



CSR SECTION OF THE  
• **2017** •  
FINANCIAL REPORT

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CSR section of the 2017  
Management Report

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# PREAMBLE

## Scope

The 2017 Oney Corporate Social Responsibility (CSR) report presents an overview of the actions taken by the Group on a social, company and environmental level between 01/10/2016 and 30/09/2017, save for the training hours which are published for the period from 01/01/2015 to 31/12/2016, due to the difficulties experienced in obtaining the data for the year in progress by the financial publication deadline. This report combines social, company and environmental information from the following 11 Oney countries: France, Spain, Portugal, Hungary, Poland, Russia, China, Romania, Ukraine, Malta, and Italy. Whenever possible, changes in terms of the previous financial period have been pointed out. Where this is not the case, it is because data is unavailable due to a change in the reporting procedure. The changes shall appear in the 2018 report. OneyTech, a subsidiary of Oney France, has been excluded from the report this year. It will be included in the CSR report for the next financial period. Certain data does not apply to certain countries' activities or is not able to be calculated by country, indicated by N/A. Certain data was not calculated for the previous financial period. Where that is the case, N/C is used for the 2016 data. Where N/C is used for 2017, the country was unable to provide the data.

## Collection methods

Qualitatively, the policies and actions implemented in the countries and business lines are reported via a Tennaxia data collection tool for which each CSR representative from Oney countries have received access rights corresponding to their geographical area.

To guarantee the uniformity of indicators over the entire scope, a methodology reporting guide has been drawn up in French and translated into English. Thereafter, it was distributed and commented upon by all employees involved in collecting the information presented in this document. It details the methodologies to be used for collecting and monitoring indicators: definitions, collection methods, roles and responsibilities of internal stakeholders, units, calculation formulas, FAQs, etc. These definitions and calculation aids can be found under the «input help» tab in the reporting tool.

## Checking the data

To calculate the indicators, each validating-manager is responsible for checking the data entered by the different contributors. To do this, it has alerts integrated directly into the software as follows:

- on the one hand, these alerts are triggered when major discrepancies (more than 15%) are found between one year and the next and, on the other, when notes for some predefined indicators are mandatory;
- a second level of control is then carried out at the Group Oney level. Inaccuracies, inconsistencies and errors are reviewed in collaboration with the countries and corrected before consolidation and sending to Auchan Holding (exclusively for social data);
- a third validation level is provided for social data by Auchan Holding.

## Comparability and representativeness of the data

Since 2014, Oney has increased the reliability of its data reporting by:

- new actions for raising awareness regarding the importance of CSR;
- setting up a dedicated reporting tool in synergy with Auchan Holding;
- implementing a precise methodology shared by all the different countries/professions.

## Our CSR policy

Oney intends to grow while respecting its various stakeholders.

It has therefore set 4 major priorities:

- encouraging the personal development of our employee-stakeholders,
- making financial services available to as many customers as possible,
- promoting the development of good credit,
- preventing waste and preserving resources.

To achieve these objectives, it has implemented an organisation that allows it to steer CSR for all the countries:

- International: a Communication Department drives and coordinates the CSR commitment for all the countries.
- A CSR representative drives the CSR policy in every country and carries out the reporting for that country.

The 3 sections - social, company and environmental - are monitored by the same representatives, working with the teams responsible for the associated functions (HR, Marketing, Compliance, etc.).

## Our stakeholders



# PRIORITY 1

## Encouraging the personal development of our employee-stakeholders

### Our aim

To make our employees committed and responsible stakeholders in their careers.

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### Our commitments

1. Encouraging the personal development of our employee-stakeholders
2. Making our employees stakeholders in their company

# KEY INDICATORS

## Presentation and analyse of the workforce

### STRUCTURING OF EMPLOYMENT BY COUNTRIES

		WORK-FORCE	MEN	WOMEN	CDIs	FULL TIME	TURN-OVER	CDI HIRES	DIS-MISSALS
CHINA	09/16	106	51%	49%	10%	100%	16.67%	0	0
	09/17	124	55%	45%	9%	100%	36.36%	1	1
SPAIN	09/16	287	37%	63%	82%	71%	15.22%	26	7
	09/17	293	41%	59%	90%	81%	13.11%	31	5
FRANCE	09/16	965	39%	61%	96%	91%	7.33%	70	24
	09/17	1,011	40%	60%	96%	92%	9.01%	119	19
HUNGARY	09/16	123	20%	80%	98%	98%	52.42%	65	5
	09/17	127	20%	80%	99%	93%	46.03%	60	9
ITALY	09/16	10	50%	50%	100%	100%	19.21%	1	1
	09/17	13	46%	54%	85%	100%	8.96%	2	0
MALTA	09/16	15	47%	53%	100%	100%	0.00%	2	0
	09/17	19	47%	53%	100%	100%	10.52%	6	0
POLAND	09/16	435	11%	89%	48%	100%	21.23%	84	25
	09/17	360	19%	81%	53%	100%	45.41%	53	59
PORTUGAL	09/16	294	30%	70%	85%	96%	6.88%	34	0
	09/17	307	30%	70%	86%	97%	6.44%	36	0
ROMANIA	09/16	116	16%	84%	99%	100%	64.55%	0	0
	09/17	144	14%	86%	99%	95%	78.17%	78	24
RUSSIA	09/16	38	29%	71%	87%	84%	28.82%	17	4
	09/17	74	35%	65%	93%	85%	24.56%	51	3
UKRAINE	09/16	7	29%	71%	57%	100%	20.00%	1	0
	09/17	9	44%	56%	78%	100%	0.00%	3	0
TOTAL	09/16	2,396	31%	69%	80%	92%	16.60%	300	66
	09/17	2,481	34%	66%	84%	93%	20.80%	440	120
CHANGE		3.55%	-	-	-	-	-	46.67%	81.82%



## Employment and training

Oney training and employment policy is related to its growth and depends on the country. In countries with low employee turnover, recruitment and training follow the development of the business lines. Internal mobility is favoured. In countries with strong growth, external recruitment is proportionally larger, to keep pace with the company's business growth. Recruitment is carried out locally in the countries concerned and in the employment pool of the Oney locations. Recruitment and training help them to strengthen teams and train newcomers.

Oney needs to strengthen its teams worldwide to successfully implement its ambitious development project and speed up its transformation.

### NUMBER OF EMPLOYEES

At the end of September 2017, Oney's total staff numbered 2,481 employees working in 11 countries. This is an increase of 3.55% compared to 2016. This development is not evenly distributed across the countries. Out of the countries where the workforce exceeds one hundred employees, China and Romania are continuing to experience strong growth (+17% and +18%, respectively), due to new store openings over the period. The headcount in France increased by 4.8% to meet the needs of its development projects. Spain, Hungary and Portugal are experiencing slower growth, in line with the stability of their activity. As a result of the reduction in the number of Managers at points of sale, Poland recorded a pronounced fall in its workforce (-17%).

In countries with smaller workforces, growth was stronger: (+30% in Italy, +26% in Malta and +28% in Ukraine).

In Russia, Oney's workforce has grown at an exceptional rate (+94%), doubling in size, following an expansion of its business to include new banking activities as result of obtaining a Retail Banking licence.

### DISTRIBUTION OF THE WORKFORCE BY GENDER

Women represent 66% of Oney employees. They even make up 86% of the workforce in Romania, 81% in Poland, and 80% in Hungary. The strong presence of women corresponds with the general situation in the market. This is not the result of any specific policy. In countries with a larger number of in-store employees, there are a greater proportion of women due to their original profession, which is often as cashiers, a profession largely dominated by women. All Oney countries other than Romania that, in 2016, had a largely female workforce have seen their proportion of female employees fall.

### TYPE OF CONTRACTS

Permanent contracts (CDIs) represent 84% of all employment contracts at Oney, up 4 points from 2016. A number of countries have reached, or are close to reaching, 100%: France, Hungary, Malta and Romania. Fixed-term contracts, however, help to offset the absence of employees, particularly for those on maternity leave, in a company with a majority of women. In China, 9% of employees are on permanent contracts, with the usual position being to hire employees on three-year fixed-term contracts.

### DISTRIBUTION OF THE WORKFORCE/WORKING HOURS

Full-time workers account for 93% of Oney employees' contracts, which has held stable (-1 point) compared to the previous period. The figure is at 100% for China, Italy, Malta, Poland, Romania and Ukraine. This breakdown reflects the company's policy. Some employees have chosen to work part-time for personal reasons.

**RECRUITMENT/DEPARTURES/DISMISSALS/TURNOVER**

Hires on permanent contracts rose sharply in one year, by 46.67%, which is unrelated to the increase in the number of employees. This is partly due to a turnover rate that remains high, at 20.8% (vs. 16.6%) and the high levels of recruitment in France, Romania and Russia.

Labour market tensions are partly responsible for the employee turnover rate, as is the case in Hungary, where there is a labour shortage, which has created fierce competition between employers. Dismissals in Poland increased by 136% due to a staff reduction plan affecting Managers at points of sale.

In France, recruitment levels are linked to the development of new business lines that require new expertise (IT, data, etc.), as in Portugal, and also to the accelerated human and digital transformation project launched at the start of 2017. For this purpose, the HR department has changed its processes by rolling out new hiring models (via social networks, video interviews, campus visits, trade fairs, etc.), overhauling the application process, setting up an applicant sourcing system, (co-optation, monitoring, spontaneous applications). Named a Top Employer 2017 and a [Happy Trainer], France has developed its employer brand.

Portugal has also developed its employer brand. It has set a new tone and it features the advantages of working at Oney on the institutional website and its ads make it stand out from the crowd in the market. The subsidiary has also set up an applicant sourcing system.

In tight markets, the recommendation system works well: 10% of in-store employees are hired using this method in Poland.

The countries with the greatest increase in business are also those with the highest employee turnover, which reflects the integration of new employees who are not yet loyal to the company. Most recruitment is of employees at points of sale, the population with the highest turnover.

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**SPOTLIGHT - Preparing for the future at Oney Italy**

Faced with the difficulty of recruiting employees in expert positions, such as data scientist, a new role combining those of statistician and programmer, for which very few young people have studied, Italy has focused on educational partnerships. The subsidiary has contributed to the design of training for young people in skills that it is specifically seeking. This is a proactive vision that goes beyond recruitment. These new roles require collaboration with institutions to help them understand the roles and train young people in the professions of the future.

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**DISTRIBUTION OF THE WORKFORCE BY AGE BRACKETS**

	AGES EMPLOYEES							
	< 25 As % of total workforce		[25-35] As % of total workforce		[35-50] As % of total workforce		>= 50 As % of total workforce	
	2016 09/16	2017 09/17	2016 09/16	2017 09/17	2016 09/16	2017 09/17	2016 09/16	2017 09/17
<b>CHINA</b>	12.26	6.45	50.94	62.1	35.85	31.45	0.94	0
<b>SPAIN</b>	2.09	3.75	45.99	46.42	48.08	46.08	3.83	3.75
<b>FRANCE</b>	2.69	4.65	26.53	26.31	57.31	56.38	13.47	12.66
<b>HUNGARY</b>	5.69	3.94	26.83	23.62	43.09	47.24	24.39	25.2
<b>ITALY</b>	10	15.38	40	38.46	50	46.15	0	0
<b>MALTA</b>	6.67	10.53	40	47.37	46.67	36.84	6.67	5.26
<b>POLAND</b>	13.79	20.83	52.18	41.94	31.03	33.06	2.99	4.17
<b>PORTUGAL</b>	3.06	2.61	35.03	32.25	57.82	60.59	4.08	4.56
<b>ROMANIA</b>	44.83	44.53	49.14	49.64	6.03	5.84	0	0
<b>RUSSIA</b>	21.05	14.86	36.84	44.59	39.47	39.19	2.63	1.35
<b>UKRAINE</b>	28.57	44.44	28.57	22.22	28.57	22.22	14.29	11.11
<b>TOTAL</b>	7.72	9.46	37.06	35.41	46.87	46.93	8.35	8.21

The distribution by age group shows that 25-49 year-olds are better represented with 82.69% of employees in this age bracket. There is a direct relationship between a country's maturity and the age of employees. In France, 56.38% of employees are between 35 and 49, whereas in China 62.10% of employees are between 25 and 34. Romania is gambling on recruiting young employees that it can then train.

**DISTRIBUTION OF THE WORKFORCE BY LENGTH OF SERVICE**

This is a new indicator for the 2017 report. It shows a very low overall average length of service of less than 5 years, save in France and Portugal, the longest-standing operations. This low level of loyalty may be explained by two factors: the relatively recent establishment of certain subsidiaries and the considerable tension on certain employment markets, such as Poland, Romania and Hungary, where the recorded turnover rates are high.

	LENGTH OF SERVICE OF ALL EMPLOYEES ON PERMANENT CONTRACTS AND FIXED-TERM CONTRACTS >6 MONTHS					
	< 1 YEAR	1 - 5 YEARS	5 - 10 YEARS	10 - 20 YEARS	20 - 30 YEARS	>= 30 YEARS
	2017 09/17	2017 09/17	2017 09/17	2017 09/17	2017 09/17	2017 09/17
<b>CHINA</b>	20	59	6	2	0	0
<b>SPAIN</b>	21	139	103	8	0	1
<b>FRANCE</b>	102	213	197	357	89	26
<b>HUNGARY</b>	27	89	6	5	0	0
<b>ITALY</b>	4	5	3	1	0	0
<b>MALTA</b>	6	10	3	0	0	0
<b>POLAND</b>	8	112	35	37	0	0
<b>PORTUGAL</b>	14	90	73	96	22	0
<b>ROMANIA</b>	77	47	1	0	0	0
<b>RUSSIA</b>	51	20	3	0	0	0
<b>UKRAINE</b>	2	5	0	0	0	0
<b>TOTAL</b>	332	789	430	506	111	27

## TRAINING POLICY

Intended to make its employees active participants in their own career paths, training is at the heart of Oney's Human project. Each country develops training programmes independently.

Portugal has developed a training programme common to 5 partner brands, named "007, licença para crescer", which covers strategic topics such as creativity and innovation, digital marketing, project management, cooperation and teamwork. Italy offers workshops on communication and leadership, and Malta provides training sessions on emotional intelligence and soft skills. Russia has launched its own e-learning platform and offers English lessons.

However, a common base has been developed by creating Oney University, an international company university that aims to favour connections between the business lines and create a shared base of skill sets. This university is a training facility that includes 7 schools (Credit School, Management School, Sales School, CRM School, Sales School, Insurance School, Digital Money School and Digital School), and currently offers 25 training modules.

The Annual Training Plan is developed both according to the major trends and strategic projects identified, as well as by assessing the skills to be developed and individual training requirements listed following the annual interviews conducted by Managers with their employees every year.

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## SPOTLIGHT – Original training at Oney France

Oney France continues to develop original training programmes that aim to allow employees to become active participants in the professional development:

- It provides a personal training space for all company employees: access to the training catalogue, the option of submitting personalised requests and carrying out unlimited e-learning programmes, even those that are not “core business” requirements.
  - It has launched a new course on the fundamental aspects of management with progressive teaching and the use of co-development and collaboration in padlet format (interactive communication tool).
  - It has launched Digital Fabrik, based on the pre-cursor Digital Days, which allows all employees to carry out digital initiation training. The programme mixes seminars and workshops in small groups and supplements the training course on e-commerce culture.
  - Co-development training with individual coaching for all new managers and certain employees, with targeted, relevant support for inter-company skills communities (e.g. data, urbanisation, etc.).
  - New approach to learning with the continued use of short workshops, internal and external initiation conferences, in English, in a blended format with an individual component within group learning, moocs, [cook] (unlimited e-learning access to tools and resources combined with group or individual courses).
  - Continuation of the 360° view, which offers employees the chance to take a step back and take an objective look, and an improvement in training and management support for employees.
  - Making English training available to more employees
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## NUMBER OF HOURS OF TRAINING

	TOTAL NUMBER OF HOURS OF TRAINING 31/12/Y-1		HOUSE OF TRAINING PER EMPLOYEE	
	2015	2016	2015	2016
<b>CHINA</b>	1,184	2,300	11.17	18.55
<b>SPAIN</b>	7,233	10,220	25.20	34.88
<b>FRANCE</b>	15,437	14,201	16.00	14.05
<b>HUNGARY</b>	3,034	6,244	24.67	49.17
<b>ITALY</b>	349	1,303	34.90	100.23
<b>MALTA</b>	588	634	39.20	33.37
<b>POLAND</b>	1,918	3,165	4.41	8.79
<b>PORTUGAL</b>	15,522	16,513	52.80	53.79
<b>ROMANIA</b>	2,400	2,048	20.69	14.22
<b>RUSSIA</b>	1,236	1,379	32.53	18.64
<b>UKRAINE</b>	312	350	44.57	38.89
TOTAL	49,213	58,357	20.54	23.52
CHANGE	18.58%		14.52%	

The number of training hours per employee has again risen, up by 14.52% (vs. +10.53%). A number of countries have played a part in this increase: China, Spain, Hungary and Italy. The number of training hours in other countries has remained stable or has fallen slightly. The sharp fall in the number of hours per employee in Russia is due to the strong growth in the workforce over the year, mainly in the last reporting period.

## Health, safety and personal development in the workplace

Since its creation, Oney has developed an original human policy: with its employee-stakeholders, it builds a working environment every day that promotes innovation and everybody's personal development. Enthusiasm, Freedom and Respect are the new values that were collectively chosen in 2017. All employees are now continuing to define this human transformation movement through daily concrete action, initiatives and important decisions with a view to unlocking potential and rethinking management and its techniques at the local and international level.

	RATE OF ABSENTEEISM DUE TO ILLNESS		Number of WORKPLACE ACCIDENTS with lost work days		Total number of lost work days due to a workplace accident		FREQUENCY of workplace accidents		SERIOUSNESS of workplace accidents	
	At 09/16	At 09/17	At 09/16	At 09/17	At 09/16	At 09/17	At 09/16	At 09/17	At 09/16	At 09/17
CHINA	0.74%	0.62%	0	0	0	0	0	0	0	0
SPAIN	2.93%	5.04%	2	6	26	67	3.65	11.18	0.03	0.09
FRANCE	2.72%	3.39%	11	14	251	744	7.53	8.62	0.12	0.33
HUNGARY	0.40%	0.36%	0	0	0	0	0	0	0	0
ITALY	1.02%	1.27%	0	0	0	0	0	0	0	0
MALTA	1.04%	1.09%	0	0	0	0	0	0	0	0
POLAND	6.79%	6.64%	3	2	190	93	3.43	2.72	0.16	0.09
PORTUGAL	1.47%	1.53%	2	1	26	8	3.27	1.63	0.03	0.01
ROMANIA	9.63%	2.66%	0	0	0	0	0	0	0	0
RUSSIA	0.68%	0.55%	0	0	0	0	0	0	0	0
UKRAINE	0.01%	0.01%	0	0	0	0	0	0	0	0
TOTAL	3.46%	3.42%	18	23	493	912	5.15	6.55	0.1	0.19

#### RATE OF ABSENTEEISM DUE TO ILLNESS

Absenteeism due to illness (3.4% consolidated) remains low in all countries and has reduced materially in Romania.

#### PSYCHOSOCIAL RISKS POLICY

Oney's business does not entail any specific physical risks for its employees. However, psychosocial risks are closely monitored. Each year, Oney France evaluates the occupational risks of any kind that may be found in the company. These risks are listed in a specific document known as «the unique risk assessment document» in which all the results of the existing occupational risks assessment are noted. Psychosocial risks are included with these occupational risks.

Oney France has defined preventive measures to remove or curb the potential psychosocial risks identified. Included in these measures are training sessions (stress management, analysing stressful situations, etc.), measures to improve managerial skills, the consideration of individual situations (personalised action plan that may go as far as moving an employee to a different position) and managing antisocial behaviour (awareness-raising campaign on the prevention of antisocial behaviour in business relationships with customers). In addition to the internal barometers, which have been organised at regular intervals since 2015, the presence of a full-time nurse and the renewal of a social worker's contract have improved the diagnosis of risk situations. Spain has developed its own programme which includes specific protocols on raising awareness, prevention and action in the event of psychosocial risks.

Stress is the main risk for employees in all countries. For this reason, most efforts are focused on this area.

Given that there were no occupational illnesses over the period in all countries attests to the lack of specific physical risks inherent in the banking business. Workplace accidents mainly occur during the commute to and from work, and commuting accidents have been included within workplace accidents.

Satisfaction surveys are a means of measuring employees' expectations from the company with a view to taking steps to improve their satisfaction and commitment.

#### **WORKING HOURS MANAGEMENT POLICY**

93% of employees work full-time. The main reasons for part-time work are choices of personal organisation (e.g. childcare on Wednesdays), or for developing a second professional activity. Each entity strictly complies with working time legislation.

#### **BAROMETER OF IN-HOUSE SATISFACTION**

For a number of years, Oney has used barometers of in-house satisfaction to measure the satisfaction and commitment levels of its employees. Until 2016, these barometers were carried out on a country-by-country basis. In October 2016, the first international commitment and satisfaction barometer was launched. The results of this barometer were provided to all employees and showed commitment and satisfaction levels that varied significantly between countries. The group commitment rate was 46%. This low level of commitment led the management team to launch a collectively written human project to transform Oney from within.

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### **SPOTLIGHT - A collectively written human project**

At the beginning of 2017, Oney set all its employees a significant challenge: to rewrite the fundamental principles of the business in 4 months. As always, employees took up the challenge. 98% of employees submitted their ideas. They shared their views on what those fundamentals are, their vision of Oney today and their dreams for the Oney of the future. They chose values that they wanted to embrace on a day-to-day basis.

The results: values that unite all employees - Enthusiasm, Freedom and Respect; a mission that Oney realises every day: To give all employees the freedom to be and to act; a common ambition for the next 10 years.

After the initial development period, concrete action began in the second half of 2017. Small and large-scale initiatives were soon launched in all locations. Flexible working and remote working, easier access to conferences, company visits, widespread availability of language lessons, granting access to management committee meetings to employees, a larger number of informal social occasions and improved working conditions have all been introduced, together with working groups on volunteering, the creation of internal communities to promote connections between business lines, the development of a new HR strategy to give impetus to new working methods, the development of social initiatives to strengthen our social commitment, etc. and many other actions introduced by our employees themselves. A framework has been defined, within which each employee is free to reinvent their working method.

This transformation aims to free up our employees' energy and enable them to be themselves in their interactions with our customers, our partners and all our stakeholders: applying Enthusiasm, Freedom and Respect internally clearly means applying those principles to our customers.

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**CHARITABLE INITIATIVES TAKEN BY EMPLOYEES**

Oney employee-stakeholders participate in a number of charitable initiatives in various countries. In Hungary, they have taken part in a sporting programme that benefits a child healthcare foundation. In Poland, a charitable initiative collected children's clothing, medicines and equipment and furniture for an employee in difficulties. Faced with devastating fires, Portugal rallied around to collect money, with the company multiplying the amount collected by 5. In total, €2,385 was donated to people in the affected regions.

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**SPOTLIGHT – Oney Spain's commitment**

**Oney Spain** is committed to responsible credit, child welfare and good environmental practices. In 2017, the country updated its Corporate Social Responsibility policy to make it consistent with the group's new ambition. This policy aims to use resources efficiently and to build trust-based relationships founded on mutual respect and in collaboration with its distinct interest groups in order to contribute to sustainable development.

**IN TERMS OF SPONSORSHIP, ONEY SPAIN SUPPORTS:**

- The Red Cross: collaboration on the campaign «Desayunos y Meriendas con Corazón» with Alcampo, Simply and Immochan. The goal is to collect food and funds for underprivileged families. In 2017, Oney paid €3,000.
  - The Fundación Seur: Collaboration in the «Tapones para una vida mejor» campaign. Every 3 months, a new campaign is launched for a child stricken with a rare disease. Oney Spain collects plastic bottle caps to be sold as a way of assisting in funding the treatment.
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**Diversity**

Oney has always made significant efforts to ensure that its employees reflect the society in which the company is operating. This diversity policy has also been adopted in the other countries in which the business operates and now constitutes a cornerstone of the Oney HR policy.

All countries have implemented this policy of non-discrimination when hiring or transferring staff to another position. However, more still needs to be done for some populations, particularly in terms of integrating disabled persons.

In France and in Portugal, non-discrimination policies have been posted publicly and are accessible on the intranet. These two countries also often engage in awareness-raising campaigns with their employees (handicap week) and take part in specialist recruitment forums (for older employees, the disabled, and on workplace diversity, etc.).



## PROPORTION OF MEN/WOMEN IN MANAGEMENT

	PROPORTION OF WOMEN IN MANAGEMENT	
	At 09/16	At 09/17
<b>CHINA</b>	58.62%	45.71%
<b>SPAIN</b>	48.15%	50.88%
<b>FRANCE</b>	52.45%	50.24%
<b>HUNGARY</b>	63.33%	56.25%
<b>ITALY</b>	25.00%	50.00%
<b>MALTA</b>	33.33%	40.00%
<b>POLAND</b>	87.88%	81.82%
<b>PORTUGAL</b>	60.00%	64.10%
<b>ROMANIA</b>	57.14%	65.00%
<b>RUSSIA</b>	73.68%	70.37%
<b>UKRAINE</b>	50.00%	50.00%
<b>TOTAL</b>	61.81%	56.07%

Women are very well represented at Oney, including in Management positions. 3 National CEOs are women, and 2 women sit on the Group Board of Directors. Lastly, several national Executive Committees have achieved gender parity, such as those in Spain, Portugal and Poland. Parity is not an end unto itself. Oney does not intend to use discrimination, including positive discrimination, when making recruitment choices. Talent is given every opportunity to be nurtured.

The proportion of female managers has fallen, in part due to the abolition of an in-store managerial level in Poland, most of whom were women.

Some countries such as Italy, Malta and Russia have significantly increased the percentage of women, although the small number of employees at the end of the period in these countries implies a greater volatility in the ratios.

## EMPLOYEES WITH DISABILITIES

Employees with disabilities

	EMPLOYEES WITH DISABILITIES AT 31/12/Y-1	
	At 09/16	At 09/17
<b>CHINA</b>	0.00%	0.00%
<b>SPAIN</b>	1.18%	1.35%
<b>FRANCE</b>	2.47%	2.89%
<b>HUNGARY</b>	1.52%	1.63%
<b>ITALY</b>	0.00%	0.00%
<b>MALTA</b>	0.00%	0.00%
<b>POLAND</b>	0.66%	0.93%
<b>PORTUGAL</b>	0.69%	0.65%
<b>ROMANIA</b>	0.00%	0.00%
<b>RUSSIA</b>	0.00%	0.00%
<b>UKRAINE</b>	0.00%	0.00%
<b>TOTAL</b>	1.42%	1.77%

the coming years, even if the overall level of disabled workers increased slightly over the last year in almost all countries in question.

In **France**, Oney assists disabled employees year-round and raises awareness across the whole company through communication efforts, role-playing and areas dedicated to this theme. It adapts stores, sites and offices to make them accessible to disabled customers and employees (access ramps, Braille signage, etc.). An outside ambassador from a company called Made In TH comes to the office on a regular basis (once or twice a month) to work with Oney employees, and a lasting partnership has been established with this firm. In addition, Oney France works on certain tasks with service providers employing disabled employees (atelier protégé) for small office jobs such as stuffing envelopes or raking leaves on the office grounds.

In **Spain**, a team of specialists (from an external firm) carries out a monitoring plan for disabled employees and their managers to ensure their working conditions are adequate. Oney Spain works in conjunction with foundations for the professional placement of disabled persons.

## Measures for older workers

As there are very few older workers in other countries, France has the most developed policy that benefits senior employees. This policy focuses on three priorities:

**ADJUSTING WORKING HOURS:**

Workers 55 and older can reduce their working hours from full-time to an 80% part-time schedule. As a result, they can continue to acquire points towards their pension based on full-time schedule (the employer covers and maintains the employer and employee contributions to pay towards the pension based on an equivalent full-time salary).

**ADJUSTING WORKING TIME:**

Customer sales advisers aged 57 or older can request schedule adjustments so they work no more than 8 hours a day, and so they can finish work before 8 or 9 p.m. and have 2 consecutive days off, if one of the days worked is a Saturday.

Employees over age 55 can receive priority for the assignment of administrative duties.

**PROFESSIONAL DEVELOPMENT AND MANAGING END OF CAREERS:**

- Conducting an interview for the 2nd half of the employee's career for those 45 and older: 100% of employees concerned are invited to this interview on an individual basis.
- An "elder" representative is appointed to consult with the employees concerned in considering their career if they so wish
- All costs for a skills assessment for those 45 and older are covered by the company.
- The balance of contributions to personal training is paid when employees retire.
- A mentoring scheme has been introduced so that more senior employees can share their experience with more junior employees.

## Sharing

Empowering teams also means that Oney wants to enable every employee-stakeholder to benefit from the company's earnings. **The collective remuneration structure is steeped in the value of 'Wealth-sharing'.** The system is most developed in France and Portugal through the three-part «incentive, profit-sharing, share ownership» scheme.

Other countries are also seeking to meet this level of sharing. Hungary and Poland have been providing incentives since 2014. Spain also developed sharing through incentive plans in 2015 and Malta has distributed a performance bonus.

**CHANGES IN COMPENSATION**

Through shareholding, incentives and profit-sharing, the company's profits directly influence developments in pay. With regard to fixed pay, the salary policy is oriented towards exercising good judgement with regard to the economic climate in the countries. Depending on the countries, pay increases are made on an aggregate and/or on an individual basis. The aim is unchanged: to offer total compensation at market levels and to allow employees to share in the company's earnings.

**SHAREHOLDING**

France and Portugal are the only two countries that meet the conditions for implementing an employee shareholding scheme. Thus, employees have been shareholders in the Valaccord fund, made up of shares in and Auchan, since 2007 in France and 2011 in Portugal. 89.53% of French employees and 96.41% of Portuguese employees were Oney Bank shareholders through their investment in the Oney Val fund.

## Social dialogue

### ORGANISATION OF SOCIAL DIALOGUE

France is the only country that has implemented a genuine organisation for social dialogue over the reference period. However, in all other countries, employees are regularly consulted and informed about projects and the company's results through plenary meetings, team meetings, memos, the intranet, etc.

In France, employers are required to inform and consult the Works Council before taking any decisions relating to the management or the economic and financial development of the company, work organisation, professional training, etc. This procedure of informing and consulting with the Works Council, depending on the topics at hand, must facilitate constructive discussions between the employer and the staff representatives on the works council with regard to the project submitted to it.

Consequently, to facilitate genuine discussions with the works council on matters such as changes to the organisation or compensation at Oney, for example, the subject is presented twice: initially, the works council is informed about the details of the project and any questions about it are answered. Thereafter, no more than 15 days later, the project is presented to the Works Council for consultation.

This allows the members of the works council to state an informed opinion on the project presented to it.

The 4 representative trade unions in the company are as follows: FO, CFDT, CFTC and SNB/CFE CGC.

Social partners are regularly consulted and informed about projects and the company's results through regular plenary meetings.

Since 1 January 2016, the database documents the three annual Works Council consultations. The Rebsamen Law covers the Works Council's recurrent information-consultation obligations in the following 3 major annual consultations on:

- the company's strategic orientations and their consequences,
- the company's economic and financial situation,
- the company's social policy, working and employment conditions.

To guarantee regular exchanges with the Works Council, it was decided at the Works Council meeting held on 19 May 2016 to provide information in the Economic and Social Database in an on-going basis and to collect partial opinions for each subject presented (management report on the accounts, training plan, social audit, gender equality report, etc.).

At the end of the presentation of all topics and after taking into consideration the different partial opinions, the Works Council must provide by year's end a general opinion on the 3 annual consultations.

The current structure will remain in place until elections are held at some point before 31/12/2019 to comply with the Macron reforms, which require the creation of a single body combining the Works Council, employee representatives and the Health and Safety Committee. Current terms of office, which were due to end in April 2020, will terminate early.

In total, between 1 October 2016 and 30 September 2017, 56 meetings of staff representatives were scheduled:

- 25 negotiation meetings were held with union organisations,
- 16 meetings with the Works Council,
- 6 Health and Safety (CHSCT) meetings,
- 7 meetings with staff representatives,
- 2 Group committee meetings.

In Poland, a group of staff representatives was formed. Its main goal is to provide advice on social, safety and environmental matters. Since November 2015, these meetings with representatives have been held on a quarterly basis.

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## SPOTLIGHT- The main agreements in 2017

From 1 October 2016 to 30 September 2017, the following agreements were signed:

- Generation contract
- Provisional Management of Jobs and Skills
- Mandatory Annual Negotiations

Certain negotiations are ongoing: gender equality in the workplace, profit-sharing and employee incentives.

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## PRIORITY 2

# Making financial services available to as many customers as possible

### Our aim

To offer simple and effective products and top-quality customer service.

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### Our commitments

1. Developing a range of products for all customers
2. Involving customers in creating new products
3. Measuring and improving customer satisfaction

# KEY INDICATORS

## Developing a range of products for all customers

**Oney's mission is to give everyone the freedom to be and to act, by offering products that are simple, effective and accessible to all.** Like a shopkeeper who welcomes everyone into the shop, Oney wants to make financial services as accessible as possible for its customers while offering them outstanding quality service.

In 2017, a number of products were developed in this vein in the majority of countries: equipment insurance products in Portugal, health insurance products in Spain, damage and breakdown insurance products in France, including household offers that protect the entire family, Mobileo insurance in Poland, warranty extensions in Ukraine and Portugal; the launch of the wallet programme in China and Romania, and of Automatic in Spain, etc.

Spain, France, Portugal, Romania, Russia and Ukraine all lowered prices or conducted special operations throughout the year to make credit or insurance products more accessible to their customers. France also improved its acceptance scores. Portugal offers an online insurance simulator.

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## SPOTLIGHT – Malta, a subsidiary developing insurance products for Oney countries

The many insurance products launched in all Oney countries are dedicated to providing as many customers as possible with competitive products positioned with the best prices in their markets.

In 2017, Malta worked with these countries to launch the following products:

- Warranty for Purchases - France
  - Loss, Theft, Breakage and Breakdown for hearing aids - France
  - Breakage/Theft of mobile telephones and tablets - Econocom
  - Auchan warranty extension and cover for damage - France
  - Auchan Household Insurance Extension - France
  - Warranty extension for a broking network - France
  - Electro Dépôt Mobile Breakage Insurance - France
  - Unpaid Rent Insurance - France
  - Amazon Breakage/Theft Insurance - Spain
  - Jumbo warranty extension and cover for damage - Portugal
  - Breakage/Theft of mobile telephones - Portugal
  - Oney Mobile Breakage Insurance - Poland
  - Term Life Insurance - Poland
-



## Customer satisfaction

### CUSTOMER SATISFACTION POLICY

Customer satisfaction is very important to Oney, which is constantly improving how it monitors and enhances customer satisfaction in all its countries, either via barometers or regular satisfaction surveys, claims management, the use of a social network monitoring tool, or customer feedback. Customers' viewpoints are then constantly fed back to teams and allow services and customer relations to be adjusted accordingly. Customer satisfaction was placed at the heart of the revisited Vision strategy in 2014, with the aim of being the top ranked company in terms of customer satisfaction in all countries in which Oney operates by 2020. In France, China, Hungary and Spain, there are teams dedicated to customer satisfaction.

Customer satisfaction is even at the heart of employee-stakeholders' pay, including those who have no direct contact with customers. In this regard, wherever incentive schemes are in place, the level of customer satisfaction is an integral part of the bonus for employee-stakeholders. The fixed part of the quarterly bonus is only paid out after a certain level of satisfaction is achieved.

At every level, customer satisfaction is also at the heart of all the decisions taken by the company.

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### SPOTLIGHT – Close up on NPS technology used in France and Hungary

Since 2013 in France, and 2014 in Hungary, customers have been asked to complete a satisfaction and recommendation questionnaire that uses NPS technology. Customers are asked a simple question: «Would you recommend Oney France/Oney Hungary to your friends and family?»

Customers who give a score of 9 or 10 are rated as 'promoters', those who give a score of 7 and 8 are 'neutral', and those who give a score from 0 to 6 are 'detractors'. The Net Promoter Score is the difference between the percentage of customers who are promoters and the percentage of those who are detractors. The scale runs from -100 to +100.

In France, customers are surveyed daily by email after using a product or service or following contact with Oney (telephone, website, letters, emails, visit to an agency, collections). In Hungary, a customer panel is surveyed weekly.

Spain also launched this technology in 2015 on the Automatic product and Malta trialed it in 2017 on its BtoB customers.

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In **France**, the full system is in place and offers a comprehensive understanding of customer opinions.

For the customer section, a report is sent out monthly to debrief the teams and weekly postings are made. Direct quotes from customers via this system are shared widely at every level of the company.

There is also a 'We would like your opinion' section on the home page of the business website. Customers can express themselves freely. Customer feedback is analysed and their questions are answered the following day. Customers can also talk to Oney's teams through the Facebook page that had 57,986 followers at the end of 2017. Oney France uses subcontractor partners to manage the call center part of its customer service (200 employees in Morocco). To ensure that customers receive high-quality service, these service providers are selected and regularly monitored to ensure that their employees are well treated. The teams work exclusively for Oney and are managed in accordance with the required criteria. Daily monitoring and many on-site inspections are scheduled once a week every month.

## SPOTLIGHT – ever-improving customer satisfaction

**In France:** Between 01/10/2016 and 15/09/2017, Oney received an NPS of +29 (up two points vs. the previous period). The NPS breaks down as follows:

- 44% of customers gave a score between 9 and 10 (up 1 point vs. the previous period)
- 41% of customers gave a score between 7 and 8 (stable vs. the previous period)
- 15% of customers gave a score less than or equal to 6 (-1 point vs. the previous period).

It is therefore fair to say that 44% of Oney France customers are very satisfied and 85% are satisfied.

**In Spain:** The overall satisfaction score in the 3rd quarter of 2017 was 7.16/10, up 0.3 points from the 3rd quarter of 2016. The NPS for the Automatic product was an exceptional +76, up 5 points from 2015. This score demonstrates registered drivers' strong appetite for this product.

**In Hungary:** The NPS score was +5.3, a very slight increase from 2016 (+5.24).

**In Malta:** Following the satisfaction survey it carried out with its target Brokers in 2017, the overall satisfaction rate was 8.3/10 and its recommendation rate was 8.1/10. Its NPS was +30.

**In Portugal:** The most recent barometer carried out in July 2017 gave a score of 8.48/10, up 0.15 points from the previous barometer carried out in January 2017. The CPO product achieved a score of 9.30/10 with 82% of clients stating that they would recommend it.

### ACTION PLANS TO IMPROVE CUSTOMER SATISFACTION

Measuring customer satisfaction is a first step towards improving the service provided to them. But it is still essential to implement action plans to improve customer satisfaction. Here are some of the actions taken in 2016 and 2017 to simplify the customer experience:

- **In France**, to facilitate the lives of customers with overdue payments and make them autonomous, the ability to pay overdue amounts on the website (for cards and repayment loans) was introduced at the beginning of June 2016. A live chat feature has been introduced on the web pages dedicated to the payment of overdue amounts so that we can respond to our customers' various questions. The NPS continues to improve for this overdue payments product, with a score of -5 compared to -11 for the same period last year. Initiatives that seek to raise awareness of client satisfaction are carried out very regularly to maintain this NPS.
- **China** has created a role that is dedicated to carrying out satisfaction surveys and handling complaints.
- In 2017, **Spain** launched the MOCA project with the aim of improving the quality and efficiency of customer service and launched a customer space on its website where customers may contact Oney and easily and flexibly manage their products at any time.
- **In Portugal**, the new website improves the customer experience. It also offers customers an online insurance simulator. In terms of taking out loans, the new responsive website allows customers to complete a form online and download documents. A mobile app, ExtractoBox, automates the account statement processes which, until now, were very manual. As for the telephone system, the service platform automates, centralises and personalises all contacts with customers. The lending and customer management processes have been dematerialised through the automatic collection of data and digital signatures on tablets.

# PRIORITY N°3

## Promoting the development of healthy credit

### Our aim

To protect our customers against and to prevent over-indebtedness

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### Our commitments

1. Taking action to prevent over-indebtedness
2. Working to create a consumer credit database
3. Training all employees and partners
4. Giving customers tools to better manage their budget
5. Assisting customers in financial difficulty
6. Ensuring our practices are fair

# KEY INDICATORS

## Taking action to prevent over-indebtedness

For the acceptance scores it uses, Oney's aim is to refuse loan applications that should have been refused and accept those that customers are able to honour. Preventing insolvency is one of Oney's guiding principles. Over the reporting period, all countries that have a credit business managing risk internally have re-measured the ceilings and honed their acceptance scores.

Beyond these actions, all Oney countries work in conjunction with their employees to develop responsible products that allow customers to access tools to exercise the greatest possible control over their budgets.

**In France**, there is a team dedicated to the issue. It sits on over-indebtedness bodies, develops budget management solutions and forges partnerships with organisations that assist people who are over-indebted. It offers those customers the opportunity of being assisted by the association CRESUS so that they can fully review their financial position. The team provides support to customers who have reported difficulties before their debts become overdue. They are offered appropriate solutions.

**In Portugal**, the Payment Default Action Plan (PARI) aims to identify the first signs of fragility in customers' financial positions: the Bank of Portugal has drawn up a list of criteria that may be used to assess the condition of customers' portfolios, revealing default situations identified in the Bank of Portugal's credit database or by over-indebtedness declarations. The Extrajudicial Settlement for Payment Defaults (PERSI) is another initiative promoted by the Bank of Portugal which is aimed at customers with overdue debts: it seeks to offer solutions that are appropriate to these customers' financial means based on re-analysing their financial situation.

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## SPOTLIGHT – The prevention system implemented by Oney Spain

For any first-time product use, many checks are carried out:

- consultation of negative external files (national files listing payment incidents)
  - consultation of internal files (fraud, money laundering, payment default files) for Oney customers, analysis of payment behaviour
  - determination of the risk level
  - existence of an acceptance score per product and per brand- implementation of a ceiling at first use in line with the customer profile
-

## Working to create a consumer credit database

Despite raising the awareness of the French public authorities, the credit database stipulated by law was not implemented in **France**, after the French Constitutional Council rejected the proposed legislation. However, in other European countries where Oney operates, and in which this mechanism exists, Oney uses it to refine its acceptance rules and to ensure the customer's creditworthiness.

This is particularly the case in Portugal, Romania and Hungary.

In **Portugal**, the existence of a centralised credit database with the Bank of Portugal containing all information concerning the customer's debt level with the diverse financial and credit institutions is thus the primary tool that can, at the time of the loan application analysis, guarantee responsible lending. In **Hungary**, consulting a national credit register is mandatory for any new loan application; this is also the case for increasing loan ceilings. When applying for a loan or credit card, each customer receives an information booklet on «The risks of over-indebtedness». Providing the booklet is mandatory and the French supervisory authority for financial institutes determines its content.

## Training all employees and partners

Most countries offer their employees specific training courses on over-indebtedness and these are sometimes, like in Hungary, included in the initiation training programme.

A number of training workshops on the following topics were provided **in France** to employees:

- Loan distribution and preventing over-indebtedness and approval Quiz,
- Insurance for borrowers under revolving credit facilities and asset-based loans,
- Workshop on insurance for borrowers on cards and/or financing,
- Reminders of regulations.

In **Portugal**, employees may receive training on responsible family budgeting, if they so wish. All teams also received PARI (Plan d'Action pour le Risque d'Impayé or Payment Default Action Plan) - PERSI (Plan Extrajudiciaire de Régularisation des Situations d'Impayés or Extrajudicial Settlement for Payment Defaults) training, to pro-actively identify customers in financial difficulty and to offer customised solutions to them (e.g. those in financial difficulty or in default of payment). This training is updated every 2 years.

## Giving customers tools to better manage their budget

Better helping customers to manage their day-to-day budget is one of the key elements Oney is interested in developing. Oney France has formed a working group to improve the information provided to customers and to give them more tools and advice to improve their budget management. Since March 2015, a budget management module has been available on [www.oney.fr](http://www.oney.fr), and was modernised and supplemented in 2017. A number of other countries include information on this subject on their websites: Hungary, Portugal.

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## SPOTLIGHT – Assisting customers in better budget management with an online guide

Taking a hands-on approach with its customers and always seeking to offer them solutions appropriate to their needs, in 2015, Oney France launched an online budgeting guide. This guide was updated and modernised in 2017 <https://www.oney.fr/site/b/guide-du-credit.html>. This guide contains simple practical advice on budget management and the use of credit.

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### Assisting customers in financial difficulty

In 2013, Oney France signed a partnership agreement with Crésus, an organisation that works to combat over-indebtedness. It allows Oney to direct its customers in financial difficulty to Crésus advisers who, during optional confidential telephone interviews, help them review their monthly budget and suggest measures to improve it. This is a real service for customers, who receive advice from independent experts to help them organise their finances and thereby avoid defaulting on payments or over-indebtedness. This partnership was renewed and strengthened in 2016. Furthermore, employee representatives were specially trained to assist customers in financial difficulty. It should be noted that Oney France advises on budget matters for the French Ministry of Economy's working group.

### Promoting responsible purchasing

Oney has signed Auchan Holding's ethical charter. As such, it undertakes to meet the commitments set out in the charter, which is available at [www.auchan-holding.com](http://www.auchan-holding.com).

An Oney-specific purchasing charter has been provided to each employee at the company in a purchasing role. This charter, which is available on the intranet (under the rights and duties section) describes how employees should conduct themselves.

More specifically, in terms of suppliers' CSR policies, this charter states that:

Oney aims to pursue and promote its sustainable development values in three ways:

- Ecological aspects: Oney will ensure that service providers undertake to comply with environmental protection regulations and take the necessary steps to limit their environmental impact.
- Economic aspects: Oney undertakes to build respectful and transparent relationships with its service providers. Figures such as sales generated by the service provider with Oney will be requested to avoid any relationship based on economic dependency being created. As such, the use of framework agreements will be prioritised and dependency links with service providers will be assessed before and during the contractual relationship.
- Employment aspects: Oney's service providers must comply with regulations on undeclared work, child labour, forced labour, cartels and corruption. In this respect, service providers must include a clause on this topic in their general terms and conditions of sale in order to be included on the Oney panel.

## Ensuring our practices are fair

Oney wishes to act in compliance with the regulatory and legal environment related to its business. Its ethical principles tend mainly towards customer protection and the quality of its services and the actions it takes. A system for giving feedback on malfunctions has been put in place with the clear aim of providing the appropriate corrective measures and to manage to improve quality, always bearing customer's interests in mind. The ethical rules that follow are clearly stated in the Ethical Code, drawn up by the international teams. This code has been sent for adaptation and/or is supplemented by a local code in France, China, Portugal, Spain, Poland, Russia and Ukraine. In France, it has been approved by the staff representative bodies, shared with all employees and is accessible on the intranet.

A Compliance Officer, who reports directly to the Group Compliance Officer, is in place in France, Spain and Portugal to ensure that the established rules are followed.

### **AWARENESS RAISING ACTIONS/TRAINING IN THE FIGHT AGAINST MONEY LAUNDERING**

The fight against money laundering is one of the obligations to which Oney is subject, due to its banking activity.

In **France**, all new employees receive Anti-money Laundering e-learning training and the training is mandatory for all employees every two years. To raise awareness among its employees and those of its partner brands, Oney **Spain** provides them with anti-money laundering training on joining via its e-learning platform. This training takes place annually and is mandatory.

In **Hungary**, each call centre employee and cashier takes part in training before they start work at the company. This training is repeated every year and concludes with a test.

In **Malta**, the head of compliance arranges anti-money laundering training sessions which are provided by an accredited organisation. The system for raising awareness and anti-laundering training in **Portugal** includes institutional training which includes the associated legal framework as well as an internal system specific to Oney Portugal. All Oney Portugal employees have been given a booklet on money laundering that contains internal policy rules for managing money laundering risks. It is distributed to all new hires and available on the shared database. It is updated with every regulatory and/or internal procedure change and distributed to everyone in the company. Recurrent training sessions on Credit Risk rules cover the concepts of the identification obligation in trading relationships (phase comprising the acceptance and validation of identification data and respective documents) and due diligence, in relation to the updating of information.

### **CASES OF ETHICAL CONFLICT**

The procedure to follow in the event of an ethical conflict is set out in the code of ethics. An alert facility also allows every employee to report fraud without having to go through their line manager. The appropriate procedure is freely accessible on the company intranet. No alert procedure occurred during the reporting period.

### **ANTI-FRAUD POLICY**

The anti-fraud policy is defined as part of Compliance and on-going internal inspections. These cases have been extremely rare in Oney. No significant internal fraud occurred during the reporting period.

### **BANK LIQUIDITY RISK EXPOSURE**

This point is subject to a specific section of the 2016 financial report, paragraph 31.4 of the appendices to the consolidated accounts.



# PRIORITY 4

## Preventing waste and conserving resources

### Our aim

To change our habits and make judicious choices on new projects.

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### Our commitments

1. Reducing our paper consumption
2. Promoting recycling
3. Holding awareness-raising campaigns to cut waste
4. Choosing environmentally friendly workplaces

# KEY INDICATORS

All Oney subsidiaries are making efforts to lower paper consumption, which is a key environmental theme in the banking activity. The power consumption of occupied buildings is also a major concern. However, some subsidiaries such as Russia or Poland only have a small number of their employees at the head office and most of their employees are in-store. Occupying only a very small portion of the partner store, it is impossible to measure the actual energy consumption of these teams in-store.

## Reducing our paper consumption

Oney is taking action in all the countries in which it operates to reduce its paper consumption, one of its main focus areas in terms of environmental protection.

### PAPER CONSUMPTION IN KG

	AU 30/09/16	AU 30/09/17
CHINA	750	750
SPAIN	102,156	103,106
FRANCE	175,240	154,000
HUNGARY	23,500	23,500
ITALY	50	75
MALTA	870	826
POLAND	41,000	36,500
PORTUGAL	107,500	130,550
ROMANIA	4,297	5,800
RUSSIA	25,000	30,000
UKRAINE	68	70
TOTAL	377,525	381,321
CHANGE	1.01%	

In 2017, Oney's total paper consumption per employee fell by 2.4%, a decline recorded practically across the country.

This very good result has been achieved by raising employee awareness internally, by giving priority to processing data digitally (dematerialisation of correspondence, not sending printed pay slips in certain countries) and configuring printers to be environmentally friendly. In 2015, Spain launched a "paper-free" project, which is now implemented in all stores and brands.

The increase in Italy is due to the launch of new projects and the increase in Portugal can be explained by changes to its graphic charter requiring institutional documents to be destroyed (which were mainly recycled). In Romania, new procedures gave rise to increased printing.

The calculation of paper consumption includes paper used for internal printing, letters from management and business letters sent to customers and partners.

Another factor reducing consumption has been the development of electronic bank statements.

#### NUMBER OF E-STATEMENTS SENT

	At 30/09/16	At 30/09/17
<b>CHINA</b>	1,080	1,428
<b>SPAIN</b>	1,974,028	1,911,593
<b>FRANCE</b>	14,857,261	16,699,248
<b>HUNGARY</b>	NA	5,796
<b>ITALY</b>	NA	NA
<b>MALTA</b>	NA	NA
<b>POLAND</b>	666,551	1,861,433
<b>PORTUGAL</b>	4,798,805	4,956,153
<b>ROMANIA</b>	NA	NA
<b>RUSSIA</b>	300,000	480,000
<b>UKRAINE</b>	NA	NA
<b>TOTAL</b>	22,596,645	25,914,223
<b>CHANGE</b>	14.68%	

In 2017, more than 16.7 million e-statements were sent in France, 5 million were sent in Portugal and 1.9 million were sent in Poland and Spain, which now charges a nominal fee for sending paper statements. Poland and Russia started sending e-statements in 2015 and have made significant progress (180% and 60%, respectively), which demonstrates that customers seem to appreciate this approach.

In addition, Oney France has continued using electronic signing, allowing partners to curb the amount of paper used in contract signing. This measurement has not had a direct impact on Oney paper consumption, but may significantly reduce that of its partners and customers. Hungary and Romania also send e-statements but the numbers are not yet significant.

## Encouraging recycling and environmentally friendly habits

### VOLUME OF PAPER RECYCLED (IN KG)

	As at 30/09/16	As at 30/09/17
<b>CHINA</b>	375	375
<b>SPAIN</b>	2,415	1,910
<b>FRANCE</b>	26,880	43,500
<b>HUNGARY</b>	720	560
<b>ITALY</b>	NA	NA
<b>MALTA</b>	338	185
<b>POLAND</b>	NA	NA
<b>PORTUGAL</b>	8,440	11,200
<b>ROMANIA</b>	NA	NA
<b>RUSSIA</b>	200	400
<b>UKRAINE</b>	15	17
TOTAL	39,008	58,147
CHANGE	49.1%	

Almost all paper used for internal purposes by employees is recycled in almost all countries. The delta between the consumption of paper and the volume recycled concerns documents sent to customers, for which the company cannot control the recycling.

Groups of employees motivated by sustainable development have been raising the awareness of other employees (e.g. reusing paper printed on one side) and have been taking action to increase the recycling rate.

In **France**: selective sorting has been introduced in each working environment to promote recycling. Used batteries, used writing implements and printing cartridges are also recycled. The significant increase in recycling in France (+60%) is the result of particular circumstances: the reorganisation of the offices, which required a large number of employees to move out and sort their waste.

## Holding awareness-raising campaigns to cut waste

Raising awareness amongst employees and gradually adopting new habits and more environmentally friendly office equipment are the actions taken in countries where Oney has been operating for a long time to curb their environmental impact and their greenhouse gas emissions.

In **France**, individual trash bins have been removed and centralised in a single area per half-floor, which serves as a recycling point, for sorting trash and for providing office cleaning supplies. This has had a significant impact on employee habits as they now think much more carefully about disposing of rubbish. Similarly, in the new offices in **Italy**, a recycling space is provided for employees who no longer have their own bins.

In **Spain**, several paper, toner, plastic, and battery recycling points were set up and communications were sent out about recycling these products along with saving water and electricity. A mini Ecopark was created for recycling bottle caps, bottles and plastic bags. Bicycle parking has been installed at the offices. Lastly, stickers were put next to all light switches and taps and reminders were hung above all printers about saving resources.

A small team of employees was formed in **Malta** for a workshop on this topic. This anti-waste mindset concerns not only paper but also water and air conditioning.

## Choosing environmentally friendly workplaces

In most countries the majority of employees do not work on Oney's premises but on those of partner brands. When choosing living areas for its employees, Oney favours environmentally friendly locations that promote their well-being. This has particularly been the case in **Spain** for the last 3 years and in **France** since September 2014, where the building has received the Breeam Very Good rating.

For several years, the teams in **Spain** have occupied a LEED certified building. An energy efficiency audit was conducted in 2016 in the building.

In **Italy**, where the teams occupy offices located on the Auchan Group premises, the group did construction work to recover ground water to cool the building.

In **China**, due to Shanghai's poor air-quality, the teams had an air purification system installed to promote employee well-being.

In **Portugal**, energy certification has been mandatory for all buildings since 1 December 2013 (Decree-Law no. 118/2013). On a scale from A to F, the building Oney Portugal rents received a class C certification, considered in Portugal to be of average energy efficiency.

To curb energy consumption, **Malta** changed all windows and frames in its office.

The main focus of GHG emissions reduction have been priority work areas in recent years, and these priority work areas have been presented in the various CSR reports published since.

## Electricity usage

Electricity usage has not been included in previous years' reports. That is why we are unable to provide information on changes from previous years. Oney uses electricity in its office activities and for its datacenter activities. In terms of datacenter usage, usage is only reported for countries in which the back office activity is not sub-contracted to a partner. In terms of office electricity usage, countries in which Auchan Retail is present are not reported on, as they are already included in Auchan Retail International's report. No steering policy was introduced in the reporting period but such a policy will be introduced for the next period.

**ELECTRICITY CONSUMPTION IN KWH (EXCLUDING DATACENTER CONSUMPTION)**

	As at 30/09/16	As at 30/09/17
<b>CHINA</b>	NC	118,645
<b>SPAIN</b>	NC	637,947
<b>FRANCE</b>	NC	2,375,355
<b>HUNGARY</b>	NC	NC
<b>ITALY</b>	NA	NA
<b>MALTA</b>	NC	12,849
<b>POLAND</b>	NC	NC
<b>PORTUGAL</b>	NC	211,645
<b>ROMANIA</b>	NA	NA
<b>RUSSIA</b>	NC	83,903
<b>UKRAINE</b>	NA	NA
<b>TOTAL</b>	NC	3,440,344
<b>CHANGE</b>	NA	

**ELECTRICITY CONSUMPTION OF DATACENTERS IN KWH**

	As at 30/09/16	As at 30/09/17
<b>CHINA</b>	NA	NA
<b>SPAIN</b>	NC	99,875
<b>FRANCE</b>	NC	432,163
<b>HUNGARY</b>	NA	NA
<b>ITALY</b>	NA	NA
<b>MALTA</b>	NC	6,428
<b>POLAND</b>	NA	NA
<b>PORTUGAL</b>	NC	212,162
<b>ROMANIA</b>	NA	NA
<b>RUSSIA</b>	NA	NA
<b>UKRAINE</b>	NA	NA
<b>TOTAL</b>	NC	750,628
<b>CHANGE</b>	NA	

Only those countries in which we control the datacenters or the sub-contracting of our datacenters have been able to provide their usage. In countries in which we have entered into equity partnerships (China, Hungary, Poland, Romania, Russia and Ukraine), our datacenters are managed by our partners. The usage of those datacenters is included in those partners' figures. Italy sub-contracts its datacenters to Oney France. The electricity usage of the Italian business is therefore included in the French usage figures.

#### **CO2 EMISSIONS OF DATACENTERS**

**Our CO2 emissions linked to the electricity usage of Datacenters were 101,381kg** over the reporting period, based on the emission factors of Spain, Malta and Portugal derived from the ADEME carbon database and the emission factor provided by our sub-contractors for French usage figures.



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The elements marked as N/A (Not Applicable) are those that do not appear relevant to Oney's activity. As a result, these subjects are not covered in the extra-financial reporting:

- The elimination of forced or compulsory labour
- The effective abolition of child labour
- measures for preventing, reducing or repairing discharges into the air, water or soil with a serious impact on the environment;
- The amount allocated for and guarantees for environmental risks
- Mitigating noise pollution and any other form of pollution specific to an activity
- Action against food waste
- Water consumption and supply according to local constraints

- Land use
- Adapting to the consequences of climate change
- Measures taken to preserve or develop biodiversity
- Actions taken in favour of human rights

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# ONEY BANK S.A.

Report of one of the statutory auditors, the designated independent third party, on the consolidated social, environmental and societal information contained in the management report

Year ended on 31 December 2017  
ONEY BANK S.A.  
34 Avenue de Flandre, 59170 Croix  
*This report contains 6 pages*

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## **ONEY BANK S.A.**

Registered office: 34 Avenue de Flandre, 59170 Croix

### **Report of one of the Statutory Auditors, the designated independent third party, on the consolidated social, environmental and societal information contained in the management report**

Year ended on 31 December 2017

To the Shareholders,

In our capacity as statutory auditors and independent third party appointed by ONEY BANK S.A. and accredited by the French national accreditation body COFRAC under number 3-1049<sup>1</sup>, we hereby report to you on the consolidated environmental, employment and social information for the year ended 31 December 2017, presented in the management report (the "CSR Information"), in accordance with Article L. 225-102-1 of the French Commercial Code (*code de commerce*).

#### **Responsibility of the Company**

The Board of Directors is responsible for preparing the company's management report including the CSR Information pursuant to the provisions of Article R.225-105-1 of the French Commercial Code and in accordance with the protocols used by the company (the "Guidelines"), summarised in the management report and available on request from the company's head office.

#### **Independence and quality control**

Our independence is defined by regulations, the code of ethics for the profession and the provisions of Article L.822-11-3 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the codes of ethics and applicable statutory and regulatory texts.

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<sup>1</sup> The scope of which may be viewed on the website [www.cofrac.fr](http://www.cofrac.fr).

## **Responsibility of the Independent Auditors**

On the basis of our work, we are responsible for:

- certifying that the required CSR Information is included in the management report or, where it is not included, that an appropriate explanation is given in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Certification on the inclusion of the CSR Information);
- issuing a limited assurance conclusion on the fact that the CSR Information, taken as a whole, is, in all material respects, fairly presented in accordance with the Guidelines (Reasoned opinion on the fairness of the CSR Information).

We are not, however, required to provide our opinion on the compliance of the CSR Information with any other applicable legal provisions, in particular those set out in Article L. 225-102-4 of the French Commercial Code (vigilance plan) and by Law no. 2016-1691 of 9 December 2016, known as the Sapin II law (on anti-corruption).

A five-person, multidisciplinary team worked on this assignment for a total of approximately one week over the period between October 2017 and February 2018. We called upon our experts in corporate social responsibility to assist us with our work.

We performed our work in accordance with the decree of 13 May 2013 determining the conditions in which the independent third party performs its engagement, with the relevant professional guidance issued by the national auditing body (*Compagnie nationale des commissaires aux comptes*), and, concerning the reasoned opinion on fairness, with the ISAE 3000 international standard<sup>2</sup>.

### **1. Certification on the inclusion of the CSR Information**

#### ***Nature and extent of our work***

We conducted interviews with the relevant heads of department to familiarise ourselves with the Company's sustainable development policy, referring to the impact of its activity on employment and the environment, of its social commitments and of any action or programmes related thereto.

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

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<sup>2</sup> ISAE 3000 – *Assurance engagements other than audits or reviews of historical financial information*.

For any consolidated Information that was not disclosed, we verified that the explanations provided complied with the provisions of Article R.225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covered the scope of consolidation, i.e., the company, its subsidiaries as defined by Article L.233-1 and the entities it controls as defined by Article L.233-3 of the French Commercial Code within the limitations set out in the introduction to the CSR section of the management report.

### ***Conclusion***

Based on this work and subject to the limitations mentioned above, particularly in respect of the training hours published for the 2016 financial year, we certify that the required CSR Information is included in the management report.

## **2. Reasoned opinion on the fairness of the CSR Information**

### ***Nature and extent of our work***

We conducted approximately ten interviews with the individuals responsible for preparing the CSR Information in the departments charged with collecting the information and, where appropriate, the individuals responsible for internal control and risk management procedures, in order to:

- assess the appropriateness of the Guidelines with respect to their relevance, completeness, reliability, neutrality and clarity, taking into consideration, where applicable, best practices in the sector;
- verify that a process had been set up for the collection, compilation, processing and control of the CSR Information to ensure its completeness and consistency, and to examine the internal control and risk-management procedures on the preparation of the CSR Information.

We determined the nature and extent of our tests and checks based on the nature and importance of the CSR Information in light of the nature of the Company, the social and environmental issues derived from its activities, its sustainable development policies and best practices in the sector.



With regard to the CSR Information that we considered to be the most important<sup>3</sup>:

- at the consolidating entity level, we consulted the source documents and carried out interviews to corroborate the qualitative information (organisation, policies, actions, etc.), we followed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data and we verified their consistency and concordance with the other information in the management report;
- for a representative sample of sites selected by us<sup>4</sup> based on their activity, contribution to the consolidated indicators, location and risk analysis, we conducted interviews to ensure that procedures were followed correctly and to identify any omissions and we performed tests of details, using sampling techniques, in order to verify the calculations made and reconcile the data with the supporting documents. The sample thus selected represented on average 41% of employees, considered to be a characteristic quantity for employment reporting, and between 18% and 64% of the environmental data, considered as characteristic quantities<sup>5</sup> for environmental reporting.

As regards the other consolidated CSR information, we reviewed its consistency based on our understanding of the company.

Finally, we assessed the appropriateness of any explanations given to explain the total or partial absence of certain information.

We believe that the sampling methods and sample sizes we used, based on our professional judgment, have enabled us to express a limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive verification work. Due to the use of sampling techniques and other limitations inherent in the functioning of any internal control and information system, the risk of failing to detect a significant anomaly in the CSR Information cannot be totally eliminated.

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<sup>3</sup> Employment information: Total workforce and breakdown by age, gender, type of employment contract and by geographical region, Proportion of female managers, Proportion of full-time/part-time workers, Number of hires on permanent contracts, Number of dismissals of employees on permanent contracts, Rate of absenteeism for illness, Number of training hours.

Environmental information: Electricity usage of datacentres, Emissions linked to electricity usage of datacentres, Paper consumption, Number of electronic account statements sent.

Qualitative information: Pay and changes to pay, Health and safety conditions at work, Measures to promote gender equality, Measures taken in favour of consumer health and safety, Actions taken to prevent corruption

<sup>4</sup> Oney France

<sup>5</sup> See the list of environmental indicators referred to in footnote 3 to this report.

**Conclusion**

Based on this work, nothing has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly, in all material respects, in accordance with the Guidelines.

Paris La Défense, 25 January 2018

KPMG S.A.

Anne Garans  
*Partner*  
*Sustainability Services*

Christophe Coquelin  
*Partner*

## • CREDITS •

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