



# Teleperformance Vigilance Plan



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# 2019 Vigilance Plan

In accordance with Article L.225-102-4 of the French Commercial Code, the vigilance plan (the “Vigilance Plan”) of Teleperformance SE (“Teleperformance” and, together with its subsidiaries, the “Group”) is designed to present the reasonable vigilance measures implemented Group-wide in order to identify the risks and prevent serious harm to human rights and fundamental freedoms, health and safety, and the environment resulting from the operations of Teleperformance and the companies it controls within the meaning of Article L.233-16 (II) of the French Commercial Code, whether directly or indirectly, and from the operations of suppliers or subcontractors with which an established business relationship is maintained, where such operations form part of this relationship.

This Vigilance Plan is based on the five main obligations set out in the French law: (i) risk identification and mapping, (ii) risk assessment procedures, (iii) deployment of systems for mitigating risk and preventing serious harm, (iv) establishment of a hotline policy and internal reporting system, and (v) system for monitoring measures in place.

Teleperformance employs more than 330,000 people in 80 countries and therefore carries on its business in a wide range of complex economic and socio-cultural environments liable to generate risks that fall within the scope of the Vigilance Plan.

Teleperformance is determined to ensure that the Group’s core values are applied and upheld, not only by all managers and employees, but also by the suppliers and subcontractors with which it has an established business relationship.

## Our Genetic

<b>Cosmos</b> Integrity I say what I do, I do what I say.	<b>Earth</b> Respect I treat others with kindness and empathy.	<b>Metal</b> Professionalism I do things right the very first time.	<b>Air</b> Innovation I create and improve.	<b>Fire</b> Commitment I’m passionate and engaged.
				

Various working groups comprising representatives of the Compliance, Corporate Social Responsibility, Finance, Information Security, Procurement, Internal Audit and Legal Departments, together with senior management of the Group, are involved in preparing and implementing the Vigilance Plan.

The 2019 Vigilance Plan was presented to the Global Corporate Social Responsibility (CSR) Committee and to the Group's Executive Committee.

Besides its commitment to comply with applicable laws and regulations in each of the Group's operating countries to safeguard the objectives of the Group and the Vigilance Plan, Teleperformance has also been a signatory of the United Nations Global Compact since 2011 and commits to abide by the principles of the Universal Declaration of Human Rights.

The Vigilance Plan covers three main areas:

- Human Rights
- Health and Safety
- The Environment

Stakeholder dialogues were conducted in all our main subsidiaries to capture stakeholders' key expectations and to identify and prioritize risks. This consultation process, conducted in a structured approach and coordinated by the global CSR Department, was used to build the Materiality Analysis and the global CSR roadmap for the coming years. It included, among other topics, areas covered by the duty of vigilance (Human Rights, Health and Safety, Environment).

As part of the Vigilance Plan, several tools and procedures had already been introduced Group-wide, and certain information about them are described in the Teleperformance Registration Document. Other tools and procedures have been added and/or enhanced in 2018/19 in order to meet new regulatory requirements and to provide for the Group's new consolidation scope. Those will be detailed in the Vigilance Plan. More additions and enhancements will be made in the future as part of our continual improvement process.

To ensure the deployment of the vigilance plan and the success of its programs and objectives, a dedicated governance structure was set up:

#### HUMAN RESOURCES

In 2018, the Group appointed a Chief Administrative Officer, whose responsibilities primarily include Human Resources, Shared Services, Learning and Development, Compliance, Privacy and Security. The Chief Administrative Officer reports to the Chairman and Chief Executive Officer and the Chief Legal and Compliance Officer. He assesses the results obtained in connection with the Vigilance Plan and reports to the Audit, Risk and Compliance Committee of the Teleperformance Board of Directors on progress with respect to all measures under his purview.

- The global Human Resources Department has been strengthened around a global HR Committee, as well as regional heads in charge of implementing and monitoring the local application of global policies and standards.
- A global department, reporting to the Chief Administrative Officer, is dedicated to developing global programs focusing on Employee Engagement and Well-being and monitoring their implementation. They work with a network of Employee Engagement Directors and coordinators in each subsidiary.

#### CORPORATE SOCIAL RESPONSIBILITY

- Global CSR Department: In January 2019, the Group appointed a Corporate Social Responsibility (CSR) Director, under the direct supervision of the Group's Deputy CEO.

The CSR Director's mission, together with her team, is to coordinate the Group's CSR strategy, harmonize the various CSR initiatives and closely monitor the entire CSR program.

- The global CSR Department works with a network of local CSR ambassadors, appointed in each subsidiary. Local CSR ambassadors have the day-to-day responsibility to act as a link between the global CSR Department and the local companies, to ensure that the Group CSR policies are implemented at a local level and to track and report relevant CSR matters and indicators. They carry out the instructions from the CSR Director, who is responsible for making sure Teleperformance's business practices are aligned with the 10 principles of the UN Global Compact and the Vigilance Plan.
- Additionally, a global CSR Committee gathers at least 4 times a year to validate the CSR strategy, review progress on the CSR global roadmap and coordinate cross-department projects. This committee is comprised of key support functions and specialists in their respective fields (CSR, HR, Legal & Compliance, Finance, Communication).

#### COMPLIANCE, PRIVACY & SECURITY

- The Compliance, Privacy & Security teams report to the Chief Administrative Officer & Deputy Chief Compliance Officer, who has a dotted line reporting relationship to the Audit, Risk and Compliance Committee of the Teleperformance Board of Directors and a direct reporting relationship to the Group CEO.
- The Global Compliance and Security Council is comprised of the following people: Chief Operation Officer, Chief Administrative Officer, Chief Legal Officer, regional presidents and the Chief Information Officer. It meets quarterly to review security incidents, if any, and review internal and external audit findings and other compliance matters. It provides reports of activities to the Board's Audit, Risk and Compliance Committee. Teleperformance also created a Global Technology, Privacy and Security Committee chaired by the Chief Information Security Officer. The main function of this Committee is to evaluate all new and existing technologies prior to deployment to ensure that a Privacy Impact Assessment (PIA) has been completed.

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# 1. Risk Identification and Mapping

The objective of the risk management policy is to identify and analyze the risks that the Group faces and set appropriate risk limits and controls.

It is the Board of Directors' responsibility to define and oversee the framework for managing Group risks, the consequences of which are liable to adversely impact the Company's business, staff, assets, environment, objectives, earnings, financial position, stock price or reputation.

Through its training and management rules and procedures, the Group aims to develop a rigorous and constructive control environment in which every employee has a clear understanding of his or her role and duties.

Identifying, analyzing, measuring and processing risk is the responsibility of the Group's three main departments: Finance, Legal & Compliance, and Operations, at the Group level and at the individual company level. This organization provides the framework for the risk management scheme.

This management scheme stems from the interaction of the three main departments with senior management, the Audit, Risk and Compliance Committee of the Teleperformance Board of Directors, and the functional and operational departments, which perform day-to-day management of the risks within their respective areas of responsibility.

This interaction under the risk management scheme is embodied, among other things, in joint exercises involving the main departments.

In 2018, this work related to compliance and protection topics such as:

- cross-functional review of the legal, operational and security-related aspects of the Group sites;
- mapping risks of corruption; and
- instituting a crisis-management plan.

In 2019, the Group continued its improvement process of risk identification and mapping:

- ongoing cross-functional review of the legal, operational or security-related aspects of the Group sites;
- generalizing and formalizing risk mapping based on its internal control self-assessment scheme, deployed to all its subsidiaries;
- performing a CSR risk mapping, including Human Rights, International Labor Standards, Health and Safety, Ethics and Compliance, Corporate Governance, Environment, Value Chain and Communities;
- conducting a Materiality Analysis and identifying CSR priorities via consultation with key internal and external stakeholders in the Group's main countries and regions of operations;

- the organization of several exercises as part of the crisis management plan and its ongoing roll-out via a training program delivered to a greater number of employees.

The Group's risks are all presented in section 1.2.1 from the 2019 Universal Registration document.

### **CSR Risk Mapping**

Teleperformance has completed an exhaustive CSR Risk Mapping, including Human Rights, International Labor Standards, Health and Safety, Ethics and Compliance, Corporate Governance, Environment, Value Chain and Communities.

To prepare the list of CSR issues to be submitted to stakeholders, Teleperformance considered:

- international standards (ISO 26000, UN Global Compact, GRI standards);
- sectorial benchmarks and media monitoring; and
- analysis of existing internal documentation.

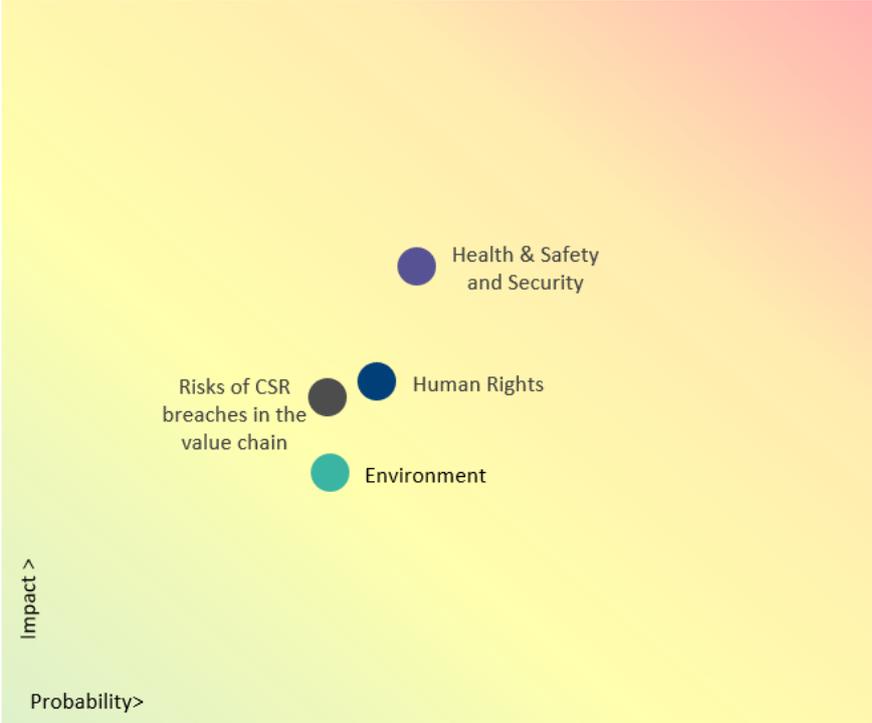
The risk mapping was performed through consultation with executives representing all Group business functions (Legal & Compliance, Human Resources, Operations, Information Security, Business Development, Client Management, Finance, and Risk Management) and all key regions and countries (with a specific focus on our largest operations in EMEA, India, the Philippines, the United States, Mexico, Colombia and Brazil).

The results of the Annual Employee Satisfaction Survey (E-Sat) were incorporated into the risk analysis. The 2018 E-Sat was completed by 118,509 employees from 68 subsidiaries and 47 countries).

The Group also engaged with a consultation with stakeholders, including employee representatives, clients, suppliers, public administrations, advocacy groups and certification/audit entities, as part of the materiality analysis – *see below*.

Employees' feedback on CSR and Compliance are also captured by third-party Verego as part of the annual certification assessment – *see page 17*.

Mapping below shows the risks associated with the main areas of the duty of vigilance:



Note that in Health & Safety and Security, Security relates to physical security and people safety.

**Risks identified in the areas covered by the vigilance plan**

**1.1. Risks of serious harm to human rights and fundamental freedoms**

Teleperformance is a human-centric company: with more than 330 000 collaborators and 1,000 clients in the world, risks of serious harm to human rights and fundamental freedoms do exist.

Discrimination in respect of employment and occupation, forced or compulsory labor and breach of freedom of association and the right to collective bargaining are risks that Teleperformance employees could face.

The Group could also be exposed to inappropriate behavior by some of its employees or by third parties.

Risks linked to data security and data privacy of Teleperformance’s employees, corporate clients and final customers are inherent to the Group’s activity. Teleperformance delivers its services to clients through a complex technological platform that integrates various aspects of information technologies: powerful telephone technology, hardware and software. Besides, the Group’s activity requires its subsidiaries, acting as data controllers, to collect, process and transfer personal data regarding its employees. When acting on behalf of its clients, Teleperformance acts as a data processor and collects and processes personal data of its clients’ customers. The Group must meet not only statutory requirements and contractual commitments to clients but also more than 300 data security compliance criteria.

## 1.2. Risks of serious harm to health & safety and security

Risks to health and safety and security can materialize at any stage of the value chain. Among the potential victims of health and safety and security risks, the Group includes its employees at their place of work, its clients and their customers.

Assessments are carried out once a year at each facility in order to identify potential risks and devise appropriate solutions to reduce them. The Group periodically audits local risk assessments to improve their accuracy.

Health and safety risks primarily involve the Group's employees. The stress inherent to any workplace can result into health and safety issues for employees. Having an unbalanced work-life and too little time to relax can also give rise to stress and impact employees' health. Identifying and reducing these factors is essential and Teleperformance has implemented several measures to deal with them.

Given that the positions Teleperformance offers are predominantly sedentary, workplace ergonomics are an important health and safety factor and an important area of focus for the Group.

Teleperformance could also face risks related to physical security. Growing political tensions, social instability and acts of terrorism, as well as epidemics, earthquakes, hurricanes and floods may occur in some of these countries, resulting in the loss or shutdown of a Group location.

Based on the country ratings published by COFACE in February 2020, the breakdown of the Group's revenues in its 80 countries is as follows:

- 57% in countries where the situation is regarded as favorable and low-risk or presenting acceptable risks; these include major contributors to Group revenues, notably the USA, Philippines and UK;
- 36% in countries where the situation is uncertain, including Brazil, Colombia, Greece, India, Mexico and Turkey;
- 7% in countries where the economic and political outlook is considered to be highly uncertain, notably El Salvador and Tunisia.

## 1.3. Risks of serious harm to the environment

Teleperformance's risks of serious harm to the environment are mainly linked to excessive consumption of resources, mainly electricity.

Its business does not generate material direct emissions into the atmosphere, water or ground and does not create any particular noise disturbance for the local community. The Group's business has no material direct impact on biodiversity and has not experienced any environmental incident.

The Group's main environmental objectives at all of its subsidiaries include reducing energy consumption, limiting packaging and paper waste and cutting back on travel, particularly air travel.

#### 1.4. Risks of CSR breaches in the value chain

In accordance with the CSR risk mapping and the materiality matrix, the risks linked to Teleperformance's supply chain are not the most salient for the Group. With that said, the behavior expected from suppliers and subcontractors covers the following issues: respect for human rights, prohibition of child labor, prohibition of forced and compulsory labor, elimination of all forms of discrimination in respect of employment and occupation, occupational health and safety, freedom of association and the right to collective bargaining, respect of data privacy, responsible use of natural resources and prevention of gradual or accidental pollution of the air and soil.

#### Materiality Analysis

The CSR Risk Mapping was enhanced and taken as a starting point for a materiality analysis, where the Group engaged in a structured consultation of key stakeholders in its main regions and countries of operations during Q2/2019.

Teleperformance consulted more than fifty of its key stakeholders, including:

- employee representatives;
- a sample of our largest clients;
- suppliers;
- public administrations;
- advocacy groups; and
- certification/audit entities.

These stakeholders are those with whom the Group has most interactions.

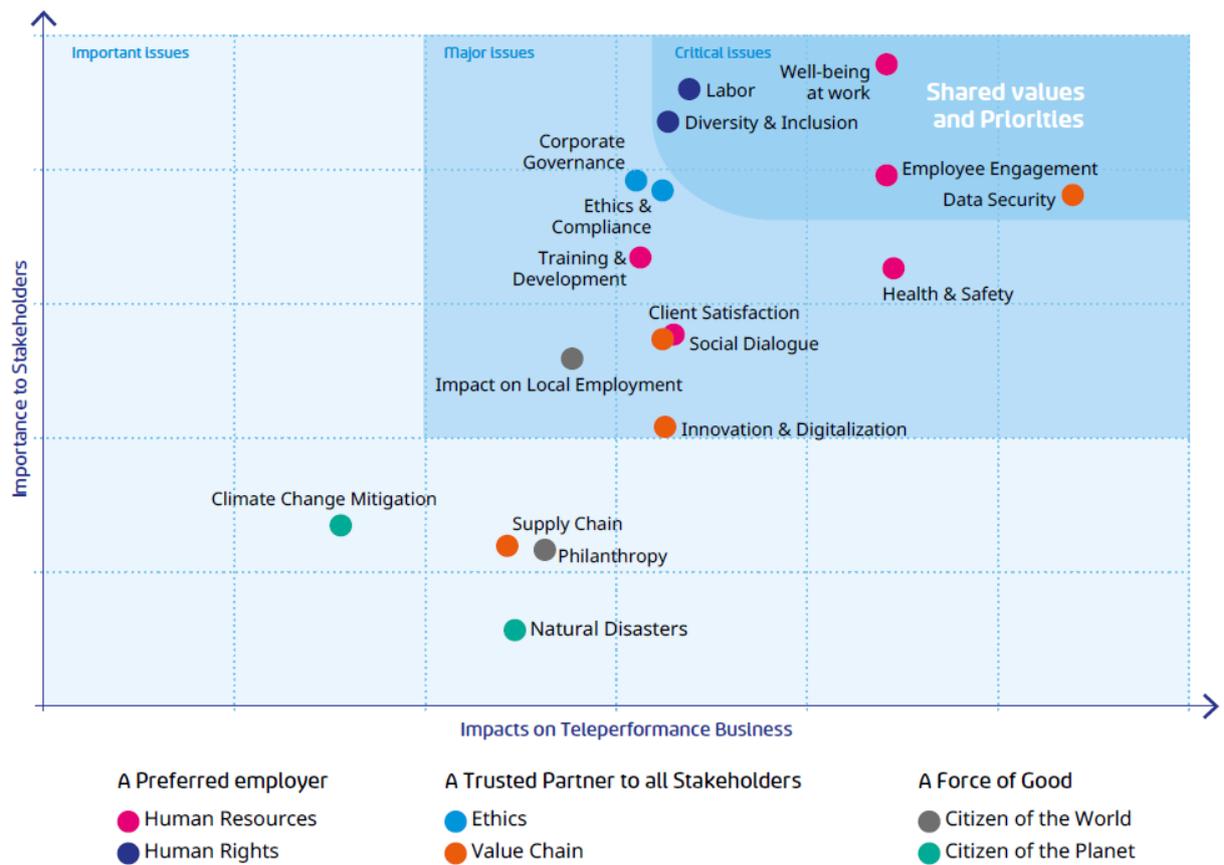
In 2019, Teleperformance chose to involve mainly employee representatives – more than 50% of the panel – and to prioritize dialogue with employees for the first year of the assessment.

Teleperformance reached out to stakeholders that were representative of the Group's largest operations: EMEA, India, the Philippines, the United States, Mexico, Colombia, Brazil.

The consultation was carried out through interviews by the Group's Corporate Social Responsibility Department, with the support of local teams.

KPMG, mandated as the Group's independent third party for the verification of non-financial information, confirmed that the materiality analysis performed by Teleperformance was conducted in accordance with the methodological note established under the responsibility of Teleperformance's CSR direction, and delivered an agreed-upon procedures report regarding this subject in accordance with ISRS 4400.

The materiality chart below presents CSR issues classified on one hand in terms of their importance for stakeholders and on the other hand the degree of risk they entail for Teleperformance's operations as defined during the CSR risk mapping process. As such, it showcases the main extra-financial risks and opportunities for the Group.



The priority areas highlighted in this analysis are subject to specific action plans and initiatives to improve, mitigate and monitor the associated risks. These action plans and initiatives have been integrated into the Group’s strategic objectives. As further demonstration of the importance of these priorities, our Executive Officers’ incentive remuneration is tied to the Group’s performance in these areas.

## 2. Assessment of the situation of subsidiaries, subcontractors and suppliers

### Transverse assessment processes

The Group has established procedures for assessing risks at its subsidiaries' level. These procedures are conducted by Group teams or in consultation with external organizations in order to identify and prevent risks of serious harm to human rights and fundamental freedoms, health and safety, or the environment.

All operational sites are extensively controlled, visited and audited. They do not operate in silos, but on the contrary are closely managed following the Group's global values, global operating standards and global policies. The internal control system is first based on the effective implementation by all subsidiaries of TOPS (Teleperformance Operational Processes and Standards) and BEST (Baseline Enterprise Standard for Teleperformance), as well as business standards such as the COPC (Customer Operations Performance Centers) standard.

This system is also based on international management processes such as the Six Sigma approach. Since 2018, the Group has been systematically developing the use of this methodology, providing training for all its managers, so as to develop a common language grounded in the notions of measurement, analysis and control. The standardization and application of these procedures and standards enable to make the Group's global network more internally consistent, while providing greater control over its operations.

Teleperformance's global operating standards span the full operations cycle:

- BEST standards

BEST stands for Baseline Enterprise Standard for Teleperformance. BEST are qualitative standard manuals guaranteeing high-end service quality, high performance rates and proactive management of existing and future programs. BEST also serves to reinforce best practices in human resources management and projects for all Teleperformance operations worldwide. Specific manuals have been developed in regard to recruitment, training and development, operations, management, etc.

Each subsidiary is required to perform a self-assessment twice a year for these procedures. IN addition, corporate audits can be performed to certify the subsidiaries on these processes.

- Global Premises Standard

Since 2009, Teleperformance has deployed a Global Premises Standard which provides blueprints and detailed guidance on lighting, acoustics, IT and Security, safety, proximity and hands-on-management, sustainable development, and employee well-being in all areas of its sites. A dedicated team supports the creation and enhancement of the Group's facilities around the world. Moreover, they are responsible for continual auditing and analysis of our sites and putting appropriate action plans in place to guarantee global consistency and ensure employees' well-being in all Teleperformance facilities.

- TOPS (Teleperformance Operational Processes and Standards)

TOPS are processes used to manage daily performance. The TOPS processes allow performance and quality to be optimized, while managers are able to dedicate the majority of their working time to the agents they manage. TOPS was designed by the Group to manage its operations in a standardized manner in each subsidiary. TOPS allow for improved quality control and have been rolled out in all Group subsidiaries. The process is backed by the Group's integrated software suite for service management (CCMS). TOPS provide a reference framework for Teleperformance that is tailored to its operations.

### **Internal control mechanisms**

Teleperformance has numerous mechanisms of controls, which are continually enhanced.

- Internal audits

In 2019 for instance, the Internal Audit Department, together with the Compliance Department, conducted a review of compliance of the Group's sites with the local regulations concerning health and safety measures.

- Internal Control Questionnaire (ICQ)

Each Group subsidiary is required to respond and certify three times a year to the ICQ, which contains over 200 questions and controls. This questionnaire evaluates the effective implementation of the Group's processes and controls at each subsidiary. The results are formalized into a risk mapping, which allows risk monitoring by topic and by subsidiary. They are reported to each entity's management team, as well as Executive management and the Audit, Risk and Compliance Committee of the Teleperformance SE Board of Directors. The ICQ is analyzed and coordinated by the Group department of internal control. Some of these control points are also verified by statutory auditors.

- Indicators

A large set of indicators from the audits and controls are reviewed on a monthly or quarterly basis by the Group's Executive Committee and the senior management of the Group subsidiaries.

- WARM visits

These on-site visits and in-depth operational reviews with local management are conducted annually by the Group's Executive Management team.

Beyond the global risk assessment and control scheme, Teleperformance developed specific procedures linked to the areas of the Vigilance plan.

## **2.1. Specific assessment procedures with regard to human rights and fundamental freedoms**

The transverse internal control mechanisms presented above include human rights and fundamental freedoms related matters. Additionally, the Group has developed specific tools to capture the employees' feedback directly.

- "Chats with CEO" and focus groups are organized and conducted at each site by local management (i.e. in the Philippines, Colombia, etc.);
- Employee Satisfaction Survey (E.Sat)

Since 2008, Teleperformance has been measuring employee satisfaction. Based on the results, specific action plans are defined in each subsidiary, and implemented under the responsibility of the local Chief Human Resources Officer.

- HR Assessments

When the Group identifies a decrease in employee satisfaction or in overall performance, an independent global team, responsible for Employee Engagement, performs a thorough on-site assessment reviewing all Human Resources processes and Human Rights aspects.

- Security & Compliance Audits

The Group has established an internal compliance audit function, which reviews the operational sites on a rotating 24-month or 12-month basis for the top 10 clients, for adherence to the Group's policies in terms of compliance and security (GESCP), personal data protection, health & safety and anti-corruption (Sapin II law).

## **2.2. Specific assessment procedures with regard to health & safety and security**

A global remote audit system has been set up to ensure that all locations comply with the Group health and safety policy. The system is backed up by systematic on-site inspections, aiming to cover all Group locations over an 18-month period. Depending on the maturity level and results obtained by each inspected location, the Group offers to work closely with the subsidiary in order to achieve compliance with the required standards. A full health and safety audit of the location is also proposed.

	Objectives	Methodology	2019 audits
<b>Remote H&amp;S audits</b>	Remotely assess whether key health and safety elements comply with Group H&S requirements, identify discrepancies and prepare an action plan to rectify them.	Each company provides documents as proof of its compliance with Group minimum requirements, via the Group's compliance platform. Each supporting document is examined remotely by a Group H&S auditor. Compliance reports are issued monthly to all country directors for their respective entity, and quarterly to the Group management team.	Over 300 locations audited in 2019, including new sites integrated during the year.
<b>On-site H&amp;S inspections</b>	Conduct a H&S site inspection and determine whether the key elements are satisfactory, or if any findings, whether positive or negative, have been drawn up for the Company.	These inspections are conducted by an in-house safety and compliance audit team trained in critical health and safety aspects, via a three-stage process: 1. Prior evaluation; 2. On-site inspections using an evaluation grid; 3. Bi-monthly meetings to align with auditors. The inspection findings are forwarded to country management, which then requests an action plan with monthly tracking. The overall findings are sent to Group management every quarter.	199 sites were inspected in 2019.
<b>Full H&amp;S audit and support</b>	Evaluate an entire site in order to assess compliance with Group requirements, international guidelines and local regulations.	These audits will be conducted by the Group H&S team via a three-stage process: 1. Risk identification; 2. Prior evaluation; 3. On-site audit using a comprehensive H&S audit evaluation sheet. The audit findings are forwarded to country management, which then requests an action plan with monthly tracking. The overall findings will be sent to Group management every month.	Launch of the process in 2020 following the definition of the methodology in 2019.
<b>Compliance of H&amp;S licenses</b>	Check that all sites have the health and safety licenses required by local legislation	An initial investigation (phase 1) was conducted by each subsidiary to identify all licenses required for each site. Next (phase 2), each license identified was recorded in the internal system.	The compliance team broadened the scope of subsidiaries covered.
<b>Client audits</b>	Employee health and safety is a core component of most major international clients' subcontracting policies. In this context, clients conduct their own on-site H&S audits.	The methodology varies depending on the client.	Data unavailable.

### **2.3. Specific assessment procedures with regard to serious harm to the environment**

- Reporting

Environmental data (electricity consumption, water, paper, and business travels) are reported on a monthly basis by each site, and closely monitored by the Corporate Social Responsibility department and by Executive Management, in order to achieve the Group's objective of continuously reducing the carbon footprint per employee.

The Group focuses on reducing its electricity consumption, which represents 87% of its overall carbon footprint. The environmental data are analyzed to establish targeted action plans, such as implementing energy saving measures, launching awareness campaigns regarding good daily habits, adopting renewable energies, or opting for sites with high environmental performance (LEED, BREEAM, HQE,...).

- Assessments and audits

The sites that contribute the most to the Group's carbon footprint are subject to a deeper analysis, in order to identify the root causes and ways to improve and save energy.

In 2019, Teleperformance hired a global environmental engineer to lead the Group's environmental roadmap and accelerate the change. Among his missions, he will carry out environmental audits starting 2020, based on the analysis of each site's carbon footprint.

- Business Continuity Plans

Each site / country has also been evaluated in terms of its potential exposure to climate disasters. Business Continuity Plans have been drawn up accordingly.

### **2.4. Specific assessment procedures with regard to CSR breaches in the value chain**

- Procurement spend accounts for ~5% of the Group's total revenue. The top Group suppliers are mainly temporary employment agencies, IT hardware and software suppliers, and telecommunications providers.
- Teleperformance has been working on standardizing the Procurement processes and the Supplier assessment and selection process globally and, in 2019, risks related to the supply chain were incorporated into the Internal Control Questionnaire.
- The Group is committed to exercising vigilance in identifying potential adverse impacts in its supply chain, whether direct or indirect, of its business in order to prevent and, if identified, minimize such impacts. The Group asks each of its subsidiaries to work with suppliers and subcontractors that agree to comply with the Group's requirements in this area and who abide by the Supplier Code of Conduct.
- Suppliers and subcontractors are periodically assessed, at the subsidiary level, in accordance with the precepts of the Group Supplier Code of Conduct and Internal Procurement Policy.

## Assessment procedures carried out by stakeholders

In addition to these internal control mechanisms, Teleperformance's sites are also visited, audited, evaluated and/or certified by numerous stakeholders.

- Certification processes:

Verego awarded Teleperformance the Enterprise-Wide Social Responsibility Standard (SRS) Certification Award for the 6th consecutive year.

This certification provides a comprehensive framework for ensuring the effective management of corporate responsibility initiatives. The Verego SRS Certification Award is given to companies that excel in terms of policies and practices in five key areas, including leadership, ethics, people, community, and the environment. Teleperformance achieved certification in all five defined areas of the Verego SRS Standard at a Group-wide scope to include all its global sites.

The Verego comprehensive certification process includes a CSR survey where the Group provides existing CSR structured approaches, policies, procedures, processes, and correlating data; a CSR Site Validation Audit Assessment to validate and track local alignment to Teleperformance's submitted structured approaches; and an Employee Survey to all Teleperformance newly assessed sites and staff, evaluating employee awareness on CSR, employee satisfaction on CSR practices and employee feedback on compliance.

Main findings from Verego:

*"from our overall Site Validation Assessment, it is clear that the majority of policies at Teleperformance are visible and well-implemented at the local level. Awareness and training around The Code of Conduct, Human Rights Statement and Health & Safety initiatives appeared to be fully implemented at all sites".*

From the employee survey, Verego finds out that 90% of Teleperformance employees are satisfied with the organization's overall performance in CSR and that more than 99% have not witnessed or experienced any compliance issue within the last two years, meaning that policies are fully implemented and respected locally.

- Work environment certifications

Teleperformance applies for and obtains certifications as a best employer in many of its subsidiaries, representing 70% of its workforce.

These extensive certification processes are the outcome of an employee survey (an additional way to capture the voice of TP employees) and a data collection process conducted by the certification entity.

In 2019, Teleperformance received 11 Great Place to Work® awards in India, Philippines, Mexico, El Salvador, Colombia, Costa Rica, Dominican Republic, Portugal, Argentina, Brazil, Peru;

7 subsidiaries were recognized as Global Best Employers™ Program by Kincentric (formerly Aon Hewitt): China, India, Morocco, Tunisia, TLScontact Algeria, TLScontact Morocco, TLScontact Tunisia);

4 subsidiaries recognized as Best Places to Work® (Albania, Morocco, Tunisia, Portugal).

- Audits and evaluations from local public administrations, independent third parties and employee representatives.

Examples in some of the Group’s key countries:

Country	Examples of audits and assessments
<b>The Philippines</b>	The Department of Labor and Employment (DOLE) does annual (or more frequent) on-site inspections in all TP Philippines’ 21 sites. TP Philippines also receives ad-hoc inspections from the Bureau of Fire Protection, Bureau of Immigration and the Philippine Economic Zone Authority. TP Philippines is an active member of professional, non-profit organizations like People Management Association of the Philippines (PMAP), Contact Center Association of the Philippines (CCAP) and Information Technology and Business Process Association of the Philippines (IBPAP). These organizations share best practices and thought leadership among their entire membership.
<b>India</b>	Teleperformance is audited by the Government Labor Department for compliance with labor laws on an annual basis. Local fire safety authorities perform fire safety inspection on an annual basis. Teleperformance India is audited once a year by an independent third-party consultant for compliance with applicable labor laws. This consultant also audits the manpower agencies supplying services to Teleperformance India. Ten of Teleperformance India’s sites are certified ISO 14001 (Environment management system) and OHSAS 18001 (Health & Safety management system).
<b>Mexico</b>	The “Secretaria de Trabajo y Previsión Social” (Mexican Labor Board) audits TP sites on labor conditions on a bi-annual basis, according to the Mexican Federal Law. The Mexican “Protección Civil” (Fire Department) audits health & safety matters annually.
<b>Colombia</b>	The Ministry of Labor audits the overtime legal compliance twice a year, and audits compliance with minimum wage and labor and general conditions once a year. The independent third-party Bureau Veritas audits TP Colombia’s health management system on an annual basis. Deloitte audits employee benefits on a monthly basis and payroll twice a year. The COPASST (“Comité Paritario de Seguridad y Salud en el Trabajo”), a committee composed of employee and employer representatives whose function is to promote and monitor the Occupational Health standards and programs within the company, meets at least each quarter to discuss health and safety matters. A “Convenience Grievances Committee”, composed of employee and employer representatives, meets on a regular basis to address any grievance.
<b>El Salvador</b>	The Ministry of Labor audits employee contracts and health & safety management on an annual basis, and audits minimum wage compliance twice a year. The Ministry of Health audits overall health conditions on a quarterly basis.
<b>Costa Rica</b>	Employee benefits are randomly audited by the “Ministerio de Trabajo y Seguridad Social” (Department of Labor and Social Welfare). Health & safety matters are randomly audited by the “Comisión Nacional de Emergencia” (National emergency committee).
<b>Dominican Republic</b>	The Ministry of Labor audits compliance with health & safety regulations on an annual basis. Additionally, the Ministry of Labor performs ad-hoc audits following any employee complaints. Teleperformance Dominican Republic meets monthly with its employee representatives (Sitratel and UniGlobal) to discuss any employee concerns. Teleperformance Dominican Republic also organizes monthly meetings with its local Health & Safety Committee to discuss any findings in the premises and establish action items to correct. Union members are part of the Teleperformance Dominican Republic Health & Safety Committee.

- Site visits and audits from clients and prospects

Clients and prospective clients routinely visit Group sites and frequently conduct client audits.

### 3. Mitigating risks and preventing serious harm

Teleperformance has introduced measures to mitigate risks and prevent serious harm that are tailored to different circumstances. These measures are deployed at the Group and subsidiary levels, as well as with suppliers and other stakeholders. They are adapted in accordance with changing circumstances or risks identified in accordance with audit findings and messages reported via the various hotlines already set up or undergoing deployment.

Teleperformance's success and reputation are closely related to the Group's conduct of its business activities in a responsible manner in accordance with its core values and applicable law.

Teleperformance has developed global standards and processes to ensure the Group complies with the ten principles of the UN Global Compact and with international labor standards in all its subsidiaries.

These consist primarily of the following **codes and policies**:

- Code of Ethics
- Code of Conduct, including anti-corruption and anti-influence peddling, which was launched in May 2018, replacing the previous Anti-Corruption Policy
- Human Rights Statement
- Diversity & Inclusion Policy launched in March 2019, replacing the previous Equal Opportunity Policy
- Privacy Policy
- Global Essential Compliance and Security Policies, updated in May 2018
- Health and Safety Policy, updated in August 2019
- Environmental Policy
- Supplier Code of Conduct launched in Fall 2019, replacing and enhancing the previous Supplier Policy.

Teleperformance has continued to invest significantly to verify the due application and continual improvement of the Group's global policies and Vigilance Plan.

**Training sessions:**

- As part of the Group onboarding process, all new employees receive training in CSR, Security & Compliance (including GDPR compliance), and Health & Safety.
- All Group employees attended at least one Teleperformance safety standards training course in 2018. As part of a drive to improve the Group's safety culture, access to online safety training was extended and more than 17,000 managers completed additional training.
- The Group has developed a comprehensive training module on the Code of Conduct, including anti-corruption, provided to senior managers and employees.
- The Group has appointed local CSR ambassadors in each subsidiary, responsible to liaise with the Global CSR Department. All local CSR ambassadors must complete a

mandatory learning path, which includes knowledge of the ten principles of the UN Global Compact and training on their mission and responsibilities.

**Internal reporting system and indicators** for monitoring the implementation of measures in place, including the following:

- Employee and customer satisfaction surveys
- % of employees trained on the global policies
- Reporting and monitoring of employee grievances
- Internal Control Questionnaire three times per year
- Regular health and safety, compliance and security audits
- Monthly environmental reporting

Together with the operating divisions, Teleperformance senior management constantly assesses the Group's exposure to risks relating to its international operations, in particular in countries where the economic and political outlook is deemed uncertain or highly uncertain, or in countries hit by natural disasters. Employee and client protection remains an absolute priority. Regulation drills are conducted in relevant countries in order to prepare sites should these events occur. The Group has also implemented a crisis management plan to handle these events.

#### **Creation of a crisis management unit**

Since 2018, Teleperformance has implemented a Group-wide crisis management scheme to anticipate and manage sudden, unforeseen and major events with a likely negative impact on staff, continuity of business, financial results or reputation.

This scheme is based on:

- a manual containing all the procedures and rules associated with crisis management: alert reporting, the composition of the crisis management unit, the unit's operating rules, the dedicated communication tools for crisis management;
- a training program for staff and managers;
- regular crisis exercises contributing to fostering awareness among staff and managers of the features specific to crisis management and continuously improving the scheme.

In 2019, the Group continued to roll out this scheme through a training program provided to a greater number of employees and by conducting three crisis drills. These drills, which vary in length from 3 to 6 hours, are organized through a cross-functional approach involving 15 to 30 representatives from the Executive Committee, regional and local management teams and support functions. This year, two main crisis scenarios were tested: a fire drill at one of the Group's major centers, and two "cyber" attack simulations.

These exercises, which form an essential part of the scheme, make it possible to test the Group's ability to manage major events by processing information flows, identifying crisis stakeholders, anticipating the development of unfavorable scenarios and developing the appropriate communication strategy.

**Regular discussions with stakeholders** lead to the implementation of corrective or adaptive measures based on their feedback.

Besides, the Group has developed specific mitigation and prevention measures.

### **3.1. Mitigation and prevention measures with regard to Human rights and fundamental freedoms**

As a Group that operates in 80 countries and is acutely aware of the diversity of socio-cultural environments within which it operates, Teleperformance promotes respect for all internationally- recognized human rights and fundamental freedoms, including:

- non-discrimination in respect of employment and occupation (hiring, training, promotion, etc.);
- prohibition and elimination of all forms of forced or compulsory labor;
- fair compensation based upon the nature of work and always in compliance with local laws;
- standard working hours capped at 48 hours per week, (excluding overtime hours in compliance with local laws); and
- upholding freedom of association and the right to collective bargaining: Teleperformance maintains regular dialog with recognized trade unions and other employee legal representatives.

The Group ensures the effective implementation of its global standards and initiatives regarding training and career development, work environment, management, promotion of a diverse workplace, in order to be the best employer in each of the markets where it operates. The detailed description of Teleperformance's programs in that matter is available in section 2.3 of the 2019 Universal Registration document.

To ensure data security for its employees but also its clients and their customers, the Group has implemented a set of security rules ("Global Essential Compliance and Security Policies" or GECSP) designed to anticipate and mitigate possible risks of fraud or violation of legal rules. On February 12th, 2018, Teleperformance obtained certification of its Binding Corporate Rules (BCRs) from the CNIL (French data protection authority). This certification applies to all Group subsidiaries acting as data controllers for Group employees and data processors for clients, which allows Teleperformance to transfer and process data globally.

The Group is fully compliant with international standards such as ISO 27001, the PCI (Payment Card Industry) and HIPAA (Health Insurance Portability & Accountability Act) standards.

Teleperformance has also rolled out a comprehensive cybersecurity program known as Project Eagle, involving training, process review and the implementation of new technologies. The adequacy and effectiveness of controls are regularly reviewed in order to address the increasing number of threats.

### 3.2. Mitigation and prevention measures with regard to health and safety

The Teleperformance health and safety management system aims to control risks efficiently and prevent staff injuries during the performance of their duties.

All workplace accidents and incidents are reported and recorded. Each accident is analyzed in detail in order to determine the root cause and continually improve employee safety by mitigating the risks identified.

The Group health and safety policy may go beyond local regulatory requirements. Where Group policy is more stringent than local requirements, Group policy prevails. Otherwise, the Company must abide by local requirements.

Besides focusing on employer and employee responsibilities, Group policy aims to increase awareness of workplace hazards and promote the use of preventive measures by all persons concerned. Staff representatives are periodically consulted to ensure the Group health and safety policy is rigorously applied at local level.

Each Group entity has its own Health and Safety Committee supervised by the local management team, local experts and the central health and safety department.

The Teleperformance health and safety management policy is designed to provide a consistent approach by integrating risk assessment within the corporate culture. The global health and safety department works closely with each subsidiary through direct involvement with the local management team and via an operating relationship with all health and safety experts forming part of the Teleperformance global network.

In order to reduce stress factors and favor well-being at work, several actions have been rolled out throughout the Group's subsidiaries, including through the Passion for you Group program:

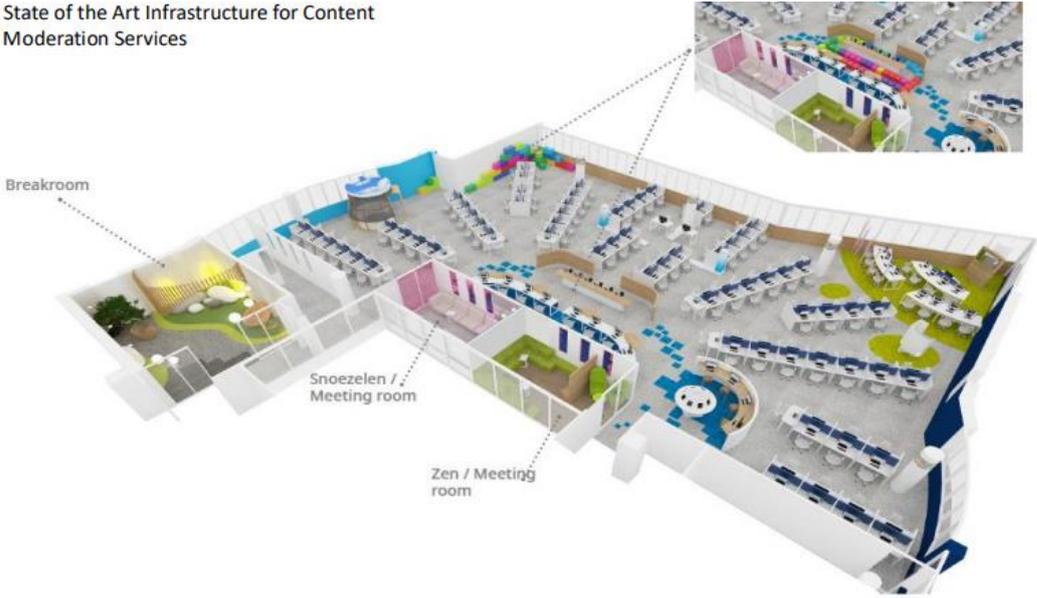
- Creation of ergonomic workspaces, relaxation areas, flexible schedules and programs to address specific types of stress, aiming to encourage wellbeing and cultivate a feeling of belonging;
- Thanks to its staff management processes and programs, Teleperformance aims to bring balance back to its employees' lives, specifically through family-inclusive programs, childcare subsidies, flexible work schedules and telework solutions;
- Local campaigns are organized with a focus on specific issues, such as smoking, obesity, sleep disorders and hydration. Weeks dedicated to health initiatives are also organized. The Group provides access to health platforms, health specialists and dietitians, on-site doctors and nurses, and complementary healthcare;
- On top of TP's Sport Club (soccer, basketball, volleyball, etc.), the Group proposes various physical exercise to all its employees (fitness, yoga, stretching exercises, active breaks, etc.)

To fight against musculoskeletal disorders, the Group aims to create a working environment that takes employee diversity into account with regard to size, height, age, and different working environments in terms of noise/hearing, lighting/sight, temperature and design. The Passion for you Group program also contributes to fight against these disorders: active breaks, ergonomics advice, fitness and yoga, etc.

Teleperformance places a significant emphasis on wellness for its social media gatekeepers and moderators and several actions are in place:

- Framework to recruit candidate with adequate profile and skills;
- Resiliency training through the onboarding process;
- Custom-built infrastructure to provide the right work environment;
- Ongoing specialist support to maintain emotional and psychological well-being;
- Program for 24x7 support during lifecycle and post-employment.

State of the Art Infrastructure for Content Moderation Services



### 3.3. Mitigation and prevention measures with regard to the environment

Teleperformance has been engaged in the fight against climate change for over a decade. In 2008, the Group's CEO launched a global environmental initiative Citizen of the Planet (COTP), aimed at ensuring that Teleperformance operates in an environmentally friendly and responsible manner.

Teleperformance is committed to minimizing negative environmental impacts. In 2019, the Group's carbon footprint was 0.682 tons per employee, a decrease of -4.21% vs 2018.

Teleperformance also seeks to foster awareness among all its employees and encourages them to adopt a set of environmentally-friendly behaviors at the workplace (reducing energy and paper consumption, etc.) and while performing their work duties outside the company (minimizing air travel, using public transport, etc.).

The Group has notably developed the following initiatives:

- Carbon footprint reduction and resource optimization

Teleperformance closely monitors and analyzes the Group's consumption and develops best practices for greater efficiency and resource optimization, including energy, water, paper and waste. At each site, a COTP ambassador is responsible for reporting emissions and implementing global guidelines. The Group focuses on reducing electricity consumption through energy savings measures, standardized processes, environmental impact performance monitoring and partnerships with stakeholders, including employees.

- Site selection

When selecting a new site, Teleperformance considers environmental aspects into the selection process and wherever possible, tries to opt for sites with high environmental performance.

- Use of alternative sources of energy

TP France switched to 100 % renewable energy at all its sites in October 2019. TP Sweden's energy mix includes 74% of renewable energy. TP Mexico is working with its energy provider to switch 100% to solar energy in 2020.

- Awareness creation

The Group deploys awareness campaigns among all stakeholders on environmental matters, notably through international campaigns for the Earth Hour or Planet Day, pledging a certain number of volunteering hours through COTP initiatives such as planting trees, cleaning public spaces, etc.

- Encouraging Teleperformance employees to adopt green means of transportation

Most of the Group's subsidiaries have undertaken initiatives to reduce the environmental impact of commuting, either through subsidized public transportation, contract with transport firms for the commuting of employees, incentives to use bikes, or organization of car-pooling.

### **3.4. Mitigation and prevention measures in the value chain**

In 2019, the Group launched a new global Supplier Code of Conduct replacing the previous Supplier Policy. This Code includes the Group's updated requirements in terms of human rights and fair labor conditions, health and safety, environmental responsibility, business ethics and integrity (including anti-corruption), and GDPR compliance. All suppliers will be asked to adhere to this Code, and it will form part of all new Group contracts beginning in 2020.

Teleperformance has created Purchasing Committees at the Group, regional and local levels to make sure the Group's global policies and procedures are applied consistently.

In order to strengthen and standardize procurement processes at all Group entities, a Global Chief Procurement Officer (CPO) was appointed in early 2020. One of the CPO's tasks will be to restructure the approach and ensure that the procurement process adheres to and is consistent with the Group's values and Global Compliance Framework at every step of the relationship.

## 4. Whistleblowing and grievance mechanisms

Teleperformance fosters a culture of openness and dialog that allows all employees to express their point of view and voice their concerns. Employees are free to approach their line manager, HR manager, corporate counsel or compliance officer.

In 2018, the Group launched the Global Ethics Hotline (whistleblowing mechanism), accessible to both internal and external stakeholders. The hotline has been deployed to 98% of the Group's employees.

Prior to launch, the Global Ethics Hotline was submitted to local employee representatives and unions in any country where the law required it.

The hotline is designed to report behavior or events that may constitute acts of corruption, anti-competitive behaviors, breaches to Human Rights, harm to the environment or any other crime or fraud that could seriously harm the Group's business or reputation or cause it to incur liability.

Alerts submitted via this system are treated confidentially. Where applicable, the hotline works in tandem with other existing whistleblowing channels in accordance with applicable local legislation. The ethics hotline can be used by anyone (employees, external parties...) and can be found on the Group's website ([www.teleperformance.com/ethicshotline](http://www.teleperformance.com/ethicshotline)).

Additionally, the Teleperformance Human Resources grievance mechanism enables any employee to report on issues related to Human Resources (hiring, training, payroll, staff/manager relations, etc.).

This mechanism has been assessed by an external expert, CSR Europe, and benchmarked against the 8 effectiveness criteria outlined by the UN Guiding Principles on Business and Human Rights (UNGPs) and against company peers from a number of sectors.

The UNGPs spell out 8 criteria to ensure effective grievance mechanism processes: legitimate, accessible, predictable, equitable, transparent, right compatible, a source of continuous learning, based on engagement and dialogue. Teleperformance's score was above average overall, and best in class in several criteria, such as predictable and a source of continuous learning.

CSR Europe is the leading European business network for Corporate Sustainability and Responsibility. With their corporate members and National CSR organizations, CSR Europe supports over 10,000 enterprises at local, European and global levels. Teleperformance's grievance mechanism is coordinated and monitored on a global basis by a dedicated global team, reporting to the Deputy Chief Compliance Officer.

## 5. System for monitoring measures in place

Teleperformance closely monitors a large number of indicators to evaluate the effectiveness of its policies. Some examples include:

- Employee satisfaction is measured once a year through the annual Employee Satisfaction Survey. The results are analyzed by a dedicated team, communicated internally at the local, regional and Group level, and lead to specific action plans to improve weak spots. Actions plans are approved by the local leadership team, and progress is closely monitored. Teleperformance leadership team's incentive remuneration is tied to the Employee Satisfaction score.
- Attrition
- Absenteeism
- Accident rate
- Internal Control Questionnaire (over 200 questions and controls, requested to each subsidiary three times a year)
- Global Ethics Hotline statistics and resolution rate
- GHG emissions
- % of employees trained on the Group's global policies

Risk management and internal control systems complement each other in controlling the Company's activities.

The internal control system relies on the risk management system to identify the main risks that need to be controlled. The risk management system includes controls that are part of the internal control system.

In 2020, the Group plans to implement additional risk management measures, including a CSR self-assessment questionnaire to be completed by all subsidiaries. This questionnaire will integrate Teleperformance's main CSR risks, based on the CSR risk mapping, consultation with stakeholders, and Materiality Matrix, into the Group's internal control scheme.

Following some allegations published in July 2019 regarding potential human rights breaches in Teleperformance in Colombia, the Group has undertaken a thorough internal assessment. Additionally, two of its clients commissioned an exhaustive CSR audit to independent auditors. These audits concluded that nothing could support those allegations, and that, on the contrary, Teleperformance in Colombia showed good practices when it comes to the respect of human rights and fundamental freedoms.

## 6. Vigilance plan implementation report 2018/19

The report below summarizes the measures taken in 2018/19 under the duty of vigilance law:

- Completion of a CSR Risk Mapping;
- Completion of a Corruption Risk Mapping;
- Completion of a Materiality Analysis, involving external stakeholders in our main regions and countries (including consultation with employee representatives, clients, suppliers, public administrations, advocacy groups, NGOs);
- Establishment of an enhanced governance for CSR and Human Resources;
- Re-launch of the Global CSR Committee, including key support functions and specialists in their respective fields (CSR, HR, Legal & Compliance, Finance, Communication);
- Presentation of CSR action plan to the Teleperformance Board of Directors and to the General Assembly of Shareholders;
- Renewed adherence to the UN Global Compact;
- Revision of global policies, aligned with the ten principles of the UN Global Compact: Code of Conduct, Diversity & Inclusion, Supplier Code of Conduct, Health & Safety Policy;
- Development of CSR and Ethics & Compliance training modules;
- Launch and roll-out of the Global Ethics Hotline (whistleblowing mechanism), accessible to both internal and external stakeholders, to report on any breach relating to Human Rights and fundamental freedoms, Health and Safety of persons or the environment, Ethics, Corruption, or Fraud.

Teleperformance is committed to a continual improvement approach and has already listed some of its next priorities:

- Further integrating CSR risks into global risk mapping;
- Developing a CSR self-assessment questionnaire to further monitor CSR compliance in all subsidiaries and integrate it into the Group's internal control scheme;
- Standardizing the supplier due diligence process / CSR assessment on a global basis;
- Having the Global Ethics Hotline (whistleblowing mechanism) assessed by an external CSR expert.