PROGRESS ON DEPLOYMENT OF THE GROUP CORPORATE SOCIAL RESPONSIBILITY PROGRAM

As Fives continues its CSR actions program, it has decided in 2018 to review its commitments to meet the expectations of its stakeholders, which have evolved significantly over the past 10 years.

The Group wishes to strengthen its actions on key topics such as the fight against climate change, the development of technologies to serve the circular economy and the contribution to the development of the territories in which the company operates.

As every year, a review of the CSR action plan was carried out and the main summary elements are included in the following table, with a correspondence with the 10 principles of the Global Compact.

This table naturally includes the new commitments of the Fives CSR policy as well as the objectives set within the new roadmap.



By placing the men and women of Fives at the center of our concerns, by reinforcing actions in terms of environmental protection, by combating climate change and by respecting shared values, we can successfully respond more quickly to our stakeholders' expectations. Making a commitment and taking stock of our actions through the United Nations Global Compact will also help to build this future.







GC 1. Businesses should support and respect the protection of internationally proclaimed human rights; and GC 2. Ensure that they are not complicit in Human Rights abuses. GC 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; GC 4. The elimination of all forms of forced and compulsory labor; GC 5. The effective abolition of child labor; and GC 6. The elimination of discrimination in respect of employment and occupation.

THE 10 PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT



ENVIRONMENT

GC 7. Businesses should support a precautionary approach to environmental challenges; GC 8. Undertake initiatives to promote greater environmental responsibility; and GC 9. Encourage the

development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

GC 10. Businesses should work against corruption in all its forms, including extortion and bribery.

Commitments	Group's objectives	Program and action plans	Level of maturity at end-2018	Achievements at end-2018
	<u>Reduce our sites' environmental</u> <u>impacts</u> : GC7 - GC8	 Support all our industrial sites towards ISO 14001 certification Reduce the Group's energy consumption by 10% by 2022 		 Certification program for the Group's industrial sites: 75% of the Group's industrial sites ISO 14001-certified 46 sites of all types ISO 14001-certified within the Group ISO 14001 v2015: All 46 ISO 14001-certified sites successfully completed the transition to the new 2015 version.
d its customers				 Energy consumption: Definition of relevant indicators to better monitor Fives' energy consumption. Voluntary actions to reduce energy consumption in the Group's subsidiaries (30% of the Group's sites implemented actions in 2018, while less than 20% carried out energy audits). Improvement in the Group's energy efficiency with a reduction in energy consumption per hour worke (8.3 in 2017 to 7.8 in 2018).
ootprint of Fives a				 REACH regulation: Implementation of an approach to help subsidiaries understand the expectations of European Reach regulation and integrate them into their processes. Creation of an e-learning course to present this approach to the team internally.
Minimizing the environmental footprint of Fives and its customers	Improve the environmental performance of our customers: GC7 - GC8 - GC9	 Help subsidiaries to integrate environmental criteria into their design processes Enhance and develop services that extend the life of our products and clients' equipment 		 Eco-design program: Internal eco-design program: Engineered Sustainability, which complies with ISO 14062. 9 products currently carry the Engineered Sustainability® brand 33% of subsidiaries (scope R&D) are involved in eco-design 200 people have been trained in eco-design
	Apply our expertise to Climate Change and Circular Economy: GC7	• Adapt our solutions to meet these challenges		 Circular economy: Development of a new crushing system to recycle deconstruction concrete using Rhodax[®]. Climate change and circular economy: Production of electricity and heat (cogeneration) from the sugarcane bagasse (sugar activity).
	<u>Promote fair market behaviour</u> : GC10	 Define the new Group compliance roadmap Setting up of the internal alert system Promote social responsibility in our commercial offer 		 Business ethics: Strengthening the non-compliance risks monitoring process (particularly in the areas of anti-corruptio competition law, ethics, alert law, customs and dual-use goods control) with the creation of a Compliar Department and the appointment of a Group Compliance Officer, reporting to the Group's General Management. Internal control:
Being a responsible economic actor				 Creation of a Group Internal Control department to ensure: * the application of th Directives and guidelines set by the SBUs and the Group's senior management * the proper functioning of the Group's internal processes • Group Directives: - Complete update of the Fives Group Guidelines
	Deploy a "Responsible Purchasing"	• Carry out a mapping of CSR risks in Purchasing and set up means to reduce them		 Enhancing the value of non-financial rating with our clients: Improvement of the rating with a Confirmed (Gold) level, 76/100, top 1% of the panel of 35000 companies rated by EcoVadis in 2018 Purchasing:
	<u>approach</u> : GC1 – GC2 – GC3 – GC4 – GC5 – GC8 – GC10			 Integration of safety into purchasing processes to better take into account safety objectives through subcontracting (selection, contracts, monitoring, evaluation of subcontractors' safety performance): thi point is systematically included in Group Safety audits.

	2019 goals
	 Group Environment Directive: Finalization of the Group Environment Directive, formalizing the new policy and integrating the objectives set for the subsidiaries
	• Energy efficiency: - New energy consumption reduction target for all Group companies: -10% on consumption in kWh/hour worked by the end of 2022 (base year: 2018)
es rked h	Supporting companies in the deployment of this new objective: - Evaluation of their maturity level on energy management and implementation of roadmaps - Structuring of an energy network: provision of a collaborative workspace, tools, organization of training sessions - Supporting companies in carrying out energy audits and identifying actions to improve their energy performance.
	• Eco-design program: Evolution of this approach to integrate eco-design more systematically into innovation and design approaches. The methodology and tools will be updated to help companies structure the development of their products.
	 Promotion of solutions that contribute to preserving the Environment: Creation of a database listing all Fives products and services with a positive impact on the environment (reduction of energy and water consumption, greenhouse gas emissions and pollutants, waste, use of consumables, better recyclability, etc.)
	 Development of services contributing to the fight against climate change and/or the circular economy
	 Business ethics: Definition of an Anti-corruption charter Launch of specific training courses for all Group companies Communication and training on the implementation of the new internal alert system for the entire Group
n this	 Purchasing: Updating of the General Terms and Conditions of Purchase with a reinforcement of the consideration of environmental and social criteria.

Commitments	Group's objectives	Drogram and action plans	Level	Achievements at and 2018
Commitments	Group's objectives	Program and action plans	of maturity at end-2018	Achievements at end-2018
Being a responsible employer	Preserve the health and safety of the women and men working for Fives: GC1 – GC2 – GC4 – GC5	 Continue the Group Safety Ambition 2018-2020 program: Enhance the Group's safety culture with: <u>Accident objectives for 2020</u>: Reduce the accident frequency rate to 2.5 or below Halve the number of accidents with lost-time (LTI) in Fives' workshops Reach 0 severe accidents No fatality (including subcontractors) <u>Safety culture targets for 2020</u>: Achieve the "Independent" maturity status at Group-level (Bradley Curve) Have no company with "reactive" status Reach "interdependent" status for some Group companies Ensure the management of the medical and safety assistance program for the travel abroad of the Group' employees: Train and support Group companies to prevent and limit the risks to which their employees could be exposed during abroad professional missions on Fives sites or at the customer's site Define an Health at Work program to prevent accidents and work-related 		 Safety results: Improvement of the Group's statistics with a lost-time accident frequency rate of 3.21 1 fatal accident of a subcontractor in the Group's activities The number of severe accidents was halved (from 7 in 2016 to 1 in 2018) Group Safety Ambition program: Support for each Fives company in the implementation of tools and the monitoring of improvement action plans. Continued deployment of Health, Safety and Environment tools in all Fives companies. Medical and safety assistance program for the travel abroad of the Group' employees: Communication to all companies of the content and benefits of the program. Training of travellers for French and English' subsidiaries in the use of services to prevent risks.
	Ensure a fair level of coverage in all Group subsidiaries: GC1 – GC2	Harmonize and challenge the employee welfare protection regime in the main domains where the Group has a presence	•	 Harmonization and implementation of a "framework agreement" social welfare contract for all Canadian entities. Harmonization and implementation of a "framework agreement" social welfare contract for all entities in the Middle East.
	Promote diversity and guarantee equal opportunity: GC6	 Promote diversity and raise awareness of non-discrimination <u>Gender equality in the workplace and equal opportunity</u>: To encourage, develop and enhance the place of women at Fives and support their career path Make our organizations attractive and encourage employees to be ambassadors for the Group to external stakeholders (schools, technical and scientific partners, etc.) <u>Professional integration of young people</u>: Increasing the number of young people, including those from the disadvantaged areas, who will able to discover the company and the industry Ongoing and strengthening of the system to attract and train young talent <u>Employment of people with disabilities</u>: Promote access to employment and secure the professional careers of people with disabilities within the Group Reinforce collaboration with the adapted and protected sector (EA/ESAT in France) 		 Prevention of discrimination: Pursuit of training to prevent discrimination (open to managers and mandatory for recruiters). Female-to-Male Proportion: 16% women among employees (+1% compared to 2017) 41% of women are engineers and managers (+1% compared to 2017) Youth Training: 374 trainees in 2018 330 work-study contracts 6.11% conversion of internships/alternances into employment contracts (short and long-term contract) Disability: 2% of the workforce are employees with disabilities in France.

- Non-deployed topic 🌗 Emergent e In construction e Defined, with deployment in progress e Fully and satisfactorily deployed

	2019 goals
ent	 Group Safety Ambition program: Reinforce Safety coordination by geographical area, in particular by creating a China Safety coordination to help defining and implementing actions. Continue to implement the action plans set in 2018 across all Group activities.
	 Medical and safety assistance program for the travel abroad of the Group' employees: Continue travellers' training to reach all Group subsidiaries. Carry out a new internal communication campaign to promote the services provided to employees. Update the Group Travel Safety Directive.
ntities	 Implementation of a retirement-plan for all Canadian companies. Study of an additional coverage in Asia.
ntract)	 Establishment of the Group's commitment to diversity and inclusion Gender equality in the workplace: Deployment of the Women@Fives program, a program designed to encourage, develop and promote women at Fives. Professional integration of young people: Introduction to the world of industry and the diversity of Fives' activities: Welcoming young people in 3rd grade internships in order to promote equal opportunities in education Ongoing work-study training within the Group Promotion of programs that enhance employee engagement with young people Disability : Definition of a Group program to promote the employment of people with disabilities in the Group.

Commitments	Group's objectives	Program and action plans	Level of maturity at end-2018	Achievements at end-2018
Being a responsible employer	Manage a forward-planning. management of jobs and skills: GC1 – GC2	 Development of a forecast strategy for jobs and organizations in each company: A 4-step program, based on the strategy defined at the activity level: Determine the business goals and the operational goals Identify the skills required to achieve these objectives Qualify existing positions in the company in relation to the required skills Perform a gap analysis and set up an action plan Human Resources Evaluation and Development Committee: Annual career management committee in each subsidiary, attended by the management team and a Human Resources representative, to: Determine which measures need to be taken to improve employee performance Approve personal career plans Training plan and monitoring of employee development 		 Strategic Workforce Planning: Several companies have updated their Strategic Workforce Planning frameworks in France, Italy and th United States, keeping pace with the updating of their strategic plans. Create and maintain dialogue: -618 people (+90 people compared to 2017) were interviewed by the "Starter" (assessment carried ou to 18 months after the arrival of a new employee to validate integration and suitability for the position -77% of employees carried out an annual review (+13% compared to 2017), including 72% of interview fully conducted and completed in the Fives&Me HR information system. Evaluate and develop: Human Resources Evaluation and Development Committee: - Evaluation for 63% of the workforce (+13% compared to 2017) with better monitoring of action plans thanks the fully digital HR management system: Fives&Me. Training and monitoring of employee development: - 74% of the employees have followed at least one training course, including 43% technical training; 40 safety training; 7% management training, 5% language training; 5% personal development training. The training commitment for the year represents a total of 178,658 hours, which is 29 hours per employee. - 548 managers were trained in the specific Manager@Fives program in Canada, China, France, the United States, italy and the United Kingdom since 2015, including 139 in 2018. Be attentive to the teams: - Carrying out a study in 2018 with a higher participation rate than in 2015 (+5.9 points): The first Group wide results show a general satisfaction rate of 77% for all employees, up three points compared to 20 - The work of the last few years has made it possible to improve 41% of the items in the survey: safety (89%), relations with colleagues (94%) and the direct superior (86%), and the interest of work (88%). Th are all results that are still on the rise and contribute to job satisfacti
Supporting Local Development	<u>Promote the civic engagement of</u> <u>employees</u> : GC6 – GC7 – GC8	• Develop a skill-based sponsorship program for all Group employees		
Integrate CSR priorities into the organization of all Fives entities	Fives Code of conduct: GC10	 Acknowledgement of the Code of conduct by all employees, by: the distribution to all employees the implementation of training tools to facilitate the appropriation of the Code of conduct 		• Follow-up of the diffusion of the Code of conduct to all employees.

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	2019 goals
the	 Development of a forecast strategy for jobs and organizations in each company: Continue updates, based on actions taken on the strategic plans led over a 3 to 4 year cycle.
out 6 on). ews	• Evaluate and develop: Human Resources Evaluation and Development Committee : - Ongoing improvement of the follow-up of the animation of the action plans identified.
ns 10%	 Training and monitoring of employee development: Access to the training module for all subsidiaries integrated into the fully digital HR management system: Fives&Me. Ongoing development of the Group's international training offer, notably through the digital platform elearning@fives. Development of the mentoring program. Development of the coaching offer.
up- 015.	• Group intranet portal: Deployment of a new Intranet Portal and development of a Group collaborative platform.
y They	 Be attentive to the teams: Support and follow-up of the implementation, by company, of the actions identified during the satisfaction survey.
ress	
	• Definition of the skill-based sponsorship program for subsidiaries: The objective is to enable volunteer employees to put their skills at the service of associations working in the field of the environment and employment.
	 Redesign of the Code of Conduct to make it a key reference document