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CSR Policy

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1. Introduction

At Acolad, we understand Corporate Social Responsibility (hereinafter "CSR") as the responsibility that corresponds to the Sustainable Development Goals (hereinafter "SDGs") through the impact of its activities on society. To fulfill this responsibility, we are deeply committed to conducting our business in an ethical, socially responsible, and environmentally sustainable manner, we integrate social, environmental, and ethical concerns, as well as those concerning human rights and of our stakeholders, in our daily business and relationships. Our CSR Policy reflects our dedication to incorporating social and environmental considerations into all aspects of our operations and stakeholder interactions.

Our commitment to sustainability is paramount. We prioritize addressing sustainability issues proactively, ahead of regulatory requirements, and ensure they are managed at the highest levels of our organization. This approach is central to securing the long-term sustainability of our company through the adoption of best practices:

- Acolad aims to remain within the lowest levels of risk (as further detailed in our Risk Policy, where risks are rated on a scale of low / tolerable / high / very high),
- Impact Minimization: we are dedicated to minimizing any negative impacts on our essential ecosystem, including the climatic environment, vendor capabilities, customer relations, workforce, and financial stakeholders.

While our primary focus is on major issues with specific objectives, we remain open to embracing other beneficial practices that enhance our company's reputation, employee satisfaction, customer loyalty, and relationships with vendors and investors. Our governance structures are designed to identify opportunities and disseminate effective practices through a robust feedback process involving KPIs and the monitoring of local action plans.

2. Applicability and Scope

This CSR policy aims to create a framework that helps to define and promote behaviors that will generate value and apply to all employees, management, and Board of Directors of all entities that are part of Acolad Group. It also extends to our business partners and contractors.

3. Group's Commitments:

As part of its CSR policy, Acolad is committed in many areas:
- Responsible consumption: Making our group's energy consumptions efficient
- Sustainable purchasing: Extending the scope of our commitments to our suppliers
- Stakeholders: Committing to creating shared value
- Social influence: Actively contributing to social debates
- Environment: Reducing our carbon and ecological footprint
- Business ethics: Acting in all circumstances in accordance with our ethical principles
- Human capital: Fostering diversity of talents and skills
- Global Care / Health-Safety-Security and Industrial Safety: Making everyone's safety a priority
- Human Rights: Ensuring that fundamental rights are always respected

4. The Company and its Value Chain

Acolad is a leading provider of language and content solutions, offering a wide range of services including translation, localization, content creation, and digital marketing. The company operates globally with a strong presence across Europe, North America, and Asia and Acolad serves a diverse client base across various industries such as legal, medical, technical, and financial sectors. Its organizational structure includes a network of specialized teams and experts dedicated to delivering high-quality, tailored solutions to meet the specific needs of its clients. Through strategic acquisitions and continuous innovation, Acolad has established itself as a key player in the language services industry, renowned for its comprehensive and reliable solutions.
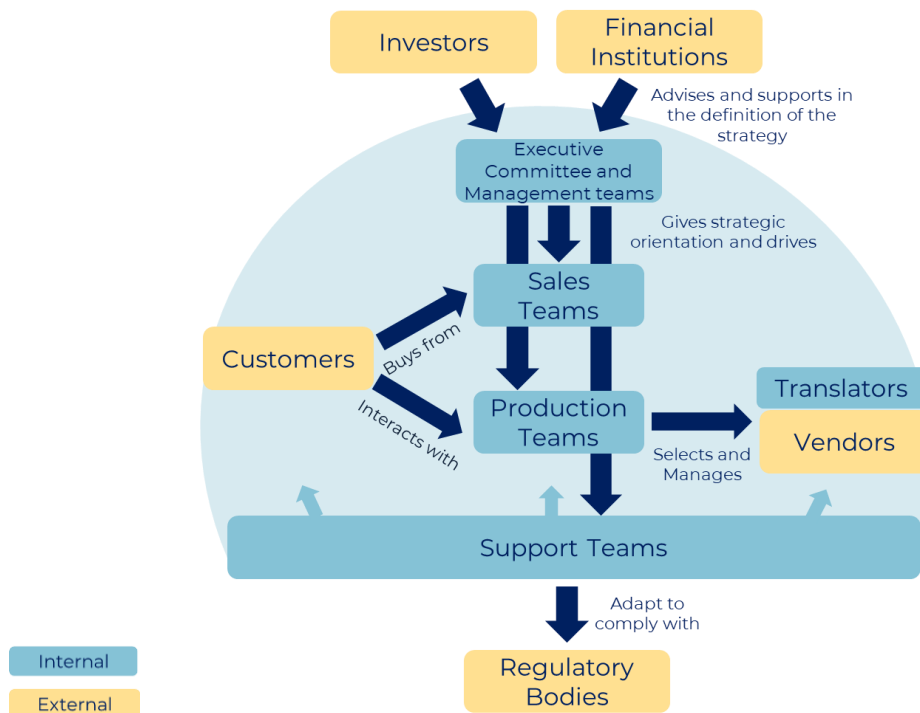
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Acolad's value chain involves a diverse array of internal and external stakeholders, each playing a critical role in the company's operations and success.

5. Internal stakeholders

Management and Executive Teams provide strategic direction and oversee the company's overall operations.

Sales and Marketing Teams are responsible for client acquisition, market research, and promotional activities.

Project Managers oversee project workflows, ensuring timely and efficient delivery of services.

Translators are the core professionals who provide the primary services of translation and localization.

IT and Technology teams ensure the technological infrastructure supports the company's operations, including translation management systems and other software tools.

Finance, Compliance, Legal and HR are key in supporting the Group's operations and external obligations.

6. External Stakeholders

Clients are the key focus of all Acolad teams: businesses and organizations across various sectors (legal, medical, technical, financial) rely on Acolad for accurate and timely translations and other language services.

Vendors including freelance translators, editors, and other language professionals who provide specialized expertise on a project-by-project basis are an essential part of the value chain of Acolad.

Technology & other service providers who supply software and tools necessary for translation and content management.

Regulatory Bodies that enforce laws and regulations relevant to data protection, intellectual property, and industry-specific standards have a strong impact on Acolad's activity.

Private equity and family investors provide advice and guidance to the teams during regular touchpoints and committees.

Financial institutions which have supported Acolad in their financing needs during the past acquisition phase.

7. Channels of Communication

Acolad has multiple channels and tools of communication, participation, and dialog with all s Acolad has multiple channels and tools of communication, participation, and dialog with all stakeholders. These tools ensure that stakeholders have the proper channels to be attended. The Group promotes transparency in disseminating information to stakeholders by adopting responsible communication practices. Stakeholders. These tools ensure that stakeholders have the proper channels to be attended. The Group promotes transparency in disseminating information to stakeholders by adopting responsible communication practices.

8. Double Materiality Assessment

Based on the identified stakeholders above, Acolad defined a double materiality assessment methodology to evaluate the significance of various economic, environmental, and social factors from both financial and impact perspectives. This comprehensive assessment involved extensive interviews with key representatives of all internal and external stakeholders above (except for regulatory bodies) to identify and prioritize key issues that influence the company's long-term success and its impact on society and the environment.

The resulting matrix identified 6 top priority issues (Employee Working Conditions – Climate Change Mitigation – Energy – Client information security – Corporate Culture – Equal treatment) and 2 vendor-relationship topics (Value Chain working conditions – Relationship with vendors including payment practices) to be further investigated as per the graph below:

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Our CSR policy is validated by the Executive Committee (ExComm) and aligned with the major issues identified through stakeholder consultations. This strategy is reviewed and updated at least every three years as necessary to reflect changes in law, business operations, or stakeholder expectations. Specific governance structures are implemented at the central level, with a dedicated CSR committee overseeing the strategy. This governance is supported by upstream executive governance focused on strategy and downstream operational governance covering action plans, risk management, and monitoring.

9. Core Principles

a. Environmental Responsibility

Manage Global Warming Impact: We are committed to managing our impact on global warming by yearly measuring our carbon footprint according to the GHG Protocol, and aligning our trajectory with the Paris Agreement to limit global warming to 1.5°C. In 2024, a carbon footprint assessment has been performed on Acolad's HQs in Boulogne and Lisbon and resulted in the setting of a trajectory in line with the target 1.5°C objective. We aim to finalize our first comprehensive carbon footprint assessment in 2024 and submit SBTI targets for the Group. In the meantime, several policies have already been reviewed to include CSR criteria: travel policy, office relocation policy notably.

Raise Awareness and Improve Knowledge: We aim to enhance knowledge and raise awareness among our workforce and other stakeholders, encouraging them to seize opportunities to reduce impacts and integrate the environmental dimension into strategic development decisions. Our objective is to ensure a significant percentage of our workforce undergoes training on environmental issues.

Compliance and Engagement: We ensure compliance with environmental laws and regulations and strive to go beyond these requirements.

Waste Management, Energy, and Water Efficiency: Our commitment to environmental responsibility extends to robust waste management, energy, and water efficiency practices. We aim to minimize waste generation through comprehensive recycling programs and the adoption of sustainable procurement plans. Energy efficiency is a priority, and we continuously seek to reduce our carbon footprint by implementing office energy and water consumption efficiency measures and promoting energy-saving practices across all operations. By integrating these strategies, we endeavor to reduce our environmental impact and promote sustainability within our organization and the communities in which we operate.

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b. Social Responsibility

Job Stability: We are committed to ensuring job stability by offering salaried, permanent positions and monitoring attrition rates. We have set a target of reaching 10.5% of involuntary attrition rate by 2026.

Working Conditions: We provide working conditions that meet or exceed local legal requirements, including social protection and medical benefits.

Diversity and Inclusion: We maintain gender and cultural diversity and actively promote inclusion within the workplace.

Skill Development: We develop employee skills, encourage the acquisition of new competencies, and support talent in hierarchical and functional mobility. This includes supporting our workforce through transformations related to growth and technological advancements.

Psycho-Social Risk Prevention: We are committed to preventing psycho-social risks in the workplace.

Compliance and Stakeholder Engagement: We ensure compliance with social laws and regulations and commit to engaging all stakeholders in our value chain to follow this path.

Volunteer Work, Sponsoring, and University Research: The Acolad Group, in line with its values of solidarity and proximity, has an interest, in initiatives that improve education and access to culture in the regions in which, in France and abroad, its units are established. Acolad is keen to encourage the commitment of its staff in extra-professional projects that are consistent with its values.

Solidarity events: staff are encouraged to give some of their time by taking part in solidarity events, Goal: Community service –1 day/year for every employee, to be donated locally.

Volunteer solidarity missions: staff use their time and/or their skills for a charitable organization, on the basis of a specific mission.

Detailed objectives are outlined in our HR policy and HR KPIs.

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c. Relationship with Vendors

Contractual Compliance: We ensure strict compliance with contractual conditions, particularly payment terms.

Support for Performance: We provide vendors with the necessary tools and platforms, along with clear information and communication, to enable them to perform their tasks effectively and with satisfactory remuneration rates.

Skill Development for Vendors: We support our vendors in adapting to evolving technologies and customer expectations by facilitating the development of required skills.

Community Management: We want our Vendors to feel a part of our company and to feel valued for the crucial role they play in Acolad's value chain. We strive to create a sense of community that encourages transparency, collaboration and skill-sharing within our pool of Vendors.

Vendor Satisfaction: Our goal is to achieve a high level of vendor satisfaction, monitored through regular feedback and performance assessments. A first NPS for Vendors will be performed in 2024 and allow us to yearly monitor the level of satisfaction of our vendor community.

d. Data Protection

Respect for Privacy: We ensure respect for privacy in the use of personal data for marketing, commercial purposes, or AI applications. We protect and manage access to personal data, ensuring non-disclosure and honoring deletion requests.

Confidentiality Compliance: We strictly adhere to contractual confidentiality rules concerning customer business data.

Cybersecurity Training: Our goal is to ensure that a 100% of employees and vendors are successfully trained in cybersecurity, with regular phishing tests. Our target is to reach 25% of users reporting the phishing and the % of compromised users to fall below 8%.

e. Respect for Human Rights

Upstream Control: We ensure that we do not engage in business relationships with stakeholders who do not respect human rights.

Compliance and Commitment: We ensure compliance with laws and regulations in social matters and commit to getting all stakeholders in the value chain to adhere to this path.

f. Ethics and Corporate Culture

Customer Expectations: We strive to meet customer expectations in terms of sustainability, with an extensive process to comply with all requests and questionnaires received from them.

Positive Business Culture: We promote a business culture with a positive impact, including participation in and support for local associations and human rights.

Anti-Corruption: We prevent passive or active corruption, money laundering, and terrorist financing.

Tax Compliance: We adhere to applicable tax laws and regulations.

Whistleblower Protection: We maintain a system to protect whistleblowers and ensure they can report issues safely.

Ethical Compliance: We ensure compliance with ethical laws and regulations, encouraging all stakeholders in the value chain to commit to this path.

Sustainable Purchasing: At Acolad, we prioritize sustainable purchasing by maintaining fair, timely, and confidential dealings with all suppliers, ranging from large global companies to local SMEs. Our contracts include ethics and CSR clauses to ensure our suppliers meet high standards of competitiveness, health and safety, and environmental responsibility.

Integrity, Risk Management, Transparency: We prioritize honesty and strong moral principles, proactively manage risks to ensure sustainable operations, and maintain open, truthful communication with all stakeholders to build and uphold trust.

10. Governance

The Board of Directors is responsible for the oversight of CSR activities: quarterly CSR updates will be presented and validated by the Board of Directors. A designated CSR committee meets monthly to define, manage and implement CSR initiatives.

CSR is overseen at the highest level of the company by the Board of Directors through CSR Committee, which validates the scope of the policies, the outlook and the action plan. The Group's Executive Committee validates proposed policy directions in this area beforehand.

The CSR Team monitors the Group's CSR performance. It coordinates a network of stakeholder in the operating entities, regularly reviews the Group's material challenges, ensures the preparation of annual action plans, monitors their implementation through monthly CSR performance reviews, and steers responses to non-financial rating agencies and the monitoring of CSR objectives with the assistance of the other relevant departments.

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Each employee can become a Group CSR ambassador, participate in CSR discussions and contribute to the Group's CSR initiatives. The CSR Team leads collaborative workshops with external stakeholders on CSR issues at stake.

Transparency

Transparency is integral to our compliance and reporting practices. We are committed to providing clear, accurate, and timely information about our operations, ensuring accountability and fostering trust among our stakeholders. Our transparent approach not only meets regulatory requirements but also reinforces our dedication to ethical conduct and corporate responsibility.

Group CSR 2030 Objectives (SDGs) People & Planet

The Group's CSR objectives demonstrate the Group's commitment to CSR and its contribution to the Sustainable Development Goals (SDGs) set by the UN for 2030.

11.   Compliance and Reporting

Acolad complies with all relevant laws and regulations related to CSR.
Any violations of this policy should be reported to the CSR committee.