ESKER IMPACT REPORT 2020

NON-FINANCIAL STATEMENT (NFS)

Extract from the Universal Registration Document

January 1, 2020 - December 31, 2020

ESKER®

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Message from Jean-Michel Bérard

When looking back at 2020, the most consequential aspect of that year is undoubtedly the COVID-19 pandemic and the devastating impacts it has had on all facets of our lives: our families, our communities and the economy. What has become stunningly clear is that a new approach is needed to confront not only the lasting consequences of this pandemic, but to take charge and prepare for the changed circumstances of the future. A significant focus therefore should be aimed at acknowledging the interdependence of our societies and the need for a more harmonious collaboration among those within them.

Witnessing the prescience and the responsiveness the Esker team has demonstrated in navigating these unprecedented circumstances fills me with immense pride. We were able to keep our employees healthy by quickly setting them up for remote work, provided masks and hand sanitizer and offered psychological support for those in need of it during this difficult time.

All our teams have mobilized to keep our platform up and running for our customers, who were able to continue sending and receiving invoices, processing orders and thereby supporting their respective ecosystems — from customers to suppliers. Businesses worldwide have been forced to speed up their digital transformation and environmental transition and Esker is at their side to help them with all customer and supplier cycles by making it easier to collaborate while working from anywhere — even home.

Esker has also doubled down on its efforts regarding its social and environmental responsibilities and has even been able to accelerate its progress in these matters. As attested by the EcoVadis CSR Performance Evaluation and the Gaïa Rating ESG ratings, Esker's fundamental values of innovation, well-being in the workplace, and mutual respect are ensured by transparent and principled governance and embodied by all our employees around the world. Our solutions are conceptualized to have a positive environmental impact by digitizing paper processes as well as providing our customers with the ability boost their competitiveness and recognizing the value of their workforce.

Finally, we have renewed our commitment to the United Nations Global Compact this year and continue to uphold its principles. These remain an integral part of Esker's strategy and business operations -- especially during this unusual year -- and reflect our conviction that companies can drive the change towards positive-sum growth and the development of ethical economic ecosystems.

JEAN-MICHEL BÉRARD
Founder & Chairman of the Esker Board of Directors

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FORWARD-LOOKING STATEMENT

This Non-Financial Statement contains information on the company's prospects and growth priorities. This is not historical data and should not be interpreted as such, nor as a guarantee that the stated facts and data will occur. It is based on data, assumptions, and estimates considered reasonable by the company and is subject to change due to uncertainties pertaining to related to economic, financial, competitive, and regulatory environments. The forward-looking information in this document refers to the conditions known as of the time of writing. Unless otherwise required by law or regulations, the company makes no commitment to publish updates to the forward-looking information contained in this document or to reflect any changes affecting objectives or the events, conditions, or circumstances on which the forward-looking information in this document is based. The company operates in a competitive and rapidly changing environment and therefore may not be able to anticipate all the risks, uncertainties, and other factors likely to affect or potentially impact its business, or the extent to which the occurrence of a risk or a combination of risks could have results significantly different from those mentioned in any forward-looking information, it being further understood that none of the forward-looking information constitutes a guarantee of actual results.

About Esker

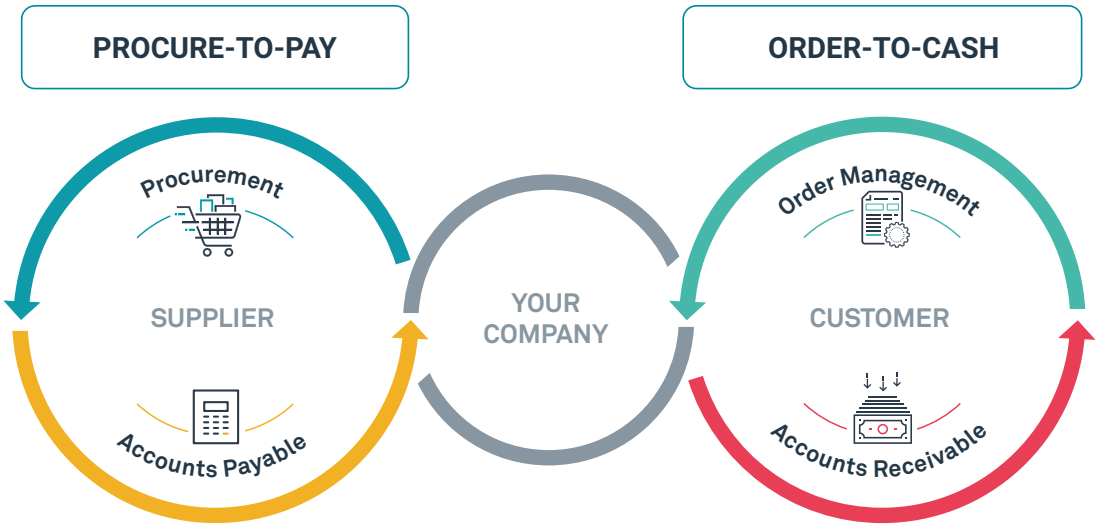
OUR BUSINESS

Esker's business activities are presented in Chapter 1.4 of the Universal Registration Document.

Esker is a global cloud platform for automating business and financial processes, thereby strengthening relationships between companies and their suppliers, customers, and employees. Esker software products are sold in the form of on-demand online services (SaaS: Software as a Service), making up 90% of Esker's revenue in 2020. The balance represents revenue from the sale of licenses, maintenance contracts, and related updates.

The Cash Conversion Cycle

By developing Artificial Intelligence (AI) technologies and automating business documents management used for ordering and invoicing, Esker accelerates the Procure-to-Pay (P2P) and Order-to-Cash (O2C) business cycles and makes them more fluid.



Esker is a global cloud platform built to unlock strategic value for finance and customer service professionals, and strengthen collaboration between companies by automating the cash conversion cycle.

Esker's mission is to build a foundation that promotes positive-sum growth: increased productivity, improved employee engagement, and greater trust between organizations. By developing AI-driven technologies and automating the order-to-cash and procure-to-pay cycles, Esker frees up finance and customer service professionals from time-consuming tasks, helps them be more efficient, and enables them to develop new skills.

Esker is a mid-market company headquartered in Lyon, France, with nearly 800 employees in 14 countries throughout Europe, the Americas, and Asia-Pacific. The Group generated €112 million in revenue in 2020, with international sales accounting for more than 70% thereof.

OUR VALUES

Our corporate culture is driven by core values: collaborating at a global level, building relationships based on trust and respect of all parties, achieving progress through innovation, creating a healthy and positive work environment, and focusing on satisfaction for all. These values guide us in our day-to-day actions and influence the way we work. They inspire our 800 employees across the globe to build innovative and highly effective solutions.

ONE TEAM BEYOND BOUNDARIES

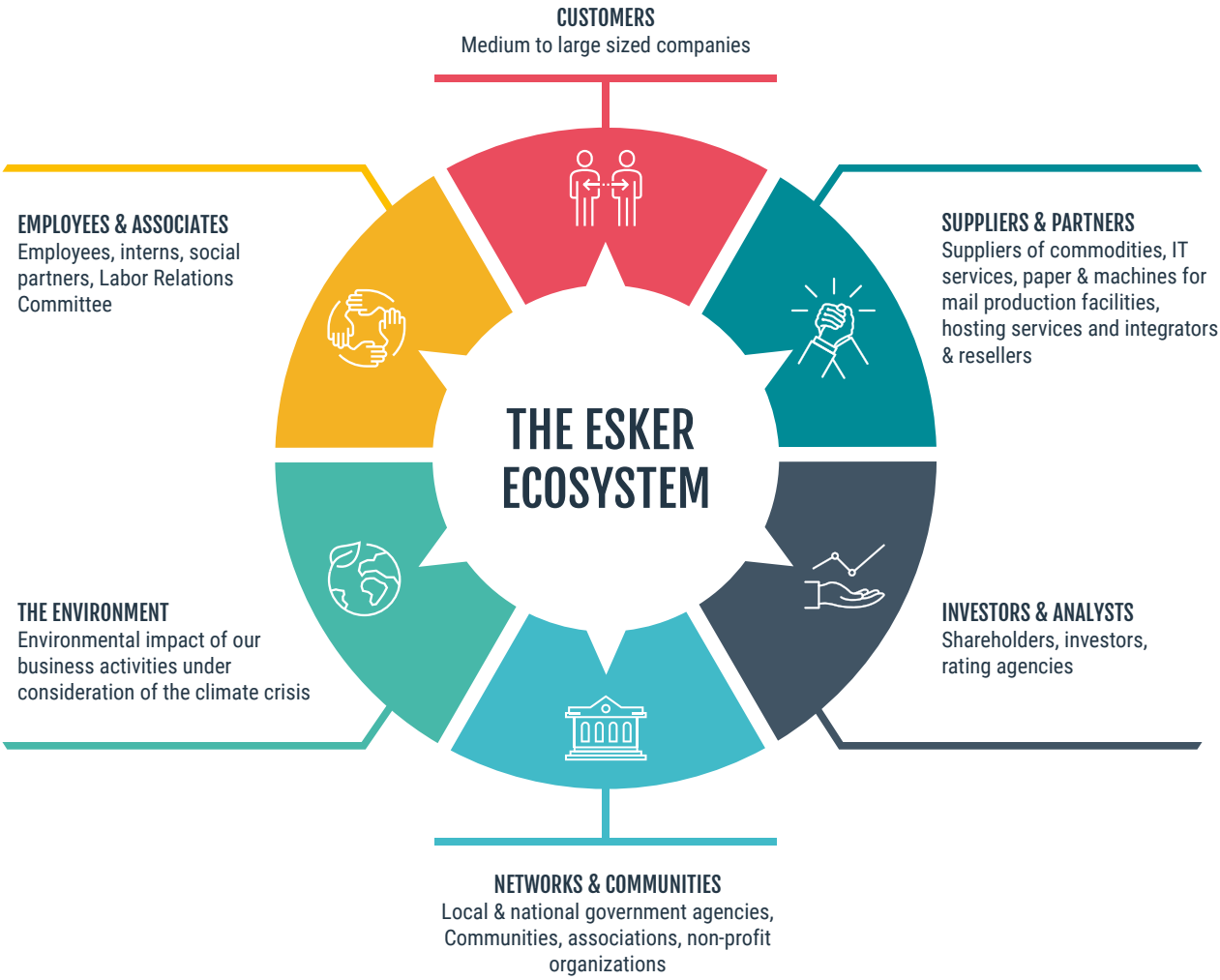
We encourage open collaboration between departments and countries. We bring people together and share ideas to grow strong and successful.

MORE GRATITUDE, LESS ATTITUDE

We believe that a successful organization is built on respect and trust. Appreciation and genuine communication create an environment where people feel truly valued.

STAKEHOLDERS AND ECOSYSTEMS

Being an independent software company naturally means that Esker interacts with several types of stakeholders within its ecosystem, including employees, customers, suppliers and partners, investors and analysts, public institutions, communities, and the environment. The quality of its relationships and ethical conduct underpinning its operations within these ecosystems represent the foundations of Esker's company values.



DARE TO *INNOVATE*, INITIATE AND ITERATE

Thinking outside the box is a skill we value greatly. We start small and adapt along the way to reach ambitious goals — one story at a time.

GOOD VIBES ONLY

A positive work environment promotes better performance. We make sure everyone finds the right balance by respecting individual needs.

ALL ACTIONS TOWARD *SATISFACTION*

For our customers and employees, satisfaction isn't just a goal, it's our mission. Our experience and perseverance allow us to overcome challenges and deliver value.

BUSINESS MODEL

RESOURCES & CHALLENGES

FINANCIAL AND INDUSTRIAL CAPITAL

- **Solid financial profile** - *business debt: €15,144; treasury: €40,421, representing a company-wide net worth of €25M on Dec. 31, 2020*
- **Market confidence:** *Market capitalization of €1B on Dec. 31, 2020*
- **Robustness of Esker on Demand platform infrastructure & operational performance:** *quality, security & reliability - ISO 27001 Certification*

HUMAN & INTELLECTUAL CAPITAL

- **Recruitment & retention of talent**, staff development - 765 employees disitributed across 14 countries
- **Investments in R&D**, innovations, partnerships and forecasting of technological advancements - *R&D spending for 2020: €12,633M*

CAPITAL SOCIAL ET ENVIRONNEMENTAL

- **Leading solutions** *for their respective markets, responding to customer needs and societal changes in companies 6,000 Esker on Demand customers (of those 1,200 exclusively for process automation solutions)*
- **Ethical behavior & respecting regulations** *0 complaints received for non-compliance with GDPR regulations*
- **Use of natural resources** - *GHG emissions in 2020: 3399t CO2e*

OUR BUSINESS

OUR MISSION

In an increasingly uncertain world, business success is multi-faceted. More than just cutting costs, it's about long-term value creation and relationship building. Esker is a global cloud platform that's built to unlock this strategic value — embodying the same mission and over-arching goals shared by our customers.

CORPORATE CULTURE

- 5 key corporate values
- Agile methodology
- Commitment to sustainable development

PRODUCTS

- *Revenue 2020: €112M*
- Esker on Demand cloud platform users - *600,000*
- O2C & P2P solutions: *1B annual transactions on EOD*

ASSETS

- Single cloud-based platform for all business cycles
- Global presence
- Adaptation & integration into existing systems
- Dynamic innovation & investment strategies
- Compliance & security
- Pioneer of cloud computing and AI technology

VALUE CREATION

EMPLOYEES

- Employee satisfaction rate: 97%
- Investment in employee professional development: €185K

CUSTOMERS

- Customer satisfaction rate - transactional NPS: 60.84%
- Service uptime: 99.878%

SUPPLIERS & PARTNERS

- Supplier Code of Conduct
- Technological partnerships

INVESTORS & ANALYSTS

- Recurring revenue
- +7,8% of organic growth in 2020 (vs. 20% in 2019)
- 19.6% profitability (GOI) in 2020 (vs. 20,1% in 2019)

ENVIRONMENT

- Eco-efficiency of offices & data centers
- Environmental policies for mail production facilities - *France mail production facility is ISO 14001 certified*
- Reforestation program - *6,250 trees planted in 2020*

COMMUNITY ENGAGEMENT

- Promotion of human rights
- Fraud risk reduction measures
- Sponsorships: €170K (*France only*)

The Esker Corporate Social Responsibility (CSR) Strategy

The table below illustrates the breakdown of the three pillars of the company's CSR strategy. These priorities have been defined based on the main global non-financial risks facing the company and the results of the materiality analysis, including the impact they have on all our internal and external stakeholders.

- **GOVERNANCE & SOCIETY: Acting ethically and responsibly** regarding governance, customer trust, data security, ensuring customer satisfaction with innovative solutions, making our services available, business relationships and our impact on the economy and communities.
- **SOCIAL RESPONSIBILITY: Recognizing the value of human capital** by promoting intelligent work through our solutions and by committing to a caring and dedicated corporate culture that supports diversity and well-being, by encouraging team training and mobility.
- **THE ENVIRONMENT: Protecting the planet** by controlling our energy consumption, reducing and recycling waste, and promoting modes of transportation that minimize our impact on the environment.

CSR Focus	Risk	Policies and objectives	Key indicators	Page
Acting ethically and responsibly	Bankruptcies, fraud	Enable companies to promote an ethical ecosystem with their customers and suppliers and lower the risk of bankruptcy and fraud	• Regulatory compliance • Electronic management of approval workflows and user rights management	p.17
	Ethics, transparency, compliance	Promote a culture of integrity and ethical conduct at all company levels	• Two meetings per year to present results • 12.8K unique visitors to the investor site • 10 meetings with staff representatives (*France only*) • 2 of the 4 Supervisory Board members are women • 100% of Supervisory Board Members are independent • 100% attendance at Supervisory Board meetings • CEO's salary is less than 10 times Esker's worldwide median salary	p.18
	Data protection, security	Protect customer data from internal and external threats	• ISO 27001 certification for Esker on Demand cloud platform • Zero complaints for non-compliance with applicable regulations (GDPR) • 100% of employees have successfully completed data protection and security training	p.20
	Customer satisfaction and trust	Offer high availability of services, ensure that customers adopt and use Esker solutions correctly	• Average uptime of the Esker on Demand cloud platform: 99.878% • Transactional NPS (between -100 and 100): 60.84%	p.21
	Responsible purchasing business conduct	Work with partners and suppliers who adhere to ethics and responsibility standards and actively combat corruption	• Esker's Supplier Code of Conduct adopted by 4 out of 8 main suppliers	p.23
	Community engagement	Provide financial and human support to local communities and associations	• €120K supporting schools and educational programs • €50K supporting cultural centers • 47 employee work hours spent supporting non-profit causes	p.24

CSR Focus	Risk	Policies and objectives	Key indicators	Page
Recognizing the value of human capital	Digital transition and smart work	Support companies in their digital transition by helping their teams develop new skills	• Customer testimonials	p.26
	Corporate culture and employee onboarding	Ensure that new employees integrate and adapt well to the corporate culture	• 765 Esker employees as of 12/31 • 99.21% of those are full-time employees • Staff turnover rate: 9.1% • Esker's work culture has an 87.6% approval rating among employees	p.27
	Professional training and internal mobility	Allow all employees to be involved in their personal career development, give them the means to grow within the company	• 815 employees completed internal professional development training in 2020 283 completed external training • 13,862 hours of training provided • €180,383 dedicated to training • 75 internal professional changes in 2020	p.29
	Workplace well-being and employee retention	Provide optimal working conditions for employees and involve them in the company's successes by unleashing their potential	• 97% agreed that "Esker is a good place to work" in the annual survey • Average 6.8 years of company affiliation • 4.8% part-time employees • 1 reported harassment in 2020 • 67 departures in 2020 - resignation: 5.54% - termination: 0.83% - other reasons for departure: 2.22% - end of fixed-term contract: 0.69%	p.30
	Health and safety in the workplace	Ensure a healthy work environment by promoting risk prevention	• Frequency rate: 3.68 • Severity rate: 0.08 • Absenteeism rate: 2.8% • 14.2% of employees trained in first aid (*France only*) • Covid-19: €22K allocated to employee protection (masks, sanitizer and face shields) (*France only*) • Covid-19: 93% of employees in remote work in 2020	p.31
	Attracting talent and supporting future generations	Engage with younger generations to provide meaningful experiences and career opportunities	• 154 new employees, including: - 95% permanent contracts - 31.17% women - 37.7% under the age of 28 - 21 employee referrals • 8,178 LinkedIn France subscribers (65% more than in 2019) • Average age of employees: 37.9 years old • 14 new interns in 2020 • 29% of interns hired at the end of their internship	p.33
	Diversity and inclusion	Promote a culture of diversity & inclusion representing Esker's equal opportunity philosophy	• 30.58% women / 69.42% men • 31.53% women managers / 68.47% male managers • 31.17% of new hires were women • Gender Equality Index: 91/100 • 17 different nationalities in the global workforce • 0.5% disabled employees in the workforce	p.35

CSR Focus	Risk	Policies and objectives	Key indicators	Page
Protecting the planet	Group-wide paper use	Reduce paper and enable work from anywhere with basic internet connection	• Customer testimonials	p.37
	Climate change	Limit the company's environmental impact by reducing its energy consumption and greenhouse gas emissions	• Two ISO 14001 certified sites in France • Total CO2 emissions: 3,399 t.CO2e - Per document invoiced on Esker on Demand: 7.43 g - Per employee: 4.69 t.CO2e • Amount of CO2 emitted by source: - Offices and factories: 2,696.8 t.CO2e - Business travel: 343.1 t.CO2e - Commuting: 348.7 t.CO2e • Amount of CO2 emitted by scope: - Direct GHG emissions (Scope 1): 381 t.CO2e - Indirect GHG emissions (Scope 2): 629 t.CO2e - Other indirect GHG emissions (Scope 3): 2,390 t.CO2e • Power consumption: 1,756,855 kWh	p.38
	Transportation and pollution	Limit business travel and promote transportation with low environmental impact	• 23 hybrid /electric vehicles of 74 in the company fleet • 176 employees receive a transportation allowance totaling €34,490 (*France only*) • 81 employees receive a Cycling Kilometric Allowance, totaling €13,563 (*France only*)	p.40
	Waste management and circular economy	Maximize the amount of recycled waste, encourage circular economy principle in company activities to reduce its environmental footprint	• 131.89 metric tons of waste recycled in our US and France mail production facilities • 100% paper, ink & envelopes recycled at the France mail production facility • 1,821 kg recycled waste for every 20 kg of non-recycled waste in the France offices • 167 kg recovered WEEE (*France only*)	p.41
	Digital carbon footprint	Choose data center hosts offering transparency about the environmental footprint and are committed to environmental protection	• Customers hosted on Microsoft Azure: 12.68% of Esker on Demand sales (compared to 6.46% in 2019) • Power Usage Effectiveness (PUE) of data centers: - Microsoft Azure: 1.125 - CDW: 1.23 - Equinix: 1.29 - 1.40 - Colt: 1.55	p.42
	Deforestation	Participate in reforestation projects to reduce the company's carbon footprint.	• Main paper supplier ranked in the top 1% of best-performing companies worldwide for sustainable development, (according to EcoVadis) • 6,250 trees planted as part of a reforestation project in Tanzania	p.43

Risks and Non-Financial Challenges

All potential risks facing Esker are presented in Chapter 4 of the Universal Registration Document.

Esker has put its CSR strategy at the heart of its business dealings. The pillars of the company strategy are based on both the major challenges for its stakeholders and on a materiality analysis prioritizing the company's actions with respect to the most relevant governance, social, environmental, and societal risks for its business.

RISKS IDENTIFIED BY STAKEHOLDERS

To identify the non-financial risks, Esker conducted a survey of all Esker employees in 2018, asking them to identify their most sensitive issues in order to ensure that the company's CSR approach is aligned with the values of its employees. This approach is part of a comprehensive mechanism within the Group by involving a variety of individuals in the decision-making process and encouraging their buy-in and subsequently motivating them to take action.

External stakeholders were involved through the company's directors, their field experience, and their respective teams: customers through the Global Consulting & Support Director and the Global Product Management and Marketing Director, employees through the HR Director, suppliers and partners through the CFO, the environment through the CIO, investors through the CEO, and the company and local communities through the Chair of the Board.

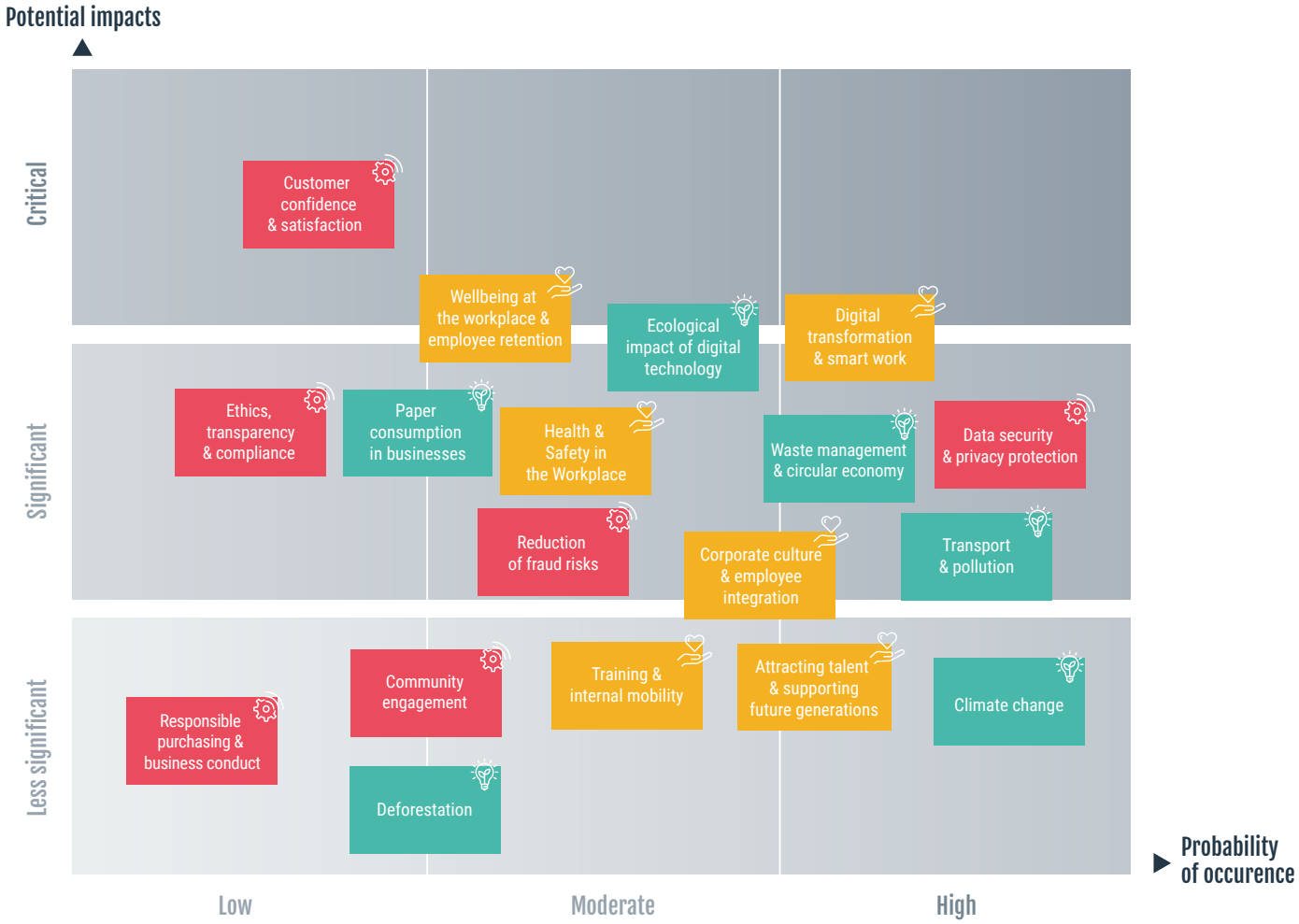
CONSOLIDATION AND MATERIALITY MATRIX

An analysis was then carried out by the CSR working company (mentioned in the *CSR Governance* section, below) and several company directors, seeking to identify the importance of these issues for stakeholders and their impact on the company (beyond the risk factors presented in *chapter 4 of the Universal Registration Document*) and the issues people care about (mentioned in the employee survey results).

The results of this analysis were presented to the Chair of the Board and the Group's CEO, allowing for adjustments and approving key priorities. Importance of the issues for stakeholders on the y-axis reflects stakeholder interest in the issue, and Impact on Esker on the x-axis shows the issue's impact on the company. These issues were documented in the following materiality matrix:

MAPPING OF NON-FINANCIAL RISKS

The mapping of non-financial risks was established using the same methodology and criteria as presented in *chapter 4 of the Universal Registration Document*. The significant risks were assessed based on their likelihood of occurrence and their potential consequences for Esker. A likelihood scale (Low, Moderate, High), a magnitude scale (Not Significant, Significant, Critical), and weighing factors were used to carry out this exercise. The results appear in the graph below:



CSR Governance

THE CSR COMMITTEE

A CSR committee, comprised of the operational directors (CIO, CFO and HR Director) and a member of the management committee (Director of Global Consulting & Support Services) and coordinated by a CSR Performance Manager (working in parallel in other roles within the Group), meets once a month at the Group's headquarters in Lyon. The committee has the following responsibilities:

- Review the company's CSR strategy and the deployment of related initiatives
- Review the company's CSR commitments with respect to challenges specific to its activities and objectives
- Assess social and environmental performance risks and opportunities
- Review social and environmental policies with consideration for how they impact economic performance
- Review the annual non-financial performance statement
- Review the summary of ratings assigned to the company by non-financial rating agencies

In 2021, to ensure that sustainable development goals align with and are integrated into the company's overall strategy, the CEO and Chair of the Board will join the CSR Committee and be accountable to it. A Social and Environmental Committee will also be created within the Supervisory Board.

THE ENVIRONMENTAL AND SOCIAL ACTION COMMITTEE

At the head office, an Environmental and Social Action Committee, consisting of the General Services Manager, the CSR Performance Manager and about 10 highly motivated employee volunteers, proposes and implements concrete actions to raise awareness among employees and reduce Esker's impact on the environment with a consistent social policy.

SUBSIDIARY OFFICERS

Finally, administrative and marketing managers in the Group's subsidiaries serve as CSR officers, who collect information at a global scale and mobilize all the entities around the company's commitments.

Contributions to Sustainable Development Goals (SDG)

Esker has renewed its commitment to the UN Global Compact and pledges to comply with its 10 principles on human rights, labor standards, the environment and anti-corruption. The Global Compact France is mandated by the UN to support the implementation of the 2030 Agenda and the appropriation of the Sustainable Development Goals by the French business world.

Website: https://www.unglobalcompact.org/

In line with the identified priorities, its business model, and the company's commitments, Esker has identified the following areas of value creation in line with the Sustainable Development Goals, which is an international frame of reference shared by many companies and institutions worldwide. With regard to its activities, Esker focuses its efforts on the eight most relevant SDGs where the company has a significant impact and can maximize its contribution:

3 - Good health and well-being

- Promotion of well-being in the workplace
- Social and non-profit advocacy
- Employee health and safety
- Flexibility in the workplace

4 QUALITY EDUCATION	**4 - Quality education** ▪ Initiatives involving educational institutions ▪ Employee professional development training plan ▪ Esker University platform
5 GENDER EQUALITY	**5 - Gender equality** ▪ Promoting gender equality ▪ Fighting against discrimination
8 DECENT WORK AND ECONOMIC GROWTH	**8 - Decent work and economic growth** ▪ Esker values support functions by increasing the productivity and quality of their administrative services ▪ Esker generates growth and avoids relocation to low-cost countries with solutions that make document processes smoother and less time-consuming for businesses ▪ Esker improves the experience and loyalty of customers &suppliers
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**9 - Industry, innovation, and infrastructure** ▪ Esker promotes the digital transformation of companies and their integration into the value chain &the market by digitizing and automating their document processes.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**12 - Responsible consumption and production** ▪ Esker enables companies to reduce their paper consumption by adopting paperless processes and to limit travel by providing online access to its platform. ▪ Sustainable supply chain ▪ Supplier evaluation ▪ Environmentally friendly transportation policies ▪ Waste reduction and recycling
13 CLIMATE ACTION	**13 - Climate action** ▪ Reducing the company's carbon footprint ▪ Supporting reforestation programs
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	**16 - Peace, justice and strong institutions** ▪ Esker actively assist in fraud reduction activities ▪ Personal data protection policies ▪ Supply chain ethics

Independent Third-Party Assessments

In 2020, Esker reported a sharp increase in its CSR performance, as attested by two top non-financial rating agencies: EcoVadis and Gaïa Rating.

ECOVADIS

As every year, Esker's performance in terms of corporate social responsibility was evaluated by the EcoVadis platform to promote transparency and trust with its customers and business partners. After winning the silver medal in 2019, Esker won the gold medal this year, with a score of 68/100 (compared to 58/100 in 2019), placing the Group in the top 4% of companies evaluated by the platform.

Website: *https://ecovadis.com/*

Indicator	2018	2019	2020
Overall Score	51/100	58/100	68/100
Environment	50/100	80/100	70/100
Social and Human Rights	60/100	60/100	70/100
Ethics	40/100	50/100	70/100
Responsible Purchasing	40/100	40/100	50/100

GAÏA INDEX

The quality of Esker's ESG policy was acknowledged by the financial community and, by the Gaïa Rating Index produced independently by EthiFinance, which represents investors who practice socially responsible investing (SRI). Esker obtained a rating of 69/100 in 2020 (compared to 57/100 in 2019).

Website: *http://www.gaia-rating.com*

Indicator	2018	2019	2020
Overall Score	46/100	57/100	69/100
Governance	38/100	47/100	68/100
Social	82/100	67/100	75/100
Environment	15/100	71/100	75/100
External Stakeholders	23/100	46/100	54/100

1 ACTING ETHICALLY AND RESPONSIBLY

Fraud Risk Reduction — *Through Esker Solutions*

Esker services have been developed using a global network of strategically placed production and data centers. This physical and virtual infrastructure offers very high levels of security, flexibility and performance, allowing companies to protect their confidential information. Data is secured with a unique document ID and includes multiple levels of security. Esker guarantees access to data only for the applicable users. To enhance data security, privacy and protection, Esker encrypts all incoming and outgoing data transmissions. Data stored on the platform are also encoded.

Esker helps reduce the risk of fraud through the electronic management of approval workflows and user rights management, and documents are automatically sent for approval based on company-defined rules. On the supplier side, verifying payment details helps prevent bank account fraud, and converting invoices without a purchase order into invoices with preapproved orders limits the risk of fraud. On the customer side, the integration with rating agencies makes it possible to retrieve customer credit data and ensure their creditworthiness, thereby limiting the risk of bankruptcy and fraud.

Ethics, Transparency and Compliance

Beyond compliance with laws and regulations, Esker integrates financial and non-financial best practices into its governance to improve its performance and strengthen the trust given to the company by both its internal and external stakeholders and thus contribute to the company's sustainability.

KEY INDICATORS

- Two meetings per year to present results
- 12.8K unique visitors to the investor site
- 10 meetings with staff representatives (*France only*)
- 2 out of the 4 Supervisory Board members are women
- 100% of Supervisory Board Members are independent 100% attendance at Supervisory Board meetings
- CEO's salary is less than 10 times Esker's worldwide average salary

EXECUTIVE COMPENSATION

The annual gross variable compensation of Jean-Michel Bérard, CEO of Esker, can reach a maximum of €240,000, calculated based on two indicators, namely revenue growth and a target profit amount, allocated at 60% and 40%, respectively. The minimum annual gross variable compensation is €15,000. No variable compensation is paid if the operating margin is negative. In 2021, 10% of the CEO's variable compensation will be based on a CSR criterion.

INDEPENDENCE OF THE SUPERVISORY BOARD

Esker's Supervisory Board consists of three [sic: four] independent members, two of whom are women. Five Supervisory Board meetings are held each year, and the average attendance rate is 100%.

DIRECTOR INVOLVEMENT AND SUCCESSION PLAN

Five management committee meetings are held each year, and the HR Director, CFO, and CIO are regularly invited to present on the progress of their respective projects and ensure that the operations teams are aligned with the Group's overall strategy.

Each year, the Supervisory Board asks the Board of Directors regarding their succession plans as well as for the people who report directly to them. Succession plans are also drawn up for the management committee.

SOCIAL DIALOGUE

Each of the Group's entities has its own system for the representation of employees through the bodies defined by law. Beyond the measures taken to comply with legal provisions and regularly organized meetings, the company attaches considerable importance to social dialogue, which contributes to its economic performance. In this context, employee representatives may be consulted for matters not included in the mandatory topics.

The Group's results are shared with employee representatives before they are presented in a company meeting to all employees. This presentation is also available in English so that all employees throughout the world can stay informed about the quarter's achievements and upcoming projects.

In France, the Social and Economic Committee and senior management meet regularly to negotiate company agreements, such as the following signed agreements: Gender Equality, Remote Work, Right to Disconnect Charter, Supplementary Health Insurance Agreement, and Profit Sharing Agreements.

INVESTOR RELATIONS

To strengthen dialogue with shareholders and promote a long-term commitment, Esker maintains regular contact with investors. The Group's results are presented every six months, in French and English, to an audience comprised of investors, analysts, and all those interested in the Group's activities. Information on quarterly revenue is provided to stakeholders. The Group's management also participates in professional investor trade shows. There is also a dedicated website where anyone interested can read the latest presentations and contact the Group's management to schedule a meeting or obtain more information.

RESPECT FOR HUMAN RIGHTS

Esker is committed to respecting human rights in all countries where the Group operates. As such, the Group supports the UN Global Compact as a member and encourages its commercial partners to comply with the principles relating to the environment, human rights, preventing discrimination, abolishing child labor and forced labor, as well as the rules on wage laws and maintaining a safe and healthy work environment.

ACTIONS

- Social and Economic Committee elections are held with the following turnout rates: Incumbent employees, technicians, and supervisors: 67.35%; Alternate employees, technicians, and supervisors: 67.35%; Incumbent executives: 55.25%; Alternate executives: 54.94% - *France only*
- Ten meetings are held per year with members of the Social and Economic Committee - *France only*
- New commissions created in the Social and Economic Committee: Information and Housing Assistance Commission; Professional Equality Commission; Health, Safety, and Working Conditions Commission; and Training Commission - *France only*
- Availability of regular financial information, in English and French, on the investor sites: *https://www.esker.fr/investisseurs* and *https://www.esker.com/investors*
- Semi-annual presentations of the Group's results, in English and French
- Participation in professional investor trade shows
- About a hundred meetings held with analysts and investors
- Renewed commitment to the United Nations Global Compact

OBJECTIVES

- Maintain the independence of the Supervisory Board with 100% of members remaining independent.
- Create a CSR committee within the Supervisory Board for greater transparency of the company's initiatives.

Data Protection and Security

Cybercrime has become increasingly sophisticated in recent years and is threatening the security, reliability, and continuity of information systems. The digital sector is faced with ever-greater challenges in protecting personal data. With a cloud platform globally available 24/7, IT security is a major issue for Esker. The COVID-19 pandemic has only exacerbated this threat.

KEY INDICATORS

- ISO 27001 certification for Esker on Demand cloud platform activities
- Zero complaints for non-compliance with applicable regulations (GDPR)
- 100% of employees have successfully completed data protection and security training

ALLOCATED RESOURCES

Special teams have been assigned to the safety and security of the platform's infrastructure and their numbers increased. A Data Protection Officer (DPO) and an Information Systems Security Officer (ISSO) have been appointed to monitor the proper application of the rules for ensuring the protection of personal data. Monitoring and technical reports are in place to proactively address security issues, such annual intrusion testing by an independent external service provider and quarterly automated vulnerability scans.

ISO 27001 CERTIFICATION

Esker has an audited, ISO 27001-certified information security management system (ISMS) for its Esker on Demand cloud platform. The ISO 27001 standard is the most recognized for information security management system requirements. Esker also requires its suppliers for the Esker on Demand platform to complete a security maturity questionnaire and provide ISO 27001, SSAE 18, and SOC1 audit reports, certificates, or certifications.

EMPLOYEE TRAINING AND AWARENESS

All employees worldwide undergo data protection and security training each year and must pass a proficiency test at the end. Ultimately, Esker believes that all employees act as a vital link in defending the company, and it is essential that each and every employee understands and adopts Esker's security policies.

ACTIONS

- Online training on the rights and policies of IT security and data protection, renewed annually
- Intrusion test performed once a year by an independent external service provider
- Quarterly automated vulnerability scans
- Selection and monitoring of critical suppliers of the Esker on Demand platform
- Strengthening the security team
- Covid-19: Implementation of appropriate measures to protect information security and ensure business continuity following health measures introduced by various governments and the widespread move to remote work.

OBJECTIVES

- Maintain the ISO 27001, SSAE 18, and SOC 1 certifications
- Identify and monitor new operational security indicators

Customer Satisfaction and Trust

Esker pays particular attention to customer satisfaction and trust in the Esker on Demand platform for their business needs. Esker has implemented business continuity procedures and strengthened its customer relations teams to ensure that its customers enjoy a very high level of service availability and a high level of trust.

KEY INDICATORS

- Average uptime of the Esker on Demand cloud platform: 99.878%
- Transactional NPS (between -100 and 100): 60.84%

TRUSTESKER AND PLATFORM AVAILABILITY

The Esker on Demand platform is under 24/7 monitoring to ensure operational continuity, and it is set up to fail over to redundant systems to mitigate possible hardware failures and ensure high availability of the service. Because trust begins with transparency, Esker provides its customers with *TrustEsker.com*, a dedicated website accessible to all customers at any time. The site displays the platform's uptime during the previous month, scheduled maintenance, and real-time information on system performance and security.

CUSTOMER SUPPORT

Multilingual support teams centralized at Esker's head office and covering all the Group's entities respond to customer requests in all time zones and meet service level agreement requirements on response times and ticket resolution. The support teams also participate in preventing production incidents by monitoring customer activity and proactively identifying risks.

CUSTOMER EXPERIENCE (CX) PROGRAM

Esker's value creation reflects an ability to ensure that its products and services meet the needs of its customers and are used to their full potential. Esker's CX program is designed to ensure that Esker customers get the most out of their solutions and are completely satisfied throughout their lifecycle. In recent years, CX teams have been created and strengthened in all the Group's subsidiaries to total 30 people in 2020. Through customer training, coaching, and personalized monitoring, the CX program makes it possible to improve user adoption and commitment to the Esker on Demand platform, ensure that customers make the best use of solutions, and improve available solutions through user feedback as part of a continuous improvement process.

Esker's Customer Experience team motto: Valued – Understood – Engaged

Valued: We will be honest and respectful of your time and keep our promises. We will work together as one team.

Understood: We will listen to you and take your needs and expectations into account. We will also strive to recognize what is truly important to you.

Engaged: We will build personal relationships by being proactive, providing information and continuously learning.

ENSURING CUSTOMER SATISFACTION WITH THE NET PROMOTER SCORE

Esker's NPS score is transactional and established through surveys sent to Esker on Demand users following actions by the Consulting, Support, and Customer Experience teams. The Net Promoter Score is a score given by Esker's customers in response to a single question: "How likely are you to recommend Esker to someone you know?" The possible responses range from 0 (not at all likely) to 10 (very likely), and the score assigned by the customer determines the category in which they are classified: Promoters (score of 9-10), Passives (score of 7-8), or Detractors (score of 0-6). NPS scores range from -100 to 100 and are calculated by discarding the responses from the Passives category and converting the number of respondents from the other two segments into a percentage. The percentage of Detractors is subtracted from the percentage of Promoters to obtain the final NPS score. Random and spontaneous satisfaction surveys will be set up in 2021 to establish an overall relational NPS.

AGILE METHODOLOGY AND INNOVATION

Esker adopted the Agile development methodology many years ago to allow for faster and continuous development of new features to develop solutions that are better tailored to customer expectations. This method of working, originally limited to software development, has since been adopted by all teams at the company, even those at the non-technical level.

Tech Days are held on a regular basis, bringing together all of the R&D teams so that employees can attend workshops and presentations on a variety of topics (innovation, security, hackathon, etc.). These events encourage knowledge sharing and innovation within the development teams.

STRATEGIC PARTNERSHIPS

Esker is developing a network of partners mainly to help customers with the integration of solutions, user training, and change management. Through strategic partnerships, Esker allows its partners to expand their portfolio of solutions while increasing its geographical coverage.

ACTIONS

- Strengthening the CX teams in the Group's subsidiaries

OBJECTIVES

- Keep the Esker on Demand platform's uptime rate > 99.5%
- Keep the customer satisfaction rate following the actions of the Consulting, Support, and Customer Experience teams > 60%
- Strengthen the Disaster Recovery Plans to address physical and software risks

Responsible Purchasing and Business Conduct

The Sapin II Law's compliance policy has been implemented by the Administrative and Financial Departments. This compliance is an opportunity to support Esker's transformation by strengthening the ethical and exemplary corporate culture introduced under the aegis of general management.

KEY INDICATORS

- Esker's Supplier Code of Conduct approved by four out of eight main suppliers

SUPPLIER CODE OF CONDUCT

Esker provides and enforces a code of conduct among its main suppliers to ensure their commitment to complying with specific rules on the environment, human rights, the prevention of discrimination, abolishing child and forced labor practices, as well as wage regulations and maintaining a safe and healthy work environment. An *Ethics and Anti-Corruption* Clause is also included in contracts with suppliers.

RESPONSIBLE PURCHASING POLICY

Interviews with the Group's main buyers were conducted in late 2020 to establish an inventory of Esker's purchasing practices. The analysis of these practices will make it possible to draft a responsible purchasing policy consistent with the company's business and goals, and to allow greater control of the social, environmental, and economic risks related to Esker's suppliers.

CONDUCTING BUSINESS

As part of conducting business responsibly, an internal code of conduct was drafted and an internal whistleblowing system was implemented to prevent and detect acts of corruption and influence-peddling. Esker has mapped its corruption risks to closely monitor its highest-risk subsidiaries (Singapore, Malaysia, and Hong Kong). In the US subsidiary, a local code of conduct is regularly reviewed and that employees must know and follow. Finally, Esker enforces compliance with the rules applicable to all the countries where the company operates, including rules designed to prevent tax evasion. To date, none of the Group's entities have been subject to a tax adjustment.

ACTIONS

- Code of Conduct submitted to the top eight suppliers for approval
- Implementation of Responsible Purchasing Policy

OBJECTIVES

- Expand the campaign to send the Supplier Code of Conduct to all the main suppliers
- Implement a responsible purchasing policy at Esker's head office

Community Engagement

While businesses contribute to the development of the local economic fabric by creating jobs and value, their impact can be multiplied by partnering with other local actors to encourage synergies and innovation.

KEY INDICATORS

- €120K supporting schools and educational institutions
- €50K to supporting cultural activities
- 47 hours used by employees out of their workdays supporting non-profit causes

SPONSORSHIP STRATEGY

Esker's sponsorship strategy, developed including employee input, is centered around three key points:

- **The environment** because it is a key issue of high concern to Esker employees
- **Education** because working with young people and giving them access to the professions of the future will improve their job opportunities
- **Outreach in our local region** because Esker wants to maintain roots in its home region and stay involved with local communities

Access to culture and education is key to building a considerate and inclusive society. Quality education ensures the employability of future generations, while access to cultural activities offers everyone the opportunity to develop new perspectives and critical thinking skills and gives them the ability to understand the world more globally. Esker also strives to highlight the assets of its home region of Rhone-Alpes, enabling Esker's growth and ability to recognize the influential effect of regional characteristics.

ECONOMIC FABRIC

The involvement of Esker management in local business associations, such as with the Digital League since 2014, helps encourage innovation and supports economic development of regional businesses. The Digital League is a regional association of more than 500 service companies in the digital industry that pool efforts to share their expertise and promoting the exchange of best practices between entrepreneurs, schools, laboratories, investors, and institutions with the goal of creating winning synergies.

PROMOTING CULTURE AND THE ARTS

Since 2015, Esker has been involved with the Biennale de Lyon, which calls on members of the local community to support its artistic creations and their implementation. By partnering with the Biennale de Lyon, Esker is helping to support the emergence of and access to culture for everyone by promoting international excellence and professionalism. The Biennale has an impact both internationally and locally, with visitors, journalists, and artists coming together from all over the world and includes local businesses.

SUPPORT OF EDUCATIONAL ORGANIZATIONS

Esker helped create a research chair at the INSEEC to focus on artificial intelligence and continues to actively contribute by offering its expertise. Esker also supports several schools in the Lyon region through financial and human commitment. Esker employees give presentations at various schools in the region about their profession. Tours of Esker are organized for young people, giving them an opportunity to learn about the business world. This support for schools promotes access to the job market for students, while increasing the supply of technical expertise available in the job market and boosting Esker's reputation among this population.

CSR DAY

Esker employees are encouraged to participate in societal or environmental activities, and they are given one workday off every year (in France and the United States) to devote their energy and skills to local organizations of their choice, as part of the company's CSR approach.

LOCAL COMMUNITY ENGAGEMENT

Every quarter, the US subsidiary sends about a dozen volunteers to Second Harvest, a food bank serving southern Wisconsin, for half a day of volunteering. They also provide volunteers for fundraising (Share Your Holiday Campaign). Employees of the US subsidiary can donate up to $100 to the association of their choice, and their contribution is 100% matched by Esker, amounting to $5,200 in 2020. The subsidiary also donated $4,000 to the Boys and Girls Club, $1,000 to We the Protesters (combatting racism), and $10,000 to the Salvation Army.

In Europe, Esker's German subsidiary makes a yearly donation of €600 to WorldVision and also gave €600 to *Regenbogenland*, a children's hospice in Düsseldorf. The Italian subsidiary donated €1,500 to *Associazione Bianca Garavaglia*, a treatment and research organization for pediatric cancer. Esker Singapore donated Wi-Fi equipment to WWF Singapore, valued at SGD 760. The Spanish subsidiary is committed to the environment through its support of *Paisaje Limpio*, Proyecto Libera, and *Asociacion Deverde*.

THE COVID-19 PANDEMIC

This year, employees set up a Covid-19 fund, with 100% matching by Esker, to support hospitals in the Lyon region during the pandemic, and nearly €5,000 was paid to HCL and the Mérieux Foundation. The Group's US subsidiary donated the money that had been set aside for the end-of-year staff party to Second Harvest. The teams at Esker Ibérica supported Madrid food banks, which have been serving more people as a result of the pandemic.

ACTIONS

- Active participation of Esker's CEO as co-chair of the Digital League
- €50K donated to 42 Lyon, a non-profit computer programming school
- €10K sponsorship promotion of the school INSA IF in Lyon
- Educational services performed by employees at local schools (mock interviews, school forums, and more)
- €60K supporting research activities of the INSEEC chair activities
- €50K contributed to the Biennale de Lyon (carried over to 2021)
- Local community engagement
- Covid-19 – The Cagnotte Covid fund in France with Esker France matching contributions100%
- Covid-19 – Budget originally allocated to end-of-year party at the US subsidiary donated instead to the Second Harvest Food Bank
- Covid-19 - Mobilization of Spanish subsidiary employees to support Madrid food banks

OBJECTIVES

- Continued support of associations and organizations in locales of Esker subsidiaries

2

RECOGNIZING THE VALUE OF HUMAN CAPITAL

Digital Transition and Smart Work — *Through Esker Solutions*

Digital transformation is now a major focus of any company's business development strategy. By offering paperless solutions for automating document processes, Esker is directly involved in the sustainable transformation of businesses.

Esker is positioned as a trusted partner, offering digital solutions for optimizing processes and reinvigorating administrative, financial, and customer service departments within companies. Beyond increased external competitiveness, Esker solutions make it possible to recognize the value of internal company functions that are often overlooked, increase employee retention and boost job satisfaction.

Esker solutions also create a more peaceful work environment, freeing up time for higher value-added tasks that require more expertise and the use of new technologies, which in turn gives employees a competitive advantage on the job market.

Skills are redirected internally to shared service centers, enabling companies to grow and support a symbiotic ecosystem while at the same time maintaining a close relationship with customers as well as improving supplier and customer satisfaction.

Customer Testimonials

Esker's solution has been very helpful in the day-to-day work of accountants. We've updated our job descriptions based on supplier responsibilities, not tasks. This is a new way of working together and no longer beside one another, putting people back at the heart of our business."

ALEXANDRA VLATKOVI, ASSISTANT ACCOUNTING MANAGER, FEU VERT GROUP

We chose to go paperless to eliminate the exponential amount of paper that was piling up. More than input, our need centered around traceability and assigning orders to the right people. With the Esker solution, we no longer needed someone to sort faxes and deliver them one by one to the right people."

THIERRY FOURNIER, ADMINISTRATIVE AND OPERATIONS DEVELOPER, VAILLANT GROUP

Instead of focusing on data entry, our staff has been able to work on tasks like proactive outgoing calls to maintain a positive customer experience and increase revenue."

KATHY WIGGINTON, CUSTOMER SERVICE DIRECTOR, AMEROCK HARDWARE

Users are becoming more efficient, which allows them to spend more time on tasks with higher added value for customers and the business."

CRISTINA CAMPENY, CUSTOMER SERVICE AND SALES DIRECTOR, FRIT RAVICH

Corporate Culture and Employee Onboarding

KEY INDICATORS

- 765 Esker employees as of 12/31/2020
- 99.21% of employees are full-time permanent
- Staff turnover rate: 9.1%
- Esker's culture has an 87.6% approval rate among employees

HUMAN CAPITAL

As of December 31, 2020, Esker has 765 employees. Their average age and company affiliation are 37.9 and 6.8 years, respectively. 30.59% of the workforce are women, and 69.41% are men. There are 17 nationalities represented in the workforce.

ONBOARDING OF NEW EMPLOYEES

In-house trainers organize sessions at the beginning of each month for every incoming group of employees. Esker reserves a modular room for this training to accommodate a range of training formats. This is where employees learn about the history of the company, HR resources, IT tools, and Esker solutions. This training lasts a week, which starts with one full day followed by half-days, and the remainder of the time is spent with the team. This week-long training includes new hires from all departments, so it is also a chance for them to meet one another.

GUIDE FOR "ESKERIANS"

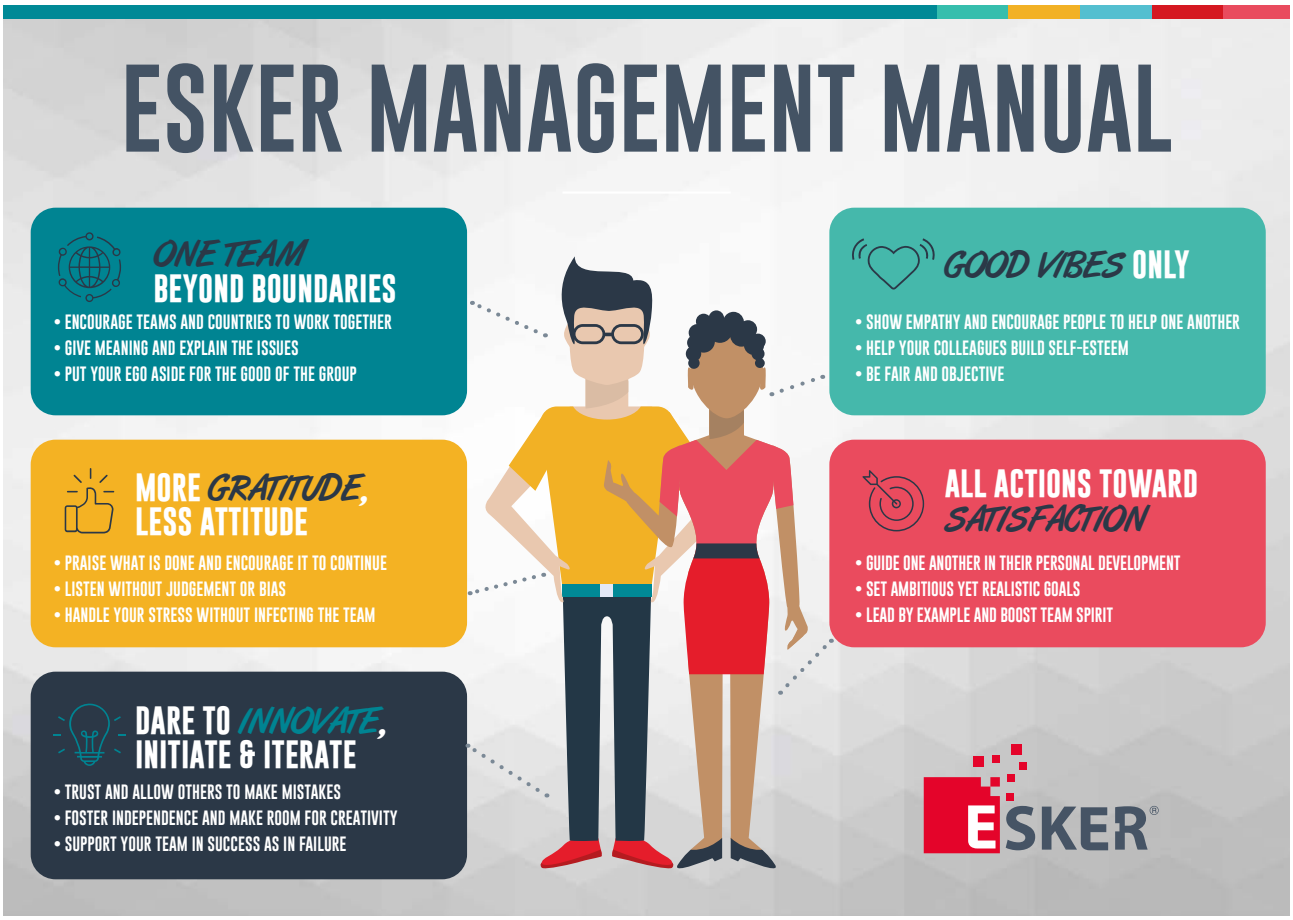
An online document, called *Guide for Eskerians*, is available on the company's intranet. This gives employees easy access to all the information they need about their career and life at Esker, including office maps, IT tools, time off and absences, benefits, insurance benefits, local activities near Esker's offices, important contacts, and more.

CONSIDERATE AND ATTENTIVE MANAGEMENT

All managers at Esker have undergone workplace professionalism and etiquette training in order to raise their awareness for valuing employees and boosting team morale.

Employees receive the same training in order to apply those principles in their day-to-day work.

The Guide for Eskerians reiterates the training principles and serves as a reminder to managers.



CORPORATE CULTURE

Esker's values are presented in the About Esker, Our Values section.

Esker's culture is the result of nearly 12 months of work. Workshops were first conducted in all subsidiaries, with more than 100 volunteer employees to share anecdotes about life at Esker and that set it apart from other companies. These stories highlighted the typical behavior of employees and the values that guide them in their daily work. The next step included a survey sent by the CEO to all the employees around the world, confirming the initial findings with a response rate of 75%. The values mentioned by the majority of employees were then summarized by Corporate Marketing Department, visually presented in the offices and distributed on company swag products to encourage internalization by the employees. Esker's company culture efforts enjoy an 87.6% approval rating.

ACTIONS

- Educating new employees on corporate culture with a presentation on Esker values on Day One of New Hire training

OBJECTIVES

- Maintain 95% company culture adoption rate while keeping turnover rate below 10%

Training and Internal Mobility

Esker's success relies fundamentally on the experience and expertise of its employees and supporting them through training is crucial to ensuring their employability both internally as well as outside of Esker.

KEY INDICATORS

- 815 employees completed internal professional development training in 2020, 283 completed external training.
- 13,862 hours of professional development training provided
- €180,383 dedicated to training efforts
- 75 internal job changes in 2020

DEFINITION OF NEEDS

The training policy consists of strategic focus areas defined on a yearly basis by management, new work method or tool training needs and per request of employees seeking to develop professionally or retrain. The budget amounts are allocated according to these focus areas and their priority levels. Needs expressed during reviews are collected and prioritized according to the focus areas mentioned above. Trainings organized by external service providers are subject to an assessment of the acquired knowledge, feeding directly into skills management.

DEDICATED TRAINING TEAM AND LEARNING CULTURE

A growing training team consisting of nine people throughout France and the United States, handles team skills development, when employees first join the company and then throughout their career at Esker. The team's role is to promote training activities, adapt to the needs of the learners, offer effective and innovative learning solutions and boost commitment. The overall objective of the training team is to foster the development of the Learning Culture at Esker, which conforms naturally into the Agile culture already in practice.

THE ESKER UNIVERSITY PLATFORM

Esker has an in-house training center called Esker University that offers numerous online modules to all employees worldwide. In-person sessions are held for new hires (during the pandemic, these sessions were held remotely), The training activities are scheduled by managers according to their and their new hire's needs.

TRAINING GAMIFICATION

To make it even easier to learn about Esker products, the in-house training team has begun the gamification of the training material. A role-playing activity was developed to help new employees obtain a better understanding of the solutions that Esker develops and markets, the corporate cycles for customers and suppliers, customer challenges and the advantages that Esker solutions provide. The processes and problems they encounter during the game are then replicated and explained directly in the solution software.

INTER-DEPARTMENTAL AND INTER-SUBSIDIARY EXCHANGES

To establish a link between the various subsidiaries and departments, exchanges have been set up between departments, including Consulting and R&D, Finance and Sales, and Support and R&D. In addition to the obvious sharing of knowledge, these exchanges give employees a chance to spend time with one another. Developers spend time with customers, making their work more meaningful and lets them see the solution they've developed in a real-world application. Esker also encourages all new developers to train with the Consulting or Support teams after they've been with Esker for one year, to make it easier to understand each person's day-to-day activities and challenges.

ACTIONS

- Hire two additional trainers for the training team, in France and the US
- Provide new non-technical and personal development training opportunities

OBJECTIVES

- Allow any employee worldwide to apply for positions anywhere within Esker
- Offer each employee a training opportunity at least once every three years

Workplace Well-Being and Employee Retention

In a company where human capital is the most important resource, the ability to retain talent is essential. To reflect this, Esker ensures the well-being of each employee by responding to collective and individual needs and adapting to societal changes.

KEY INDICATORS:

- 97% of the annual survey participants agreed that "Esker is a good place to work"
- 6.8 years average company affiliation
- 4.8% part-time employees
- One reported harassment in 2020
- 67 departures in 2020
  - Resignation: 5.54%
  - Termination: 0.83%
  - Other reasons for departure: 2.22%
  - End of fixed-term contract: 0.69%

OFFICE LAYOUT

By listening to our employees, Esker provides workplace conditions that match their expectations. The office layout was designed in consultation with the employees and staff representatives, and many spaces were configured to meet the diverse needs of the teams. Esker also strives to foster a healthy environment through a strong and positive corporate culture and to encourage a healthy work-life balance, for example by allowing and encouraging sports activities on its premises. Self-service beverages, coffee machines and fruit baskets are made available in the offices.

GOOD ATMOSPHERE AND INTER-TEAM ACTIVITIES

In France and its US subsidiary, Fun@Work committees, made up of about 15 employee volunteers, organize activities in the offices on a regular basis to strengthen team spirit. Despite the fact that employees were unable to be on premises during the various lockdowns, several virtual events were organized to encourage interaction. Photo contests, quizzes, and other activities helped maintain a good atmosphere, even at home. At the US subsidiary, events and challenges were organized outside when they couldn't be held at the office, such as hiking, climbing, and fly-fishing.

ACCOMMODATING REMOTE WORK

In early 2020, remote working was tested at the head office, allowing employees to work from home up to one day per week while keeping the teams strong and effective. This experiment was accelerated by the start of COVID-19 and allowed Esker to adapt quickly to the new regulations imposed by the pandemic. In France, additional equipment and an allowance to cover costs incurred by remote working were provided during the lockdowns.

SHARING THE VISION

Because the search for meaning contributes to well-being at work, having a shared vision and knowing each person's part making it a reality are integral to the duties of a manager at Esker. Every quarter, the Group's CEO shares team achievements and upcoming projects. At least once a year individual employee performance is reviewed and objectives are set so that everyone understands their role in the company's mission and the achievement of its vision.

ACTIONS

- Set up remote work and provide equipment to employees (additional monitors and stands)
- Appoint harassment officers on the Social and Economic Committee and in the HR Department
- Covid-19: payment of an allowance to cover the costs incurred by employees during the lockdowns – *France only*

OBJECTIVES

- Maintain the affirmative response to "Esker is a good place to work" above 95%

Health and Safety in the Workplace

KEY INDICATORS:

- Frequency rate: 3.68
- Severity rate: 0.08
- Absenteeism rate: 2.8%
- 14.2% of employees trained in first aid (*France only*)
- Covid-19 - €22K allocated to employee protection (masks, sanitizer and face shields) (*France only*)
- Covid-19 - 93% of employees worked from home in 2020

RESPECT AND PROMOTION OF HUMAN RIGHTS

As a signee of the UN Global Compact, Esker is committed to supporting and respecting the protection of human rights. The company ensures that it is not complicit in human rights violations, including harassment, in any of its subsidiaries. Protecting the freedom of assembly and speech and effectively recognizing the right to collective bargaining are key issues for the company, as well as rejecting all forms of forced and compulsory labor. Lastly, Esker supports the UN Convention on the Rights of the Child, which enacts the effective abolition of child labor.

RISK PREVENTION

Preventive actions are carried out each year in France in multiple areas and are detailed in the occupational risk assessment document. Also, a manager is assigned to each site with the delegated authority to implement actions concerning the workplace health and safety policies for employees. Esker looks after the health and safety of employees by providing a collaborative, friendly, and functional workplace and by implementing preventive measures. All employees in the head office and the United States are equipped with height-adjustable desks to limit the risk of musculoskeletal disorders (MSDs). Employees at the Décines mail production facility have the appropriate safety equipment for their work, such as safety shoes and ear plugs. In the United States, employees are educated on the "Run, Hide, Fight" principle, which provides instructions to follow in the event of an attack or active shooter.

ENCOURAGING PHYSICAL ACTIVITY

In all offices around the world, Esker provides employees with restrooms and recreation areas equipped with foosball tables and gaming consoles. A multipurpose room at the head office can be used for yoga and gymnastics sessions that Esker employees can attend during their lunch break. In France, employees can also enjoy massages organized by the Social and Economic Committee, and fruit baskets are provided to employees once a week for a healthy and nutritious break. In France and the United States, health information sessions are provided in a Lunch'n'Learn format through health insurance partners. All employees can be reimbursed for any membership or purchase made for their well-being, such as a gym membership or the purchase of a new exercise bike or athletic shoes.

THE RIGHT TO DISCONNECT

With the introduction of a unilateral charter on the Right to Disconnect, Esker reaffirms the importance of the proper workplace use of digital and professional communications and the need to regulate them so employees can enjoy their rest and leave time, as well as a healthy work-life balance. This charter is appended to the company's internal regulations.

EMPLOYEE SAFETY AT MAIL PRODUCTION FACILITIES

Esker has launched the ISO 45001 certification process for the Décines mail production facility. This international standard provides a framework for identifying, controlling, and reducing occupational health and safety risks. This certification allows for the integration of procedures with the Quality and Environmental Management System under ISO 9001: 2015 and ISO 14001: 2015.

ACTIONS

- Train employee volunteers in first aid and fire evacuation
- Promote the My Health Habits platform, in partnership with Malakoff Médéric (supplemental health and life insurance) - *France only*
- Organize an inspection of the mail production facility by the occupational physician at least every three years and the enforcement of any recommendations
- ISO 45001 certification process launched for the France mail production facility
- Covid-19: availability of a psycho-social hazard hotline - *France only*
- Covid-19: distribution of masks and hand sanitizer
- Covid-19: implementation of remote work and education on workstation ergonomics

OBJECTIVES

- Achieve a rate of 15% of employees trained in first aid (OSH) - *France only*
  (The French National Research and Safety Institute (INRS) recommends that 10-15% of employees be trained in first aid)
- Maintain a rate of 8% or more of employees trained in fire evacuation
- Obtain ISO 45001 certification for the France mail production facility in 2021

Attracting Talent and Supporting Future Generations

To ensure the sustainability and development of the company's business, Esker needs to know how to attract and retain employees with advanced and complementary expertise, a challenge that is all the more difficult in the highly competitive tech field, where available jobs far exceed demand. This is especially true in creating a fulfilling human, material, and professional environment that encourages individuals to use their skills to benefit the company and recommend Esker as a good place to work. Staff referrals have been working extremely well for many years and has helped find nearly a quarter of new hires.

The Covid-19 pandemic brought a slight slowdown in hiring in 2020, particularly in the Group's subsidiaries. Forecasts for 2021 are optimistic and will be revised upwards to continue to fuel the company's growth.

KEY INDICATORS

- 154 new employees, including:
  - 95% permanent contracts
  - 31.17% women
  - 37.7% under the age of 28
  - 21 employee referrals
- 8,178 LinkedIn France subscribers (65% more than in 2019)
- Average age of employees: 37.9 years old
- 14 new interns in 2020
- 29% of interns hired at the end of their internship

ENSURING EMPLOYEE PERSONALITY AND CULTURAL FIT

Beyond technical skills and professional experience, Esker focuses on the personality of job candidates. Recruitment managers look for individuals who accept feedback and know how to challenge themselves, do not hesitate to ask for help, give their opinion and are self-confident, prefer teamwork, are curious about computers and learning, honest, and know how to get out of their comfort zone. The Personality and Preference Inventory (PAPI) test is used as an assessment tool, and close attention is given to the compatibility with Esker's corporate culture and the Agile methodology. Finally, during the interview applicants spend time with their team and come in for a half-day immersion session whenever possible. This is intended to give them a clear idea of what to expect and a better understanding of the company and culture.

THE HR SCRUM TEAM

Esker's hiring policy, prepared by an internal HR scrum team of hiring managers, a marketing project manager and scrum masters, revolves around a number of key points:

- The development of Esker's employer brand by highlighting the company's culture, expertise and areas of differentiation
- Valuing different professions and the work of external teams
- Simplifying the hiring process, diversifying sourcing to facilitate applications of different profiles and promoting an attractive referral program

TRANSPARENCY AND VISIBILITY

In addition to presenting key figures, solutions, and technologies, the HR brochure for candidates presents the journey of an Esker employee beginning at orientation all the way to their advancement in the company. Esker's values and the benefits offered are described as well, with the aim of being as transparent as possible. To provide more background information for job postings, employee testimonial videos are regularly produced and posted on the careers website and social media to give Esker employees s a voice and present the company in a simple and honest way.

RELATIONSHIPS WITH EDUCATIONAL INSTITUTIONS AND THE SCHOOL AMBASSADOR PROGRAM

Esker also builds relationships with schools to provide them with academic support, introduce ourselves to future graduates, and make it easier to attract talent. Esker is a sponsor of the Class of 2021 INSA IT Department (National Institute of Applied Sciences) and a patron of the 42 Lyon coding school. The School Ambassador program encourages Esker volunteers to represent the company at their alma maters. They attend job fairs and give presentations to students about their jobs. These partnerships involve Esker both financially and in terms of human resources, with themed conferences on agility or artificial intelligence, coaching sessions to prepare students for job interviews, a mentoring program for women as well as networking receptions for Esker employees and students.

PRESENTING THE ESKER HISTORY AND VISION

Esker's CEO conducts a quarterly presentation of Esker's history and the company vision. Employees then have an opportunity to interact with him and ask any questions they may have. This time is highly appreciated among new Esker employees, and it helps strengthen their sense of belonging to the company and proximity to management.

SUPPORTING FUTURE GENERATIONS

With recent graduates making up the majority of new hires, Esker places great importance on younger generations. As co-founder of a research chair at the INSEEC, sponsor of a class of the engineering school INSA, and partner of the school 42 Lyon, Esker is involved in the development of future generations and supports them in their education by offering internships and assisting them in the job search process.

ACTIONS

- Incentive for candidate referral (€2,000 bonus)
- Participation in job fairs (some were cancelled due to Covid-19)
- Focus on hiring Army veterans through the Skills Platoon program and contribution to the Veterans Voices podcast at the US subsidiary
- Workshops conducted at schools on AI and the Agile methodology
- Sponsorship of a promotion of the school INSA IF in Lyon
- Partnership with 42 Lyon coding school
- Participation in INSEEC research center projects
- Covid-19 - Continued onboarding of interns despite the pandemic

OBJECTIVES

- Expand the workforce by 12% in 2021
- Extend partnership programs to other schools

Diversity and Inclusion

KEY INDICATORS

- 30.59% women / 69.41% men
- 31.53% women managers / 68.47% male managers
- 31.17% women among new hires
- Gender Equality Index: 91/100
- 17 different nationalities in the global workforce
- 0.5% disabled employees in the workforce

GENDER EQUALITY

Esker promotes equal opportunities for men and women and equal access to the same level of responsibility within the company. Furthermore, gender diversity is encouraged wherever possible, as it fosters innovation, creativity and collaboration within teams.

REPRESENTATION OF WOMEN

Although IT professions attract mainly men, Esker's workforce includes 30.59% women worldwide and 31.53% women among managers, demonstrating an equitable policy of promotion between men and women. Two of the four members of the Supervisory Board are women, as are two of the eight members of the Management Committee.

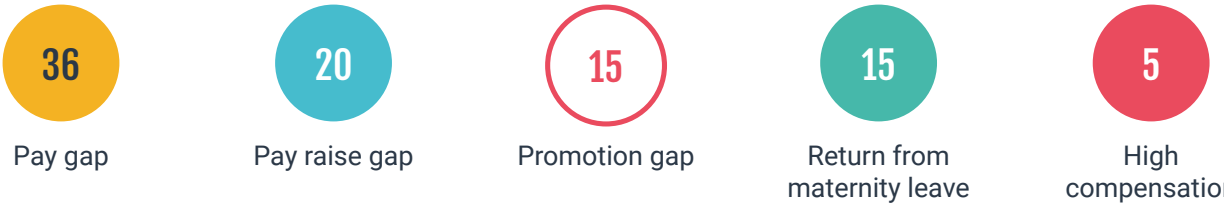
ANTI-DISCRIMINATION POLICIES AND THE CODE OF CONDUCT

Policies and codes of conduct are in place within the Group's entities to ensure a healthy working environment, guarantee equal opportunities for hiring and promotion to all employees, and prevent sexual harassment and discrimination. To make it easier for women to return from maternity leave, a lactation room is made available in the US subsidiary. Finally, in response to the diversity of sexual orientations, employees have the option to add an identity pronoun to the internal directory and their external email signature.

GENDER EQUALITY INDEX

Designed to advance equal pay for women and men within companies, the Gender Equality Index allows companies to transparently measure gender pay gaps and highlight their progress points. When wage disparities are found, corrective measures must be taken. The Index is a 100-point scale calculated on the basis of five indicators: the gender pay gap, the gap in the distribution of individual raises, the gap in the distribution of promotions (only in companies with more than 250 employees), the number of female employees given raised upon returning from maternity leave, and parity among the top 10 earners.

Esker earned a score of 91/100 in 2020 for France and the following scores for each of the indicators:



CULTURAL DIVERSITY

Cultural diversity ensures the organization's consistent growth. Esker leverages its cultural diversity by fostering exchanges to learn how to work better together and by encouraging the development of talent around the world. Diversity initiatives focus particularly on hiring and international developments.

Inter-subsidiary exchanges are regularly organized to allow for the sharing of experiences and best practices within the teams. This allows all Esker employees to develop intercultural awareness.

ACCESSIBILITY AND DISABILITY

Through one of its sorting service providers, Esker promotes the professional inclusion and retention in employment for people with disabilities. Internally, an awareness campaign on disability in the workplace was organized in 2020 with the help of Pete Stone, founder of Just Different and a diversity and inclusion consultant, as a one-hour videoconference with all employees in France.

ACTIONS

- Mandatory anti-discrimination training when hiring HR teams at the head office
- Signing of a professional equality agreement: compensation study, hiring, work-life balance, promotion
- HR Department's participation in roundtable discussions on the role of women in tech
- Promotion of Esker video testimonials on social media to promote women engineers in IT
- Appointment of two sexual harassment officers at the head office
- Regular compensation review
- Anti-discrimination training when hiring HR teams
- Promote internal applications between subsidiaries to allow for exchanges and promote cultural diversity within teams
- Addition of Juneteenth (holiday commemorating the abolition of slavery in the United States) to the list of public holidays celebrated by the employees of the US subsidiary
- Attend job fairs specializing in the promotion of diversity
- Support for the We the Protesters movement in the United States
- Organization of a conference on disability hosted by Pete Stone
- Selection of service providers that hire employees with disabilities

OBJECTIVES

- Guarantee equal pay for men and women
- Ensure pay raises for women returning from maternity leave are aligned with other employees
- Engage with organizations and movements like Women in Technology to promote women in tech
- Foster exchanges between subsidiaries
- Grant additional days of leave to complete formalities for people with disabilities
- Appoint a disability officer at the head office
- Organize annual awareness campaigns for all employees

3 PROTECTING THE PLANET

Reducing Paper Use — *With Esker Solutions*

Esker's automation solutions reduce paper use and thereby help in the fight against deforestation and waste. Esker's solutions digitize all documentation involved in customer and supplier management, such as invoices, purchase orders, estimates, payment notices, account opening requests and more.

Esker is aware, however, of the environmental impact of digital technology and data center energy consumption and has established indicators to monitor and limit these impacts.

Customer Testimonials

Thanks to Esker and its automated Accounts Payable solution, paper invoices are now a thing of the past."

HERVÉ BIGO, FINANCIAL PROJECT MANAGER, ADÉO SERVICES

We encourage our suppliers to submit their invoices directly and electronically through our supplier portal. That's why we've been able to significantly reduce our handling of paper and improve the efficiency of invoice processing and payment."

PROJECT COMMITTEE, SHARED SERVICE CENTER, IT SUNWAY

Thanks to automating customer orders, we've been able to achieve significant time savings within this business process. We are also using e-invoicing more widely. By automating these two strategic processes, we are moving toward more efficient and environmentally friendly paperless procedures that help save the forests."

ALBERTO BARBERO, CUSTOMER SERVICE DIRECTOR, BEL ESPANA

By outsourcing and automating our workflows with Esker's solutions, we've seen an increase in productivity, as well as stronger billing expertise, while helping the environment by reducing our paper consumption."

BRIGITTE ANDREOLIS-CLAVIER, FINANCIAL DIRECTOR, STACI

Esker's solutions enable us to take the quality of our customer service to the next level. Instant and transparent interactions are the two keys to achieving our goal of a paperless future."

ALAIN FAVRE, CEO, GÉCITECH

Climate Change

KEY INDICATORS

- Two ISO 14001 certified sites
- Total CO2 emissions: 3,399 t.CO2e
  - Per document invoiced on Esker on Demand: 7.43 g
  - Per employee: 4.69 t.CO2e
- Amount of CO2 emitted by source:
  - Offices and factories: 2,696.8 t.CO2e
  - Business travel: 343.1 t.CO2e
  - Commuting: 348.7 t.CO2e
- Amount of CO2 emitted by scope:
  - Direct GHG emissions (Scope 1): 381 t.CO2e
  - Indirect GHG emissions (Scope 2): 629 t.CO2e
  - Other indirect GHG emissions (Scope 3): 2,390 t.CO2e
- Power consumption: 1,756,855 kWh

THE ISO 14001 STANDARD

ISO 14001 defines the criteria for an environmental management system and provides a framework that companies and other organizations can apply to establish an effective environmental management system.

Esker began certifying the France mail production facility in 2019 and the French offices in 2020, paving the way for the regular implementation of additional improvements to reduce Esker's environmental footprint.

ANNUAL CARBON REPORT

Esker is strongly committed to reducing its environmental footprint and investing in the environmental efficiency of its offices and mail production facilities. Esker is proactively committed to establishing its Carbon Report, which has been published annually for the locations in France since 2018. It was gradually extended to the Group's other entities, identifying improvement needs in the company's energy performance as a whole.

In 2020, Esker's emissions covering Scopes 1, 2, and 3 for its worldwide operations were 3,399 metric tons of CO2e. Because business travel and commuting were heavily impacted by the pandemic, it is difficult to assess the change in Esker's environmental performance through its carbon footprint relative to 2019. It should be noted, however, that the amount of CO2 emitted per document invoiced on the Esker on Demand platform is down 50% compared to 2018, going from 10 g of CO2 to 4.3 g in 2020, for France only.

SUSTAINABLE OFFICE LAYOUT

At all of its sites, Esker chooses sustainable options for the layout of its offices, including LED light bulbs and motion detectors in public areas. Esker optimizes the resources used to develop business and closely monitors the environmental risks associated with its mail production facilities. Means of production are continuously optimized in a continuous effort to reduce electrical consumption. The purchasing and depreciation policy also includes environmental criteria for IT equipment (purchases of EPEAT Bronze and Gold workstations and servers, and Energy Star-certified screens).

EMPLOYEE AWARENESS

Esker has implemented several initiatives to raise employee awareness about environmental issues and encourages them to actively engage in environmentally responsible behaviors. Internal communications are also distributed on a regular basis to share Esker's strategy, commitments and accomplishments through newsletters and events.

ACTIONS

- Renewal of ISO 14001 and ISO 9001 certifications for the France mail production facility
- Obtainment of ISO 14001 certification for the France offices
- Installation of LED bulbs in all new spaces
- Installation of motion detectors in the offices
- Supply of low-power displays
- Application of environmental best practices for office layouts for the Italy, United Kingdom, and Singapore subsidiaries.

OBJECTIVES

- Maintain the current ISO 14001 certifications by implementing the necessary corrective actions
- Prepare for the energy audit of the Esker France offices and mail production facility in 2021
- Extend the environmental policy of the head office to all subsidiaries for site layouts

Transportation and Pollution

KEY INDICATORS

- 23 hybrid or electric vehicles in the company fleet of 74 vehicles
- 176 employees receive a transportation allowance, for a total of €34,490 – *France only*
- 81 employees receive a Cycling Kilometric Allowance, for a total of €13,563 – *France only*

BUSINESS TRAVEL

To reduce its CO2 emissions and encourage the use of low-carbon modes of transportation, Esker is developing a number of incentives to promote other mobility options, such as favoring rail over air travel whenever possible for business travel or promoting low-carbon or electric vehicles in its fleet.

VEHICLE FLEETS

More than 30% of Esker's fleet consists of hybrid or electric vehicles. The company vehicle fleet is gradually being replaced by hybrid or electric vehicles. Each new car in the vehicle fleet is either hybrid or electric in the Group's Spanish subsidiary.

COMMUTING

In France, employees are encouraged to use modes of transportation with a low environmental impact to get to their workplace, by offering reimbursements of TCL (Lyon public transit) passes, a mileage allowance for employees who cycle to work as well as by making bicycle fleets available on our premises. Employees of the US subsidiary are also encouraged to bike to the office.

ACTIONS

- Availability of a bicycle garage with charging station – *France only*
- Transportation allowance for employees – *France only*
- Cycling Kilometric Allowance – *France only*
- Increase in the number of hybrid or electric in the company fleet
- Encouraging rail transport over air travel for business trips

OBJECTIVES

- Achieve 40% hybrid or electric cars in Esker France's vehicle fleet by the end of 2021
- Make it easier to charge electric or hybrid vehicles with the installation of outlets in the office parking lot – *France only*

Waste Management and the Circular Economy Model

As an economic performance factor, conserving resources contributes significantly to environmental protection, and waste recovery supports the development of the circular economy.

KEY INDICATORS

- 131.89 metric tons of waste recycled in our US and France mail production facilities
- 100% recycling of waste paper, envelopes, and ink from the France mail production facilities
- 1,821 kg recycled waste for every 20 kg of non-recycled waste in the France offices
- 167 kg recovered electrical and electronic equipment (WEEE) – *France only*

REDUCTION OF WASTE AT MAIL PRODUCTION FACILITIES

Esker aims to cut down on the amount of raw materials used in its mail processing as these activities are by nature linked to waste production. A high-priority goal is to reduce waste by minimizing it through an ISO 9001 quality management system and increasing the rate at which waste is reused.

WASTE SORTING

Raising the awareness of employees and encouraging waste sorting are also among the actions enabling Esker to maximize its waste reuse. Sorting bins are made available throughout the premises, and regular workshops are held to encourage sorting, such as a quiz on the lifecycle of waste and an introduction to the concept of zero waste.

LIFE-CYCLE EXTENSION OF IT EQUIPMENT

Esker strives to extend the life of the company's computer equipment and electronic devices as much as possible. This is achieved through an internal maintenance service, the after-sales service of its suppliers, or electronic equipment buyback programs benefiting the charity chosen by the employee. Various organizations are responsible for the collection, dismantling, and professional disposal of end-of-life equipment. Waste from electrical and electronic equipment (WEEE) amounted to 167 kg in 2020.

ACTIONS

- Availability of sorting bins on the premises
- Supply of washable dishes, cutlery and drinking containers
- Recycling awareness campaigns conducted including zero waste workshops
- Reduction and recovery of waste at the mail production facility
- Buyback programs of computer and telephone equipment benefiting the employee's chosen charity - *France only*

OBJECTIVES

- Increase the amount of waste that is recycled (ink, paper, and envelope waste) from the company's mail production facility
- Implement a global policy to extend the life of the company's electronic devices

The Digital Carbon Footprint

KEY INDICATORS

- Portion of customers hosted on Microsoft Azure: 12.68% of Esker on Demand sales (compared to 6.46% in 2019)
- Power Usage Effectiveness (PUE) of data centers:
  - Microsoft Azure: 1.125
  - CDW: 1.23
  - Equinix: 1.29 - 1.40
  - Colt: 1.55

ENERGY EFFICIENCY OF DATA CENTERS

The exponential growth of digital technology, with the processing and hosting of an increasing amount of data, is leading to a sharp increase in global energy demand for data centers.

USE OF MICROSOFT AZURE

When possible, to reduce its environmental footprint, Esker chooses suppliers committed to helping the environment. That's why all new Esker customers are hosted by default on Microsoft Azure, which uses a significant amount of renewable energy for its data centers and whose server-based billing model—the more servers you use, the higher the price—encourages moderation.

Microsoft's pronounced progress in reducing its environmental impact in 2020 includes:

- A 6% reduction in Microsoft's carbon emissions, or about 730,000 metric tons, within one year. By 2030, their goal is to reduce their emissions by more than half.
- Funding the elimination of 1.3 million metric tons of carbon from the environment through 15 suppliers in 26 projects worldwide.
- Transparency through the submission of their annual sustainable development report data for third-party review (accounting firm Deloitte). For the sake of accountability, their sustainability goals will become a factor in determining the compensation of Microsoft executives, beginning in the next fiscal year.

More information is available in *Microsoft's 2020 Environmental Sustainability Report.*

ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

Esker also sees to it that its development teams are mindful of the digital footprint associated with operating the software in order to optimize services and reduce energy use.

ACTIONS

- Default implementation of new Esker on Demand customers on Microsoft Azure
- Educating the Development Teams about optimizing processes

OBJECTIVES

- Increase the percentage of sales to customers hosted on Microsoft Azure

Deforestation

KEY INDICATORS

- Main paper supplier ranked in the top 1% of the best-performing companies worldwide for sustainable development, according to EcoVadis
- 6,250 trees planted as part of a reforestation project in Tanzania

SUPPORTING REFORESTATION EFFORTS

Planting various species of trees to reforest the planet is a vital challenge in the fight against climate change and the protection of biodiversity. Esker partners with Reforest'Action to support such projects. The company is committed to planting six trees for every reel of paper consumed by its largest mail production facility in France. In 2020, Esker planted 6,250 trees in Tanzania to help restore degraded ecosystems, support the economic development of native populations and preserve biodiversity.

Esker employees are also involved in tree planting activities each year, particularly in Spain, where the subsidiary supports the Deverde association.

SUPPLIER SELECTION

Choosing environmentally friendly paper suppliers is a priority for Esker's mail production facilities. Since 2017, Stora Enso, the main paper supplier for the French mail production facility, has ranked among the top 1% of companies in its sector evaluated by the EcoVadis rating platform.

ACTIONS

- Selection of suppliers of paper and envelopes based on their commitment to sustainable development
- Increase in the amount allocated to Reforest'Action projects, with 6,250 trees planted as part of a reforestation project in Tanzania (compared to 5,000 in 2019)
- Participation of Spanish subsidiary employees in planting trees with the Deverde association

OBJECTIVES

- Expand reforestation projects to cover all the paper consumption of Esker's mail production facility, representing an increase of nearly 27%.

REPORT DETAILS

Scope and Methodology

Non-financial reporting covering all CSR indicators at the Group level was initiated in 2019. This approach highlights a positive dynamic and will result in the gradual extension of the scope for these indicators and their adoption by all subsidiaries, or at least the Group's two main subsidiaries — France and the United States — when the information is not available for the other entities.

Esker's CSR reporting is managed by the CSR Committee and a network of contributors in all the Group's countries and entities. The majority of the CSR data is collected through individual discussions with correspondents in the subsidiaries, a dedicated CSR reporting tool, and other internal reporting mechanisms. The data provided by the individual contributors is then consolidated at the global level.

The reporting covers the period from January 1 to December 31, 2020, for all indicators, and the scope is the same as for the financial reporting, including all the Group's subsidiaries (except when reported).

TOPICS EXCLUDED FROM THE NON-FINANCIAL STATEMENT

Considering the nature of Esker's activities as presented in this document and, in particular, its business model, it would appear that the implications of regulations on sustainable food (combating food insecurity, respecting animal welfare, responsible, fair and sustainable food practices, and combating food waste) are limited for the company.

METHODOLOGICAL EXPLANATIONS AND LIMITATIONS

The process for collecting information and indicators will be routinely updated, notably in light of the change of scope, and awareness among contributors will be raised in order to reinforce the quality and applicability of the information.

Reporting on certain indicators may have limitations due to:

- The absence of national and/or internationally recognized definitions
- The necessary estimation, representativeness of the measures, or limited availability of external data required for calculations
- The practical procedures for collecting and recording this information

For that reason, whenever possible, definitions, methodologies, and, where applicable, the associated margins of uncertainty, are specified for the corresponding indicators.

Details and Methods Used for Calculating Key Indicators

ETHICS AND GOVERNANCE

Focus	Indicator	Scope	2018	2019	2020	GRI
Ethics, transparency, and compliance	Number of meetings to present results	Group	2	2	2	
	Number of visitors to the Investors site	Group	-	3200 (FR) 4000 (EN)	4584 (FR) 8225 (EN)	
	Number of meetings with staff representatives	France	10	10	10	
	Representation of women on the Supervisory Board	Group	50% (2 out of 4)	50% (2 out of 4)	50% (2 out of 4)	*GRI 102-22, 405-1*
	Number of independent directors on the Supervisory Board	Group	3 out of 4	3 out of 4	3 out of 3	*GRI 102-22*
	Attendance at Supervisory Board meetings	Group	100%	100%	100%	
	CEO's salary relative to the world mean salary	Group	9.31 times the median salary	9.53 times the median salary	9.59 times the median salary	*GRI 102-38*
Data protection and security	ISO 27001 certification of the Esker on Demand platform	Group	Monitored	Monitored	Recertified	
	Number of complaints for non-compliance with the GDPR	Group	0	0	0	*GRI 418-1*
	Percentage of employees who have successfully completed online training on data protection and security	Group	100%	100%	100%	
Customer satisfaction and trust	Uptime of the Esker on Demand platform:	Group	99.888	99,853	99,878	
	Customer satisfaction rate following the actions of the Consulting, Support, and Customer Experience teams	Group	64.55	59,08	60,84	
Responsible purchasing and business conduct	Number of suppliers who have signed Esker's Supplier Code of Conduct	Group	-	-	4	*GRI 205-2*
	Presence of an internal code of conduct	France	-	-	Yes	
	Presence of an internal reporting procedure	France	-	-	Yes	
Community engagement	Amount paid to support education	France	€90,000	90 000 €	€120,000	
	Amount paid to support cultural activities	France	50 000 €	250 000 €	€50,000	
	Number of hours used by employees out of their workday to support non-profit causes	France	291 hours	271 hours	34 hours	
			-	291 hours	47 hours	

ETHICS, TRANSPARENCY AND COMPLIANCE

Number of meetings to present results: Management holds half-yearly meetings.

Number of visitors to the Investor site: Unique visitors from the data analysis tool on our Google Analytics websites.

Number of meetings with staff representatives: For France only, these meetings bring together members of the Social and Economic Committee and company management.

Representation of women on the Supervisory Board: Esker's Supervisory Board consists of Marie-Claude Bernal, Kléber Beauvillain, Nicole Pelletier-Perez, and Tom Wolfe, which constitutes 50% women.

Number of independent directors: Independent directors are members of the Board with no conflicts of interest who, through their knowledge and independent judgment, contribute to the Board's ability to carry out its duties.

Attendance at Supervisory Board meetings: Represents the attendance of the directors at Supervisory Board meetings.

CEO's salary ratio: The ratio of the total annual compensation of the Group's highest paid person to the median total annual compensation of all employees worldwide.

DATA PROTECTION AND SECURITY

ISO 27001 certification of the Esker on Demand platform: Certification obtained for Esker on Demand services.

Number of complaints for non-compliance with GDPR: An official request to the CNIL or local equivalent is considered a complaint.

Percentage of employees who have completed online training on data protection and security: Training conducted through the internal training tool, Esker University, which tracks the number of employees trained and who have successfully completed online training on data protection and security.

CUSTOMER SATISFACTION & TRUST

Uptime of the Esker on Demand platform: Available 24/7 in real time on the TrustEsker site, which Esker on Demand platform customers can access.

Transactional NPS: Customer satisfaction rate following the actions of the Consulting (US), Support (US and Europe), and Customer Experience (US and Europe) teams.

RESPONSIBLE PURCHASING AND BUSINESS CONDUCT

Number of suppliers who have signed Esker's Supplier Code of Conduct: The Supplier Code of Conduct is available *here*.

Anti-Corruption Code of Conduct: In accordance with the Sapin II Law, a code of conduct "defining and illustrating the various behaviors to be prohibited for their likelihood of characterizing acts of corruption or influence-peddling" has been drafted and implemented in the company.

Whistleblower protections: In accordance with the Sapin II Law, a procedure has been put in place in the company that would allow a whistleblower to report a breach of ethics that has come to their knowledge.

COMMUNITY ENGAGEMENT

Investments in education/cultural activities: Amounts paid under sponsorship agreements are backed by contracts signed with Esker-supported organizations.

Number of hours used by employees for non-profit causes out of their workday: This information was collected from employees who participated in these activities. The attendance sheet management tool will be used for monitoring purposes beginning in 2021.

SOCIAL

Focus	Indicator	Scope	2018	2019	2020	*GRI Standards*
Corporate culture and employee onboarding	Number of Esker employees	Group	563	675	765	*GRI 102-7*
	Percentage of permanent employees	Group	97.69%	98.22%	99.21%	
	Staff turnover rate:	Group	8.6%	10.0%	9.1%	*GRI 401-1*
	Employee adoption of Esker culture	Group	-	-	87.60%	
	Great Place to Work Institute ranking	France	-	14ème	-	
Training and internal mobility	Number of employees who completed internal professional training during the year	France	-	400 (France)	815	
	Number of employees who completed external professional training during the year	Group	-	-	283	
	Percentage of employees who completed internal training during the year	Group	-	100%	100%	
	Total number of training hours completed by employees	Group	-	9472 (France)	13 862	
	- internal training		-	-	8003	
	- external training		-	-	5859	
	Training budget	France	111 569	135 614	106 474	
		Group	-	-	180 383	
	Number of internal changes	Group	5 (France)	34	75	
Workplace well-being and employee retention	Percentage of employees agreeing that "Esker is a good place to work" in the annual survey	Group	-	95% (France)	97%	
	Average seniority	Group	6.8 years old	6.4 years old	6.8 years old	
	Percentage of part-time employees	Group	5.86% (33)	5.0 % (34)	4.8% (37)	
	Number of harassment reports	France	-	0	1	*GRI 406-1*
	Number of departures	Group	36	49	67	
	- resignation	Group	4.97% (27)	5.61% (36)	5.54% (40)	
	- termination	Group	0.37% (2)	0.15% (1)	0.83% (6)	
	- other reasons for departure	Group	1.29% (7)	1.87% (12)	2.22% (16)	
	- end of fixed-term contracts	Group	-	-	0.69% (5)	

Enjeux	Indicateur	Périmètre	2018	2019	2020	*Standards GRI*
Health and safety in the workplace	Frequency rate	Group	14.4	7.05	3.68	*GRI 403-9*
	Severity rate	France	0.14	0.41	0.08	*GRI 403-9*
	Absenteeism rate	Group	-	2.85%	2.8%	*GRI 403-9*
	Percentage of employees trained in first aid	France		15%	14.2%	*GRI 403-5*
	Covid-19: Budget allocated to employee protection (masks, sanitizer, and face shields)	France	-	-	22 K€	
	Covid: percentage of employees working from home	Group	-	-	93%	
Attracting talent and next generations	Number of new employees	Group	110	163	154	*GRI 401-1*
	Percentage of permanent contracts among new employees	Group	88%	94%	95%	
	Number of new employee referrals	Group	16	34	21	
	Number of subscribers to our LinkedIn page	France	3240	4950	8178	
	Average age of employees	Group	38.9 years old	37.9 years old	37.9 years old	
	Number of new interns	Group	11	16	14	
	Percentage of new hires under the age of 28	Group	33%	39%	37.7%	*GRI 401-1*
	Percentage of interns hired at the end of their internship	Group	27% (3/11)	6% (1/16)	29% (4/14)	

Enjeux	Indicateur	Périmètre	2018	2019	2020	*Standards GRI*
Diversity and inclusion	Distribution of employees by gender	Group	Women: 29.84% Men: 70.16% Non-binary: 0%	Women: 29.33% Men: 70.66% Non-binary: 0%	Women: 30.59% Men: 69.41% Non-binary: 0%	*GRI 405-1*
	Percentage of managers by gender	Group	Women: 31% Men: 69%	Women: 29.54% Men: 70.46%	Women: 31.53% Men: 68.47%	
	Percentage of women among new hires	Group	37.27%	34.35%	31.17%	*GRI 401-1*
	Gender Equality Index	France	90/100	90/100	91/100	
	Percentage of disabled employees	Group	1.6% (France)	1.1% (France)	0.5%	
	Number of different nationalities represented in the workforce	Group	13	13	17	

The social indicators originate in large part from the internal reference used to prepare the social report for the entities concerned. The Group's workforce data (headcount, new hires, outgoing employees, and company affiliation) are centralized in the HRIS. Each subsidiary has submitted a report specific to its entity for consolidation, including absenteeism, accident rates, and training.

CORPORATE CULTURE AND EMPLOYEE INTEGRATION

Number of Esker employees: This number includes employees under an employment contract with Esker as of 12/31/2020, whether open-ended or fixed-term (temporary increase in activity) or under a professional training or apprenticeship contract. This includes employees with suspended contracts (sabbatical, long-term illness, etc.) and excludes contracts drawn up to replace employees (maternity, illness), interns, temporary workers, outside consultants, Volunteers for International Experience (VIEs), and members of the Supervisory Board. Each employee counts as one unit.

Percentage of permanent employees: Percentage of employees with an open-ended contract with Esker, excluding fixed-term contracts (fixed-term contracts, professional contracts, and apprenticeships), among all employees with an employment contract with Esker.

Staff turnover rate: Number of departures in 2020 relative to the average for the same period.

Percentage of employees who approve of Esker's culture: Average score obtained in response to the question "Do you subscribe to Esker's culture and values?" in the satisfaction survey conducted in January 2021 for the year 2020, among all employees worldwide, on a scale from 1 to 5. The percentage is calculated by multiplying the average score by 20.

Great Place to Work Institute ranking: Ranking established by the Great Place To Work Institute through an audit report of a company's managerial culture and an internal survey of employees. The ranking is set for 60 winners, in France only.

TRAINING AND INTERNAL MOBILITY

Number and percentage of employees who completed internal training during the year: Includes employees who completed training provided by the company's in-house training department. The percentage is calculated out of all Esker employees.

Total number of training hours completed by employees:

- **External training:** Total hours spent by employees in training conducted by an external training provider.
- **Internal training:** Total hours spent by employees in training conducted by the in-house training department or other Esker departments.

Training budget: Expenditures on training for 2020.

Number of internal job changes: Number of employees who changed positions within the Group in 2020.

WORKPLACE WELL-BEING AND EMPLOYEE RETENTION

Percentage of employees agreeing that "Esker is a good place to work" in the annual survey: Internal satisfaction survey conducted in early 2021 for 2020. The percentage for 2019 reflects the results of the survey conducted externally by the Great Place To Work Institute.

Average seniority: Average (in years) calculated based on the years of company affiliation of all employees worldwide as of 12/31/2020.

Percentage of part-time employees: Percentage of employees working less than full time out of all employees worldwide as of 12/31/2020.

Number of harassment reports: Number of reports submitted to the HR department in 2020 for all employees worldwide.

Number of departures:

- **Resignation rate:** Number of voluntary departures in 2020 worldwide, calculated out of the average equivalent permanent staff for the same period (722.2)
- **Termination rate:** Number of terminations in 2020 worldwide, calculated out of the average permanent staff for the same period (722.2)

Resignations and terminations pertain only to open-ended contracts.

- Departure rate for other reasons: Number of agreements or departures during the trial period in 2020 worldwide out of the annual permanent staff for the same period (722.2)
- **Termination rate for fixed-term contracts:** Number of departures after the end of a fixed-term contract, including Volunteers for International Experience (VIEs), out of the average permanent staff for the same period (722.2)

HEALTH AND SAFETY IN THE WORKPLACE

Frequency rate: Number of accidents with shutdowns (including commuting accidents with shutdowns) X 1,000,000/ number of theoretical hours worked, worldwide. The number of theoretical hours worked is 7 for France, 7.5 for the UK, and 8 for all other subsidiaries.

Severity rate: Number of days lost due to workplace and commuting accidents (including occupational illness) X 1,000/ number of theoretical hours worked, worldwide.

Absenteeism rate: Number of hours not worked worldwide, including all absences, compared to the number of theoretical hours worked. Includes absences related to annual leave, illness/accidents, maternity/paternity/adoptions, and family events.

Percentage of employees trained in first aid: Percentage of employees trained in first aid out of all employees, in France only.

Covid-19: budget allocated for employee health measures: Amount used to purchase masks, hand sanitizer, and face shields to protect employee health and slow down the COVID-19 pandemic.

Covid-19: percentage of employees working from home in 2020: All employees worldwide worked from home during the lockdowns in 2020, with the exception of the mail production facility staff and internal IT teams, accounting for 7% of the workforce.

ATTRACTION OF TALENT AND FUTURE GENERATIONS

Number of new employees: Number of employees hired in 2020 on open-ended, fixed term and professional contracts. Internal movements and contract adjustments are not included in this number.

Percentage of permanent contracts among new employees: Number of new employees with an open-ended or permanent contract, worldwide, in 2020, compared to the number of new employees hired in 2020.

Number of new employee referrals: Number of employee referrals hired in 2020

Number of subscribers to our LinkedIn page: Number of subscribers to our LinkedIn page at the end of December 2020.

Average age of employees: Average calculated based on the age of all our employees worldwide.

Number of new interns within our teams: Number of internships at Esker subsidiaries for a limited term to fulfill a study year or degree requirement.

Percentage of new hires under the age of 28: Number of new hires under the age of 28, compared to the total number of new hires worldwide in 2020.

Percentage of interns hired at the end of their internship: Number of interns who signed an employment contract with Esker, compared to the total number of interns added worldwide.

DIVERSITY AND INCLUSION

Distribution of employees by gender: Number of men, women, and non-binary employees, compared to the total number of Esker employees worldwide.

Percentage of managers by gender: Number of men, women, and non-binary managers, compared to the total number of managers worldwide.

Percentage of women among new hires: Number of women hired in 2020 compared to the total number of employees hired in 2020 worldwide.

Gender Equality Index: Score obtained, for France only, based on five criteria and a legally defined scope. The first criterion relates to the gender pay gap, the second measures the gap in the distribution of individual raises, the third measures the gap in the distribution of promotions, the fourth relates to raises upon returning from maternity leave, and the fifth establishes the number of women among the top 10 earners.

Percentage of disabled employees: Percentage of employees identified with a disability among all Esker employees.

Number of different nationalities represented in the workforce: Number of different nationalities identified among the employees worldwide.

Ethnic breakdown: For the US only, the percentage representation of an ethnic group compared to all the employees of the Group's American subsidiary.

ENVIRONMENT

Focus	Indicator	Scope	2018	2019	2020	*GRI Standards*
Climate change	Number of ISO 14001 certified sites	Group	-	1	2	
	Total CO2 emissions	France	1 595 t.CO2e	1 533 t.CO2e	1 157 t.CO2e	
		Group	-	-	3 399 t.CO2e	
	Amount of CO2 emitted per document invoiced on EOD	France	10g	6.36g	4.30g	
		Group	-	-	7.43g	
	Amount of CO2 emitted per employee	Group	-	-	4.69 t.CO2e	
	Amount of CO2 emitted by source:					
	- Offices and factories	France	1 006 t.CO2e	915 t.CO2e	945 t.CO2e	*GRI 305-1, 305-2*
		Group	-	-	2 696,8 t.CO2e	
	- Business travel	France	437 t.CO2e	467 t.CO2e	120 t.CO2e	*GRI 305-3*
		Group	-	-	343.1 t.CO2e	
	- Commuting	France	152 t.CO2e	151 t.CO2e	92 t.CO2e	*GRI 305-3*
		Group	-	-	348.7 t.CO2e	
	Amount of CO2 emitted by scope:					
	- Direct GHG emissions (Scope 1)	France	181 t.CO2e	196 t.CO2e	120 t.CO2e	*GRI 305-1*
		Group	-	-	381 t.CO2e	
	- Indirect GHG emissions (Scope 2)	France	10 t.CO2e	39 t.CO2e	40 t.CO2e	*GRI 305-2*
		Group	-	-	629 t.CO2e	
	- Other indirect GHG emissions (Scope 3)	France	1 404 t.CO2e	1 298 t.CO2e	997 t.CO2e	*GRI 305-3*
		Group	-	-	2 390 t.CO2e	
	Power consumption	France	445 827 kWh	680 856 kWh	696 229 kWh	*GRI 302-1*
		Group	-	-	1 756 855 kWh	
Transportation & pollution	Number of hybrid or electric cars in the vehicle fleet	Group	5 / 63	12 / 70	23 / 74	
	Transportation allowance					
	- Number of employees receiving transportation allowance	France	175	183	176	
	- Total amount reimbursed through the transportation allowance	France	52 773 €	54 371 €	36 490 €	
	Cycling Kilometric Allowance:					
	- Number of employees receiving the Cycling Kilometric Allowance	France	47	69	81	
	- Total amount reimbursed through the Cycling Kilometric Allowance	France	6 819 €	9 975 €	13 563 €	

Focus	Indicator	Scope	2018	2019	2020	GRI Standards
Waste management and circular economy	**Mail production**					
	- Amount of recycled waste	France	65.86 metric tons	88.30 metric tons	124.79 metric tons	*GRI 306-4*
		US	-	-	7.07 metric tons	
	- Amount of non-recycled waste	France	-	0 metric tons	0 metric tons	*GRI 306-5*
		US	-	-	1.178 metric tons	
	- Recycling of waste paper, envelopes, and ink	France	-	100%	100%	
		US	-	-	86%	
	Offices					
	- Amount of recycled waste	France	1327 kg	2645 kg	1821 kg	
	- Amount of non-recycled waste	France	17 kg	20 kg	20 kg	
	- Amount of recovered WEEE	France	-	503 kg	167 kg	
IT performance	Portion of revenue from customers on Azure on EoD	Group	1.80%	6.46%	12.68%	
	Power Usage Effectiveness (PUE) of the data centers	Group	-	-	Colt: 1.55 CDW: 1.23 Azure: 1.125 AWS: *not available* Equinix: 1.29-1.40	
Reforestation	Number of trees planted with Reforest'Action	Group	-	5000	6250	
	EcoVadis rating for the main paper supplier	France	Platinum	Platinum	Platinum	

Scope

The scope of study for Esker SA's Carbon Report includes France, Germany (2 sites), the United States, the United Kingdom, Spain, Italy, Asia (including Hong Kong, Singapore, and Malaysia), and Australia.

The subsidiaries in France, United Kingdom, United States, Spain, Singapore, and Australia have a mail production facility.

The subsidiaries in the Netherlands, Belgium, Argentina, and Canada were excluded from the scope because they represent less than 10% of Esker's employees, do not have a mail production facility, and their employees mainly work from home. It was therefore determined that their impact on the Carbon Report is negligible.

Data collection

Data was collected based on information requested from the subsidiaries by the head office. A data collector was appointed for each subsidiary to collect, analyze, and transmit data. A brief training session was conducted for the collectors to present and explain how the data should be collected.

Data processing

All of the collected data was processed via the official file of the Association Bilan Carbone. Each subsidiary's data were individually tallied before the results were consolidated. The emission factors used to convert source data to CO2 equivalent (kgCo2e or tCO2e) are from the ADEME Base Carbone database.

CLIMATE CHANGE

Amount of CO2 emitted per invoiced document: The main indicator Esker selected to measure its performance in reducing greenhouse gas emissions is the number of grams of CO2 emitted per transaction invoiced on the Esker on Demand production platform across all media. Total greenhouse gas emissions across all Esker sites in 2020 came to 3,399 t.CO2e, of which France accounts for 1,157 t.CO2e. The number of documents processed on the Esker on Demand production platform over the same period was 269,231,306 documents invoiced to French customers and 457,242,271 documents invoiced to worldwide customers.

Amount of CO2 emitted per employee: This indicator reflects the ratio of the total amount of CO2 emissions in 2020 to the average employees for the same period, or 3,399 t.CO2e/723.8 = 4.69 t.CO2e.

Amount of CO2 emitted by source

- **Offices and factories:** Emissions from offices and factories, including freight, waste, raw materials, energy bills, office supplies and services, and fixed assets.
- **Business travel:** Emissions related to business travel include the fuel consumption by company vehicles and business travel (car, plane, and train).
- **Commuting:** Emissions related to commuting are based on the responses to an internal survey and have been extrapolated to the total number of employees. The survey's response rate was 75% (567 respondents/761 total employees as of 12/31).

Amount of CO2 emitted by scope

- **Scope 1:** Includes emissions from stationary combustion sources (gas and generators), direct emissions from mobile heat engine sources (fuel consumption by company vehicles), and direct fugitive emissions (leaks from cooling equipment). Esker is not affected by direct emissions from non-energy processes and biomass (soils and forests).
- **Scope 2:** Includes indirect emissions related to power consumption (lighting and usage). Esker is not affected by indirect emissions related to power consumption (heating/air conditioning - indivisible common charges for the Décines mail production facility; production: machinery/computers/servers), indirect emissions related to the consumption of steam, heat, cold (consumption related to hot or cold supply networks).
- **Scope 3:** Includes purchases of products and services (purchases of raw materials; subcontracting of printer maintenance; use of a security service to monitor sites or servers; food service), the securing of goods, waste (from the Villeurbanne site and Décines mail production facility), upstream freight transport (routing of raw materials), business travel (business travel by employees with their personal vehicle; business trips by air/rail), and employee commuting (obtained through an internal survey and extrapolated to all employees). Esker is not affected by emissions related to energy not included in categories 1 and 2 (extraction, production, and transport of fuels; emissions associated with the transmission and distribution of electricity; extraction, production and transport of fuels consumed during production by the company), upstream leasing assets, investments, transportation of visitors and customers, transport of downstream goods, use of products sold, end-of-life of products sold, downstream franchise, and downstream leasing.

Total electricity consumption: Power consumption is calculated based on supplier invoices and does not include consumption by Esker-contracted data centers.

TRANSPORTATION AND POLLUTION

Number of hybrid/electric cars in the vehicle fleet: The number of hybrid or electric cars in the vehicle fleet is determined by the vehicle details provided in long-term lease agreements. This includes vehicles actually delivered during the period and not merely made available by the provider (there is sometimes a slight discrepancy between the two figures). The US, German (excluding e-Integration), Asian, and Australian subsidiaries do not have a fleet of company vehicles.

Subsidiary	2018	2019	2020
France	2 / 39	4 / 44	12 / 47
USA	N/A	N/A	N/A
UK	1 / 8	1 / 8	3 / 8
Germany	0 / 7	1 / 6	1 / 6
Germany (e-int)	2 / 5	6 / 6	7 / 7
Spain	0 / 4	0 / 6	0 / 6
Italy	N/A	N/A	N/A
Asia	N/A	N/A	N/A
Australia	**5 / 63**	**12 / 70**	**23 / 74**

Transportation Allowance and Cycling Kilometric Allowance: The amounts (in €) are sourced from the Esker CRM accounting reports and financial statements from to obtain the number of recipients.

WASTE MANAGEMENT

Amount of recovered waste:

- **Offices:** The waste recycling service provider for Esker's offices in Villeurbanne provides quarterly activity reports, reflecting the amount of recovered waste. The annual amount is the sum of these amounts. Outside of France, no other subsidiaries were able to collect data on the waste generated by their offices in 2020. More precise and detailed monitoring is planned for 2021.
- **Mail production facilities:** The data are for France and the United States only. For France, the data come from reports provided by the sorting service provider. For inks, the difference to 2019 is due to a shift in the number of pickups compared to other years (five in 2018, compared to three in 2019 and five in 2020). In 2020, there was a one-off destruction of archive files, totaling 35.7 metric tons (cardboard/mixed paper). For the United States, the service provider averaged the weight in relation to the size of the containers used by the plant, applied this average to the number of containers removed during the year, and estimated the weight of the waste collected at the site of the US mail production facility.

MAIL PRODUCTION FACILITIES	Recycled waste (includes ink, cardboard, plastic, and paper)	Non-recycled waste	Recycling of waste paper, envelopes, and ink
France	124.79 metric tons	0 metric tons	100%
USA	7.07 metric tons	1.18 metric tons	86%

Waste details (France):

Site	Type of waste	2019	2020	unité
Office waste	Paper/cardboard	2051	1111	KG
	WEEE	503	167	KG
	Cartridge	2	1	KG
	Wood	0	0	KG
	Plastic	60	1	KG
	Lights/bulbs	-	6	KG
	PP caps	-	5	KG
	Batteries	-	33	KG
	Bulk	-	399	KG
	Sundry metals	5	0	KG
	Non-hazardous industrial waste	20	20	KG
	Furniture	-	0	KG
	Cups	4	0	KG
	Cans	5	20	KG
	Bottles	15	78	KG
Mail production facility waste	Ink	0.80	2.47	metric tons
	Cardboard	36.28	18.22	metric tons
	Plastic	0.80	0	metric tons
	Paper	50.42	104.10	metric tons

DIGITAL CARBON FOOTPRINT

Percentage of revenue from customers on Azure: Customers hosted on Microsoft Azure data centers represent about €13M out of total revenue of €104M, or 12.68% of Esker's revenue in 2020.

Power Usage Effectiveness (PUE) of the data centers: The energy efficiency indicators for the data centers were found on websites or official statements, or they were provided directly by the suppliers (Microsoft Azure, Equinix, Colt, CDW).

DEFORESTATION

Number of trees planted with Reforest'Action: Esker has been a partner of Reforest'Action since 2019 and offsets the paper consumption in its mail production facilities with the ratio of six trees for each reel of paper consumed.

EcoVadis rating for the main paper supplier: Stora Enso, the main paper supplier for the Décines mail production facility, has ranked among the top 1% of companies rated by EcoVadis since 2017 (source: *https://www.storaenso.com/-/media/documents/download-center/documents/annual-reports/2020/storaenso_annual_report_2020.pdf*)

N.F.S. ATTESTATION

Report of one of the Statutory Auditors, appointed as independent third party, on the consolidated non-financial statement

Year ended December 31, 2020

To the Shareholders' Meeting,

In our capacity as statutory auditor of Esker, appointed as independent third party and accredited by COFRAC under number 3-1048 (scope of accreditation available at *www.cofrac.fr*), we hereby report to you on the consolidated non-financial statement for the year ended December 31, 2020 (hereinafter the "Statement"), presented in the Group management report pursuant to the legal and regulatory provisions of Articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*code de commerce*).

COMPANY RESPONSIBILITY

The Management Board is responsible for preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with respect to these risks as well as the outcomes of these policies, including key performance indicators. The Statement was prepared by applying the Group's procedures (hereinafter the «Guidelines»), the material items of which are presented in the Statement and available on the company website or on request from its headquarters.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by Article L.822 -11-3 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (*code de déontologie*). In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with ethical requirements, French professional standards and applicable legal and regulatory requirements.

RESPONSIBILITY OF THE STATUTORY AUDITOR APPOINTED AS INDEPENDENT THIRD PARTY

Based on our work, our responsibility is to express a reasoned opinion with a limited assurance conclusion on:

- the Statement's compliance with Article R.225 -105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of *sections I* and *II* of Article R.225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information".

However, it is not our responsibility to provide any conclusion on the Company's compliance with other applicable legal and regulatory provisions, particularly with regard to the duty of vigilance, anti-corruption and taxation nor on the compliance of products and services with the applicable regulations.

NATURE AND SCOPE OF PROCEDURES

We performed our procedures in accordance with Articles A. 225-1 et seq. of the French Commercial Code defining the conditions under which the independent third party performs its engagement and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement and with ISAE 3000 (*Assurance engagements other than audits or reviews of historical financial information*).

We conducted procedures in order to assess the Statement's compliance with regulatory provisions, and the fairness of the Information:

- We familiarized ourselves with the activities of all entities in the consolidation scope and the description of the principal risks.
- We assessed the appropriateness of the Guidelines in terms of their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector;
- We verified that the Statement covers each category of information stipulated in *section III* of Article L.225-102-1 governing social and environmental affairs, as well as Article L.22-10-36, *paragraph 2*, concerning respect for human rights and the fight against corruption and tax evasion.
- We also verified that the Statement provides the information required under Article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1 III, *paragraph 2*.
- We verified that the Statement presents the business model and the main risks relating to the activities of all entities included in the consolidation scope, including, where relevant and proportionate, the risks generated by its business relations, products or services as well as policies, measures and outcomes, including key performance indicators.

- We referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important[1] by conducting procedures at the consolidating entity
- We verified that the Statement covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with Article L.233 -16, with the limits specified in the Statement.

  We obtained an understanding of internal control and risk management procedures implemented by the entity and assessed the data collection process to ensure the completeness and fairness of the Information. For the key performance indicators and other quantitative results[2] that in our judgment were of most significance, we carried out:
  - analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto;
  - substantive tests, on a sampling basis, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities[3] and covered between 53 and 100% of the consolidated data for the key performance indicators and results selected for these tests.
- We assessed the overall consistency of the Statement in relation to our knowledge of the entity.

We believe that the procedures we have performed, based on our professional judgment, are sufficient to provide a basis for a limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

MEANS AND RESOURCES

Our work engaged the skills of three people between February and April 2021.

To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around ten interviews with people responsible for preparing the Statement.

CONCLUSION

Based on our work, no material misstatements have come to our attention that cause us to believe that the non-financial performance statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

Lyon, April 30, 2021

One of the statutory auditors

DELOITTE & ASSOCIÉS
Arnauld de GASQUET

[1] Selected qualitative information: Customer satisfaction rate following actions by the Consulting, Support and Customer eXperience teams, Availability rate of the Esker on Demand platform, Rate of new Esker on Demand customers hosted on Microsoft Azure, Portion of revenue from EOD and Power Usage Effectiveness (PUE) datacenter offerings attributable to Azure customers.

[2] Selected quantitative information: Rate of employees who received online training to raise awareness of security and data protection issues, Workforce (by gender and contract type), Average seniority of staff, Recruitment (by gender and contract type), Resignation rate, Absenteeism rate, Frequency rate, Number of employees who received training in 2020, Number of training hours, CO2 emissions per document on EOD, GHG emissions, Mail processing centers: quantity of waste recycled and not recycled, Electricity consumption.

[3] Entities: Esker France, Esker USA.

Translation disclaimer: This document is a free translation of selected sections of the original French version of the Universal Registration Document ("document d'enregistrement universel") filed on 12 May 2021 with the AMF (Autorité des Marché Financiers), the French financial market regulator, as the competent authority under regulation (EU) 2017/1129. The English version of this document has not been audited by our Statutory Auditors and the English translations of their reports included herein are provided for information only. In the event of any ambiguity or conflict between corresponding statements or other items contained in these documents and the original French version, the relevant statement or item of the French version shall prevail and only the original version of the document in French is legally binding. As such, this translation may not be relied upon to sustain any legal claim, nor be used as the basis of any legal opinion and Esker SA expressly disclaims all liability for any inaccuracy herein.

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