

Global Compact
Communication on Progress (C. O. P.)

October 2016 – October 2017

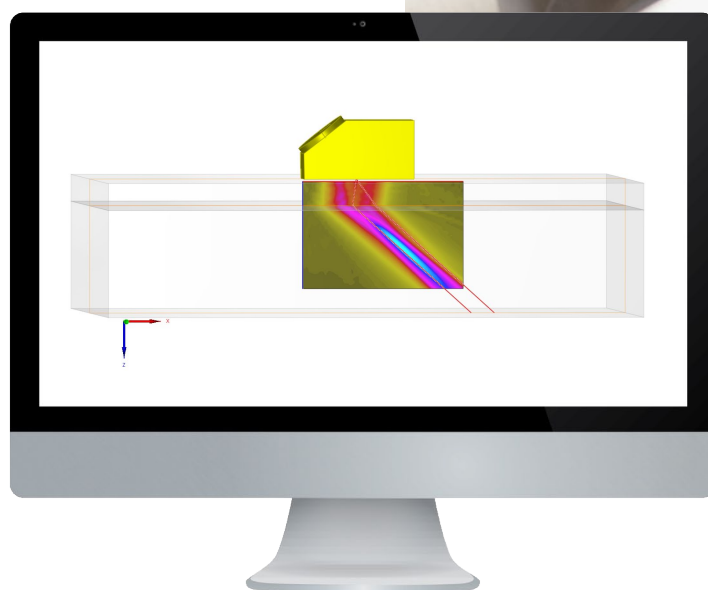


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Continued support statement



« Every day reinventing methods, breaking habits, breaking down psychological barriers, innovating every day, such is the duty of small businesses if they want to survive.

The person is at the heart of the idea renewal process; the person within their environment, with their fears, their ambitions, their hopes and especially their motivation. The desire to excel and to give remains strong if it goes along with a global vision in which the meaning is understood and shared.

Thinking globally and acting locally, adopting responsibility, promoting the principles of the Global Compact are strong vectors of motivation, of sharing, encouraging team spirit, openness of mind, acceptance of difference. EXTENDE remains mobilized, voluntary and motivated in these actions. EXTENDE, that is to say every person in the team, every process, every project. We are aware of the challenges and happy to contribute to the Global Compact. »

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CEO

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A continuous commitment for the whole team



The 10 principles

1. Businesses should support and respect the protection of internationally proclaimed human rights ; and
2. Make sure that they are not complicit in human rights abuses labour.
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining ;
4. The elimination of all forms of forced and compulsory labour ;
5. The effective abolition of child labour ; and
6. The elimination of discrimination in respect of employment and occupation.
7. Businesses should support a precautionary approach to environmental challenges ;
8. Undertake initiatives to promote greater environmental responsibility ; and
9. Encourage the development and diffusion of environmentally friendly technologies.
10. Businesses should work against corruption in all its forms, including extortion and bribery.

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B. Fernandez

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Human rights

1. Businesses should support and respect the protection of internationally proclaimed human rights ; and
2. Make sure that they are not complicit in human rights abuses labour.



EXTENDE, company subject to French law; has the obligation to respect all the articles of the Law. We continue our commitment to respect all the articles of **the declaration of the Human Rights** inscribed in the preamble of the French constitution of October 4th, 1958. In addition, we also maintain our actions in this domain such as:

Actions:

As most of this theme is covered by the French law, our actions related to the two principles of this theme focus mainly on communication actions:

Internal communication on one hand (to raise awareness of the whole team and harmonize the values). For this purpose, 5 supports and actions can be identified.

- **The Quality Manual of EXTENDE**, implemented in December 2011, during the implementation of our Quality Management System (ISO9001) and following a team meeting to determine the emblematic values of the company: customer priority, active listening, rigor, technical humility and confidentiality. They reflect our position of respect towards our various interlocutors (within the team but also towards our customers, collaborators and partners)..
- **The EXTENDE Code of Ethics**, implemented in 2013 following the implementation of our Environmental Management System (ISO14001) and also written by all employees. It defines the values of the team: openness, dynamism, professionalism, exchanges, sustainability and responsibility. This Charter is available on our website at the following address: <http://www.extende.com/ethics>.

Human rights

- **The annual awareness presentation**, oral and PowerPoint supported. It is scheduled every year in November or December. The goal is to communicate with the team on the progress made in the framework of the Global Compact, but also to let everyone express themselves about the way the system works and to propose new initiatives.
- **The caps are collected** en The collection of plastic bottle caps, a salary initiative from an annual meeting set up last year (2016). The caps are collected for the benefit of the association «Bouchons de l'espoir», of which the main objective is to bring disabled people to valid sports clubs to promote their integration.
- **Finally, the suggestion box**, installed at the start of our commitment to the Global Compact, is still in place in our premises, to guarantee everyone's freedom of expression. It can also be used by visitors from outside the company.

External communication on the other hand (to raise awareness of our interlocutors).

- **To our customers**, prospects and partners, via our three communication channels: our newsletter, our blog, and our LinkedIn page. Each year, we reaffirm on these supports our commitment to the Global Compact.
- **To our distributors**, since we send them a report of our activities every year which summarizes all our sales, the evolution of the number of our trainings, as well as our efforts concerning the actions of Marketing. This document also promotes the values of the Global Compact in a section dedicated to Social Responsibility. We hope to encourage them to join as well.

As well as some prevention actions

- **Regarding data privacy**: our data storage system was reorganized three years ago and is still in place.
- **Regarding the independence of our company**: it is always assured since we do not depend on a larger entity, and our small industrial size (12 employees) allows us to be responsive, neutral and independent, and masters of our political choices.



The measures:



EXTENDE's mission is to bring the benefits of simulation and non-Destructive Testing methodologies to the worldwide NDT community for a free and fair sharing of knowledge.

Openness

Customer priority

Dynamism

Active listening

Professionalism

Rigor

Echange

Technical humility

Sustainability

Confidentiality

Responsibility



	from October to October			
	2014	2015	2016	2017
Meetings	4	5	6	8
Visits	2	1	0	0
Reports sent	1	2	1	1
Reports received	10	16	10	8

This year, the number of reports received has dropped, but they have been replaced by online WebEx. The exchanges are therefore stronger. These WebEx are counted in the numbers of «Meetings».

Labour rights

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining ;
4. The elimination of all forms of forced and compulsory labour ;
5. The effective abolition of child labour ; and
6. The elimination of discrimination in respect of employment and occupation.



As specified in the previous paragraph, EXTENDE is subject to compliance with French legislation guaranteeing the respect of labor rights.

EXTENDE is subject to the legislation established by the SYNTEC collective agreement. The exercise of the union right to organize is recognized and carried out in accordance with the legal provisions in force mentioned in Article 3 of this Convention: «Right to organize and freedom of opinion».

In addition to respecting the law, we try to set ourselves as an example towards all our partners, and favor partnerships with companies that also respect these values. To this end, nine actions can be described:

Actions :

The actions set up four years ago when the Global Compact was signed have been maintained.

In accordance with the law

- **The mandatory information notes** are posted, mentioning the legal reference articles, and informing about professional equality between men and women, the fight against moral and sexual harassment, and the fight against discrimination.

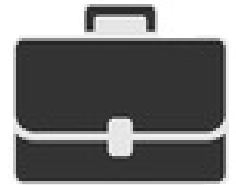
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Labour rights

- **The protection of minors** (under 18 years old) to whom the French law provides protection is strictly respected by EXTENDE. We certify that we have never hired minors.
- **Discrimination** regardless of the criterion (sex, race, color, language, religion, belonging to a national minority, etc.) is also prohibited by Article 14 of the European Convention on Human Rights that EXTENDE respects.
- **The promotion of diversity and equal opportunities** is also something that EXTENDE is committed to respecting.
- **The election of a union delegate:** organized on January 13th, 2014, this action was encouraged four years ago, but no one wished to run in the election. A deficiency report was then drafted because no one volunteered. Legally, once every 4 years, the employer must organize these elections, which we plan to do again in 2018.
- **Occupational health visits** continue, and since 2015, unpaid days for deficiency diseases have been removed.
- **Vacation bonuses** have been awarded for two years to all employees in accordance with our collective agreement.
- **Individual and professional interviews** are organized every year (professional interviews are legally required every 2 years only). They are prepared upstream to ensure maximum objectivity. Management training and interviews were conducted last year by EXTENDE's directors to carry out all these meetings.
- **Transportation-related benefits**, Transportation-related benefits are in place for employees.
 - On one hand, in accordance with the Labor Code, 50% of the cost of transports (in public transports) of our employees is covered.
 - Since last year, we have added to this a mileage allowance, paid to employees coming to work by bike, regardless of any legal obligation.

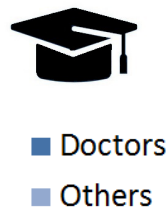
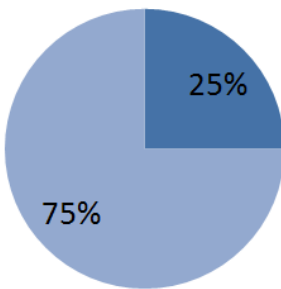
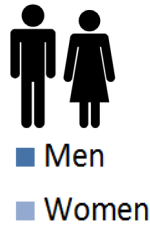
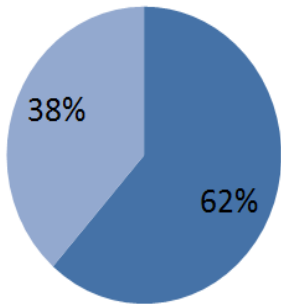




Labour rights



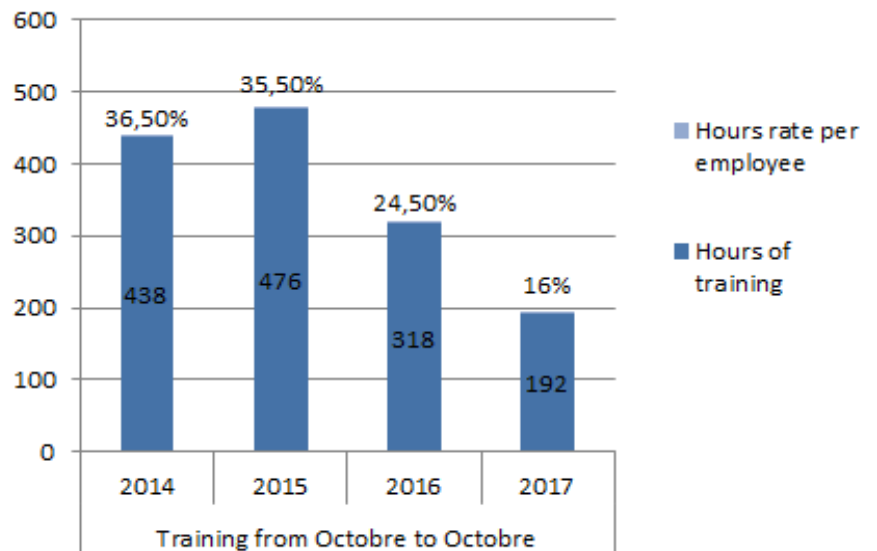
The measures:



CDI
100%



	From October to October		
	2015	2016	2017
Certifying training	2	3	0



Complaints: 0
Litigations: 0
Safety incident: 0



The indicator «budget allocated to well-being» is a ratio: total budget of equipment purchases / total budget.

	2014	2015	2016	2017
Budget dedicated to "Well-Being"	52%	59%	68%	34%

Environment

7. Businesses should support a precautionary approach to environmental challenges ;
8. Undertake initiatives to promote greater environmental responsibility ; and
9. Encourage the development and diffusion of environmentally friendly technologies.



EXTENDE's activity is an ecological activity, since it consists in simulation of Non Destructive Testing, allowing to reduce the production of mock-ups. We maintained the actions initiated 4 years ago on this theme.

Actions :

EXTENDE is certified ISO14001 since October 2013, which attests of our Environmental Management System. We pay attention daily to respect and preserve the environment and the structures around us, and we evaluate our impact on the planet every year. We have also renewed our ISO14001 (and ISO9001) certifications at the beginning of 2017 to switch to the 2015 version. These certifications have to be revised every 3 years.

Precaution principle

- **A Diagnostic of our environmental impacts** has been done in 2013 with the help of DEXTRAL in order to get the ISO14001 certification. Since two years ago, our office in Grenoble is also up to date on environmental measures.

Environment

- **In addition, the precautionary principle is widespread in the nuclear industry** (industry from which half of EXTENDE salary come from, including the CEO of EXTENDE, M. Philippe Dubois). This principle is therefore intrinsically linked to our activity.
- **An annual review of our environmental indicators** (defined in our ISO14001 process) is organized during the direction meetings. This allows us to think about the new decisions to be taken and to plan regular checks of our installations (air conditioning, heaters).

Emergency Actions

- **Extinguishers have been placed in our premises.** Like we do every year, we had them verified by professionals. **Emergency call numbers are still displayed** in the entrance of our premises

Water consumption

- **We simply encourage our employees to maintain a responsible attitude** towards the waste of water through our charter of good practices, because our current premises do not allow us to influence our water consumption and to measure the impacts.

Waste Management

- We **recycle our waste** by sorting and emptying it into specific dumpsters.
- Batteries, ink cartridges and light bulbs are separated from WEEE, and traced via a Waste Tracking Register (RSD) according to the law in force. Last year, the three people based in Grenoble also began to officially recycle their waste in their premises.
- We also recycle Nespresso coffee capsules.

Polluting gases,

Chemicals and other dangerous substances

- **EXTENDE does not produce polluting gases through its activity,** EXTENDE does not produce polluting gases through its activity, and does not manufacture, sell or use any chemical substance. No special measures have been put in place on this subject, apart from the incentive to ventilate the rooms of our establishment.

Biodiversity

- **EXTENDE certifies the non-production of GMOs,** and the non-release of GMOs.

Natural Resources, Energy Consumption and Climate Change

- **We continue to clear 50% of the amount of our environmental impact** related to our travels (carbon tax) with a reforestation project in China. We compensate with Geres.
- **Our office in Grenoble in 2015 became partner of the PDIE Bouchayer-Viallet** (Inter-Company Travel Plan), with the aim of bringing together the various economic players to improve public

Environment

transport solutions.

- **We are also pursuing our best practices** with a set of tips put forward in our charter of good practice. For example, in terms of power consumption, we perform a temperature control via thermometers installed in several rooms, allowing us to have a reasonable and responsible use of air conditioning and heating.
- To date, no computer machine has been discarded since the creation of EXTENDE.

Ecological technologies

- **We avoid printing as much as possible.** We continue to send to our customers the reports in dematerialized form. The educational tutorials are also transmitted by computer. Only training exercise books are printed. We encourage our employees to prefer the use of computer versions of documents, to limit the number of printings, and our emails contain an awareness sentence to reduce printing.
- **The product we are distributing is also an ecological technology** since it facilitates the simulation of inspections, reducing the number of models to be made before an inspection, and we promote the simulation to new generations of inspectors.
- **Finally, we continue the regular regulatory watch and we value the suppliers meeting environmental standards.**
- As mentioned above, this year, and in accordance with the law in force, a **kilometric bicycle allowance (IKV) is paid** for employees who cycle between their home and their place of work, whether by bike or by electric bicycle.





The measures:



External audit of the Lloyd's Register Certification Body on 22nd and 23rd December 2016 for the renewal of ISO 14001 and the transition to the 2015 version.

Obtaining certification without nonconformity.

Corrections to be made: 3

Progress tracks: 4



19.33 equivalents of CO2 offset

from October 2016 to October 2017.



	Positiv impact thanks to CIVA
2012	1 514 002 €
2013	1 406 852 €
2014	1 791 564 €
2015	1 896 578 €
2016	1 802 224 €

Inspection visits

- **Fire extinguishers: 06/03/2017**
- **Air conditioning: 09/06/2017**
- **Electrical installations: 20/12/2016**
- **Supplier communication planned for the end of the year.**
- **Annual awareness meeting scheduled for the end of the year.**

Anti-corruption



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

The fight against corruption remains essential in our commitment to the Global Compact. To prevent corruption, we implemented a renewed quality management system at the beginning of the year.

Actions:

Since December 2011, EXTENDE is certified ISO9001. Since the beginning of 2017, we have been certified ISO9001: 2015 version, which means that we have successfully renewed our certification.

This certifies the respect of the processes put in place to guarantee quality in our company. The four sales representatives follow the described processes for sales, prospecting and purchasing.

It is primarily within our sales process that the risks lie within our structure but also partially within our purchasing process.

A system of proofreading and validation of prices before each sending of a commercial proposal guarantees non-favoritism in exchange for personal benefits. It is still in effect in our operation.

We have also included in the welcome booklet an awareness section for all new hires.

Finally, the management pursues a policy of intense communication, facilitating contacts between management and staff.



Measures:



**External Audit of the
Lloyd's Register
Certification Body
for ISO 9001:
Renewal and transition
to the 2015 version.**

The goals of 2018



Our goals for 2018 are identical; it is the continuation of our efforts set up in previous years: respect of the 10 principles of the Global Compact, as well as a responsible and exemplary attitude on a daily basis.

We are therefore committed to renewing our commitment to the Global Compact next year.

