

2018 Statement of Non-Financial Performance



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1. CSR (corporate social responsibility) strategy and methodological note

A CSR approach hardwired into ACOME's DNA

ACOME's corporate social responsibility is central to our status as a "SCOP", our values and our ambitions as a Group. This responsibility is deeply rooted in company strategy and in the everyday actions of the parent company and all its subsidiaries.

We are living in a period of unprecedented change in terms of magnitude and speed. A successful energy and ecological transition is a necessity that we share every day with our customers, our partners and our suppliers. We have to deal with huge challenges and we are conscious of the role that we must play.

In the light of these developments, our approach entails finding solutions to the societal issues that concern us and to which we can provide a targeted and efficient response.

A CSR performance momentum around four priorities

In 2018, the CSR committee performed a materiality analyses. This analysis consists of prioritizing CSR issues according to the risks linked to our activities, the addressed markets, geographical zones covered, the expectations of our stakeholders and our strategic plan.

To successively attain our common ambition of "Becoming an international industrial group, a benchmark in communications cables, tubes and accessories for the automotive, telcoms and building market", our CSR performance revolves around four priority areas:

- **The ACOME model: values and ethics;**
- **The people at the heart of the system;**
- **Reliable, powerful and environmentally-conscious manufacturer;**
- **A responsible supply that is attentive to the needs of our customers and partners.**

It is rooted in our strategic plan, our support for the UN Global Compact and sustainable development goals. The table on the next page is used to clarify correspondences.

The four pillars represent the priority CSR issues for the Group

These priorities were validated at the end of 2018 at the level of the Group and should now be rolled out in each branch and division. They will be specifically supported by:

- human resources for the "ACOME model: values and ethics";
- managements of sites for the "Reliable, powerful and environmentally-conscious manufacturer";
- the research and innovation department for the "Responsible supply" pillar;
- human resources and the quality department, performance and CSR for the "Placing people at the heart of the system" pillar.

We have structured this report according to these four themes in order to set a dynamic CSR performance in motion.

CSR Governance

The CSR Committee was created in 2006. It is chaired by the Chairman and Chief Executive Officer and comprises 10 members representative of the different Group functions and business lines. It is led by the Group Quality, Performance and CSR director, and meets every quarter. The Committee uses indicators and other dashboards to provide project management, set targets and monitor CSR action plans.

Since 2017, the Group's overall CSR performance is managed on the Toovalu collaborative online platform which allows the collection of information from each Group entity and the sharing of results.

Methodology

Scope

The scope of this statement of non-financial performance was defined in accordance with the provisions of Articles L.233-1 and L 233-3. It concerns the subsidiaries in which ACOME is the majority shareholder.

CSR pillar	Pillars / corresponding PS 2020 projects	Correspondence with the United Nations 17 sustainable development goals	Correspondence with the 10 principles of the Global Compact
<i>A reliable, powerful and eco-responsible industrial player</i>	<p>1. Become a powerful manufacturer</p> <p>4. Strengthen ACOME's operational performance as an international Group</p> <p>8. Guide and successfully complete investments</p>	<p>(8) Decent work and economic growth</p> <p>(9) Industry, innovation and infrastructure</p> <p>(7) Affordable and clean energy</p> <p>(13) Climate action</p>	<p>(1.2) Human rights</p> <p>(7) Environment</p> <p>(10) Anti-corruption</p>
<i>A responsible offering attentive to the needs of our customers and partners</i>	<p>2. Drive innovation at the same pace as the market</p> <p>3. Facilitate a dynamic Group-wide sales initiative</p> <p>7. Identify growth drivers</p>	<p>(8) Decent work and economic growth</p> <p>(12) Responsible consumption and production</p> <p>(9) Industry, innovation and infrastructure</p> <p>(7) Affordable and clean energy</p>	<p>(1.2) Human rights</p> <p>(7,8,9) Environment</p>
<i>Place people at the heart of the system</i>	<p>1. Become a powerful manufacturer</p> <p>6. Successfully deliver the digital challenge</p> <p>5. Lock in skills and boost managerial guidance</p>	<p>(3) Good health and well-being</p> <p>(4) Quality education</p>	<p>(1.2) Human rights</p> <p>(3,4,5,6) International labor standards</p>
<i>The ACOME model: values and ethic</i>	<p>5. Lock in skills and boost managerial guidance</p>	<p>(10) Reduced inequalities</p> <p>(8) Decent work and economic growth</p>	<p>(10) Anti-Corruption</p> <p>(1,2) Human Rights</p> <p>(3,4,5,6) International labor standards</p>

The business scope of the ACOME Group remained unchanged in 2018:

- **ACOME SA:** French sites of Paris and Mortain;
- **Active sales and manufacturing subsidiaries and wholly consolidated subsidiaries**
 - The Chinese industrial sites of Wuhan (Wuhan ACOME Taiping Wire & Cables Ltd) and Xintai (ACOME Xintai Ltd);
 - The Brazilian site of Irati (ACOME do Brasil Ltda);
 - The Moroccan site of Tangiers (ACOME Maroc);
 - The French sites of IDEA OPTICAL in Lannion, Voisins-le-Bretonneux and Cavan;
 - The THERMACOME site in Saint-James;
 - And the sales subsidiaries in Italy (ACOME Srl) and Germany (ACOME GmbH).
- **Entities not included in the scope (not concerned by the non-financial performance statement)**
 - The Tunisian subsidiaries (ACOME Négoce SARL and ACOME Tunisie SARL) inactive in 2018,
 - The ACOME Delivery Centers in Shanghai and Yantai (Shandong province) in China, Tunis (Tunisia), Joita (Romania), São Paulo (Brazil) and Ciudad del Este (Paraguay) managed by subcontracted service providers, the companies THERMAK and OPTERNA AFRICA in which ACOME is a minority shareholder.
 - The sales office in Saint Petersburg (Russia) has been shut down.
 - The closure of the Romanian branch is ongoing and should be effective in 2019.

Reporting period

The gathered data cover the business activity of the entities concerned for the period between January 1 and December 31, 2018.

Data gathering methods

In 2017, we anticipated changes to the applicable regulation in 2019 by optimizing and simplifying the method for collecting and using corporate social responsibility indicators. The choice of the Toovalu software, a collaborative web platform dedicated to collecting and managing non-financial reporting, was renewed.

Feedback received after the 2017 collection was used to improve the effectiveness of the process. All contributors

(persons in charge of commercial and industrial subsidiaries, and experts in human resources, health, safety and environment, finance, purchasing and communications businesses) were informed in December 2018 of the nature of the information to be provided and the application criteria for indicators. Calculation methods for each area of indicators were also inserted in the web platform.

The 2018 indicators are based on Article R225-105-1 as subsequently modified by decrees 2016-1138 and 2017-1265 of August 9, 2017.

Once the gathering is completed, the data are validated in three stages: firstly by each subsidiary, secondly at Group level during consolidation, then thirdly, through verification by an independent third-party, Ernst & Young (see the report of the independent third-party on the consolidated social, environmental and societal information).

These non-financial data can be viewed in the form of a CSR performance dashboard (see section 6). The data are also available on the website: <http://intelligence.toovalu.com/>.

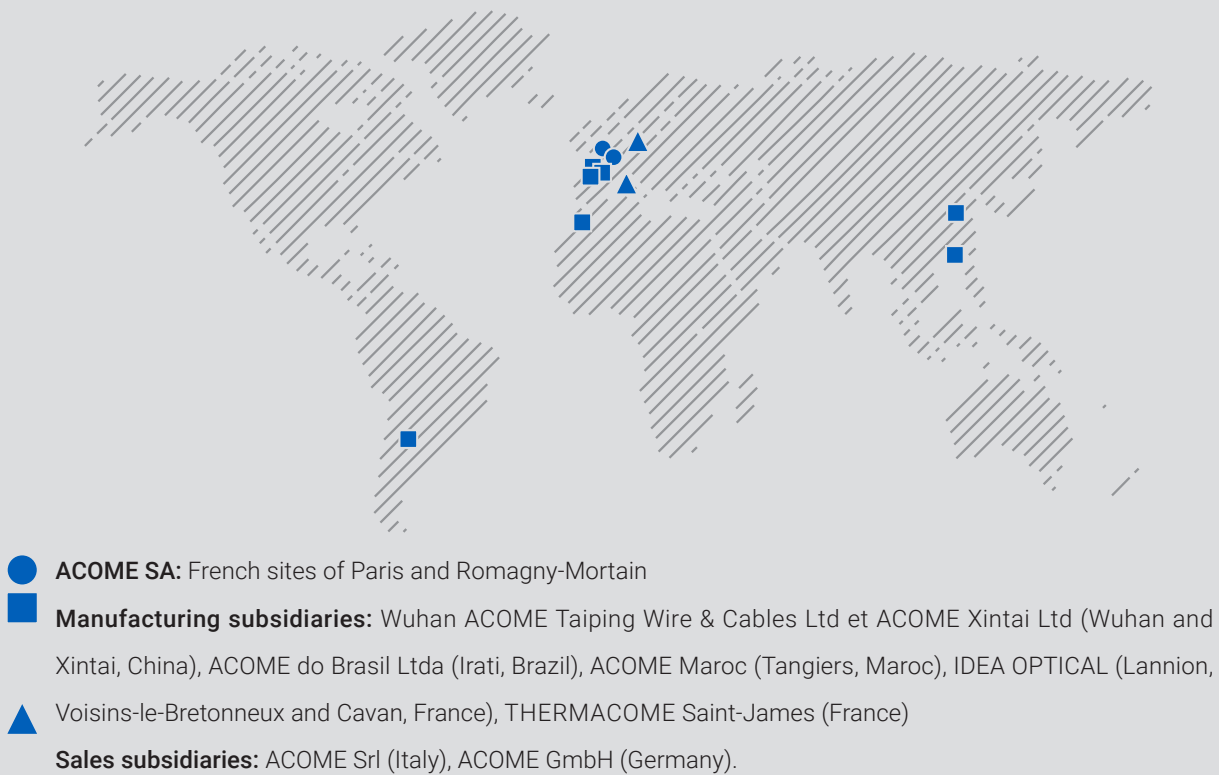
Methodological clarifications and limitations

The methodologies applied to some of the social, environmental and societal indicators referred to in Article 225 of the Grenelle 2 law may have limitations in the context of an international group.

- In order to harmonize the notion of employment contract, a common rule was adopted for Chinese (Wuhan and Xintai) sites. For instance, contracts for three or more years are considered as permanent contracts.
- The non-financial indicators (part 6) present the average pro-rated labor force including temporary workers and fixed-term contracts during peak periods. However, apprentices and vocational training contracts are not counted.
- For consistency across all sites, the absenteeism rate for employees on permanent contracts is calculated on the basis of the number of days of absence for illness permanent contract/(365* permanent contracts pro-rated average labor force).
- In the event of departures on December 31, 2018, the adopted rule is that the employees present on December 31, 2018, will be counted in departures starting from January 1, 2019;

- Environmental indicators are monitored for manufacturing sites. They are not applicable on commercial sites or are not currently monitored or are not easily available (for example, the rent of sales subsidiaries include the heating and lighting bill without any clarification as to respective consumptions).
- The Group's business activities are not directly concerned by anti-food wastage actions because the Group does not directly manage food and drinks for its customers and employees.

Non-financial reporting scope: consolidated entities



2. The ACOME model: values and ethics

2.1.

Shared values

Commitment, excellence, solidarity and respect are mutual values shared by the entire company. They are the foundation on which collective action is built, driven by a strategy that is built and shared with stakeholders. The strategy is rolled out through programs, projects and action plans that underpin our way of working together.

In addition to the General Meeting, all employees are informed of the company's economic performances and the progress of the strategic plan in service meetings or at year-end meetings, hosted by the Chairman.

2.1.1

Cooperative ethos coordination

As a SCOP, ACOME belongs to the French general confederation of cooperative companies and to the Ile-de-France and West regional unions. There is also a full-fledged internal network (cooperative relays) which is mobilized around the ethos coordination of the company. As each employee has the opportunity of becoming an associate, the company provides a cooperative induction program, 15 of which were completed in 2018. In 2018, 49 people applied to become associates of ACOME SA.

At the annual General Meeting, all associates participate in the renewal of one third of the Board of Directors and vote on the resolutions by applying the principle of corporate democracy: one associate = one vote.

2.1.2

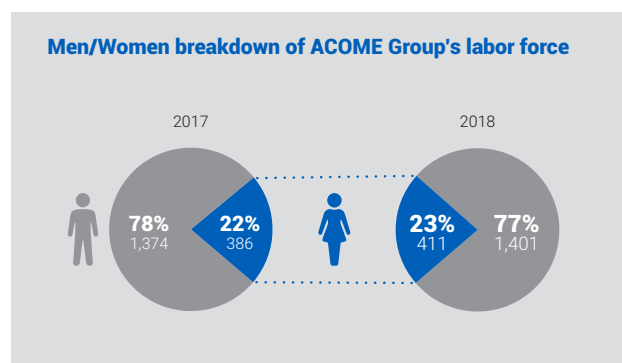
Diversity and equal opportunity

Gender equality

With the agreement on professional equality signed in 2017, ACOME continues its goals of increasing the number of female employees, as the company's labor force is predominantly male due to its industrial history.

There is an increasing number of women in management. Two women joined the Management Committee, leading to greater gender equality in the company's first management line. This step helps in particular to advance the percentage of female managers, a pillar of other subsequent improvements in equality and diversity. Similarly, the Board of Directors

is also made up of 40% women. At Group level, the percentage of women in the labor force grows each year by 1% to 2% and is close to a quarter of the total population. In 2018, ACOME Group's total labor force included 411 women (vs 386 in 2017) and 1,401 men (vs 1,374 in 2017).



Equal opportunity

Through the agreement signed in 2017, ACOME SA continues its policy of safeguarding jobs. This action is reflected in the search for internal retraining and/or special adaptation of workstations for people with disabilities leading to incapacity. It is completed by internal personal protection arrangements.

2.1.3

Support, involvement in corporate life

The concerted construction of the strategic plan has significantly galvanized teams since its inception. This fundamental work gives sustainable meaning to the actions and missions of each one by seeking support for key goals.

Furthermore, the continuous improvement approach in workshops has been strengthened, the annual gathering of suggestions and improvement workshops provide opportunities to enhance and exchange around best practices.

ACOME's corporate life is also filled with numerous events promoting the acquisition of skills or corporate loyalty.

2.1.4

Territorial entrenchment

A French company with its historic roots in the Manche region since 1941, ACOME is a major player in the region's economic development, with five plants based on 43 hectares in Mortain.

Combining production, research and the Group's central administration, the Normandy site employs more than 1,000 people.

Given its statutory and humanitarian involvement in ensuring the sustainability of its corporate project in this territory, ACOME SA also contributes to the indirect employment of at least 3,000 people in the local economy and works continuously with the public authorities and organizations (employment agreement, agreement relating to the availability of voluntary fire fighters, etc.).

ACOME also implements a local economic purchasing and development strategy on its various production sites.

2.2.

Business ethics

2.2.1

Fair practices

The Group has an absolute obligation to comply with the laws and regulations of the countries in which it operates. Under no circumstance can the conviction to act in the interest of the company justify, even partially, conduct that is contrary to the provisions of applicable laws and the code of conduct defined by ACOME.

This code, drafted in reference to the Group's support of the ten principles of the UN Global Compact in 2005 and the ethical charter drafted in 2013, guarantees that the Group complies in particular with:

- the principles of the Universal Declaration of Human Rights;
- the fundamental conventions of the International Labor Organization (ILO), especially with respect to the refusal of forced labor and child labor;
- the principles of the UN global Compact.

It confirms that relationships between people are based on the principle of trust, mutual respect and that the Group intends to conduct a fair human resources policy, compliant with the laws while prohibiting, in particular, any discrimination based on unlawful reasons.

Similarly, relations with customers, suppliers and subcontractors are based on honesty, trust and mutual interest,

regardless of their size and their conditions. Commitments with respect to third parties are made by duly authorized employees.

Property rights, confidentiality and protection of privacy are respected, especially through attentive management of personal data.

The Group has set up a warning system, in accordance with French law, that can be used by all Group employees, regardless of their function, status or nature of their employment contract.

2.2.2

Responsible purchasing

ACOME implements a responsible purchasing policy. Since 2010, the Group has been educating its suppliers about sustainable development and the CSR policy. It was the first cable manufacturer to propose this approach.

The responsible purchasing policy is based on a requirement that forms an integral part of the ACOME supplier quality specification: a commitment by suppliers to adopt and apply the ten principles of the UN Global Compact and to implement an ISO 14001-compliant environmental management system.

All suppliers are assessed on a monthly basis. The supplier global quality index functions on the criteria of quality, cost, lead times, support and sustainable development. The sustainable development component of the ACOME supplier rating represents 15% of the overall rating. Unchanged since 2010, this measuring standard shows a constant improvement in terms of results achieved.

2.3.

Certifications, validation and accreditation

2.3.1

New certifications

Due to changes in the various standards, there were numerous certifications by third parties in 2018. All the certifications of the different ACOME sites were confirmed and 13 new assessments were successfully completed.

The new certifications obtained in 2018 mainly concern the quality management system. All ACOME’s automotive sites are certified according to the new IATF 16949v2016 standard. Voluntary approaches were also undertaken in 2018 such as the accreditation in December 2018 of the Romagny test lab according to the latest COFRAC 17025v2017 requirement.

2.3.2 Ecovadis assessment of CSR performance

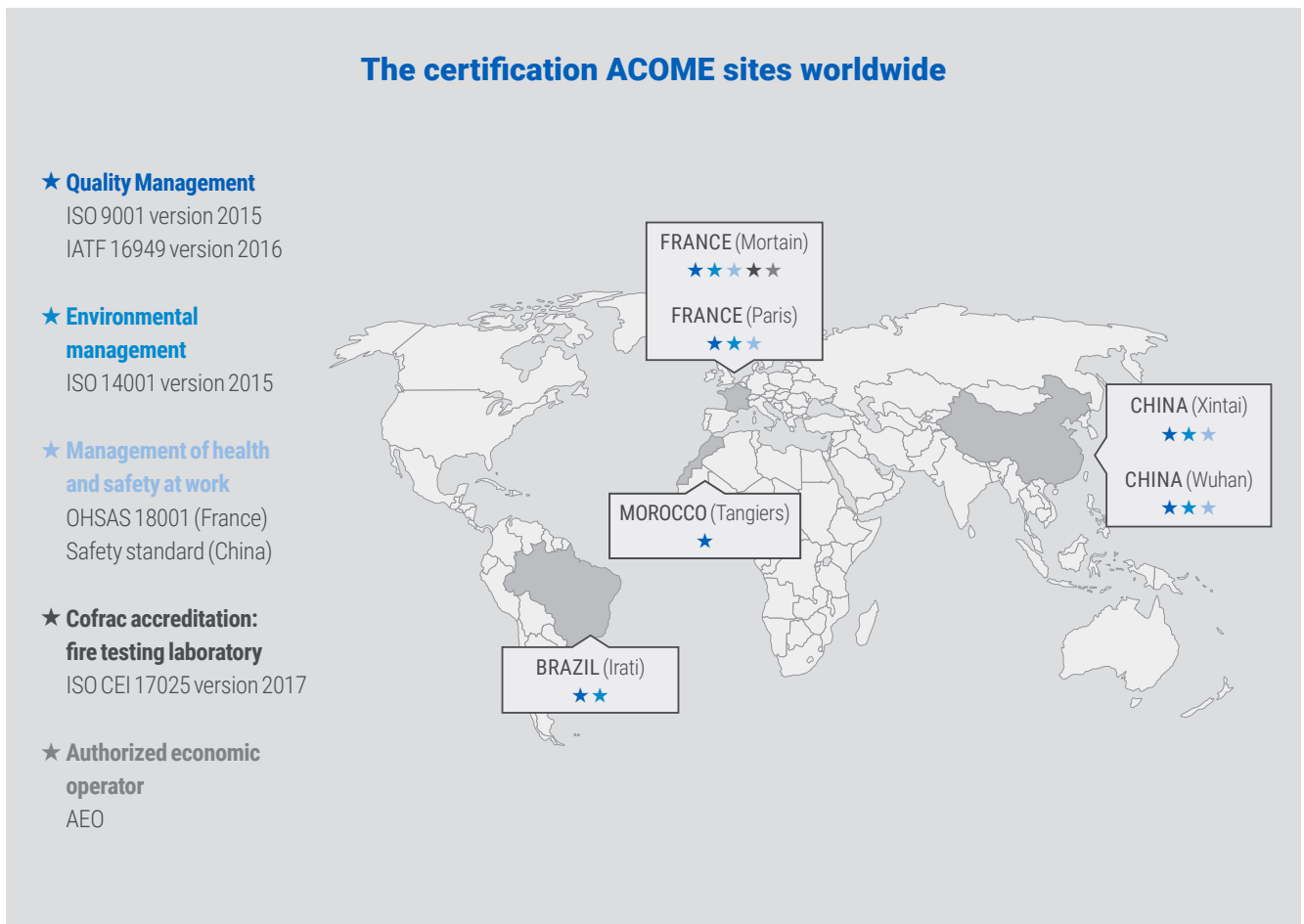
ACOME has been using the independent, international assessment body Ecovadis to assess its CSR performance since 2012. CSR performance is analyzed according to more than 300 criteria broken down into four topics:

- environmental awareness,
- social aspect,
- business ethics,
- responsible procurement.

In 2018, ACOME obtained the overall score of 65/100, which placed its CSR performance at an advanced level. ACOME is now part of the top 3% of companies assessed by Ecovadis in the “Manufacture of cables and cabling devices” business sector. For the third consecutive year, ACOME received a gold medal award for its CSR performance.

2.3.4 Assessment of cybersecurity by EY

In connection with the multiplication of information systems attacks all over the world, cybersecurity has become a critical aspect of business management. An assessment of the vulnerability of our information systems to cyber attacks was commissioned by EY in June 2018 for all ACOME Group locations. The findings were shared at the Management Committee and taken into account by the information systems department.



2.4.**Partnerships and corporate philanthropy**

At regional level, ACOME SA interacts with more than 25 official bodies in Normandy. Its policy towards the local fabric is determined in particular by support for research and teaching (high schools, regional universities, industrial training centers) and competitiveness centers (plastics in Alençon, the Lannion technological center).

At the national level, ACOME plays a permanent role with professional organizations (ICC, employer unions, industrial development agencies) and regional and national Unions of cooperative companies.

Highly involved in the digital development of territories and access to superfast broadband, ACOME has been participating in numerous awareness raising actions of the industry for more than twenty years now.

Every year, the Group organizes events dedicated to connected mobility. In 2018, the Symposium organized by ACOME in partnership with 3M, the Caisse des Dépôts, Engie, Mov'eo and the Normandy region brought together nearly 200 experts from the telecoms and automotive sectors in San Francisco on the topic of "From data highways to connected mobility".

In Brazil, the Group works with local players and charity organizations (ANAPCI institution in Irati).

In 2018, ACOME also supported the Trades Olympiads, a high level competition between skilled young tradesmen and women organized in the city of Caen.

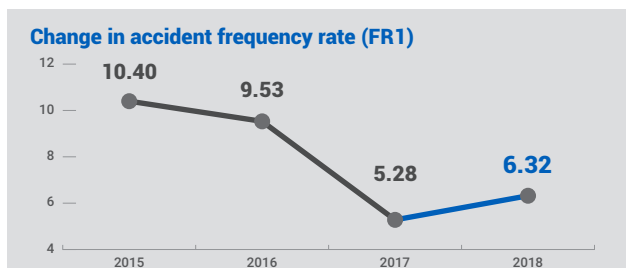
3. Place people at the heart of the system

In accordance with the values of the Group and its status as a SCOP, ACOME places people at the heart of its concerns. The Group promotes a concerted strategy (commitment), the expertise of its teams (excellence), quality of life in the workplace (solidarity) and the mitigation of professional risks (respect).

3.1.

Workplace safety

After improving for three years, safety results have fallen slightly: 19 accidents with lost days in 2018 compared to 15 accidents with lost days in 2017, 26 in 2016 and 28 in 2015. Therefore the accident frequency rate for the Group rose to 6.32 in 2018 versus 5.28 in 2017 and 9.5 in 2016.



With 14 accidents against 9 in 2017, ACOME SA is the Group's highest contributor to these results. In February 2018, several audits were carried out to contain this drift: remedial action plans were implemented and the situation improved in the second half. At the end of 2018, the results were very far from our goals (FR1 at 9.00) but are not an indication of the results at the end of 2019 (FR1 < 4).

The poster campaign "We're all contributors to improving safety: what about you?" allowed us to strengthen the awareness of employees as well as visitors and sub-contractors to the importance of prevention. The health and safety action programs rolled out on the other different sites continued in 2018 and they are monitored during management reviews.

3.2.

Making ACOME a learning company

To support strategic projects but also to improve trade skills, the company has invested heavily in vocational training. To this end, over 47,000 hours of training were completed in 2018 in the entire Group.

In France, the training rate is 4.2%. The employee skills enhancement policy is rolled out by segment through numerous internal schools (management vocational training, qualification of workers, strengthening of engineering and technical skills) and through a process of advanced induction in order to make production staff more professional.

In addition to these induction arrangements, ACOME SA offers the opportunity to acquire actual professional experience and obtain the keys to understanding the working world. These apprenticeship opportunities contribute to enhancing the skills of the teams by consolidating our approaches as a learning company and by creating win-win contracts with sponsors.

3.3.

Quality of work life

In the light of the radical changes in work life and the lifestyle transformations brought about by digital technology, we are compelled to recognize psychosocial risks. ACOME endeavors to offer satisfactory work conditions and positive work relations.

As such, the quality of work life is one of the pillars of the strategic plan. Task forces or test groups were launched on numerous topics, such as telecommuting in France, rest and eating areas in subsidiaries.

In 2017, the QWL index recorded by our internal survey at the level of ACOME SA was 70%.

The health, safety and workplace conditions committees are close partners of these initiatives. A new survey will be carried out in 2019.

Lastly, solidarity with employees who have a seriously ill underage dependent has been rolled out through the ACOME Solidarité association, created in 2015 and sponsored by the Board of Directors.

3.4.

Organization and sustainability of the company

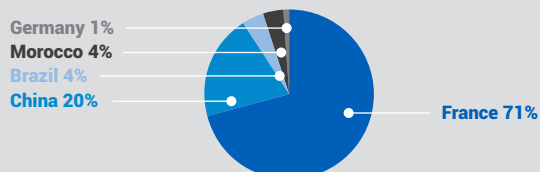
3.4.1

Jobs

The Group's labor force continued to grow in 2018, with 1,811 people employed on average, representing a change of +10% in two years (1,628 people on average in 2016).

Breakdown of the Group's recruitments in 2018

With more than 70% of the labor force, France remained stable, while China accounts for the Group's second largest presence worldwide and Morocco reported the sharpest growth in its labor force in 2018.

Breakdown of the Group's labor force in 2018

ACOME employees are very fond of their company and live exciting professional lives with many career opportunities reflected in the high level of functional mobility within the Group.

For example, 131 job position changes and 114 retraining changes were made in 2018 at ACOME SA.

The attendance rate, higher than 97% , is generally stable inside the Group.

3.4.2**Compensation in the Group**

The wage policy negotiated in each Group entity takes into account the collective, local and individual constraints (example: the hardship faced by shift workers) while complying with good management rules and taking the Group's other advantages into account.

In France, in the context of the operation of the SCOP, the company reallocates financial profit to an investment-specific reserve, a special profit-sharing reserve and equity interests held by employees.

Beforehand, a performance incentive agreement provides additional compensation based on negotiated performance indicators.

All these measures are part of an employee savings mechanism that can be boosted by matching contributions

from the Group or remuneration on investments.

In foreign subsidiaries, additional remunerations calculated on goals exist for a large number of employees.

3.4.3**Employee relations**

ACOME SA's negotiated policy organizes the company's life through numerous agreements. Four new agreements were signed in 2018.

In fact, 2018 was marked by the renewal of representative bodies in connection with laws aimed at reforming French social and economic life.

Employee representation is also involved in the implementation of the anti-corruption and anti-harassment policy.

4. Reliable, powerful and environmentally-conscious manufacturer

4.1.

General policy

ACOME sets out the framework for its environment and energy policy based on its environmental management process. Reassessed annually, the text of this policy gives guidelines and targets to be achieved. They are restated in the policies rolled out in the Group's historic manufacturing subsidiaries where an environmental improvement action program taking into account risks and opportunities analysis is implemented. Their efficiency is reviewed and monitored by the Management Committee of each site and the implementation of this general policy is assessed through ISO 14001 certification.

The employees of the different sites are informed of environmental protection issues and eco-friendly actions (waste sorting, avoidance of noise pollution, water and energy savings, flagging up malfunctions, etc.) by regular internal awareness campaigns and through the company's external actions (positive energy Families challenge for instance).

ACOME is also committed locally. An agreement regarding the availability of voluntary firefighters during their working time was implemented with the fire and rescue departmental service (SDIS) of La Manche. An SDIS operation was also organized in June 2018 on the Mortain industrial site, with a scenario mobilizing numerous human and material resources of the fire fighters as well as workplace first aiders and the company's second responders team members.

4.2.

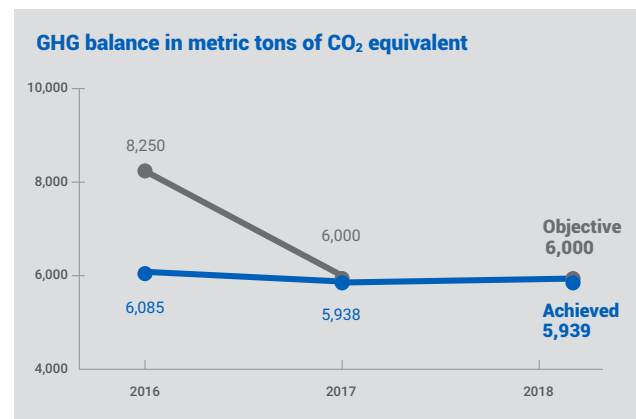
Discharges and nuisances

The Group's manufacturing processes pose few risks in terms of soil pollution. The few liquid products used (heating and other oils, etc.) are stored in appropriate holding tanks. Similarly, SF6 gas emissions are monitored and our combustion installations are inspected on a regular basis.

In 2018, resources were devoted to preventing environmental risks and pollutions on the Group's different sites. A follow-up of consumptions (energy, fuel, gas, wood) as well as waste and atmospheric discharges is in place and the analysis is performed during steering committees and management reviews.

As such in Normandy, despite numerous storms which

implied the significant use of our generator sets to secure power supply on the site, we were able to reach our objectives (< 6,000 teq CO₂ – see chart below for ACOME SA) thanks to the containment of greenhouse gas emissions.



4.3.

Energy consumption

Energy – which represents the fourth cost item for ACOME SA – represents a strong challenge for the parent company.

That is why an energy review was set up on the Mortain site. This review centralizes all energy data and offers an opportunity to monitor consumption for all energy sources and the actual costs involved.

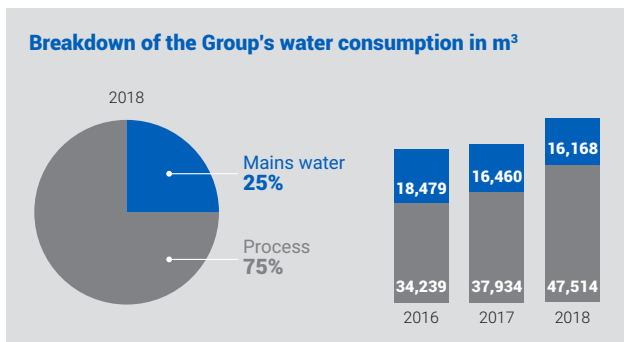
Actions to reduce energy use are also developed. The metering of energy use by sector was also implemented on the Mortain site to identify targeted actions. LED lights continued to be rolled out in order to reduce electricity use on the site. The expected reduction is around 60%. Considering how effective they are, LED lights will be rolled out on the other sites of the Group, particularly in Xintai, Wuhan and Irati, to supplement the progress plans already made in the subsidiaries. We consider that the quest for efficiency, especially with respect to energy use, can be achieved only through day-to-day conduct, both inside and outside the company. That is why in addition to the company's internal measures, ACOME undertakes to raise the awareness of its employees and their family about the impact that they can have on their environment as individuals.

ACOME supported the "Positive energy families" in 2017/2018. Voluntary families were able to save 14% of energy on average and 6% of water.

This operation was renewed in 2018/2019.

4.4.**Sustainable use of resources and waste management**

Initiatives to reduce the use of raw materials continued this year. To avoid the excessive use of mains drinking water, the use of process water is encouraged on all of the Group's industrial sites. For the past three years, the use of process water has increased by seven points, to reach 75% in 2018.



Data on water use were collected for the industrial sites of Mortain, Wuhan, Xintai, Irati, but not on the sites of IDEA OPTICAL nor ACOME Maroc. The table of non-financial indicators (see part 6) clarifies the scope.

Moreover, measures have been taken to improve the efficiency of the use of raw materials, both in product design as at the level of production and to limit waste quantities.

Action plans on product waste are rolled out on the sites and continue to show their effectiveness.

The Mortain site saved more than 50 tons of raw materials compared to 2017.

4.5.**Fighting climate change and protecting biodiversity**

In addition to optimizing the use of resources, ACOME anticipates climate change and contributes to the conservation of biodiversity.

For instance, the Group's manufacturing facilities comprise more than 20 hectares of woodland or wetlands, 16 hectares for the Mortain site alone. These biodiversity rich areas are protected. Wherever plant and animal surveys are required

by law, they are also carried out in accordance with all regulatory requirements.

To help to reduce the environmental footprint of its industrial activity in Normandy, ACOME has introduced a local carbon offset mechanism. Normandie Forêver, an association of which ACOME is one of the founding members, proposes a CO₂ sequestration solution by the reforestation of depleted plots.

This initiative also helps to protect biodiversity on Norman lands. The project was launched in 2013. Since 2014, three reforestation projects have been carried out. In 2019, new plantations will cover 2ha in the Bourberouge forest, a few kilometers from Mortain.

5. A responsible offering attentive to the needs of our customers and partners

Innovation helps to improve the Group's environmental competitiveness and performance.

Special attention has been paid to reducing waste such as the recycling of raw materials in order to improve the company's environmental footprint and costs.

In the context of its Research Innovation Development policy, ACOME explores recycling methods for polymer materials, derived from the purges inherent in the manufacturing process an IoT (Internet Of Things) type connectivity solutions, used to improve the efficiency of cable transports to its customers, thus reducing the number of kilometers covered and the group's overall carbon footprint.

5.1.

Eco-design

During the development phase of new products, ACOME mostly uses eco-design and lifecycle analyses (LCA) to promote technological choices and orientations that have the lowest environmental footprint. In place since 2006, this approach is presented for applications, contracts and customers who show an interest.

Between 2009 and the end of 2018, 84 Product Environmental Declarations (PEDs), including 79 Product Environmental Profiles (PEPs) were drafted. These PEPs are then registered with the PEP ECOPASSPORT® association, which certifies their compliance with international rules and standards for a period of five years.

Proactive in this approach, ACOME also organised various communication and information initiatives aimed at raising awareness.

5.2.

Eco-responsible product and service offering

In France, the building sector accounts for 44% of energy consumption and nearly 25% of CO₂ emissions.

The environmental regulation expected in 2020 (RE 2020) is based on two pillars: the widespread construction of positive energy buildings, in other words buildings that generate more energy than they use, and the deployment of low carbon footprint buildings throughout their lifecycle, from their design to demolition. This second point implies that the materials used

to construct the building – throughout their lifecycle – have low greenhouse gas emissions, a high level of recyclability and/or were sustainably sourced.

Without waiting for the enactment of these laws, ACOME has set up actions on construction projects, developed and promoted products and packaging with low environmental impact.

ACOME invests in innovation to address the new challenges posed by the cabling systems required for tomorrow's electric, hybrid, connected and autonomous vehicles.

Reducing vehicle weight and the size of onboard equipment is one of the greatest challenges facing manufacturers. By perfecting materials, developing lightweight cables and smaller components, ACOME is delivering appropriate responses to reduce the carbon footprint of vehicles, and contributing in its own way to meeting this challenge.

To adapt to the changes of its markets and support the development of its customers, ACOME has also developed an international industrial strategy, by opening sites as close as possible to their own production centers and by optimizing transports and loading of trucks.

All projects target the same goal of improving service to customers while optimizing industrial and economic performance in an eco-responsible vision. A major issue for the automotive market, where "just in time" is the rule.

6. Non-financial indicators

Labor force information

Consolidated financial statements of the ACOME Group

Total labor force	Pro-rated average labor force (PC + FTC & peak season temp employees)	2018	1,811	
		2017	1,760	
Employee breakdown by gender	Men Men (number in pro-rated average) (PC + FTC & peak season temp employees)	2018	1,401	
		2017	1,374	
	Women Women (number in pro-rated average, PC + FTC & peak season temp employees)	2018	411	
		2017	386	
Employment and inclusion of people with disabilities	Number of people with a disability (on industrial site, either directly or indirectly through outsourcing to specialized organizations)	2018	57	
		2017	51	
Recruitment (number of contracts in the year)	Permanent contracts (> 3 years for China)	2018	164	
		2017	242	
	Fixed term contracts (< 3 years for China)	2018	101	
		2017	54	
Departures (number of contracts in the year)	ACOME staff	2018	284	
		2017	214	
		2016	135	

Apprentices and vocational training contracts are not counted.

Training

Consolidated financial statements of the ACOME Group

Policies implemented for training	Total number of training hours delivered	2018	47,561	
		2017	50,316	
		2016	43,144	

Health and safety

Consolidated financial statements of the ACOME Group

Health and safety	Number of accidents with lost days (ACOME staff)	2018	19	
		2017	15	
		2016	26	
	Number of lost days after an accident with lost days (ACOME staff)	2018	483	
		2017	413	
	Accident frequency rate FR1= (number of workplace accidents with lost days * 1,000,000)/number of hours worked	2018	6.32	
		2017	5.28	
		2016	10	
	Severity rate sr= (number of lost days * 1000)/ number of hours worked	2017	0.16	
		2017	0.15	
		2016	0.15	

Environmental data

Sustainable use of resources

Consolidated financial statements of the ACOME Group

Water consumption Consolidated data for the ACOME sites with the exception of IDEA OPTICAL and ACOME MAROC (Tangiers)	Mains drinking water (m ³)	2018	16,168	
		2017	16,460	
	Process water (m ³)	2018	47,514	
		2017	37,934	
Consumption of raw materials Consolidated data for ACOME sites with the exception of IDEA OPTICAL	Quantity of copper waste	2018	1,911	
		2017	2,190	
Energy consumption and the use of renewable energy	Electricity (kWh)	2018	61,002,407	
		2017	65,642,589	
	Renewable energy in KWH Consolidated data for ACOME with the exception of ACOME MAROC and ACOME do BRASIL	2018	4,999,160	
		2017	5,401,000	
Climate change Consolidated data for ACOME sites with the exception of ACOME XINTAI, ACOME MAROC and ACOME do BRASIL	Quantity of scope 1 greenhouse gas in metric ton CO₂ equivalent (direct emissions)	2018	3,846	
		2017	3,642	
	Quantity of scope 2 greenhouse gas in metric ton CO₂ equivalent (indirect emissions associated with energy)	2018	9,234	
		2017	10,827	

Report by the independent third-party organization regarding the consolidated statement of non-financial performance contained in the management report

Financial Year ended December 31, 2018

To the Shareholders,

In our capacity as an independent third party, accredited by COFRAC under number 3-1050 (scope of accreditation available on the www.cofrac.fr website) and member of the network of one of the auditors of your company (hereafter "entity"), we present our report on the consolidated statement of non-financial performance relating to the financial year ended December 31, 2018 (hereafter the "Statement"), presented in the management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 et R. 225-105-1 of the French Commercial Code.

The responsibility of the company

The Board of Directors is responsible for drawing up a Statement compliant with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with respect to these risks and the results of these policies, including key performance indicators. The Statement was drawn up by applying the entity's procedures (hereafter the "Reporting Standard") for which the significant elements are presented in the Statement and available upon request at the entity's head office.

Independence and quality control

Our independence is defined by the provisions specified in Article L. 822-11-3 of the French Commercial Code and the professional Code of Ethics. In addition, we have implemented a quality control system that includes documented policies and procedures to ensure compliance with the ethical rules, professional doctrine and applicable laws and regulations.

The responsibility of the independent third party

On the basis of our work, it is our role to express a substantiated opinion expressing a conclusion of limited assurance:

- the compliance of the Statement with the provisions set out in Article R. 225-105 of the French Commercial Code;
- the accuracy and fairness of the disclosures pursuant to 3° of I and II of Article R. 225-105 of the French Commercial Code, namely the results of policies, including key performance indicators, actions relating to the main risks, hereafter the "Information".

However, it is not our role to express an opinion on:

- the compliance by the entity with the other applicable legal and regulatory provisions, especially with respect to the vigilance plan, fight against corruption and tax evasion;
- the compliance of products and services with applicable regulations

Nature and scope of work

Our work described hereafter was carried out in accordance with the provisions of Articles A. 225-1 *et seq.* of the French Commercial Code determining the procedures in which the independent third party carries out its mission and according to the professional doctrine and the ISAE 3000 international standard - Assurance engagements other than audits or reviews of historical financial information.

Our work entailed an assessment of the compliance of the Statement with the regulatory provisions and the accuracy and fairness of the Information:

- we studied the activity of the entity, the presentation of the main social and environmental risks linked to this activity, and, where applicable, its effects with respect to human rights and the fight against corruption as well as the ensuing policies and their results;
- we assessed the suitability of the reporting standard in terms of its relevance, completeness, reliability, neutrality, and understandability, taking industry standards into consideration, where appropriate;
- we verified that the Statement covers each category of information stated in III of Article L. 225-102-1 in social and environmental issues and compliance with human rights and fight against corruption;
- we verified that the Statement includes an explanation of the reasons justifying the absence of information about tax fraud by the 2nd subparagraph of Article L. 225-102-1;
- we verified that the Statement presents the business model and the main risks linked to the entity's activity, including, where relevant and proportionate, the risks created by business relations, its products or services as well as the policies, actions and results including key performance indicators;
- we verified, where relevant with respect to the main risks or policies presented, that the Statement presents the information specified in II of Article R. 225-105;
- we assessed the process used to select and validate the main risks;

- we enquired about the existence of internal control and risk management procedures set up by the entity;
- we assessed the consistency of the results and key performance indicators adopted with respect to the main risks and policies presented;
- we assessed the data gathering process set up by the entity aimed at ensuring complete and true and fair information;
- we implemented the key performance indicators and the other quantitative results that we considered to be the most significant presented in Appendix 1:
 - analytical procedures consisting in verifying the correct consolidation of collected data and the consistency of their changes;
 - detail tests based on spot checks, consisting of verifying the correct application of definitions and procedures and comparison of data from supporting documents. These procedures were carried out on a selection of contributing entities listed below: Acome SA and Acome Maroc, which cover 84% of the labor force and 74% of electricity consumption.
- we consulted the documentary sources and carried out interviews to corroborate qualitative information (actions and results) which we considered to be the most important presented in Appendix 1.
- we assessed the consistency of the entire Statement with respect to our knowledge of the entity.

We consider that the procedures that we applied on the basis of our professional judgment were sufficient to provide a limited assurance; any higher level of assurance would have required more extensive verification work.

Means and resources

Our work was carried out by a team of three people between November 2018 and March 2019 over a total period of approximately seven weeks. We conducted three interviews with the people in charge of preparing the Statement representing in particular the Group's Human Resources and HSE departments.

Conclusion

Our audit did not detect any material misstatement likely to challenge the fact that the non-financial performance statement is compliant with the applicable regulatory provisions and that the Information, taken as a whole, is fairly presented, in accordance with the Reporting standard.

Comments

Without questioning the conclusion expressed above and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we have the following comment to make:

- the data received on water consumption, plastic consumption, production of plastic waste and greenhouse gas emissions do not cover all sites. This is specifically indicated in the methodological note and in Chapter 6 "Non-financial indicators" of the Statement.

Paris-La Défense, April 23, 2019,

The independent third party organization
ERNST & YOUNG and Partners

Christophe Schmeitzky
Sustainable Development Partner

Jean-François Bélorgey
Partner



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