

## Teleperformance Vigilance Plan



In accordance with Article L.225-102-4 of the French Commercial Code, the Teleperformance Group vigilance plan (“Vigilance Plan”) 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 the Company 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.

Teleperformance employs approximately 300,000 people in approximately 80 countries and therefore carries on its business in a wide range of, sometimes, 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. While compliance with applicable laws and regulations in each of the Group’s operating countries is conducive to safeguarding the objectives pursued by the Group and the Vigilance Plan, in 2011 Teleperformance joined the United Nations Global Compact, thereby committing to abide by the principles of the Universal Declaration of Human Rights.

The Vigilance Plan covers three areas: human rights, health and safety, and the environment. Various working groups comprising representatives of the Compliance, Sustainability & Responsibility, Information System Security, Procurement, Internal Audit and Legal departments and senior management, are involved in drawing up and implementing the Plan.

A number of tools and procedures have already been introduced Group-wide, and certain information and procedures are described in the Teleperformance Registration Document. Other tools and procedures are currently under review and will be enhanced in order to meet new regulatory requirements and make allowance for the Group’s new consolidation scope. In 2018, Teleperformance introduced an improved vigilance system. An item on the agenda of Teleperformance SE’s Audit & Compliance Committee and Board of Directors meetings is devoted to discussing the details of this system.

The measures covered by the Vigilance Plan concern the following five areas: (i) risk identification and mapping, (ii) deployment of systems for mitigating risk and preventing serious harm, (iii) risk assessment procedures, (iv) establishment of a hotline policy and internal reporting system and (v) system for monitoring measures in place.

## **1. A risk map designed to identify and analyze risks and establish a risk hierarchy:**

The main risks identified by the Group under the Vigilance Plan involve serious harm to human rights and fundamental freedoms, health and safety and the environment. The risks identified as such will be documented within the framework of the Group global risk map.

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

As a Group that operates in approximately 80 countries, 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.

The Group’s success and reputation are closely related to how Teleperformance conducts all its business activities in a responsible manner in accordance with its core values.

Teleperformance has identified two levels of issues regarding the infringement of human rights and fundamental freedoms.

- Within the Group, Teleperformance strives to uphold the principles related to fundamental labor rights, in particular:
  - o non-discrimination in respect of employment and occupation (hiring, promotion...)
  - o prohibition and elimination of all forms of forced or compulsory labor
  - o upholding freedom of association and the right to collective bargaining
- On the outside, the Group is committed to exercising vigilance in identifying potential adverse impacts, whether direct or indirect, of its business in order to prevent and, if necessary, rectify 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 Policy<sup>1</sup>.
- The behavior expected of suppliers and subcontractors with regard to human rights covers the following issues:
  - o respect for human rights
  - o prohibition of child labor
  - o prohibition of forced and compulsory labor
  - o elimination of all forms of discrimination in respect of employment and occupation
  - o occupational health and safety
  - o freedom of association and the right to collective bargaining

### **1.2. Risks of serious harm to health and safety**

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

- For its employees:
  - o occupational safety
  - o eliminating the risks of industrial accidents and occupational illness
- For its clients and their customers:
  - o personal data security

### **1.3. Risks of serious harm to the environment**

Teleperformance's business activity is non-polluting. Nevertheless, Teleperformance's global Environmental Policy<sup>2</sup> and the practical implementation of that policy are designed to reduce the Group's carbon footprint through sustainable measures that prioritize the circular economy in order to enable future generations to meet their own needs. Teleperformance seeks to foster awareness among all its employees and encourages them to adopt a set of environmentally-friendly behaviors at the workplace (reduce energy and paper consumption, etc.) and while performing their work duties outside the company (minimize air travel, use public transport, etc.).

The risks of serious harm to the environment include the following events and risks:

- pollution: gradual or accidental pollution of the air and soil
- resource consumption: excessive consumption of resources (water, electricity, paper, etc.)

On the supplier and subcontractor side, harm to the environment includes the risks of pollution, damage to ecosystems, waste of natural resources and dependence on fossil fuels.

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<sup>1</sup> The Group Supplier Policy, which is currently under review, may be viewed on the Group website (<http://www.teleperformanceusa.com/en-us/codes-and-policies/supplier-policy>).

<sup>2</sup> See 2017 Registration Document (<http://www.teleperformanceinvestorrelations.com/en-us/investor-relations/press-releases-and-documentation/documents-highlights-reports>) and Group environmental policy (<https://www.teleperformance.com/en-us/codes-and-policies/environmental-policy>)

## 2. Tailored measures to mitigate risks and prevent serious harm:

Teleperformance has introduced measures to mitigate risks or 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.

These mainly consist of the following codes and policies:

- Code of Ethics
- Code of Conduct, including Anti-corruption and influence peddling
- Environmental Policy
- Equal Opportunity Policy
- Privacy Policy
- Health and Safety Policy
- Supplier Policy
- Global Essential Compliance and Security Policies

## 3. Procedures for periodic assessment of the circumstances of subsidiaries, suppliers or subcontractors with which an established business relationship is maintained:

The Group has set up procedures for assessing its subsidiaries, suppliers and subcontractors. 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, fundamental freedoms, health and safety.

Suppliers and subcontractors are periodically assessed in accordance with the precepts of the Group Supplier Policy. On the basis of the supplier assessment process and the replies made to the related questionnaire, supplier risk is assessed with regard to supplier practices in relation to human rights, labor rights and combating corruption.

As part of its audit assignments, the Internal Audit Department sends each subsidiary a self-assessment questionnaire in which they are required to state whether they are acting in accordance with Group principles and policies. This questionnaire serves as a basis to review existing processes in order to identify and prevent the materialization of specific risks, particularly with regard to ethical matters. The reliability of the replies to these questionnaires is confirmed by a confirmation letter signed by the subsidiary CEO and CFO.

In addition, the Compliance Department conducts a number of annual compliance and security audits in cooperation with members of the Internal Audit department.

Since 2008, Teleperformance has measured employee satisfaction via the *E-Sat* Employee Satisfaction Survey. The aim of the survey is to gain a better understanding of how employees view the Group's business activity and their contributions towards it. The survey is conducted by a team focused on continuously improving the methods and processes used as well as on the results obtained.

By giving employees a chance to express their expectations and potential criticisms, *E-Sat* helps to improve working conditions and foster job fulfillment. Accordingly, action and improvement plans are drawn up, implemented and monitored in each subsidiary under the responsibility of the local HR director. In order to ensure continuous improvement of these plans, progress on each project is monitored on a monthly basis by a dedicated head office team.

#### **4. Hotline policy for reporting the existence or materialization of risks:**

Teleperformance fosters a culture of openness and dialog that allows each person 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.

The Group is currently rolling out a hotline policy and internal reporting system to encourage employees to report risks. This is similar to the Global Ethics Hotline Policy designed to encourage employees to report the existence of conduct or situations in breach of the Code of Conduct, including anti-corruption and influence peddling.

#### **5. System for monitoring measures in place and assessing their efficacy:**

Teleperformance has continued to strengthen its organization, procedures and monitoring tools with regard to human rights, health and safety and the environment in order to verify the due application and continuous improvement of the Vigilance Plan:

- internal reporting system and indicators for monitoring the implementation of measures in place (confirmation letter from subsidiaries, employee and customer satisfaction surveys, etc.)
- information and training sessions (understanding of the law, the Group Vigilance Plan, Supplier Policy, etc.) provided to senior managers and employees
- periodic audits
- creation of a crisis management unit ensuring that all relevant persons at Teleperformance are duly informed and correctly deployed in the event of an incident, discussion with stakeholders and implementation of corrective or adaptive measures
- organizational system headed by the Chief Administrative Officer, whose remit primarily includes compliance, sustainability & responsibility, and human resources. The Chief Administrative Officer reports to the Group Chairman and Chief Executive Officer and the Group Chief Legal and Compliance Officer.

He assesses the results obtained in connection with the Vigilance Plan and reports to the Audit & Compliance Committee of the Board of Directors on progress with measures. Every year, the Committee receives an annual presentation on the Vigilance Plan review, potential obstacles and improvements, and any incidents that have occurred.

This organization also includes a specific team in charge of drawing up the materiality matrix on the basis of discussions held with stakeholders at the Group's subsidiaries, which identifies and analyzes issues in the same areas targeted by the Vigilance Plan.



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