

Integrated Report

Narrative & CSR

2021



Odial Solutions



This is our Communication on Progress in implementing the principles of the United Nations Global Compact and supporting broader UN goals.

We welcome feedback on its contents.

A MESSAGE FROM THE CEO

I'M TOO POOR TO BUY CHEAP STUFF! Let's do the arithmetic



> A cool reception for the business approach in development actions

For several years now, we have shifted into a new era of development where the private sector is finally acknowledged as a fully-fledged stakeholder and a source of proposals, innovations and sustainable solutions. Implicit in this is recognition of the business approach in development actions, a move away from the humanitarian approach which, although it has its rightful place in critical situations, is – very fortunately – not intended to be rolled out over the long term. This is a huge step forward but one that, in my view, is not sufficiently acknowledged or understood by all beneficiaries. Or could it be that it is fully understood but raises concerns? Why is this?

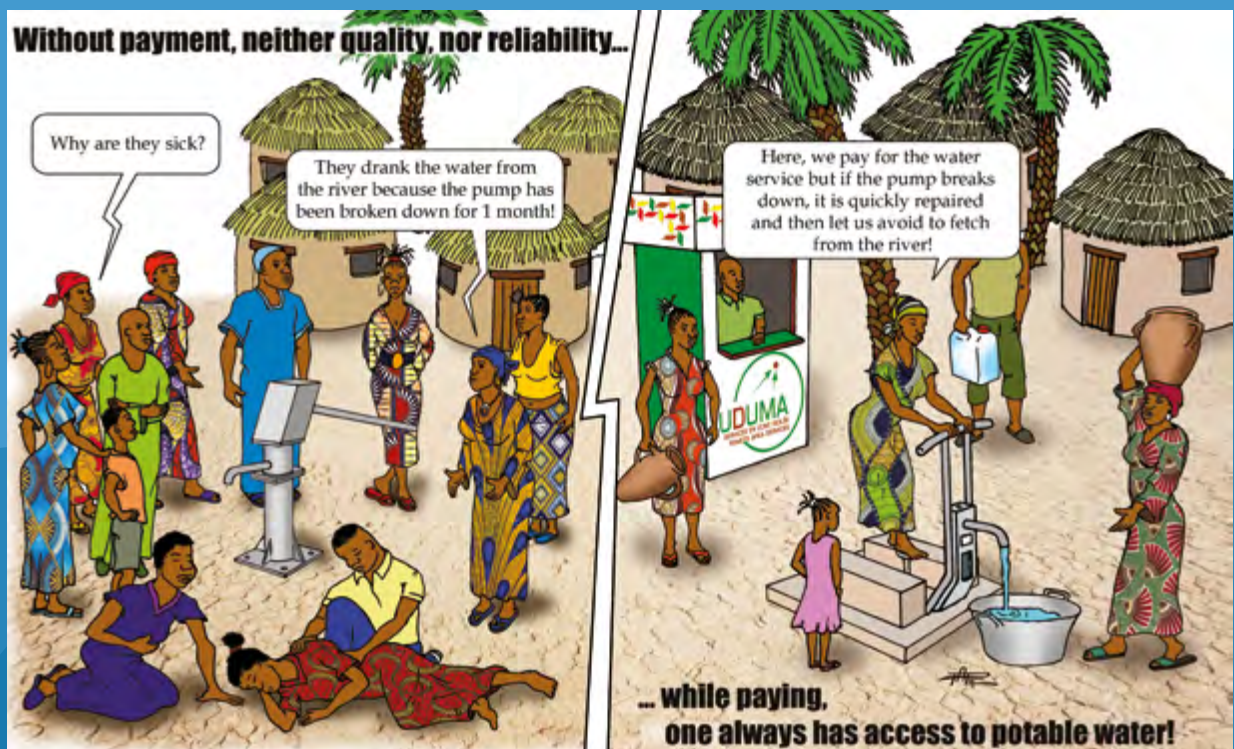
Incorporating a market approach in any sector immediately means sales, prices, payments, profits... a set of words seen as rather vulgar by many if transposed to a context where the poor are involved. How dare we talk about money or profit when making people with low incomes pay for vital services, with the money paid going to fill the operator's coffers?

It is high time we faced reality and put an end to this social demagoguery which obliterates any hope of development and reduces Sub-Saharan African populations, particularly in rural areas, to the status of welfare recipients.

> Doing away with the provider/recipient dichotomy

If we want to anticipate for tomorrow, as the Sustainable Development Goals (SDGs) recommend, and build a fairer world for the future, we need to move away from this provider/recipient dichotomy. Let's switch to a constructive, federating logic of collaboration and transmission that requires everyone involved to exercise their rights and assume their duties and responsibilities.

Let's say it loud and clear: nothing comes for free. Firstly, because someone always has to pay. And next because the supposed "free" distribution of goods and services usually ends up with us enjoying the benefits with no



thought for the real cost for society. These goods and services are often poorly managed because they are considered free, and represent a heavy, recurring financial burden for those who fund them, diverting incredible amounts of money which could be better used elsewhere. Likewise, buying things at ever lower prices inevitably affects quality and leads to us spending more in the end.

> Doing the maths

If we really want to encourage development, we need to help the recipients to look further ahead and work with them to mark out the roadmap to a sustainable future. The notion of investment, as an expense with a long-term impact, must replace that of day-to-day spending, which is ultimately more costly. We need to assimilate the idea of paying a fair price for the service provided, aligned with the recipients' ability to pay and ensuring the cost efficiency of the model, even where it is subsidised. The concept of profit for the supplier and operator must be accepted and associated with the notions of optimisation, sustainability and product/service quality. There cannot be sustainable action without focus on efficiency and empowerment, in other words without models that are self-sustaining.

Let's encourage this kind of arithmetic which, in the interest of all, must replace the demagoguery of the customary approach.

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ODIAL SOLUTIONS Group joined the UNITED NATIONS GLOBAL COMPACT on 28 January 2010. The GLOBAL COMPACT brings together businesses, non-profits and United Nations agencies through a commitment to ten universally recognised principles. *"These principles form a voluntary framework of commitment for organisations who want to take their social responsibility initiatives further"*. Each year, we renew our commitment to the GLOBAL COMPACT by publishing a new Communication on Progress.

This 2021 Integrated Report serves as both an Annual Report and a Communication on Progress. Not only does it detail our main business activities during 2020, it also highlights the social, environmental and societal impacts they have had. It then goes on to describe our specific Corporate Social Responsibility (CSR) initiatives.

I hope you will find it interesting and informative.

Thierry BARBOTTE,
CEO, ODIAL SOLUTIONS

THE DEPUTY MANAGING DIRECTOR'S EDITORIAL



**2019 had been the year of change...
2020 has been a year unlike any other.**

> Our priority: protecting colleagues and users from COVID-19

2020 was the year in which a minuscule virus threw a spanner in the generally well-oiled works of how the planet is run, calling into question our conventional convictions about global development.

On 16 March 2020, we were stunned by the news we would have to go into lockdown, and effectively put the brakes on our economy. We were alarmed by the speed at which the epidemic spread. Governments around the world began putting in place drastic measures to contain the scourge and borders began closing one after another.

While here in Europe we have well-organised and highly developed healthcare systems, our thoughts turned immediately to our African friends who are a lot less fortunate. We imagined the worst, with populations decimated by a wave that would inexorably hit the countries where we normally work. So what could we do, on our level, to battle this incredible pandemic?

One avenue involved working with our human resources department and staff representatives to roll out a health-care plan, and not only within our French companies, but also for the benefit of our African subsidiaries. It was the least we could do. We also needed to think about our users who come every day to collect water from the pumps or public standpipes of our drinking water supply networks run by our African subsidiaries.

Preempting the politicians, we launched Operation "Clean Hands" to tackle COVID-19 in Burkina Faso. More than 300 hand washing stations were produced locally and delivered to our drinking water distribution points in record time. Soap was delivered everywhere. Pump operators were supplied with masks to protect themselves, and to protect those coming for water.

> One business that kept going: clean drinking water - a weapon against the pandemic

Yet aside from this operation, African governments were quick to react by allowing work on constructing facilities

to access drinking water to continue; water had become such a precious commodity in fighting the epidemic. Without water you cannot wash, you cannot use soap, you cannot get rid of this virus.

Unlike many other French companies, which unfortunately had to put staff on furlough, the ODIAL SOLUTIONS Group kept working; more than 1.3 million people in sub-Saharan Africa obtained access to drinking water thanks to the group's projects and equipment in 2020. Flagship network construction and energy production projects were carried out in Côte d'Ivoire, Mali and the Democratic Republic of Congo.

Swimming against the "all pipes" tide promoted by many politicians, highly justifiable but also extremely costly, in 2020 VERGNET HYDRO even completed its range of human powered pumps with the MPV 100: a deep well manual pump and something for which developers had been clamouring for years. We hope that this new pump will help achieve Goal 6.1 of the Sustainable Development Goals: "Access to drinking water" (SDG, Agenda 2030).

> CSR, at the heart of the group's new strategy

This pandemic has shown us all just how fragile world stability can be. Bad human habits are not only a causal factor in climate change, in many places they also create societal, social and economic imbalances. This is where the SDGs come even more to the fore. If we had already achieved these goals, would 2020 have mapped out in quite the same way?

As well as providing a political roadmap, the SDGs can also be rolled out at corporate level Corporate Social Responsibility (CSR) is a reflection of this. We are going ahead with our ODIAL SOLUTIONS CSR Action Plans 2018-2023, pursuing our company initiatives and sometimes going an extra mile. Yet there still remains so much to do. For instance, we have strengthened our aim of placing CSR at the heart of all we do by getting all Group personnel - and there are more and more of them - to reflect in depth on our Purpose Statement. This Purpose Statement: "Africa, the source of our commitments to the planet!", is part of a new strategy that we are defining collaboratively.

Through this integrated report, you will learn more of what our group is all about. Enjoy your reading.

Christophe LEGER,
Deputy Managing Director

OUR BUSINESS

ODIAL SOLUTIONS Group provides more than 50 million people with drinking water. It is backed by a team of loyal, dedicated and committed members of staff, whose experience and know-how are valued in many countries. It has a network of local, historical partners who are well known, reactive, attentive to users and capable of intervening in the field where the population needs them.

A leading development company, and recognised as such by governments and international organisations, ODIAL SOLUTIONS Group strives to be proactive; supplying innovative, quality solutions, perfectly adapted to the environment and context in which they are used.

At all levels of the group, the protection of the environment and human values are a constant priority.

In 2020, ODIAL SOLUTIONS Group redefined its strategy and purpose statement:

Africa, the source of our commitments to the planet!

Drawing on 50 years of history and experience in supplying water and energy, we continue to work with populations in rural or isolated regions to tackle the challenges that confront them. Our aim is to guarantee everyone a future in which well-being goes hand-in-hand with protecting resources. Think, adapt, innovate.

Some key statistics

Present in
35 countries in Africa

More than
50 million people have access to drinking water thanks to ODIAL SOLUTIONS Group

3,500 repair technicians in Africa

45 years' experience

€13 million in turnover

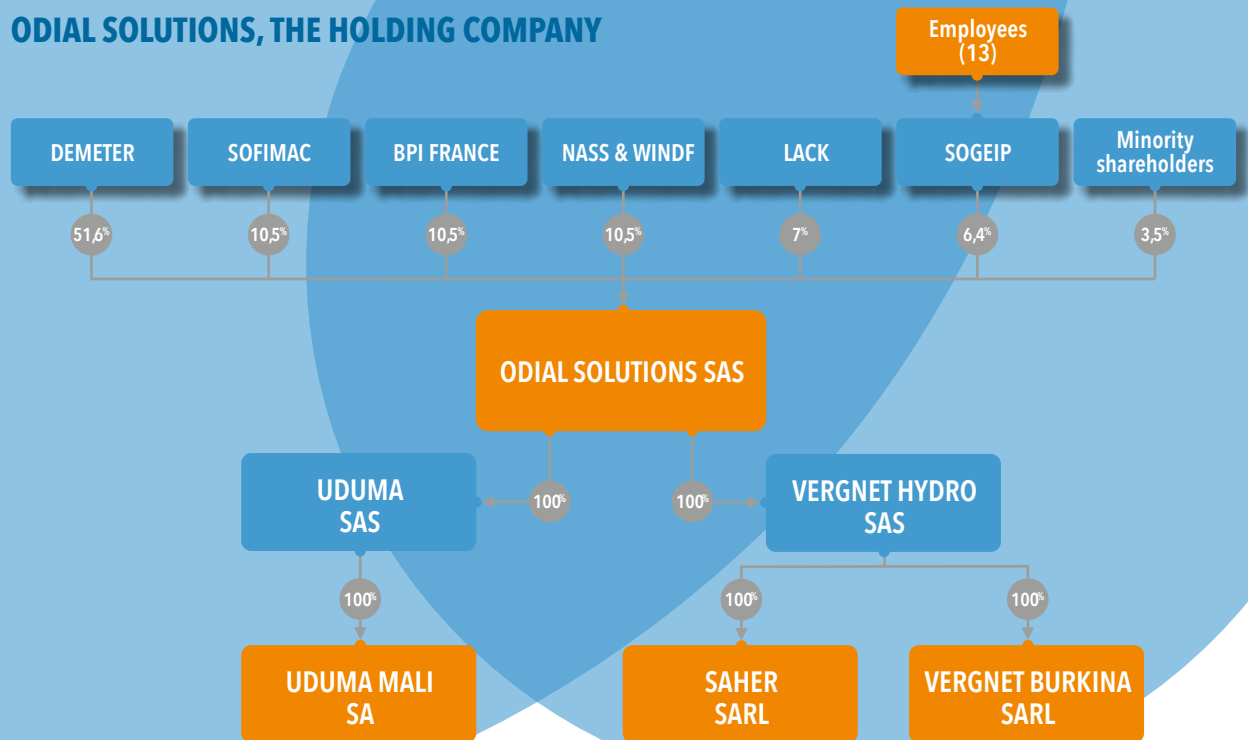
67 employees, parent company and subsidiaries included

A brief history

- 1974** Marc VERGNET invents the HPV pump in Burkina Faso
- 1976-1988** 30,000 pumps are distributed, primarily in Côte d'Ivoire, Mali and Burkina Faso
- 1988** VERGNET SA is founded with head offices in Ingré (Loiret, France), covering all pump activity
- 2000** A range of tanks is added to meet growing demand for piped water supply construction
- 2004** VERGNET HYDRO is created to separate the water business from the energies business within the VERGNET Group
- 2007** Adapting to the company's growth, VERGNET HYDRO moves into new premises in Saran (Loiret, France)
- 2009** VERGNET HYDRO supports its partners to become piped water supply and pump operators under delegated public service contracts
- 2010** The company continues to grow and moves into new premises at Ingré (Loiret, France)
- 2013** An "emergency" model is added to the range of sheet metal tanks
- 2014** VERGNET HYDRO is spun off from VERGNET SA Group and becomes part of the newly created ODIAL SOLUTIONS Group
- 2015** An innovative subsidiary, UDUMA, is created to supply drinking water to rural populations in sub-Saharan Africa. VERGNET HYDRO sells its 100,000th human powered pump
- 2016** An UDUMA concept demonstrator is set up in Burkina Faso (financed by UNICEF)
- 2017** VERGNET HYDRO launches an ergonomic manual "deep well" pump, the MPV60
- 2018** UDUMA secures its first contract in Mali. VERGNET HYDRO sets up the first solar desalination unit using direct solar energy (Mozambique)
- 2019** VERGNET BURKINA builds its first photovoltaic power plant. UDUMA's innovative drinking water service is rolled out for 560,000 rural dwellers in Mozambique
- 2020** The ODIAL SOLUTIONS Groups redefines its strategy and adopts a Purpose Statement. VERGNET HYDRO launches its ergonomic manual "deep well" pump, the MPV100

OUR BUSINESS

ODIAL SOLUTIONS, THE HOLDING COMPANY



OUR PRODUCTS

From isolated locations...

Manual pumps



... to small towns

Drinking water supply systems



OUR BUSINESS



SERVICES



Data analysis



Increasing awareness among locals



Local sales outlets



Service continuity



Data collection and transfer



Electronic payment



Ongoing maintenance and monitoring

CORE BUSINESS AND UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDG)

A core business making a major contribution to achieving two SDGs



Target 6.1: Access to drinking water

By 2030, achieve universal and equitable access to safe and affordable drinking water for all.

Target 6.b: Community water management

Support and strengthen the participation of local communities in improving water and sanitation management.



Target 1.4: Access to resources

By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.

We contribute directly to four more SDGs



Target 3.3:

Communicable diseases

By 2030, end the AIDS epidemic, tuberculosis, malaria and neglected tropical diseases, and combat hepatitis, water-borne diseases and other communicable diseases.



Target 5.a:

Rights and access to resources

Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.



Target 7.1:

Access to energy

By 2030, ensure universal access to affordable, reliable and modern energy services.

Target 7.2:

Renewable energy

By 2030, increase substantially the share of renewable energy in the global energy mix.



Target 17.3:

Additional financial resources

Mobilise additional financial resources from multiple sources to help developing countries.

We contribute indirectly to nine other SDGs



COVID-19: OPERATION "CLEAN HANDS"

UDUMA* rolls out free "hygiene" facilities for its drinking water service for more than 200,000 users in Burkina Faso

Hand washing stations, equipped with drinking water and soap, at 301 community standpipes and 43 piped drinking water sites.



92%

of those living in rural areas in Burkina Faso do not have the basics for washing their hands at home: soap and water.

(Joint Monitoring Programme, UNICEF, WHO, 2019).

In order to contain the spread of the COVID-19 pandemic, UDUMA has been working since May 2020 to deliver a "hygiene" complement to the drinking water service it provides for more than 200,000 users and 400 colleagues in Burkina Faso, without increasing the price of the service. A foot-powered hand washing station, equipped with drinking water and soap, has been made available free of charge for all users and workers at the 301 community standpipes and 43 piped drinking water sites managed by the operator. The company ensured this campaign, christened "Clean Hands Against COVID-19", kept running through the second half of 2020.

In all, UDUMA has set up 301 hand washing stations and distributed 2,500 textile masks to employees: managers, operations managers, centre managers, cashiers and pump operators.

The private operator provides a daily supply of clean water and soap to these hand washing stations and broadcasts regular COVID awareness messages on community radio in French and seven local languages.

SN CITEC, which donated 30 kg of soap and optimised its commercial distribution for this project. These choices were made to support the national economy, which has been hit particularly hard by this health crisis.

Some 31 partner communities have entrusted UDUMA with their public drinking water service, and the company has ensured these communities are very much involved in the operation. Each hand washing station was officially signed off for by the local authority before being installed near a standpipe or drinking water supply site. UDUMA has also supplied each partner community with a hand washing station for use away from water points.

→ A 100% Made in Burkina campaign

It is worth noting that this campaign is 100% Made in Burkina. The hand washing stations are manufactured by EPGF (Ouagadougou), the masks are made by ANGE CONFECTION using traditional Burkina Faso woven cotton cloth known as Faso Dan Fani, and the soap is produced by

A "Clean Hands" operation in Mali to protect 5,200 users

UDUMA MALI has also launched a "Clean Hands Against COVID-19" campaign. UDUMA's Malian subsidiary has set up hand washing facilities, complete with soap, at the 13 water distribution points they manage in the region of Bougouni, providing water for hand washing and equipping staff with textile masks. This 100% Made in Mali campaign aims to protect 5,200 people.

*The UDUMA service is delivered by VERGNET BURKINA in Burkina Faso.



A YEAR OF ACHIEVEMENTS

Some key statistics

1,302,000 more people have access to drinking water thanks to the work carried out by ODIAL SOLUTIONS in sub-Saharan Africa in 2020:

- Piped water supply projects first inaugurated in 2020:
 - > **50,000 people** have benefited from the project in Côte d'Ivoire described on page 12
 - > **30,000 villagers** have benefited from the project in Mali described on page 13
 - > **80,000 villagers** have benefited from the project in DRC described on page 14
- Management contracts for water distribution points:
 - > **40,000 new customers** for VERGNET BURKINA in 2020
 - > **35,000 new customers** for UDUMA Mali in 2020
- **2,668 human powered pumps** sold, benefiting **1,067,000 villagers**.

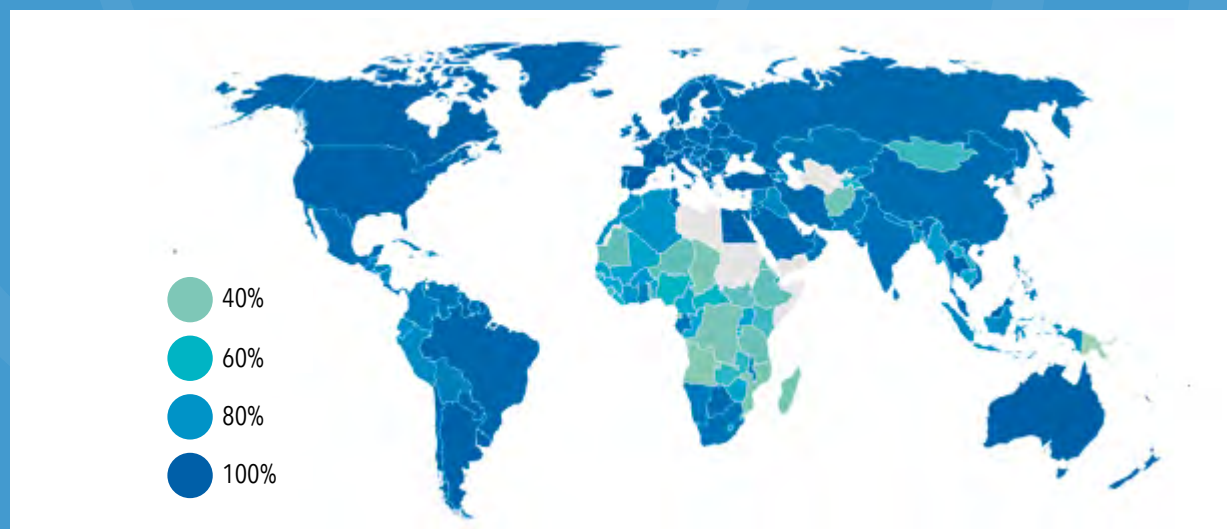
12.15 million people benefited from regular maintenance of their human powered pump in 2020

2.64 million people benefited from large-scale maintenance of their human powered pump in 2020

Sustainable Development Goal 6 (SDG 6) of the United Nations' 2030 Agenda aims to provide universal and fair access to water, sanitation and hygiene (WASH) services by 2030. However, in sub-Saharan Africa, 55% of those living in rural areas do not currently have access to basic drinking water (Joint Monitoring Programme, UNICEF, WHO, 2019). ODIAL SOLUTIONS' core business supports achieving SDG6. The services its companies provide are responses to **Article 25 of the Universal Declaration of Human Rights** ("Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food") and to the recognition by the UN of access to drinking water as a **human right** in 2010.

Through their **technical and social innovations**, the group's companies are **clearing away the economic and political barriers** that have historically blocked access to long-term services in sub-Saharan Africa.

Percentage of the population with access to an improved water source (2015, World Bank)





A YEAR OF ACHIEVEMENTS

CÔTE D'IVOIRE: 17 piped drinking water systems, supplying almost 50,000 villagers

Côte d'Ivoire's national board for drinking water (ONEP) has awarded a contract for the construction of 17 drinking water supply systems to a joint venture of two SMEs: ABEDA (Abidjan, Côte d'Ivoire) which will lead the project and VERGNET HYDRO. VERGNET HYDRO's role in this is not limited to the design, supply and installation of the equipment: its Ivorian subsidiary SAHER will actually carry out the work. VERGNET HYDRO intends to use this expertise to develop future projects.

The contract is for the construction of 12 electrical drinking water supply systems and five hybrid systems, either solar/electric or solar/thermal, in the Tchologo, Poro, Bagoué, Kabadougou and Folon regions. The five solar farms will generate power of between 4 and 7 kWp, with Total Dynamic Heads of between 60 and 110 m.

Co-financed by Côte d'Ivoire's Hydraulics Ministry, the Islamic Development Bank and the West African Economic and Monetary Union (through its BID-UEMOA programme), the project is expected to cost 2.8 billion CFA francs (€4.3 million).

P4G PARTNERSHIPS STATE-OF- PARTNERSHIP 2020: Rewarding UDUMA and its partners



P4G
Partnering for Green
Growth and the
Global Goals 2030



MALI: VERGNET HYDRO provides equipment to supply drinking water to more than 30,000 people in the Koulikoro and Sikasso regions



In March 2020, VERGNET HYDRO dispatched 17 human powered pumps, 19 electric pumping systems and storage/distribution equipment to its partner SEEBA SARL (Bamako, Mali) for a project that will supply drinking water to more than 30,000 people in the Koulikoro and Sikasso regions.

The United Nations International Children's Emergency Fund, UNICEF, awarded the Malian SME a contract to drill 19 new boreholes, 16 of which are equipped with manual pumps and three with basic water supply systems, to convert 16 existing manual pumps into basic water supply systems, and to renovate one manual pump. These sites have been supplying drinking water to people in 29 rural communities, including 40 schools, since July 2020.

Reciprocity is a core element of VERGNET HYDRO's relationships with its partners. This project demonstrates the company's ability to fulfil supply or sub-contracting commitments for its local partners.

-THE-ART in Mali

The P4G Partnerships State-of-the-Art Partnership 2020 award in the category "Up-and-Coming Partnership – SDG6 (Clean water & Sanitation)". This award recognises an innovative and sustainable project that guarantees continuous access to drinking water for 560,000 inhabitants in rural areas in the region of Bougouni for the next 15 years.





A YEAR OF ACHIEVEMENTS



DEMOCRATIC REPUBLIC OF CONGO: solar hybridisation to provide continuous drinking water to more than 80,000 people

VERGNET HYDRO has converted two drinking water networks in Mbuji-Mayi city (Kasai-Oriental Province, DRC) to hybrid power by coupling the current diesel generators to solar power plants, providing a continuous supply of water to more than 80,000 people. Converting fossil-fuel-powered generators to solar hybrid power systems is a high-potential market for the hydraulics sector in Africa, and VERGNET HYDRO has shown it is an expert in the field.

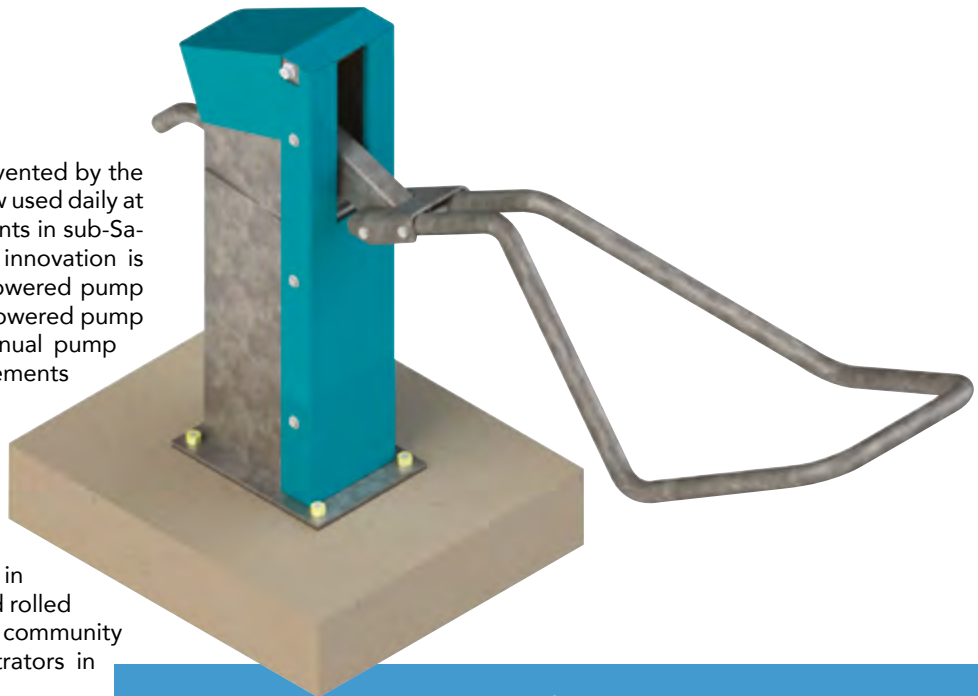
The electricity network in Mbuji-Mayi is defective, inadequate and undeveloped in peri-urban areas. Consequently, drinking water networks were powered by diesel generators. In this isolated province, however, fuel is expensive. This had a significant impact on the price of the water sold at water distribution points, which were in fact little used because they were financially beyond the reach of many local people. To provide wider access to drinking water, the Belgium development agency, ENABEL, financed by the Kingdom of Belgium, opted to put in place a technology that was less damaging to the environment and offered lower, more controllable running costs: solar photovoltaic farms. This pilot project is part of ENABEL'S PROGEAU programme in DRC and is set to be rolled out to nine other drinking water networks in Mbuji-Mayi, serving more than 350,000 people, and four networks in Maniema Province, supplying 100,000 people.

This hybridisation project, steered by VERGNET HYDRO, has connected these two water networks to direct solar power solutions (without batteries). To ensure continuity of supply 365 days per year, diesel generators take over from the solar generators where necessary, on very cloudy days and overnight. VERGNET HYDRO's role in the project is to supply and install two solar farms, all the equipment required to connect the solar generators to the pumps, float valve systems for the tanks, and pressure switch automatic regulation systems for the pumps. The solar farms should produce at least 160 m³ and 130 m³ of water per day, with peak power of 37 kWp and 32 kWp.

Training the network operators is another important aspect of the project. Indeed, it is essential to ensure that the network operators grouped together within the ASUREPs (drinking water network users' associations) rapidly become self-sufficient in day-to-day management and equipment maintenance. VERGNET HYDRO has set up four training sessions for technicians from each network and inter-network technicians. They have been supplied with tool kits (multimeters, assembly/disassembly tools, solarmeters, etc.) and provided with a maintenance support service during the first few months.

Drawing on the hydraulic drive system invented by the founder of VERGNET HYDRO in 1975, now used daily at more than 110,000 water distribution points in sub-Saharan Africa, VERGNET HYDRO's latest innovation is the addition of an "extra-deep" hand powered pump (up to 100 metres depth) to our human powered pump range: the MPV100. This shows the manual pump market remains dynamic with new requirements still arising.

The MPV100 is designed to be operated by two people at once. The ergonomic design ensures comfortable movement and postures. The VERGNET HYDRO design office drew up the first model in 2016, ran trials on prototypes in 2017, and rolled out the MPV100 in the field, in standard community operating conditions, with five demonstrators in Côte d'Ivoire between 2018 and 2020.



VERGNET HYDRO innovates with an "extra deep" hand-operated pump (up to 100 metres depth) for rural Africa

The performance of this new product is extraordinary. By allowing itself ample time for testing, the design office is now able to market a highly robust product.

The MPV100, which comes with an After Sales Service guarantee, is easy to install and maintain. This new product meets the criteria for Village Level Operation and Maintenance (VLOM) classification, which means its routine maintenance is simple enough to be done by non-specialists. As with all VERGNET HYDRO manual pumps, all MPV100 wearing parts are at ground level so they are easily accessible.

To meet the requirements of drinking water service operators, the MPV100 can also come with an optional direct-read meter. Service operators are a key target for VERGNET HYDRO manual pumps, primarily because the maintenance costs of these pumps are acknowledged as the lowest on the market (What's Up In Wash, UNICEF, 10 January 2017).





SHARING OUR VALUES

ODIAL SOLUTIONS is a simplified Limited Company (French SAS) under French law.

Abiding by French law, the Group complies with international labour standards: workers' rights defended by staff representatives, no use of forced labour, child labour, etc. Above and beyond these international standards, **ODIAL SOLUTIONS guarantees for its staff high levels of well-being and a friendly work environment.**

Some key statistics

1.58% of days off "sick" out of all days worked by all the companies of ODIAL SOLUTIONS Group in 2020 (0.5% in 2019).

9% employee churn for all the companies of ODIAL SOLUTIONS Group in 2020 (8% in 2019).

25% of staff at ODIAL SOLUTIONS Group companies were women in 2020 (25% in 2019).



Hand sanitiser at the entrance to the SAHER premises (Abidjan, Côte d'Ivoire).

Hand washing facility, equipped with soap, at the entrance to the UDUMA MALI premises (Bougouni, Mali).



→ COVID-19: Maximum protection for the group's employees.

Since March 2020, the group's Burkinabe, Ivorian, French and Malian infrastructures have been supplied with protective masks, hand sanitiser and hand washing facilities with both drinking water and soap.

→ VERGNET HYDRO's production department never stopped in 2020

Throughout periods in which measures were introduced to protect public health in France, commonly known as "lockdowns" and highly

incompatible with industrial activity, VERGNET HYDRO's production department continued taking delivery of parts, assembling products and dispatching them. Draconian hygiene and social distancing rules were implemented so that all those in the department were able to keep working. The company even called for volunteers from other departments to help out with putting pumps together when demand was particularly high, and members of staff were quick to answer the call.



VERGNET HYDRO's Production Department kept running throughout 2020.

→ The remote working charter updated

In 2019, ODIAL SOLUTIONS Group companies ratified a remote working charter. Naturally, wherever possible, members of staff worked from home during lockdown periods. This experience has caused us to reconsider the role of remote working within the company. The charter now makes it possible for anyone on a full-time contract who has been working for us for more than six months to work from home up to five days per month as long as this fits in with their role and as long as team cohesion can be maintained.

→ Onboarding new employees

All new employees now undergo an onboarding programme during their first month with the group. The aim is to teach them about our company culture and our various activities, but also to provide them with more support as they get to grips with their job. To make sure this runs smoothly, ODIAL SOLUTIONS has created two new statuses within the group: tutor and sponsor. The tutor will guide the new

recruit in their job. The sponsor will provide practical help as they learn about the company.

→ In-house training

ODIAL SOLUTIONS Group encourages the organisation of training programmes by employees for employees. For instance, in 2020, VERGNET HYDRO's Technical Management ran a session on the dimensioning of solar-powered piped drinking water systems for the company's Bids and Projects Officers and Area Sales Managers. Also, ODIAL SOLUTIONS' Financial Office trained the group's staff in financial analysis and regulations relating to VAT.



→ 78% of staff took a training course in 2020

The group's training plan enabled 78% of employees based in Ingré (aside from those on work-study training schemes) to follow at least one course in 2020. On average, each staff member received 28 hours of training during the year (a total of 784 hours). This means that they devoted an average of four working days to boosting their skills and career fulfilment.



In-house training in VAT regulations, organised by ODIAL SOLUTIONS' Finance Office in January.



SHARING OUR VALUES

→ Buying delicious regional produce

In order to support the local economy, ODIALSOLUTIONS Group offered France-based staff baskets of delicious produce provided by a local farm.

This initiative is ongoing, with grouped orders from the same farmer, and there

are plans to roll it out to other local producers.

→ UDUMA MALI activates its customer service

In 2020 UDUMA MALI made it possible to access customer services by dialling 68 72 11 11 for MALITEL customers or 77 33 17 17 for ORANGE customers. All users of the service are invited to use the

numbers to report any problem, however minor: a water point that is playing up or problems with payment, for example. UDUMA MALI is combining this service with proactive procedures to assess the quality of its drinking water service. This has involved hiring someone to call users and ask them about their customer experience, so as to spot areas in which improvements can be made.



Etienne DECHERF:
"I was given the opportunity to develop my ideas and grow with the company"

"I sent an application on spec because I heard that VERGNET SA was hiring people to erect wind turbines in Canada. The next day they called me in for an interview to install water pumps in Africa," recalls

Etienne DECHERF, Chief Sales and Operations Officer at VERGNET HYDRO. That was in November 2000, 20 years ago. And Etienne certainly doesn't regret accepting an offer that opened the way to a stimulating and evolving career. A career during which he has witnessed a small team transform into a dynamic SMB with major growth on the horizon.

Etienne is a hydro-engineer (Grenoble INP – ENSHMG, now ENSE3). In 2000 he had just returned from a two-and-a-half-year stint with SAUR INTERNATIONAL in Mali as part of an overseas national service cooperation programme (CSNE). So his profile was exactly what VERGNET's department dealing with water supplies in Africa was looking for. Etienne began as an Area sales manager in Togo, Ghana, Mauritania, Senegal and Guinea-Bissau. *"That list of countries would grow over time, but, for 15 years, a metronome set the pace for my life: each month I would spend at least a week in Africa."*

"I have ideas and aspirations. I find people willing to listen to me."

At the time, a VERGNET SA Area Sales Manager would run hydraulics projects all the way from canvassing clients to installing the equipment, as well as submitting bids for international tenders. *"Coming to this as an engineer, I was very curious to discover the sales aspect of my job and my interest in this has grown. The company was extremely busy from 2000-2010, diversifying into drinking*

water conveyancing." In 2009, Etienne was appointed to the post of Deputy Sales Director at VERGNET HYDRO, a subsidiary of VERGNET SA since 2004.

"The company allowed me to grow. I have ideas and aspirations. I find people willing to listen to me. I was given the opportunity to develop my ideas and grow within the company." In 2011, Etienne became Sales Director of the firm. In 2014 he was involved when VERGNET HYDRO left VERGNET SA to become part of the newly-created ODIAL SOLUTIONS Group. In particular, he orchestrated a major expansion of his department which almost doubled from a staff of eight in 2011 to 15 in 2020, through more industrial structuring.

"My interest is constantly stimulated by the company's strong growth..."

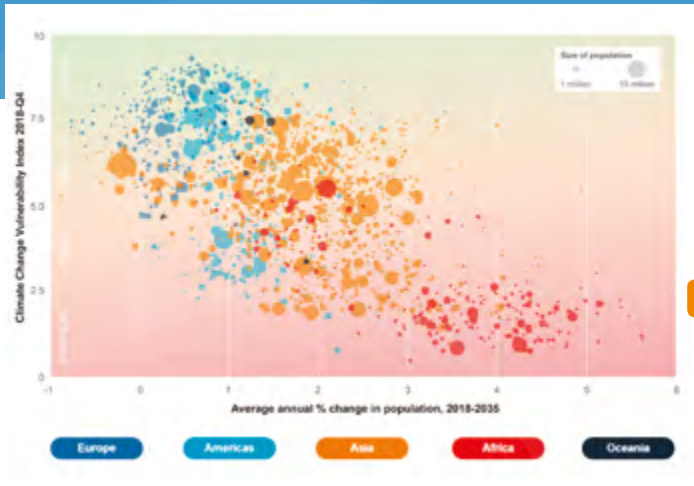
"The most exciting challenge is that of bringing about change in the traditional role of Area Sales Manager." VERGNET HYDRO's Area Sales Managers had always combined sales and technical skills to be able to run projects from start to finish. The more specialised "new generation" Area Sales Managers concentrate on the sales side to ensure they are really in tune with clients and the market. Once a deal is made, they then pass the project over to a Bids and Projects Officer. The Chief Sales and Operations Office (CSO) now oversees four Area sales managers and five Bids and projects officers.

In 20 years, Etienne hasn't had time to get bored at VERGNET HYDRO. *"My interest is constantly stimulated by the company's strong growth - the workforce has tripled in 20 years. I am just as keen to support its development and structure as ever. Our African partners are also growing rapidly. We are positioning ourselves in new markets (energy, solar power and private contracts etc.) 2020 is a year in which our growth has speeded up. I am more motivated by our project than ever!"*



PROTECTING THE ENVIRONMENT

Through its industrial and sales activities, ODIAL SOLUTIONS offers solutions for **strengthening the resilience of populations facing climate change**, in a place where such changes are particularly devastating: sub-Saharan Africa. Moreover, our company combines a **culture of reuse and waste reduction with a genuine commitment to the environment**.



Climate Change Vulnerability index 2018 (VERISK MAPLECROFT)

Some key statistics

ODIAL SOLUTIONS has strengthened resilience to climate change for

1,302,000 people

who were most vulnerable to the risks in 2020

Gas consumption per employee and per day worked at our Ingré site **was reduced by**

7.24%

from 2019 to 2020

Water and electricity consumption

per employee and per day worked at our Ingré site increased by

36.1% and 13.97%

respectively from 2019 to 2020. However, overall consumption of electricity and water at the same site went down by

1.54% and 18.04%

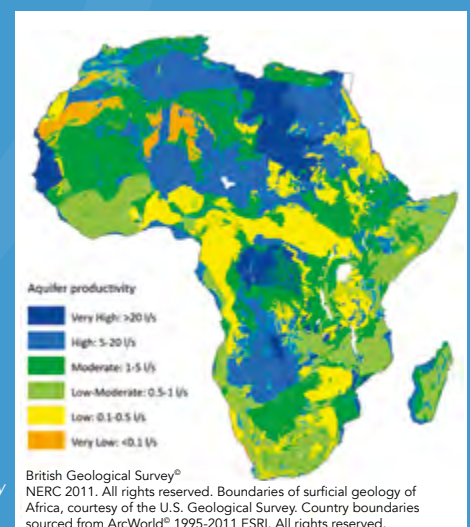
respectively from 2019 to 2020.

Products and services to strengthen resilience to climate change

→ Fighting the repercussions of climate change

For 45 years, ODIAL SOLUTIONS Group has been offering drinking water supply solutions to rural populations in sub-Saharan Africa, in other words, to those most affected by global warming. The company's products and services strengthen these populations' resilience to the impacts of climate change. This is completely in line with Sustainable Development Goal 13 (take urgent action to combat climate change and its impacts).

Another significant factor is that the group's products and services encourage the use of groundwater rather than surface water. Groundwater is far more prolific and sustainable than surface water, and its use actually features among the actions recommended to reinforce the resilience of populations to climate change (Groundwater resilience to climate change in Africa, British Geological Survey Open Report, 2011).



African groundwater can easily support the needs of rural communities (0.1-0.3 L/s).

British Geological Survey[®] NERC 2011. All rights reserved. Boundaries of surficial geology of Africa, courtesy of the U.S. Geological Survey. Country boundaries sourced from ArcWorld[®] 1995-2011 ESRI. All rights reserved.



ENVIRONMENT



→ Limiting the environmental impacts of facilities

When ODIAL SOLUTIONS Group puts in a bid for a tender for a rural hydraulics project, the tender often specifies pumps that are oversized or distribution systems that are inefficient with regard to the real needs of populations. Wherever possible, our group's technical teams propose alternatives that are more energy efficient and have a smaller environmental footprint. Since 2019, we have developed a comprehensive environmental, social,

health and safety (ESSS) implementation and safeguard plan, which we adapt to the context of the projects we carry out, according to the country and the legislation in place.

Where it is financially viable, our teams will always choose a solution powered by solar energy over a solution powered by fossil fuels.

We also choose materials (stainless steel, galvanised steel, etc.) that guarantee that all the facilities we install are free from metal particle pollution.

→ Limiting the volumes drawn from groundwater

It is impossible to estimate the volumes of water wasted (through non-consumption) by villagers in sub-Saharan Africa using manual pumps or other supply systems to draw their drinking water. What is certain is that charging by the litre for drinking water is an efficient way to fight wastage. Consequently, the management strategies offered by UDUMA limit the volumes drawn from groundwater.

Ecological solutions to economic problems

→ The difficulty of limiting the environmental impact of professional travel in 2020

By combining an assignment in Côte d'Ivoire with one in Burkina Faso, we reduce costs for the company, save the employee concerned time and energy, and limit the amount of CO₂ released into the environment. Consequently, for seven years now we have been encouraging staff to organise assignments so that they cover several countries.

This policy has proved highly efficient so far; the percentage of assignments outside of Europe that can be termed "multi-country" has gradually increased every year, reaching 54.21% in 2019. Unfortu-

nately, the international health crisis meant we were not able to pursue the trend in 2020. No-one working with our group has been able to go on a multi-country assignment since March 16.

For the same reasons, there was only one business flight taken from March to September 2020. Therefore it is difficult to compare the environmental impact of business travel by our staff in 2019 with business travel in 2020. It is worth noting though that CO₂ emissions resulting from flights have been tracked and analysed in-house since January 2019. These journeys produced 64.6 tonnes of CO₂ in 2019, compared to 15.5 tonnes in 2020.

→ Lighting that uses a quarter of the energy

In 2020 the company replaced all lamps in its offices in France with LED panels. These are more comfortable for staff and consume less energy. Because LED panels are so efficient, we only needed one new panel for every two old lights. Since each of these LED panels is twice as energy efficient as the old lamps, this operation has enabled ODIAL SOLUTIONS to reduce energy consumption for lighting its French offices by 75%.

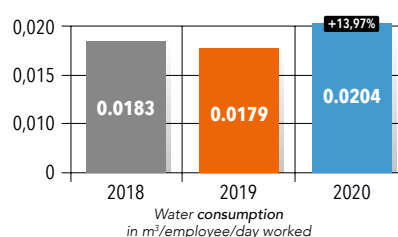
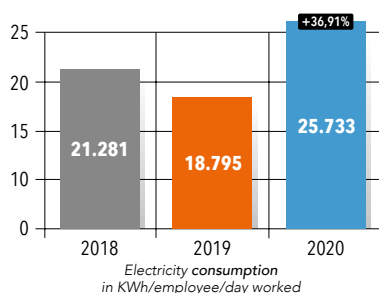
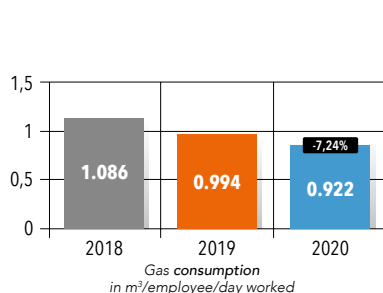
→ Difficulties in reducing water, gas and electricity consumption in 2020

We reduced gas consumption per staff member per day at our Ingré site by 7.24% between 2019 and 2020. However, when applying the same indicator to electricity and water consumption, these rose by 36.91% and 13.97% respectively. These increases can be explained

by the massive increase in home-working in 2020. Major aspects of electricity and water consumption (heating communal areas, running fridges and dish-washers, etc.) are in fact independent of the number of employees physically present in the company. Whether 10 or 40 employees are on the premises, it will still take the same amount of energy to heat the reception area, for instance. However, if we equate this energy consumption to the

number of employees working per day on our Ingré premises, heating the reception area works out as consuming 4-times more energy when there are only 10 members of staff on site as opposed to 40.

Ingré did, nevertheless, manage to reduce its overall electricity and water consumption by 1.54% and 18.04% respectively between 2019 and 2020.



Ecological commitments

→ Responsible sourcing charter

In 2020, ODIAL SOLUTIONS Group ratified a responsible sourcing charter. The aim of this charter is to go further than current legislation in involving those who supply the companies within the group in active measures to benefit both society and the environment. Once the charter was ratified, suppliers' evaluation files were updated and these evaluations now include the following criteria: geographical proximity and gender equality.

The geographical proximity criterion aims to encourage the use of local suppliers and reduce the environmental impact of transport. In value terms, more than 23% of VERGNET HYDRO purchases were placed with service providers and suppliers in the Centre-Val de Loire region in 2020.

With respect to the 2020 health crisis, the group also supplied its employees with washable textile masks that are made in France.

→ More sustainable IT systems

In 2014 the group moved from a single lease contract for its IT equipment to a systematic purchase policy. Prior to this, all IT equipment was replaced after three years and was not recycled for a "second life". However, we have observed that, on average, IT equipment within the company has a service life of between five and seven years, as it is capable of meeting colleagues' technical requirements for longer and longer. Current IT policy even includes offering the equipment a "second life". Machines are re-conditioned and sent out to those working within the group in France and in its African subsidiaries, as well as to VERGNET HYDRO's African partners.

→ Recycling packaging

The majority of our group's waste management policy today revolves around reusing supplier packaging. Through this approach, we suc-

ceeded in limiting cardboard waste and industrial waste to 80 m³ (40 m³ per category) in 2020. Volumes produced were strictly identical to 2019.

→ Responsible packaging

When packaging our own products for dispatch, we do not use polystyrene chips which could be scattered when a package is opened or during transport, polluting African rural environments. Our packaging materials are recyclable and, where possible, reusable (essentially wood, cardboard, etc.) Pallets are compliant with the International Standard for Phytosanitary Measures No. 15.



UDUMA: a service emitting 1,000 times less CO₂ than the mainstream solution



A woman drawing water using a foot pump run by UDUMA.



A woman drawing dirty water from a village well.

What is the mainstream solution

Right now, in sub-Saharan Africa, 55% of those living in rural areas do not have access to basic drinking water (Joint Monitoring Programme, UNICEF, WHO, 2019). Consequently, the solution competing with the service provided by UDUMA, **the mainstream solution, is the consumption of surface water** (rivers, ponds, etc.) **and subsurface water** (village wells). In order to compare like for like, we have to assume the hypothesis that with the mainstream solution villagers have to boil the water to make it drinkable.

CO₂ footprint

UDUMA solution

Mainstream solution

Water collection

No energy consumed in the drawing of the water as the pump is hand-powered. This is not the case though with standpipes which require a motorised Drinking Water Supply system.
We estimate that the UDUMA service emits on average 0.283 g CO₂ per litre of water supplied.

Users travel to the water point on foot and draw water.
Therefore, this solution does not require any energy other than that expended by the user.

Water purification

The water is pumped up from deep boreholes. At these depths, apart from in exceptional circumstances, the water usually meets drinkability standards. The solution does not therefore require any non-natural processes to make the water safe to drink.

The user will generally make a fire from wood to boil the water and make it drinkable, thus emitting 0.297 kg CO₂ per drinkable litre.

End of life of the two solutions

The various components of the UDUMA service are reused locally.

No end of life.

We can therefore consider that the end of life CO₂ footprints of the two solutions are zero.

Life cycle of the two solutions

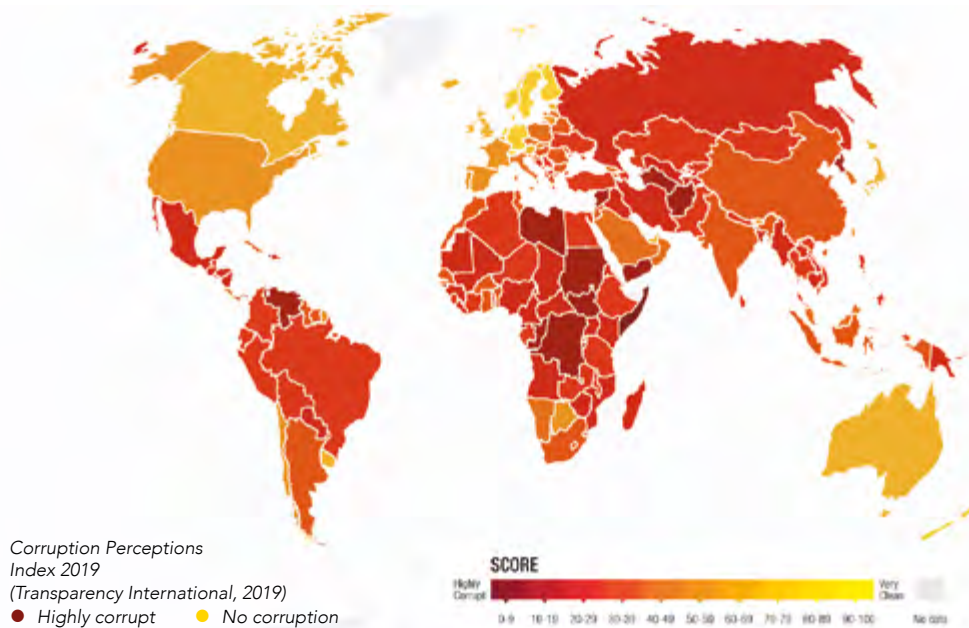
The UDUMA **solution** emits 0.283 g of CO₂ per drinkable litre of water

The mainstream **solution** emits 297 g of CO₂ per drinkable litre of water



GOOD GOVERNANCE

ODIAL SOLUTIONS Group meets the transparency requirements of its international financial backers and has set up its own in-house alert system (under France's Sapin II law) and, through its UDUMA subsidiary, has put in place an efficient response to fraud and clientelism in the management of water in sub-Saharan Africa.



International tenders require transparency

Most of our group's business (more than half our revenue) is generated by responding to international tenders put out by financial institutions such as the WORLD BANK, the AFRICAN DEVELOPMENT BANK, the ISLAMIC DEVELOPMENT BANK, etc. These major international institutions have been zealously fighting fraud and corruption since the late 1990s. As well as inserting suspensive conditions into their tenders, they have also created bodies to investigate these issues, such as the WORLD BANK's Integrity unit and the AFRICAN DEVELOPMENT BANK's Integrity and Anti-Corruption Department.

Moreover, when we respond to a call for tenders issued by one of these international institutions, we and all the other candidate companies sign a charter stating explicitly that we will comply with a set of strict ethics guidelines. In doing this, we rule out both corruption and all forms of fraudulent, collusive, coercive and obstructive practice. These commitments are particularly important to us. We cannot afford to run the risk of, for example, being struck off the list of companies eligible to respond to WORLD BANK tenders.



GOOD GOVERNANCE

Setting up an alert system (Sapin II Law)

The Sapin II Law (passed in November 2016 and addressing transparency, the fight against corruption and economic modernisation) requires all French companies with more than 50 members of staff to set up an alert system to combat corruption, money-laundering and influence peddling, etc. ODIAL SOLUTIONS Group voluntarily rolled out its alert system in 2020 although, technically, none of the companies making up the group have more than 50 employees.

This mechanism guarantees protection for whistle-blowers. It includes a procedure to make sure concerns can be passed on confidentially while protecting the identity of the person raising such concerns. Alerts are gathered and processed by a single ethics lead, who could face professional and even criminal sanctions if they fail to do their duty.

How UDUMA brings transparency

The UDUMA model's viability and durability are based on the fact that the villagers pay for every litre of drinking water drawn at any water distribution point managed by UDUMA. Although the sums collected are modest, they are sufficient to pay the pump operators, repair technicians and kiosk staff, and also to purchase the necessary parts, payment terminals, etc. Complete transparency in the transactions between the villagers and the pump operators is therefore a prerequisite of the UDUMA model.

This transparency is guaranteed by the automatic correlation between the volumes of water drawn at an UDUMA water point and the volumes of water billed by the pump

operator responsible for this same water distribution point. Because of this, it is impossible for pump operators to distribute water other than through a transaction recorded by UDUMA. The transaction is all the more transparent since it is entirely electronic (cashless payment).

Consequently, the UDUMA model intrinsically brings transparency to the water management sector in sub-Saharan Africa, the area of the world that needs it most (Corruption Perceptions Index 2019, Transparency International). It also enables public authorities and financial backers to check installations are working and ensure funds have been spent correctly.

BOUM:

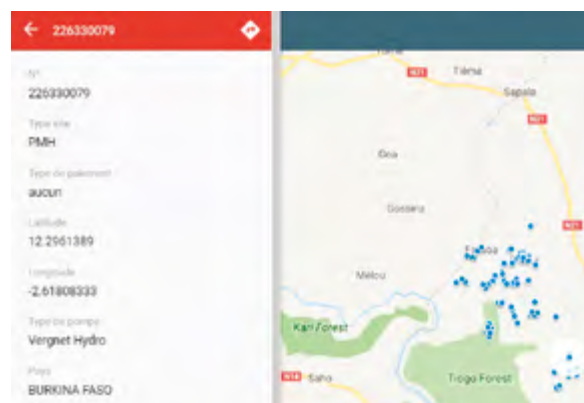
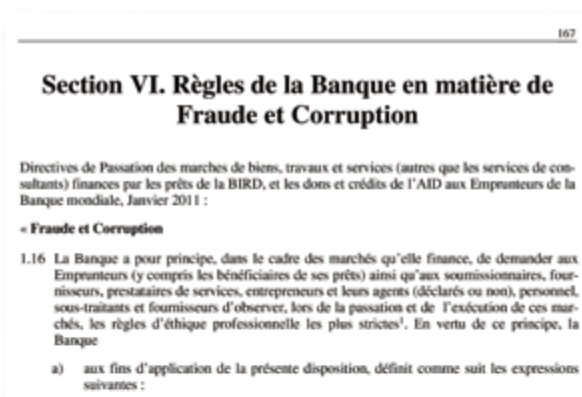
Working together to build the new group strategy

In June 2020, ODIAL SOLUTIONS Group management launched its "Business Orienté Utile pour notre Monde" (business that aims to be useful to the world) or BOUM. The project involves all employees in creating the company's Purpose Statement (see page 5) and breaking this down into strategic priorities by 2030. This of course means incorporating into these strategic priorities the positive and negative impacts the group's business activity has on the environment and on basic rights. Defining the Purpose Statement and the strategic priorities is an affirmation of the group's active commitment to CSR.

The new strategy has been drawn up in five steps:

- defining the group's Purpose Statement,
- mapping the stakeholders,
- defining business and societal needs,
- identifying risks and opportunities throughout the value chain,
- producing a vision of shared values.

Extract from
a bid submitted
in response to
a tender by
the AFRICAN
DEVELOPMENT
BANK.



Application used to monitor consumption in real time at various water distribution points managed by UDUMA.





Laure BAUVILLARD

After 18 years' experience abroad, notably while training as an Agriculture and Environment Engineer, Laure joined VERGNET HYDRO in January as Operations Division Manager. Her skills in managing teams and projects will help us optimise our business.



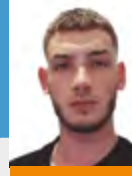
Julien BAZZONI

A Mechanical Design Engineer, Julien joined VERGNET HYDRO's Bids and Projects Office in June on his return from an international voluntary sector assignment with a company in Brazil.



Fofana DAOUDA

A trained financial auditor, Fofana worked with an audit firm for five years before holding the posts of Finance Manager and Executive Director in several companies in Côte d'Ivoire. He has been Deputy Manager at SAHER since February.



Mathieu FAUQUENOY

Mathieu, who obtained a professional degree in Mechanical Design (IUT Orléans) in 2020, spent three years on a work-study programme with a design office, focusing on designing specialist machines for the hydraulic sector. In September Mathieu took up the role of Technical Designer within the VERGNET HYDRO design office.



Alexis FRIEDMANN

Accumulating some 10 years' experience in Africa managing international technical assistance and cooperation projects, Alexis was involved in rural development, village water systems, landscaping and private sector support projects. He joined VERGNET HYDRO in December as Area Sales Manager.



Romain LABRO

Romain is studying for a professional degree in Mechanical Design (IUT Orléans) and completing a technology degree in Mechanical Engineering and Production Automation. He has been an Apprentice Technician at VERGNET HYDRO's design office since September.



Orhiane LEFEUVRE

After completing a course in Applied Foreign Languages (with an International Trade option), Orhiane joined ODIAL SOLUTIONS' Marketing and Communications department for a two-year work-study programme leading to an HND in Communications at AFTEC (Orléans). Her apprenticeship contract began in January.



Brigitte MAINGUET

After obtaining a Master's in International Trade Sciences and Techniques, Brigitte worked for 20 years as a sales assistant in various sectors, specialising in drawing up bids for tenders in France and abroad. She joined VERGNET HYDRO in September as a Bids and Administration Assistant.



Cheick Ahmed OUEDRAOGO

Holding a Projects Management, Human Resources and Geography degree, Cheick took part in the UNICEF-UDUMA Action Research Project in the South-West region before joining VERGNET BURKINA in June 2020 as Operational Manager for the Centre-North region.



Sylvain SEBGO

A History Degree graduate, Sylvain has been Operational Manager for the drinking water service provided by VERGNET BURKINA in the Centre-West region since August 2020. Prior to this he took part in the UNICEF-UDUMA Action Research Project in the Centre-North region.



Roman SNRECH

An Engineer at ENSE³, the National School for Energy, Water and the Environment (Grenoble INP), Roman joined VERGNET HYDRO's Bids and Projects Office in February after a year working in Cambodia and gaining experience in micro-businesses.



Stéphane TAMINI

After graduating in Corporate Finance and Auditing, Stéphane has gathered a range of experiences over the last two years, including as an activity leader with an NGO, an insurance advisor and a management software trainer. He joined VERGNET BURKINA in November as Assistant Accountant.



Korotimi TRAORE

Holder of a Master's in Finance Accounting and Technical Sciences, Korotimi was Accounts Manager for a large West African group for 10 years. She joined VERGNET BURKINA in September as Chief Accountant.

CSR ACTION PLANS 2018-2023



Innovate to make rural zones in Africa more attractive

- 1 **Undertake** a societal impact study into ODIAL SOLUTIONS' business activities:
 - Quantitative impact: benefiting populations, job and business creation, etc.
 - Qualitative impact: employing local people, enhancing living standards for the local population, limiting rural-urban migration, awareness raising, health impact, etc.
- 2 **Plan** for the needs of the future:
 - Continue developing services
- 3 **Raise awareness of CSR** among our partners in Africa
 - around our core activity: water and energy
 - Ensure the goods and services we propose offer maximum value for money
 - Identify local (private) players with whom we could work in synergy for a local impact



Rally members of staff around our project

- 1 **Use** in-house mini training sessions to improve staff's skills in specific areas and to promote communication on these subjects between different departments
- 2 **Improve** the induction of new arrivals into all companies within the group
- 3 **Create** a matrix of the group's current skill set and future skill requirements - strategic workforce planning (GPEC)
- 4 **Consider** organising seminars during which staff can work together on CSR strategy, and/or create topic-based working groups to run throughout the year
- 5 **Facilitate** the organisation of team-building events
- 6 **Continue** to look at how workshop handling can be optimised to maximise efficiency and safety and work on ergonomics for all job roles
- 7 **Pursue** investigations into travel optimisation to improve both efficiency and safety (personal safety and data security)
- 8 **Optimise** staff safety on work sites
- 9 **Encourage** cycling as a mode of transport ✓
- 10 **Consider** introducing a remote working policy ✓
- 11 **Extend** projects to improve staff welfare (gym, sports tournaments, table football, etc.)
- 12 **Conduct** a benchmark study into remuneration practices across similar posts to assess whether how attractive our pay scales are
- 13 **Include** CSR in job descriptions
- 14 **Look into** a humanitarian project run by staff in connection with our business area
- 15 **Build** links with social economy organisations (community-supported farming, charities, etc.)





Reduce our environmental impact


- 1 **Conduct a comprehensive analysis** of the environmental impact of the offer
- 2 **Assess** the energy efficiency of buildings
- 3 **Assess** the quality of lighting in premises
- 4 **Set up** a monitoring system for all staff travel with a view to optimisation
- 5 **Roll out** measures to reduce the environmental impact of projects and local travel
- 6 **Systematically** take into account the environment in the design of our products
- 7 **Identify** possible approaches to reduce production waste volumes
- 8 **Promote** sustainable habits (e.g. recycling) and repeat awareness-raising projects with new staff
- 9 **Set up** consumption monitoring for electricity, water, gas and other consumables (e.g. paper)
- 10 **Set** computers to print double-sided and in black and white by default
- 11 **Create** a strategy to digitise part of our documentation
- 12 **Promote** sustainable mobility solutions for day-to-day journeys



Promote good governance

- 1 **Write** a good governance charter (e.g. fighting corruption and discrimination)
- 2 **Continue** to develop service management tools that optimise services and transparency for customers and users (fault reporting, accountability, etc.)
- 3 **Formalise** a responsible sourcing charter



 This pictogram indicates the goals linked to this action have already been achieved.
All other measures in the CSR 2018-2023 Action Plans are in progress.



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