic Forum on 2018 between the French president, Tunisian government and the founder, Xavier Niel, who agreed to provide the technology, educational tools, course videos and servers).



## NEW INITIATIVES FOR IN 2019

- Validation of the project of partnership to be set with “Graines d’Entrepreneurs”, in order to support developing their educational program currently deployed in the Tunisia capital, in other regions through other partners such as FTD with its 10 ELIFE Centers, first in Siliana and soon in Beja. This organism offers young people among 7-14 an initiation to the self-entrepreneurship world and its basic skills.



SupCom HAKATHON



IREX Exchange



1000 School Bags with TACT



SupCom HAKATHON



ATUPE



Women Tatens with GIZ



Startup We Taylor Institute at Cogite



Social Innovation HULT PRIZE



Alternant Program with SESAME & ESPRIT



Startup We Taylor Institute at Cogite



## CHALLENGE 5

### Doing software edition business responsibly

As part of its commitment to implement responsible governance emphasizing ethics, it is also important for VERMEG, as a software publisher to operate responsibly as much as profitably.

Indeed today, whatever the field in which the company operates, it has become vital to meet the expectations resulting from the international standards for sustainable development in this specific business area. Especially since the majority of calls for tenders (RFI and RFP) received refer to these requirement whatever their source.

This means that in addition to its corporate conscience, VERMEG must also think about the positive impacts of its products, services and practices on the environment, clients, users, employees and any other stakeholders, in order to enhance them and above all, to reduce any potential negative impact.

In this increasing crucial context, the R&D launched a global study in early 2020 to highlight how VERMEG, willing to become a major sustainability actor, can have an even better effect through a Green Development Strategy.



## TARGET 11 ECO-SOCIO-DESIGN OF PRODUCTS AND SERVICES

To move towards the responsible design of its products and services, VERMEG identified three transversal and essential steps:

- Fair practices
- Data protection
- Eco-socio design



The relating requirements started to be expanded at all operational levels: Sales, Marketing, Finance, Human Resources, Information Technology, R&D and Delivery.

The inclusion of new regions and products of new acquisitions required a huge harmonization efforts that continued during 2019. All these combined efforts led to the EcoVadis Gold level rating.



### SUB TARGET 11.1 DATA PROTECTION AND SECURITY

The Group pays attention to data entrusted or that may pass through its information systems. For the sake of reinforcing virtuous practices in favor of data protection, VERMEG annually renews its ISO 27001 certification and extend it if any new building opens.

Furthermore, VERMEG regularly communicates to employees about security best practices relating to the use of the Internet, IT tools, and the company files and data. In addition, each employee is reminded of the legal provisions and internal rules stipulated in the internal regulations and the code of conduct concerning the use of data that is based on technological and IT applications. Several awareness messages are also sent to employees on a regular basis about cyber security risks.

A special focus was set these last years

- On the European General Data Protection Regulation since its publication in 2018, and its impact on all the subsidiaries including those in Non European zone
- The harmonization of the information securities organization, process and procedures between VERMEG offices and the new offices from recent acquisitions, to prepare the global certification for the whole group

“

The Group continues to work strictly on the compliance with the various regulations on the personal Data protection according to each country specificities, especially the General Data Protection Regulation (GDPR) in European Union on privacy for all individual citizens taking into consideration its very strict impact on business habits. As Data protection officer I was hired to fulfill this mission at the group level.”

Christine Giovanini , VERMEG Senior Legal & Personal Data Protection Officer





## SUB TARGET 11.2 FAIR PRACTICES

In the framework of Company Social Responsibility, VERMEG pledges to do business professionally, diligently and fairly, through its Code of Ethics that records the company's ethical commitments:

- It gives the staff and all stakeholders an overview of the various good conduct guidelines to be followed and insight into legal requirements with the compilation of legislation and reference documents such as laws and the internal regulations
- It reiterates the guidelines specific to staff transactions on the financial markets, use of IT equipment and communication in the company
- It sets the rules applicable to all of the Group's business lines in terms of preventing, identifying and managing potential or proven conflicts of interest

But this was not enough. Thus VERMEG launched a global project to centralize and harmonize its Fair Business practices all over the group according to the framework of its CSR Chart.

This effort will be continually deployed to cover all the regions including the new ones in case of new acquisitions, through three phases.

### FORMALIZATION PHASE

All the fair practices documentation was structured to simplify the harmonization between all the countries where VERMEG is present through its offices or its clients:

- 
- The **CSR Policies Manual**, which centralizes:
    - The CSR Charter of the group
    - All CSR Policy referring to this chart, including:
      - Ethics Policy as Code of Conduct
      - Safety and Health Policy
      - Environmental Policy
      - Responsible Procurement Policy
      - Donation Policy
      - Volunteering Time Off Policy
  - The **Policy Rules** annexes to clarify the procedures:
    - Anti-Bribery and Corruption Policy Rules
    - Anti-slavery and Trafficking Policy Rules
    - Whistle blowing Policy Rules
    - Health and safety Policy Rules
  - The **Employee Hand Book** which the following structure:
    - The Employee End Book common part for all the group
    - The Employee End Book by Country to clarify the specific rules resulting from local laws and specificities
    - The Internal Rules documents only in the country where this document is required by law.

### COMMUNICATION PHASE

The following communication actions about fair practices are planned and will continue till 2020:

- Signature of the CSR policy Manual by all VERMEG's management and employees
- Publication and communication of CSR policy Manual internally and externally to spread the compliance spirit
- Awareness sessions will be organized by VERMEG Academy for new joiners but also for current employees (live sessions, LMS courses and quiz)

### CONTROL PHASE

The CSR compliance office oversees the monitoring of fair practices and analyses the incidents/alerts by country with the help of his CSR ambassadors and country managers. He escalates to the CSR committee when needed for the critical issues. The control will be reinforced during 2019 through the CSR subcommittees as described in the Governance section.



## SUB TARGET 11.3 ECO-SOCIO IT DESIGN

Awareness of addressing environmental and social criteria from the product and service design phase emerged during work to develop the first materiality matrix workshops. The Board and CSR teams have understood the cruciality of defining how the initiative could be implemented for VERMEG and preparing training for the different R&D and delivery teams.

The initial analysis identified 3 major areas where Eco-design must incorporate different environmental and social criteria:

- The development of softwares with lower consumption and different uses of energy type in intensity during all the product life-cycle phases: clean energy, Green Code, CO2 rejections from the servers, printing, recyclability of materials, optimization of the IT environment surrounding the platforms required for VERMEG solutions both internally for the Clients (laptop versus desktop, wifi versus 3/4G, GraphQL versus Rest, cloud versus on premises, etc.)
- The Services relating to specification, integration, implementation and support phases: reduce air, car and train travel, introduction of videoconferencing to decrease CO emissions but also to improve quality of life for staff and clients
- The Ergonomics beyond solutions performance: optimization of the presentation layer (working with the web agency Anais on best usability factors: fewer clicks, restful color, etc.), Doc and User Guide with easy access, etc. In fact, among the standards of sustainability, comfort is no longer a luxury, in personal life as in professional life. It became essential and indispensable to last. Technology is no more the tool of performance, but also and especially the tool for the comfort of its users.

The R&D along with various business line Product and Services managers launched different studies to continue the analysis, and to identify measurement indicators to manage the environmental impacts of designing VERMEG products and services.

One of the latest studies called "How Development Could Save the World?" came to clarify the basis of "What does GREEN mean for TECHS".

“

**With our Palmyra Studio, VERMEG aims to offer an efficient and intuitive online development platform to quickly design business applications easily, feting best practices of Green IT for all developers all over our Business lines and countries.**”

*Oussama GABTENI , R&D Expert*





## GREEN IT APPROACH

As an IT partner of international Technological groups, VERMEG is developing a Green IT approach for its products and services to drive direct and indirect reduction of environmental and climate impact for itself and for its clients who must meet their own sustainability objectives.

VERMEG Green IT approach is built around two main areas with the following purposes:

1. Reduce the impact of its IT materials on the environment especially its carbon footprint through:
  - The establishment of data centers: reducing energy consumption thanks to server virtualization.
  - The streamlining of printing: reducing the volume of printing (black and white, double-sided, systematic print preview, ...), collection and recycling of consumables (paper, toners, etc.), Reusing printed paper non-used as drafts or notepad, visual logo inviting to not print unless needed at the bottom of each email, etc.
  - The management of computers: promote the acquisition of computers labeled Green IT or Energy Star, reduce of electrical consumption by systematic programming of a hibernate mode, etc.
  - IT material donation to encourage reuse before recycling: The used computer consumables are collected and recycled; the unused hardware is transferred free of charge to associations, hospitals, students for the solidarity economy.
2. Use of new technologies and management systems to support sustainable development
  - The development and evolution of video conferencing infrastructure and web conferencing to reduce travel during inter-company meetings, steering committees, etc.
  - The Eco-socio design of its IT software products and services to enhance their environmental and healthy impact during the whole product life cycle: conception phase, development phase, delivery to client's phase, the deployment-implementation phase and the production maintenance phase.
  - The Implementation of a Environmental management system to structure, monitor, facilitate and improve all the aspect relating to environment management, according to international standard (such as Iso 14001).





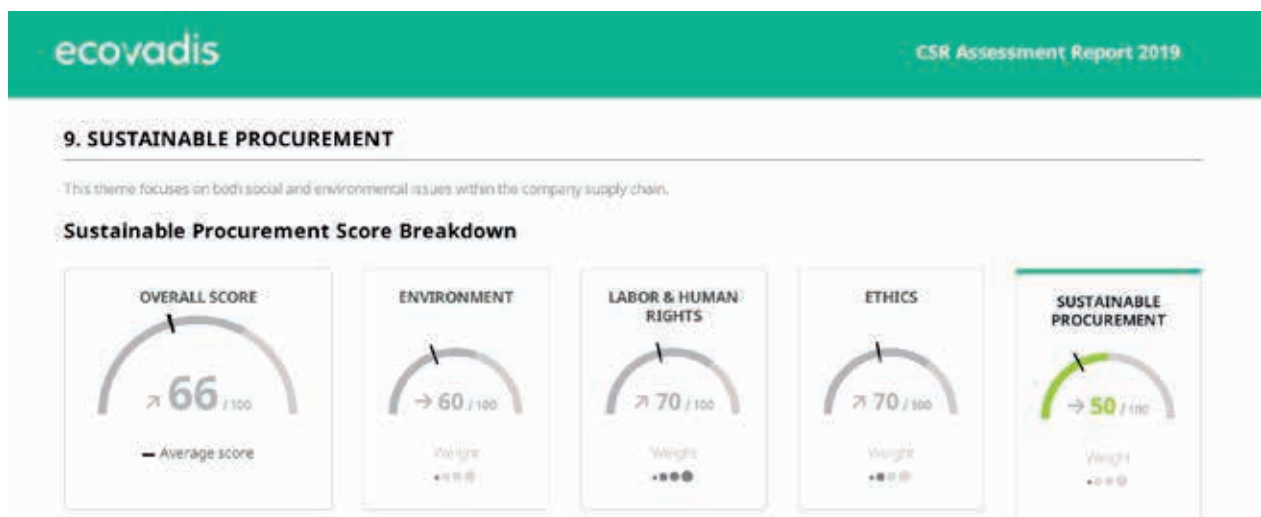
# CHALLENGE 6

## Sustainable and Solidarity procurement

The implementation of a responsible procurement policy at group level was clearly identified as a major challenge; as VERMEG has become fully aware that this should not be approached as an act of communication or charity, but as a true corporate strategy, taking into consideration the fact that purchasing function, at the heart of the operations of the company, is a major lever at the service of its economic performance.

Thus, controlling its supply chain through the management of new risks, pushes VERMEG to find opportunities to create value.

The focus on this challenge remain for VERMEG critical according to the score evolution in the EcoVadis annual evaluation. The action plan defined for 2019 and launched during the year is expected to have an important improvement on the next ratings.



Solidarity Minority Procurement



Solidarity Purchase Tunisia Seniatna Biwa



Solidarity Minority Procurement France





## TARGET 12 RESPONSIBLE PROCUREMENT POLICY

By responsible purchasing policy VERMEG understands both «Sustainable» and «Solidarity», which aims two objectives:

1. Promote sustainable purchases, means environmental-friendly. Therefore, without further delay, the environmental issues are considered in the purchases made by VERMEG as much as possible:
  - Upstream, environmental expectations are specified. This concerns as well services, products or materials used, as business techniques.
  - During the evaluation of the offers, an environmental criterion is integrated to favor the most virtuous suppliers and subcontractors. This criterion can be based on products, techniques used (manufacturing process, waste management, supply and delivery circuits ...), but also on certifications.
  - Concretely, this translates into the use as much as possible of supplies with the 'green' label or the management of green spaces which takes more into account the protection of local fauna and flora. Bonuses have also been granted to suppliers and subcontractors who maximize the waste generated.
2. Increase solidarity purchases from fair trade companies, but also those employing people with disabilities or reintegration, promoting social progress and the development of small and medium-sized enterprises.

As already highlighted in the materiality matrix, VERMEG is aware that much is still to be done for this challenge. Therefore among the establishment of the Group Purchasing policy according to the standards of the profession, that was the first and most critical action, other initiatives were launched with the aim to be improved annually thanks to the action plan resulting from the CSR certification program.

### ACHIEVEMENTS

- Generalizing of the purchasing policy to the whole group
- Harmonization of Purchase procedure in order to apply it to all the subsidiaries including the new regions
- Adding sustainable and solidarity requirements in Purchase Request
- Running Request For proposal to select a new global purchase system including the configuration of CSR criteria
- Identifying purchase key indicators that will be implemented in the management Dashboard

### ACTIONS PLAN TILL 2020

- Supplier evaluation taking into consideration the reputation including the CSR criteria and the CSR provider assessment platform such as EcoVadis
- Have each Supplier sign VERMEG Ethic Policy as code of conduct
- Communicate to each supplier the «CSR Policy manual» for Information
- Check in the contract the clause that refers to the CSR «compliance and add them when missing
- Implementation of the new purchase procedure in the new procurement tool to facilitate the monitoring of the
- KPI highlighting its improvements relating to responsible buying
- Launch solidarity purchase programs as indicated in VERMEG fair procurement policy to promote marginal firm subcontracting, especially Minority, Disabled and Women business enterprises



# CHALLENGE 7

## Cultural and artistic development

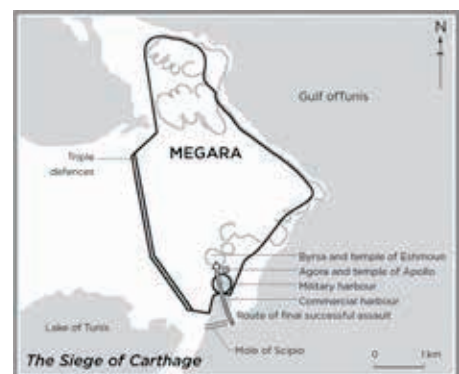
As an art lover, VERMEG founder Badreddine OUALI quickly engaged the company in initiatives to support young artists, painters, photographers, sculptors etc. by buying works to decorate the company's workspaces. Shortly afterwards, it began to contribute to staging directly through VERMEG what are considered major exhibitions in Tunisia (i.e. Spring Art annual exhibition from 2004 to 2012, etc.) but also through its "Foundation Tunisie pour le Development" (the annual exhibition El Meken, the cultural event Jaou Tounes launched by KL Foundation, etc.).

Visiting VERMEG's premises quickly reveals the importance that VERMEG Management places on promoting all talent in each country. This crucial position given to the Art & Culture was confirmed during the CSR Challenge, VERMEG staff voted strongly to consider cultural and artistic development inside and outside the company as an important challenge to maintaining employment engagement. Brought together in each country under the VERMEG's Got Talent program, the initiatives are based around support for artists and cultural events and the promotion and development of artistic talents at VERMEG.



### VERMEER

One of the greatest painters of the Dutch Golden Age in the Netherlands, where the group's headquarter is established.



### MEGARA

An historical suburb of Carthage, the capital of Tunisia during Phoenician era, referring of its greatness, when it reached its its peak tanks to its Leader Hannibal fighting Roman in Europe.





“

VERMEG's name which is inspired from 2 words VERMEER and MEGARA, carries its founder's great passion for Art - History - Cultural Heritage - Literature all combined, but also its pride of the origin of the company, a very small country in North Africa, with an amazing spirit thanks to a melting pot of influences through the ages: Berber, Mediterranean, Phoenician, Roman, Arabic, Turkish, French, etc.

”

Myriam SANHAJI, CSR Director VERMEG





## TARGET 13 EXTERNAL AND INTERNAL PATRONAGE

The external patronage, continues to be anchored in VERMEG's roots with the same enthusiasm as shown the previous year.

The priorities set to promote the artistic talent and cultural enrichment of VERMEG staff continue by re-conducting old initiatives and launching new ones. The work council in each country work closely with the CSR ambassadors to identify and implement the actions and events that meet better the employer expectations and promote VERMEG Talents.

Combining between the Volunteering Time Off Policy and the VERMEG Got Talent program is aimed to enable many new possibilities for VERMEG staff such as cultural exchange and artistic development through stays in artist residencies.

### EXTERNAL PATRONAGE

- Monthly exhibition of confirmed artists on VERMEG premises in France, Belgium and Luxembourg, with the option for staff to buy at attractive prices, is extended to new countries such as UK
- Gallery showcasing artwork on the premises in Tunis: street arts, young artists, sculptures, etc
- Organizing events with cultural associations in VERMEG premises (i.e. Wikimedia workshop, AFS foreign students day, etc.) or supporting their external events (i.e. Help me Learn citizenship day, AFS first seminar for Africa centering on the global citizenship culture)
- Initiating multidisciplinary event such as the first VERMEG Cultural & Art Fair, an exclusive event for all Group staff from all the Group's countries. The two days saw a succession of events involving various artists (traditional dance, music, song, poetry, painting and culture exhibition, slam, graffiti, etc.), as well as guided cultural tours to promote Tunisia, the country where VERMEG was founded (visit to the Medina of Tunis, the UNESCO World Heritage village of Sidi Bou Said, the Wine Route in Mornag, the ruins of Carthage and the Bardo National Museum)
- Various young artists sponsoring (such as the annual photography competition by ATUGE, or the annual Exhibition Solid'ART for the profit of the NGO GAIA)

### INTERNAL PATRONAGE

- Launching a seniority Program offering cultural travels through all continents (Africa, Asia, America, Europe) each five year for staff celebrating 5, 10, 15, 20, ... anniversary.
- Proposing music, theatre, painting lessons, etc. for potential talents
- Sponsoring Tickets to cultural and artistic events: theatre, exhibitions, cinema, etc
- Encouraging internal shows with VERMEG talents (Duo of the jazz group "Trilogy" during the CSR annual event launched by one of VERMEG employee at the guitar, the first VERMEG band mini concert with five musicians and singers from various Group affiliates
- Luxembourg, Belgium, France and Tunisia) performed during the Art Fair attended by all Group staff,
- Organizing exhibitions and selling in VERMEG premises of products made by VERMEG talents (paints, accessories, jewelries, etc.)
- Sponsoring stands during external handicrafts and fair trade exhibition (Gaia Kermes, Sejnén pottery, etc.)
- Volunteering time off granted for travels to promote cultural exchange, or stays in artist residencies abroad
- Hosting internal cultural workshops (such as Wikimedia redaction workshop allowing staff to contribute in writing articles in Wikipedia on various subjects: promotion of female artists in Arabic world, promotion of diversity and LGBT inclusion, etc.)



“

My former colleague gave us the honor of representing her Tunisian village in Indonesia, where she shared her culture with people from around the world. She was very thankful for joining this amazing inter-cultural project during 6 weeks granted by VERMEG to encourage Volunteering through its new VTO program!”

*Yasmine El Ghoul, CSR Ambassador at VERMEG*

## IN THE ROAD MAP

- Various exchange programs for VERMEG staff between offices in original regions (Europe, Africa) and new ones (Asia Pacific, Latin America, North America) are under study (i.e. “Play my role” where 2 employee with same background can exchange their position during a period of time, “Visit my place” where an employee is invited for a shadowing of a colleagues in another country, etc.)
- Regular Geo-cultural events involving VERMEG countries where the Group has affiliates or clients, in the aim of promoting them amongst the staff and showcasing their culture in presentations by international speakers on themes linked to these countries
- Overseas students who arrive as part the cultural exchange programs of several international NGOs (such as AFS, AIESSEC, IAESTE, etc.) accommodated by VERMEG staff in the host country
- Offering VERMEG premises (six buildings in Tunis and Sousse) as a space to host permanent exhibition for various artists (i.e. Al-Meken, an art platform which groups artists from more than 10 countries with the aim to expose annually in a decentralized city and produce with local people specific artistic works with a touch of cultural heritage)



Young Talent Exhibition Vermeg Tn



Little VanGhog Exhibition Paris



Little VanGhog Bruxelles





“

As a key player in the financial industry, our mission is to offer the best solutions available to advise and support individuals, businesses and institutions in the development of their projects and to ensure a positive long-term impact on the business, social and environmental world around us.

Year after year, we are improving our CSR indicators according to the international standards , guided by specialized certification organism and externals experts .”

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# CSR DASHBOARD

Key indicators  
for sustainable  
impact improvement





# CSR DASHBOARD

## Key indicators for sustainable impact improvement

### CSR DASHBOARD METHODOLOGY

Each division overseeing the data collection is responsible for the indicators provided.

- FINANCE Data: Hedi ZID
- HR Data: Dhouha MHISSEN
  - CORPORATE Data: Sana KAROUI
  - ACADEMY Data : Raoudha ARFAOUI

The data is reviewed by the CSR Director during its collection (separation of the roles of collector and reviewer) but also during its consolidation (review of variations, comparison between the countries, etc.).

The scope of the reporting process target to encompasses the entire VERMEG Group. Some data of new countries were not yet consolidated end of 2019, therefore only Europe Middle East region is totally covered by this reporting.

This report centers on the 2019 calendar fiscal year (1 January to 31 December).



## DATA FOR CSR DASHBOARD

| REF                       | CSR INDICATORS                                   | SUB-INDICATOR   | FY17  | FY18   | FY19   |
|---------------------------|--|---|-------|--------|--------|
| <b>GENERAL INDICATORS</b> |  |   |       |        |        |
| GENE                      | Revenue (Million EUR, M€)                        | GLOBAL  | 54,90 | 81,3   | 92,7   |
| GENE                      | Revenue share by REGIONS                         | EMEA (Europe Middle East Africa)                                | 100%  | 65%    | 62%    |
|                           |  | UK (United Kingdom)   | -     | 14%    | 14%    |
|                           |  | NAM (North America)   | -     | 11%    | 11%    |
|                           |  | LATAM (Latin America)   | -     | 5%     | 3%     |
|                           |  | APAC (Asia Pacific)   | -     | 6%     | 9%     |
| GENE                      | Revenue share by Business/Product Line           | FINANCIAL MARKETS & SECURITIES SERVICES                         | 26%   | 19%    | 18%    |
|                           |  | PENSION AND INSURANCE   | 40%   | 22%    | 18%    |
|                           |  | WEALTH & ASSET MANAGEMENT                                       | 18%   | 13%    | 10%    |
|                           |  | DIGITAL TRANSFORMATION  | 15%   | 13%    | 14%    |
|                           |  | PROPERTY & CASUALTY INSURANCE                                   | 1%    | 3%     | 2%     |
|                           |  | COLLATERAL MANAGEMENT   | -     | 13%    | 13%    |
|                           |  | REGULATORY REPORTING  | -     | 18%    | 24%    |
| GENE                      | % of clients by Business/Product Line            | FINANCIAL MARKETS & SECURITIES SERVICES                         | 19%   | 5%     | 6%     |
|                           |  | PENSION AND INSURANCE   | 25%   | 7%     | 7%     |
|                           |  | WEALTH & ASSET MANAGEMENT                                       | 50%   | 13%    | 11%    |
|                           |  | DIGITAL TRANSFORMATION  | 3%    | 3%     | 3%     |
|                           |  | PROPERTY & CASUALTY INSURANCE                                   | 3%    | 1%     | 1%     |
|                           |  | COLLATERAL MANAGEMENT   | -     | 11%    | 14%    |
|                           |  | REGULATORY REPORTING  | -     | 59%    | 59%    |
| GENE                      | Workforce end of year                            | GLOBAL  | 686   | 1057   | 1342   |
| GENE                      | % Workforce by country                           | BELGIUM   | 7%    | 5%     | 3,2%   |
|                           |  | FRANCE  | 9%    | 7%     | 5,3%   |
|                           |  | LUXEMBOURG  | 9%    | 5%     | 3,9%   |
|                           |  | SPAIN   | 1%    | 0%     | 0,4%   |
|                           |  | TUNISIA   | 74%   | 57%    | 69,2%  |
|                           |  | UNITED KINGDOM  | -     | 11%    | 5,7%   |
|                           |  | UNITED STATES   | -     | 4%     | 2,5%   |
|                           |  | CHINA   | -     | 8%     | 6,5%   |
|                           |  | SINGAPORE   | -     | 2%     | 1,9%   |
|                           |  | HONG KONG   | -     | 1%     | 0,9%   |
|                           |  | AUSTRALIA   | -     | -      | 0,1%   |
|                           |  | BRAZIL  | -     | -      | 0,3%   |
|                           |  | MEXICO  | -     | -      | 0,1%   |
| GENE                      | % Workforce end of year by REGION                | EMEA (Europe Middle East Africa)                                | 100%  | 75%    | 82,0%  |
|                           |  | UK (United Kingdom)   | -     | 11%    | 5,7%   |
|                           |  | NAM (North America)   | 100%  | 4%     | 2,5%   |
|                           |  | LATAM (Latin America)   | -     | -      | 0,4%   |
|                           |  | APAC (Asia Pacific)   | -     | 11%    | 9,4%   |
| GENE                      | Workforce average                                | GLOBAL  | 664,0 | 1010,5 | 1199,5 |
| GENE                      | % Workforce end of year by REGION                | EMEA (Europe Middle East Africa)                                | -     | 73,7%  | 78,9%  |
|                           |  | UK (United Kingdom)   | -     | 11,1%  | 7,9%   |
|                           |  | NAM (North America)   | -     | 3,7%   | 2,9%   |
|                           |  | LATAM (Latin America)   | -     | -      | 0,3%   |
|                           |  | APAC (Asia Pacific)   | -     | 11,6%  | 10,1%  |
| GENE                      | Wage bill (Million EUR, M€)                      | GLOBAL  | 29,19 | 53,72  | 58,30  |
| GENE                      | BREAKDOWN OF VALUE CREATED (as share of revenue) | % Of Revenue Paid As Payroll (including Withholding salary Tax) | -     | NA     | 63%    |



| REF                                    | CSR INDICATORS  | SUB-INDICATOR                    | FY17      | FY18      | FY19      |
|--|---|----------------------------------|-----------|-----------|-----------|
| GENE                                   | % Wage bill By Region   | EMEA (Europe Middle East Africa) | 100%      | 59%       | 61%       |
|  |   | UK (United Kingdom)              | -         | 20%       | 15%       |
|  |   | NAM (North America)              | -         | 9%        | 9%        |
|  |   | LATAM (Latin America)            | -         | 12%       | 15%       |
|  |   | APAC (Asia Pacific)              | -         | -         | 1%        |
| GOVERNANCE                             |   |                                  |           |           |           |
| INCORPORATING CSR INTO DECISION-MAKING |   |                                  |           |           |           |
| GOVE                                   | CSR Direct Budget (EUR, €)  | GLOBAL                           | 493 700 € | 602 697 € | 710 784 € |
| GOVE                                   | % Budget by CSR area  | GOVERNANCE & TEAM                | 38%       | 28%       | 28%       |
|  |   | ENVIRONMENT                      | 9%        | 12%       | 17%       |
|  |   | SOCIETAL (SOCIAL & TERRITORIES)  | 22%       | 46%       | 38%       |
|  |   | ART & CULTURE DEVELOPMENT        | 31%       | 13%       | 18%       |
| GOVE                                   | Number of CSR proposals collected   | GLOBAL                           | 100       | 254       | 125       |
| GOVE                                   | % of suggestions by Axe   | AXE CARBON NEUTRAL               | -         | 36%       | 38%       |
|  |   | AXE EQUAL OPPORTUNITIES          | -         | 34%       | 30%       |
|  |   | AXE ART & CULTURE                | -         | 30%       | 33%       |
| GOVE                                   | % of suggestions by source  | SOURCE CSR CHALLENGE             | 60%       | -         | -         |
|  |   | SOURCES CSR SURVEY               | -         | 65%       | 60%       |
|  |   | SOURCE CSR AMBASSADORS           | 40%       | 35%       | 40%       |
| GOVE                                   | Number of Survey/Challenge Response   | GLOBAL                           | 60        | 84        | 81        |
| GOVE                                   | CSR Survey Participation By Country   | BELGIUM                          | -         | 15,0%     | 8,6%      |
|  |   | FRANCE                           | -         | 22,4%     | -         |
|  |   | LUXEMBOURG                       | -         | 18,5%     | 15,5%     |
|  |   | SPAIN                            | -         | -         | 3,4%      |
|  |   | TUNISIA                          | -         | 26,0%     | 19,0%     |
|  |   | UNITED KINGDOM                   | -         | 9,3%      | 17,2%     |
|  |   | UNITED STATES                    | -         | -         | 1,7%      |
|  |   | CHINA                            | -         | 7,5%      | 29,3%     |
|  |   | SINGAPORE                        | -         | -         | -         |
|  |   | HONG KONG                        | -         | -         | -         |
|  |   | AUSTRALIA                        | -         | 0,9%      | 1,7%      |
|  |   | OTHER COUNTRIES                  | -         | 0,9%      | 3,6%      |
| GOVE                                   | Staff involved in the CSR governance (full time or partial time)                | GLOBAL                           | 20        | 26        | 45        |
| GOVE                                   | % Staff involved in the CSR governance By Country                               | BELGIUM                          | 15%       | 19%       | 11%       |
|  |   | FRANCE                           | 15%       | 27%       | 18%       |
|  |   | LUXEMBOURG                       | 15%       | 15%       | 9%        |
|  |   | SPAIN                            | -         | 8%        | 4%        |
|  |   | TUNISIA                          | 55%       | 27%       | 22%       |
|  |   | UNITED KINGDOM                   | -         | 4%        | 13%       |
|  |   | UNITED STATES                    | -         | -         | 7%        |
|  |   | CHINA                            | -         | -         | 4%        |
|  |   | SINGAPORE                        | -         | -         | 4%        |
|  |   | HONG KONG                        | -         | -         | 4%        |
|  |   | BRAZIL                           | -         | -         | 2%        |
| GOVE                                   | Man-days Budgeted for CSR governance  | GLOBAL                           | 440       | 528,8     | 711       |
| GOVE                                   | Man-days Budgeted to Volunteering through VERMEG CSR initiative or external one | GLOBAL                           | 150       | 343       | 600       |



| REF                     | CSR INDICATORS  | SUB-INDICATOR     | FY17  | FY18                    | FY19   |
|-------------------------|---|-------------------|---|-------------------------|--|
| <b>ETHICS</b>           |   |                   |   |                         |  |
| GOVE                    | Ethical Committee Members   | GLOBAL            | -   | 4 (CEO, COO, CHO, CSRO) | 5 Permanent (CEO, COO, CHRO, CSRO, CISO) + Region Manager or Country Manager if required |
| GOVE                    | Number of ethical failings/breaches reported  | GLOBAL            | -   | -                       | -  |
| GOVE                    | Rate of ethical Incidents (failings/breaches treatment)   | HANDLED INCIDENT  | -   | -                       | -  |
| GOVE                    | Rate of ethical Incidents (failings/breaches treatment)   | REJECTED INCIDENT | -   | -                       | -  |
| GOVE                    | Training employees on Ethics (anti-corruption, bribery issues, anti slavery, non discrimination, etc) | GLOBAL            | -   | -                       | 21   |
| <b>STAFF PROTECTION</b> |   |                   |   |                         |  |
| GOVE                    | Staff with social security cover  | GLOBAL            | -   | -                       | 100%   |
| GOVE                    | Staff with additional medical cover   | GLOBAL            | -   | -                       | 100%   |
| GOVE                    | Staff with additional retirement cover  | GLOBAL            | -   | -                       | 100%   |
| GOVE                    | Staff with Life Insurance   | BELGIUM           | -   | -                       | 100%   |
|                         |   | UNITED KINGDOM    | -   | -                       | 100%   |
|                         |   | CHINA             | -   | -                       | 100%   |
|                         |   | SINGAPORE         | -   | -                       | 100%   |
|                         |   | HONG KONG         | -   | -                       | 100%   |
| GOVE                    | Resources allocated by VERMEG beyond legal requirements   | GLOBAL            | -   | -                       | 1 195 721 €  |
| GOVE                    | Organization of working hours and days  | BELGIUM           | 40 hours over 5 days a week   |                         |  |
|                         |   | FRANCE            | 38.30 hours over 5 days a week and TOIL 0.75 days a month   |                         |  |
|                         |   | LUXEMBOURG        | 40 hours over 5 days a week   |                         |  |
|                         |   | SPAIN             | 1.800 hours per year with a maximum of 9 hours per day.   |                         |  |
|                         |   | TUNISIA           | 40 hours over 5 days a week (shorter than the collective agreement and Tunisian Labor Code, which stipulates 48 hours over 6 days)  |                         |  |
|                         |   | UNITED KINGDOM    | 40 hours over 5 days a week   |                         |  |
|                         |   | UNITED STATES     | 40 hours over 5 days a week   |                         |  |
|                         |   | CHINA             | 40 hours over 5 days a week   |                         |  |
|                         |   | SINGAPORE         | 40 hours over 5 days a week   |                         |  |
|                         |   | HONG KONG         | 40 hours over 5 days a week   |                         |  |
|                         |   | SINGAPORE         | 40 hours over 5 days a week   |                         |  |
|                         |   | HONG KONG         | 40 hours over 5 days a week   |                         |  |
|                         |   | AUSTRALIA         | 40 hours over 5 days a week   |                         |  |
|                         |   | BRAZIL            | 40 hours over 5 days a week   |                         |  |
| GOVE                    | Organization of working leaves  | BELGIUM           | 20 legal holidays<br>30 days sick leave, then social security<br>15 weeks maternity<br>10 days paternity<br>+ list of statutory leaves and public holidays                            |                         |  |
|                         |   | FRANCE            | 25 legal holidays<br>3 days sick leave, then social security<br>16 to 46 weeks maternity depending on the case<br>11 days paternity<br>+ list of statutory leaves and public holidays |                         |  |
|                         |   | LUXEMBOURG        | 26 legal holidays including 1 extralegal<br>77 days sick leave<br>+ list of statutory leaves and public holidays  |                         |  |
|                         |   | SPAIN             | 23 legal holidays<br>16 weeks maternity<br>8 weeks paternity voted in 2018 and starting from 2019<br>+ list of statutory leaves and public holidays                                   |                         |  |



| REF                      | CSR INDICATORS   | SUB-INDICATOR                   | FY17   | FY18 | FY19 |      |
|--------------------------|--|---------------------------------|--|------|------|------|
|                          |  | TUNISIA                         | 22 legal holiday<br>10 days sick leave including 7 extralegal<br>60 days maternity including 30 extralegal + 1-hour TOIL for 1 year 2 days paternity<br>+ list of statutory leaves and public holidays   |      |      |      |
|                          |  | UNITED KINGDOM                  | 25 To 28 legal holiday for employees / 27 To 30 for management (+ 1 day after 2 years +1day after 5 years+1day after 10 years )<br>130 working days ordinary maternity leave (+ 130 working days additional maternity)<br>10 days paternaty leave<br>+ list of statutory leaves and public holidays  |      |      |      |
|                          |  | UNITED STATES                   | 20 legal Holidays (managing directors get 25 days)<br>5 sick days leaves<br>+ 10 statutory and public holidays   |      |      |      |
|                          |  | CHINA                           | 12 to 15 legal holiday (After one complete year's service including the probationary period, employees' annual leave is increased +1, and +1 per year thereafter, up to a maximum of 15 days total leave entitlement which is reached after 3 years)<br>6 days sick leave<br>6 days children sick leave<br>128 to 158 days maternity<br>+ list of statutory leaves and public holidays |      |      |      |
|                          |  | SINGAPORE                       | 21 days ( +1 day after 2 years +1day after 5 years service+1day afeter 10 years)<br>60 working day maternity leave<br>10 days paternity leave<br>+ list of statutory leaves and public holidays  |      |      |      |
|                          |  | HONG KONG                       | 22 To 25 legal holidays (+ 1 day after 2 years +1day after 5 years+1day after 10 years )<br>50 working days maternity<br>5 days paternity<br>+ 15 statutory leaves and public holidays   |      |      |      |
| GOVE                     | Number of worked WE Days                                       | GLOBAL                          | NA   | NA   | NA   |      |
| GOVE                     | Number of worked Public Holidays                               | GLOBAL                          | NA   | NA   | NA   |      |
| GOVE                     | Number of Extra Time hours                                     | GLOBAL                          | NA   | NA   | NA   |      |
| GOVE                     | Number of work accident  | GLOBAL                          | NA   | NA   | 2    |      |
|                          |  | BELGIUM                         | NA   | 0    | 2    |      |
| GOVE                     | Number of workdays lost due to work accidents                  | BELGIUM                         | NA   | NA   | 5    |      |
| GOVE                     | Gravity of Work Accidents (AverageDay lost By accident)        | BELGIUM                         | NA   | NA   | 2,5  |      |
| GOVE                     | Number of work Illness   | GLOBAL                          | NA   | NA   | 30   |      |
|                          |  | FRANCE                          | NA   | NA   | 13   |      |
|                          |  | LUXEMBOURG                      | NA   | NA   | 15   |      |
|                          |  | TUNISIA                         | NA   | NA   | 2    |      |
| GOVE                     | Number of musculoskeletal disorders                            | GLOBAL                          | -  | -    | NA   |      |
| GOVE                     | % Employee with musculoskeletal disorders                      | GLOBAL                          | -  | -    | NA   |      |
| GOVE                     | Training on Health & Safety (risks and best working practices) | GLOBAL                          | -  | -    | 2    |      |
| ENVIRONMENT              |  |                                 |  |      |      |      |
| ENERGY CLIMATE RESOURCES |  |                                 |  |      |      |      |
| ENVI                     | Global Scope 1+2+3 By Source: Total emissions in CO2-eq tonnes | GLOBAL                          |  | 2081 | 2397 | 3155 |
| ENVI                     | % Total emissions in CO2-eq tonnes By Source                   | Business travel by Plane        |  | 45%  | 58%  | 63%  |
|                          |  | Business Travel By Company Cars |  | 29%  | 19%  | 14%  |
|                          |  | Business Travel By Train        |  | -    | -    | -    |
|                          |  | Electricity                     |  | 21%  | 18%  | 21%  |
|                          |  | Refrigerant Leaks               |  | 4%   | 2%   | -    |
|                          |  | Gaz/Oil (heating)               |  | 1%   | 3%   | 1%   |
|                          |  | Other (paper procurement, ...)  |  | -    | -    | -    |



| REF  | CSR INDICATORS   | SUB-INDICATOR  | FY17       | FY18       | FY19      |
|------|--|----------------|------------|------------|-----------|
| ENVI | % Scope 1+2+3 By Country: Total emissions in CO2-eq tonnes (direct and indirect energy-related emissions + indirect at a constant scope, excluding home/work travel - source: Carbon Assessment) | BELGIUM        | NA         | NA         | 11%       |
|      |  | FRANCE         | NA         | NA         | 6%        |
|      |  | LUXEMBOURG     | NA         | NA         | 8%        |
|      |  | SPAIN          | NA         | NA         | -         |
|      |  | TUNISIA        | NA         | NA         | 49%       |
|      |  | UNITED KINGDOM | NA         | NA         | 12%       |
|      |  | UNITED STATES  | NA         | NA         | 4%        |
|      |  | CHINA          | NA         | NA         | 4%        |
|      |  | SINGAPORE      | NA         | NA         | 3%        |
|      |  | HONG KONG      | NA         | NA         | 3%        |
| ENVI | Carbon intensity Global versus Workforce Scope 1+2+3 Total (CO2-Tonne/staff)   | EMEA           | 3,034      | 3,03       | 2,87      |
| ENVI | Legal Scope 1+2: Direct and Indirect (electricity) energy-related emissions in CO2-eq tonnes (source: Carbon Assessment)   | GLOBAL         | 539,2      | 538,9      | 720       |
| ENVI | % Direct and Indirect energy-related emissions By Country  | BELGIUM        | 6%         | 10%        | 6%        |
|      |  | FRANCE         | 1%         | 1%         | 1%        |
|      |  | LUXEMBOURG     | 4%         | 18%        | 3%        |
|      |  | SPAIN          | -          | -          | -         |
|      |  | TUNISIA        | 90%        | 71%        | 53%       |
|      |  | UNITED KINGDOM | -          | NA         | 4%        |
|      |  | UNITED STATES  | -          | NA         | 9%        |
|      |  | CHINA          | -          | NA         | 20%       |
|      |  | SINGAPORE      | -          | NA         | 2%        |
| ENVI | Carbon Intensity Direct Indirect versus Workforce scope 1+2 (CO2-T/staff)  | GLOBAL         | 0,79       | 0,68       | 0,54      |
| ENVI | Travel By Plane  | EMEA           | NA         | 2092       | 1866      |
| ENVI | Km By Plane  | EMEA           | 4 148 500  | 5 220 000  | 7 457 148 |
| ENVI | Km By Train  | GLOBAL         | 348 575    | 361 010    | 270 340   |
| ENVI | Liters fuel Car of company   | GLOBAL         | 113 699,00 | 181 998,03 | 189 392   |
|      |  | BELGIUM        | 85 485,00  | 70 778,00  | 72 753    |
|      |  | FRANCE         | 1 214,00   | 2 325,03   | 7 131     |
|      |  | LUXEMBOURG     | -          | 91 395,00  | 89 812    |
|      |  | TUNISIA        | 27 000,00  | 17 500,00  | 19 500    |
|      |  | CHINA          | -          | NA         | 196       |
|      |  | SINGAPORE      | -          | NA         | 26        |
| ENVI | MWh Electric   | GLOBAL         | 1 018      | 1 067,98   | 1 504     |
|      |  | BELGIUM        | 87,89      | 96,98      | 133       |
|      |  | FRANCE         | 34,23      | 83,8       | 99        |
|      |  | LUXEMBOURG     | 44,18      | 106        | 55        |
|      |  | TUNISIA        | 852,57     | 781,2      | 818       |
|      |  | UNITED KINGDOM | -          | NA         | 60        |
|      |  | UNITED STATES  | -          | NA         | 125       |
|      |  | CHINA          | -          | NA         | 168       |
|      |  | SINGAPORE      | -          | NA         | 26        |
|      |  | HONG KONG      | -          | NA         | 21        |
|      |  | GLOBAL         | -          | 19,18      | 3,2       |
|      |  | BELGIUM        | -          | 8,48       | -         |
|      |  | TUNISIA        | -          | 10,7       | -         |
|      |  | GLOBAL         | 37 600     | 256 960    | 85 810    |
| ENVI | KWh Fossil fuel heating  | BELGIUM        | -          | 53768      | 52 842    |
|      |  | LUXEMBOURG     | -          | 203 192    | 27 887    |
| ENVI | Litres Fossil fuel heating   | GLOBAL         | 4 700      | 5 170      | 5 081     |
|      |  | BELGIUM        | 4 700      | 5 170      | 5 081     |



| REF                    | CSR INDICATORS  | SUB-INDICATOR  | FY17      | FY18      | FY19        |
|------------------------|---|----------------|-----------|-----------|-------------|
| ENVI                   | Printed papers  | GLOBAL         | NA        | NA        | 483 089     |
|                        |   | BELGIUM        | NA        | NA        | 31 413      |
|                        |   | FRANCE         | NA        | NA        | 42 309      |
|                        |   | LUXEMBOURG     | NA        | NA        | 21 297      |
|                        |   | TUNISIA        | NA        | NA        | 331 049     |
|                        |   | UNITED KINGDOM | NA        | NA        | 42 928      |
|                        |   | UNITED STATES  | NA        | NA        | 14 093      |
| ENVI                   | Total waste production (kg)                                 | GLOBAL         | -         | -         | NA          |
| ENVI                   | Wast IT Material (kg)                                       | GLOBAL         | -         | -         | NA          |
| ENVI                   | Wast plastic production (kg)                                | GLOBAL         | -         | -         | NA          |
| ENVI                   | Wast Tonner/Ink production (kg)                             | GLOBAL         | -         | -         | NA          |
| ENVI                   | Recycled waste paper Quantity (kg)                          | GLOBAL         | -         | -         | NA          |
| ENVI                   | Recycled waste plastic Quantity (kg)                        | GLOBAL         | -         | -         | NA          |
| ENVI                   | Recycled waste IT Quantity (kg)                             | GLOBAL         | -         | -         | NA          |
| ENVI                   | Recycled waste Tonner/Ink Quantity (kg)                     | GLOBAL         | -         | -         | NA          |
| ENVI                   | TOTAL Recycled waste Quantity (kg)                          | GLOBAL         | -         | -         | NA          |
| ENVI                   | IT Material Donnation for Reuse                             | GLOBAL         | -         | -         | NA          |
| SOCIAL                 |   |                |           |           |             |
| OCCUPATIONAL WELLBEING |   |                |           |           |             |
| SOCI                   | Resources allocated To improve working environment (EUR, €) | EMEA           | 772 000 € | 519 000 € | 1 622 000 € |
| SOCI                   | Resources allocated To improve working environment (EUR, €) | TUNISIA        | NA        | NA        | 1 622 000 € |
| SOCI                   | Teambuilding budget (EUR, €)                                | GLOBAL         | 62 000 €  | 75 788 €  | 119 950 €   |
| SOCI                   | Number days of absenteeism                                  | GLOBAL         | NA        | 8760,78   | 18 343      |
| SOCI                   | Average days of absenteeism                                 | GLOBAL         | 28,9      | 11,77     | 15,3        |
|                        |   | BELGIUM        | 32,80     | 21,29     | 7,8         |
|                        |   | FRANCE         | 26,70     | 13,28     | 11,1        |
|                        |   | LUXEMBOURG     | 41,20     | 31,28     | 34,6        |
|                        |   | SPAIN          | ND        | 4,44      | 11,6        |
|                        |   | TUNISIA        | 27,00     | 8,76      | 15,0        |
|                        |   | UNITED KINGDOM | -         | NA        | 17,1        |
|                        |   | UNITED STATES  | -         | NA        | 18,6        |
|                        |   | CHINA          | -         | NA        | 0,2         |
|                        |   | SINGAPORE      | -         | NA        | 44,0        |
|                        |   | HONG KONG      | -         | NA        | 19,5        |
|                        |   | MEXICO         | -         | -         | 2,0         |
| SOCI                   | Number days of sick leave                                   | GLOBAL         |           | 2643,5    | 5 575       |
| SOCI                   | Average days of sick leave                                  | GLOBAL         | 4,7       | 3,6       | 4,6         |
|                        |   | BELGIUM        | 5,50      | 4,0       | 6,6         |
|                        |   | FRANCE         | 1,90      | 1,7       | 10,8        |
|                        |   | LUXEMBOURG     | 7,40      | 8,4       | 6,9         |
|                        |   | SPAIN          | -         | -         | -           |
|                        |   | TUNISIA        | 4,60      | 3,3       | 4,9         |
|                        |   | UNITED KINGDOM | -         | NA        | -           |
|                        |   | UNITED STATES  | -         | NA        | 2,7         |
|                        |   | CHINA          | -         | NA        | -           |
|                        |   | SINGAPORE      | -         | NA        | 11,0        |
|                        |   | HONG KONG      | -         | NA        | -           |
|                        |   | AUSTRALIA      | -         | -         | 1,5         |



| REF                       | CSR INDICATORS  | SUB-INDICATOR      | FY17  | FY18  | FY19  |
|---------------------------|---|--------------------|-------|-------|-------|
| <b>EMPLOYMENT QUALITY</b> |   |                    |       |       |       |
| <b>SOCI</b>               | Attrition Rate (Turnover)                                       | GLOBAL             | 20,3% | 25,4% | 23,9% |
| <b>SOCI</b>               | Regretted Attrition Rate (Unwanted Turnover)                    | GLOBAL             | 16,9% | 21,4% | 16,5% |
|                           |   | BELGIUM            | 9,8%  | 2,1%  | 9,6%  |
|                           |   | FRANCE             | 10,0% | 6,3%  | 13,2% |
|                           |   | LUXEMBOURG         | 17,1% | 11,3% | 3,7%  |
|                           |   | TUNISIA            | 18,4% | 26,3% | 22,5% |
|                           |   | UNITED KINGDOM     | -     | NA    | 8,9%  |
|                           |   | UNITED STATES      | -     | NA    | 10,8% |
|                           |   | CHINA              | -     | NA    | 1,2%  |
|                           |   | SINGAPORE          | -     | NA    | 31,6% |
| <b>SOCI</b>               | Recruitment over the period                                     | GLOBAL             | 181   | 330   | 537   |
| <b>SOCI</b>               | % Recruitment By Country  | GLOBAL             | 181   | 330   | 537   |
|                           |   | BELGIUM            | 1,7%  | 2%    | 0,2%  |
|                           |   | FRANCE             | 5,0%  | 2%    | 0,7%  |
|                           |   | LUXEMBOURG         | 2,2%  | 1%    | 0,7%  |
|                           |   | SPAIN              | 2,2%  | 1%    | -     |
|                           |   | TUNISIA            | 89,0% | 79,7% | 90,5% |
|                           |   | UNITED KINGDOM     | -     | 10,6% | 1,9%  |
|                           |   | UNITED STATES      | -     | 2,4%  | 0,7%  |
|                           |   | CHINA              | -     | 0,9%  | 0,9%  |
|                           |   | SINGAPORE          | -     | 1,5%  | 2,2%  |
|                           |   | HONG KONG          | -     | 0,3%  | 0,7%  |
|                           |   | AUSTRALIA          | -     | -     | -     |
|                           |   | BRAZIL             | -     | -     | 0,9%  |
|                           |   | MEXICO             | -     | -     | 0,4%  |
| <b>SOCI</b>               | Rate of stability (Total recruits still present/total recruits) | GLOBAL             | 84%   | 87%   | 95%   |
|                           |   | BELGIUM            | 67%   | 60%   | 100%  |
|                           |   | FRANCE             | 78%   | 100%  | 100%  |
|                           |   | LUXEMBOURG         | 100%  | 67%   | 75%   |
|                           |   | TUNISIA            | 84%   | 91%   | 96%   |
|                           |   | UNITED KINGDOM     | -     | 60%   | 70%   |
|                           |   | UNITED STATES      | -     | 100%  | 100%  |
|                           |   | CHINA              | -     | 100%  | 100%  |
|                           |   | SINGAPORE          | -     | 100%  | 92%   |
|                           |   | HONG KONG          | -     | 100%  | 75%   |
|                           |   | BRAZIL             | -     | -     | 80%   |
|                           |   | MEXICO             | -     | -     | 100%  |
| <b>SOCI</b>               | Average age   | GLOBAL             | 32,6  | 32,7  | 32,5  |
|                           |   | Min: TUNISIA       | 31,2  | 30,6  | 29,3  |
|                           |   | Max: UNITED STATES | -     | -     | 46,6  |
| <b>SOCI</b>               | Seniority , Average experience                                  | GLOBAL             | 7,7   | 7,4   | 6,8   |
|                           |   | Max: BELGIUM       | -     | 16,0  | 16,7  |
|                           |   | Min: TUNISIA       | -     | 5,7   | 4,5   |
| <b>SOCI</b>               | % Workforce by years of experience                              | 0-2 YEARS          | 20%   | 26%   | 37%   |
|                           |   | 2-5 YEARS          | 22%   | 21%   | 17%   |
|                           |   | 5-10 YEARS         | 29%   | 26%   | 20%   |
|                           |   | 10-20 YEARS        | 24%   | 21%   | 19%   |
|                           |   | Over 20 years      | 5%    | 5%    | 7%    |
| <b>SOCI</b>               | Retention (Average length of service in the Group)              | GLOBAL             | 5,3   | 4,9   | 4,2   |
|                           |   | Max: LUXEMBOURG    | -     | 9,7   | 10,7  |
|                           |   | Min: TUNISIA       | -     | 3,8   | 2,8   |



| REF                | CSR INDICATORS   | SUB-INDICATOR       | FY17      | FY18        | FY19        |
|--------------------|--|---------------------|-----------|-------------|-------------|
| SOCI               | % Workforce by years of service in the Group   | 0-2 YEARS           | 31%       | 24%         | 53%         |
|                    |  | 2-5 YEARS           | 28%       | 24%         | 18%         |
|                    |  | 5-10 YEARS          | 25%       | 26%         | 18%         |
|                    |  | 10-20 YEARS         | 15%       | 19%         | 10%         |
|                    |  | Over 20 years       | 1%        | 6%          | 2%          |
| SOCI               | International mobility   | GLOBAL              | 32        | 18          | 17          |
| SOCI               | % Mobility per Destination   | TO BELGIUM          | 6%        | 17%         | 6%          |
|                    |  | TO FRANCE           | 78%       | 72%         | 53%         |
|                    |  | TO LUXEMBOURG       | 3%        | -           | -           |
|                    |  | TO SPAIN            | 13%       | -           | 6%          |
|                    |  | TO UNITED KINGDOM   | -         | 6%          | 12%         |
|                    |  | TO UNITED STATES    | -         | -           | 18%         |
|                    |  | TO SINGAPORE        | -         | 6%          | 6%          |
| SOCI               | % Mobility per Origin Country  | FROM FRANCE         | -         | 6%          | 6%          |
|                    |  | FROM TUNISIA        | -         | 83%         | 71%         |
|                    |  | FROM UNITED KINGDOM | -         | 6%          | 12%         |
|                    |  | FROM SINGAPORE      | -         | -           | 6%          |
|                    |  | FROM AUSTRALIA      | -         | -           | 6%          |
| SOCI               | Number of days training  | GLOBAL              | 6 663     | 10 182      | 24 761      |
| SOCI               | Cost of Men Day training   | GLOBAL              | 6 663     | 10 182      | 2 505 410   |
| SOCI               | Average days training per person   | GLOBAL              | 10        | 13,7        | 20,6        |
| SOCI               | People trained   | GLOBAL              | 585       | 644         | 1 043       |
| SOCI               | % People trained (versus workforce flux)   | GLOBAL              | 88%       | 87%         | 67%         |
|                    |  | BELGIUM             | 61%       | 47%         | 25%         |
|                    |  | FRANCE              | 69%       | 47%         | 33%         |
|                    |  | LUXEMBOURG          | 58%       | 22%         | 56%         |
|                    |  | SPAIN               | -         | 44%         | 17%         |
|                    |  | TUNISIA             | 97%       | 100%        | 88%         |
|                    |  | UNITED KINGDOM      | -         | NA          | 9%          |
|                    |  | UNITED STATES       | -         | NA          | 2%          |
|                    |  | CHINA               | -         | NA          | 27%         |
|                    |  | SINGAPORE           | -         | NA          | 15%         |
| SOCI               | Days given by internal trainers  | GLOBAL              | 994       | 493,9       | 1233        |
| SOCI               | Days given by internal trainers  | GLOBAL              | 994       | 493,9       | 1233        |
| SOCI               | Average day given by Internal trainers   | GLOBAL              | -         | 0,7         | 1,0         |
| FAIR VALUE SHARING |  |                     |           |             |             |
| SOCI               | Average Wage Bill (Wage Bill /average workforce)   | GLOBAL              | -         | 53 156,85 € | 48 603,58 € |
| SOCI               | Average Compensation (Salary Cost /average workforce)  | GLOBAL              | 43 965 €  | 37 908 €    | 43 908 €    |
|                    |  | BELGIUM             | 121 333 € | 123 007 €   | 105 529 €   |
|                    |  | FRANCE              | 107 236 € | 97 761 €    | 108 096 €   |
|                    |  | LUXEMBOURG          | 88 488 €  | 86 899 €    | 86 000 €    |
|                    |  | SPAIN               | 83 000 €  | 115 034 €   | 121 597 €   |
|                    |  | TUNISIA             | 21 775 €  | 18 404 €    | 17 120 €    |
| SOCI               | Evolution Average Compensation (Increase/ Deacrese Rate N versus N-1, Gross or Net depending on country) | GLOBAL              | -         | -14%        | 16%         |
| SOCI               | Training Budget Rate Versus Revenue  | GLOBAL              | NA        | 2,1%        | 3,7%        |
| SOCI               | Training Budget Rate Versus Wage bill  | GLOBAL              | 1,8%      | 3,2%        | 5,9%        |
| SOCI               | Training Cost External & Internal VERMEG Academy (EUR, €)  | GLOBAL              | 520 580 € | 1 702 967 € | 3 415 027 € |
| SOCI               | Average Training Cost by Employee (EUR, €)   | GLOBAL              |           | 2 287 €     | 2 847 €     |
| SOCI               | % Company capital held by the staff  | GLOBAL              | 5%        | 5%          | 5%          |



| REF                                   | CSR INDICATORS  | SUB-INDICATOR                                  | FY17   | FY18  | FY19  |
|---------------------------------------|---|--|--------|-------|-------|
| SOCI                                  | Beneficiaries of Capital Parts                          | GLOBAL   | -      | -     | 34    |
| SOCI                                  | % Beneficiaries of Capital Parts (Versus Average Staff) | GLOBAL   | -      | -     | 3%    |
| SOCI                                  | % Beneficiaries of Meal Sponsoring                      | GLOBAL   | -      | -     | -     |
| SOCI                                  | % Beneficiaries of Transport Sponsoring                 | GLOBAL   | -      | -     | -     |
| SOCI                                  | % Beneficiaries of Car Sponsoring                       | GLOBAL   | -      | -     | -     |
| SOCI                                  | % Beneficiaries of Kids school sponsoring               | GLOBAL   | -      | -     | -     |
| SOCI                                  | % Beneficiaries of Sport sponsoring                     | GLOBAL   | -      | -     | -     |
| <b>NON-DISCRIMINATION - DIVERSITY</b> |   |  |        |       |       |
| SOCI                                  | % Workforce older than 55                               | GLOBAL   | 0,9%   | 4,0%  | 2,6%  |
|                                       |   | Max: UNITED STATES                             | -      | 27,0% | 27,3% |
|                                       |   | Min: SINGAPORE                                 | -      | 2,6%  | -     |
| SOCI                                  | % Workrs with a handicap                                | GLOBAL   | 0,2%   | 0,4%  | 0,4%  |
| SOCI                                  | % Recruitment by age range                              | Senior recruitment >55                         | -      | 2%    | 1%    |
|                                       |   | Recruitment between 25 and 55                  | 62%    | 82%   | 56%   |
|                                       |   | Young recruitment =<25 & first-time jobseekers | 34%    | 16%   | 43%   |
| SOCI                                  | Female Number   | GLOBAL   | 254    | 398   | 511   |
| SOCI                                  | Gender Diversity: % Female                              | GLOBAL   | 37,0%  | 37,7% | 38,1% |
|                                       |   | BELGIUM  | 29,0%  | 30,8% | 34,9% |
|                                       |   | FRANCE   | 33,0%  | 25,0% | 21,1% |
|                                       |   | LUXEMBOURG                                     | 25,0%  | 22,2% | 21,2% |
|                                       |   | SPAIN  | -      | 0,0%  | 0,0%  |
|                                       |   | TUNISIA  | 37,0%  | 43,8% | 42,5% |
|                                       |   | UNITED KINGDOM                                 | -      | 27,7% | 27,3% |
|                                       |   | UNITED STATES                                  | -      | 29,7% | 27,3% |
|                                       |   | CHINA  | -      | 47,1% | 44,8% |
|                                       |   | SINGAPORE                                      | -      | 15,8% | 16,0% |
|                                       |   | HONG KONG                                      | -      | 11,1% | 25,0% |
| SOCI                                  | % Female repartition by Country                         | BELGIUM  | -      | 4,0%  | 2,9%  |
|                                       |   | FRANCE   | -      | 4,8%  | 2,9%  |
|                                       |   | LUXEMBOURG                                     | -      | 3,0%  | 2,2%  |
|                                       |   | TUNISIA  | -      | 66,6% | 77,1% |
|                                       |   | UNITED KINGDOM                                 | -      | 7,8%  | 4,1%  |
|                                       |   | UNITED STATES                                  | -      | 2,8%  | 1,8%  |
|                                       |   | CHINA  | -      | 66,6% | 7,6%  |
|                                       |   | SINGAPORE                                      | -      | 7,8%  | 0,8%  |
|                                       |   | HONG KONG                                      | -      | 2,8%  | 0,6%  |
| SOCI                                  | % Female recruitment(Female/Total recruitment)          | GLOBAL   | 37%    | 42%   | 39%   |
|                                       |   | Max: TUNISIA                                   | 37%    | 46%   | 41%   |
|                                       |   | Min: UNITED KINGDOM                            | -      | NA    | 20%   |
| SOCI                                  | % Women in management versus men                        | GLOBAL   | 28,6 % | 24,4% | 36%   |
|                                       |   | Min: LUXEMBOURG                                | NA     | 9%    | 13%   |
|                                       |   | Max: TUNISIA                                   | NA     | 28%   | 41%   |
| SOCI                                  | % Women By Level  | Women at Junior Level                          | -      | 49%   | 44%   |
|                                       |   | Women at Confirmed Level                       | -      | 44%   | 42%   |
|                                       |   | Women at Senior Level                          | -      | 32%   | 35%   |
|                                       |   | Women at Manager level                         | 17%    | 20%   | 21%   |
|                                       |   | Women at Director level                        | 17%    | 10%   | 14%   |
|                                       |   | Women in the Executive Committee               | 14%    | 14%   | 9%    |
|                                       |   | Women in the Board                             | 25%    | 25%   | 25%   |



| REF  | CSR INDICATORS                              | SUB-INDICATOR               | FY17  | FY18  | FY19  |
|------|---|-----------------------------|---|---|---|
| SOCl | % Of Women by Profile Versus Men            | Women with Technical Profil | -   | 33%   | 32%   |
|      |   | Women with Business Profil  | -   | 44%   | 47%   |
| SOCl | % Women Departure Versus Men                | GLOBAL                      |   | NA  | 40%   |
| SOCl | % Unwanted Women Departure Versus Men       | GLOBAL                      |   | NA  | 42%   |
| SOCl | Gap of salary Manager Women Average / Men   | BELGIUM                     | 93%   | 60%   | 69%   |
|      |   | FRANCE                      | 93%   | 76%   | 88%   |
|      |   | LUXEMBOURG                  | 62%   | 78%   | 72%   |
|      |   | TUNISIA                     | 68%   | 62%   | 69%   |
|      |   | UNITED KINGDOM              | -   | NA  | 90%   |
|      |   | UNITED STATES               | -   | NA  | 80%   |
|      |   | CHINA                       | -   | NA  | 72%   |
|      |   | SINGAPORE                   | -   | NA  | 58%   |
|      |   | HONG KONG                   | -   | NA  | 43%   |
|      |   |                             |   |   |   |
| SOCl | Cultural Diversity: Number of Nationalities | GLOBAL                      | 12  | 18  | 35  |
|      |   | BELGIUM                     | NA  | 7   | 4   |
|      |   | FRANCE                      | NA  | 8   | 5   |
|      |   | LUXEMBOURG                  | NA  | 9   | 8   |
|      |   | SPAIN                       | NA  | 2   | 2   |
|      |   | TUNISIA                     | NA  | 10  | 7   |
|      |   | UNITED KINGDOM              | NA  | NA  | 13  |
|      |   | UNITED STATES               | NA  | NA  | 7   |
|      |   | CHINA                       | NA  | NA  | 3   |
|      |   | SINGAPORE                   | NA  | NA  | 10  |
|      |   | HONG KONG                   | NA  | NA  | 1   |
|      |   | AUSTRALIA                   | -   | -   | 2   |
|      |   | BRAZIL                      | -   | -   | 2   |
|      |   | MEXICO                      | -   | -   | 1   |
|      |   |                             |   |   |   |
|      |   |                             |   |   |   |
| SOCl | % Employee By Nationality                   | BELGIUM                     | NA  | 6,2%  | 4,1%  |
|      |   | SPAIN                       | NA  | 0,1%  | 0,1%  |
|      |   | FRANCE                      | NA  | 4,6%  | 3,2%  |
|      |   | LUXEMBOURG                  | NA  | 0,4%  | 0,1%  |
|      |   | TUNISIA                     | NA  | 63,8%   | 72,9%   |
|      |   | UNITED KINGDOM              | -   | 10,4%   | 4,8%  |
|      |   | UNITED STATES               | -   | 3,5%  | 2,2%  |
|      |   | CHINA                       | -   | 9,3%  | 6,8%  |
|      |   | SINGAPORE                   | -   | -   | -   |
|      |   | HONG KONG                   | -   | -   | -   |
|      |   | AUSTRALIA                   | -   | -   | -   |
|      |   | BRAZIL                      | -   | -   | -   |
|      |   | MEXICO                      | -   | -   | -   |
|      |   | OTHERS & MIXT               | NA  | 1,8%  | 4,0%  |
|      |   |                             |   |   |   |
| SOCl | Number of charters signed                   | GLOBAL                      | 1<br>(EEO, Equal Employment Opportunity Statement, <a href="http://www.vermeg.com/empowered">www.vermeg.com/empowered</a> ) | 1<br>UNGP, United Nations Global Compact, <a href="https://www.unglobalcompact.org/what-is-gc/participants/132942">https://www.unglobalcompact.org/what-is-gc/participants/132942</a> | 1<br>HRC, Human Righ Compain, <a href="https://www.hrc.org/campaigns/corporate-equality-index">https://www.hrc.org/campaigns/corporate-equality-index</a> |



| REF   | CSR INDICATORS  | SUB-INDICATOR                         | FY17     | FY18      | FY19      |
|---|---|---------------------------------------|----------|-----------|-----------|
| <b>TERRITORIES</b>  |   |                                       |          |           |           |
| <b>CONTRIBUTION TO EDUCATION IN THE TERRITORIES</b>       |   |                                       |          |           |           |
| <b>TERR</b>   | Budget For Student & School Support (EUR, €)                        | GLOBAL                                | 32 500 € | 46 000 €  | 30 000 €  |
|   |   | Local study grants                    | 15 000 € | 22 500 €  | - €       |
|   |   | Overseas study grants                 | 13 500 € | 13 500 €  | 18 000 €  |
|   |   | Student Sponsored Projects/<br>events | 4 000 €  | 7 000 €   | 8 000 €   |
|   |   | School Sponsored Projects/<br>events  | -        | 3 000 €   | 4 000 €   |
| <b>TERR</b>   | Grants for study & student project                                  | LOCAL                                 | 4        | 6         | -         |
|   |   | OVERSEAS                              | 3        | 3         | 4         |
| <b>TERR</b>   | Education-related partnerships in the regions                       | GLOBAL                                | 7        | 15        | 16        |
| <b>CONTRIBUTION TO WEALTH CREATION IN THE TERRITORIES</b> |   |                                       |          |           |           |
| <b>TERR</b>   | Partnerships on societal issues (with external stakeholders)        | GLOBAL                                | 9        | 11        | 13        |
| <b>TERR</b>   | Budget contributions to Territories (EUR, €)                        | GLOBAL                                | 78 230 € | 132 460 € | 196 780 € |
| <b>RESPONSIBLE BUSINESS</b>                               |   |                                       |          |           |           |
| <b>ECO SOCIO-DESIGN OF PRODUCTS &amp; SOLUTIONS</b>       |   |                                       |          |           |           |
| <b>BUSI</b>   | Product & Services Certifications                                   | GLOBAL                                | 2        | 5         | 5         |
| <b>BUSI</b>   | Market Awards   | GLOBAL                                | -        | 4         | 4         |
| <b>BUSI</b>   | Business ethical failings/breaches reported                         | GLOBAL                                | -        | -         | -         |
| <b>BUSI</b>   | Treatment of Business ethical Incidents                             | HANDLED INCIDENT                      | -        | 100%      | 100%      |
|   |   | REJECTED INCIDENT                     | -        | -         | -         |
|   |   | PENDING INCIDENT                      | -        | -         | -         |
| <b>BUSI</b>   | Data Protection/Information Security Certifications                 | GLOBAL                                | Iso27001 | Iso27001  | Iso27001  |
| <b>BUSI</b>   | Data Protection/Information Security failings/<br>breaches reported | GLOBAL                                | -        | -         | -         |
| <b>BUSI</b>   | Treatment of DP/IS Incidents  | Handled Incident                      | -        | 100%      | 100%      |
|   |   | Rejected Incident                     | -        | NA        | -         |
|   |   | Pending Incident                      | -        | NA        | -         |
| <b>BUSI</b>   | Budget Allocated to Information Security (Direct & Indirect)        | GLOBAL                                | -        | NA        | NA        |
| <b>RESPONSIBLE PROCUREMENT</b>                            |   |                                       |          |           |           |
| <b>SUSTAINABLE &amp; SOLIDARITY PURCHASE</b>              |   |                                       |          |           |           |
| <b>PROC</b>   | Supplier who signed VERMEG Code of Conduct                          | GLOBAL                                | -        | -         | 11        |
| <b>PROC</b>   | IT Supplier who signed VERMEG Code of Conduct                       | GLOBAL                                | -        | -         | 11        |
| <b>PROC</b>   | Suppliers with CSR Certification                                    | ECOVADIS                              | -        | NA        | NA        |
|   |   | Other CSR Certification (Iso, etc.)   | -        | NA        | NA        |
| <b>PROC</b>   | Banished suppliers for non CSR Compliance                           | GLOBAL                                | -        | 1         | 1         |
| <b>PROC</b>   | Solidarity purchase Budget versus Global Purchase                   | GLOBAL                                |          | NA        | NA        |
| <b>PROC</b>   | Recycled paper purchase / Total Paper Purchase (%)                  | GLOBAL                                |          | NA        | NA        |
| <b>PROC</b>   | IT servers life time (years)  | GLOBAL                                |          | NA        | 8         |
| <b>PROC</b>   | IT Notebook / Desktop PC life-time (years)                          | BELGIUM                               |          | NA        | 3         |
|   |   | SPAIN                                 |          | NA        | 3         |
|   |   | FRANCE                                |          | NA        | 3         |
|   |   | LUXEMBOURG                            |          | NA        | 3         |
|   |   | TUNISIA                               |          | NA        | 5         |
|   |   | UNITED KINGDOM                        |          | NA        | 3         |
|   |   | UNITED STATES                         |          | NA        | 4         |
|   |   | CHINA                                 |          | NA        | 5         |
|   |   | SINGAPORE                             |          | NA        | 5         |
|   |   | HONG KONG                             |          | NA        | 5         |
|   |   | AUSTRALIA                             |          | NA        | 5         |
|   |   | BRAZIL                                |          | NA        | 5         |
|   |   | MEXICO                                |          | NA        | 5         |



| REF                                      | CSR INDICATORS  | SUB-INDICATOR                                       | FY17      | FY18     | FY19      |
|--|---|---|-----------|----------|-----------|
| <b>CULTURAL AND ARTISTIC DEVELOPMENT</b> |   |   |           |          |           |
| <b>SPONSORSHIP</b>                       |   |   |           |          |           |
| SPON                                     | Budget allocated to Art patronage & Cultural initiatives (EUR, €) | GLOBAL  | 152 000 € | 81 000 € | 125 000 € |
|  |   | BELGIUM   | NA        | NA       | NA        |
|  |   | FRANCE  | NA        | NA       | NA        |
|  |   | LUXEMBOURG  | NA        | NA       | NA        |
|  |   | SPAIN   | NA        | NA       | NA        |
|  |   | TUNISIA   | NA        | NA       | NA        |
|  |   | UNITED KINGDOM                                      | NA        | NA       | NA        |
|  |   | UNITED STATES                                       | NA        | NA       | NA        |
|  |   | CHINA   | NA        | NA       | NA        |
|  |   | SINGAPORE   | NA        | NA       | NA        |
|  |   | HONG KONG   | NA        | NA       | NA        |
|  |   | AUSTRALIA   | NA        | NA       | NA        |
|  |   | BRAZIL  | NA        | NA       | NA        |
|  |   | MEXICO  | NA        | NA       | NA        |
| SPON                                     | Budget allocation between Talents                                 | EXTERNAL TALENTS                                    | 90%       | 20%      | 8%        |
|  |   | INTERNAL TALENTS                                    | 10%       | 80%      | 92%       |
| SPON                                     | Budget Allocation by type of Art & Culture                        | ARCHITECTURE  | -         | -        | -         |
|  |   | SCULPTURE   | 5%        | -        | -         |
|  |   | VISUAL ART (painting, drawing, etc.)                | 50%       | 20%      | 6%        |
|  |   | MUSIC   | 10%       | 2%       | -         |
|  |   | LITERATURE (poetry, playwriting, storytelling, ...) | 5%        | -        | -         |
|  |   | PERFORMING ART (theater, dance, mime, circus,...)   | 10%       | 1%       | -         |
|  |   | CINEMA  | 5%        | -        | -         |
|  |   | MEDIA ART (radio, TV, photography, etc.)            | 5%        | -        | 2%        |
|  |   | CULTURAL HERITAGE & EXCHANGE                        | 10%       | 77%      | 92%       |



## OUR CSR PROGRAM « EMPOWERED BY VERMEG »

### 3 Axis



### 7 Challenges

|               |   |
|---------------|---|
| GOVERNANCE    | 1 CSR within Governance<br>2 Ethics<br>3 Employees Protection   |
| ENVIRONMENT   | 4 Energies Climate Resources  |
| SOCIAL        | 5 Work Life Quality<br>6 Job Quality – Attraction<br>7 Equitable Values Sharing<br>8 Non discrimination – Diversity - Inclusion |
| TERRITORIES   | 9 Contribution to education<br>10 Contribution to prosperity in the regions   |
| CORE BUSINESS | 11 Eco -socio-conception of software solutions & services   |
| PURCHASE      | 12 Responsible Procurement  |
| ART & CULTURE | 13 External and Internal Art& Culture Development   |

### 13 Targets

### Main partners



## MARKET RECOGNITION

### AWARDS



Best regulatory reporting platform/service:  
Oracle Analytical Applications in conjunction  
with Lombard Risk



Collateral platform provider of the year



Risk Management Technology  
award winner Megara



Best Regulatory Reporting Solution - 2018

### CERTIFICATIONS

#### GLOBAL CERTIFICATIONS



**Microsoft Partner**  
Silver Application Development



**United Nations**  
Global Compact

#### PRODUCT CERTIFICATIONS



2018  
Corporate Actions



2018  
Collateral Management



2018  
Securities Settlement



AWS Partner Network: Standard Technology  
Partner, Financial Services Competency



# GLOSSARY

## MAIN REFERENCES

|  |    |
|--|----|
| Best Place to Work                               | 63 |
| Code of Conduct                                  | 74 |
| CSR Policies Hand Book                           | 74 |
| Ecovadis   | 13 |
| Equal Opportunities in Employment Statement      | 57 |
| Glassdor   | 64 |
| Greenhouse gas (GHG)                             | 41 |
| Human rights Campaign                            | 58 |
| Iso26000   | 13 |
| Materiality Matrix                               | 26 |
| Peakon   | 64 |
| Scope 1, Scope 2 and Scope 3 of the GHG Protocol | 90 |
| United Nation Global Compact                     | 13 |
| United Nations Sustainable Development Goals     | 22 |
| Women Empowerment Principles                     | 58 |

## ACRONYMS

|    |   |
|----|---|
| 63 | APAC: Asia Pacific  |
| 74 | BCP: Business Continuity Plan                               |
| 74 | CE: Continental Europe                                      |
| 13 | CSR: Social Corporate Responsibility                        |
| 57 | EMEA: Europe Middle East Africa                             |
| 64 | FTPD: Fondation Tunisie Pour le Development                 |
| 41 | GDPR: General Data Protection Regulation                    |
| 58 | IS: Information System                                      |
| 13 | IT: Information Security                                    |
| 26 | KPI: Key Principle Indicators                               |
| 64 | LATAM: Latin America  |
| 90 | NAM: North America  |
| 13 | TACT: Tunisian Association For Communication and Technology |
| 22 | VTO: Volunteering Time Off                                  |
| 58 | WC: Work Council  |

## MAIN LINKS

<https://www.un.org/sustainabledevelopment/sustainable-development-goals/>  
<https://www.iso.org/fr/iso-26000-social-responsibility.html>  
<https://www.ecovadis.com>  
<https://www.vermeg.com/empowered.html>









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