prodware

DECLARATION OF
**EXTRA-FINANCIAL
PERFORMANCE**

Year ended 31 December 2019

TABLE OF CONTENTS

I. DECLARATION OF EXTRA-FINANCIAL PERFORMANCE

GENERAL APPROACH AND METHODOLOGY 1

1.1. GOVERNANCE OF THE CSR APPROACH

CSR is steered by the company's Finance Department.

1.2. SPECIFIC CONTEXT OF THE DECLARATION OF NON-FINANCIAL PERFORMANCE

The Declaration of Extra-Financial Performance (Déclaration de Performance Extra Financière, hereinafter referred to in the English translation by its French initials "DPEF") of the Prodware group (hereinafter the "Group" or "Prodware") is presented in accordance with Article R. 225-105 of the French Commercial Code and the related Decree No. 2017-1265 of 9 August 2017. This decree was passed in application of Order No. 2017-1180 of 19 July 2017 on the publication of non-financial information.

This DPEF is thus the first such declaration prepared by the Group by virtue of the aforementioned texts.

1.3. PRODWARE'S COMMITMENTS ON CSR

Prodware chose to sign the UN Global Compact from as early as 2009.

In so doing, it committed to complying with and enforcing all the principles of the Global Compact, which concern its corporate social responsibility, conduct and actions as regards sustainable development and environmental problems as well as its engagement with society.

In 2015 the United Nations adopted a new programme consisting of **17 Sustainable Development Goals ("SDGs)**. The SDGs have thus become established as the new worldwide framework of priorities, the transposition of which for businesses by the Global Compact, the WBCSD and the GRI constitutes a new exhaustive CSR frame of reference.

Prodware has chosen to draw on this SDG frame of reference to identify its main CSR issues and track the performance of its policies.

CSR risks and challenges have been defined and analysed by the Finance Division.
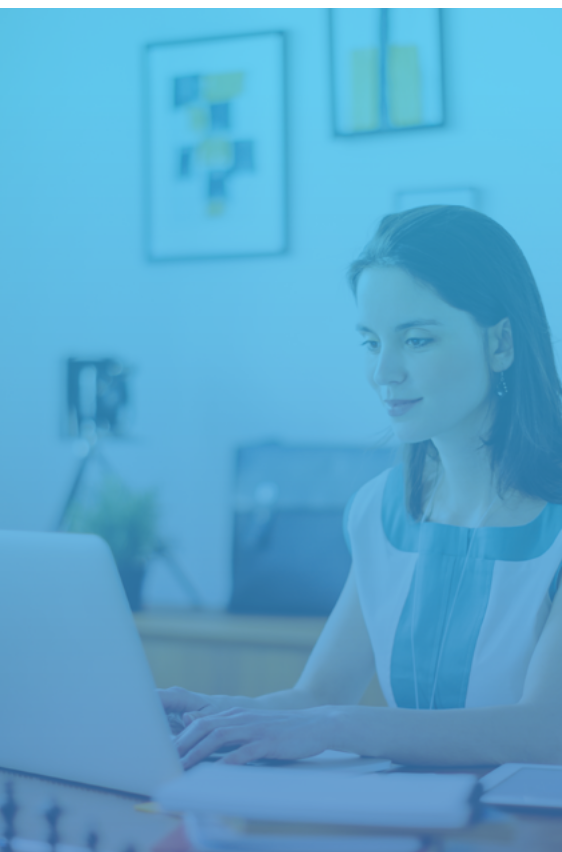
BUSINESS MODEL
PRODWARE
2

2.1. PRODWARE'S BUSINESS LINES

The digital transformation is leading to major upheaval in businesses' organisation. They are having to reinvent their business model to retain and win over new customers in an increasingly competitive environment.

In this context of transformation, which brings up challenges but also opportunities for business players, Prodware designs and develops innovative and customised solutions, integrating all the components of a global «end-to-end» offer, i.e. consulting, integration and managed services businesses.

This offer, tailored to the needs of each customer, relies on the expertise of **Prodware's teams in dedicated sectors:**

› Manufacturing,
› Retail,
› Distribution,
› Professional services,
› Public Sector - Finance.

Alongside this unique value proposition, Prodware infuses innovation into its daily work to meet its customers' sector challenges. Its Innovation & Business Solution Division is dedicated to developing new solutions, drawing in particular on new disruptive technologies.

Prodware's fundamentals can thus be summarised as follows:

› **Permanent attention to innovation,** a token of its positioning as an expert;
› **Technical excellence** in the quality of service provided to its customers.
› **Major and strategic partnerships** with global publishers: Microsoft, Auto-desk & Sage;
› **Its human capital.**

2.2. PRODWARE'S KEY CHALLENGES

In this constantly changing technological and commercial environment, Prodware's main challenges can be summarised in three parts:

› Maintaining a **high level of innovation** and expertise available to its customers
› **Developing its human capital,** its primary resource, in an increasingly transparent economy, by:
  · attracting the best talents;
  · valorising its human capital through multiple dedicated actions;
  · and retaining appropriate talents.

› While at the same time continuing with its good citizenship approach aimed at **reducing its impact on the environment,**

Living up to its **values** and fulfilling its legal obligations in ethical matters.

2.3. STRENGTHS

Human capital
› **1,271 men and women employed as at 31 December 2019**, across 13 countries and 4 continents Corrected for the sale of the Tunisian subsidiary in 2019, this workforce is down 1.6% compared to 31 December 2018

Intangible capital
› A catalogue of innovative solutions by sector and business line
› Recognised technical expertise along the entire length of the IS value chain (advisory, integration, managed services, etc.)

Capital structure
› Company listed on the Euronext Paris Alternext Growth market since 2006
› Strongly shaped by its Management: >+39 % of the capital held by founders and managers

Social capital
› Signatory to the UN Global Compact since 2009
› Managerial Charter
› Strong values: Boldness, Passion, Trust, Integrity.

2.4. VALUE CREATION

Human capital
› Headcount amounting to **1,271 employees** across the whole of the Group, up 60.6% over 10 years
› A satisfaction survey including all Group employees to measure their expectations and the degree to which the Group's HR policy responds to them
› The implementation of a Group intranet enabling smooth interaction and information between employees
› A remuneration policy that recognises individual performance

Intangible capital
› An organisation and service offering dedicated to customer needs and satisfaction
› A base of 19,000 customers, stable for many years
› Satisfaction measurement surveys on the 'Net Promoter Score' with our clients, to adjust the offer to clients' needs.
› A consistently growing percentage of turnover recurrence - 39.0% in 2019 - reflecting sustainable growth

Financial capital
› Revenues and results have increased significantly over the last 10 years:
  · Revenue recorded at €187,661k, up by 6.7% compared to 2018 and 123% over 10 years.
  · Operating income of €17,291k, up by 0.3% compared to 2018 (at constant standards) and 429% over 10 years
  · Net income of €10,527k, up 15.6% compared to 2018 and 99.6% over a 10-year period.

RISKS AND CHALLENGES
PRODWARE
3

The risks stemming from operations are presented mainly from an economic point of view in the section of the management report dealing with risk factors.

The challenges have been allocated to the various SDGs so as to monitor the Group's CSR contribution and to measure the associated policies and performances.

They are summarised in the following table.

INNOVATION
THE GROUP'S DNA
4

Innovation is an integral part of PRODWARE's DNA and of its development.

Prodware's Innovation Strategy is run under the responsibility of the IBS division (Innovation & Business Solutions). The Division's purpose is to develop innovative solutions based on its expertise in disruptive technologies and its knowledge of the needs of the Group's customers.

It is thus continuing the research and development of sector or business solutions initiated many years ago by Prodware, but also spearheads new initiatives to complete the Group's solutions offering.

Numerous strategic partnerships and alliances have been formed with companies specialising in new technologies.

The dynamic of this Division is also based on the resolutely bold and innovative nature of Prodware Innovation Space, a 365x startup incubator.

This programme helps mature start-ups to structure and organise themselves around a development strategy, with access to the distribution and sales channels of the programme's sponsors. In return, these solutions can be incorporated into the product catalogue and benefit from the go-to-market strategy of these sponsors, including Prodware – a win-win approach for ambitious and durable commercial growth.

As of 31 December, multiple start-ups are already included in Prodware's sales catalogue, each in their area of excellence. They are listed below:

Readers will recall that Prodware's R&D activities have, year after year, been recognised as innovative and have accounted for a research tax credit of €6.7m for fiscal year 2019.

HUMAN CAPITAL AT THE HEART
OF PRODWARE'S STRATEGY

5

Prodware's profession consists in supporting its customers in their value creation process. The success of each of its projects relies on both technical and human aspects.
It is therefore logical for human capital to be at the heart of the Group's strategy.

This dedicated strategy breaks down into monitored actions measured against objectives that can be summarised as follows:

Improving the Group's attractiveness,in particular through:
› Une Direction RH structurée et étoffée au service d'une marque employeur forte
› Une politique maitrisée en vue de l'embauche et de la fidélisation des meilleurs talents

Developing the Group's talents, in particular by means of:
› Career-long training for all employees, in line with the Group's needs
› Career and mobility prospects
› Assured wellbeing in the workplace

Building employee loyalty, in particular by means of:
› A competitive remuneration policy
› Remuneration plans that recognise and foster performance.

5.1. RSE GROUP'S HUMAN CAPITAL IN FIGURES

5.1.1. Employees of RSE Group at the end of 2019

The number of employees in Prodware's RSE scope at 31 December 2019 amounted to 1,177 people this year, accounting for 92.6% of the total Prodware Group workforce at that date, compared with 90.0% last year.

Reporting covers the following countries: France, Germany, Belgium, Spain, Holland, Israel and, for the first year, the United Kingdom and Luxembourg. Comparisons will be made on a like-for-like basis insofar as possible.

On a like-for-like basis, RSE Group was down by 3.5%.

5.1.2. Average workforce of RSE Group, DPEF benchmark index

Consistent with previous years, Prodware has opted to use the average workforce as the benchmark for its DPEF.

The calculation used for the average workforce takes account of the proportion of the year for which employees were present and of the percentage of full time worked. It is therefore a 'full-time equivalent' workforce that is used in order to better assess the contribution of each employee to the group's performance in the year in question.

As at 31 December 2019, the Group had an average workforce of 1,114.

This figure was down by 6.0% on a like-for-like basis, despite steady growth in business, attesting to the efforts to improve productivity on the part of all the teams in the Group.

Workforce	2019	2018 on a like-for-like basis	2018 published	2017 published
Total average workforce	1,114	1,185	1,128	948
Actual change 2019/2018	-6.0%			

5.1.3. Workforce by status

In 2019, Prodware adopted a new segmentation method for its employees within the Group, more in line with its activities and in order to allow better comparability between countries.

As at 31 December 2019, the average workforce of RSE Group is thus divided into 4 main categories: Commercial, Customer Services (Support), Professional Services and General & Administration.

The headcount dedicated to Professional Services logically makes up the majority of the Group's average headcount (nearly 60%).

The segmentation is as follows:

Customer Services 12,1%

Commercial 12%

General & Administration 16,5%

Professional Services 59,4%

HEADCOUNT BY STATUS

Total workforce | 1 114
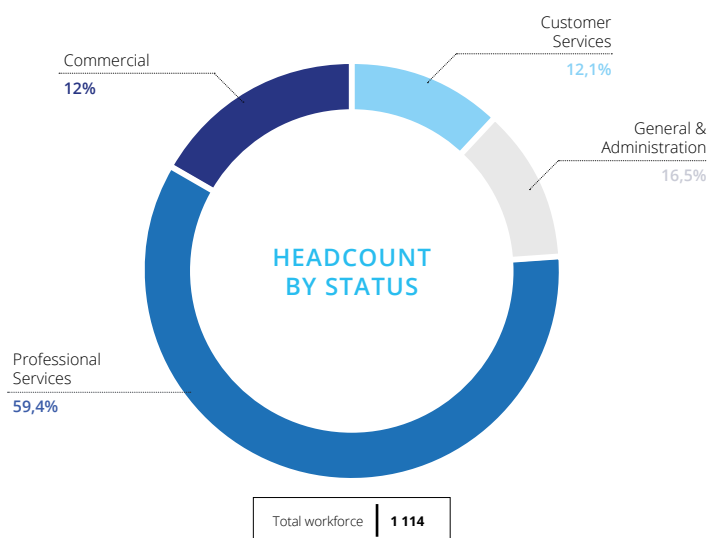
5.1.4. Average workforce by gender

In 2019, women account for nearly 30% of the Group's average workforce, a percentage that has increased slightly but steadily over the past few years;

Workforce	2019	2018 on a like-for-like basis	2018 published	2017 published
% of women in the CSR Group	29.9%	28.6%	29.0%	27.1%

The Group's clearly-stated purpose is to increase this percentage: a diversity in profiles and gender help develop both individuals and the business.

The challenge will therefore be to attract female talent in a sector that remains predominantly male.

5.1.5. Workforce by geographical region

L'effectif se situe à 58,5% hors de France, en lien avec la part contributive de l'international dans le chiffre d'affaires et les résultats du Groupe.

Average international headcount	2019	2018 on a like-for-like basis	2018 published	2017 published
	58.5%	59.8%	57.7%	48.3%

5.1.6. A Group where all age segments are represented

The age breakdown within the Group remains particularly uniform, with over 86% accounted for by the 25-54 age group.

While the under-25 category saw a slight decline, partly due to the later arrival of young people on the labour market, the senior category has increased very slightly, reflecting the efforts made by the company to help this essential category in the company.

2019	< 25 yrs.	25-34 yrs.	35-44 yrs.	45-54 yrs.	55-64 yrs.	Total
In %	1.7%	23.4%	35.1%	27.7%	12.0%	100.0%

2018 (on a like-for-like basis)	< 25 yrs.	25-34 yrs.	35-44 yrs.	45-54 yrs.	55-64 yrs.	Total
In %	2.3%	26.0%	33.8%	26.8%	11.1%	100.0%

2018 published	< 25 yrs.	25-34 yrs.	35-44 yrs.	45-54 yrs.	55-64 yrs.	Total
In %	2.4%	25.1%	34.2%	27.2%	11.1%	100.0%

5.2. GROUP ATTRACTIVENESS

5.2.1. Employer brand - Profile

One of Prodware's goals is to be recognised as a benchmark employer in its sector, making it both more attractive to new talent and more likely to retain the loyalty of exiting ones.

Whatever the criteria or categories used to substantiate this recognition, being a 'good place to work' is always the consequence of an ambitious, structured HR policy that employees can identify with.

The development of the Employer brand is one of the Group's priorities. Some of these actions are detailed hereunder.

A brand's renown also relies on a communication strategy.

The Group naturally draws on the social media to relay news of its commercial successes, news relating to the Group's business lines and technologies, as well as its job offers, and key Group events.

Since Prodware's best ambassadors are its employees, the promotion of the group through social media and by employees themselves is also favoured and stimulated through certain channels.

Numerous employee testimonials (11 for France) telling of their career paths are published both on these media and on the company's Intranet, which are particularly well publicised.

Thanks to such actions, Prodware France was ranked amongst the 500 best employers in the survey jointly run by business magazine Capital and online statistics portal Statista in February 2019, and fourth place among software publishers.

The Group intends to continue its actions in support of its brand and profile, and aims to be one of the employers referenced in the 'Great Place to Work' and 'Top Employer' rankings in several countries before too long.

5.2.2. Attracting the best talents - Recruitments

In 2019, the Group kept up its active recruitment policy, posting a slower increase than that recorded between 2018 and 2017.

This decrease was due in part to tensions on the market where the Group operates and the shortage of certain expert resources.

The recruitment percentage nevertheless remains at a very significant level of 18.7% compared with the average workforce.

	2019	2018 on a like-for-like basis	2018 published	2017 published
Total recruitments	208	340	333	216
Average workforce	1,114.17	1,184.82	1,127.87	948.60
Total	18.7%	28.7%	29.5%	22.8%

International was the largest contributor to this ratio, posting 60.5% of the recruitments carried out in 2018.

Furthermore, the co-opting plan, encouraging the hire of new employees by those present is proving effective. The co-opting bonus has been made more attractive in several countries.
In 2019, at the Group level, 35 of the people hired originated from co-opting.

5.2.3. Recruitments stemming from activity

These recruitments came mainly in the Professional Services category, which accounts for nearly 60% of the Group's average workforce.

They generally reflect the proportion of each category in the Group's average workforce.

Group 2019 - Recruitments	% recruitments by category	% of each category in the average workforce
Commercial	18.75%	12.00%
Customer Services	11.06%	12.11%
Professional Services	56.25%	59.40%
General & Administration	13.94%	16.49%

5.2.4. Diversity in recruitment still inadequate... but improving

Despite a decrease in the number of hires in absolute terms compared to the previous financial year, the female hiring ratio continued to increase.

To wit, in 2019, women accounted for 33.7% of new hires, compared with 27.9% in the previous year on a like-for-like basis.

Group 2019 Recruitment	2019	2018 on a like-for-like basis	2018 published	2017 published
Total	33.7%	27.9%	27.6%	25.5%

The detailed recruitment figures in the table below furthermore reflect a very favourable trend: in all categories, the percentage of female recruitments is higher than the proportion of women in the Group's current categories.

In other words, and by way of example, while women account for 35.4% in the Commercial category, female hires in this category totalled 43.59% of new hires, i.e. a higher proportion than the current female representation, thus leading to an improved gender mix and a positive shift towards parity.

	% of women recruited (by category)	% of women in the Group workforce (by category)
Commercial	43.59%	35.40%
Customer Services	30.43%	26.11%
Professional Services	25.64%	24.08%
General & Administration	55.17%	49.94%

The Group aims to improve these ratios, keen as it is on having have a diverse workforce that will spur innovation and boldness.

23.2.5. Indefinite employment contracts

One of the attractions, particularly for the youngest applicants, is the use of indefinite employment or equivalent "permanent" contracts in the Group.

95.0% are permanent contracts. The Group uses fixed-term contracts primarily to replace employees on long-term leave or absence.

France mainly uses vocational contracts to help young people enter the workforce. In 2019, 33 apprenticeship and professional integration contracts were concluded.

5.3. TALENT DEVELOPMENT

5.3.1. Training

In a technical environment developing at an exceedingly rapid pace, employee training is a priority. Employees need, in real time, to have the required level of expertise to perform the high added value assignments undertaken by the group.

To respond to these needs, several years ago the group put in place an internal training school called the Prodware Academy. At the **Prodware Academy**, special programmes have been developed so that participants can gain, step by step, solid technical skills in the Group's business lines or solutions, not to mention behavioural or "soft" skills.

In year 2019, the Group provided more than 25,000 hours of training, making for an average of 22.7 hours of training per employee within the Group.

This average figure is down slightly, however, compared to 2018, when employee training significantly increased.

RSE Group 2019 - Training	2019	2018 RSE Scope (published)	2017 RSE Scope (published)
Total training hours	25,363	27,565	21,775
Average workforce	*1,114*	*1,128*	*949*
Number of hours per employee	22.76	24.44	22.95

In addition, in 2019, many on-line training courses have been rolled out to train and encourage the use of new collaborative tools (Streams, Yammer, Teams, etc.) in order to increase productivity but also limit travel (see Environment section). No less than 800 participants signed up for these training sessions.

Numerous on-line technical training courses have also been set up and reserved for the relevant populations. These training courses are expected to enjoy a surge in popularity in 2020.

5.3.2. Career prospects - Internal mobility

A structured process is in place for employee career monitoring at Group level, the objective being for all employees to enjoy the opportunity of advance, depending on their preferences and the Company's needs.

An annual performance review is set up with all employees to go over their accomplishments in the past year and set objectives for the coming one. This is also an opportunity for employees to voice their requests in terms of career development, training, etc.

To optimally steer employees' career development, a special programme has been put in place in France, leading to the appointment of proximity managers, one of whose responsibilities is to advise and guide their less experienced colleagues.

Employee mobility is also strongly favoured in the Group, with continuous information being given about the various opportunities existing.

5.3.3. Quality of life at work - Developing the conversation

Having completed the modernisation of many of the Group's sites with a view to making them more user-friendly, the Group continued with its policy to optimise working conditions for its employees.

The full overhaul of the head office was completed in 2019 with numerous collaborative tools made available to employees. The rollout of the Group's Intranet in all countries was completed in 2019, enabling smooth interaction and information among all employees.

In addition, for the first year, a satisfaction survey was launched among all Group employees to measure, in particular, their expectations and compliance with Group policy. This survey will be repeated annually to measure progress and areas for improvement.

5.3.4. Workplace safety and health crisis

Since 31 December 2019, the exceptional conditions stemming from the Covid 19 pandemic have prompted the Group to take necessary measures to protect its employees in all its countries of operation.

Teleworking has been mandatory since the beginning of March. In order to alleviate the possible feeling of isolation that can result from this form of working, a daily flow of information was established in France and in several countries by email via the intranet in order to provide, whenever possible, answers to the legitimate questions raised by this exceptional situation.

A daily tele/video conference with Executive Management has also been instituted in most countries.

5.3.5. Work/life balance: a driving trend

a. Part-time employees

Part-time employment dropped significantly in all Group countries this year and accounts for less than 9.8% of the average headcount this year compared to 14.2% last year, on a comparable basis.

Returns to full-time contracts are requested exclusively by employees, primarily as a result of their children's growing.

The percentage of women on part-time contracts increased to 74.3% compared to 67.9% last year.

Part-time employees	2019	2018 on a like-for-like basis	2018 published	2017 published
Total men	28	54	53	27
Total women	81	114	112	82
Total	109	168	165	109
% women on part-time contracts	74.3%	67.9%	67.9%	75.2%

b. Employee-initiated parental or personal leave

Parental leave continues to be popular in the Group, in France and Spain.

It resulted in a total of 1,561 days within the Group compared with 1,169 days in 2018, an increase in absolute value of 33.5%.

5.4. A LOYALTY-BUILDING POLICY

5.4.1. Remuneration

These past few years, the Group has tightened its remuneration structure, emphasising the variable portion connected with the attainment of qualitative and quantitative objectives.

5.4.2. Incentive Plan 2021

As a reminder, in December 2016, the Group allocated preference shares to more than one hundred employees. The rate at which these can be converted into ordinary shares will depend on the degree of attainment of quantitative performance objectives. At the end of this performance period, in June 2021 (barring early conversion), employees still with the Group will be able to dispose freely of their shares.

In December 2016, 88,500 free ordinary shares were granted, the definitive allocation of which in June 2021 will likewise be conditional upon the attainment of quantitative performance objectives.

For both these allocations, uninterrupted employment is a condition for being able to receive the shares at the end of the performance period.

As at 31 December 2019, the employees allocated such shares, still with the Group on that date, totalled 6,872 shares with a par value of 57,300 ordinary shares.

The implementation of this plan thus serves the Group's determination to associate certain key employees with the Group's performance, with performance and loyalty as key components.

5.4.3. Equal opportunity for men and women

a. Parity

As a reminder, the percentage of women in the CSR Group in 2019 was 29.9 %, compared to 28.60 on a like-for-like basis in the previous year.

b. Professional category

The highest percentage of women is found in the Professional Services category (14.3% of the total workforce) and General & Administration (8.2%).

However, as the table below shows, they remain proportionally under-represented in the Professional Services category.

Concretely, women account for 24.1% of this category, while they make up 29.9% of the Group's workforce.

These percentages should however be analysed in light of the under-representation of girls among engineering school graduates - still a minority percentage despite recent improvements; these schools remain a main source of recruitment within the Group and its sector of activity. The Group is also part of a dynamic common to several businesses in its sector encouraging girls to take technical courses and engineering in their secondary studies.

However, women are proportionally more numerous in the other categories and form the majority in the General & Administration category.

Category	% of each category in the workforce	% of women in each category
Commercial	12.0%	35.4%
Customer Services	12.1%	26.1%
Professional Services	59.4%	24.1%
General & Administration	16.5%	49.9%

c. Remuneration Men/Women

The ratios between male-female remuneration are analysed by relating the average salary of women to that of men in their category.

It is specified that this ratio is calculated taking into account permanent staff only.
The ratio remained stable between 2019 and 2018 for the RSE scope and stood at 0.82 compared with 0.83 last year.

The differences remain stable overall in each of the Group's countries.

	2019 Global	2018 Global
France	0.83	0.84
Spain	0.86	0.82
UK	0.63	0.65
Belgium	1.07	1.02
Netherlands	0.64	0.79
Luxembourg	0.84	
Israel	0.78	0.94
Germany	0.81	0.76
CSR scope	0.82	0.83

The Group's objective is to bride these gaps in each country where it operates, as part of its effort to enable equal opportunities and careers.

5.4.4. Tangible results in terms of employee retention and loyalty

a. Uniform turnover in a high-mobility sector

One of the key metrics of employee retention and loyalty is the turnover rate, i.e., ***the number of people leaving (excluding temporary contracts) / the average headcount for the year.***

RSE Group's turnover amounted to 24.0% in 2018 compared with 23.5% in 2018 (on the published scope).

These very stable percentages should be seen in the context of a sector that traditionally sees high mobility and an economic context that fosters mobility.

2019	Outgoing 2019	Average workforce	2019 Turnover by region	2018 out-going (on a like-for-like basis)	Average workforce	2018 Turnover by region	2018 outgoing published	2018 headcount published	2018 turnover published
Total	267	1,114.17	23.96%	274	1184.82 1	23.1%	265	1,128.00	23.5%

Exits are typically concentrated in the 35-54 age group, but with fairly steady percentages relative to the average group workforce.

2019	< 25 yrs.	25-34 yrs.	35-44 yrs.	45-54 yrs.	55-64 yrs.	Total
Outgoing (excluding fixed-term contracts)	1	77	97	65	27	267
Average workforce	19.08	261.18	391.54	308.56	133.96	1,114
Turnover	5.2%	29.5%	24.8%	21.1%	20.2%	24.0%

2018	< 25 yrs.	25-34 yrs.	35-44 yrs.	45-54 yrs.	55-64 yrs.	Total
Outgoing (excluding fixed-term contracts)	4	50	114	70	36	274
Average workforce	27.20	307.64	400.82	317.24	131.96	1,185
Turnover	14.7%	16.3%	28.4%	22.1%	27.3%	23.1%

2018 published	< 25 yrs.	25-34 yrs.	35-44 yrs.	45-54 yrs.	55-64 yrs.	Total
Outgoing (excluding fixed-term contracts)	4	49	108	69	35	265
Average workforce	27.20	283.29	385.54	306.52	125.32	1,128
Turnover	14.7%	17.3%	28.0%	22.5%	27.9%	23.5%

b. High seniority levels

Average seniority in the Group remains high **at 6.84 years, and more precisely 6.88 years for men and 6.75 years for women.**

On a comparable scope in 2018, the average seniority was 6.52 years (6.58 years for men and 6.37 years for women).

France remains at the forefront of the countries in RSE Group, with an average of nearly 9.2 years of service in the male population, and 10.5 years for women, well above the average seniority of Syntec branch employees.

Germany was second with an average length of service of almost 7 years.

c. Very low absenteeism levels

In 2019, the absenteeism rate saw an increase, due mainly to the increase in sick leave within one of the Group's countries.

The data below do not take into account data for Israel, certain specific data having been unavailable for analysis.

Absentéisme	2019	2018 on a like-for-like basis	2018 published	2017 published
Total days absence (working days)	**10,897**	**10,050**	**9,666**	**8,857**
Absentee rate	**5.1%**	**3.1%**	**3.49%**	**4.08%**
of which absence due to sickness	3.7%	2.2%	2.5%	3.21%
of which absence due to accident at work	0.1%	0.1%	0.13%	0.09%

GROUP OPERATIONGS ANCHORED IN RESPECT FOR THE ENVIRONMENT

26

Prodware carries on a services business which by its very nature has a relatively limited environmental impact. Nonetheless the Group seeks to minimise its impact on the natural world by adopting approaches aimed at integrating environmental issues into its day-to-day management.

The RSE scope has offices exclusively in urban areas. It does not own them and is therefore not affected by either the sustainable use of land or by biodiversity. Water is used for sanitary purposes only and its consumption, which is included in rental expenses, although not measurable, is not significant.

Furthermore, RSE Group does not have to deal with the issue of combating food waste, as it does not have a company restaurant. The group does not cause any noise nuisance.

## 6. 1. CONTROLLING GREENHOUSE GAS (GHG) EMISSIONS

The Group has continued with the approach initiated many years ago to reduce greenhouse gas emissions, focusing its efforts in particular on reducing employee travel.

In each of its countries, the Group has a restrictive travel policy aimed at minimising the consumption of CO_2. By way of illustration, air travel is allowed only where the equivalent journey by train would take more than three hours. Car sharing is preferred before resorting to rental vehicles.
Employees are offered a choice of low-emission, hybrid or electric vehicles.

The Group is now working to standardise its data at Group level and make them more reliable so that it can communicate about them soon.

CO_2 emissions continue to be reported in 2019 in France.

CO_2 emissions in metric tons
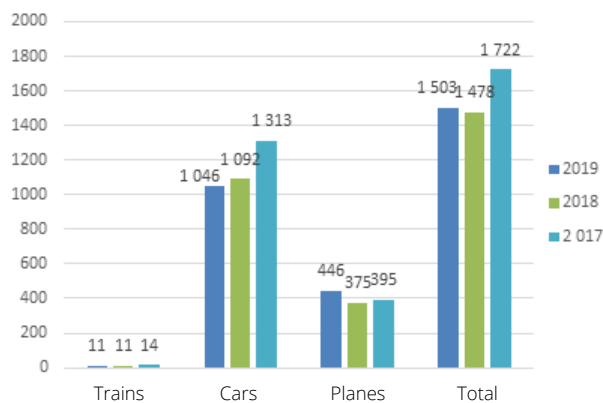
As a result of its policy, Prodware SA continues to reduce emissions from cars.

On the other hand, emissions from aircraft have increased and can be explained by the Group's international expansion.

However, it will take care to minimise the carbon impact of its movements.

6.2. COLLABORATIVE TOOLS

As indicated above, the Group has stepped up the use of and training in collaborative tools and recorded a spectacular increase for their first year of actual roll-out. The Teams solution (calls, video conferences, etc.), in particular, has recorded an increase of more than 450% in one year and is expected to contribute to reducing employee travel.

6.3. CIRCULAR ECONOMY

Prodware is subject to the requirements of the Directive on the Waste of Electrical and Electronic Equipment and its recycling (WEEE).

The Group's companies have instituted a computer hardware reclassification policy. After a few years of use and if it is still viable, professional equipment is offered to employees as a matter of standard procedure, for a symbolic amount. Similarly, during mobile phone replacement phases (approximately 3 years), the old phones are systematically offered to employees for a low price.

6.4. OFFICE WASTE

As is the case at all service companies, office waste (paper) is the other source of waste generated by the Group.

In order to control and limit paper printing, Prodware SA installed in 2019 a pool of copiers which allow documents to be printed only with a badge and after validation by the employee near the copier, in order to eliminate repeat remote printing.

Though it has not been possible to measure the impact on paper consumption in 2019, a decrease is expected, linked in particular to changing habits.

It is expected that these copiers will be extended to other Group countries.

Prodware France has also set up recycling bins in some branches and provided its employees personal cups and bottles to reduce the consumption of plastic bowls and bottles.

Also, in an approach extending beyond strictly professional use, an electronic safe has been provided to all employees in France to encourage them to reduce their paper printing of all kinds.

7

OTHER ASPECTS
RELATING TO CSR

7.1. DEVELOPING AND PROMOTING ETHICAL BUSINESS PRACTICES

Pursuant to the "Sapin II" Act, the French anti-corruption law, Prodware has adopted the Middlenext Anti-Corruption Code of Conduct which refers to the United Nations Convention against Corruption.

This Code sets out the fundamental principles and rules on corruption and influence peddling with reference to the following subjects:
› Rules specific to public officials,
› Gifts and invitations,
› Donations to charitable or political organisations
› Patronage and sponsoring,
› Facilitation payments,
› Monitoring of third parties,
› Conflicts of interest,
› Accounting records and internal controls.

The Group is determined to combat all forms of corruption.

7.2. GENERAL DATA PROTECTION REGULATION (GDPR)

Prodware takes the protection of its employees' and partners' privacy very seriously and is committed to complying with the GDPR.

7.3. OTHER ISSUES

› Respect for Human Rights: The Group has not undertaken any specific actions in this area. However, its subscribing to the UN Global Compact, renewed each year, reflects its commitment to Human Rights and the ILO's agreements.
› Fighting corruption and tax evasion: the Group is determined that its tax policy should be fully in line with its corporate responsibility strategy.
› Societal commitments in favour of Sustainable Development.

Category	% of each category in the workforce
Fighting food waste	Not applicable
Fighting food insecurity	Not applicable
Respect for animal welfare	Not applicable
Responsible, equitable and sustainable food	Not applicable
Measures in favour of persons with disabilities	The group applies the regulations in favour of persons with disabilities