2017 Sustainable development Report

PROVIDING ACCESS TO ESSENTIAL LIFE SERVICES
A LEADING
INDUSTRIAL GROUP IN WEST AFRICA

(2017)
SUSTAINABLE DEVELOPMENT REPORT

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The Eranove Group in Africa, for Africa and through Africa...

If Africa is to find a swift solution for access to essential life services (water, electricity, training, information, etc.) it is in Africa that the solutions must be designed and developed, but without a pre-determined model. Each country has its own specific features and concerns. Therefore, to find appropriate solutions, care must be taken not to simply copy a model or best practices from one country - even an African country - to another.

Such is the strong conviction of our Group, that for several decades it has been performing public service management contracts in Côte d’Ivoire and Senegal, innovating in energy production, energy efficiency, access to training and information, etc. and for several years it has been providing expertise and consulting services in the Democratic Republic of Congo. It has also been involved in hydroelectric power plant projects in Mali, Gabon and Madagascar, etc.

Our Group is also different because it is committed to Africa and is convinced that long-term performance is only possible if people and the environment are respected. The Eranove Group engages in public-private partnerships which respect all stakeholders, without any desire to impose its own terms. Its only aim is to provide essential services, water and electricity, to as many people as possible and under the best conditions.

This societal commitment can be perceived as a limitation, but for the Eranove Group, it is a strength, which has had convincing and undeniable results. The combined cycle implemented by CIPREL, the first independent power producer in Côte d’Ivoire, ensures both effectiveness and cleaner energy production. La Sénégalaise des Eaux (SOede) was instrumental in the city of Dakar being awarded the World Bank prize for the performance of its water network, and in Senegal meeting the Millennium Development Goals for water. CIE and SODECI support generous, ambitious social policies for their employees and societal initiatives for local populations; these have had a positive impact on human development, making waves in Côte d’Ivoire and beyond.

These are just a few examples, but they demonstrate the operational rigor of the Eranove Group, the commitment of all of its employees, the support of its shareholders and the trust of its stakeholders.

Providing access to essential life services is a thrilling challenge in Africa. It affects the well-being of populations and the future of the continent. Africa needs these services to meet its challenges in the fields of development, employment, industrialization, etc.

The Eranove Group is perfectly aware of contemporary demands, and the Group is also convinced that these challenges can and will be overcome by Africa.

Pan-African authorities, political will and African capital want to move together in the same direction. The Eranove Group is helping to build this consensus which permits optimism and which is at the heart of this ongoing African success story. Our 9,000 employees embody this African dynamic, and we develop talent through training, by decentralizing responsibility among the various subsidiaries and by sharing experience and digitalizing processes. This ecosystem of networked skills ensures good performance.

This Sustainable Development Report1 is a testimony, verified by an independent third-party organization2, of the Group’s commitment to long-term performance on multiple levels: economic, social, financial, technical, human, environmental, customer and societal.

Happy reading !

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1. In respect of fiscal year 2017, published in 2018
2. According to the requirements of the French Grenelle II Law, with which the Eranove Group has voluntarily decided to comply
Contribution to the Sustainable Development Goals

Through its activities and commitments, the Eranove Group plays a direct role in attaining 7 out of the 17 Sustainable Development Goals established by the United Nations in 2015.

Our values, sources of innovation

Performance
Managers of Eranove and its subsidiaries are incentivised based on a strategic roadmap, aligning their interests with the Group's. Employees of the Group’s public service companies hold shares in the Group and/or their company through mutual funds.

Skills
The Group is composed of a wide array of African skills. Eranove prides itself on being multicultural, multigenerational and promoting gender balance and ongoing skills development. All of these fundamentals constitute the Group’s best assets.

Responsibility
The group is mindful of its social and environmental impact and promotes ISO 26000-based assessment of its subsidiaries. Its approach is based on the transfer of knowledge and values in order to raise the awareness of its customers, partners and employees on sustainable development issues, to protect the sustainability of our companies and of our stakeholders.

Creativity
The Group displays a steady and structured ongoing progress, creativity and innovation. Our creativity benefits both customers and employees by bringing them increased satisfaction, cost and security.

Africanity
African culture permeates Eranove’s model, structure and mindset. Mutualised sharing, solidarity and responsibility are at the heart of our model, represented by a social fabric which offers solidarity funds, saving and loan co-operatives and health insurance for retirement.

Rigour
The Group’s governance bodies ensure that our practices are transparent and precise. Eranove also endorses the financial rating of its companies, and compliance with international security, quality environment and social standards, primarily the ISO and OHSAS reference frameworks.

Our track record in managing public services and producing water and electricity

Senegal
Water public service management
- 783,800 customers
- 186 million m3 of water produced
- 1,208 employees

Water public service management
- 91,000 customers
- 280 million m3 of water

Eranove operations through subsidiaries or service agreements
Eranove exclusive development projects
Current energy export markets

Gabon
Hydroelectric power plants (IPP)
- Najoum (85 MW)
- Dibwangi (55 MW)

Madagascar
SAHOFIA
- Hydroelectric power plant (IPP)
- SAHOFIA (220 MW)

Mali
Hydroelectric power plant (IPP)
- Kenie (42 MW)

Côte d’Ivoire
Eranove exclusive development projects
Current energy export markets

Electricity production
- Cavally hydroelectric development (250 MW)
- Combined cycle thermal power plant (575 MW)

Hydroelectric power plants (IPP)
- SAHOFIA (220 MW)

Senegal
Hydroelectric power plant (IPP)
- Senegal (42 MW)

Côte d’Ivoire
Electricity public service management
- 3,200,000 customers
- 5,709 MW production capacity
- 4,896 employees

Côte d’Ivoire
Independent Power Producer (IPP)
- 543 MW production capacity
- 106 employees

Côte d’Ivoire
Fiber optic - Data transmission
- 322 km of fiber optic fitted

Côte d’Ivoire
Energy efficiency
- 748 tons of CO₂e emissions avoided through energy audits

Côte d’Ivoire
Electricity public service management
- 1,029,000 drinking water customers
- 471,000 sanitation customers
- 2,679 employees

Côte d’Ivoire
Independent Power Producer (IPP)
- 543 MW production capacity
- 106 employees

SDG icons

ERANOVE 2017 SUSTAINABLE DEVELOPMENT REPORT
An efficient management system which embodies African culture

Ethics at the core of our good governance systems

Strong governance bodies

ISO 9001
OHSAS 18001
and ISO 14001

certified QHSE management system

1,141 people received anti-corruption training in 2017

A circle for each business line to promote sustainability
A. DECISION-MAKING WITH STRONG GOVERNANCE BODIES

Thanks to the responsible governance experience of Emerging Capital Partners (ECP), an investment fund manager and one of Eranove’s key partners, the Eranove Group has implemented a governance system which complies with international practice promoted by socially responsible investors. This system comprises six committees, three of which report directly to the Board of Directors.

1. The Board of Directors

ROLE
The Board of Directors develops the Group’s policies and ensures that these policies are implemented. Its focus is the main strategic, economic and financial policies.

Composition at 12/31/2017
The Eranove Group’s Board of Directors is chaired by Mr. Vincent Le Guennou, co-CEO of Emerging Capital Partners (ECP), and has seven members:
+ Jean-Marc Simon, ECP FII Finagestion SARL;
+ Brice Lodugnon, Emerging Capital Partners (ECP);
+ Julien Gailleton, AXA Group;
+ Philippe de Martel, AXA Group;
+ Mansour Mamadou Cama;
+ Marc Albérola, CEO Eranove SA;
+ Eric Tauziac, deputy CEO Eranove SA.

2. The Board Committees

Role and composition of the committees as of December 31, 2017

ROLE:
The Strategy Committee advises and assists the Board of Directors with its main strategic and operational guidelines, and in particular supports its decision-making preparations. The Strategy Committee meets at least quarterly, and as often as required in the event that projects exceed the limits initially defined.

COMPOSITION:
The Strategy committee comprises four of the Company’s Directors. It is chaired by Mr. Marc Albérola, CEO of Eranove Group, and its members include Mr. Brice Lodugnon, Managing Director of ECP, Mr. Philippe de Martel, Global Head of Corporate Finance at AXA, Mr. Julien Gailleton (AXA) and Mr. Eric Tauziac, Deputy CEO of the Eranove Group.

ROLE:
The role of the Audit Committee is to monitor issues relative to the drawing up and control of accounting and financial data, and to ensure the effectiveness of internal risk monitoring systems in this area.

COMPOSITION:
The Audit Committee comprises three members, one of whom is selected from the independent members of the Board of Directors, at the proposal of the Appointments Committee. The Board of Directors appoints its Chair. It does not have an executive director.

The Audit Committee is currently chaired by Mr. Brice Lodugnon, Managing Director ECP. Its members include Mr. Marc Albérola, Mr. Eric Tauziac (Executive CEO and Deputy CEO of the Eranove Group), and Mr. Philippe de Martel, Global Head of Corporate Finance at AXA.

ROLE:
The main role of the Compensation Committee is to assist the Board of Directors in setting and regularly reviewing all of the compensation and benefits allocated to the Company’s executive directors.

The role of the Appointments Committee is to assist the Board of Directors in selecting members for the executive bodies of the Group and its subsidiaries. These committees meet as often as required, and will always meet at least once a year, prior to the meeting of the Board of Directors.

COMPOSITION:
The Compensation and Appointments Committees comprise two members, one of whom is selected from the independent members of the Board of Directors. They do not have an executive director.
3. Committees reporting to the CEO  
As of December 31 2017:

**ROLE:**

The Operations Committee is a decision-making body where the CEOs of the Group’s companies present their action plans for improving their operational, social, environmental and contractual performance, and the advancements achieved in strategy implementation for each subsidiary. It also discusses performance improvement benchmarks.

**COMPOSITION:**

The Operations Committee is chaired and led by the CEO of the Eranove Group Mr. Marc Albérola. Its members include Eranove Deputy CEO Mr. Eric Tauziat, Mr. Marcel Zadi Kessy, Group Director of Water and Sanitation Mr. Ralph Oroyo, Development and Project Management Director, the CEOs of the subsidiaries and of the GS2E EIG, Mr. Daniel Sangoû, CEO of ANAC.E, Mr. Abdou Diallo, CEO of SODECI, Mr. Basile Eissan, CEO of SODECI, Mr. Stéphane Kadio, CEO of EIE, Mr. Bertrand N’goaisson Kosoos, CEO of GIREL, Mr. Zakariou Sial, CEO of Keita Renewable Energy and Mr. Sylvestre Sem, CEO of GS2E.

**ROLE:**

The Management Committee is the body that oversees the economic and financial results of Eranove Group entities. Each company in the Group has its own Management Committee.

Its role is to:

- set up financial planning for the subsidiaries (business plans, five-year plans, budgets, updates);
- monitor and analyze the results and main components of each subsidiary’s balance sheet under local standards and IFRS;
- manage the main options for approving the subsidiary financial statements (both quarterly and annually);
- set up and monitor corrective actions whose results are not in line with those forecast;
- promote use of best economic and financial practices between companies in the Eranove Group.

**COMPOSITION:**

The Eranove Group Management Committee members include: the CEO, Mr. Marc Albérola and Deputy CEO Mr. Eric Tauziat, together with the CEO of each company and his/her staff with economic and financial roles (Deputy CEO, Secretary General, CFO etc.).

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**B. LONG-TERM ACCOUNTABLE GOVERNANCE**

**1. Management which reflects cultural realities**

The Eranove Group’s governance draws on the strong management approach instilled within SODECI by Marcel Zadi Kessy in the early 1970s, which has been duplicated within CIE since 1990. For Mr. Kessy, who was to take over management of SODECI, then CIE,

"managing a company in Africa required the African socio-cultural environment to be taken into account and the use of motivation methods linked to local cultural values."

Specifically, the recommended principles are as follows:

- The regional offices are structured around four key functions (administrative, sales and marketing, technical and inventory), with no hierarchical link between them. They all report to a regional director. Within this structure, women are prioritized;
- Some managerial roles were cut to promote the sharing of information, increase the delegation of powers and self-management, and to aid decision-making;
- Community pressure has been counterbalanced both by instilling a principle of straightforward management based on cross-project internal control, and by creating various social funds. These social funds have strengthened solidarity links, and have played a key role in maintaining a positive social environment and instilling a corporate mindset;
- At all levels, employees receive tailored budgetary management training.

Thanks to this empowerment at local level, all employees are involved in the management of the Company: they assume responsibility on the Company’s behalf, create and analyze steering indicators, and learn how to anticipate.

Over 40 years later, this intercultural and decentralized managerial model, which promotes accountability, still forms the foundations of the Eranove Group. It drives every employee in their day-to-day decision-making and has enabled the Eranove Group to become a leading pan-African player in the water and electricity sectors.

**2. Circle-based structure**

"The introduction of business circles as governance tools at Eranove is part of the Group’s strategy to balance respect for best international practice with the concerns specific to each company."

These business circles are places to have discussions and share experiences, which can lead to proposals for cross-business projects, promoting continuous improvement. They are made up of liaisons from each subsidiary, and are led by a business expert from the parent company. Business circles meetings take place according to the needs of each circle, alternating between plenary meetings, external events, informal communications and individual work.

At the end of 2017, there were seven business circles.

**Future circle**

Aims to identify areas of growth potential for the...
**C. PLACING ETHICS AT THE CORE OF OUR GOOD GOVERNANCE SYSTEMS**

Since 2010, at the impetus of the CEO, ethics has been at the heart of Eranove’s governance system. Each of the Group’s operating companies has rolled out an ethics management framework and drafted a code of ethics incorporating the company’s mindset, credentials and key values. The purpose of this code of ethics is to ensure compliance with universal human rights principles, and to contribute to combating corruption and fraud. It helps to promote respect for customers and ethical compliance in relations with suppliers and sub-contractors. It also supports the professional approach of our employees and their exemplary behavior within the market.

The ethics management framework covers:

- Corruption risk mapping to identify high-risk activities, rate the potential impact and likelihood of each risk materializing;
- An ethics training plan initially delivered to managers and then gradually extended to all employees;
- A three-year action plan placed under the responsibility of an Ethics Committee set up in each department;
- Internal awareness-raising through widespread use of internal communications media (posters, office policies, calendars, ethical action guide, publications in monthly newsletters etc.);
- A code of conduct for each business outlining examples of good and bad practice;
- A whistleblowing system for reporting ethics alerts via an “ideas box”, e-mail, toll-free number or via a web form available directly from the website.

The aim is for these systems to achieve the ISO 37001 certification for anti-bribery management systems.

**Focus**

**THE SODECI ETHICS AWARENESS STRATEGY**

At SODECI, ethics are driven by exemplarity and involving all employees as agents and ambassadors of best practice.

To do this, SODECI uses awareness-raising tools suitable for each career stage of company employees:

- For new employees, the PACTE pathway - adoption of ethics concepts and terms pathway - introduces all new employees to the 12 values of SODECI, its anti-corruption policy, and, in the event of behaviors which infringe these values, the penalties in place and the whistleblowing system. At this time, new employees also receive the SODECI code of ethics in the form of a mini flipchart for their desk;
- Every two months, an «ethics dilemma» is displayed via the intranet, when the company’s computers are turned on. These dilemmas are based on practical situations in line with the Charter’s 12 values. Around four weeks later, the Ethics Committee reveals the correct response to the situation.

The SODECI Ethics Committee organizes yearly visits in each regional department to ensure the ongoing and complete involvement of the Departments in raising awareness locally via decentralized ethics sub-committees.
Focus

CIE, COMPLIANCE MANAGEMENT PIONEER IN AFRICA

As part of the implementation of its strategic plan, the CIE has set for itself the objective of having additional ethics and compliance assets. To do this, it is auditing its compliance management systems against the ISO 19600 standard, evaluating its commitment to adhering to current legislation, organizational standards, good corporate governance standards, ethics and the expectations of interested parties.

The verification audit conducted by ETHIC INTELLIGENCE took place from April 18 to 20, 2017 and concluded that the entire audited scope was compliant. This scope covered:

- Prevention of corruption, conflicts of interest and fraud;
- Professionalism at work, integrity and respect for people;
- Environmental protection.

The awarding of the certificate on September 8, 2017 was an opportunity to raise awareness among CIE’s senior management of the consequences of corruption.

This gesture certainly makes CIE one of the ﬁrst African companies to be ISO 19600 assessed, putting it ﬁrmly on the path to ISO 37001 certiﬁcation for its anti-corruption management system.

D. ASSESSING AND CERTIFYING OUR MANAGEMENT SYSTEMS

1. Certifying our QHSE processes

"... The Eranove Group decided to launch a Quality, Safety and Environment management system in 2008 at the drinking water production plant in Ngnith, Senegal. It was one of the ﬁrst groups to set up a triple certiﬁcation process in Africa."

Each of the Group’s operating companies implements the International Organization for Standardization’s ISO 9001 quality standard and the ISO 14001 environmental standard, as well as the OHSAS 18001 health and safety standard from the British Standard

Occupational Health and Safety Assessment Series. The French certiﬁcation body AFNOR conducts regular audits to renew certiﬁcations.

Certiﬁcation programs form an integral part of the Eranove Group’s management system, and are crucial to meeting its economic, societal, social and environmental objectives. Compliance with the QHSE action plans is incorporated into the objectives of the operating companies’ managers.

The end of 2016 and 2017 saw the migration to and auditing of the systems according to the new standards ISO 9001 and ISO 14001, versions 2015 at CIE, SODECII, SDE, CIPREL and GS2E.

The CIE continued to extend its certiﬁcation scope with an initial ISO 9001 certiﬁcation from the Electricity Training Center (CMIE) and the performance of a QSE diagnostic on three new departments (DEG - General research department, ICAPSOP - Central Department for the Administration of Personnel, Social Policy and Professional Organizations and DDRH - Human Resources Development Department).

SODECII continues to roll out the drinking water production department’s QSE plan in Abidjan, incorporating new plants in Abatta, Nango and Bonou. It also continues to roll out the SOCA’s (Société des Compteurs Africains) QSE plan.

 rewarded excellence in anti-corruption compliance since 2005

ISO 19600 COMPLIANCE MANAGEMENT SYSTEMS

Following a veriﬁcation audit, the President of the Certiﬁcation Committee attests that:

Registered under number: CI-ABJ-1990-B-149296

See implemented a compliance management system according to the ISO standard 19600: 2015, which covers the following scope:

Prevention of corruption, conﬁicts of interest and fraud;
Professionalism at work, integrity and respect for people;
Environmental protection.

www.ethic-intelligence.com
In 2018, the Eranove Group will maintain the progress made and increase the scope of entities certified, following a plan implemented in all operational subsidiaries.

At SODECI, the following are planned:
- QSE certification for the Maintenance department and the Research and Works department;
- Quality certification for the Sanitation department and the Sales and Customer department;
- Beginning of the Quality certification process for the regional Departments of Abidjan and the five drinking water plants inland (Aboisso, Bouaké, Man, Yamoussoukro and Korhogo).

CIE intends to have the following departments Quality certified: the DBCGCI (Budget and Management Control and internal control department), the DP (Real-Estate department) and the DAMT (Occupational Health division). It also plans to roll out the CME (Electricity Training Center) certification process to safety and the environment.

Finally, the SDE (plants and buildings) and the Real-Estate department of CIE are committed to ISO 50 001 certification for energy efficiency, with CIE aiming to undergo Level 1 evaluation during 2018.

These ambitious plans are supported by a major training program. In 2017, mainly for the CIE, SODECI, GS2E and AWALE scope:
- 467 employees received initial QSE training;
- 81 employees received training on the requirements of QSE standards;
- 63 executives, process managers and QSE managers trained in managing the processes;
- 24 employees trained in Quality, Safety and Environment through a course for internal auditors based on new reference frameworks;
- 20 employees trained in ISO 26000 for CSR.

Each session included a module on environmental protection, and on estimating factors and impacts.

Focus

**CIPREL AND SODECI, WINNERS OF THE 2017 IVORIAN QUALITY AWARD (PRIX IVOIRIEN DE LA QUALITÉ)**

The Ivorian quality award was introduced over 10 years ago by the Côte d’Ivoire government to promote «the culture of excellence and quality of service and products in companies».

This year, CIPREL and the Abidjan Production department (DPA) of SODECI were awarded second and third prizes respectively by the Minister for Industry and Mining at a ceremony held on November 17, 2017. These awards recognize quality in power production and drinking water services, bearing witness to the vitality of management systems which are resolutely focused on continued improvement.

2. Committing to sustainability processes

Since 2015, at the impetus of Eranove SA, all the companies in the Group are monitoring their sustainability indicators across a scope of indicators representative of the impact of their operations.

“ To ensure the transparency, completeness and accuracy of this monitoring, Eranove has voluntarily chosen to design its sustainability reporting and have it approved according to the French Grenelle II Law.”

Since the fiscal year 2016, sustainability reporting has been included in the management cycle of the companies. Environmental, social and societal indicators for CIE, SODECI, SDE and CIPREL are now presented at the meetings of the Board of Directors held to approve the financial statements, prior to the presentation and approval of the consolidated non-financial scope of the Eranove Group.

Therefore, the whole of the Eranove Group will be instrumental in opening up both management information and environmental, social and societal information.

At the same time, building on the QSE certification process already begun and to further its sustainable development initiative, the Eranove Group is encouraging its operational companies to be more socially responsible according to ISO 26000 of the International Organization for Standardization (ISO) which sets guidelines and targets in the field.

CIE (power production scope) and SDE (entire scope excluding Kohr factory) were rated as «exemplary level»; CIPREL (across its entire scope) was rated at a «confirmed level».

The DPE – the power production department of CIE, which was initially rated as «confirmed level», successfully completed its renewal sustainability evaluation in 2017, receiving an «exemplary» rating. This rating is a reward for its approach and actions in partnership with stakeholders in the field of hydroelectric and thermal power plants.

After the DPE, the DME – energy movements department - will draw up and implement a sustainability action plan. The same applies to the DTET – Transport and Telecommunications department, which will launch its sustainability initiative in 2018.
## CHAPTER 2

PROVIDING ACCESS TO ESSENTIAL LIFE SERVICES

<table>
<thead>
<tr>
<th>1,247 MW of electrical production capacity in operation</th>
</tr>
</thead>
<tbody>
<tr>
<td>437 million m³ of drinking water produced</td>
</tr>
<tr>
<td>1.9 million customers receiving electricity</td>
</tr>
<tr>
<td>over of 252,000 new connections</td>
</tr>
<tr>
<td>1.8 million customers receiving drinking water</td>
</tr>
<tr>
<td>over 473,000 customers benefiting from sanitation services</td>
</tr>
</tbody>
</table>
A. IMPROVING THE PERFORMANCE OF FACILITIES

The Eranove Group believes that making electricity and water available to the largest possible number of people requires high-quality operation and maintenance of production, transmission and distribution infrastructure and a development of the client relationship.

"Over the past five years, the Group has enhanced its performance both in the drinking water and electricity sectors."

The number of customers has increased from 1,357,125 to 1,772,789 (31% rise) in the water sector, and from 1,223,595 to 1,897,826 (55% rise) in the electricity sector. Therefore, at the end of 2017, the Eranove Group was providing water to nearly 13.5 million people, and electricity to 10.3 million people.

Graph showing the increase in customers

Number of sanitation customers • Number of water customers • Number of electricity customers

- Electricity production, performance is measured notably by availability rates of the production plants: 96% for CIPREL and 94% for CIE.
- Electricity distribution, the total efficiency of the national Côte d’Ivoire network improved by 8.3% between 2012 and 2017 (74% to 80.2%), primarily due to stronger maintenance measures and anti-fraud measures implemented by CIE.
- Drinking water production, the internal efficiency of the plants (treated/untreated water) is measured: for SODECI the rate is 98.6% and for SDE it is 96.1%.
- Drinking water distribution, the indicator monitored is the network efficiency (billed water/drinking water produced): it is 73.5% for SODECI and 80.9% for SDE.

### Water and electricity production efficiency stable since 2013 despite an increase in the volumes of water and electricity produced (20% and 16% respectively over the same period).
Focus

REGULATING WATER PRESSURE TO REDUCE LOSSES IN THE SDE NETWORK

In Senegal, after the Sacré Cœur pilot site in 2015, the «RR2 Dakar 2» and «Ngor Almadies» sites in 2016, which led to a gain of over 2,200,000 m³/year without any complaints of lack of water or service disruptions, in 2017, SDE continued the regulation and sectorization project in the city of Dakar. This project, which aims to optimize pressure to preserve the plants and meet consumer needs involved the following:

+ Large inlets of the water supply pipes for Lac de Guiers (ALG 1 and 2) which serve the city of Dakar;
+ Large inlets on the backflow from Point Y reservoir which serves the urban area of Dakar;
+ The main departures from the sectorized areas of Dakar city center.

This vast project, part of emergency program no. 2 to secure the drinking water supply in Dakar from 2016-2017 was 95% complete at the end of 2017.

These works:

+ Modernize the infrastructure;
+ Manage the network;
+ Correct network structure faults;
+ Improve service in several deficient areas.

As regards hydraulics:

+ On the conveyance axis on the lac de Guiers, savings of 4,155 m³/day or 1,516,575 m³/year were secured across all modulated inlets with a net improvement in service;
+ On the backflow axis of the «point Y» reservoir, savings of 118 m³/day or 43,330 m³/year were achieved with full control and improved service in critical areas;
+ In sectorized areas, the modulation improved night-time service in some areas.

In total, this vast program will result in a saving, compared with the situation at the end of 2015, of over 3,700,000 m³ of water per year, the equivalent of the annual output of a well of over 430 m³/h.

B. SUSTAINABLE DEVELOPMENT OF PRODUCTION CAPACITY

This strategy has been consolidated through significant progress in the Eranove Group’s six main development projects underway, representing an electricity production capacity of over 980 MW across four countries:

+ In Mali, and through its subsidiary Kenié Energie Renouvelable, the Eranove Group is leading a project to develop a 42 MW hydroelectric power plant in Kenié, on the Niger River, 35 km downstream of Bamako. For this purpose, Eranove signed a 30-year concession agreement with the Mali Ministry for Energy and Water on June 18, 2015. This plant is designed to use water channels (without a reservoir), to help to plug Mali’s energy shortfall and provide electricity to approximately 175,000 households.

+ In Côte d’Ivoire, on September 5, 2016, the Eranove Group signed a protocol agreement with the Ivorian government for the financing, design, construction, operation and maintenance of a 390 MW combined-cycle thermal power plant, using CIPREL technology. This plant will run on gas as the main fuel and will be located on the outskirts of Abidjan.

"In 2017, the Eranove Group continued to implement its pan-African development strategy, as well as reinforcing its aim to become the leading pan-African group for public service management and drinking water and electricity production."

This strategy has been consolidated through significant progress in the Eranove Group’s six main development projects underway, representing an electricity production capacity of over 980 MW across four countries:
Furthermore, in Côte d’Ivoire, the Eranove Group is continuing to commission other hydroelectric ventures through a string of facilities with estimated capacity of 200-300 MW.

+ In Gabon, the Eranove Group has joined forces with the Gabonese Strategic Investment Fund (Fonds Gabonais d’Investissements Stratégiqques – FGIS) to contribute to the national target of meeting all of Gabon’s electricity and water needs through competitive, sustainable and job-creating services. For this purpose, on October 21, 2016 they signed two concession agreements with the Gabonese government for the design, financing, construction and operation of two hydroelectric developments at the following sites:

- Ngoulmendjim (85 MW\(^{25}\)), a hydroelectric power plant located on the Kom Road, to supply power to Libreville.
- Dibwango (15 MW\(^{2}\)), a hydroelectric power plant on the water channel located 450 km from the capital on the Louetsi river, to provide power to the south-west of the country.

Environmental and social concerns form an integral part of the research, construction and operation phases of the projects.

- Environmental and social concerns form an integral part of the research, construction and operation phases of the projects.
- From the origin phase, environmental and social studies performed according to international standards and set out in action plans, the Eranove Group seeks at each stage of its projects an optimal balance between the impact on local residents, flora and fauna, and the efficiency of the plant.

**Focus**

**RECOGNITION FOR THE QUALITY OF INITIAL PROJECT RESEARCH**

In 2016, the Kenié and CIPREL IV projects received accolades in London for “Best Water Deal” and “Best Sustainability Deal” respectively from EMEA Finance magazine.

In 2017, the consortium made up of the Gabonese Strategic Investment Fund (FGIS) and the Eranove industrial group was named “Best Water Deal” by EMEA Finance magazine for the development of hydroelectric projects in Ngoulmendjim and Dibwango.

On November 23, 2017, CIPREL IV received a further accolade, at the Prix Africa Investments Forum & Awards in Paris, in the “Best Energy project” category. Winners are selected by a jury made up of professionals and international experts after having twice received the Prize of Excellence for the best energy structure awarded by the Ivorian government in 2016 and 2017.

\(^{25}\) Depending on the results of the latest technical studies, the capacity of the Ngoulmendjim plant was raised from 73 to 85 MW.
C. EXTENDING ACCESS TO THE MOST VULNERABLE COMMUNITIES

In 2016, Africa had a population of over 1.2 billion, which is expected to double by 2050. Nearly 588 million people\(^{11}\) have no access to electricity, and 330 million\(^{12}\) are without access to drinking water.

These challenges provide private sector investment opportunities, as public development subsidies and national budgets do not have the resources to bridge the current shortfall.

In 2016, Africa had a population of over 1.2 billion, which is expected to double by 2050. Nearly 588 million people\(^{11}\) have no access to electricity, and 330 million\(^{12}\) are without access to drinking water.

In line with these principles, there are a number of solutions which make it possible to increase access to water and electricity for as many people as possible:

- **Lower rates:** often known as «social tariffs», the government subsidizes these tariffs, providing access to the most disadvantaged. In Senegal and Côte d’Ivoire, the Eranove Group companies apply these tariffs set by the government;
- **Subsidized connections to the grid:** these are subsidized connections for low-income families. This has historically been the proven way to reduce the costs of access to drinking water and electricity. Government funding schemes support installation of these connections, with the support of development partners. Group companies: CIE, SODECI and SDE are responsible for installing these connections, as part of requests for bids or sustainability partnerships;
- **Innovative solutions such as the Electricity for All and Water for All programs.** The Eranove Group researches and promotes, alongside the concession-granting authorities, technical and financial innovations to facilitate access by as many people as possible to electricity. partners. Group companies: CIE, SODECI and SDE are responsible for installing these connections, as part of requests for bids or sustainability partnerships;
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D. DEVELOPING INNOVATIVE SERVICES

For a number of years, the Eranove Group has been steadfast in its commitment to actively promote innovation, based on its belief that new technologies enable it to provide a better service to its customers and improve the quality of its operations more generally.

Improving the customer experience and working to optimize the means and processes used within our subsidiaries are the aims of this innovation approach.

In 2017, our subsidiaries stepped up their efforts and investments in the field of innovation:

- Investment in new skills and technologies within our teams responsible for providing digital solutions for CIE, SODECI and SDE such as recruitment of web and mobile app experts, introduction of a «Digital Factory»;
- Creation of a Digital Transformation department within the CIE to identify and organize the different orientations and themes in the digital field, support the different businesses in their transformation strategy and build a solid, effective link with the technical teams responsible for providing digital solutions;
- Regular cross-business workshops bringing businesses and IT experts together around new agile approaches to collaboration, design and production of digital solutions;
- Introduction of technological monitoring for water and/or electricity production and distribution businesses.

This dynamic enabled the development in 2017 of major new services for CIE, SODECI and SDE customers: mobile apps, e-web agency (see 5.C.2 – Placing the customer at the core of the organizations). These new services will be gradually enhanced in the coming years to optimize the customer experience.

2017 also saw the roll-out of smart meters in the city of Abidjan: to date, CIE has installed around 400,000 meters, SODECI around 5,000, and it will continue to fit more in 2018. SDE is about to install a few thousand spacing the city of Dakar. This roll-out involves major efforts in terms of security, to ensure healthy, safe usage for our customers.

Finally, our laboratory teams are working on a certain number of technologies which could be used in the future to improve our processes and our customer relations: for example, analytics and big data tools, and drones are areas of experimentation for the coming year.
CHAPTER 3
PRESERVING THE ENVIRONMENT AND ADDRESSING CLIMATE CHANGE

604 MW of hydroelectric capacity in operation

580 MW of planned hydroelectric capacity

-17% fewer CO\textsubscript{2}e emissions/MWh in two years

Management of PCB (Polychlorinated biphenyl) transformers in accordance with the Basel Convention

Installation of new technology to reduce discharges of NOx from natural gas turbines

Creation of Smart Energy, a subsidiary dedicated to energy efficiency
A. STREAMLINING RAW MATERIAL CONSUMPTION

Preserving resources is especially important to the Eranove Group.

Particularly those indispensable for its production or distribution operations: essentially natural gas and emergency fuel which it transforms into electricity, and untreated water which it transforms into drinking water and electricity.

Energy efficiency is a strategic issue for the Eranove Group, as can be seen in several actions:

- Sustainable production: construction of the CIPREL IV combined cycle and the design of a new thermal power plant in Côte d’Ivoire, which was designed directly as a combined cycle, attest to the development of sustainable production systems within the Group and its desire to increase its energy efficiency. The combined cycle recycles the hot exhaust gases emitted from the gas turbines to power a steam turbine. In this way, the steam turbine produces energy without additional gas consumption.
- The Eranove Group hopes to achieve ISO 50 001 - Energy Management certification for its operating companies to make possible the implementation of an energy management system that will enable them to make better use of energy in the performance of their activities. It is striving to relay this energy efficiency to its customers by improving its diagnostic skills and energy consulting services;
- Information technologies: CIE, SODECI and SDE currently use smart grids for drinking water, electricity and public lighting. The use of IT and "smart grids" make it possible to better monitor and thus reduce consumption while improving the total efficiency of the networks;
- Energy audits: the water companies SODECI and SDE consume high levels of electricity to produce and transport drinking water. Several studies have been launched to improve energy efficiency in both companies, and initial action plans have been implemented.

In addition, the Group monitors the consumption of secondary resources, in order to rationalize their use. This is the case for raw materials used in the production of drinking water and demineralized process water (chlorine gas, lime, calcium hypochlorite, alumina sulphate) and in the production of electricity (SF6 oils and gases, see indicator in appendix).

"Preserving resources is especially important to the Eranove Group."

Focus

AT SDE, ENERGY PERFORMANCE IS MANAGED VIA «ECO-ENERGY» COMMITTEES

SDE’s energy bill accounts for close to 36% of its operating expenses.

This figure alone has resulted in eco-energy committees being set up in 2015 which are chaired by the Technical and Development director, and combine statistics, production and maintenance skills. At the end of December 2017, their work had already resulted in energy savings of €3 million (1,900 million CFA Francs).

The work included:

- Surveillance of the decreasing efficiency (cos phi) of the equipment;
- Energy optimization of the plants via the ratio of kWh of electricity used per m³ of water distributed;
- Energy audits to assess potential savings on the plants;
- Implementation of programs to improve the energy performance of facilities such as speed regulators (Mékè, KMS).

At the same time, care was also taken to reduce electricity use in the buildings. A program to replace neon lights with LEDs is already underway at head office resulting in monthly savings of over €1,500 (1 million CFA Francs). This initiative will be rolled out in sales branches and regional Departments.

To structure the initiative and achieve sustained performance over time, SDE’s ambition is to introduce an approach according to ISO 50001 (energy management) with a view to achieving certification by 2020.

Oil consumption / Electricity generated (in l./GWh)

This policy of rationalization extends even into the company restaurants in the main plants, dams, and training centers. Whether food services are subcontracted or not, each manager is careful to avoid food waste by adapting purchases to orders and forecasts, just-in-time preparation, and the use of vacuum storage and cold storage. If, despite these precautions, there are still leftovers, they are distributed to employees or local populations.

35% reduction in oil consumption reported per GWh of electricity generated compared with 2016, a saving of 78,700 liters
B. ENCOURAGING CUSTOMERS TO CONSUME IN A SUSTAINABLE MANNER

"The three Eranove Group companies, in consultation with end customers (SDE SODECI and CIE) are promoting decreased water consumption and better energy efficiency”

using a range of channels (website, social networks, posters, press,) to better control spending and reduce their carbon footprint.

For example, in January 2017 CIE embarked upon a major “Energy Saving” campaign to provide information and raise awareness among customers, making them proactive consumers. Targeting the general public, specifically heads of households, couples, children and domestic employees, this campaign ran for seven months across various channels: TV, cinemas, radio, press (newspapers and magazines), websites and LED-screen displays. In addition to the publications on social media, a dedicated page was created on CIE’s website. Finally, posters, flyers and stickers have raised awareness among customers throughout the country at various events and local initiatives: raising awareness at regional Departments with “client fortnights event” and sponsored events.

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Smart Energy, the Eranove Group company dedicated to energy efficiency which was created in 2016, continues the energy audits, measurement plans and other activities aimed at supporting corporate customers in optimizing their energy consumption and moving towards renewable energies.

As of this year, Smart Energy has enhanced the Group’s sustainability reporting by measuring the GHG emissions which will be avoided once the recommendations have been acted upon.

Focus

SMART ENERGY, A SUBSIDIARY DEDICATED TO ENERGY PERFORMANCE

A subsidiary of CIE and the Eranove Group set up in early 2017, SMART ENERGY aims to support companies in achieving the most ambitious energy performance levels using a customized approach to meet the specific needs of each client.

To do this, SMART ENERGY has developed expertise around three areas:

- Energy performance to achieve considerable savings on energy consumption;
- Energy from renewable sources by offering appropriate technical solutions;
- Fitting of energy-saving equipment.

SMART ENERGY’s approach follows the IPVMP protocol (on measurements) and complies with the NF EN 16247 standard (energy audits).

Thanks to the exclusive partnerships forged with technical solutions partners, SMART ENERGY is able to provide equipment tailored to all of its clients: energy analyzers, energy savers, lighting solutions, heat-insulating paint, air curtains, responsive power compensating apparatus, etc.

After a year of operations, SMART ENERGY has clients from sectors as diverse as cosmetics, plastics processing, textiles, airport operators and large retailers.

If all of the recommended measures were to be implemented, emissions equating to 748 tons of CO₂ equivalent would be avoided, thanks to improved energy performance and the transition towards renewable energies.

- Cumulative savings estimated on the annual electricity consumption of customers if the recommended action on equipment or operations in the audit report is taken. These savings, measured over the reporting period, are estimated in kWh, converted to kg CO₂e (to be expressed in negative). The methodologies are specified in each audit report and internal calculations.
C. CONTROLLING WASTE

“The controlling of the Group's environmental impacts has resulted in the deployment of a common approach for all of its companies.”

It is based on environmental management systems, including the management of generated waste, noise pollution from industrial operations, treated waste water in the drinking water and sanitation sector, and monitoring of air pollutant emissions. Each certified entity maintains an environmental management plan, which ensures that its impacts are monitored and the process is continually improved.

Some of our industrial facilities are subject to the regulations for ICPEs - Installations Classified for the Protection of the Environment. This is the case, for example, with the power plants for the production of electricity and some drinking water treatment plants. Some of these plants, operated by Group companies were commissioned over 50 years ago and most of them are under state ownership. In this case, it is necessary to resolve situations inherited by the operating companies and to begin actions with local government in partnership with the leasing granting authorities.

When authorization orders are issued, their requirements are included in the environmental management plans for the sites.

Reducing noise pollution

Located in the VRIDI industrial zone, the CIE and CIPREL thermal power plants are distant from residential areas. Nevertheless, the operation of combustion turbines by CIE and CIPREL can cause noise pollution, especially for employees (a source of stress and fatigue). On a daily basis, the mandatory wearing of personal protective equipment (helmets, ergonomic earplugs) at thermal power plants is part of the work instructions implemented and followed in the QSE process. At least once a year, an external body performs a noise level audit on the production site and at the neighborhood boundary to check that noise remains below the regulatory limit.

Preventing impacts to soil quality

The assessment of the environmental situation of each site takes into account the sensitivity of the soil. This is regularly re-evaluated. For example, at CIE, a recent analysis revealed a change in sensitivity related to surface waters in Kossou and Taabo, taking into account the proximity of residences due to the expansion of residential areas. In Vridi too, the sensitivity of soils, subsoils and groundwater has been revised due to the shallow depth of the water table. The soil quality impacts of the structures built by the Eranove Group undergo an impact assessment and have an environmental management plan in line with the expectations of international financial institutions.

Optimizing waste management

Waste treatment is part of our environmental concerns. The action principles enacted are aimed at minimizing the waste generated by the Group’s activities and directing them towards conformity-based and value-added channels.

However, in the countries in which the Group operates, operators’ attempts to recycle non-hazardous waste are often thwarted by the scarcity of reliable providers and suppliers which are not equipped to take back used products. Initiatives are underway to identify and promote the emergence of traceable, compliant recycling and returns channels by suppliers, as with the initiative in place for PVC and HDPE piping offcuts at SDE.

Since 2016, all Group companies have been monitoring the waste generated by their tertiary activities: paper and printer cartridges consumed. This year, paper used to produce invoices was also added. These indicators will soon reflect the digitization efforts, such as the «e-payslip» introduced in June 2017 at CIE.
Focus

MANAGEMENT OF PVC AND HDPE PIPING OFFCUTS: AN EXAMPLE OF THE CIRCULAR ECONOMY AT SDE

As part of its operating activities, SDE uses PVC - Polyvinyl chloride, and HDPE - High-density polyethylene, piping, the offcuts of which generate a fair amount of waste.

These pipes are manufactured by a specialist company located close to SDE's head office. This proximity led the two companies to sign an agreement protocol in 2015 for the return of the offcuts used in the work and their reuse in the pipe manufacturing process. The circuit passes the collection point located at the SDE plant at point B in Dakar, where all the offcuts are grouped, sorted and cleaned, before being delivered to the manufacturing company for reuse in the manufacturing process.

Since the protocol was signed, 19 loads and almost 3 tons of PVC and HDPE offcuts have been reused.

Focus

CIE’S PCB CONTAMINATED WASTE SENT TO FRANCE FOR REMOVAL

CIE's commitment to eliminate PCBs - polychlorinated biphenyl (mineral oil used in distribution transformers manufactured before 1990) was embodied by the signature of an agreement with the Basel and Stockholm Conventions Regional Center for Francophone African countries.

In this context, an inventory was drawn up and samples taken from 1,300 distribution processors in the city of Abidjan were tested and a traceability tool was put in place. In line with an action plan drawn up with the approval of CI-Energies, 208.9 tons of waste containing PCBs from CIE were shipped on October 30, 2017 to the TREDI elimination center in France:

- Fluids contaminated with PCBs at a concentration of over 500 ppm from 36 transformers, 31 of them from the distribution network, 2 of them from transport and 3 from production (126.4 tons);
- Dirty gravel from the Riviera transmission station in Abidjan (55.2 tons);
- Waste made up of one hundred barrels containing PCB oil, 4 barrels of dirty cloths and a PCB oil filtering machine (27.6 tons).

This shipment, which is part of a regional strategy managed and financed by the UNEP – United Nations Environment Programme was supervised by the Ivorian Environment Ministry and the Basel and Stockholm Conventions Regional Center for Francophone African countries.

As a partner in the «0 PCB in Côte d’Ivoire by 2025» strategy, CIE plans to take part in the second phase of this program, in partnership with the Ministry for Hygiene, the Environment and Sustainable Development.

Reduction of air emissions

Atmospheric pollutants, nitrogen oxides (NOx) and sulfur oxides (SOx) are monitored as part of thermal power generation activity. CIE carries out studies on greenhouse gas emissions and air pollutants with BUREAU VERITAS (NOx, SOx and CO₂ monitoring) annually, and CIPREL does so quarterly. The analyses verify compliance with the limits set by local government orders, and, in the case of CIPREL, with stricter international standards as well.

As far as hazardous waste is concerned, regulations require it to be monitored with traceability until it is finally disposed of by companies approved by the State. Compliance with regulations has led to the establishment of a waste tracking register in each producing unit. In Côte d’Ivoire, this process is supervised by CIAPOL²⁶ which issues a certificate guaranteeing the elimination of the product. In Senegal, some hazardous wastes are controlled by the National Environment Agency.

Oils and plastics are collected and recovered. However, opportunities for waste recovery remain poorly developed in the Group’s countries of operation, which affects its objectives for the complete recovery or elimination of its waste.

Non-disposable waste such as batteries and lamps is then stored on site and disposal solutions are sought. Obsolete products and their packaging are recovered by suppliers for disposal. Companies are encouraged to favor suppliers that take back waste from products supplied by them.

²⁶ CIAPOL: Côte d’Ivoire Anti-Pollution
Focus

CIPREL HAS DECIDED TO REDUCE ITS ATMOSPHERIC EMISSIONS OVER AND ABOVE LOCAL REQUIREMENTS

NOx emissions from the CIPREL thermal power plant were below the thresholds set out in its operating permit (152 ppm) but under some operating conditions, they exceed some international standards (25 ppm).

In consultation with the financial partners of the CIPREL IV project (gas steam combined cycle), CIPREL has studied the best available solution to ensure constant compliance with the most stringent standards. The preliminary feasibility studies carried out resulted in the identification of two systems to reduce NOx while operating on natural gas (the main fuel of the plant). Dry Low NOx (DLN - with no water injection) technology was preferred to WLN (Wet Low NOx - uses water injection) because it is less demanding in maintenance operations (requiring fewer plant shutdowns) and consumes less water.

The principle of DLN is to distribute each injector from the old system (one injector per combustion chamber) into several injectors per combustion chamber in order to lower the maximum temperatures at the heart of the flame during combustion.

As implementation of DLN requires two months of unavailability of gas turbines (GT), to maximize availability of the plants and thus the supply of electricity to the government of Côte d’Ivoire, they were installed during preventive maintenance in October 2016 on GT 10 and in March 2017 on GT 9, for a total investment of €13.2 million (8,660 million CFA Francs).

NOx emission analyses performed by Bureau Véritas in 2017 demonstrated that the objective has been achieved, with concentrations, in gas operation, of:

- 6.9 ppm for GT 10 (compared with 137 ppm in 2015);
- 5.8 ppm for GT 9 (compared with 124.6 ppm in 2015).

Monitoring the quality of effluents from drinking water plants

On a daily basis, water treatment plants discharge liquid effluents and solid sludges with varying physical and chemical characteristics. These discharges come mainly from purging decanters, washing contact basins, coagulating/flocculating and decanting, washing filters, purging lime saturators and emptying reagent containers.

The pollution parameters for these effluent discharges are mainly: PH, suspended matter (SM), aluminum, Chemical Oxygen Demand (COD) and, to a lesser extent, fluorine. The management of these effluents is carried out in compliance with national laws and within the framework of the ISO 14 001 environmental plans.

D. FIGHTING CLIMATE CHANGE

The rhythm of the tropical seasons directly affects the activity of the Eranove Group. Hot seasons increase the consumption of electricity (air conditioners) and drinking water, and in the absence of rainfall, the volume of surface water declines due to the use by hydroelectric plants and water production plants. As a result, climate variability within the same year and climatic variations over several years have a substantial influence on the production and consumption equilibrium of water and electricity.

Through mitigation and adaptation to climate change, the Group is consolidating its status as a green electrician in Africa.

- Out of an interconnected capacity operated by the Eranove Group of 1,247 MW, 604 MW is of hydroelectric origin;
- The projects under investigation include almost 600 MW of additional hydroelectric capacity;
- The CIPREL combined cycle allows the recovery of exhaust gases from two combustion turbines of 111 MW each to provide an additional capacity of approximately 120 MW without additional gas consumption. This combined cycle improves the energy efficiency of the plant and avoids the release into the atmosphere of nearly 500,000 tons of CO2 equivalent per year.

"In essence, therefore, the Group attaches great importance to taking the fight against climate change into account in its activities."

Taabo Dam, Côte d’Ivoire
All the companies in the Group monitor their greenhouse gas (GHG) emissions, whether or not they are linked to the production of electricity. Sustainability indicators measure emissions related to electricity generation (consumption of natural gas, DDO and HVO by thermal power plants and generators) and emissions not related to it (fuel consumption for vehicles and generators for internal use, as well as the electricity consumption of agencies, offices and plants).

The projects currently being carried out by the Eranove Group contribute to the energy transitions sought by States. They are designed to factor in the impact of climate change (temperature and rainfall) on hydroelectric projects and incorporate mitigation measures during construction phases (such as the weeding of flooded areas before impoundment to avoid fermentation). For some projects, the feasibility of selling the carbon credits generated, on the regulatory or voluntary market, is being looked at.

In 2018, the materiality analysis will specify the identification of sources of major indirect emissions, according to the way each Group company perceives its operations and services. The publication of an international methodology or best practices of the sector could facilitate the quantification of these indirect emissions.

**Greenhouse gas emissions**

- GHGE of interconnected electrical production excluding generators (tCO₂ₑ)
- GHGE excluding electrical generation (tCO₂ₑ)
- Electricity production CO₂ₑ emissions in t/GWh produced (interconnected)

![Graph showing greenhouse gas emissions over years](image)

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37 Greenhouse gases related to the electrical power consumption of head offices, agencies, offices, electricity consumption of water and electricity production facilities, fuel consumption of vehicles and generators.
CHAPTER 4  
DEVELOPING HUMAN CAPITAL

94% of employees on open-ended contracts

183,160 hours of training, an average of 20 hours per employee

2.7% of payroll invested in training

+ 11.7 M€ in employee benefits and internal loans

CME and CMEAU – two centers of excellence for skills development

Frequency of occupational accidents down 32% compared to 2015

18. Frequency rate of RAE in 2015 and 7 in 2017, or number of accidents with time loss excluding commuting between work and home or for meals, for 1,000,000 hours worked.
A. PROMOTING FAIR AND SUSTAINABLE EMPLOYMENT

1. Respecting national and international laws

In accordance with the legal provisions applicable in the countries where it operates and the principles of the International Labour Organization relating to child labor, the recruitment procedures of the companies of the Eranove Group include a minimum age limit of 18. Naturally, the use of forced labor is prohibited.

The monitoring of overtime, leave and absenteeism in all companies of the Group complies with national regulations and is careful to respect employee working time. Incentives to take leave are also reflected through a clear increase in statutory leave taken in 2017.

The organization of work varies according to the nature of the activities (technical operations, customer management, administration) in compliance with the laws of the countries where it takes place. In Côte d’Ivoire and Senegal, working hours are 8 hours per day, or 40 hours per week. In France, it is 35 hours per week. Beyond that, all supervisor and employee/worker hours are considered overtime, in compliance with legal and internal provisions, subject to line-manager approval.

At the same time, the Eranove Group decided to monitor the unplanned absenteeism rate. As this is related to sick leave, unauthorized absences, workplace accidents, and lay-offs, it may reflect significant issue in the Company, with implications for its organizational structure.

2. Supporting local recruitment and sustainable employment

This commitment is illustrated in particular by the low number of expatriates within the Eranove Group (7 expatriates in 2017, or 0.07% of the total headcount).

The Eranove Group has always relied on its human capital and believes that offering a sustainable contract is a factor in attracting, motivating and retaining its employees.

The Eranove Group encourages the recruitment of skills in the countries where it operates. Effectively, for the Group, it is these local roots that encourage local performance.

3. Fighting discrimination

As far as the gender balance is concerned, the low number of women in the workforce (24%), which is typical of the Eranove Groups business sectors, is being re-balanced. The Human Resources Departments of the Group’s companies have become aware of the need to rebalance the workforce and, from the outset, improve the number of women in the workforce and average wages for men and women by socio-professional category.

The principle of non-discrimination is one of the fundamental principles articulated in the ethical charters of the Group’s companies and described in detail in the recruitment policies.”

Employees with disabilities have always been offered adapted work stations and functions in order to keep them in the workforce under the best conditions.

Since 2016, the Group has also monitored the number of employees with disabilities in its headcount, as well as, since 2017, the number of persons with disabilities recruited during the year.

To strengthen their policies in fighting discrimination and promoting diversity, in April 2017, CIE and SODECI signed the «Charter on diversity in the company» by which they undertook to implement their promise and promote equality of opportunity in employment.
Focus

SODECI AND CIE COMMIT TO DIVERSITY

On 27 April 2017, amongst 28 Côte d’Ivoire companies, the CIE and the SODECI signed a charter on diversity in the company, in the presence of the vice president of the Republic of Côte d’Ivoire.

This international initiative was launched in 2004 by Claude Bébéar and Yazid Sabeg in France, before being extended to Morocco, Senegal and Côte d’Ivoire. In signing this charter, the companies pledge to promote inclusion, diversity and equality of opportunity in employment, with all of these actions contributing to the performance of the company.

In concrete terms, for CIE and SODECI, this signature reflects the managerial commitment, notably to more hiring of women, the recruitment of young people and the integration of persons with disabilities.

By signing the charter on diversity, CIE and SODECI have committed to implementing a policy of human-resources management focused on the recognition and promotion of individual skills, integrating the fight against all forms of discrimination in all stages of recruitment, compensation, training and career management. This implementation involves training and raising the awareness of all players concerned, communication and publication of results in their annual reports.

4. Motivating performance

The Eranove Group strives to offer its employees fair and competitive compensation. Each company has its own compensation policy that takes into account the diversity of geographical locations, qualifications and skills required for its activities.

In all companies, compensation includes a variable component to reflect individual and/or collective performance.

For the main managers, the Eranove Group has set up a Compensation and Appointments Committee. In addition to a competitive fixed compensation that can maintain the loyalty of the country’s best talent, performance is rewarded by variable compensation allocated according to the level of achievement of operational objectives. In addition, the main managers of the Eranove Group are Group shareholders and own 6.5% of its capital. The employees of the Eranove Group’s main subsidiaries also have the opportunity to take a stake in the capital through mutual funds.

5. Promoting the employment of young people

Aware of its role in meeting this challenge, the Eranove Group is strongly committed to setting up gateways between training and employment, by:

+ Developing training courses that are appropriate to the requirements of employers (see chapter 4.D - Investing in training);
+ Integrating interns to enable them to enhance their qualifications and develop initial professional experience, or even to join the pool of new talent;
+ Promoting the hiring of young people.

Young people are the greatest asset of Africa, which remains the youngest region in the world, the median age of its population being under 25. If this asset is used suitably, it could give a strong impulse to the economic transformation of the continent.

Average wage increase of 21% between 2015 and 2017.

Average annual worker / employee salary, nearly 5 times the SMIG (interprofessional national minimum wage) in Côte d’Ivoire.

Employee share ownership represents a total of 8.4% of the capital of the Eranove Group.

1,913 interns in 2017

196 18-25 year-olds hired in 2017 (compared with 56 in 2014)
6. Encouraging social dialogue

The Eranove Group promotes social dialogue within its companies.

"In addition to compliance with the regulations applicable in each country in which it operates, it is careful to respect the principles of freedom of association and collective bargaining advocated by the International Labour Organization."

Each company has set up its own structures and representative bodies to maintain a high quality of dialogue with trade unions, employee representatives and all employees. They promote frameworks for regular meetings and the search for negotiated agreements, anticipating any crisis that may affect the performance expected from public services.

Within CIE and SODECI, discussions with employee representatives are formalized in a regular discussion process known as the "Permanent Dialogue Framework", an important dialogue tool that supports agreed practices and makes it possible to anticipate any company crisis which may occur. These two companies also have a Company Appeals Body for conciliation, which intervenes when a dismissed employee wishes, based on new or additional arguments, to request the review of the conditions and reasons for his/her dismissal with a view toward reinstatement.

At CIPREL, a college of delegates representing employees has been established, in accordance with the regulations applicable in Côte d’Ivoire. It forms the basis for social dialogue between senior management and employees.

Within SDE, two colleges of delegates representing employees have been established, in accordance with the legal and regulatory provisions applicable in Senegal. Meetings are held with them monthly. These meetings are the cornerstone of social dialogue between the senior management and employees and an opportunity for employee delegates to express awareness of company issues and present their complaints and suggestions.

This social dialogue translates into the signing of collective agreements with a twofold concern for economic performance and improvement of working conditions for employees. In 2017, in the Group, nine collective agreements were signed with the social partners, two of which were related to health and safety conditions at work.

B. ENSURING SOCIAL PROTECTION FOR OUR EMPLOYEES

"The companies of the Eranove Group supporting their employees at all stages of life"

Building on Africa’s traditional culture for solidarity, the Eranove Group implemented a social policy very early on to ensure a calm environment and to create close ties of solidarity between employees. This policy hinges on a set of various mechanisms and means to cover solidarity, health, retirement and social financing. All Eranove Group employees benefit from health insurance as soon as they are hired, insurance which is extended, for CIE and SODECI, for retired agents up to the end of their lives and for their families. Personal risk insurance schemes are also implemented according to the specifics of each company.

Preventive health measures

The fight against AIDS, through raising awareness, screening and case handling, is a long-standing commitment. At CIE, SDE and SODECI public health actions are extended to the prevention of the main cancers, through agreements signed with medical centers. These actions involve employees and increasingly the host communities and subcontractors.

At CIE, the occupational health division systematically offers HIV/AIDS screening, screening for prostate cancers from the age of 45 and breast and uterus screening from age 35 at the annual medical check-up. For 2017, the results are the following:

- 4,445 people screened against HIV/AIDS (rate of participation 99%);
- 576 people screened against breast cancer (rate of participation 75%);
- 554 people screened against cervical cancer (rate of participation 75%).

Health insurance

All employees of the Eranove Group systematically benefit from a health insurance system and from a dense network of infirmaries and internal medical centers, as soon as they are hired. In addition to the national system, in cases where this exists, this system covers medical expenses in case of illness and also covers the spouse and children. Furthermore, at CIE and SODECI, this system is supplemented by a system of health insurance for retirees, the pioneering character of which has been internationally recognized (see the Compensation & Benefits Trophy below).

CIE and SODECI have also set up a health solidarity fund to deal with long-term diseases such as AIDS, cancer or kidney failure. Furthermore, for cases of kidney failure, four dialysis machines financed by CIE and SODECI were installed in a general clinic to facilitate access and reduce the costs of dialysis sessions.

Concerning SDE, as well as a social-security protection system (IPM) benefiting employees from the time they are hired, an operational health insurance scheme has been in operation since July 1, 2017. Financed by the company and the employee, it extends better access to health care and provides total coverage of their health expenses, notably in the case of chronic illness.
Focus

CIE HAS RECEIVED AN INTERNATIONAL TROPHY FOR THE HEALTH INSURANCE SCHEME COVERING ITS RETIREES

On December 5, 2017 in Paris, before a panel of 250 HR professionals and alongside other award-winning companies (THALES, NESPRESSO, FAURECIA, EULER HERMES and CRITÉO), CIE was awarded the «2017 special prize» for «setting up the first and unique health insurance scheme for retirees».

The Compensation & Benefits Trophies are intended to reward companies or teams who have implemented successful projects in matters of compensation or employee benefits, which are appropriate, exemplary and innovative. They were created on the initiative of Club DRAS - Compensation and Employee Benefits Observatory created by the RH&M Group, with the support of AMUNDI and in partnership with SANTÉCLAIR, DELOITTE, CORNERSTONE ONDEMAND and MCR CONSULTANTS.

This international trophy is the recognition of the exceptional and innovative character of the health insurance for retirees introduced by CIE in December 2008 to overcome the lack of medical coverage for retired staff of CIE, SODECI, GS2E and CIPREL. This coverage, which currently has nearly 700 insured parties, is a first in Côte d’Ivoire, where health insurance is finding it difficult to get off the ground and no other private company, other than the Côte d’Ivoire companies of the Eranove Group, offers health insurance to their retirees.

Supplemental pension

In addition to the national pension, executives receive a supplemental pension. Over the last few years at SODECI, the supplemental pension contribution has increased significantly, due to the growth of the SODECI population and especially to awareness-raising campaigns for and continuous encouragement of employees to increase their funding for their future retirement.

Mutual funds

As part of its social financing, CIE, SODECI, CIPREL and SDE have set up a mutual fund dedicated to the shareholding of employees in the capital of their companies. The mutual fund enables employees to own a stake in the company and allows them to save for their retirement. This saving occurs through a compulsory deduction from the salary of each employee according to their category. Employees who wish to increase their savings can opt for an additional deduction.

Mutual aid and solidarity

All of the companies in the Group have set up a solidarity fund that offers a non-repayable financial contribution to their employees for fortunate or unfortunate life events.

Voluntary expenditure on employee benefits: €6,126,863

11% of payroll

Funds used for internal loans: €5,537,482

For example, SDE, together with its social partners, has put in place social promotion tools based on solidarity among all employees to generate more resources and increase their capacity for action. A mutual aid and solidarity fund supports any employee who experiences a fortunate or unfortunate event according to predefined rules. A Savings-for-Credit fund allows employees to receive an interest-free loan equivalent to 1.5x the amount saved and capped at €3,049 (2,000,000 CFA Francs).

Family budget

Within CIE and SODECI, the «Family Budget Management» project has been in place since 2012. Through this program, the employer’s objective is to ensure the development of his or her employees throughout their careers, help them to reach retirement with complete serenity and security in their future, and make the household an agent of development and poverty reduction.

G. ENSURING OCCUPATIONAL HEALTH AND SAFETY

“ The optimization of occupational health and safety conditions is a major focus of the Group’s social policy. ”

The measures implemented to enhance the safety of employees in the course of their professional activities are mainly based on the deployment of health and safety procedures according to OHSAS 18001, as well as the preventive measures implemented by the Hygiene, Safety and Working Conditions Committees, Safety and Environment Visits by Management and toolbox talks. The QSE Coordinator and Hygiene, Safety and Working Conditions Committee members ensure that working conditions and the application of safety measures are in line with applicable regulations and the Group’s social ambitions. Their recommendations are gradually being formulated within the various departments.

20 - Financial contribution by the Company to the funds dedicated to the solidarity, health and retirement of employees (Solidarity Fund, Health Solidarity Fund, Health Insurance for pensioners: ASMAR, etc.)
21 - The funds placed at the disposal of employees to help them undertake personal projects to acquire property or investments to improve their income.
22 - Occupational Health and Safety Assessment Series

Analysis and assessment of health and safety risks

Ensuring occupational health and safety

Managing emergencies

Raising awareness

Preventive measures

Internal operation plans for classified sites

Regulatory controls

Occupational Health Inspections

Internal audits
Focus

AT CIE, THE SAFETY CULTURE ALSO EXTENDS TO SUBCONTRACTORS AND THIRD PARTIES

In the job of electrician, professionalism means the eradication of accidents of electrical origin. To reach this objective, since 2011, CIE has had a long-term action plan covering employees, subcontracting companies and those living near to electrical power lines.

Concerning employees, the action plan is built around three major policies:

- The training of employees in electrical risks (with the presentation of a personnel instruction booklet to all electricians), lockout (work with power off), and, under the recent SERECT approval from CME – Electricity Training Center, on work under power in high and low voltages. Electrical clearances are also delivered and evaluated to avoid confusion of roles;
- The protection of employees by providing them with appropriate personal protective equipment (helmets with face screen, composite gloves, etc.) and boxes of special tools, regularly upgraded;
- The involvement of line managers through the organization of managerial safety inspections is amongst the objectives of managers (1,755 managerial safety inspections carried out in 2017, against an average of 1,000 since 2015), the systematic analysis of accidents and daily actions by accident prevention engineers.

With subcontractors, the aim is, through an enhanced approval system, to bring the companies towards the same standards required for employees of CIE in matters of safety. Emphasis is placed on the training of companies on rules for access to the distribution network and on the appropriate provision of personal protective equipment.

Lastly, in relation to third parties, CIE’s action consists of informing employees on the necessity of quickly eliminating situations of risk for local residents, providing customers with informational media on electrical risk and organizing sessions to raise the awareness of the general public: children, students, press, authorities, traditional chiefs, pharmacists, etc.

These actions are reflected in the figures for 2017:

- Amongst employees: no accidents of electrical origin amongst statutory agents (against an average of six over the last five years);
- Three non-fatal accidents for subcontracting companies (against three accidents, including two deaths, in 2016);
- A reduction in third-party accidents: 25 accidents (including 19 deaths) against 35 (including 26 deaths) in 2016 over the entire national territory.

The objective set by CIE is to eradicate accidents of electrical origin, for employees, subcontracting companies and third parties, by 2020.

D. INVESTING IN TRAINING

The Eranove Group aims to propel the development of pan-African skills in keeping with the cultural diversity of its companies, employees and countries in which they operate.

To this end, it is firmly committed to a strategy to strengthen and develop the skills of its employees to meet its commitments and growth prospects.

These actions focus on job-related skills and are rolled out with a view to matching human resources to all key jobs.

To continue to strengthen its human capital, the Group has launched two ambitious projects:

- The skills-based approach to obtain a perfect match between the skills required for a position and the skills of the employees holding that position;
- The «Eranove Academy» projects to bring the training centers to a state of excellence.

Two centers of excellence for training in water and electricity business lines

The «ERANOVE ACADEMY» project aims to develop Electricity and Water Industry Centers of Excellence. Thanks to a close link with operations, this ambitious training policy allows high performance and a perfect fit between employees and skills to be achieved in the companies of the Eranove Group. In addition, the Academies have an external dimension to fulfill national and regional requirements.

The Academies cover all water and electricity business lines, from customer reception to the most technical functions, including digital and all levels of management of a company focused on the future. The offers will include Bac +2 and similar
diploma courses, theoretical and practical continuing education, in both classroom and e-learning environments.

The electricity division (CME, Electricity Training Center), in line with its fundamental restructuring, which began last year, is continuing to enhance its range of training courses and to win international customers. The only organization approved by SERECT in sub Saharan Africa for Voltage/Low Voltage Work, certified as a center of excellence from the ASEA – African Network of Centers of Excellence in Electricity, the CME will open, to holders of the baccalaureate plus two years of higher education, five new degrees in September 2018, including a professional degree «Sustainable development, option Energy Efficiency, Energy from Renewable Sources and Home Automation (3ESRD)». Designed in partnership with the CNAM (Conservatoire National des Arts et Métiers), this one-year training course produced by Côte d’Ivoire teachers will deliver a French qualification, obtained in Côte d’Ivoire.

Focus

THE ELECTRICAL ENGINEERING AND MAINTENANCE OF PRODUCTION SYSTEMS BTS (ADVANCED VOCATIONAL DIPLOMA) FROM THE CME: 100% GUARANTEED EMPLOYMENT

As part of the continuous improvement of its range of training courses, the CME – Electricity Training Center – has initiated a process of consulting industrial groups and companies in the electricity sectors in Côte d’Ivoire, which led to the restructuring of the Electrical Engineering BTS, with the support of the Ministry of Higher Education and Scientific Research (MESRS). This process aims to provide a long-term solution to the shortage of technicians in this sector, where there is strong labor demand, with a strong promise of employment upon finishing the training course: «100% of our BTS graduates are sure to be recruited».

To do this, the CME first set up training content adapted to the requirements of employers, then successfully mobilized qualified teachers, and lastly, established partnerships with companies.

Two years later, the BTS, for which the first year group included 61 students, had a success rate of 95% and 100% of students who successfully passed the Electrical Engineering BTS are on work-experience courses in partner companies of the CME.

Backed by this initial successful experience and based on demand from companies, a second «Maintenance of production systems» BTS was opened in September 2017.

A total of 149 new students were recruited on these two courses of study through a competitive examination organized in partnership with the Institut Polytechnique Félix Houphouët Boigny (INPHB) at Yamoussoukro, bringing the total headcount on the BTS training courses to 230 students including 47 females, representing 20.5%.

This result is the fruit of the continuous effort to match training to jobs, which was identified as a strong expectation of the electricity sector. It positions the CME as a center of excellence, which gives training courses providing not only a qualification but, above all, a job.

24- Study, Design and Experimentation Section for the Technical Committee.

25- Total number of employees having attended formal training sessions. All the same employee trained over «n» sessions is counted «n» times.
CHAPTER 5
CONTRIBUTING TO LOCAL DEVELOPMENT

More than 50 years of building public-private partnerships for better access to water and electricity

Commitment to local service in the communities we serve

Service quality that takes public health into consideration

Environmental and social impact assessments conducted according to the most demanding international standards

Improved customer experience thanks to technological innovation

Involvement of stakeholders from planning through operation
A. DEVELOPING BALANCED PUBLIC-PRIVATE PARTNERSHIPS

A public services manager, pan-African producer of water and electricity, provider of high-speed data transmission capabilities and developer of training solutions in its core businesses, the Eranove Group, through its subsidiaries, has been working in Africa for over 50 years.

This partnering has not been limited just to the public authorities. It incorporates, in various respects, all stakeholders of the Group: employees, technical and financial partners, consumers, suppliers, NGO’s and local communities. It is gradually building a shared vision of sustainable development goals to which the Group and its stakeholders can contribute, each in their own way.

B. RESPONDING TO PUBLIC HEALTH ISSUES

The Eranove Group conducts its businesses pursuant to the safety rules for operating infrastructure and providing services.

"Great care is demanded of each company in the design, construction, operation and maintenance of installations, to prevent any accident that might affect the health and safety not only of its employees and subcontractors but also of its neighboring residents and its consumers."

The water and electricity facilities that the Eranove Group owns or manages on behalf of the State may present health and safety risks to consumers and local residents. These risks are governed by strict national and international regulations, whose observance is subject to regular review by Eranove Group staff and the public authorities. Furthermore, the contracts which bind the companies of the Group and the concession-granting authorities include provisions to ensure safety and public health, both in periods of operation or work, including in periods of crisis.

In the water sector, the Group ensures particularly that the production of drinking water and the discharge of wastewater into the natural environment comply at a minimum with the recommendations of the World Health Organization.

Focus

CHECKS ON THE QUALITY OF WATER DISTRIBUTED EXCEED OBJECTIVES AT SDE

Every year SDE contracts with the asset management company (SONES - Senegal water corporation) to conduct a number of analyses and a rate of compliance. SONES monitors these results in the laboratories of the Institut Pasteur and the Laboratory Bio Ndar (for bacteriological analyses) and of the Hydrology Department of Cheikh Anta Diop University (for physico-chemical analyses).

In 2017 SONES carried out:

- 9,473 bacteriological tests with a compliance rate of 98.5% (exceeding the objectives of 96% on 9,500 tests);
- 2,509 physico-chemical tests with a compliance rate, excepting exemptions, of 99.34% (exceeding the objectives of 95% on 2,500 tests).
C. FOSTERING CLOSER RELATIONSHIPS

1. Participating in the development of host communities

“In the African tradition, the Group’s local roots have always been expressed by actions carried out in favor of the people living near sites of activity. Decided by the Senior Management, these actions affect vulnerable population groups in various sectors: health, sport and culture, education, access to water and electricity... all contribute to shared development and the maintenance of constructive relationships.

Around water or electricity production facilities, the process was firstly standardized by extending a part of the Group’s managerial model to the local communities: training in participative village management and assistance with social organization, tools to identify sources of wealth, promotion of a family savings culture and sustainable management of village resources.

Since 2014, the Eranove Group has been organizing its societal actions along ISO 26000 guidelines: the stakeholders now have a framework to express and direct the societal actions from which they can benefit.

This approach has listed and classified (according to their level of influence) the individuals or groups of individuals who can affect, or be affected by, the activities of the Group’s subsidiaries. As an illustration, 408 groups of stakeholders have been identified at this stage, at the level of the Electricity Production Department of CIE. The identified stakeholders are then invited to meetings for discussion and dialogue during which their expectations are listed. These discussion meetings, which in some cases resemble municipal referendums, take place at various intervals (weekly, monthly, quarterly, annually) according to the specifics of the stakeholders. SDE organizes monthly meetings with its social partners and a biannual meeting with associations of consumers. Finally, the expectations expressed in the discussion and dialogue meetings are translated into objectives and subsequently applied in action plans. For example, this is how, at CIPREL, societal actions concentrated on supporting pupils in the nursery and primary schools near to the site (Vridi 3 and Vridi Canal), with the distribution of more than 2,700 school kits.

The implementation of these societal action plans expresses the determination of the Group to develop a structured sustainability approach around operational facilities and maintain sustainable local connections with its stakeholders.

At the end of 2017, three subsidiaries were evaluated according to the ISO 26000 standard: CIE (Energy Production Department) and SDE (all scopes excluding the Khor factory) at an «exemplary» level, and CIPREL (all scopes), at a «confirmed» level. SODECI is preparing for the evaluation of the Abidjan Production Department in 2018.

Very early on, the Group integrated the host communities into a shared vision of economic and social development”
Focus

IN SENEGAL, SDE IS SUPPORTING THE ILE DE GORÉE IN SETTING UP AN ENVIRONMENTAL MANAGEMENT SYSTEM

On Ile de Gorée, for several years, SDE has been piloting support to communities and town halls in implementing an environmental approach.

Gorée was chosen for symbolic reasons (an island with a slave-trading past and a site classified by UNESCO since 1978), as well as technical reasons (isolation, small size and commitment of the local authority and the inhabitants in favor of the environment).

Several actions were carried out:

- Environmental assessment of the island to determine the level of compliance with the ISO 14001 standard;
- Complete environmental analysis of the island to identify significant environmental aspects and priorities;
- Preparation of priority projects related to significant identified environmental aspects (waste management, sewage management, etc.);
- Support in setting up the system provided by an environmental engineer;
- Financing waste management: acquisition of waste bins and a dug-out canoe for bringing waste from the island to the continent.

The experience gained with this project can serve as a catalyst for initiating approaches of this type in other local authorities or ministerial departments and thus contribute to improving governance in these types of organization. The objective is to capitalize upon experience.

2. Placing the customer at the core of the organizations

"The customer relationship in the public services is constantly evolving towards better service, more information and greater transparency."

Most of the customer actions in 2017 are organized around four topics:

- Responding to the increasing demand for information;
- Improving the accessibility of services;
- Facilitating the processing of invoices;
- Improving the process of breakdown repair.

1 - Responding to our customers’ increasing need for information

Customer satisfaction studies show that the traditional media (daily newspapers, posters, radios, networks related to the chiefdoms) are no longer enough to fulfill their expectations.

Thus, the Group’s public service companies (SDE, SODECI and CIE) have undertaken to disseminate...
their information by new channels, both to inform customers in almost real-time about the networks (programmed disruptions, leaks, power cuts, service resumption, etc.), and to disseminate information that interests them: how to save water and electricity, major construction projects, leak-detection methods, opening hours of agencies, contacts, etc.

• Mobile applications

Launched in 2017 by CIE in Côte d’Ivoire and SDE in Senegal on iOS and Android, the Eranove Group’s mobile applications provide real-time information on the main «network info», facilitating contacting customer relationship centers, enabling incidents to be reported (leaks, electrical faults, etc.) via the «photo alerts» section, using a photo taken by the user, which will be geo-located and sent directly.

New versions of more comprehensive applications are programmed for 2018.

• Social networks

The companies have greatly increased their communication on the social networks, particularly Facebook - a network that is very popular both in Côte d’Ivoire and Senegal.

This presence on this very popular medium is implemented through community managers who are constantly interacting with groups of consumers, and through the increasing organization of the institutional Facebook pages of the companies.

A few examples of achievements:

- Launched in July 2017, SDE’s Facebook page had 27,000 followers at the end of 2017. Each week, the page offers practical advice to improve water quality, detect leaks, and provides information on agencies, on CSR actions, etc.
- In 2017, CIE responded to 1,448 customer complaints, and SODECI to 1,093 complaints on Facebook on active consumer groups and its own page

• Increasing the number of information partnerships

For information to be available to everyone as quickly as possible, the companies have established communication partnerships with Facebook pages and Internet sites used widely by consumers.

These media thus provide an on-demand relay for the main information from the public-service companies, in real-time, to a wide audience: an example is the partnership between CIE and Abidjan.net by which Abidjan.net disseminates real-time banners on its Internet site in case there is a major network incident on the Côte d’Ivoire electric power grid.

2 - Improving the accessibility of services

In circumstances of increasing urbanization, road traffic and transport prices, the companies of the Eranove Group are intent on facilitating access to their services by limiting the journeys of their customers.

This movement was initiated several years ago, with the payment of invoices by mobile telephone or by partner networks (particularly banks). In 2017, the online agency, known as e-agency, became available, resulting in an increasing number of local actions.

• e-agency

Agencies on the Internet are under development and provide customers with access to nearly all products and services without having to travel. The first e-agency was put online by SDE in the 4th quarter of 2017.

It enables the main actions to be carried out online: payment of invoices, connection, subscription, termination, etc.
**Local operations**

So that even the customers who do not come to us can be listened to and get replies, there are an increasing number of actions outside our premises.

So, in 2017, CIE decided to go and meet its customers. After a test at the end of December 2016, it organized a commercial meet-and-greet called “Between you and us” in February. A second meet-and-greet took place in June, then a third in December 2017. The “Between you and us” concept involved assigning about ten kiosks in greater Abidjan, in public areas such as the town hall and the sports field or in shopping centers.

The customers took advantage of these occasions to explain exactly what they thought. During the test, and the two meet-and-greet sessions that followed, the teams recorded more than 23,300 visitors and collected nearly 2,900 comments.

**3 - Facilitating the processing of invoices**

Whatever the efforts of the States of Senegal and Côte d’Ivoire to contain the prices for water and electricity, the invoiced expense is significant for a large number of Côte d’Ivoire and Senegal households.

The companies of the Eranove Group are therefore doing everything that they can to reduce the expense for their customers through actions on the ground.

- The three companies are increasing the advice and communication to their customers to help them to optimize their consumption through tutorial films broadcast on the social networks and in the agencies, through booklets made available, televised mini-films, in their mobile applications, etc.
- SDE has developed and put online, on its e-agency, an invoice simulation tool, which enables better anticipation of the payment of invoices.
- CIE has sent the invoicing schedule to its customers, to enable them to better plan and anticipate their payment.
- CIE is also increasing the number of prepayment offers, which enable households to better control their consumption and manage their family budgets.

**4 - Improving the process of breakdown repair**

The call centers and intervention teams are fully internalized to better control the service provided and are available twenty-four hours a day and seven days a week.

The intervention capacity is sometimes put under strain by the dilapidated condition of the water and electricity networks, which lead to breakdowns and urban congestion. In this context, the companies of the Eranove Group are increasing the number of innovations and tips for reducing delays and improving the quality of case management.

**Focus**

**COCKPIT FROM SDE: A PLATFORM 2.0 TO MONITOR INTERVENTIONS AND COMPLAINTS**

Cockpit 2.0 is an integrated platform for controlling interventions and handling customer requests and complaints. Composed of a call center and a system for supervising interventions in real-time, Cockpit from SDE, after its installation in 2004, achieved its digital revolution in 2017.

The technologies used by the mWater™ platform and the application that manages the services of Cockpit 2.0 provide access to these services from a mobile terminal (telephone, smartphone) or a fixed terminal (PC) through all types of available communication channels (SMS, GSM, 2G, 2.5G, 3G, 4G, Wifi, Web, etc.).

The supervision cockpit now has:

- Precise information on all customers of greater Dakar (geolocation, telephone and email contact, etc.);
- A call center that will become the single point of entry for customer relationships;
- A technical supervision service with digital tools for organization and monitoring in real-time:
  - Interventions on the ground for maintenance work, connections and those relative to requests from customers for subscriptions, terminations, etc.,
  - The position of the fleet of vehicles to optimize intervention time,
  - The intervention report, which is dematerialized: photos are stored in the database to keep track of interventions, together with a vocal report.
D. PROMOTING OUR SUSTAINABILITY APPROACH AMONG OUR PARTNERS

Following the issues identified under the ISO 26000 process and the ethics program,

“the Group’s companies realized the role that they could play as influencers, towards their subcontractors, suppliers and partners, to encourage them to respect fundamental principles in terms of responsibility.”

This awareness is now expressed

- Around the water and electricity production plants, where discussion meetings with stakeholders have had a real follow-through effect
- Through societal actions designed to be sustainable, such as, at SDE, training courses in the prison system and support in setting up management systems with local administrations
- Through the dissemination of best practices to the general public (via television, cinema, press, social networks, etc.) for better use of water and energy savings
- Through the integration of the main suppliers in the application of ethical charters
- Through the incorporation of increasingly rigorous ethical, social and environmental criteria into the purchasing process.

Focus

CIPREL IV: THE CONSTRUCTION COMPANIES COMMITTED TO A ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN

At CIPREL, the construction of a combined cycle plant for recycling hot exhaust gas emitted by two gas turbines to drive a steam turbine (project named «CIPREL IV») was accompanied by a Environmental and Social Management Plan (ESMP) forming an integral part of the Environmental and Social Impact Assessment (ESIA).

Bringing together all responsible players, this plan covers the entire life of the plant: its construction, operation and going as far as its demolition. A genuine tool for planning, the ESMP details, identifying the designated managers and the monitoring indicators, the actions to implement and the monitoring of the measures decided to eliminate, reduce or compensate for the social and environmental impacts of the project.

The ESMP has naturally been translated into ethical criteria, in the specifications for requests for bids, to associate the works contractors. During all phases of construction, particular attention was paid to:

- The management of building site waste (types of waste planned, means of collection, means and place of storage, means and place of disposal);
- The management of water (supply, place, quantity), the purification system planned for the domestic water for the building sites and the places of discharge;
- The management of air, including the control of dust vents, gaseous discharges and sound emissions (noise of machinery);
- The management of human resources (compliance with local employment regulations, incentive to prioritize local hiring, satisfactory housing for immigrant workers);
- Communication and information directed towards the local population and the local and national authorities (with an inspection of the construction site by the representatives of neighboring communities).

CIPREL’s HSE team monitors the implementation of the ESMP, with inspections by local administrations and consultancies mandated by the lenders, with a commitment to warn the local institutions concerned when any particular problems are encountered.
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Other actions taken to promote human rights 1.C

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<table>
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<th>SECTION IN THE 2017 REPORT</th>
</tr>
</thead>
<tbody>
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</tr>
<tr>
<td>G4-2</td>
<td>Description of main impacts, risks and opportunities Editorial /1/2/3/4/5</td>
</tr>
</tbody>
</table>

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### Category: Economy

#### Aspect: Economic Performance

- **G4-EC1** Direct economic value created and distributed  
- **G4-EC2** Climate change-related risks and opportunities likely to lead to major changes in business activities, income or expenditure.  
- **G4-EC3** Defined benefit pension scheme coverage.  

#### Aspect: Market Presence

- **G4-EC5** Ratios for basic starting salary by gender in comparison with the local minimum wage.  

#### Aspect: Indirect Economic Impacts

- **G4-EC7** Development and impact of investment in infrastructure and service support.  
- **G4-EC8** Substantial indirect economic impacts and the scale of such impacts.  

### Category: Environment

#### Aspect: Materials

- **G4-EN1** Consumption of materials in weight and volume.  

#### Aspect: Energy

- **G4-EN6** Reducing energy consumption.  
- **G4-EN7** Reducing the energy needs of products and services.  

#### Aspect: Water

- **G4-EN8** Total volume of water taken by source.  

#### Aspect: Emissions

- **G4-EN19** Reduction of GHG emissions.  

#### Aspect: Effluents and Waste

- **G4-EN22** Total water effluents by type and destination.  
- **G4-EN23** Total waste weight by type and processing method.  

### Category: Social

#### Sub-Category: Practices in Matters of Employment and Decent Working Conditions

#### Aspect: Employment

- **G4-LA1** Total number of new hires, and staff turnover rate by age, gender and geographical area.  
- **G4-LA2** Social benefits offered to employees on the main operating sites.  

#### Aspect: Health and Safety at Work

- **G4-LA5** Percentage of the total workforce represented in the occupational health and safety joint committees.  
- **G4-LA6** Rate and type of workplace accidents, occupational illnesses, absenteeism, lost work days by geographical area and by gender.  
- **G4-LA7** Employees who are directly and frequently exposed to specific work-related illnesses as part of their jobs.  

#### Aspect: Training and Education

- **G4-LA8** Average number of employee training hours during the reporting period.  
- **G4-LA10** Employee training and skills development schemes.  

#### Aspect: Diversity and Equal Opportunities

- **G4-LA12** Breakdown of employees by professional group, age and gender.  

#### Aspect: Equal Pay for Women and Men

- **G4-LA13** Ratio of basic salary and comparison between women’s and men’s salaries for each category.  

#### Sub-Category: Human Rights

#### Aspect: Anti-Discrimination Measures

- **G4-HR3** Total number of discriminatory incidents, and corrective actions implemented.  

#### Aspect: Assessment of Supplier Compliance with Human Rights Regulations

- **G4-R10** Percentage of new suppliers checked against human rights-related criteria.  
- **G4-R11** Negative impacts on human rights in the supply chain and measures taken.  

#### Sub-Category: Society

#### Aspect: Local Communities

- **G4-SO1** Percentage of sites having implemented schemes to involve local communities, impact assessments and development programs.  

#### Aspect: Anti-Corruption Measures

- **G4-SO3** Communication and training on anti-corruption policies and procedures.  

#### Sub-Category: Responsibility for Products

#### Aspect: Health and Safety of Consumers

- **G4-PR1** Percentage of product and service categories for which health impacts are assessed with the aim of making improvements.  

#### Aspect: Labeling of Products and Services

- **G4-PR3** Information on products and services required by organizational procedures.
APPENDIX III – METHODOLOGICAL NOTE

OVERVIEW

French Law no. 2010-788 promulgated on July 12, 2010 concerning the national commitment to the environment and known as «Grenelle II» called for greater transparency and more extra-financial reporting, which until then had been required by the NRE Law of 2001.

The law was supplemented by two implementing decrees: the Decree of April 24, 2012, which defines the thresholds for applying the law and lists the disclosures to be made, and the decree of May 13, 2013 which prescribes the manner in which an independent third-party organization must perform its verification.

The Eranove Group has been voluntarily subject to these texts since the 2015 fiscal year, and now for the third consecutive fiscal year.

The indicators used by Eranove were selected both to meet the requirements of Article R. 225-105-1 of the so-called Grenelle II law in the French Commercial Code (Code de Commerce) and to represent the Group's business activities.

In addition to the indicators that quantify Eranove's impact on the environment, this report presents the strategy, commitments, accomplishments and plans of the Eranove Group in terms of sustainability for the 2017 fiscal year throughout the whole of the consolidated scope of the Group.

Moreover, Eranove has tried in its report to apply the principles of the Global Reporting Initiative (GRI) with respect to producing sustainable development reports, specifically: thoroughness, clarity, timeliness, balance and accuracy.

Eranove is engaged in a multi-year process of ongoing progress and improvement in order to enhance its internal reporting system, make its data reliable and expand the number of actions and indicators it tracks to give the most accurate picture possible of its footprint.

METHODOLOGICAL ISSUES IN THE REPORTING SYSTEM: PROCEDURE AND TOOLS OF THE REPORTING SYSTEM

The sustainability reporting was initiated by the Senior Management of the Group in November 2014 in order to reflect, as comprehensively and precisely as possible, the growing importance of sustainability within all of the entities of the Group.

In this regard, a computerized system for the collection and consolidation of social, environmental and societal data was put in place using software known as OPERA, which has been selected and deployed. The sustainability indicators were integrated into this configured software, which includes historical data from 2012 to 2016.

The list of indicators (collections of entries from the computer system) constitutes the standard used by the Group, given that it specifies, for each indicator: a unique identifying number, a name, a definition, a calculation methodology or formula, a unit of measure, the reporting period, the scope covered, sources and persons responsible, comments and yearly columns for reporting the data.

CHOICE OF INDICATORS

The indicators used were first selected to meet the requirements of Article R. 225-105-1 of the so-called Grenelle II law in the French Commercial Code.

The list was added to by in-house contributors to give a better picture of the major impacts of the operating companies and the special factors at each company.

• DEFINITION OF GROUP-WIDE ENVIRONMENTAL AND SOCIAL INDICATORS

A first series of indicator definitions was proposed by Eranove SA in keeping with a set of external benchmarks. These definitions were reviewed with each subsidiary to confirm the feasibility and relevance of the initial definition.

A number of working sessions at each subsidiary and between each subsidiary and Eranove SA, particularly in the sustainable development management group, ensured the consistency of the indicators across the subsidiaries and their accurate reflection of the realities of each business line. Definitions were then adjusted and the scopes refined.

For reasons of stability, if a change in the definition of the indicator made in 2017 changes the value of the 2016 indicator, it has been decided not to carry forward the calculation of the 2016 indicator, except as otherwise provided in the commentary.

• CHANGES IN INDICATORS FROM 2016 TO 2017

This section gives the changes to indicators between the 2016 and 2017 sustainability reporting following feedback from members of the Sustainable Development Management Group and/or upon request from the independent third-party organization in charge of verification. These developments include: the new indicators, the reformulation of titles, definitions or calculation modes and the deletion of indicators.

With regard to the collection of social indicators (Human resources)

* The definitions and/or calculation formulas were adjusted for the following indicators, with the aim of eliminating ambiguities and ensuring good reproducibility:

  • company headcounts;
  • training expenses;
  • number of hours of training;
  • wages and salaries;
  • work-related accidents;
  • absenteeism;
  • departures due to contract termination;
  • occupational diseases;
  • expenditure in respect of social policy

* Elimination of three indicators related to the COMPANY DISABLED HEADCOUNT, which were the subject of previous reporting, and their replacement by two new indicators which are easier to understand and follow:

  • number of disabled persons recruited;
  • number of disabled persons in the headcount

The historical data from the two deleted indicators («Headcount with total disability after hiring» and «Headcount with partial disability after hiring») were transferred to the new and more explicit indicator of «Number of disabled persons in the headcount». Consequently, an adjustment of historical data of the «Total headcount with disabilities» was necessary:

  • 2015: 50 persons with disabilities in the headcount (instead of 57);
2016: 114 persons with disabilities in the headcount (instead of 127).

* Creation of an indicator on commuting accidents which were not taken into account in 2016:
  + Commuting accident.
* Correction of the title «Absences for exceptional legal permissions (APE)>>
  + Absence for exceptional permission (APE)
* Addition of an indicator on the number of interns recruited during the fiscal year by the company:
  + Number of hires of interns.
* Creation of a specific collection for indicators on wages, which is only accessible to a small number of identified and accountable persons to ensure the confidentiality of the data.

**With regard to the collection of environmental indicators**

* Adjustment, modification of titles, definitions, units and/or calculation formulas for the following indicators:
  + water consumption;
  + available THERMAL energy;
  + available HYDROELECTRIC energy;
  + paper consumption;
  + water consumption by headquarters, agencies, offices;
  + electricity consumption by water production and electricity generation plants
  + gas consumption;
  + rates of availability of electrical power generators, excluding scheduled shutdowns
  + (added «Rate of»);
  + transformers containing PCB (Replaced the word «devices» by «transformers»);
  + discharges of greenhouse gases (instead of the abbreviation GHGE).
* Creation of new indicators based on feedback from companies:
  + total drinking water produced;
  + calcium carbonate;
  + education on reducing greenhouse gas emissions;
  + greenhouse gas emissions to be avoided through energy audits;
  + emissions of atmospheric pollutants (subtitle);
  + consumption of paper for outputting invoices;
  + total number of transformers used;
  + rate of transformers containing PCB;
  + number of transformers containing PCB sent for disposal

**With regard to the collection of societal indicators**

* Modification of the title, the unit and/or the calculation formula for the following indicators:
  + subsidized connections to the electricity grid: title modified to distinguish them from connections related to the Electricity for All program;
  + subsidized connections to the water grid: adjustment of the definition and the formula;

**REPORTING**

**REPORTING SOFTWARE**

The reporting tool, named OPERA CSR, was updated by the company AMELKIS (France) based firstly on modifications and additions of the indicators chosen and validated for the 2017 fiscal year, and secondly, the requirements of optimization of the deadline and quality of reporting results. So it now has the following functionalities:

- Connection mode: SaaS (Software as a Service): direct access over the Internet with a dedicated payable code for each user;
- Display of a dashboard for monitoring entries and alerts, indicating:
  + the number of indicators for which data has been entered (data alert threshold),
  + the number of indicators to be corrected or justified (variation alert threshold),
  + the number of indicators with incoherent data (coherence alert threshold),
  + the rate of progress of the entry,
  + the completion of comments;
- creation of a collection for entering and consulting data on wages (confidential area), with reduced access to ensure the confidentiality of information;
- automation of calculation for the greenhouse gas discharge indicator, to facilitate the inclusion of emission factors specific to each country;
- automatic presentation of data in a format that is directly usable in the appendix to the Sustainable Development reports, known as «Grenelle presentation»

The user manual, updated by the developer AMELKIS (France) according to changes made to the software (V2) was sent during deployment of this new version to each of the users in the entities, in order to ensure proficiency with the tool.
REPORTING MANUAL

The reporting procedure (ESA-RSE-REP-2017-12), in the process of validation, describes the eight main stages characterized by well-defined tasks and responsibilities:

<table>
<thead>
<tr>
<th>No</th>
<th>Stages in the Process</th>
<th>Tasks</th>
<th>In Charge</th>
</tr>
</thead>
</table>
| 1  | Report Request        | • Define framework and guidelines of the reporting  
                               • Prepare broad scheduling of the reporting  
                               • Transmit the guidelines and the schedule for the reporting to the companies | ERANOVE Senior Management  
                               ERANOVE Sales and Customer department  
                               SM representative Sustainable Development Management Group  
                               OTI |
| 2  | Configuration of the Opera software for the reporting system | • Identify deletions and additions of indicators  
                               • Seek software update from the vendor  
                               • Perform technical operations to incorporate the updates made  
                               • Set the reporting period(s) into the software | SM representative Sustainable Development Management Group  
                               OTI |
| 3  | Reporting data collection and entry by the companies | • Define within the Company the reporting guidelines and schedule  
                               • Prepare the reporting data indicators  
                               • Check the reliability of data produced by employees  
                               • Collect data from those responsible for producing the data  
                               • Enter and save the data in Opera  
                               • Create the reproductions of the Company’s data  
                               • Audit data entry and check the data in Opera | Company CSR manager  
                               Data Mgr. Relevant department  
                               SM representative Sustainable Development Management Group  
                               OTI |
| 4  | Preparation of Group report statements | • For each company, check the effectiveness and comprehensiveness of data entry into the software  
                               • Prepare the Group data retrieval statements | Company CSR manager Relevant department  
                               SM representative Sustainable Development Management Group  
                               OTI |
| 5  | Preparation of the Sustainable Development Report (Group) | • Establishment of detailed summary with the contributions of subsidiaries  
                               • Write the Group’s Sustainable Development Report | Subsidiaries CSR manager  
                               SM representative Sustainable Development Management Group  
                               OTI |
| 6  | Check of the Group’s extra-financial CSR reporting | • Perform an internal audit for thoroughness, reliability and consistency of the reporting data (indicator and Group SD report)  
                               • Check and certify the reliability and the compliance of the CSR reporting data with current standards | SM representative CSR manager of the companies Eranove Senior Management  
                               SM representative CSR manager of the companies ERANOVE Group  
                               SM representative Sustainable Development Management Group  
                               OTI |
| 7  | Validation of extra-financial reporting by Board of Directors | • Validation of the CSR indicators of the company by the general management then by Company Board of Directors  
                               • Validation of the group’s CSR reporting (indicators and SD report) by the Eranove general management and Board of Directors  
                               • Publication of the report on the verification of the Group’s CSR reporting by the OTI | Company SM  
                               Company BdD  
                               ERANOVE Senior Management  
                               ERANOVE Group  
                               OTI |
| 8  | Publication of the SD reports of the companies and group | • Writing the company SD report  
                               • Editing, publication and dissemination of the company and group SD reports | Company CSR manager  
                               ERANOVE Sustainable Development manager  
                               Design and printing contractor |

• REPORTING SCOPE

In 2017, the information, whatever the domain, social, societal or environmental, published in this report, covers all companies having an operational activity in the Eranove Group, namely: CIE, SOODECI, CIPREL, SDE, ERANOVE CI, ERANOVE SA, AWALE CORPORATION, GS2E, and SMART ENERGY.

Work done under management or services contracts is left out of the reporting system.

For all information, year-on-year comparisons are based on like-for-like scope.

For each of the indicators, the companies concerned are specified.

• DISCLAIMER AND LIMITATIONS ON THE METHODOLOGY

• The severity rate and the frequency of lost time are calculated on theoretical hours worked, appearing in the denominator as product of the workforce as of the end of the month times the monthly hours for a 40-hour work week (in Côte d’Ivoire and Senegal) or 35-hour work week (in France) multiplied by 12 months. I.e., (35 h/wk * 52 wk/year/12 months/yr) 151.67 hours/month in France and (40 h/wk. * 52 wk/year/12 months/yr) 173.33 hours/month in Côte d’Ivoire and Senegal. In this way, the theoretical employee working time takes into account variations in headcount during the year.

• The following are taken into account for calculating absenteeism rates: occupational accidents, unauthorized absences, sick days and lay-offs.

• The calculation of the occupational accidents includes student interns at the CME and CMEAU.

• Regarding the production and distribution of water, network efficiency is the ratio of water billed to the customer over the drinking water supplied to the network (i.e., the treated water from plants and, for SDE, water from the wells connected to the network after chlorination). Technical distribution efficiency refers to Dakar and Abidjan, for which the flow of water into these capitals is measured.

The indicator of consumption of total energy sums the electrical energy consumed and the consumption of natural gas, DDO/HVO and Diesel/Diesel Oil

ENV 410 = ENV420+ENV430+ENV440*0.00901067+(ENV450+ENV460)*0.01+ENV470*0.00985833

The conversion factors are based on the PCI and density data from ADME’s GHG assessment site (http://www.bilansges.ademe.fr/).

- Natural gas: 49.6 GJ/t = 654 kg/m³
- HVO/DDO: 10 GJ/t = 900 kg/m³
- Fuel oil/Diesel oil: 42 GJ/t = 845 kg/m³

The calculation of greenhouse gases was done automatically in the IT system based on data from the ADMEC carbon database (http://www.bilansges.ademe.fr/).

- for consumption of electricity by head offices, agencies, offices and facilities:
  - Côte d’Ivoire EF electricity = 0.445 kgCO₂e/kWh
  - Senegal EF electricity = 0.637 kgCO₂e/kWh
  - France EF electricity = 0.0647 kgCO₂e/kWh

- for fuel:
  - Gasoline EF 2.8 kgCO₂e/l
  - Road vehicle diesel EF = 3.16 kgCO₂e/l

- for DDO and HVO:
  - Heavy Fuel Oil EF = 3.25 kgCO₂e/l
  - Fuel oil/diesel used in electricity generators:
    - Diesel EF = 3.16 kgCO₂e/l.
## EMPLOYMENT INDICATORS

### 1. COMPANY HEADCOUNT

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>DEFINITION</th>
<th>UNIT</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total workforce</td>
<td></td>
<td>No. of individuals</td>
<td>8,351</td>
<td>8,579</td>
<td>9,078</td>
</tr>
<tr>
<td>Total workforce, Managers (MA)</td>
<td></td>
<td>No. of individuals</td>
<td>831</td>
<td>857</td>
<td>943</td>
</tr>
<tr>
<td>Total workforce, Supervisors (S)</td>
<td></td>
<td>No. of individuals</td>
<td>3,750</td>
<td>3,907</td>
<td>4,066</td>
</tr>
<tr>
<td>Total workforce, Workers (W)</td>
<td></td>
<td>No. of individuals</td>
<td>2,770</td>
<td>2,915</td>
<td>3,069</td>
</tr>
<tr>
<td>Total female workforce</td>
<td></td>
<td>No. of individuals</td>
<td>2,023</td>
<td>2,050</td>
<td>2,166</td>
</tr>
<tr>
<td>Total female workforce, Managers (MA)</td>
<td></td>
<td>No. of individuals</td>
<td>230</td>
<td>241</td>
<td>268</td>
</tr>
<tr>
<td>Total female workforce, Supervisors (S)</td>
<td></td>
<td>No. of individuals</td>
<td>1,139</td>
<td>1,152</td>
<td>1,214</td>
</tr>
<tr>
<td>Total female workforce, Workers (W)</td>
<td></td>
<td>No. of individuals</td>
<td>654</td>
<td>657</td>
<td>686</td>
</tr>
<tr>
<td>Total workforce, expatriate Managers</td>
<td></td>
<td>No. of individuals</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Total workforce, expatriate Supervisors</td>
<td></td>
<td>No. of individuals</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Total workforce, expatriate Workers</td>
<td></td>
<td>No. of individuals</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total headcount per age bracket</td>
<td></td>
<td>No. of individuals</td>
<td>8,351</td>
<td>8,579</td>
<td>9,078</td>
</tr>
<tr>
<td>Total workforce aged 18-25</td>
<td></td>
<td>No. of individuals</td>
<td>214</td>
<td>163</td>
<td>251</td>
</tr>
<tr>
<td>Total workforce aged 26-35</td>
<td></td>
<td>No. of individuals</td>
<td>3,217</td>
<td>3,342</td>
<td>3,509</td>
</tr>
<tr>
<td>Total workforce aged 36-45</td>
<td></td>
<td>No. of individuals</td>
<td>2,521</td>
<td>2,685</td>
<td>2,813</td>
</tr>
<tr>
<td>Total workforce aged 46-55</td>
<td></td>
<td>No. of individuals</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total workforce aged 56 years and older</td>
<td></td>
<td>No. of individuals</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### 2. DISABLED COMPANY HEADCOUNT

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>DEFINITION</th>
<th>UNIT</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of fixed-term (CDD) and permanent (CDI) employees working in Saudi Arabia</td>
<td></td>
<td>No. of individuals</td>
<td>50</td>
<td>114</td>
<td>106</td>
</tr>
<tr>
<td>Total number of disabled persons hired on temporary or permanent contracts in the headcount of the Company during the reporting period</td>
<td></td>
<td>No. of individuals</td>
<td>-</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total number of disabled persons recruited</td>
<td></td>
<td>No. of individuals</td>
<td>50</td>
<td>114</td>
<td>106</td>
</tr>
<tr>
<td>Total number of disabled persons in the headcount</td>
<td></td>
<td>No. of individuals</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### 3. TRAINING

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>DEFINITION</th>
<th>UNIT</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of training sessions followed by executives</td>
<td></td>
<td>No. of individuals</td>
<td>9,718</td>
<td>6,636</td>
<td>5,788</td>
</tr>
<tr>
<td>Training expenses</td>
<td></td>
<td>€</td>
<td>1,421,016</td>
<td>1,491,888</td>
<td>2,790,267</td>
</tr>
<tr>
<td>Total number of training sessions</td>
<td></td>
<td>No. of individuals</td>
<td>214,049</td>
<td>225,004</td>
<td>151,888</td>
</tr>
<tr>
<td>Total number of external training courses attended</td>
<td></td>
<td>No. of hours</td>
<td>113,828</td>
<td>65,484</td>
<td>31,272</td>
</tr>
</tbody>
</table>

27 The indicator on the total number of training sessions dropped by 30% compared to 2016, mainly related to the reduction of days for GS2E (only GS2E were included), in contrast to 2015 (where a significant number of training sessions were attended in December due to the lack of personnel mobility at the time, which was not the case in 2016 and 2017).

28 The data and indicators on training are derived from the 3rd version of the previous sustainable development report, following the refinement of 2016 training expenses for France (€4,928,360 to €4,950,680).

29 A single managerial employee trained during n sessions is counted n times, NB: A single managerial employee trained during n sessions is counted n times, Training of employees being recorded in the course of the year.

30 The total number of hours of training sessions dropped by 37% compared to 2016 related to an improvement in the reliability of the scope for GS2E (internal training courses not followed by employees counted in 2016 and external training courses counted only for GS2E personnel), and SODECI (internal training courses delivered to personnel in the process of recruitment are not counted).

31 The total number of training courses dropped by 33% compared to 2016, mainly related to an improvement in the reliability of the scope for GS2E (internal training courses not followed by employees counted in 2016 and external training courses counted only for GS2E personnel), and SODECI (internal training courses delivered to personnel in the process of recruitment are not counted).
## 4 - WAGES AND SALARIES

### Total payroll of the business excluding in-kind benefits and employer contributions

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total payroll</td>
<td>€ 84,165,045</td>
<td>€ 94,250,144</td>
<td>€ 106,293,088</td>
</tr>
</tbody>
</table>

### Amount of gross annual wages & salaries

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>€ 81,316,463</td>
<td>€ 98,944,579</td>
<td>€ 107,120,463</td>
</tr>
</tbody>
</table>

### Average gross annual pay, male managers

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 22,748,311</td>
<td>€ 29,591,648</td>
<td>€ 35,356,803</td>
</tr>
</tbody>
</table>

### Average gross annual pay, Supervisors

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 36,209,014</td>
<td>€ 41,806,381</td>
<td>€ 46,644,932</td>
</tr>
</tbody>
</table>

### Amount of gross annual wages & salaries, women

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>€ 22,388,238</td>
<td>€ 27,542,200</td>
<td>€ 27,130,147</td>
</tr>
</tbody>
</table>

### Average gross annual pay, female Workers

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 9,708</td>
<td>€ 11,563</td>
<td>€ 11,764</td>
</tr>
</tbody>
</table>

### Average gross annual pay, male managers

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 5,642,094</td>
<td>€ 6,649,372</td>
<td>€ 8,082,110</td>
</tr>
</tbody>
</table>

### Average gross annual pay, Supervisors

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 11,472,260</td>
<td>€ 12,014,505</td>
<td>€ 12,952,119</td>
</tr>
</tbody>
</table>

### Average gross annual pay, Workers

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 3,008,013</td>
<td>€ 4,593,790</td>
<td>€ 4,163,216</td>
</tr>
</tbody>
</table>

### Average gross annual pay, male managers

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 9,656</td>
<td>€ 10,982</td>
<td>€ 10,972</td>
</tr>
</tbody>
</table>

### Average gross annual pay, Supervisors

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 5,934</td>
<td>€ 7,035</td>
<td>€ 6,670</td>
</tr>
</tbody>
</table>

### Average gross annual pay, female Workers

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 4,231</td>
<td>€ 27,591</td>
<td>€ 29,967</td>
</tr>
</tbody>
</table>

### Average gross annual pay, male managers

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 10,727</td>
<td>€ 10,429</td>
<td>€ 10,336</td>
</tr>
</tbody>
</table>

### Average gross annual pay, Supervisors

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 24,531</td>
<td>€ 34,530</td>
<td>€ 37,120</td>
</tr>
</tbody>
</table>

### Average gross annual pay, Workers

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 6,050</td>
<td>€ 10,982</td>
<td>€ 10,972</td>
</tr>
</tbody>
</table>

### Average gross annual pay, female Workers

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>€ 5,942</td>
<td>€ 6,642</td>
<td>€ 6,069</td>
</tr>
</tbody>
</table>

### 5 - OCCUPATIONAL ACCIDENTS

#### Occupational accidents

- **Accidents, with and without loss of working time:**
  - **Days lost:**
    - 1,836,449
  - **Rate:** 0.23

- **Severity rate:**
  - 0.23

- **Rate:** 0.18

### 7 - ABSENTEEISM

#### Total time of absence (TTA)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total time of absence</td>
<td>€ 21,080,490</td>
<td>€ 23,627,757</td>
<td>€ 24,797,444</td>
</tr>
</tbody>
</table>

#### Frequency rate

- **Number of accidents during travel with sick leave greater than one day occurring in a given time per million hours of work:**
  - Number: 10.37
  - Frequency: 7.64

#### Company theoretical working time

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company working time authorized by agreement of management done by Managers beyond the statutory duration of working hours in force</td>
<td>Hours 647,168</td>
<td>Hours 605,217</td>
<td>Hours 649,072</td>
</tr>
</tbody>
</table>

#### Supervisors, theoretical working time

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total time of absence</td>
<td>€ 22,405</td>
<td>€ 333,183</td>
<td>€ 384,521</td>
</tr>
</tbody>
</table>

#### Company overtime

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total time of absence</td>
<td>€ 224,753</td>
<td>€ 322,034</td>
<td>€ 280,551</td>
</tr>
</tbody>
</table>

#### Absences authorized beyond the statutory duration of working hours in force

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total time of absence</td>
<td>€ 324,436</td>
<td>€ 24,264</td>
<td>€ 2,176</td>
</tr>
</tbody>
</table>

### 6 - EMPLOYEE WORKING TIME

#### Total time of absence (TTA)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total time of absence</td>
<td>€ 1,836,449</td>
<td>€ 2,118,364</td>
<td>€ 3,525,617</td>
</tr>
</tbody>
</table>

#### Absences authorized beyond the statutory duration of working hours in force

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absences authorized beyond the statutory duration of working hours in force</td>
<td>€ 618,218</td>
<td>€ 1,837,567</td>
<td>€ 3,189,787</td>
</tr>
</tbody>
</table>

#### Absences authorized beyond the statutory duration of working hours in force

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absences authorized beyond the statutory duration of working hours in force</td>
<td>€ 32,106</td>
<td>€ 37,712</td>
<td>€ 125,620</td>
</tr>
</tbody>
</table>

#### Duration of statutory annual leave taken with compensation by employees of the Company on temporary or permanent contracts

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duration of statutory annual leave taken with compensation by employees of the Company on temporary or permanent contracts</td>
<td>Hours 14,636</td>
<td>Hours 24,264</td>
<td>Hours 2,176</td>
</tr>
</tbody>
</table>

#### Absences due to layoffs (KOS)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absences due to layoffs (KOS)</td>
<td>€ 4,020</td>
<td>€ 15,128</td>
<td>€ 11,090</td>
</tr>
</tbody>
</table>

#### Absences due to temporary or permanent contracts having received a temporary suspension of their employment contract as a disciplinary measure

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absences due to temporary or permanent contracts having received a temporary suspension of their employment contract as a disciplinary measure</td>
<td>Hours 125,630</td>
<td>Hours 148,540</td>
<td>Hours 131,088</td>
</tr>
</tbody>
</table>

#### Absences due to temporary or permanent contracts

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absences due to temporary or permanent contracts</td>
<td>Hours 32,787</td>
<td>Hours 41,184</td>
<td>Hours 40,238</td>
</tr>
</tbody>
</table>

#### Absences due to permanent contracts

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absences due to permanent contracts</td>
<td>Hours 8,752</td>
<td>Hours 11,684</td>
<td>Hours 6,584</td>
</tr>
</tbody>
</table>

#### Rate of absenteeism

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate of absenteeism</td>
<td>0.90%</td>
<td>1.17%</td>
<td>0.92%</td>
</tr>
</tbody>
</table>

#### Unauthorised absences

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unauthorised absences</td>
<td>Hours 59,046</td>
<td>Hours 98,839</td>
<td>Hours 99,084</td>
</tr>
</tbody>
</table>

### Footnotes

* 2016 data changed compared to that shown in the previous sustainable development report (following the correction of 2016 hours of absence for statutory leave at Eranove SA, KONE Corporation and SDE).
* The total absence time indicator was up by 66% compared to 2016 related to an increase in statutory leave (encouragement to take leave)
* 2016 data changed compared to that displayed in the previous sustainable development report (following the restatement of 2016 hours of absence for statutory leave at Eranove SA, KONE Corporation and SDE).
### 11 - EXPENDITURE IN RESPECT OF SOCIAL POLICY

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>DEFINITION</th>
<th>UNIT</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure in respect of social policy</td>
<td>€</td>
<td>18,770,552</td>
<td>11,664,346</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**VOLUNTARY CONTRIBUTION TO THE COMPANY ON EMPLOYEE BENEFITS**

- **Voluntary financial contribution by the Company to the funds dedicated to the solidarity, health and retirement of employees (Solidarity Fund, Health Solidarity Fund, Health Insurance for pensioners, ASAMAR, FCPI, etc.)**

  | | € | 4,879,289 | 6,126,863 |

- **Funds used for internal loans.**

  | | € | 5,794,258 | 5,372,347 |
### 5. GENERATION & DISTRIBUTION OF ELECTRICITY

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total interconnected capacity in use</td>
<td>MW 1,247</td>
<td>1,247</td>
<td>1,247</td>
</tr>
<tr>
<td>Total interconnected THERMAL capacity</td>
<td>MW 643</td>
<td>643</td>
<td>643</td>
</tr>
<tr>
<td>Total interconnected HYDROELECTRIC capacity</td>
<td>MW 604</td>
<td>604</td>
<td>604</td>
</tr>
<tr>
<td>Total interconnected electrical generation</td>
<td>GWh 4,088</td>
<td>5,225</td>
<td>6,787</td>
</tr>
<tr>
<td>Total electricity from THERMAL power plants</td>
<td>GWh 2,740</td>
<td>3,728</td>
<td>3,383</td>
</tr>
<tr>
<td>Total electricity from HYDROELECTRIC power plants</td>
<td>GWh 1,352</td>
<td>1,520</td>
<td>1,417</td>
</tr>
<tr>
<td>Total electrical generation efficiency</td>
<td>% 98.71</td>
<td>98.61</td>
<td>99.22</td>
</tr>
<tr>
<td>Electrical generation efficiency, Abidjan</td>
<td>% 98.50</td>
<td>99.40</td>
<td>99.47</td>
</tr>
<tr>
<td>Rates of availability of electricity production units excluding scheduled shutdowns</td>
<td>% 95.50</td>
<td>95.25</td>
<td>94.97</td>
</tr>
<tr>
<td>Available energy</td>
<td>GWh 6,590</td>
<td>7,223</td>
<td>7,331</td>
</tr>
<tr>
<td>Available THERMAL energy</td>
<td>GWh 2,089</td>
<td>4,456</td>
<td>4,624</td>
</tr>
<tr>
<td>Available HYDROELECTRIC energy</td>
<td>GWh 2,050</td>
<td>2,762</td>
<td>2,409</td>
</tr>
<tr>
<td>Total efficiency</td>
<td>% 78.30</td>
<td>80.30</td>
<td>78.95</td>
</tr>
</tbody>
</table>

#### 6. CONSUMPTION OF RAW MATERIALS & INPUTS

<table>
<thead>
<tr>
<th>Material</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greenhouse gas emissions (GHG) kg CO2e</td>
<td>2,644,966</td>
<td>2,874,787</td>
<td>2,633,654</td>
</tr>
<tr>
<td>GHG besides electrical generation</td>
<td>2,644,966</td>
<td>2,874,787</td>
<td>2,633,654</td>
</tr>
</tbody>
</table>

### 7. ATMOSPHERIC POLLUTANTS: CO2, N0x, SOx

#### Greenhouse gas emissions related to interconnected electrical production

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Amount</th>
<th>2015 kg CO2e</th>
<th>2016 kg CO2e</th>
<th>2017 kg CO2e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greenhouse gas emissions kg CO2e</td>
<td>2,376,711,827</td>
<td>2,580,142,167</td>
<td>2,318,088,913</td>
<td></td>
</tr>
<tr>
<td>Calcium carbonate kg CO2e</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

#### 8. EQUIPMENT CONTAINING PCBs

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Number</th>
<th>2015 kg CO2e</th>
<th>2016 kg CO2e</th>
<th>2017 kg CO2e</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Calcium carbonate kg CO2e</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

#### Greenhouse gas emissions kg CO2e

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Amount</th>
<th>2015 kg CO2e</th>
<th>2016 kg CO2e</th>
<th>2017 kg CO2e</th>
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</thead>
<tbody>
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<td></td>
</tr>
<tr>
<td>Calcium carbonate kg CO2e</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

### 9. CONSUMPTION OF PAPER & COMPUTER PRODUCTS

#### Consumption of paper & computer products

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Quantity</th>
<th>2015 kg CO2e</th>
<th>2016 kg CO2e</th>
<th>2017 kg CO2e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greenhouse gas emissions kg CO2e</td>
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<td>2,318,088,913</td>
<td></td>
</tr>
<tr>
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<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

#### 10. ENVIRONMENTAL MANAGEMENT

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Amount</th>
<th>2015 kg CO2e</th>
<th>2016 kg CO2e</th>
<th>2017 kg CO2e</th>
</tr>
</thead>
<tbody>
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<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

#### 11. ENERGY AUDITS

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Amount</th>
<th>2015 kg CO2e</th>
<th>2016 kg CO2e</th>
<th>2017 kg CO2e</th>
</tr>
</thead>
<tbody>
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<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

#### 12. ENERGY CONSUMPTION

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Amount</th>
<th>2015 kg CO2e</th>
<th>2016 kg CO2e</th>
<th>2017 kg CO2e</th>
</tr>
</thead>
<tbody>
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<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

#### 13. ENERGY AUDITS

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Amount</th>
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<th>2017 kg CO2e</th>
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<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

#### 14. ENERGY CONSUMPTION

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Amount</th>
<th>2015 kg CO2e</th>
<th>2016 kg CO2e</th>
<th>2017 kg CO2e</th>
</tr>
</thead>
<tbody>
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<tr>
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<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

#### 15. ENERGY CONSUMPTION

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Amount</th>
<th>2015 kg CO2e</th>
<th>2016 kg CO2e</th>
<th>2017 kg CO2e</th>
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</tr>
<tr>
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<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

#### 16. ENERGY CONSUMPTION

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Amount</th>
<th>2015 kg CO2e</th>
<th>2016 kg CO2e</th>
<th>2017 kg CO2e</th>
</tr>
</thead>
<tbody>
<tr>
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<td></td>
</tr>
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<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
Report by the independent third party, on the consolidated human resources, environmental and social information included in the management report

For the year ended December 31st 2017

To the Shareholders,

In our capacity as independent third party and certified by COFRAC under number 3-1058 available at www.cofrac.fr, we hereby report to you on the consolidated human resources, environmental and social information for the year ended December 31st 2017, included in the management report (hereinafter named "CSR Information"), pursuant to article L.225-102-1 of the French Commercial Code (Code de commerce).

Company’s responsibility
The Board of Directors is responsible for preparing a company’s management report including the CSR Information required by article R.225-105-1 of the French Commercial Code in accordance with the protocols used by the Company (hereinafter the "Guidelines"), summarised in the management report and available on request from the company’s head office.

Independence and quality control
Our independence is defined by regulatory texts, the French Code of ethics (Code de déontologie) of our profession and the requirements of article L.822-11 of the French Commercial Code. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

Responsibility of the independent third party
On the basis of our work, our responsibility is to:

- attest that the required CSR Information is included in the management report or, in the event of non-disclosure of a part or all of the CSR Information, that an explanation is provided in accordance with the third paragraph of article R.225-105 of the French Commercial Code (Attestation regarding the completeness of CSR Information);
- express a limited assurance conclusion that the CSR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Conclusion on the fairness of CSR Information).

It is however not our responsibility to attest compliance with other legal dispositions where appropriate, in particular those included in law n° 2016-1691, dated December 9th, 2016, said Sapin II (fight against corruption).

Our work involved 4 persons and was conducted between February 2018 and May 2018 during a 5 week period.
### APPENDIX V - REPORT FROM THE INDEPENDENT THIRD-PARTY ORGANIZATION

#### 1 - NUMBER OF CUSTOMERS

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>DEFINITION</th>
<th>UNIT</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Customers</td>
<td>Natural or legal persons having signed a subscription contract for the supply of electricity, which contract was current at the reporting date or in the reporting period.</td>
<td>Number</td>
<td>3,360,912</td>
<td>3,709,272</td>
<td>4,145,983</td>
</tr>
<tr>
<td>Number of Electricity Customers</td>
<td>Natural or legal persons having signed a subscription contract for the supply of electricity, which contract was current at the reporting date or in the reporting period.</td>
<td>Number</td>
<td>1,432,779</td>
<td>1,631,443</td>
<td>1,807,826</td>
</tr>
<tr>
<td>Number of Water Customers</td>
<td>Natural or legal persons having signed a subscription contract for the supply of drinking water, which contract was current at the reporting date or in the reporting period.</td>
<td>Number</td>
<td>1,928,133</td>
<td>1,880,432</td>
<td>2,168,097</td>
</tr>
<tr>
<td>Number of Sanitation Customers</td>
<td>Natural or legal persons having signed a subscription contract for the supply of drinking water, and paying a fee for sanitation.</td>
<td>Number</td>
<td>403,605</td>
<td>434,242</td>
<td>473,347</td>
</tr>
<tr>
<td>Number of Telecom Network Customers</td>
<td>Number of companies having signed a service agreement with AWALE for the construction of aerial optical fibre or to lease FTTH access and high speed CPS access for the Internet and other services.</td>
<td>Number</td>
<td>1</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Number of Energy Performance customers</td>
<td>Individuals or legal entities who have already subscribed to an energy diagnostic or optimization contract with Smart Energy.</td>
<td>Number</td>
<td>0</td>
<td>0</td>
<td>14</td>
</tr>
</tbody>
</table>

Subsidized connection to the grid

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>DEFINITION</th>
<th>UNIT</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidized connections to the electricity grid</td>
<td>Number of subsidized connection operations (subsidized connections to the grid existing before the PEPT) carried out during the reporting period.</td>
<td>Number</td>
<td>4,564</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Subsidized connections to the water grid</td>
<td>Number of subsidized connections to the grid for drinking water carried out during the reporting period.</td>
<td>Number</td>
<td>45,623</td>
<td>46,021</td>
<td>68,421</td>
</tr>
<tr>
<td>PEPT subsidized connections to the electricity grid</td>
<td>Number of connection operations performed during the reporting period under the Electricity for All program (PEPT) carried out during the reporting period.</td>
<td>Number</td>
<td>31,612</td>
<td>143,753</td>
<td>183,947</td>
</tr>
</tbody>
</table>

2 - SUPPORT, SPONSORSHIP AND PARTNERSHIP ACTIONS

Support, sponsorship and partnership actions

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>DEFINITION</th>
<th>UNIT</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditures for support, sponsorship and partnership</td>
<td>Sums set aside and invested in support, sponsorship and partnership in the areas of sport, culture, health and education (including extraordinary contributions to employees).</td>
<td>€</td>
<td>-</td>
<td>990,030</td>
<td>835,756</td>
</tr>
</tbody>
</table>

3 - ETHICS

Promotion of ethics

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>DEFINITION</th>
<th>UNIT</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditures made to combat corruption</td>
<td>Money spent for the implementation of strategy, projects or approaches to the fight against corruption.</td>
<td>€</td>
<td>-</td>
<td>102,733</td>
<td>74,995</td>
</tr>
<tr>
<td>People trained/sensitized to anti-corruption</td>
<td>Number of people trained/sensitized to anti-corruption</td>
<td>Number</td>
<td>-</td>
<td>330</td>
<td>1,141</td>
</tr>
</tbody>
</table>

4 - COLLECTIVE AGREEMENTS

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>DEFINITION</th>
<th>UNIT</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of collective agreements signed</td>
<td>Total number of collective agreements signed in the reporting period with the trade unions</td>
<td>Number</td>
<td>-</td>
<td>-</td>
<td>9</td>
</tr>
<tr>
<td>Number of collective agreements signed concerning health and safety aspects</td>
<td>Number of collective agreements concerning health and safety signed during the reporting period with the trade unions</td>
<td>Number</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
</tbody>
</table>

---

**Note:** A distinction is made between subsidized connections to the grid and PEPT connections and corrections to 2015 and 2016 data for PEPT to disregard what is not validated in the Information Systems.
We performed our work in accordance with the professional standards and with the order dated 13 May 2013 defining the conditions under which the independent third party performs its engagement and with ISAE 3000[1] concerning our conclusion on the fairness of CSR Information.

1. Attestation regarding the completeness of CSR Information

On the basis of interviews with the individuals in charge of the relevant departments, we obtained an understanding of the Company’s sustainability strategy regarding human resources and environmental impacts of its activities and its social commitments and, where applicable, any actions or programmes arising from them.

We compared the CSR Information presented in the management report with the list provided in article R.225-105-1 of the French Commercial Code.

For any consolidated information that is not disclosed, we verified that explanations were provided in accordance with article R.225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, i.e., the Company, its subsidiaries as defined by article L.233-1 and the controlled entities as defined by article L.233-3 of the French Commercial Code within the limitations set out in the methodological note, presented in the sections “Methodological note” of the management report.

Based on the work performed and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

2. Conclusion on the fairness of CSR Information

Nature and scope of our work

We conducted a dozen interviews with the persons responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, responsible for internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, and taking into account industry best practices where appropriate;
- verify the implementation of data-collection, compilation, processing and control process to reach completeness and consistency of the CSR Information and obtain an understanding of the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and procedures based on the nature and importance of the CSR Information with respect to the characteristics of the Company, the human resources and environmental challenges of its activities, its sustainability strategy and industry best practices.

Regarding the CSR Information that we considered to be the most important[3]:
- at parent entity level, we referred to documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information in the management report;
- at the level of a representative sample of entities selected by us[4] on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify that procedures are properly applied, and we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents. The selected sample represents on average 85% of headcount considered as material data of social issues and between 59% and 99.9% of quantitative environmental data considered as material data[5] of environmental issues.

For the remaining consolidated CSR Information, we assessed its consistency based on our understanding of the company.

We also assessed the relevance of explanations provided for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be totally eliminated.

Conclusion

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Paris La Défense, June 12th 2018
The Independent Third Party

MAZARS SAS

Edwige REY
Sustainable Development Partner

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[1] ISAE 3000: Assurance engagements other than audits or reviews of historical financial information
[3] CIE: social, environmental and societal information;
[4] 30% of the activities, measured at the level of a representative sample of entities selected by us on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify that procedures are properly applied, and we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents. The selected sample represents on average 85% of headcount considered as material data of social issues and between 59% and 99.9% of quantitative environmental data considered as material data of environmental issues.