



CORPORATE RESPONSIBILITY REPORT
EXTRACT FROM REGISTRATION DOCUMENT-2018

MESSAGE FROM THE CHAIRMAN

"The world we live in is changing in so many different ways, and our clients are embarking on far-reaching transformations. Our business is also experiencing sweeping changes. Sopra Steria Group is adapting and adjusting to its environment to maintain and strengthen its enduring partnerships with its major clients, just as it has always done over the past 50 years.

At Sopra Steria - which recorded revenue of over €4 billion and now has close to 45,000 employees - strategic decisions always put our long-term vision and respect for the commitments made to our clients first. We constantly ensure that we are making the right level of investments to secure our Group's long-term future and growth.

In the same vein, we made a decision many years ago to play an active role in the major workforce-related, environmental and social changes taking place, and to make a positive contribution to the challenges they represent. And Sopra Steria's policy of sustainable growth has gained recognition precisely because of this approach. In January 2019, for the second year in a row, CDP ranked the Group's environmental performance in the A List - the highest level - and the Group's overall corporate responsibility performance was again awarded EcoVadis' Gold medal with a score at the Advanced level.

"Sopra Steria's policy of sustainable growth has gained recognition precisely because of this approach. In January 2019, for the second year in a row, CDP ranked the Group's environmental performance in the A List - the highest level."

Our strategy as an independent group rests on two key pillars: adding more value for our major clients in their own specific areas of business, and harnessing the strengths of our software business to set ourselves apart from our competitors, especially in the financial services sector, where we can leverage synergies with our services businesses.

2018 was a year of major progress, with enhancements to Sopra Steria's business model, investments in innovation and several key acquisitions. Our performance was held back by delivery issues. They indicate that the transformation initiatives launched within the Group need to accelerate and require a more robust internal governance framework. The necessary decisions have been taken and are being implemented. This will help the Group pursue its medium-term strategy.

The most significant progress achieved in 2018 includes the expansion in the Consulting business to 10% of the Group's revenue from 7.5% in the previous year. Promising first results were also recorded as a result of the far-reaching transformation programme launched in the United Kingdom. Adjustments were made to human resources, and trends in revenue and operating profitability picked up in the second half. Lastly, a number of Sopra Banking Software's major transformation projects were successfully completed, with the Platform product going live for European clients, Amplitude Up for clients in English-speaking Africa, and Cassiopae in North America. The acquisition of Apak also established an unrivalled global position in the asset finance software market.

Going forward in 2019, we are optimistic and determined, mindful of what we need to do to reach our objectives. In a market driven by digital transformation, we are confident in our ability to steadily and continually raise our performance. Over the medium term, we are targeting annual organic revenue growth of between 4% and 6%, an operating margin on business activity of around 10%, and free cash flow of between 5% and 7% of revenue."



"Going forward in 2019, we are optimistic and determined, mindful of what we need to do to reach our objectives."

KEY FIGURES FOR 2018

Sopra Steria, a major European player in digital transformation, has one of the most comprehensive portfolios of offerings on the market, spanning consulting and systems integration, the development of business and technology solutions, infrastructure management, cybersecurity and business process services (BPS).

REVENUE

€4.1bn

4.9% organic growth¹

85% Digital Services

15% Solutions

OPERATING PROFIT ON BUSINESS ACTIVITY

€307.9m

7.5% of revenue

NUMBER OF EMPLOYEES

44,114

NET PROFIT - GROUP SHARE

€125.1m

3.1% of revenue

NUMBER OF LOCATIONS

184

BASIC EARNINGS PER SHARE

€6.20

NUMBER OF COUNTRIES

25

DIVIDEND PER SHARE

€1.85²

EQUITY

€1.3 bn

NET FINANCIAL DEBT

€620.9m

i.e. 1.68x pro forma EBITDA
on a 12-month rolling basis

MARKET CAPITALISATION AT 28/02/2019

€2.1bn



TOP 5

European digital services companies



TOP 10

Digital services companies operating in Europe

¹ Alternative performance measures are defined in the glossary at the end of this document.

² Dividend to be proposed at the General Meeting of 12 June 2019.

CORPORATE PLAN

KEY POINTS OF THE CORPORATE PLAN

AN INDEPENDENT MODEL

An independent model built on long-term vision and business performance, upholding the Group's responsibilities to the environment and to its stakeholders as a good corporate citizen.



ENTREPRENEURIAL CULTURE

By its very nature, the Group is agile, has short decision-making circuits, and moves rapidly. The core values are a dedication to serving clients, managers' autonomy, a sense of collective responsibility and respect for others.



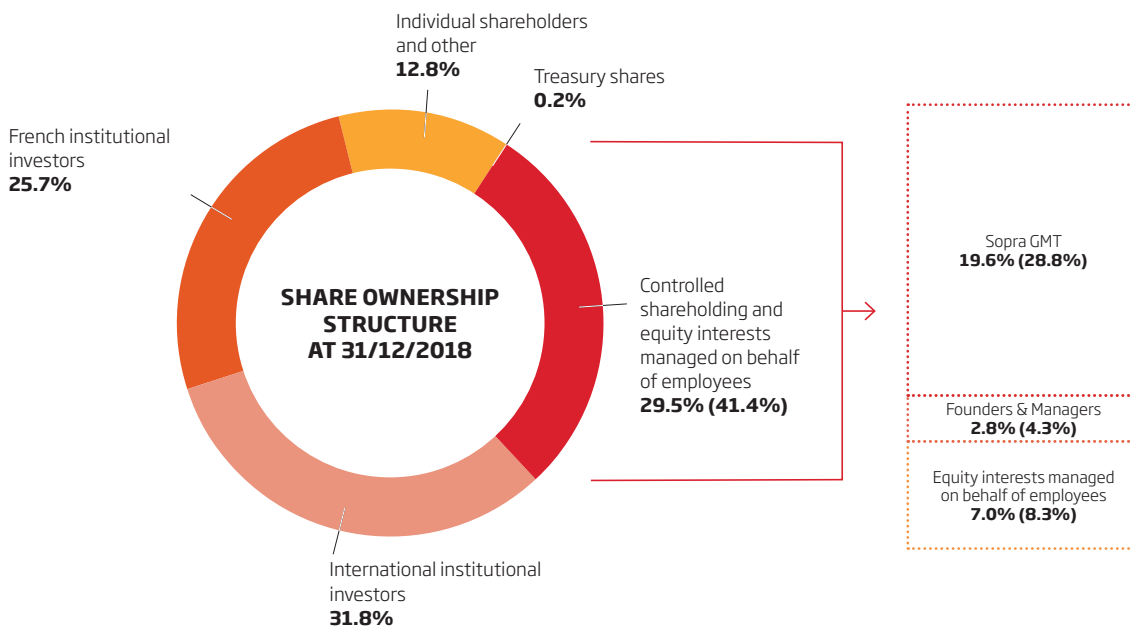
IMPORTANCE OF HUMAN CAPITAL

A demanding human resources policy focused on talent aligned with the business culture and the development of employees' skills.



See Chapter 1 for more information

A REFERENCE SHAREHOLDER BACKING THE CORPORATE PLAN



20,547,701 listed shares.
 26,147,566 exercisable voting rights.
 XX.X% = Percentage of share capital held.
 (XX.X%) = Percentage of voting rights exercisable.

TPI survey of identifiable holders of shares at 31/12/2018 - Ownership threshold of over 1,000 shares

See Chapter 6 for more information

HISTORY OF SOPRA STERIA

A strategic partner to key accounts and European organisations

Sopra Steria has reinforced its position as a European leader in digital transformation. The Group - which is listed on the SBF 120 index - posted €4.1 billion in revenue and employed more than 44,000 people in over 25 countries in 2018. Sopra Steria was formed from the merger in 2014 of two of France's most long-standing digital services companies, Sopra and Steria, founded respectively in 1968 and 1969 and both characterised by a strong entrepreneurial spirit as well as a firm collective commitment to serving their clients.

See Chapter 1 for more information

CORPORATE RESPONSIBILITY

For more than 50 years we have built our Group on solid fundamentals and a set of ethical principles and core values that define us. Our ambition is to be a company engaged in the key issues currently facing society, drawing on our principles and values, and setting ambitious, meaningful targets that create value for all our stakeholders.

Sopra Steria's corporate responsibility strategy is built on 7 key priorities:

- Being a leading employer that attracts the best talent, fosters employee dialogue and promotes diversity and equal opportunities;
- Establishing ongoing constructive and transparent dialogue with our stakeholders;
- Being the partner of choice for our clients, meeting their needs as effectively as possible by providing them with the best technology;
- Involving our entire value chain in our corporate responsibility approach to contribute to a more sustainable world;
- Reducing the environmental impact of our operations and contributing to a low-carbon economy;
- Acting ethically and with integrity in our day-to-day operations and all our business activities;
- Supporting local communities by stepping up our community engagement initiatives, notably in the area of digital inclusion.

Our strategy is supported by an improvement process focusing on a number of key issues. This process is based on **our commitment to the United Nations Global Compact**, a matrix-based analysis of the various challenges facing the Group, and a governance framework that coordinates the implementation of strategy and related measures.

OUR COMMITMENTS

WORKFORCE



- Equal opportunities
- Employability
- Greater emphasis on access to employment opportunities and employment support for people with disabilities
- Skills development
- Career management

SOCIETY



- Strengthening stakeholder dialogue
- Community outreach programmes under which employees support local communities

ENVIRONMENT



- GHG⁽¹⁾ reduction target per employee: -43% between 2015 and 2025 approved by the SBTi⁽²⁾ (-29.1% achieved between 2015 and 2018)
- CarbonNeutral® business travel, office space and on- and off-site data centres
- Incorporate sustainable development priorities into the value proposition by measuring the impact of solutions provided to our clients to meet the environmental challenges they face

ETHICS AND COMPLIANCE



- A Code of Ethics, supplemented by a Code of Conduct for the prevention of corruption and influence peddling, has been published in ten languages and distributed to all Group employees

High-profile recognition from three major international organisations in early 2019

- **CDP Climate Change**
For the second year running, Sopra Steria is made a member of the **A List** in recognition of its environmental performance
- **CDP Supplier Engagement leader**
Sopra Steria's performance in the environmental engagement of its supply chain also made Sopra Steria a "Supplier Engagement leader"
- **EcoVadis**
Its corporate responsibility performance earned Sopra Steria **the Gold category - Advanced level** for its corporate responsibility performance



Sopra Steria Group joined 3 new Environmental, Social and Governance (ESG) indices in 2018

- Dow Jones Sustainability Europe Index (DJSI Europe Index)
- Eurozone 120 index
- ESI Excellence Europe Index (Ethibel Sustainability Europe Index)



1 Greenhouse gas emissions from business travel, offices and on- and off-site data centres
2 Science Based Targets initiative

See Chapter 3 for more information

BUSINESS MODEL AND...

Our mission

The digital revolution has triggered a radical transformation in our environment. It is speeding up changes in our clients' business models, internal processes and information systems. In this fast-changing environment, our role is to bring our clients new ideas and support them in their transformation by making the most effective use of digital technology.

Our business

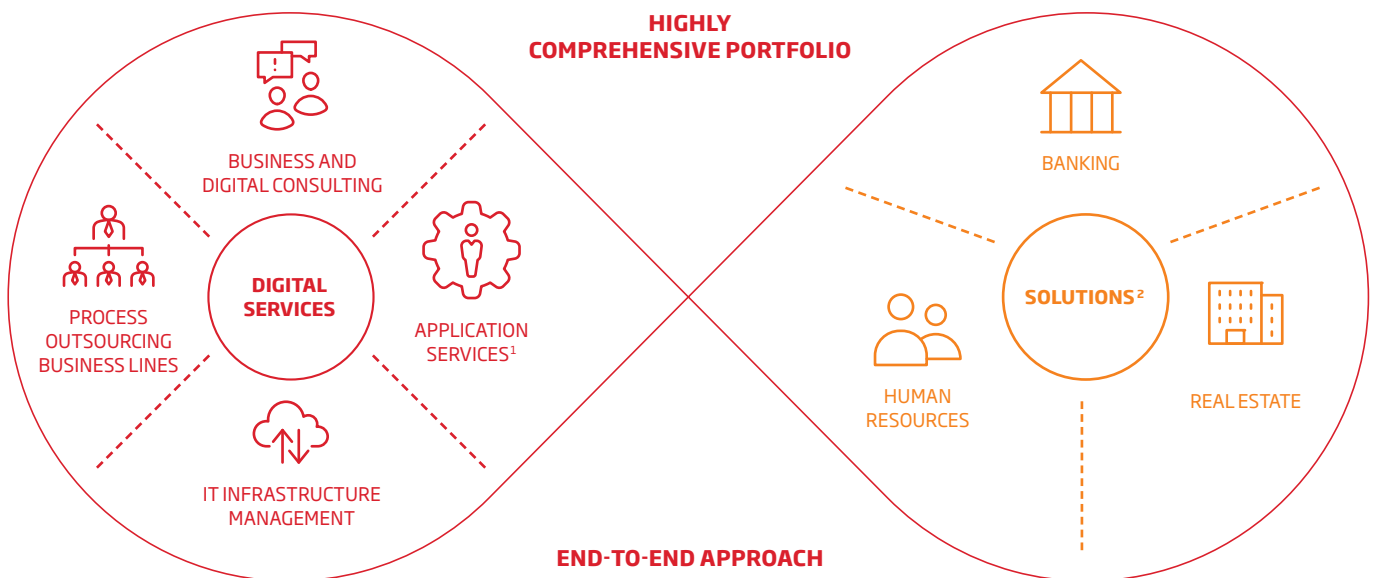
Sopra Steria provides end-to-end solutions addressing the core business and competitive needs of large companies and organisations in Europe and further afield, helping them throughout their digital transformation.

Our market

- Spending on digital services in Western Europe: €305bn in 2018*
- A market expected to grow more than 4% per year out to 2022*
- Sopra Steria is ranked among the top 10 digital services companies operating in Europe (excluding captive service providers and purely local players)

(*) Source: Gartner (Q4 2018), in constant 2013 US dollars.

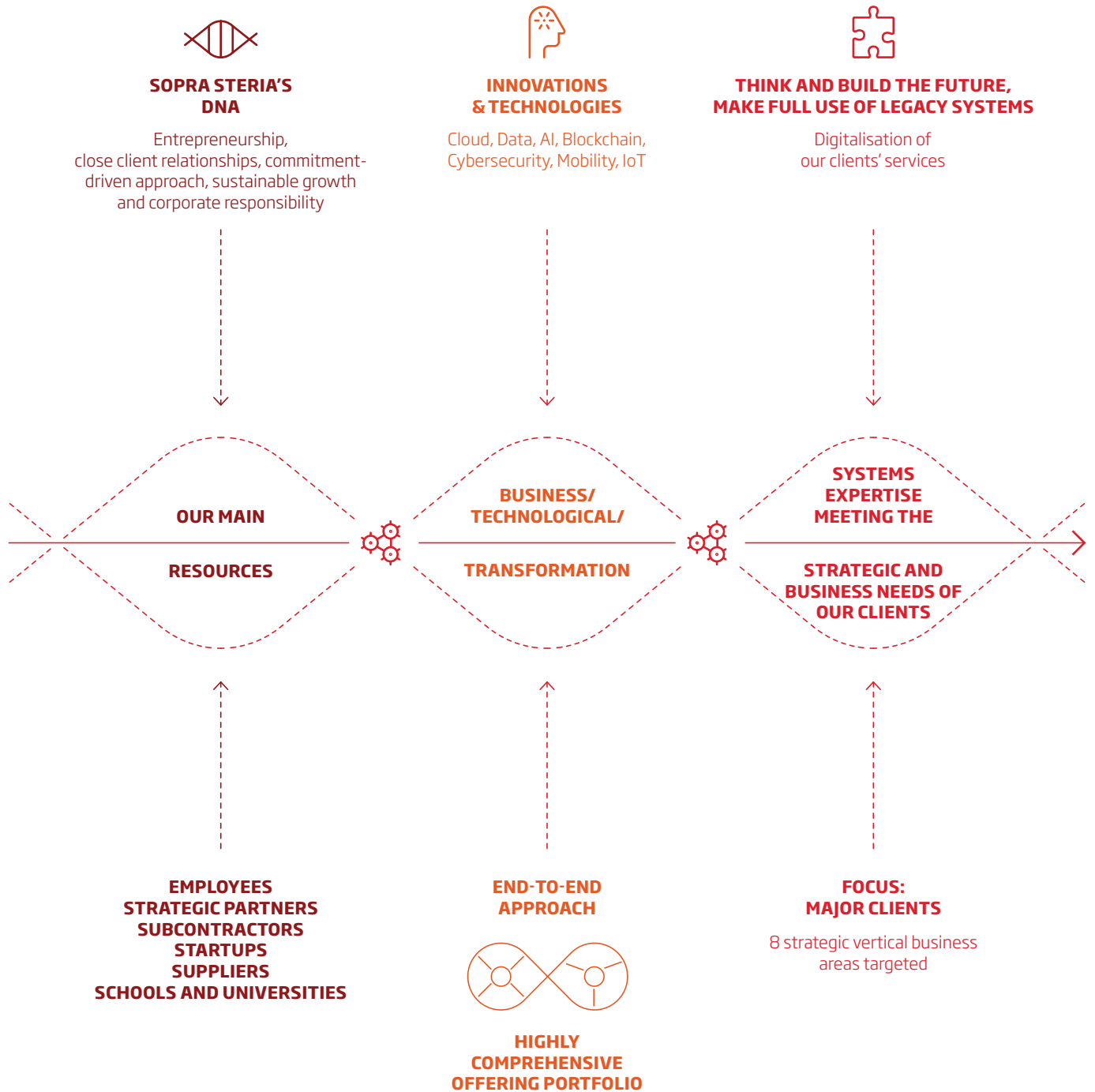
Our offering



1 Systems Integration and Third-Party Application Maintenance
 2 Licensing model and SaaS/Cloud model

See Chapter 1 for more information

... VALUE CHAIN



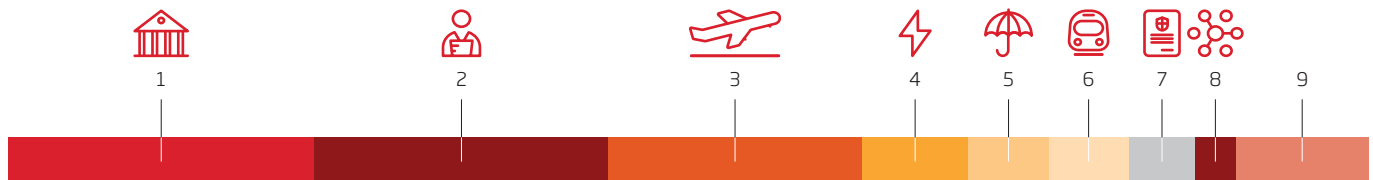
See Chapter 1 for more information

ANALYSIS OF REVENUE AND DISTRIBUTION OF WORKFORCE

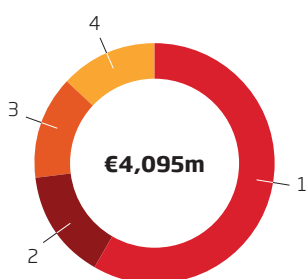
BREAKDOWN OF REVENUE

REVENUE BY VERTICAL MARKET

1 Banking	22%	4 Energy & Utilities	7%	7 Telecoms, Media & Gaming	5%
2 Public sector	22%	5 Insurance	6%	8 Retail	3%
3 Aerospace, Defence & Homeland Security	17%	6 Transport	6%	9 Other	12%

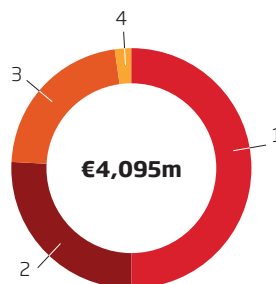


GROUP REVENUE BY BUSINESS LINE



1 Consulting & Systems Integration	64%
2 Solutions	15%
3 IT Infrastructure Management	12%
4 Business Process Services	9%

GROUP REVENUE BY REGION



1 France	50%
2 United Kingdom	21%
3 Other Europe	27%
4 Rest of World	2%

WORKFORCE

GROUP
44,114
employees

FRANCE
19,013

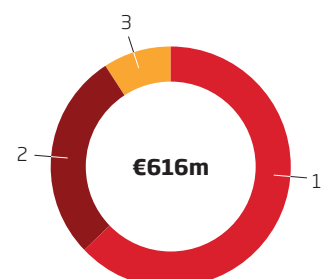
UNITED KINGDOM
6,407

OTHER EUROPE
10,095

REST OF WORLD
344

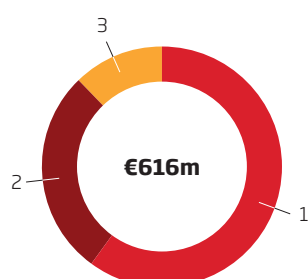
X-SHORE¹
8,255

SOLUTIONS REVENUE BY PRODUCT



1 Sopra Banking Software	61%
2 Sopra HR Software	27%
3 Real Estate Management Solutions	12%

SOLUTIONS REVENUE BY REGION



1 France	59%
2 Rest of Europe	26%
3 Rest of World	15%

¹ India, Poland, Spain and North Africa.

See Chapter 1 for more information

STRATEGY

STRATEGIC GOALS

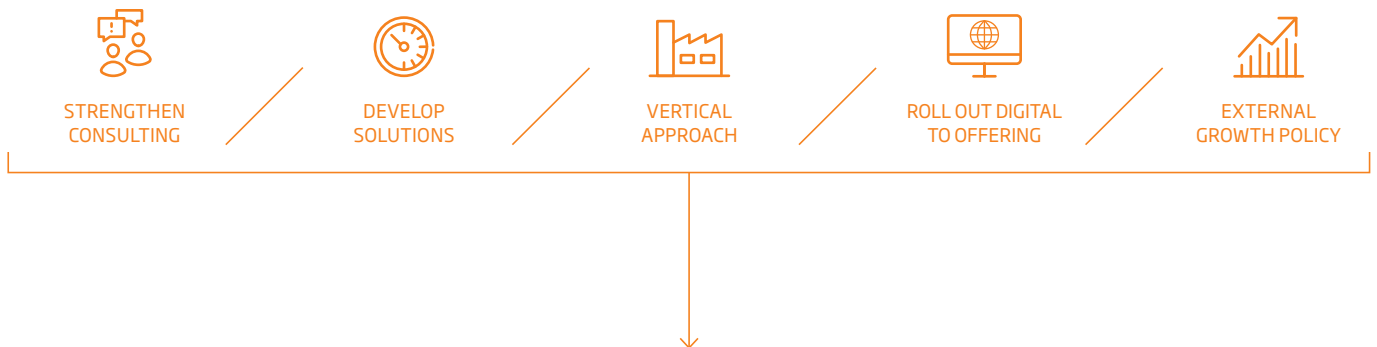
Services

- **Strategic partner** for large public authorities, financial and industrial players, and strategic companies in Europe, providing end-to-end support for the transformation of their business and operating models, making the best possible use of digital and the Group's solutions

Solutions

- Main emphasis on **banking**
- Developer of core business solutions for retail banks and specialist lenders, all among the leaders in our target markets:
 - EMEA for core banking solutions
 - Rest of the world for specialist lenders

STRATEGIC LEVERS



ADDED VALUE

Sopra Steria stands out from its competitors by continuing to build on its two key differentiating factors: industry-specific solutions that, combined with its full range of services, make its offering unique in the sector and very close relationships with its clients, founded on its strong roots in the regions where it operates and its ability to meet its clients' core business requirements as effectively as possible.



INNOVATION

Numerous initiatives are being encouraged to promote and enhance innovation, such as an innovation imperative assigned to project teams, internal innovation competitions to develop new digital uses for the Group's markets, hackathons open to clients and partners, as well as platforms for digital demonstrations, co-design, rapid development and technology intelligence open to clients, employees and partners at all the Group's major locations (DigiLabs).



END-TO-END APPROACH

With one of the most comprehensive ranges of solutions and services in the market, the Group endeavours to develop its capacity as a turnkey provider in order to harness all its business lines and its ecosystem of partners (start-ups, third-party vendors, etc.) to deliver seamless end-to-end value propositions that respond as comprehensively as possible to the business challenges facing its clients.



MEDIUM-TERM OBJECTIVES

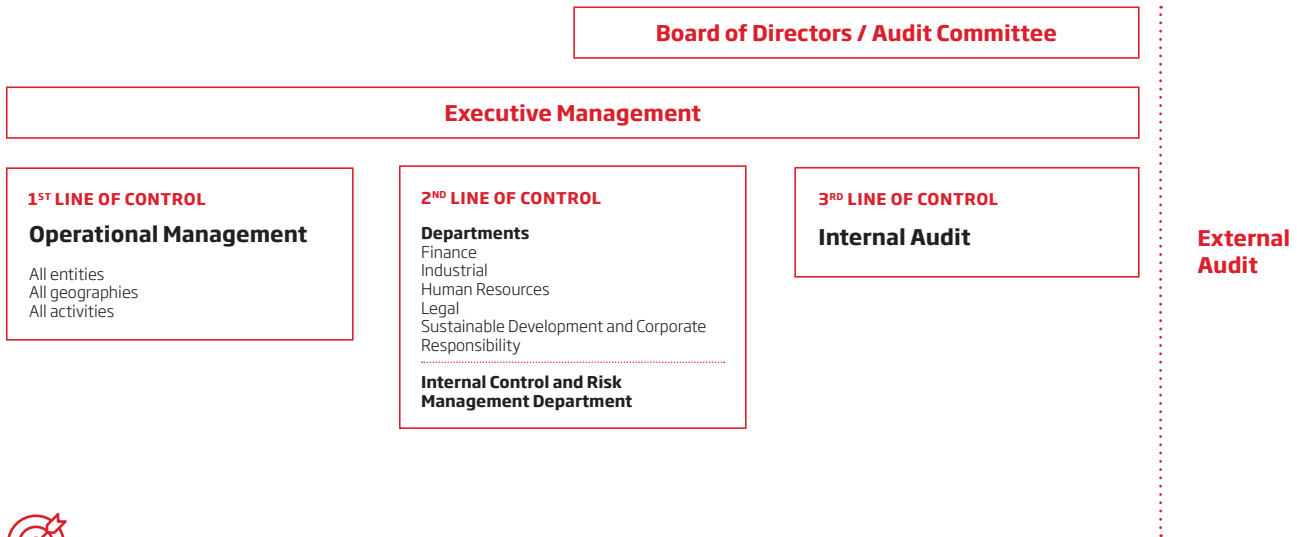
The Group has reaffirmed its strategy through its independent, value-creating corporate plan based on expansion, added value and differentiation, particularly through its Solutions business. With this in mind, and with the market being driven by digital transformation, Sopra Steria is confident in its ability to steadily and continually improve its performance. The Group is targeting annual organic revenue growth of between 4% and 6%, an operating margin on business activity of around 10%, and free cash flow of between 5% and 7% of revenue.

See Chapter 1
for more information

RISK MANAGEMENT



INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM STAKEHOLDERS



IDENTIFICATION OF THE GROUP'S MAIN RISKS

The Group's risk mapping exercise covers all internal and external risk factors and includes both financial and non-financial issues. In particular, the assessment of risks involves an evaluation of their probability of occurrence and the estimated magnitude of their adverse impact should an event occur (low, medium or high). As part of this exercise, the main risks are identified, namely the ones that are most significant for Sopra Steria, in terms of probability of occurrence and the expected magnitude of their impact. They have been ranked by category of risk.

MAIN OPERATING RISKS

Risk related to market developments and the transformation of the business model

Risk related to the adaptation of skills*

Risk related to the protection and security of client data

Risk related to project delivery

Risk related to continuity of service and information system security

Risk related to attracting and retaining talent*

Risk related to the loss of a significant client

Risk related to activities in high-risk countries

Risk related to Brexit

Risks associated with retirement benefit obligations

MAIN NON-FINANCIAL RISKS

Risk of breaches of ethics or violations of the law*

The aims of the internal control system and the risk management policies put in place by the Group are to reduce the probability of occurrence of these main risks as well as their potential impact on the Group.

Chapter 1 of this document includes a detailed description of each of these risks, including the ways in which they are addressed by the Group's risk management policies.

* This risk also meets the requirements of the regulations set out in Articles L. 225-102-1-III and R. 225-105 of the French Commercial Code.

See Chapter 1 for more information

GOVERNANCE

BOARD OF DIRECTORS AS OF 11 APRIL 2019

PIERRE PASQUIER, Chairman of the Board of Directors



MEMBERS

16

- 15 Directors, including 2 Directors representing the employees
- 1 Non-Voting Director



MEN

54%



WOMEN

46%



AVERAGE AGE OF DIRECTORS AT 31/12/2018

60



NATIONALITIES

7



INDEPENDENT DIRECTORS

54%

7 Independent Directors out of 13 Directors appointed at the General Meeting



SKILLS REPRESENTED ON THE BOARD OF DIRECTORS

It is a top priority for the Board of Directors to have a diverse range of skills. The Company has identified ten key competencies that it would like to be represented within the Board of Directors. These skills and areas of experience are as follows:

- | | | | |
|--|------------|--|------------|
| • Knowledge of consulting, digital services, software development, ability to promote innovation | 75% | • Human resources and labour relations | 63% |
| • Knowledge of one of the Group's main vertical markets | 63% | • International teams and organisations | 88% |
| • Entrepreneurial experience | 50% | • Social issues | 63% |
| • Executive management of an international group | 56% | • Knowledge of Axway Software | 31% |
| • Finance, risk management and control | 50% | • Operational experience within the Sopra Steria Group | 56% |

See Chapter 2 for more information



SENIOR MANAGEMENT

The Group's organisational structure is built around several central functions and a number of operational divisions. The Group's management's structure is underpinned by an Executive Management team, an Executive Committee and a Management Committee. Executive Management is represented by the Chief Executive Officer and the Deputy CEOs.

VINCENT PARIS
Chief Executive Officer
of Sopra Steria Group

JOHN TORRIE
Deputy Chief Executive
Officer of Sopra Steria Group

LAURENT GIOVACHINI
Deputy Chief Executive
Officer of Sopra Steria Group

The Executive Committee is made up of Executive Management and the heads of the main operating and functional entities.

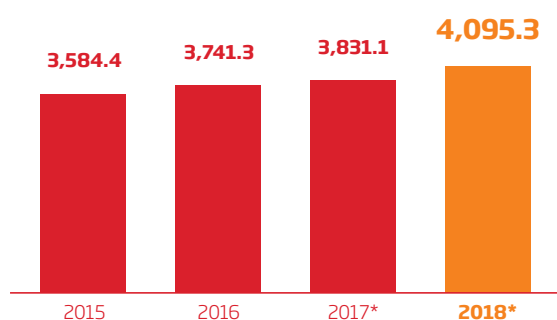
The Management Committee is made up of the members of the Executive Committee members and of other operational and functional entities.

See Chapter 1 for more information

FINANCIAL PERFORMANCE



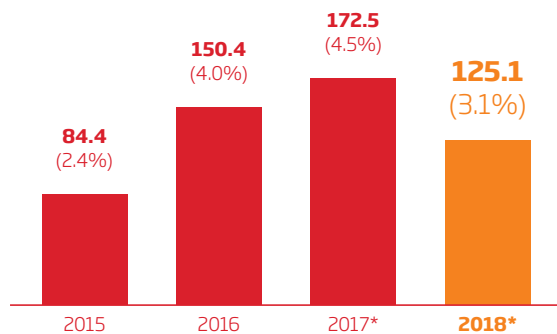
REVENUE
in millions of euros



* IFRS 15



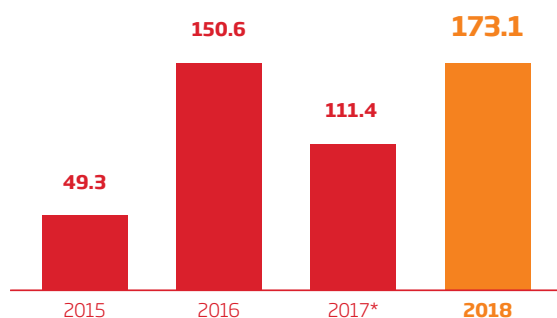
NET PROFIT ATTRIBUTABLE TO THE GROUP
in millions of euros and as % of revenue



* IFRS 15



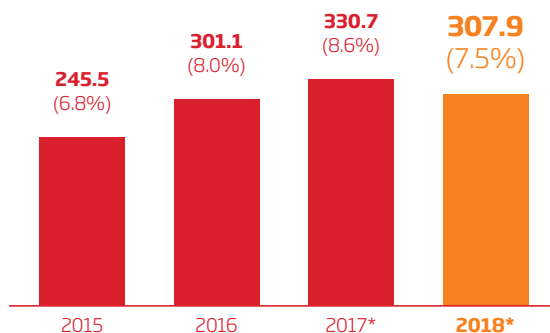
FREE CASH FLOW
in millions of euros



* Free cash flow calculated excluding the sale of trade receivables with deconsolidation (€37 million sold in 2017)



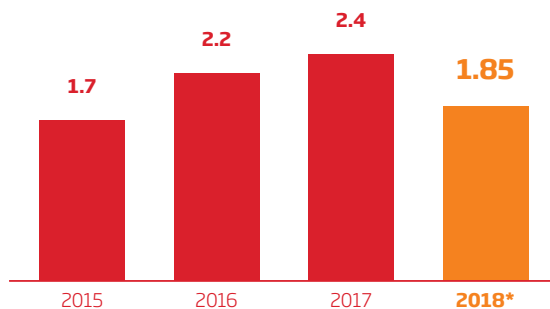
OPERATING PROFIT ON BUSINESS ACTIVITY
in millions of euros and as % of revenue



* IFRS 15



DIVIDEND IN EUROS
per share



* Amount to be proposed at the General Meeting of 12 June 2019



PERFORMANCE OF SOPRA STERIA SHARES OVER THE PAST 5 YEARS*

relative to the performance of the SBF 120 and CAC 40 indices

SOPRA STERIA +42.42% SBF120 +26.44% CAC 40 +23.97%



* Rebased 100 at 2 January 2014

DIALOGUE WITH INVESTORS



SHARE FACTSHEET

Listing	Euronext Paris
Market	Compartment A
ISIN	FR0000050809
Ticker symbol	SOP
Main indices	SBF 120, CAC ALL-TRADABLE, CAC ALL SHARES, CAC MID & SMALL, CAC MID 60, CAC SOFT & C. S., CAC TECHNOLOGY, EURONEXT FAS IAS, NEXT 150, Dow Jones Sustainability Europe Index (DJSI Europe Index), Eurozone 120 Index, ESI Excellence Europe Index (Ethibel Sustainability Europe Index)

Eligible for French PEA share savings plan
Eligible for Deferred Settlement Service



FINANCIAL CALENDAR 2019

22 February 2019 before market open	2018 annual revenue and earnings*
26 April 2019 before market open	Q1 2019 revenue
12 June 2019	Annual General Meeting
2 July 2019	Ex-dividend date
4 July 2019	Dividend payment date
26 July 2019 before market open	2019 interim revenue and earnings*
25 October 2019 before market open	Q3 2019 revenue

* The full-year and half-year results are published in press releases and presented at face-to-face meetings and at bilingual webcast meetings in French and English.

MEETING WITH INVESTORS



INSTITUTIONAL INVESTORS MET

217



COUNTRIES COVERED

9



CITIES COVERED

15



INDIVIDUAL INVESTORS MET

263



ROADSHOWS

22



CONFERENCES

8



GRAND PRIX DE LA TRANSPARENCE*
Top 20 ranking based on transparency of regulated information - 14th place

PERCENTAGE OF THE GROUP'S SHARE CAPITAL HELD BY INSTITUTIONAL INVESTORS

31.8%

International institutional investors

29.5%

Controlled holdings and holdings managed on behalf of employees

25.7%

French institutional investors

0.2%

Treasury shares

12.8%

Percentage of share capital held by individual investors and other

TPI survey of identifiable holders of shares at 31/12/2018 - Ownership threshold of over 1,000 shares

TRANSPARENCE LABEL OR

This seal of quality is awarded to Registration Documents achieving the highest level of transparency according to the Annual Transparency Rankings criteria.

*Scientific Committee of the Grand Prix de la Transparence organised by Labrador

KEEP IN TOUCH



FOLLOW US ON

Group website

<https://www.soprasteria.com>

"Investors" section

<https://www.soprasteria.com/en/investors>

"Corporate Responsibility" section

<https://www.soprasteria.com/en/sopra-steria-at-a-glance/corporate-responsibility>



<https://twitter.com/soprasteria>



<https://www.facebook.com/soprasteria>



<https://www.linkedin.com/company/soprasteria>



<https://www.youtube.com/user/SteriaGroup>

Investor Relations Department

Olivier Psaume

Phone: +33 (0)1 40 67 68 16

Email: investors@soprasteria.com

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Committed to a sustainable, responsible world



Vincent Paris
Chief Executive Officer

“By sharing our commitments and convictions with all our stakeholders, we constantly gain new perspective and see the world differently”

Many years ago – beyond the current fashions, trends and regulations – we made a decision to play a proactive role in the major economic, labour-related, environmental and social changes of our time, and to make a positive contribution to the challenges they pose.

To contribute to a more sustainable world, we continue to innovate in all our business areas, working closely with our ecosystem. By sharing our commitments and convictions with all our stakeholders, we constantly gain new perspective and see the world differently – because together, we can create a sustainable, virtuous economic circle that benefits us all.

Our corporate responsibility commitments set out in this report are based on our values and the fundamentals that drive their goals.

They are promoted and upheld at the very highest levels of the organisation and by all staff, who, through their diversity, skills and desire to make a difference, play a vital part in making them a reality, thus contributing to the Group’s success.

This approach is one of our unique hallmarks and is in our DNA. It makes good sense and must drive progress for all.

In 2018, we continued to make progress against our labour-related, environmental, ethical and social goals, achieving high levels of recognition across the board. This is a source of pride for the Group as a whole and its stakeholders. We owe it to ourselves to continue our efforts, holding ourselves to high standards and staying true to our values.

Foreword

Changes in regulations on the disclosure of non-financial information require us to publish a Statement of Non-Financial Performance for financial year 2018.

For this first year of implementation of this new requirement, Sopra Steria has opted to publish a Corporate Responsibility Report within its Registration Document containing information (related to the Group’s workforce, the environment, society, respect for human rights and the fight against corruption and tax evasion) that is relevant in light of the Group’s main non-financial risks, as required for the Statement of Non-Financial Performance, but also to voluntarily disclose all labour-related, environmental and social information deemed useful and important in the context of Sopra Steria’s Corporate Responsibility programme.

A description of the Group’s business model is provided in the introductory section “Business model and value chain” section of the integrated presentation of Sopra Steria on pages 6 and 7.

Key risks, the methodology, and policies, procedures and actions associated with managing and controlling those risks – including non-financial risks – are set out in Chapter 1, Section 8: “Risk factors and internal control”, on pages 28 to 44.

1. Sopra Steria: Committed to a sustainable, responsible world

1.1. Overview of the Group's corporate responsibility strategy

For more than 50 years we have built our Group on solid fundamentals and a set of ethical principles and core values that define us. Our strategic vision for corporate responsibility is to be a company engaged in the key issues currently facing society, drawing on our principles and values and setting ambitious, meaningful targets that create value for all our stakeholders.

Sopra Steria's corporate responsibility strategy is founded on seven key priorities, all directly aligned with the Group's business model:

- being a leading employer that attracts the best talent, fosters employee dialogue and promotes diversity and equal opportunity;
- establishing ongoing constructive and transparent dialogue with our stakeholders;
- being a long-lasting partner for our clients, meeting their needs as effectively as possible by providing them with the best technology as part of a value-creating approach;
- involving our entire value chain in our corporate responsibility approach to contribute to a more sustainable world;
- reducing the environmental impact of our operations and contributing to a low-carbon economy;
- acting ethically and with integrity in our day-to-day operations and across all our business activities;
- supporting local communities by stepping up our community engagement initiatives, notably in the area of digital inclusion.

This strategy is supported by a continuous improvement process covering the key areas set out in this report. This process is based on our commitment to the United Nations Global Compact, the materiality matrix used to assess the various challenges facing the Group, and a governance structure that coordinates implementation of policy and associated processes.

This strategy, the policy and key achievements in the year are presented to and discussed by the Board's Selection, Ethics and Governance Committee.

1.1.1. OUR COMMITMENT TO THE UNITED NATIONS GLOBAL COMPACT



As an expression of our values, Sopra Steria is a signatory to and member of the United Nations Global Compact, in the "Global Compact Advanced" category (Top 9%). Under this commitment, Sopra Steria supports the Global Compact's 10 principles on human rights, labour standards, protection of the environment and anti-corruption, and is committed to promoting these principles within its ecosystem of influence and continuing with its efforts in these areas.

This commitment forms the foundation of Sopra Steria's corporate responsibility strategy.

I CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The Sustainable Development Goals are the 17 global priorities adopted by the United Nations General Assembly for the period to 2030. They concern the fight against poverty and hunger, education and healthcare, as well as decent work, climate change, biodiversity, and sustainable consumption and production.

SUSTAINABLE DEVELOPMENT GOALS



Through its corporate responsibility programmes targeting social, societal, environmental and ethical goals, Sopra Steria supports the 17 United Nations Sustainable Development Goals (SDGs). This contribution is presented in the various policies and results set out in this chapter. Examples further illustrating the Group's contribution to the SDGs may also be found in the supplementary report entitled "Sopra Steria: Committed to a more sustainable, responsible world".

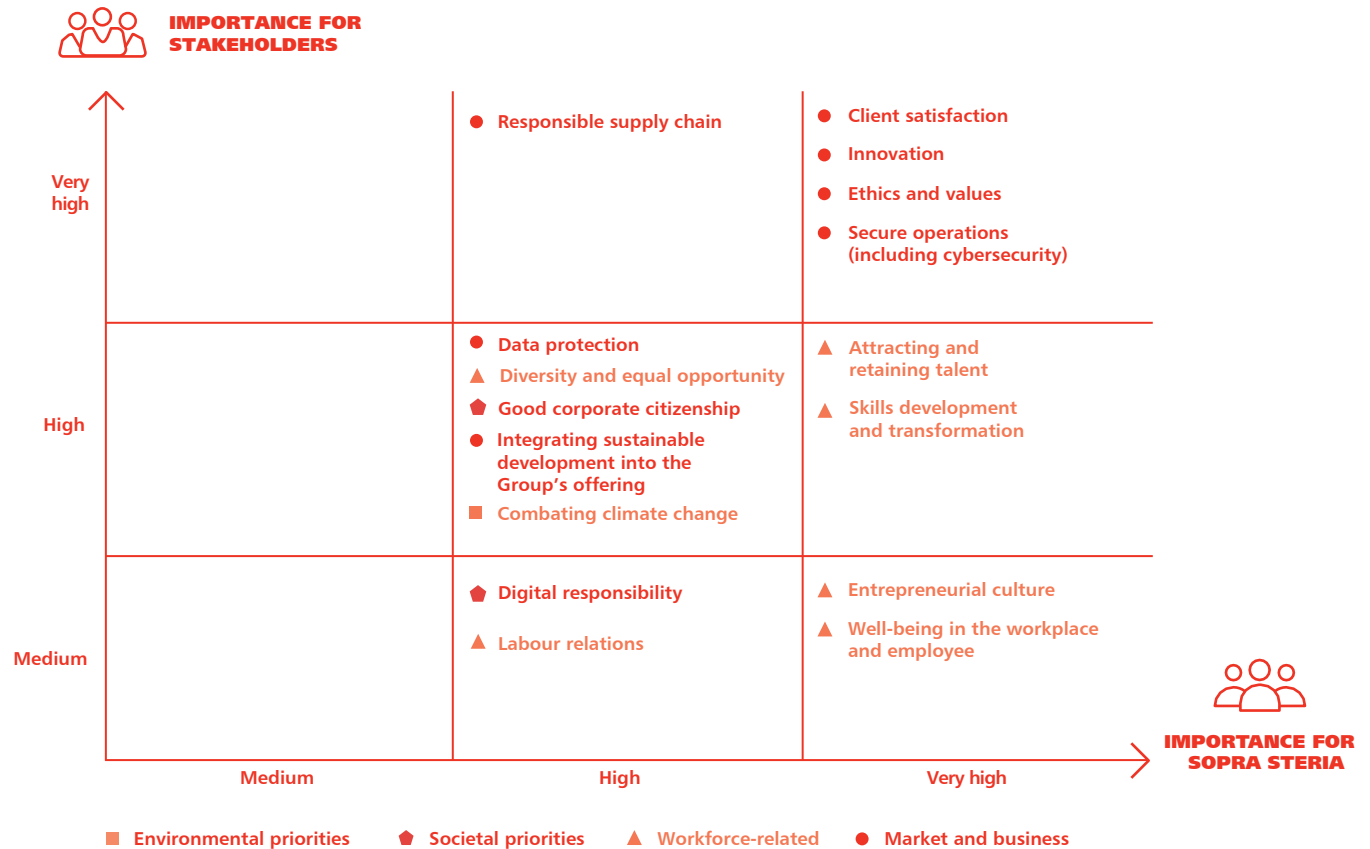
1.1.2. MATERIALITY ANALYSIS ALIGNED WITH THE BUSINESS MODEL

Based on the Group’s business model and changes in stakeholders’ expectations, Sopra Steria has identified its key corporate responsibility commitments in light of its materiality matrix, which was updated in 2018.

Materiality analysis helps identify and rank those priorities that are most relevant to the Group and its stakeholders between out to 2020. These priorities are directly aligned with the Group’s business

model and strategy described in the integrated presentation of Sopra Steria, on pages 6 and 7 of this document.

The analysis is shown graphically in the form of a matrix plotting the significance of priorities for the Group (x-axis) against their significance for the organisation’s external stakeholders (y-axis).



MAIN AREAS OF ACTION

ACTION ADDRESSING ENVIRONMENTAL PRIORITIES

- Reducing the Group’s environmental impact and connecting its value chain to the fight against climate change.

ACTION ADDRESSING SOCIETAL PRIORITIES

- ◆ Spearheading societal efforts for a more sustainable, responsible world
- ◆ Contributing to discussions on the impact of digital technology

ACTION ADDRESSING LABOUR-RELATED PRIORITIES

- ▲ Attracting and retaining talent
- ▲ Developing and transforming skills
- ▲ Fostering an entrepreneurial culture within teams
- ▲ Building strong labour relations
- ▲ Promoting diversity and equal opportunity
- ▲ Promoting well-being in the workplace and employee engagement

ACTION ADDRESSING MARKET AND BUSINESS CONDUCT PRIORITIE

- Ensuring client satisfaction
- Integrating innovation throughout the entire value chain
- Promoting the Group’s ethics and values
- Securing the Group’s operations
- Working with a responsible supply chain
- Protecting employees’ and clients’ personal data
- Integrating sustainable development into the Group’s offering

The priorities resulting from the materiality matrix define the framework for action under Sopra Steria's corporate responsibility programme.

Key issues resulting from the materiality analysis, associated policies and key results are broken down in the various sections of this Corporate Responsibility Report (Chapter 3). A supplementary report, "Sopra Steria: Committed to a more sustainable, responsible world", is available from the Group's website. In particular, it includes all the Group's indicators and detailed results relating to these corporate responsibility policies.

1.1.3. A CORPORATE RESPONSIBILITY GOVERNANCE STRUCTURE SUPPORTING THE GROUP'S PRIORITIES

Sopra Steria's corporate responsibility approach and programme are the responsibility of Executive Management, who validate the Group's strategy and policy in this area. Corporate responsibility issues are presented as part of an annual update on the Group's actions in this area to the Nomination, Ethics and Governance Committee of the Board of Directors.

This system is organised around a dedicated Group department and four interdependent units supported by functional and operational departments.

Group Sustainable Development and Corporate Responsibility Department

The Sustainable Development and Corporate Responsibility (SD&CR) Department coordinates the strategy chosen with Executive Management and oversees the rollout of the Group's corporate responsibility policy. It works with the relevant departments to coordinate the continuous improvement approach, and supports those departments and all entities as they implement their action programmes.

Market Responsibility unit

On a day-to-day basis, this unit works with operational departments to help respond to the specific needs of clients and the Group's partners in relation to corporate responsibility and sustainable development. The unit is coordinated by the SD&CR Department at Group level. It is managed in close cooperation with Group departments responsible for particular aspects of market responsibility, particularly as regards ethics and compliance (Internal Control and Risk Management Department and Legal Department) and responsible purchasing (Purchasing Department).

Responsible Employment unit

Responsible employment is a key priority for the Sopra Steria Group. It is overseen by the Group Human Resources Department. This department works with Executive Management to determine employee policy, with key programmes to speed up recruitment of top professionals, bolster skills development and develop initiatives relating to workplace well-being, equal opportunity and diversity.

Environmental Responsibility unit

The Environmental Responsibility unit manages the Group's environmental programme as well as its annual reporting. Its work involves the participation of a number of central departments (Real Estate & Purchasing, Information Systems, Quality and operational departments) that roll out their action programmes to local entities.

The unit, which is overseen by the SD&CR Department, is supported by a network of environment correspondents (known as Sustainability Champions), together forming the Group Environmental Sustainability Committee or GESC, spanning all entities and countries.

Community Engagement unit

Each Group entity implements community action programmes adapted to the needs of its local communities. This unit oversees the actions of the Sopra Steria-Institut de France Foundation. Its activities are carried out under the supervision of the Group SD&CR Department, which determines an engagement framework for the Group and coordinates the network of local stakeholders.

To strengthen management arrangements within each of these units, the corporate responsibility policy is supported by two Group-level bodies.

Sustainable Development and Corporate Responsibility Committee

The Sustainable Development and Corporate Responsibility Committee (SD&CR Committee) is overseen by a member of the Executive Committee and the Sustainable Development and Corporate Responsibility Director. It brings together department and entity heads involved in the Group's programme in this area.

The Committee's role is to monitor the roadmap and progress against associated action plans. It met twice in 2018. Depending on the issues at hand, more specific interim meetings may be held throughout the year with the relevant functional departments, as well as Group entities and operational departments.

Corporate Responsibility Advisory Board

The purpose of the Advisory Board is to provide external feedback on the various components of the Group's corporate responsibility approach.

The Advisory Board consists of four external experts and key Group managers with responsibility for business units and major issues. It met twice in 2018.

The main topics discussed by the Committee in 2018 related to the Group's anti-corruption policy and procedures, data protection issues, gender equality, Group-wide rollout of the internal shadow carbon price and external partnerships.

In 2018, the Advisory Board's membership included the following four independent experts:

- Marie-Ange Verdickt, former Director of Research and Socially Responsible Investment at *La Financière de l'Échiquier*, a company director working with institutions that champion social development;
- Patrick Bourdet, former founder and Chairman and CEO of Areva Med, who joined the Committee in 2018, an executive consultant and coach working with educational and child welfare bodies;
- Mark Maslin, Professor of Climatology at University College London (UCL), an expert in climate change and author of numerous studies and publications on climate issues;
- Frédéric Tiberghien, an honorary member of France's Council of State, Chairman of Finansol and Honorary Chairman of ORSE (*Observatoire de la Responsabilité Sociétale des Entreprises* – Observatory of Corporate Social Responsibility).

1.2. Major recognition



In 2018, Sopra Steria received major recognition in the areas of corporate responsibility and sustainable development.

- the Group was reassessed by EcoVadis, achieving Gold Advanced level for the second year running, putting it in the top one percent of companies assessed by EcoVadis in the area of corporate responsibility.
- Sopra Steria achieved a Gaia rating score of 86 out of 100, making it one of the top companies in the Gaia Index for the tenth year running.
- the Group scored "A" for environmental performance, the highest score awarded by CDP Climate Change, putting it on the A-list for the tenth consecutive year. Its performance as regards the environmental engagement of its supply chain also put it in the "Supplier engagement leader" category.



In 2018, the Group was added to the following indices:

- the Dow Jones Sustainability Index (DJSI) Europe, which includes European sustainability leaders as identified by RobecoSAM;
- the Euronext® Vigeo Eurozone 120 index, which includes the 120 best-performing listed companies in the euro area in terms of sustainable development;
- the Ethibel Sustainability Index (ESI) Excellence Europe, which includes the 200 best-performing European listed companies in terms of sustainable development;
- the Euronext® CDP Environment France EW index, which includes the 40 best-performing French listed companies in terms of the environment.

1.3. Overview of reporting scope

The Corporate Responsibility Report, presented in the 2018 Registration Document, aims to set out the non-financial information that is most relevant to the Group in light of its business model, its activities, key issues arising from the materiality matrix and the key risks facing the Group.

The information required to draw up this report is collected in accordance with a reporting procedure. This procedure is reviewed annually to take into account changes in the Group's scope and reporting approach and, with effect from 2018, new regulatory requirements arising from Ordinance 2017-1180 of 19 July 2017 on disclosure of non-financial information.

Based on regulations in force and taking into account the specific nature of its business activities, Sopra Steria measures the Group's progress in five areas of corporate responsibility: Workforce, Environment, Ethics, Compliance and Human Rights.

This report includes a significant amount of information pertaining to Articles L. 225-100 and L. 225-102 of the French Commercial Code and Articles 70 and 173 of the Energy Transition for Green Growth Act, consistent with the general principles laid down in the guidelines of the GRI (Global Reporting Initiative) and aligned

as closely as possible with the seven core subjects addressed by ISO 26000.

A cross-reference table covering non-financial information included in the Statement of Non-Financial Performance has been added as an appendix to this document (see the cross-reference table of the Management Report page 258).

Furthermore, pursuant to the seventh paragraph of Article L. 225-102-1 of the French Commercial Code, Sopra Steria has appointed Mazars as independent third party to verify that the Statement of Non-Financial Performance complies with the provisions laid down in Article R. 225-105 of the French Commercial Code and that the information provided pursuant to point 3 of the first and second paragraphs of Article R. 225-105 of the French Commercial Code, disclosed in this report pursuant to Article R. 225-105-2 of the French Commercial Code, is truthful.

DEFINITIONS OF SOCIAL INDICATORS

Unless otherwise indicated, indicators are calculated on the basis of numbers of employees on permanent and temporary contracts and internship agreements. The following definitions are used:

- Permanent contract: Full-time or part-time employment contract entered into with an employee for an indefinite period;
- Fixed-term contract: Full-time or part-time employment contract entered into with an employee and expiring at the end of a specific period or on completion of a specific task lasting an estimated period;
- Frequency rate of workplace accidents in France: Calculated in business days, using the following formula: (Number of lost-time work-related accidents × 1,000,000)/Total number of hours worked by total workforce in the year;
- Absence rate: Calculated in business days and is based on the average full-time equivalent workforce. It takes into account absences for illness, workplace accidents and accidents while travelling. It corresponds to the ratio of the number of actual calendar days' absence and the number of work days theoretically available;
- Proportion of employees with a disability: Based on the number of employees with a declared disability, each considered as a "disabled worker unit" in France, increased by 50% where allowed under the rules applied by the French government agency Agefiph, which promotes the employment of people with disabilities + number of FTE employees with a disability provided under subcontracting contracts with companies in the sheltered or adapted sector, divided by the relevant workforce. The workforce numbers used are also calculated according to the rules defined by Agefiph.

SCOPE OF REPORTING

To ensure compliance with regulations, the Group has developed a reporting process for collecting the relevant data and leveraging the results in this document.

The following indicators (required by Article L. 225-102.1 of the French Commercial Code) have been excluded since they do not apply to Sopra Steria Group's business: combating food waste and food insecurity, promoting animal welfare and responsible food production.

Sopra Steria's corporate responsibility policy applies to all Group entities. The headcounts provided in the workforce section of this report and used in certain environmental indicators include the

employees of Delta Development System in Algeria (3 people), a non-consolidated subsidiary of the Group.

Depending on the indicator, the geographic scope is either:

- the full worldwide scope of Sopra Steria Group businesses (i.e. Sopra Steria Group);
- all Sopra Steria Group businesses in a given country (Sopra Steria France, Sopra Steria UK, Sopra Steria España, etc.). For each country, all Sopra Steria Group subsidiaries are included (Sopra Banking Software, Sopra HR Software, I2S, CIMPA, Kentor, Beamap, Cassiopae, etc.);
- in 2018, employee headcount at acquired companies was taken into account when calculating indicators as follows:
 - employee headcount at acquired companies BLUECARAT, it-economics and O.R. System was included when calculating all indicators,
 - employee headcount at acquired company Sword Apak and 2017 acquisitions Galitt and 2MoRO was only included when calculating indicators in the "Workforce by geographic region" section;

- the scope of 2018 environmental reporting spans all entities over which the Group has both financial and operational control. It thus includes the NHS SBS and SSCL joint ventures, but Apak, BLUECARAT, it-economics and O.R. System are not taken into account for all indicators. Inclusion of Galitt and 2MoRO is specified for each indicator on a case-by-case basis. The scope of calculated indicators includes all entities over which the Group has operational control (and therefore includes joint venture sites) but does not include Kentor, Galitt, Beamap, Cassiopae or 2MoRO;
- corporate responsibility reporting covers the calendar year from 1 January to 31 December 2018. Any exceptions to calendar year reporting are indicated in respect of the data concerned.

To check consistency between financial and non-financial reporting, some structural indicators common to both areas are compared and verified at various levels of detail.

An overview of the reporting process and reporting tools relating to this report is set out in the reporting protocol available on request from Sopra Steria's SD&CR Department.

2. Social responsibility: A collective commitment to acting responsibly



Sopra Steria's responsible employment policy aims to promote equal opportunity and diversity, thus boosting the Group's appeal as an employer and retaining talent. It forms part of a continuous improvement approach aimed at reconciling economic effectiveness with social equity.

Sopra Steria supports the United Nations Sustainable Development Goals 1, 3, 4, 5, 8, 10, 11 and 17 related to employment.

Attracting, retaining and developing talent is at the heart of the Group's Corporate Plan to further the Group's market leadership and growth objectives.

The Group's ambition is to attract the best professionals, anticipate future skills requirements, promote internal mobility and offer a broad range of professional and innovative digital training. These ambitions and a working environment nurturing professional development in which everyone feels valued, help to retain its talent.

2.1. Responsible employment challenges

The Group is transforming itself to increase its value to clients by addressing their business challenges, combining its various service offerings as part of an end-to-end approach, incorporating digital

technology at every level and developing its employees' ability to constantly adapt to technological and market changes.

Against this backdrop, Sopra Steria's ambitions in relation to responsible employment practices entail five types of challenges for the Group:

- as regards **attractiveness**, attracting the best digital professionals and **retaining** talent to support the Group's development;
- as regards **maintaining and developing skills**, developing and aligning employees' skills to proactively meet clients' current and future needs;
- as regards **diversity and equal opportunity**, addressing issues of importance to the Group and in the public interest, preventing any form of discrimination by fostering access to employment for people with disabilities, promoting gender equality in the workplace and access to employment for young people;
- as regards **labour relations**, forging with employee representatives a constructive dialogue and negotiations to plan ahead for and support the major changes affecting the Group;
- as regards **health and safety**, offering an environment conducive to quality of life in the workplace.

Among these challenges, the first two have been classified as main operating risks within the Group's risk factors. They also relate to the anticipated regulatory changes provided for in Articles L. 225-102-1

Social responsibility: A collective commitment to acting responsibly

III and R. 225-105 of the French Commercial Code (see Chapter 1, Section 8: "Risk factors and internal control", on pages 28 to 44).

Policies, actions and achievements associated with these five challenges are described below.

2.1.1. ATTRACTING AND RETAINING MORE TALENT

To attract and retain more talent, the Group must be a leading player in the digital sector and adopt innovative digital recruitment practices, without losing sight of the need for close contact with applicants. Two policies correspond to this challenge:

The **recruitment policy** is deliberately aimed at hiring young graduates as well as hosting interns and work-linked training students, thus contributing to the national effort to promote access to employment for young people. It is based on the principle of equal opportunity and non-discrimination. Above all, it is aligned with new uses for digital technology and applicants' desire for transparency, and is structured around **four priority areas for action**:

- building closer relationships with schools: Promoting jobs in the digital field to attract more young people and, in particular, young women;
- making a meaningful difference: Offering an enriching experience through civic projects (see 2018 achievements above);
- facilitating transparency: Free exchanges between employees and candidates via sites like PathMotion and Glassdoor;
- fostering mobility: Responding to students' and employees' wishes for more fulfilling career options by offering opportunities for international job moves.

The **retention policy** is based on a robust policy of induction and integration – a key ingredient in the retention of both new recruits, most of whom are young, and employees joining the Group as a result of mergers and acquisitions. More generally, it responds to employees' expectations and needs by offering a stimulating work environment. It is supported by three key processes:

- a specific induction process for young people and another tailored to inductees' seniority. These two processes help new recruits gain an understanding of the Group's culture, values and fundamentals;
- an ongoing career and skills assessment and development process to maintain staff employability (see the next section as well);
- an international Group employee share ownership programme to give all employees a more meaningful stake in the company's performance.

2018 achievements

- recruitment targets exceeded: 11,662 new recruits (up 23% from 9,500 in 2017), 33% of them women;
- high-visibility civic projects: *HandiTutorat* (academic tutoring for secondary school students with disabilities), *HandiVoile* (inclusion of disabilities at a sports event), Foundation Students' Award, and more;
- hosted more interns and work-linked training students thanks to a dynamic schools policy: Hosted 981 interns (up 20%) and 702 work-linked training student (up 36%) and undertook 780 school initiatives (up 20%; scope: France);
- moved higher in rankings: 194,000 followers on LinkedIn (up 43% in 2018); ranked 15th in the Happy Trainees ranking (up two places in France in 2018); number 15 of the top 100 French companies (CAC 40 and SBF 120) for digital HR strategy;

- international job moves for employees and students: 196, including 112 interns and work-linked training students, to 13 different destinations;
- 24% of the Group's workforce aged under 30 (scope: staff on permanent contracts at 31 December 2018, excluding new hires during the year).

Sopra Steria up four places in the Universum ranking ⁽¹⁾



After entering the Top 100 in France in 2016, Sopra Steria ranked 79th in 2018 in a sample of 37,900 students from 154 schools.

2019-2021 performance indicators

- improvement in the Happy Trainees World score: targeting 4 out of 5 within three years (2019 launch);
- growth in social media followers: targeting a 25% increase in 2019;
- employee retention: increase the percentage of employees aged under 30.

2.1.2. MAINTAINING AND DEVELOPING SKILLS

The purpose of skills development is not only to meet the current and future needs of the Group's clients but also to give each and every employee the means to manage his or her career development and create an entrepreneurial culture that combines autonomy, empowerment, creativity and team spirit.

The **skills maintenance and development policy** forms part of an approach intended to:

- anticipate changes in our businesses and populations to better serve the Group's clients and plans;
- develop employees' skills, support their career aspirations and maintain their employability;
- sustain motivation and develop engagement across the workforce.

In anticipation of future change, Sopra Steria has launched the following Group-wide initiatives:

- updating and digitising the Group's Core Competency Reference Guide;
- harmonising appraisal practices;
- introducing a new approach to jobs and skills forecasting to promote skills maintenance and development. This approach is named DPEPP (*Dynamique Prospective Emplois et Parcours Professionnels*, or Jobs and Careers Trend Forecasting).

This innovative DPEPP approach is based on:

- a rollout to all Group entities to support transformation and anticipate changes in the workforce over a one-year and three-year timescale by business line and level, consistent with the Group's Core Competency Reference Guide;
- analysis of transformation trends by area of specialism, in terms of key opportunities, risks and skills;
- analysis of emerging sensitive and sustainable jobs to adapt the Group's skills base in line with market changes and focus HR action plans accordingly (career management, recruitment, training, etc.).

(1) Universum, an international company founded in 1988 and specialised in employer branding, works with over 2,000 schools and universities worldwide to produce its surveys on the careers and employers preferred by top talent.

Training policy supports the DPEPP approach, and must ensure that the right skills are available at all times wherever they are needed. It must also keep in step with accelerating project cycles by rolling out the following actions at Group level:

- refreshing the Sopra Steria Academy offering: structured training paths;
- strengthen digitally delivered programmes (such as e-learning and MOOCs);
- strengthen Group-wide management and coordination of training.

2018 achievements

- harmonised HR practices across the Group: All employees assessed against the same criteria (excluding acquisitions);
- digitised, updated and rolled out the Group's Core Competency Reference Guide: 90% of the Group's scope;
- rolled out the DPEPP approach: 95% of the Group's scope (excluding Scandinavia);
- increased the number of training hours by 15.5% to 1,244,583 hours (99% scope, staff on permanent and fixed-term contracts);
- changes in the training offering: 44% of employees trained via e-learning and 17% excluding compliance modules (staff on permanent and fixed-term contracts);
- launched Group compliance e-learning modules: Information security, protection of personal data, anti-corruption legislation and disabilities (France): 28% of employees trained (permanent and fixed-term contract staff).

2019-2021 performance indicators

- develop the catalogue of digitally delivered training: 30% of employees trained via digital channels (excluding Group compliance e-learning) within three years.

2.1.3. DIVERSITY AND EQUAL OPPORTUNITY

For a group like Sopra Steria, diversity is a valuable asset. The Group confirms its desire to combat discrimination, based on the principle of equal opportunity. As such, it endeavours to recruit employees from a diverse range of backgrounds and to treat all employees fairly. This approach is supported by four policies.

A **gender diversity policy** to develop women within the Group and support their career development at every level of the business. In particular, the Group is taking action to achieve balanced gender representation on the committee put in place by Executive Management to assist it with its duties.

This policy is implemented through specific actions:

- rolling out a Group-wide policy (development, promotion, pay, etc.);
- setting numerical targets (workforce, recruitment, promotion, training, pay gap);
- coordinating gender diversity networks in a number of countries;
- providing training to combat stereotypes, promote women's leadership and instil respect for all regardless of gender.

2018 achievements

- more women in the workforce: Women now make up 32% of the workforce (31% in 2017) and 33% of new recruits (31% in 2017);
- of the 10% most senior positions, 18% are held by women;
- Group-wide social responsibility awareness-raising campaigns;

- more than 1,000 women and men are members of gender diversity networks (France, Germany, Norway, India and the UK);
- training programme rolled out across 76% of the Group's scope (Germany, France, India and the UK).

The Group's **disability policy** aims to favour the recruitment and continued employment of people with disabilities through innovative initiatives in the areas of recruitment, adapting the work environment, training and awareness. Regardless of the country, the Group is committed to complying with legislation and all local regulations and recommendations in support of employment for people with disabilities.

2018 achievements

- higher employment rate: 11% increase in proportion of employees with disabilities, to 2.72% (France);
- Group-wide awareness campaign coinciding with the International Day of Persons with Disabilities;
- more employees completed awareness-raising campaigns: Nearly 9,000; *HandiTour* (in-person sessions led by disability experts) and *HandiDigitalWeek* (digital sessions, employee testimonials);
- more employees received disability training with the rollout of the e-learning module: 5,800 employees trained (France).

The Group's **intergenerational policy** aims to attract talented young people while ensuring that different generations continue to be represented. The Group promotes knowledge and skills transfer – a key component of its intergenerational policy – by appointing a mentor for every new recruit aged under 26.

2018 achievements

- maintained age representation: 9% of the workforce was under 25 years of age (compared with 9% in 2017) and 8% was over 55 (compared with 8% in 2017);
- Introduced a phased retirement system to facilitate the transition to retirement.

A **diversity and youth employability policy** to ensure access to education for all and integrate young graduates into the world of work, in line with the principle of equal opportunity and Group's proactive policy of recruiting and developing talented young people. The Group has launched specific actions in support of this policy:

- recruiting and training unemployed young people in partnership with employment support organisations such as *Ensemble Paris Emploi Compétences* (EPEC), *Pôle Emploi* and *La Maison des Talents*;
- supporting young people from disadvantaged areas in partnership with a non-profit working to promote access to employment.

2018 achievements

- recruited 129 unemployed young people trained in digital skills (France);
- Sopra Steria employees mentored 138 young people (France).

Target for 2019

The Group will continue with its initiatives promoting employment for people with disabilities, maintaining a higher proportion of women in the Group's workforce than in the sector as a whole, promoting gender equality in the digital sector and contributing to the national effort to recruit young people, and in particular those from disadvantaged neighbourhoods, while also continuing to employ older people.

2.1.4. LABOUR RELATIONS

As a signatory of the United Nations Global Compact, Sopra Steria is committed to upholding freedom of association and recognising the right to collective bargaining. Sopra Steria has implemented non-discrimination policies and procedures with regard to employee representatives. In countries that do not have an institutional framework governing the recognition of employee representatives, Sopra Steria seeks to implement measures intended to improve professional relations between the company and its employees. Sopra Steria has reaffirmed this commitment in its Code of Ethics, available from the Sopra Steria Group website.

Labour relations remain a key issue for the Group's future development.

The Group is also careful to ensure that labour dialogue takes place within its subsidiaries, in accordance with legislation in force in each country. Sopra Steria is committed to establishing constructive dialogue with employee representatives on matters relating to corporate strategy and the company's economic, financial and employee policy.

The initiatives brought about by collective bargaining increase employees' sense of belonging, ensuring that all staff are committed to the Corporate Plan and that the challenges posed by digital transformation are met. As such, they constitute one of the drivers of the Group's business performance.

2018 achievements

- 36 foundational labour agreements signed and implemented;
- 241 agreements in force.

2.1.5. HEALTH AND SAFETY

Sopra Steria's **workplace health and safety policy** forms part of a preventive approach to occupational risk aimed at protecting employees' and subcontractors' health and safety, improving their working conditions and promoting workplace well-being.

This preventive policy is supported by **actions** such as the following:

- awareness and training action plans to prevent accidents and improve employee health and safety;
- a psychological counselling and support unit. This unit, staffed by psychologists, is completely independent of the company and can be accessed anonymously, confidentially and free of charge at any time;
- health and safety committees in countries to make sure that specific processes and measures are put in place and tailored to local circumstances, since each entity is subject to its country's laws and regulations. These measures concern, in particular, buildings (security of premises, furnishings, heating and air conditioning, etc.) and food (canteen, water, etc.);
- analysis of protection and welfare mechanisms in each country;
- analysis of travel and repatriation insurance cover.

However, the Group's businesses fall within the service sector and do not include any high-risk activities, notably in respect of occupational accidents, which occur very rarely and are related purely to the hazards of everyday life.

2018 achievements

- psychological counselling unit: 83% of Group employees are eligible for this service (Germany, Belgium, France, India, the United Kingdom and Scandinavia);
- work/life balance: introduced the "right to disconnect" and remote working; 66% of Group employees are eligible (Germany, France, Italy and the United Kingdom);
- training in safety rules and emergency first aid: in Belgium, France, Germany, India, Italy, Switzerland, Tunisia and the United Kingdom (82% of the Group's scope);
- launched an exercise to map personal insurance and prevention measures in each country and analyse results (including social security cover, death benefit cover, early retirement and retirement);
- no occupational illnesses recognised in France by CPAM (the national health insurance body);
- the absence rate was 2.5% in 2018, compared with 2.1% in 2017 (France);
- the 2018 workplace accident frequency rate in France came out at 1.91% (vs. 1.68% in 2017 – France);
- the severity rate was 0.056% (vs. 0.035% in 2017 – France).

2.2. Other labour-related information

2.2.1. JOBS AND THE WORKFORCE

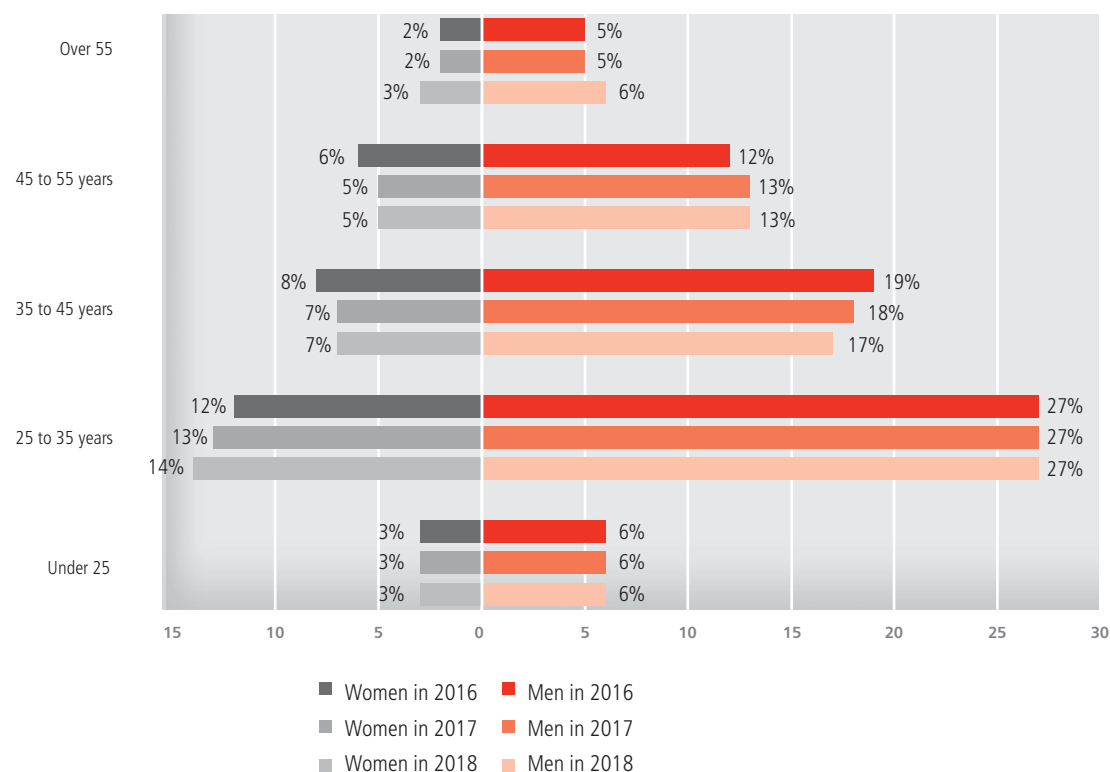
For many years, the Group's growth has been backed by a proactive employment policy of recruiting talented individuals and developing employees' skills.

External growth is also a strong driver of the Group's development and increased business volumes. Thanks to the various acquisitions completed in 2018 (520 employees), the Group can offer a comprehensive response to its clients' needs in the areas of transformation and competitiveness. At 31 December 2018, Sopra Steria Group had a total of 44,114 employees (43,594 employees excluding 2018 acquisitions), mainly based in France, the United Kingdom, Germany, Spain, India and Scandinavia, which together account for 90% of the Group's workforce.

The proportion of permanent contracts (95.7%) and temporary contracts (3.6% excluding interns) demonstrates the Group's years-long commitment to offering stable jobs while favouring employment for young people on permanent contracts and work-linked training programmes (96% of fixed-term contracts were for work-linked training students in 2018, compared with 94% in 2017). The average age of employees on permanent contracts is 37.8, with an average length of service of 7.1 years.

The proportion of women within the Group's workforce increased slightly to 32%, with women holding 27.9% of engineering, consulting and project management positions. It remains higher than the overall proportion of women in scientific careers (28%). Progress was made in France, India, the United Kingdom and Tunisia with a significant increase in the proportion of women recruited in these countries.

The age pyramid, which shows a breakdown of the Group's workforce (excluding acquisitions) by gender and age, remained stable between 2016 and 2018.



2.2.2. COMPENSATION

The Group's **compensation policy** is one way of recognising each individual's contribution to the Group's performance, over and above the requirements of local legislation. It is based on the principle of fair treatment and supported by a system of personalised employee performance appraisals. The policy is structured around the following components:

- fixed compensation: in keeping with the level of responsibility, consistent with the Group's Core Competency Reference Guide;

- variable compensation: to encourage individual and collective performance for some employees, notably managers, sales staff and experts;
- an international Group employee share ownership programme to give all employees a more meaningful stake in the company's performance.

2018 achievements

Eighty-four percent of employees work in a country where the average of the top 1% of salaries is less than 4.5 times the average salary in the country (78% of the Group's permanent contract workforce*).

Ratio of the average top 1% of salaries to the average salary*	%
Under 4.5	84%
$4.5 \leq x \leq 5$	16%
Over 5	0%

* Scope: 78% of permanent contract employees in Benelux, France, India (excluding Cassiopae), Italy, Scandinavia and the United Kingdom.

2.2.3. WORKING CONDITIONS AND ORGANISATION

The Group's **policy** on the organisation of work schedules is designed to promote work/life balance. Part-time working is never obligatory; it is always a matter of individual employee choice. Sopra Steria approves requests for part-time work whenever they are compatible with the requirements of the departments or projects concerned.

2018 achievements

In 2018, 6.1% of Group employees were part-time (compared with 6.3% in 2017).

3. Social responsibility: Involving our stakeholders to boost the impact of our actions



As a major European player in digital transformation, Sopra Steria is a preferred partner of major organisations, helping them respond to the new challenges faced in a period of social, environmental and societal flux. This entails developing relationships of trust and transparent dialogue with our stakeholders, seeking input from our value chain into our commitments and associated policies, raising our clients' awareness of the impact of digital technology on their

business and their own commitments, and playing a part in meeting the needs of vulnerable populations in regions where we have operations.

Sopra Steria supports the United Nations Sustainable Development Goals 1, 2, 3, 4, 6, 8, 9, 10, 11, 13, 16 and 17 related to society.

3.1. Maintaining a high level of transparency and interaction with stakeholders

This policy embraces the principles of transparency towards and dialogue with all key stakeholders: clients, employees, shareholders, investors, partners, suppliers and civil society. It is underpinned by three key factors: dialogue, innovation and value creation.

I SUMMARY OF STAKEHOLDER DIALOGUE

Clients	Regular dialogue concerning Sopra Steria's contribution to helping clients meet their corporate responsibility challenges (meetings, questionnaires, third-party assessments, etc.). Co-development initiatives with clients focused on innovation and social inclusion and environmental clauses linked to Sopra Steria's services.
Employees	Group-wide campaigns raising awareness about corporate responsibility; Coordination of networks of employee champions and officers. Dedicated Group newsletter. Awareness-raising for new employees. Dedicated email address. Employee involvement in programmes promoting diversity, access to employment for young people, the environment and community engagement.
Shareholders and investors	Reporting to shareholders via the Registration Document, General Meetings, press releases and earnings presentations. Dedicated communications for employee shareholders. Communication with investors via the website and answers to specific questionnaires.
Partners	Joint innovation approach with major strategic partners in digital transformation. Governance of strategic partnerships with dedicated managers working with industry and technology vendors.
Suppliers and subcontractors	Purchasing policy rolled out Group-wide: purchasing procedures, Group suppliers' charter, programme to assess suppliers and subcontractors led by an external organisation.
Civil society	Partnerships and sponsorships with international and local NGOs in each country. Foundations in France and India. Working with local authorities, schools and universities in the various countries in which the Group operates. Active involvement in trade unions and industry bodies.
All stakeholders	Publication of an annual Corporate Responsibility Report audited by an independent third party. Evaluation by non-financial organisations and analysts, with ratings publicly disclosed. Regular dissemination of information via the Group's website and social networks: Twitter, Facebook, LinkedIn.

An Advisory Board to strengthen stakeholder dialogue

The Sopra Steria Group's CR Advisory Board consists of external figures with no financial or business interests in the Group. Through their experience and expertise in key areas falling within the Group's corporate responsibility, these advisors provide independent and

relevant insights challenging and driving improvement in the Group's corporate responsibility approach and forging stronger dialogue with all stakeholders. An overview of the CR Advisory Board can be found in Section 1.1.3, "A corporate responsibility governance structure supporting the Group's priorities" of Chapter 3 on page 81.

3.2. Drawing on innovation and strategic alliances to support digital transformation

We are a trusted partner to our clients, bringing them the best technology to develop innovative solutions. Thanks to a network of leading experts, startups and major technology partners, we work with our clients to build solutions that meet their requirements for sustainable performance.

Co-design to mobilise collective intelligence

Developing a collaborative approach fosters creativity in the design of services, uses, processes, organisations and a shared vision or strategy. By involving business experts, end users and technical experts, this approach shortens the design phase, optimises processes and helps maximise access to digital technology.

Sopra Steria DigiLabs: spaces dedicated to digital co-innovation

Digital co-innovation – a driver of value creation in the digital revolution – brings together Sopra Steria staff and clients to work on technologies like virtual reality, augmented reality, the internet of things, artificial intelligence, data science, blockchain, robotics, mobility and cybersecurity. This approach is supported by the Group's DigiLabs, spaces designed to foster the emergence of innovative solutions for clients. In 2018, Sopra Steria had 21 DigiLabs spread across the major geographic regions in which the Group operates. Plans are in place to open more DigiLabs in 2019.

Alliances with technology partners

To turn technological potential into operational benefits for our clients in their specific environments and business sectors, Sopra Steria has entered into partnerships with market-leading vendors and technology players.

Based on close day-to-day relationships and a governance structure with its own dedicated management, coordinated at Group level by a Corporate Alliance Officer, these partnerships ensure that Sopra Steria staff have a high level of expertise in partner solutions and technologies. They also enable us to achieve optimal efficiency in project implementation through an approach characterised by industrialisation, co-innovation and R&D.

The Group's strategic partners are Microsoft, IBM, SAP, Google, AWS, Salesforce, Oracle, PEGA and Axway.

In 2018, these partnerships were strengthened through new agreements including the following:

- Microsoft: Partnership to deliver a joint hybrid cloud solution;
- Google: Partnership in AI;
- IBM: New Global System Integrator status.

3.3. Raising our clients' awareness of the social impact of digital technology and their own sustainability challenges

Sopra Steria's corporate responsibility policy aims to involve all external and internal stakeholders in working for a more inclusive, sustainable and environmentally friendly world, and to ensure that the Group's value proposition takes into account the specific labour-related, environmental, ethical and social challenges facing its clients.

Combining added value, innovative solutions and high-performance services, the Group is a trusted partner that enables its clients to make the best use of digital technology. By offering one of the most comprehensive portfolios of offerings in the market, the Group is able to provide end-to-end solutions to its clients' development and competitiveness challenges while meeting their requirements for sustainable performance.

The Group's service offerings and solutions help meet these challenges through digital technology and innovation.

Digital technology is now at the heart of efforts to address key labour-related, social and environmental challenges facing businesses, regions and countries. It can help improve citizens' quality of life, make cities more attractive through optimised mobility management, make services more accessible, reduce businesses' environmental footprint and develop a more socially responsible and inclusive economy.

As a major European player in digital transformation for large organisations, Sopra Steria plays an essential role in contributing to and providing input into work on the societal impact of digital technology. Sopra Steria contributes to a number of external think tanks and has put in place an internal working group involving experts, consultants, operational managers and individuals with a stake in the Group's sustainable development, with the intention of incorporating the group's thinking into its value proposition.

"Guaranteed sustainable" transformation strategies

In particular, this working group is coordinating an ambitious programme aimed at developing an innovative method and tools for offering Sopra Steria's clients "guaranteed sustainable" transformation strategies that take into account the sustainable development challenges they face.

The aim is to provide the Group's clients with high added-value advice and expertise to help them build labour-related, environmental and social challenges into their core business transformation projects, including in particular those relating to digital technology and people:

- by developing their business increasingly in compliance, at consolidated level, with regulatory requirements relating to sustainability;
- by defining transformation strategies whose impact also contributes to sustainable development and performance for their employees, partners, clients and shareholders;
- by developing environmentally sustainable digital strategies in an environment where digital technology is a key factor in the consumption of resources and energy.

This augmented value proposition taking into account workforce-related, environmental and social issues is intended to help Sopra Steria's clients identify global, systemic responses to their key business challenges, with a clear and concrete view of their impacts on the ecosystem of which they are a part.

Support for the Digital Chair: a fresh perspective on digital technology's impact on humankind

Among Sopra Steria's key relationships with external stakeholders working to contribute to thinking in these areas, the Group has for the past three years been working with Collège des Bernardins, a key centre for gatherings and discussion, as part of its research activities. After creating the Digital Chair, the Collège set up a "Digital Humanism" department dedicated to the social challenges posed by digital technology. Thanks to its experience as a key economic player in the digital sector, the Group is able to enrich thinking and work with researchers, scientists, experts, anthropologists and major companies to provide a fresh perspective on this crucial issue for the future of humankind.

3.4. Aligning the supply chain with corporate responsibility priorities

Responsible purchasing policy

According to the Group's risk mapping exercise, risks associated with the supply chain do not constitute a key risk factor for Sopra Steria.

The Group's responsible purchasing programme, set up several years ago, is aimed at aligning its supply chain with the Group's priorities. The programme was reviewed in 2017 and 2018 to optimise the purchasing process, incorporate new regulatory requirements (duty of care; Sapin II Act, Section 5.4 of Chapter 3, "Duty of care plan", page 101) and manage risks arising from the supply chain; overhaul the Group's purchasing procedures; overhaul the Group suppliers' charter; strengthen and harmonise practices and roll them out Group-wide.

In particular, this work has helped identify measures needed to meet the following objectives:

- involve purchasing departments by relying on new procedures harmonised across the Group;
- involve Sopra Steria's suppliers and subcontractors by sharing the new charter;
- tighten management of compliance among the Group's suppliers and subcontractors;
- strengthen management of the Group's sustainability performance;
- step up assessment of the sustainability performance of key suppliers and subcontractors to make sure they meet the corporate responsibility standards set by Sopra Steria;
- continue with the ethical and inclusive purchasing policy in support of diversity;
- continue with the environmentally friendly purchasing policy.

2018 key achievements and results

- drew up new purchasing procedures, including in particular supplier and subcontractor assessments and inspections across the entire Group;
- launch of a new, more ambitious suppliers' and subcontractors' charter covering the entire Group;
- implemented the Provigis system in France to manage suppliers' and subcontractors' compliance;
- EcoVadis corporate responsibility assessments widened to cover more suppliers and subcontractors, with new campaigns launched in 2018 that will continue in 2019. The emphasis was placed on assessing suppliers and subcontractors with regard to supply chain risks (risks related to human rights, corruption, money laundering and terrorism as well as financial risks) and risks associated with purchasing categories, with a priority focus on subcontracting (France), property and facilities (France), and IT suppliers, with key criteria including expenditure of over €100k a year for subcontractors. The aim is to roll out EcoVadis assessments Group-wide;
- develop new indicators to assess suppliers and subcontractors based on the Group's commitments relating to the TCFD (Task Force on Climate-related Financial Disclosures) and SBTi (Science Based Targets initiative): to reduce greenhouse gas emissions resulting from the Group's supply chain (SBTi) and to meet non-financial reporting requirements (TCFD).

Key performance indicators and other performance indicators

Responsible purchasing procedures

- all Group entities follow a responsible purchasing approach and are now subject to Group purchasing procedures under which all purchases must take corporate responsibility criteria into account. These procedures, to be rolled out in 2019, are designed in particular to strengthen the commitment of stakeholders in the purchasing process, bolster supplier and subcontractor assessment mechanisms, and ensure that all suppliers and subcontractors sign the Group's updated suppliers' charter.

Ethical and inclusive purchasing

- proportion of employees with a disability, taking into account the number of FTE employees with a disability provided under subcontracting contracts with companies in the sheltered or adapted sector: 2.72% in 2018 (see Section 2.1.3 of Chapter 3, "Diversity and equal opportunity", page 85).

Environmentally friendly purchasing

- subscription of renewal energy contracts, Guarantees of Origin, I-REC and Green Gas, depending on suppliers' energy mix in each country, giving a proportion of renewable energy covering electricity consumption (offices and on-site data centres, including joint ventures) of: 78% in 2018 (see Section 4.4, "Targets and key achievements", page 96).

3.5. Committing the company to an ethical and inclusive digital society

The rapid changes in society triggered by digital technologies affect a number of often related social and environmental issues, representing real challenges, particularly for vulnerable populations. As a major digital player operating in many countries, Sopra Steria Group is aware of the importance of education and digital skills acquisition for social and professional integration among these populations. Digital technology is also a powerful lever for creating innovative solutions that make day-to-day life easier and are of benefit to all.

A proactive policy involving the business, employees and local organisations

The Group pursues a proactive policy aimed at facilitating access to education, training and digital technology for vulnerable populations and working for water rights, a key challenge for humankind.

To implement this policy, which involves hundreds of employees in all countries, Sopra Steria is supported by two foundations in France and India, as well as sponsorships developed with non-profit organisations. At the local level, the Group's policy is supported by community outreach initiatives, including a major education and engagement programme in India and fundraising events in a number of countries to support local non-profits.

Education and employability

In India, the education programme, which has been running for a number of years, aims to combat poverty in a country with high levels of inequality. This programme is aimed at children from poor rural areas, in particular girls, who can benefit from public sector schools located close to the company's sites. Over 70,000 children and young people, in 60 schools from primary to secondary level, benefit from the programme and are supported in their schooling by hundreds of Sopra Steria volunteers. To supplement access to education for young children, Sopra Steria has developed a major scholarship programme in India to fund students from schools supported by the Group. In 2018, most of the countries in which the Group operates joined the Sopra Steria Scholarships Programme, enabling 79 more Indian students – most of them girls – to continue in higher education. In 2018, a total of 542 Indian scholarship students were supported by the Sopra Steria Scholarships Programme. Various projects have been put in place in other countries in which the Group operates, including in particular an academic tutoring programme for vulnerable children in Spain, support for disadvantaged students in Morocco and fundraising events to finance education initiatives in Belgium.

These educational actions are supplemented by local employability initiatives, with the help of employee volunteers: support for young jobseekers with *Nos Quartiers ont du Talent* in France, development of the Career Development Centre in India with support from Scandinavia, offering short-term courses leading to qualifications for young people in partnership with the NIIT Foundation, etc.

Digital inclusion

To make digital technology accessible to all, numerous local projects aimed at vulnerable populations were launched or continued with clients, partners and employees. In 2018 in France, the Sopra Steria-Institut de France Foundation supported 14 digital humanitarian projects with a social or environmental dimension sponsored by employees. In Norway, the Group continued to support social entrepreneurship and provide computing classes for disadvantaged women. In Italy, an application was developed to help children with autism. In Poland, computer labs were set up to help orphans.

In the United Kingdom, over 200 initiatives were launched with Harrow Council, London, in a variety of areas including employability, digital inclusion, entrepreneurship and innovation, and seven clients took part in the annual fundraising campaign organised by volunteers.

Community Day

All these local programmes are widely communicated around the Group on Community Day, Sopra Steria's annual event promoting community engagement. This large-scale awareness campaign is supported in all entities and countries, with the spotlight on projects that support local communities in countries where the Group operates. In 2018, the Group's many volunteers and heads of country entities took part, supporting the Group's commitment to education and making the event a valuable opportunity for sharing and discussion.

Water rights

Lastly, Sopra Steria has for several years been supporting two international organisations through financial sponsorship: Green Cross, working to protect oceans, and Planet Water Foundation, working for access to drinking water, in particular in schools in India.

3.6. Ensuring that the Group has a positive regional impact

Sopra Steria has a significant regional impact. It is a leading employer, with over 44,000 employees spread across many geographic regions. It is also a major recruiter in regions where the Group has operations, with over 11,000 new recruits taken on across the Group in 2018 (see Section 2.1.1 of Chapter 3, "Attracting and retaining more talent", page 83).

As a committed corporate citizen, it also aims to ensure that, in developing its business, it takes into account economic, workforce-related, environmental and social challenges facing regions in which the Group operates among struggling or highly vulnerable populations.

Through its ambitious recruitment policy, its commitment to community engagement and significant efforts to roll out its programmes across all countries in which it operates, Sopra Steria actively supports local communities and contributes to regional economic and social development.

4. Environmental responsibility: Innovating for the environment throughout our value chain

A bold ambition served by an ambitious, innovative Group policy

Sopra Steria is at the heart of an industry sector that has the capacity to make a positive impact on companies' environmental footprint. With this in mind, the Group has for several years been working to limit the environmental impact of its businesses, develop responsible purchasing programmes, involve its entire supply chain in a shared continuous improvement process, and incorporate sustainability principles into its service proposition.

The Group's environmental strategy aims to reduce the environmental footprint of its operations and help combat climate change by involving the whole of its value chain.

Now recognised as one of the world's leading companies involved in combating climate change, Sopra Steria continues to develop actively its environmental strategy, in particular by contributing to international initiatives aimed at reducing climate risk and by supporting the transition to a low-carbon economy.

To coordinate its strategy, the Group relies on commitments made together with major international organisations, enabling it to set ambitious medium- and long-term targets.

This environmental strategy is supported by a policy broken down into eight priorities:

1. Strengthening the Environmental Management System (EMS) that provides a framework for the Group's policy;
2. Optimising the resources consumed by its operations;
3. Increasing the proportion of renewable energies to cover its electricity consumption;
4. Reducing greenhouse gas emissions and achieving carbon neutrality for residual emissions arising from offices, data centres and business travel;
5. Contributing to the circular economy by optimising waste management, notably for waste electrical and electronic equipment (WEEE);
6. Involving the entire value chain (employees, clients, suppliers, partners, etc.) in the continuous improvement process;
7. Embedding sustainability into the value proposition;
8. Ensuring employees are committed to the Group's programme.

To strengthen its policy and the associated continuous improvement process, Sopra Steria has chosen to work with top-tier international organisations whose aim is to involve businesses, states, NGOs and civil society in action to prevent climate change.

4.1. Major commitments defined with leading global organisations

- **Global Compact and Sustainable Development Goals:** Sopra Steria is a signatory to the United Nations Global Compact, in the "Global Compact Advanced" category (Top 9%). Under this commitment, Sopra Steria supports the Global Compact's ten principles, including in particular the principle of environmental protection.



Sopra Steria supports United Nations Sustainable Development Goals 6, 7, 11, 12, 13, 14, 15 and 17 related to the environment.

- **COP 21 Paris, COP 24 Katowice and the Talanoa Dialogue:** Since making its commitment in connection with COP 21, Sopra Steria has stepped up its support for international initiatives to combat climate change. In 2018, in connection with the

Talanoa Dialogue initiative, launched under the United Nations Framework Convention on Climate Change, Sopra Steria took part in a roundtable discussion that brought together 61 groups from Europe and America. The report that followed these discussions sets out joint recommendations by the 61 participating companies for achieving zero net greenhouse gas emissions by 2050, together with immediate actions each company can take.

- **TCFD-CDSB:** the Group continues to implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) ⁽¹⁾ and the Climate Disclosure Standards Board (CDSB) in order to fully disclose the results of its continuous improvement process.

(1) The task force, which arose from the G20, has drawn on the work of the Climate Disclosure Standards Board (CDSB) to encourage companies to disclose physical and decision-related information on climate issues.

- **Science Based Targets initiative:** Sopra Steria has set itself three ambitious science-based targets, approved by SBTi ⁽¹⁾, for reducing absolute greenhouse gas emissions (Scopes 1, 2 & 3), reducing its emissions per employee and ensuring that the majority of the Group's suppliers put greenhouse gas emissions reduction targets in place.

To support its commitment to SBTi to reduce greenhouse gas emissions, Sopra Steria has set itself the goal of increasing the proportion of its electricity consumption covered by renewable energies, extending its internal shadow carbon price policy to all Group countries and continuing with its carbon neutrality programme.

4.2. Environmental challenges: Opportunities for the Group

According to the results of the Group's risk mapping exercise, environmental risks do not constitute a key risk for Sopra Steria.

Some of the Group's environmental impacts, known by the TCFD as "risks associated with the transition to a low-carbon economy", are identified but not considered key risks at Group level. More specifically, these risks, as defined by the TCFD, are political, regulatory or reputational in nature (significant increase in fuel prices, more stringent requirements to disclose non-financial information, increased stakeholder expectations in relation to these changes). As regards reporting, Sopra Steria continues to fine-tune its data collection processes so as to be able to produce highly transparent and reliable regulatory reporting.

Based on the naming conventions used by the TCFD, the most significant impacts or "physical risks" to Sopra Steria mainly relate to the risks of heavy flooding, air pollution caused by rising temperatures, and seismic risk in some parts of the world. Sopra Steria's business continuity plans are designed to enable the Group to anticipate and manage these specific risks (see Section 8.1, "Main risks", pages 29 and 33 and the section entitled "Risks relating to continuity of service and information systems security" of Chapter 1, page 33).

These issues are reviewed and discussed with the Internal Control and Risk Management Department and presented annually to the Board's Nomination, Ethics and Governance Committee as part of an annual corporate responsibility update.

Sopra Steria is pursuing **business opportunities** arising from climate change, supported by innovative solutions developed by the Group:

- measure the impact of proposed solutions in light of the environmental challenges facing its clients;
- raising its clients' awareness of the challenges of sustainable development and the environmental impact of going digital;

These issues and opportunities are managed at Group level by the SD&CR Department via the Group Environmental Sustainability Committee (GESC) and the Group SD&CR Committee, and at country level via environment correspondents (known as Sustainability Champions) and heads of Real Estate and Internal Audit. At client project level, issues and opportunities are managed by client-facing departments, the Industrial Department and operational departments.

4.3. A Group recognised for its environmental commitment and action

The Group's high level of commitment and the results of its environmental policy now enjoy international recognition, making Sopra Steria one of the leading companies in this area.

- **CDP Climate Change – A List:** For the second year running, Sopra Steria achieved a performance score of "A", the highest awarded by **CDP Climate Change**. This distinction recognises the Group's commitment to combating climate change, as well as the transparency and relevance of its programme of initiatives.
- **CDP Supplier – A List:** Sopra Steria is also one of the 2% of organisations participating in the CDP supply chain evaluation programme, and has for the second year running been recognised as a **Supplier Engagement Leader, the highest possible CDP Supplier rating**.
- **EcoVadis – Excellent on the environmental component:** In 2018, Sopra Steria achieved an **EcoVadis** score of 90 out of 100 for its environmental programme, marking it out as an **excellent** performer in the environmental area.

During the year, the Group also joined the **Euronext® CDP Environment France EW index**, which includes the 40 best-performing French listed companies in terms of the environment.

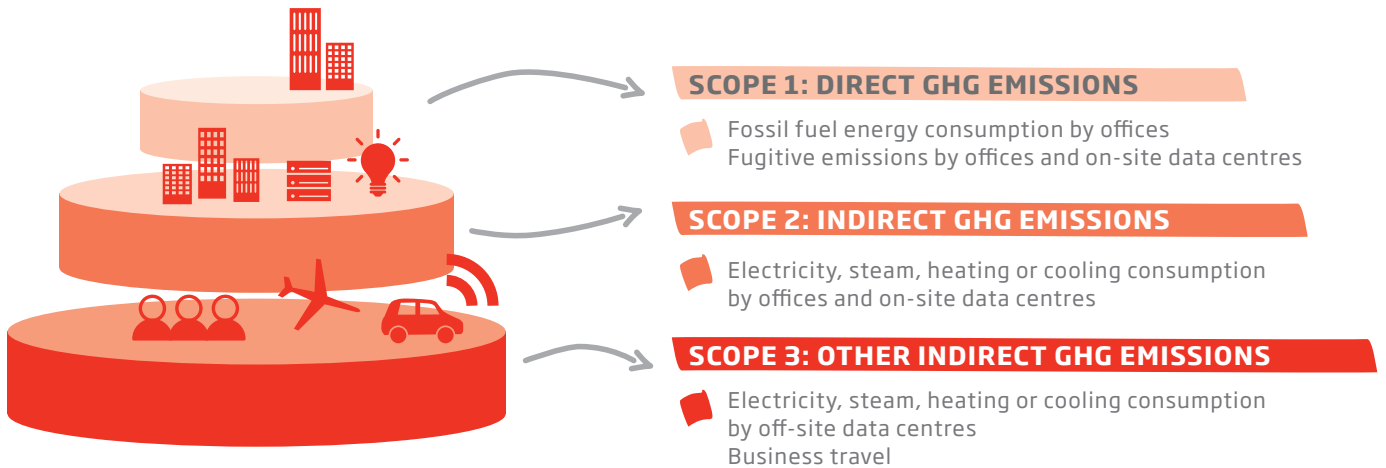
(1) The Science Based Targets initiative (SBTi) is an internationally recognised programme that offers mathematical models for identifying the environmental footprint of activities so as to be able to set ambitious greenhouse gas emissions reduction targets.

4.4. Targets and key achievements

The environmental policy, presented in the introduction to this section and further developed in the table below, is designed to enable the Group to respond to the risks and issues referred to in Section 4.2, "Environmental challenges: Opportunities for the Group" page 93.

The scope of performance indicators is set out Section 1.3, "Overview of reporting scope", on page 82..

For reference, definitions of Scopes 1, 2 & 3 are given in the diagram below.



1. Roll out an Environmental Management System (EMS) to support the Group's policy

TARGET: Harmonise the Group's environmental practices by establishing a framework within which local initiatives are implemented

Key achievements

- Management of risks and opportunities within the Group (by the GESC, SD&CR Committee and Audit Committee) to meet TCFD ⁽¹⁾/CDSB ⁽²⁾ recommendations on the physical and decision-related information disclosures linked to climate issues
- Implemented ISO 14001:2015 certification in accordance with client needs
- Since 2015: Annual ISAE 3000 audit of Scope 1, 2 & 3 emissions

Key Performance Indicators and other performance indicators

ISO 14001:2015 certification active in Denmark, France, Germany, India, Norway, Poland, Spain, Sweden and the United Kingdom, and planned for Belgium and Luxembourg in 2019. In total, 11 out of 23 countries have offices with active ISO 14001 certification

(1) TCFD: Task Force on Climate-related Financial Disclosures.

(2) CDSB: Climate Disclosure Standards Board.

2. Optimise resource consumption

TARGET: Control per-employee consumption of resources (all forms of energy, water, paper)

Key achievements	Key Performance Indicators and other performance indicators			
	2018	2017	2016	
<ul style="list-style-type: none"> ■ Energy: New sites meet the latest environmental standards (BREEAM, HQE, LEED); new IT equipment is environmentally certified (Energy Star 6.1, EPEAT Gold); new data centres have efficient PUE (Power Usage Effectiveness) ratings (e.g. Oslo Digiplex and Oslo Rata in Norway, rated 1.1 and 1.2 respectively) 	Energy (MWh/employee)	2.3	2.4	2.6
<ul style="list-style-type: none"> ■ Water: Installation of systems to recover rainwater and optimise consumption of sanitary water (e.g. in India, sensors for bathroom installations, recovery of rainwater) 	Water (m ³ /employee)	5.2	6	N/A
<ul style="list-style-type: none"> ■ Paper: Optimised printing methods and awareness campaigns to cut back on printing; purchases of environmentally certified paper 	Quantity of paper purchased (kg per employee)	2.5	3	N/A

(Excluding Cassiopae and joint ventures)

3. Increase the proportion of renewables

TARGET: Cover 85% of the Group's electricity consumption (offices and on-site data centres) from renewable sources by 2020

Key achievements	Key Performance Indicators and other performance indicators			
	2018	2017	2016	2015 (baseline year)
<ul style="list-style-type: none"> ■ Purchase of renewable energy directly from power suppliers at certain sites or data centres in Germany, Belgium, Denmark, Luxembourg, Norway, United Kingdom, Sweden and Switzerland 	Proportion of renewable electricity covering consumption by offices and on-site data centres	78%	76%	69%
<ul style="list-style-type: none"> ■ Obtain Guarantees of Origin in Spain, France, Norway and Poland 				
<ul style="list-style-type: none"> ■ I-REC in India 				
<ul style="list-style-type: none"> ■ Green Gas in the United Kingdom, biodiesel at Meudon in France 				

Target (for 2025; baseline year: 2015): 43% reduction in GHG emissions per employee

4. Reduce GHG emissions resulting from our operations ⁽³⁾

TARGETS:

- Cut absolute greenhouse gas (GHG) emissions by 21% by 2025 (Scopes 1, 2 & 3; business travel, offices and data centres; baseline year: 2015). Target validated by SBTi
- Cut GHG emissions per employee by 43% by 2025 (Scopes 1, 2 & 3; business travel, offices and data centres; baseline year: 2015) and by 76% by 2040. Target validated by SBTi
- Implement an internal shadow carbon price across all Group countries by 2020
- Ensure that the Group's business travel, offices and data centres CarbonNeutral®

Key Performance Indicators and other performance indicators

Key achievements	2018	2017	2016
<ul style="list-style-type: none"> ■ Reduction in GHG emissions 14.9% reduction in Scope 1, 2 & 3 absolute GHG emissions relative to 2015 and 29.1% reduction in per-employee emissions 	-14.9%	-10.5%	-9.1%
<p>Absolute GHG emissions (Scopes 1, 2 & 3; baseline year: 2015) <i>(excluding fugitive emissions, Galitt and 2MoRO)</i></p>			
<ul style="list-style-type: none"> ■ Business travel <ul style="list-style-type: none"> • Campaigns to raise awareness of the need to use low-carbon means of transport and digital communication systems • New models of hybrid vehicle incorporated into corporate fleet • Monitoring of remote communication system utilisation rates 	-29.1%	-20.0%	-13.6%
<p>GHG emissions per employee (Scopes 1, 2 & 3; baseline year: 2015) <i>(fugitive emissions included in 2017 and 2018 but excluded in 2015 and 2016; hotels and joint venture sites not included in 2015; excludes Galitt and 2MoRO)</i></p>			
<p>20.9% reduction in GHG emissions per employee from business travel relative to 2015 (hotels included in 2018 and 2015; joint ventures excluded in 2015 but included in 2018; excludes Galitt and 2MoRO) ⁽⁴⁾</p>			
<ul style="list-style-type: none"> ■ Energy Optimised energy consumption at offices and data centres 	<ul style="list-style-type: none"> ■ 12.6% reduction in energy consumption per employee relative to 2016 ■ 71.8% reduction in GHG emissions per employee arising from offices and on-site data centres relative to 2015 (excluding fugitive emissions) ■ 45.9% reduction in GHG emissions arising from on-site and off-site data centres relative to 2015 (excluding fugitive emissions) 		
<ul style="list-style-type: none"> ■ Fugitive emissions Gradual replacement of some air conditioning equipment 	<p>5.3% reduction in GHG emissions linked to fugitive emissions relative to 2017 ⁽⁵⁾</p>		
<ul style="list-style-type: none"> ■ Internal shadow carbon price Introduced an internal shadow carbon price for business travel in Spain. By 2020, the Group's target is to expand the shadow carbon price system to cover its key geographies. 	2018	2017	2016
<p>Number of countries with an internal shadow carbon price (Business travel)</p>	3 countries (Spain added)	2 countries (France added)	1 country (UK)
<ul style="list-style-type: none"> ■ CarbonNeutral® programme Renewed the CarbonNeutral® certification programme to offset the Group's residual emissions 	<p>CarbonNeutral® certification for all Group business travel, offices and data centres since 2015</p>		

⁽³⁾ CDSB: Climate Disclosure Standards Board. For energy, emissions are calculated using the market-based method, under which a nil emissions factor is applied if the energy source is "green"; otherwise, "residual mix" emissions factors issued by the Association of Issuing Bodies or "location-based" emissions factors issued by the International Energy Agency are applied. For business travel, the emissions factors used are those arising from the GHG Protocol.

⁽⁴⁾ For reference, GHG emissions from business travel totalled 32,005 tCO₂e in 2015 (excluding hotels).

⁽⁵⁾ Refrigerant gases covered by the Montreal Protocol are not included in the scope of fugitive emissions.

5. Promote the circular economy

TARGET: Extend on-site selective sorting, increase waste recovery, maximise the life cycle of resources and prevent pollution

Key achievements	Key Performance Indicators and other performance indicators			
		2018	2017	2016
<ul style="list-style-type: none"> WEEE ⁽⁶⁾ Maximisation of the life cycle of electronic equipment: resale or donation of equipment no longer required; repair of hardware where appropriate; dismantling of end-of-life equipment for recovery of materials. WEEE in India (relamping and battery changes) and the UK (destocking) increased during 2018 	WEEE (kg per employee)	2.2	2.1	2.1
	Proportion of WEEE given a second life	95% (Including joint ventures but excluding Beamap and Cassiopae)	96% (Including joint ventures)	98%
<ul style="list-style-type: none"> Paper and cardboard Recycling of virtually all paper and cardboard collected 	Paper and cardboard waste (kg per employee)	10.5	10.8	10.0
	Proportion of paper and cardboard waste recycled	97%	97%	92%

(6) WEEE: Waste Electrical and Electronic Equipment.

6. Involve our entire value chain

TARGETS:

- Work with major suppliers committed to the environment: Ensure that the Group's leading suppliers, accounting for at least 70% of supply chain emissions, control their GHG emissions, and that 90% of them have set GHG emissions reduction targets (target validated by SBTi)
- Pursue a responsible purchasing policy favouring products and services with a low environmental impact
- Raise awareness among our stakeholders and contribute to the work of influencers

Key achievements	Key Performance Indicators and other performance indicators			
		2018	2017	2016
<ul style="list-style-type: none"> Analysis of the environmental footprint of Group expenditure <ul style="list-style-type: none"> A limited assurance audit found that purchases in France generated 89,000 tCO₂e of GHG emissions, using ADEME emissions factors ⁽⁷⁾ On the basis of data for France (which represents 40.1% of Group data) scaled up proportionately, the total emissions linked to Group expenditure were then estimated at 230,005 tCO₂e. In 2017, this figure, calculated using the GHG Quantis method, put total Group emissions at 198,000 tCO₂e. By 2025, our aim is to extend this limited assurance approach to the whole of the Group and undertake more detailed analysis of suppliers who generate substantial carbon emissions. Continuation and adaptation of the EcoVadis supplier assessment programme (Section 3.4, "Aligning the supply chain with corporate responsibility priorities", page 90) 	tCO ₂ e per €m of expenditure	177 (ADEME method. Scope: Purchases in France)	174 (Quantis method)	N/A
	Environmental footprint of Group expenditure (tCO ₂ e)	230,005 (ADEME method + pro rata)	198,000 (Quantis method)	N/A
<ul style="list-style-type: none"> Responsible purchasing: <ul style="list-style-type: none"> Rolled out new purchasing rules incorporating environmental criteria Group-wide New Group suppliers' charter including new selection criteria Stakeholders: <ul style="list-style-type: none"> Disclosure of the Group's commitments to its internal and external stakeholders: Corporate Responsibility Report, client and rating agency assessments, commitment to the Global Compact, CDP Climate Change and Supplier reporting, etc. Contributions to a variety of sector-specific organisations: Syntec Numérique in France, Hertfordshire Chamber of Commerce in the United Kingdom, Agoria in Belgium Attendance at gatherings of French companies that have signed up for the Science Based Targets initiative, jointly organised by WWF and SBTi in Paris 				

(7) WEEE: Waste Electrical and Electronic Equipment.

7. Incorporate Sustainable Development priorities into the value proposition

TARGETS:

- Measure the impact of solutions proposed to our clients in light of the environmental challenges they face
- Raise our clients' awareness of the challenges of Sustainable Development and the environmental impact of going digital

Key achievements

For more information see the "Sopra Steria: Committed to a more sustainable, responsible world" report, available on the Group's website

8. Involve employees in the Group's commitment

TARGET:

- Develop environmental responsibility among all Group employees

Key achievements

- International awareness campaigns: World Water Day, World Environment Day, Earth Hour, Earth Day and European Sustainable Development Week
- Group campaign of improvement initiatives
 - Green Wall during the European Recycling Week
 - Car-sharing challenge in France
 - Campaign to raise awareness of ocean protection challenges (JM Cousteau/Green Cross film "Wonders of the Sea" shown to employees and students)

Key Performance Indicators and other performance indicators

More than 160 employee proposals shared at Group level (Green Wall)

4.5. Climate action: a challenge we can anticipate and control

According to the Group's risk mapping exercise, climate action does not constitute a key risk. For many years, Sopra Steria has made efforts to limit the environmental impact of its operations, going beyond regulatory requirements by committing to a proactive continuous improvement process involving all stakeholders.

The Group believes that climate action must be incorporated into the actions of all organisations, businesses and states. Thanks to digital and other new technologies, this challenge should result in new opportunities to build a more sustainable world.

For more information about the Group's environmental approach, please see the supplementary report on the Group's corporate responsibility, "Sopra Steria: Committed to a more sustainable, responsible world", available from the Group's website.

5. Ethics and compliance

Sopra Steria's Ethics and Compliance programme – founded on its Code of Ethics, and its values of transparency and integrity – has been strengthened by putting in place Group-wide oversight and a Group-wide organisational structure.

Ethics and compliance notably concerns human rights, fundamental freedoms, anti-corruption measures, the duty of care, compliance and transparency in relation to tax regulations, confidentiality and the protection of personal data.

Under the Group's risk mapping exercise, the risk of an ethical or legal violation is classed as a key risk for the Group.

Sopra Steria supports United Nations Sustainable Development Goals 1, 4, 8, 13 and 16 related to ethics.

5.1. Governance and organisation

To ensure that ethics and compliance issues are addressed and regulatory requirements are met, Sopra Steria has decided to bring together compliance, internal control and risk management within the Internal Control and Risk Management Department, which reports directly to the Group's Executive Management. This department appears before the Audit Committee and the Nomination, Ethics and Governance Committee at regular intervals.

This structure allows for centrally coordinated, Group-wide governance to manage compliance issues, compliance controls, whistleblowing and risks.

- the Internal Control and Risk Management Department oversees compliance issues and coordinates all stakeholders involved in compliance and internal control across the Group. The Internal Control and Risk Management Director is the primary reference point for the whistleblowing system in his/her capacity as Group Compliance Officer;
- this department is supported by the network of Internal Control and Compliance Officers, appointed to work with local teams in each Group entity;
- it is also supported in its actions by the Group-level functional and operational departments, each with expertise in its own area (Human Resources Department, Legal Department, Finance Department, Real Estate and Purchasing Department, Security Department, Industrial Department, and Sustainable Development and Corporate Responsibility Department). To ensure that all compliance issues are covered, each of these departments has its own correspondents within the Group's various entities.

A Compliance and Internal Control Steering Committee has been put in place. This committee, which meets weekly and includes the Chairman, Executive Management and relevant departments, reviews compliance issues and programme progress and implementation, more specifically concerning the programme to prevent and combat corruption and influence peddling.

The *Internal Control and Risk Management Department* and the Internal Audit Department meet regularly to exchange updated information, notably concerning the audit plan and the identification of risks.

All compliance issues are regularly presented to the Board's Audit Committee by the Internal Control and Risk Management Department.

A Stock Market Ethics Committee has also been formed. This committee meets as often as necessary, and in any event once a month.

Risk management and control within the Group, and the relationship with the Internal Audit Department and external auditors, are described in more detail in Section 8.3 of Chapter 1, "Internal control and risk management", pages 38 to 43 of this document.

5.2. Policies and procedures

A CODE OF ETHICS AND CORE VALUES SUPPORTED AT THE HIGHEST LEVELS OF THE GROUP

The Sopra Steria Code of Ethics expresses the Group's values and is based on shared ethical principles that apply to all Group entities, including in particular respect, integrity and transparency.

Through this code, the Group is committed to abiding by laws and regulations in force in the countries in which its entities operate, as well as operating to the strictest possible standards of business conduct.

It is supported by Group management, which is responsible for ensuring that these rules are observed. The code applies to all Sopra Steria employees to ensure that the Group's businesses operate effectively.

Under this code, Sopra Steria is committed to ensuring that the Group and its employees abide by the following:

- respect for individuals;
- human rights and fundamental freedoms;
- local laws and customs;
- rules on the prevention and refusal of all forms of active or passive corruption, whether direct or indirect, and conflicts of interest;
- competition rules;
- confidentiality of information to which employees have access in the course of their duties and activities.

Depending on local legislation, additional charters and rules on business ethics are put in place and regularly reviewed.

As regards human rights, Sopra Steria's commitments, reiterated in the Group Code of Ethics, are as follows:

- to combat child labour, child exploitation, forced labour and all other forms of compulsory labour (including commitments against slavery);
- to comply with European Community and domestic labour law and collective bargaining agreements in each country where the Group operates;
- to respect the exercise of trade union rights in each of the countries in question;
- to preserve health, safety and dignity in the workplace;
- to comply with the principles of equality, diversity and non-discrimination.

Sopra Steria Group is a signatory to the United Nations Global Compact, in the “Global Compact Advanced” category, and adheres to the principles and fundamental entitlements of the Universal Declaration of Human Rights of the United Nations and the Charter of Fundamental Rights of the European Union:

- fundamental human rights, and in particular the ban on child labour and all forms of slave, forced and mandatory labour;
- compliance with embargoes, and prevention of arms trafficking, drug trafficking and terrorism;
- compliance with trade rules and customs import and export licences;
- health and safety rights for personnel and third parties;
- right to work and immigration and ban on undeclared work, slavery and people trafficking;
- environmental protection;
- prevention of economic crime, including in particular corruption, gaining undue advantage, extortion, misappropriation of public funds, criminal favouritism, fraud, influence-peddling (or equivalent offence under applicable law), embezzlement, breach of trust, counterfeiting, forgery, and all related offences;
- anti-money laundering;
- competition law;
- right to non-discrimination.

In 2017, the Code of Ethics was supplemented by a code of conduct for stock market transactions, which covers securities trading and the prevention of insider dealing, in compliance with the European Market Abuse Regulation (Regulation (EU) 596/2014).

CORE RULES AND GROUP PROCEDURES

Beyond the Code of Ethics, which reaffirms the Group’s fundamental principles and values, the compliance system within Sopra Steria is supported by a common core of rules and procedures (management, human resources, purchasing, sales, operations and production, finance and accounting, security, etc.).

As part of the compliance programme, significant work was undertaken at Group level in 2017 to consolidate existing rules and clarify guidelines and procedures. This work has continued at a faster pace in 2018 and 2019 to ensure compliance with new regulations, implement these new procedures within the Group and strengthen control points.

5.3. Measures to prevent and combat corruption

To support the Group’s development and growth and meet new regulatory requirements, the Chairman and Executive Management decided to supplement work to formalise all Group rules by launching a compliance programme to prevent and combat bribery and influence peddling across all subsidiaries and geographic regions.

In particular, the anti-corruption framework includes the following:

- **a high degree of executive involvement** in implementation and monitoring, including in particular a Compliance and Internal Control Steering Committee, which meets weekly;
- **a Group-wide organisational structure** in charge of managing, monitoring and controlling the framework, via Compliance Officers, who have responsibility for compliance and risk management issues within each entity;
- **a specific risk mapping exercise for bribery and influence-peddling risks**, carried out at the same intervals and applying the same methodology used for the overall risk mapping exercise, and shared with the affected staff;
- **a Code of Conduct for the Prevention of Corruption and Influence Peddling**, illustrated with real-world examples, supplementing the Code of Ethics, published in ten languages and covering all Group entities. In 2018, this code was distributed to all Group managers and staff, totalling over 44,000 people. The code is now incorporated into the internal rules of Group entities, after completing the necessary procedures with the employee representative bodies;
- **a disciplinary regime** based on the Code of Conduct, made enforceable by incorporating it into the internal rules and regulations; the Group adopts a zero-tolerance policy with regard to corruption and influence-peddling;
- **specific, formal procedures**, allowing in particular for the implementation of the associated first- and second-level controls, in order to respond to situations identified as potentially exposed to risk. For example: policy on gifts and hospitality; procedure relating to conflicts of interest; procedure for client events; procedure relating to export transactions; procedures scheduled to be rolled out in early 2019;
- **a stricter procedure for assessing third parties, including clients, suppliers and subcontractors**. In this regard, the Group has formalised and rolled out a new purchasing procedure and expanded its suppliers’ charter to cover all new regulations, and more specifically regulations relating to the Sapin II Act and the duty of care.
- **a Group training programme** aimed at raising awareness among all employees, using a practical and accessible approach, and training those segments of the workforce considered as the most exposed in light of the results of the risk mapping exercise for bribery and influence-peddling risks. This programme is based on the following:
 - an e-learning module available in five languages, rolled out in 2018. By the end of March 2019, 79% of Group employees had access to this module via the website of the Group’s training organisation (Sopra Steria Academy), with other employees, who do not have access to the platform for technical reasons, receiving face-to-face training,
 - inclusion of dedicated sections in induction training and business training modules, to ensure that sustainable training mechanisms are in place,
 - face-to-face training for those considered the most at risk – managers, sales staff, buyers, public sector, export, etc. – and for entities not able to access the e-learning platform for technical reasons;
- **strengthened control and audit procedures;**
- **a whistleblowing system**, to be implemented in the first quarter of 2019, incorporating the French legal requirements laid down by the Sapin II Act, rolled out to all Group entities.

5.4. Vigilance plan

The purpose of the vigilance plan is to organise the various measures set out in Act 2017-399 of 27 March 2017 that the Company and its subsidiaries have implemented in respect of the following components:

- **A survey mapping risks of serious violations**, designed using the same methodology as the overall risk mapping exercise, covering each of the areas specified in the French Duty of Care Act (human rights and fundamental freedoms, health and safety, and the environment);
- **Preventive and mitigating actions implemented or identified**: these factors, and those relating to health and safety as well as environmental protection, are set out in Section 2.1.5, "Health and safety" of Chapter 3, page 86, and Section 4.2, "Environmental challenges: Opportunities for the Group" of Chapter 3, page 93;
- **A third-party assessment process**:
 - the **Group Suppliers' Charter** has been expanded to include commitments expected of suppliers and subcontractors in relation to the duty of care.
 - a new **Group purchasing procedure** has been rolled out by the Purchasing Department and the Internal Control and Risk Management Department to extend the process and broaden the scope of assessment of suppliers and subcontractors (assessment via the EcoVadis collaborative platform).
- **A whistleblowing system** at all Group entities, with the objective of integrating this system into the existing framework for preventing and combating corruption.

The Sustainable Development and Corporate Responsibility Committee (described in Section 1.1.3 on page 81 of this document) is responsible for monitoring the measures implemented and assessing their effectiveness.

To date, no serious violations have been identified in respect of:

- human rights and fundamental freedoms;
- health and safety;
- the environment.

5.5. Tax regulations and transparency

Regarding its tax policy, pursuant to Article L. 225-102-1 of the French Commercial Code, Sopra Steria Group is committed to

complying with the tax laws and regulations applicable in all of the countries in which it is present, as well as the relevant international standards, such as those of the OECD, in particular those pertaining to transfer prices, through measures including documenting its transfer prices and filing a statement for each country with the competent tax authorities.

Sopra Steria Group is regularly audited by the competent tax authorities, with which it fully cooperates.

Sopra Steria Group also abstains from establishing operations in tax havens (uncooperative countries or territories on the official French list or the European Union's blacklist), has no bank accounts at banks established in such countries or territories, and more generally abstains from creating any entities that have no economic substance or business purpose.

5.6. Data protection

PROTECTION OF PERSONAL INFORMATION

Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 – known as the General Data Protection Regulation, or GDPR – entered into force on 25 May 2018. Sopra Steria Group and its subsidiaries have rolled out a programme aimed at ensuring compliance with this regulation and local laws.

In particular, this programme overseen by the Group Legal Department, which coordinates data protection arrangements across all subsidiaries, includes the following:

- appointment of Data Protection Officers (DPOs);
- rollout of training to all Group employees;
- adjustments to contracts;
- implementation of specific internal procedures.

In addition, at Sopra HR Software, the Sopra Steria Group's HR solutions publisher subsidiary, the Binding Corporate Rules (BCR) have been in place within its entities since 2015.

PROTECTING AND SECURING CLIENT DATA

The Group has put in place a policy and robust system across all its entities and operations, supported by an appropriate organisational structure, procedures and controls that are reviewed annually.

These measures are presented in Section 8.1, "Main risks" of Chapter 1, pages 28 to 37 of this document.

6. SDG/GRI/TCFD-CDSB cross-reference table

Registration Document	SDGs	GRI	CDSB-TCFD (Climate Change Reporting Framework)
Chapter/ Section #	Chapter/Section title	Page #	
1.	Chapter 1 – Introduction to Sopra Steria		
1.8.	Risk factors and internal control	28	REQ-02 Risks and opportunities
3.	Chapter 3 – Corporate responsibility		
1	Sopra Steria: Committed to a sustainable, responsible world		
1.1.	Overview of the Group's corporate responsibility strategy	79	
1.1.1.	Our commitment to the United Nations Global Compact	79	16. Peace, justice and strong institutions 17. Partnerships for the goals
1.1.2.	Materiality analysis aligned with the business model	80	
1.1.3.	A corporate responsibility governance structure supporting the Group's priorities	81	REQ-03 Governance
1.2.	Major recognition	82	
1.3.	Overview of reporting scope	82	REQ-08 Reporting policies
2	Social responsibility: a collective commitment to acting responsibly		
2.1.	Responsible employment challenges	83	
2.1.1.	Attracting and retaining more talent	84	8. Decent work and economic growth GRI 401-1
2.1.2.	Maintaining and developing skills	84	8. Decent work and economic growth 4. Quality education GRI 404-3
2.1.3.	Diversity and equal opportunity	85	5. Gender equality 10. Reducing inequalities GRI 406-1 GRI 405-2
2.1.4.	Labour relations	86	17. Partnerships for the goals GRI 407-1
2.1.5.	Health and safety	86	3. Good health and well-being for people
2.2.	Other labour-related information	86	
2.2.1.	Jobs and the workforce	86	11. Sustainable cities and communities GRI 102-8
2.2.2.	Compensation	87	1. No poverty
2.2.3.	Working conditions and organisation	87	3. Good health and well-being for people GRI 403-9
3	Social responsibility: Involving our stakeholders to boost the impact of our actions		
3.1.	Maintaining a high level of transparency and interaction with stakeholders	88	17. Partnerships for the goals GRI 102-12 GRI 102-13 GRI 102-40 GRI 102-42
3.2.	Drawing on innovation and strategic alliances to support digital transformation	89	17. Partnerships for the goals
3.3.	Raising our clients' awareness of the social impact of digital technology and their own sustainability challenges	89	9. Industry, innovation and infrastructure 11. Sustainable cities and communities 13. Climate action
3.4.	Aligning the supply chain with corporate responsibility priorities	90	GRI 308-1
3.5.	Committing the company to an ethical and inclusive digital society	90	2. Zero hunger 10. Reducing inequalities 16. Peace, justice and strong institutions
3.6.	Ensuring that the Group has a positive regional impact	91	1. No poverty 4. Quality education 3. Good health and well-being for people 6. Clean water and sanitation 8. Decent work and economic growth 11. Sustainable cities and communities

Registration Document	SDGs	GRI	CDSB-TCFD (Climate Change Reporting Framework)
Chapter/ Section # Chapter/Section title	Page #		
4	Environmental responsibility: Innovating for the environment throughout our value chain		
	9. Industry, innovation and infrastructure		
4.1.	Major commitments defined with leading global organisations	92	17. Partnerships for the goals
			GRI 305-1, GRI 305-2, GRI 305-5, GRI 302-1, GRI 302-2, GRI 302-4, GRI 302-5, GRI 413-1, GRI 102-56, GRI 102-27, GRI 102-28
4.2.	Environmental challenges: Opportunities for the Group	93	
			GRI 102-15, GRI 201-2, GRI 102-1, GRI 102-7, GRI 308-2, REQ-02 Risks and opportunities
4.3.	A Group recognised for its environmental commitment and action	93	
			GRI 102-14, 102-18, REQ-03 Governance
4.4.	Targets and key achievements	94	
			6. Clean water and sanitation 7. Affordable and clean energy 11. Sustainable cities and communities 12. Responsible consumption and production 13. Climate action 14. Life below water 15. Life on land
			GRI 102-10, GRI 102-49, GRI 302-4, GRI 302-5, GRI 305-5, GRI 306-3, REQ-04 Sources of environmental impact, REQ-05 Performance and comparative analysis, REQ-06 Outlook, REQ-07 Organisational boundary, REQ-08 Reporting policies
4.5.	Climate action: A challenge we can anticipate and control	98	13. Climate action
5	Ethics and compliance		
5.1.	Governance and organisation	99	
5.2.	Policies and procedures	99	1. No poverty 8. Decent work and economic growth 13. Climate action 16. Peace, justice and strong institutions
5.3.	A Group-wide anti-corruption programme	100	4. Quality education 16. Peace, justice and strong institutions
5.4.	Vigilance plan	101	
5.5.	Tax regulations and transparency	101	16. Peace, justice and strong institutions
5.6.	Data protection	101	
7	SDG/GRI/ TCFD-CDSB cross-reference table	102	
8	Report by the independent third party on the consolidated labour-related, environmental and social information presented in the Management Report		

7. Report by the independent third party on the consolidated labour-related, environmental and social information presented in the Management Report

Financial year ended 31 December 2018

To the Shareholders,

In our capacity as an independent third party, member of the Mazars network and a Statutory Auditor of Sopra Steria Group, certified by COFRAC Inspection under number 3-1058 (scope of certification available on www.cofrac.fr), we hereby report to you on the consolidated statement of non-financial performance for the year ended 31 December 2018 (hereinafter referred to as the "Statement"), presented in the Management Report, pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

RESPONSIBILITY OF THE COMPANY

The Board of Directors is responsible for drawing up a Statement complying with legal and regulatory provisions, including an overview of the business model, a description of the main non-financial risks, an overview of policies adopted in light of those risks and the results of those policies, including key performance indicators.

The Statement has been prepared in accordance with the Company's procedures (hereinafter "the Guidelines"), the significant elements of which are available on request from the Company's registered office.

Independence and quality control

Our independence is enshrined in the provisions of Article L. 822-11-3 of the French Commercial Code and the Code of Ethics governing the audit profession in France. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with ethical and professional standards, and the applicable legal and regulatory requirements.

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

On the basis of our work, it is our responsibility to formulate a reasoned opinion expressing limited assurance as to:

- the Statement's compliance with the provisions laid down in Article R. 225-105 of the French Commercial Code;
- the fair presentation of the information provided pursuant to Point 3 of Paragraphs I and II of Article R. 225-105 of the French Commercial Code, namely the results of policies, including key performance indicators, and actions relating to the key risks (hereinafter "the Information").

It is also our responsibility, at the entity's request and outside the scope of accreditation, a reasonable assurance conclusion that the information selected by the entity (cf. Annex) has been prepared, in all material respects, in accordance with the Guidelines.

However, it is not our responsibility to issue an opinion on whether:

- the Company complies with other applicable legal and regulatory provisions, notably as regards the vigilance plan, anti-corruption measures and the prevention of tax evasion;
- products and services comply with applicable regulations.

NATURE AND SCOPE OF WORK

Our work described below was carried out in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code establishing the manner in which an independent third party should fulfil its engagement, with industry policy issued by the CNCC for this type of engagement and with International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information".

The work we carried out enabled us to assess the Statement's compliance with regulatory provisions and the fair presentation of the Information:

- we familiarised ourselves with the business of all companies in the consolidated group, the overview of key labour-related and economic risks associated with that business and, where applicable, its effects as regards respect for human rights, anti-corruption measures and the prevention of tax evasion, as well as with the resulting policies and the results of those policies;
- we assessed the suitability of the Guidelines in terms of their relevance, completeness, reliability, impartiality and comprehensibility, taking industry best practice into account where applicable;
- we checked that the Statement covers each category of disclosure stipulated in the third paragraph of Article L. 225-102-1 in relation to labour-related and environmental information, as well as respect for human rights, anti-corruption measures and the prevention of tax evasion;
- we checked that the Statement includes a reasoned explanation for the absence of any information required by the Subparagraph 2 of Paragraph III of Article L. 225-102-1;
- we checked that the Statement includes an overview of the business model and key risks associated with the business of all entities in the consolidated group, including, where relevant and proportionate, risks arising from its business relationships, products and services, as well as policies, actions and results, including key performance indicators;
- we checked that the Statement includes an overview of the information stipulated in the second paragraph of Article R. 225-105, where that information is relevant to the key risks and policies presented;
- we assessed the process used to select and validate key risks;

Report by the independent third party on the consolidated labour-related, environmental and social information presented in the Management Report

- we enquired about internal control and risk management procedures put in place by the Company;
- we assessed the consistency of the results and key performance indicators selected with the key risks and policies presented;
- we checked that the Statement covers the consolidated group, i.e. all companies falling within the scope of consolidation in accordance with Article L. 233-16, within the limits specified in Section 3.1.3 of the Statement, "Overview of reporting scope";
- we assessed the collection process put in place by the entity to ensure that the Information is complete and truthful;
- for the key performance indicators and other quantitative results (cf. Annex) we considered most important, we:
 - used analytical procedures to check that the data collected had been properly consolidated, and that any changes in the data were consistent;
 - carried out detailed, sample-based testing to check that definitions and procedures had been properly applied and to reconcile data with supporting documents. This work was undertaken on a selection of contributing entities and countries (cf. Annex) and covered between 34% and 86% of the consolidated data used in the key performance indicators and results selected for these tests;
- we consulted source documents and carried out interviews to corroborate the qualitative information (actions and results) we considered most important (cf. Annex);
- we assessed the Statement's overall consistency based on our understanding of the Company.

We believe that the work we have undertaken, to the best of our professional judgement, provides sufficient basis for our limited assurance conclusion; a higher level of assurance would have required more extensive verification procedures.

MEANS AND RESOURCES

Our work was carried out by a team of eight people between October 2018 and March 2019 and required a total of around 12 weeks.

We conducted around five interviews with individuals responsible for preparing the Statement, notably representing the Internal Control and Risk Management, Human Resources, Legal and Sustainable Development Departments.

CONCLUSION

Based on the work performed, we did not identify any material misstatement that would cause us to conclude that the statement of non-financial performance is not consistent with applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

REASONABLE ASSURANCE REPORT ON SELECTED CSR INFORMATION

Regarding the information selected by the Company and identified by a √ sign, we performed, at the request of the Company and in line with its proactive approach, the same types of procedure as those described in the "Nature and scope of work" section above for the key performance indicators and the other quantitative results that we considered to be the most important, but in a more in-depth manner, in particular with respect to the number of tests conducted.

The selected sample thus represents an average of 52% of the workforce and between 53% and 86% of environmental data identified by the √ sign.

We believe that these procedures enable us to express a reasonable assurance conclusion with respect to the information selected by the Company and identified by the √ sign.

CONCLUSION

In our opinion, the information selected by the Company and identified by the √ sign has been prepared, in all material respects, in accordance with the Guidelines.

Paris La Défense, 12 April 2019

Independent third party

Mazars SAS

Bruno POUGET

Partner

Edwige REY

*CSR & Sustainable
Development Partner*

CORPORATE RESPONSIBILITY

Report by the independent third party on the consolidated labour-related, environmental and social information presented in the Management Report

I ANNEX

Key performance indicators and other quantitative results considered most important, and selection of contributing entities and countries subjected to detailed testing. (✓) Information reviewed on a reasonable assurance basis

Information	Entity/Country
<ul style="list-style-type: none"> ■ Workforce by age bracket and type of employment contract ✓ ■ Workforce (FTE) ✓ ■ New hires ✓ ■ Turnover rate for staff on permanent contracts 	<ul style="list-style-type: none"> ■ Sopra Steria Group SA (France) ■ Kentor IT AB (Sweden) ■ Sopra Steria España SAU (Spain) ■ Steria India Limited (India)
<ul style="list-style-type: none"> ■ Number of hours and days of training ✓ ■ Average number of training days per employee ✓ 	<ul style="list-style-type: none"> ■ Sopra Steria Group SA (France) ■ Sopra Steria España SAU (Spain) ■ Steria India Limited (India)
<ul style="list-style-type: none"> ■ Percentage of employees with a disability ✓ 	<ul style="list-style-type: none"> ■ Sopra Steria Group SA (France) ■ Sopra Steria I2S (France)
<ul style="list-style-type: none"> ■ Energy consumption per employee ✓ ■ Energy consumption (offices and on-site data centres) ✓ ■ Energy consumption of data centres (on-site and off-site) ✓ ■ Proportion of electricity consumption for offices and on-site data centres provided by renewable energies ✓ ■ Greenhouse gas emissions from energy consumption (offices and on-site data centres) ✓ ■ Greenhouse gas emissions from energy consumption of data centres (on-site and off-site) ✓ 	<ul style="list-style-type: none"> ■ France (Sopra Steria Group, Sopra HR Software, Sopra Banking Software, Beamap, Sopra Steria I2S, CIMPA, Galitt, 2MoRO) ■ Norway (Steria AS) ■ United Kingdom (Sopra Banking Software Ltd, Sopra HR Software Ltd, CIMPA Ltd, NHS Shared Business Services, SSCL, Sopra Steria Ltd)
<ul style="list-style-type: none"> ■ Greenhouse gas emissions – Business travel ✓ 	<ul style="list-style-type: none"> ■ France (Sopra Steria Group, Sopra HR Software, Sopra Banking Software, Beamap, Sopra Steria I2S, CIMPA) ■ Germany (Sopra HR Software, Sopra Banking Software, Sopra Steria, ISS Software, Sopra Steria Services, CIMPA) ■ Spain (Sopra Steria España SAU, Sopra Steria Euskadi SL, Sopra HR Software SL, CIMPA, Sopra Financial Solutions Iberia SL) ■ Sopra Banking Software
<ul style="list-style-type: none"> ■ Quantity of WEEE generated per employee ✓ 	<ul style="list-style-type: none"> ■ France (Sopra Steria Group, Sopra HR Software, Sopra Banking Software, Beamap, Sopra Steria I2S, CIMPA) ■ India (Steria India Ltd, Cassiopae India PLC) ■ Spain (Sopra Steria España SAU, Sopra Steria Euskadi SL, Sopra HR Software SL, CIMPA, Sopra Financial Solutions Iberia SL)
<ul style="list-style-type: none"> ■ Energy consumption (offices and on-site data centres) 	<ul style="list-style-type: none"> ■ Spain (Sopra Steria España SAU, Sopra Steria Euskadi SL, Sopra HR Software SL, CIMPA, Sopra Financial Solutions Iberia SL) ■ India (Steria India Ltd, Cassiopae India PLC)
<ul style="list-style-type: none"> ■ Quantity of “green” paper purchased per employee ✓ 	<ul style="list-style-type: none"> ■ France (Sopra Steria Group, Sopra HR Software, Sopra Banking Software, Beamap, Sopra Steria I2S, CIMPA) ■ United Kingdom (Sopra Banking Software Ltd, Sopra HR Software Ltd, CIMPA Ltd, NHS Shared Business Services, SSCL, Sopra Steria Ltd)
<ul style="list-style-type: none"> ■ Quantity of paper and cardboard waste per employee ✓ 	<ul style="list-style-type: none"> ■ France (Sopra Steria Group, Sopra HR Software, Sopra Banking Software, Beamap, Sopra Steria I2S, CIMPA) ■ Spain (Sopra Steria España SAU, Sopra Steria Euskadi SL, Sopra HR Software SL, CIMPA, Sopra Financial Solutions Iberia SL) ■ United Kingdom (Sopra Banking Software Ltd, Sopra HR Software Ltd, CIMPA Ltd, NHS Shared Business Services, SSCL, Sopra Steria Ltd)
<ul style="list-style-type: none"> ■ Direct fugitive emissions (offices and on-site data centres) ✓ 	<ul style="list-style-type: none"> ■ United Kingdom (Sopra Banking Software Ltd, Sopra HR Software Ltd, CIMPA Ltd, NHS Shared Business Services, SSCL, Sopra Steria Ltd) ■ India (Steria India Ltd, Cassiopae India PLC)
<ul style="list-style-type: none"> ■ Emissions arising from purchasing expenditure 	<ul style="list-style-type: none"> ■ France (Sopra Steria Group, Sopra HR Software, Sopra Banking Software, Beamap, Sopra Steria I2S, CIMPA)
<ul style="list-style-type: none"> ■ Ethical measures: Anti-corruption programme 	<ul style="list-style-type: none"> ■ Group
<ul style="list-style-type: none"> ■ Measures for the protection of personal information 	<ul style="list-style-type: none"> ■ Group

Glossary

Acronyms

- API: Application Programming Interface
- BPS: Business Process Services
- CNIL: *Commission Nationale de l'Informatique et des Libertés* (French data protection authority)
- COP21: 2015 Paris climate change conference
- DLP: Data Loss Prevention
- DRM: Digital Rights Management
- GAFA: Google, Apple, Facebook, Amazon ("Big Four" tech companies)
- GDPR: General Data Protection Regulation
- LPM: *Loi Programmation Militaire* (Military Programming Act – Act No. 2013-1168 of 18 December 2013)
- NIS: Network Information System
- PaaS: Platform as a Service
- PLM: Product Lifecycle Management
- SaaS: Software as a Service
- SOC: Security Operations Centre
- UX: User experience

Corporate responsibility

- **Sustainable Development Goals (SDGs) defined by the United Nations:** The Sustainable Development Goals (SDGs) defined by the United Nations are 17 global goals that States undertake to achieve over the next 15 years (2015-2030). They cover many different areas, from protecting the planet to building a more peaceful world and ensuring that everyone can live in safety, security and dignity. These goals are part of a development programme that aims to prioritise support for the most vulnerable, especially children and women.
<https://data.unicef.org/children-sustainable-development-goals/>
- **Materiality matrix:** A materiality analysis helps identify and prioritize the most relevant issues for a company and its stakeholders, and is presented in the form of a matrix, which plots these issues according to their importance to the company (x-axis) and to its external stakeholders (y-axis).
- **Materiality:** The degree of materiality determined reflects the extent to which an issue is capable of influencing the company's strategy, reputation or financial health.
- **Greenhouse gas (GHG):** Greenhouse gases are gaseous components that absorb infrared radiation emitted from the earth's surface and contribute to the greenhouse effect. The increase in their concentration in the earth's atmosphere is one of the factors causing global warming.
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- **Greenhouse gas (GHG):** Greenhouse gases are gaseous components that absorb infrared radiation emitted from the earth's surface and contribute to the greenhouse effect. The increase in their concentration in the earth's atmosphere is one of the factors causing global warming.
- **Science Based Targets initiative (SBTi):** Science Based Targets is an internationally recognised initiative offering mathematical models for identifying the environmental footprint of activities so as to be able to set ambitious greenhouse gas emissions reduction targets.
- **CDP:** Non-profit organisation that runs the global disclosure system for investors, companies, cities, countries and regions to manage their environmental impact.
- **Task Force on Climate-related Financial Disclosures (TCFD):** A task force focused on climate-related financial disclosures, created as part of the G20 Financial Stability Board. The TCFD is one of the most important developments in the area of climate reporting by businesses.
- **Climate Disclosure Standards Board (CDSB):** The Climate Disclosure Standards Board is an international consortium of businesses and environmental NGOs that works in particular with the TCFD on these issues.
- **Scope 1 (of the GHG Protocol):** Covers direct greenhouse gas emissions arising from the combustion of fossil fuels (petroleum, fuel oil, biodiesel and gas) and the escape of coolants from air conditioning systems in offices and on-site data centres.
- **Scope 2 (of the GHG Protocol):** Covers indirect greenhouse gas emissions associated with consumption of grid electricity and district heating in offices and on-site data centres.
- **Scope 3 (of the GHG Protocol):** Covers indirect greenhouse gas emissions associated with consumption of mains power in off-site data centres and business travel.
- **Location-based:** Method for calculating greenhouse gas emissions based on emissions factors for the geographic regions covered.
- **Market-based:** Method for calculating greenhouse gas emissions based on emissions factors specific to the energy source used.

Information relating to the Management Report

Reference texts		Statement of non-financial performance	Pages
CCom	R. 225-105-1	Business model	Integrated presentation 6 – 7
CCom	L. 225-102-1, III and R. 225-105	Information on the manner in which the Group takes into account the social and environmental consequences of its business activities: <ul style="list-style-type: none"> ■ Overview of the main risks related to its business activities ■ Overview of policies adopted by the Group to prevent, identify and mitigate those risks ■ Results of those policies, including key performance indicators 	Chapter 1 28 – 44 Chapter 3 83 to 85 and 99 to 101
CCom	L. 225-102-1, III and R. 225-105, II-B-1° et 2° L. 225-102-4	Information on anti-corruption measures and the prevention of tax evasion	100 to 101
		Information pertaining to respect for human rights	99, 101
		Vigilance plan	101