



**Talend**  
**2018 Statement of Non-Financial Performance**

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## Preliminary methodological note:

*Reporting period:* this report covers the period from 1 January 2018 to 31 December 2018.

*Reporting scope:* this report covers the activities of Talend SA and its 17 international subsidiaries (which are all wholly owned directly or indirectly by Talend SA).

*Reporting tools:* the employee data comes from the various human resource management tools and software used by Talend (such as the Replicon leave management software for absenteeism data, the Learning Management System and Allego systems and the Udemy platform for online training data, the SuccessFactors HR management software for data on the annual performance review, GLINT for the results of the internal satisfaction survey); the environmental data (CO<sub>2</sub> emissions) generated by business travel come from/have been calculated using the information available in the Concur software, which manages invoices, receipts and business travel.

*Definitions of the indicators:* for each corporate and environmental indicator published in this report, definitions and/or calculation information necessary for a good understanding/interpretation of the data are supplied in the body of the text or as footnotes throughout the report.

*Comparability of information:* The performance indicators published in this report do not have historical comparability, as they were introduced in fiscal year 2018.

# 1. The Talend business model

## Our resources

**Finance capital:**

Types of shareholders	Shares held
Founders and employees	9.3%
Financial investors	8.7%
Public (free float on the NASDAQ)	82.0%

**Industrial capital:**

- 17 subsidiaries in 16 countries in Europe (EMEA), North America (NAM) and Asia-Pacific (AP)
- 21 offices and datacentres in 13 countries

**Intellectual capital:**

- 277 R&D employees in France, Germany and China
- \$42.4 million in R&D expenditure

**Human capital:**

- 1,169 competent and committed employees
- 27% of employees are women

**Social and relationship capital:**

- Over 3,000 customers in over 60 countries
- Many partners for the development and distribution of our products
- A global user community
- Foundations of which we are members

**Natural capital:**

- Use of electricity by our offices and datacentres

**Governance capital:**

- Management team and Board of Directors
- 3 committees: Audit, Compensation, Appointment and Governance
- Code of conduct and ethics
- Anti-corruption policy

**Key issues and outlook: 4 trends which are reshaping the IT industry**

- Amount and availability of data
- Cloud platforms
- Big data technologies
- Self-service tools

➔ Opportunities for data integration and analysis in all industries

Our Mission:	Our growth strategy:	Our values:
To supply our customers with better data, which is more reliable and more readily available to bring added value to the company	<ul style="list-style-type: none"> <li>- Retain our technological leadership</li> <li>- Extend and enhance our customer base</li> <li>- Widen our ecosystem of partners</li> <li>- Continue our international growth</li> <li>- Maintain our open source community</li> </ul>	<ul style="list-style-type: none"> <li>- Delight our customers</li> <li>- Be a winning team. And have fun!</li> <li>- Making the right choices</li> <li>- Doing things well</li> <li>- Innovating</li> </ul>

Leader in the Forrester Wave™: Big Data Fabric, Q2 2018

Products: Talend Data Fabric	Solutions	Services
<ul style="list-style-type: none"> <li>- Data/Big Data Integration</li> <li>- Cloud Integration</li> <li>- Application Integration</li> <li>- API Services</li> <li>- Master Data Management</li> <li>- Data Catalog/Preparation</li> <li>- Open Source Products</li> </ul>	<ul style="list-style-type: none"> <li>- Cloud Solutions</li> <li>- IT Solutions: big data, IoT and real time, data governance, etc.</li> <li>- Business solutions: risks and compliance, sales and marketing, finance, HR, etc.</li> </ul>	<ul style="list-style-type: none"> <li>- Training</li> <li>- Technical support</li> <li>- Consultancy</li> </ul>
Markets	Distribution channels	Competition
<ul style="list-style-type: none"> <li>- Companies operating in a range of industries, from food processing to construction, health to hospitality, industry to transport, etc.</li> </ul>	<ul style="list-style-type: none"> <li>- Direct sales in 16 countries in North America, Europe and Asia</li> <li>- Indirect sales via partners: technological alliances, value-added resellers, systems integrators</li> </ul>	<ul style="list-style-type: none"> <li>- Large, diversified IT companies</li> <li>- Specialist data integration companies</li> <li>- New niche data integration technologies</li> </ul>

Leader of the Gartner Magic Quadrant report for Data Integration Tools 2018

Stakeholders	Main expectations
Shareholders	Transparency, strategy, compliance, ethics and profitability
Employees	An enriching work environment, career development, work-life balance, pay conditions and benefits
Customers	Simple, flexible solutions which meet their specific expectations Swift, effective training and customer support
Business partners	Development and marketing of new products and solutions
Foundations/associations of which Talend is a member	Development and improvement of open source software, standardisation/specifications (e.g. AFDEL, Apache Foundation, ASC X12, Eclipse Foundation, OSGI Alliance, OW2)

## Our value creation

**Finance capital:**

Revenue:	Sharing value
\$204.3 million	Operational expenditure (including employees): \$196.4 million
Gross margin: \$154.8 million	Investments: \$64.5 million
Net income: -\$40.4 million	Income tax: -\$0.3 million
	Shareholders: no dividends

**Industrial capital:**

- Revenue breakdown: EMEA 47%, NAM 46%, AP 7%
- Continued international growth

**Intellectual capital:**

- Many registered trademarks and internet domain names
- 2 patent applications pending

**Human capital:**

- 20,340 training hours
- 96.5% of employees assessed on their performance
- Employee satisfaction and motivation (acknowledged by HappyIndex® AtWork and AgileIndex® labels)

**Social and relationship capital:**

- +39% of income from product subscriptions between 2017 and 2018
- Unrestricted access to our open source products

**Natural capital:**

- Limitation of greenhouse gas emissions (Scope 2 from the purchase of electricity) by transferring our datacentres online and centralising them

**Governance capital:**

- Doing business in a transparent way, with strong ethical values and in line with local regulations

(all figures are for 2018)

## 2. Main social, environmental and societal risks, policies and results

The financial and non-financial risk factors related to our activities are reviewed and analysed on an annual basis as part of the filing of Talend SA's annual report with the United States Securities and Exchange Commission (Form 10-K since the financial year 2018, formerly Form 20-F). For the purposes of this SNFP, the identification of the social, environmental and societal risks listed in the table below was carried out on the basis of the extra-financial risks extracted from the Form 10-K, completed by a benchmarking of other companies' risks, a review of material SNFP themes (as listed in Articles L225-102-1 and R225-105 of the French Commercial Code) and finally an analysis of the risks potentially related to each theme.

Risks	Policies/Actions	Key Performance Indicators	2018	SNFP section
<b>Employment topics</b>				
Failure to comply with local employment regulations	<ul style="list-style-type: none"> <li>* Local management (within each subsidiary) of employment conditions</li> <li>* Application (as a minimum) of local regulations on organisation of working times (hours, rest days, leave, etc.), minimum wage, labour relations (e.g. collective agreements), right to training, employment of people with disabilities, etc.</li> </ul>	Number of proven cases <sup>1</sup> of failure to comply with local employment regulations	0	-
Inability to attract and retain talent	<ul style="list-style-type: none"> <li>* Dynamic, attractive company</li> <li>* Training and professional development programmes</li> <li>* Annual performance review</li> <li>* Mobility and professional development</li> <li>* Internal satisfaction survey</li> <li>* Attractive wage policy</li> <li>* An enriching working environment (HappyIndex® AtWork and AgileIndex® labels)</li> </ul>	Recruitment rate <sup>2</sup> (%)	42%	3.1 - 3.4
		Rate of departures <sup>3</sup> (%)	14%	
		Number of training hours <sup>4</sup> (h)	20,340	
		Percentage of eligible employees <sup>5</sup> who have had an annual performance review (%)	96.5%	
		Absenteeism rate <sup>6</sup> (%)	1.4%	

<sup>1</sup>By an injunction or fine imposed by the local authorities/relevant social services

<sup>2</sup>Number of new employees divided by the average workforce over the period in question (2018)

<sup>3</sup>Number of departures (voluntary and involuntary) divided by the average workforce over the period in question (2018)

<sup>4</sup>Includes online training hours, as well as general HR training programmes; data for face to face training managed locally at division level is not available for 2018

<sup>5</sup>Full- and part-time employees taken on before 1 October of the year in question (2018)

<sup>6</sup>Number of hours of absence for unforeseen reasons (illness, personal reasons, unpaid leave, etc.) divided by the total number of planned hours over the period in question (2018)

Risks	Policies/Actions	Key Performance Indicators	2018	SNFP section
<b>Employment topics (seq.)</b>				
Incident of discrimination/unequal opportunity	<ul style="list-style-type: none"> <li>* Anti-discrimination policies</li> <li>* 'Diversity and Inclusion' programme</li> <li>* Employment of people with disabilities</li> </ul>	Percentage of female employees (%)	27%	0
		Percentage of female managers <sup>7</sup> (%)	28%	
Workplace accidents/occupational illnesses	<ul style="list-style-type: none"> <li>* Health and safety committees, health and safety policies, risk assessment records, etc. for each country</li> <li>* Business travel policy</li> </ul>	Number of occupational accidents <sup>8</sup> with absence <sup>9</sup> for Talend employees (#)	0	3.6
		Number of instances of occupational illnesses <sup>10</sup> for Talend employees (#)	0	
<b>Environmental issues</b>				
Availability and changes in the price of energy required to run the datacentres	<ul style="list-style-type: none"> <li>* Virtualisation, outsourcing and centralisation of the datacentres</li> <li>* Replacement of old equipment with more energy-efficient servers</li> </ul>	Energy used by datacentres (kWh)	NA <sup>11</sup>	4.1
Impact of natural disasters/extreme climate events on Talend's activities	<ul style="list-style-type: none"> <li>* Datacentres in Europe located in areas not exposed to natural disasters/extreme climate events (Suresnes in France, Bonn in Germany)</li> <li>* Offices and datacentres comply with applicable seismic standards in high-risk areas (e.g. San Jose in the United States, Beijing in China, Tokyo in Japan)</li> <li>* Business recovery plans in place in the event of a disaster</li> </ul>	-	-	-

<sup>7</sup>Employees with direct subordinates

<sup>8</sup>Accident affecting the employee due to or during their work, irrespective of the cause

<sup>9</sup>Occupational accident requiring at least one day's absence from the day following the accident

<sup>10</sup>Illness as a result of exposure of any duration to a risk in the usual course of work

<sup>11</sup>This information was not available for 2018 – see section 4.1 for further details

Societal topics				
Failure to protect personal data (particularly in the context of the General Data Protection Regulation - GDPR, in the European Union)	<ul style="list-style-type: none"> <li>* Creation of a dedicated data protection team</li> <li>* Data protection policies and procedures in place</li> <li>* Identification and mapping of all our activities involving personal data processing</li> <li>* Transparency on the collection, use and protection of employee, user and partner data</li> <li>* Protection of data transfers outside the European Union</li> <li>* Requirement of all third parties with which we share personal data to comply with data management regulations</li> </ul>	-	-	5.1

### 3. Employee information

#### 3.1 Employment

##### *Employees and turnover rate*

Indicators	2018
Total headcount on 31/12 <sup>12</sup>	1,169 (100%)
Female employees	316 (27%)
Male employees	853 (73%)
Employees aged under 30	204 (17%)
Employees aged 30-50	769 (66%)
Employees aged over 50	196 (17%)
Europe headcount <sup>13</sup>	512 (44%)
North America headcount <sup>14</sup>	442 (38%)
Asia-Pacific headcount <sup>15</sup>	215 (18%)
Employees on permanent contracts <sup>16</sup>	1,167 (99.8%)
Employees on fixed-term contracts <sup>17</sup>	2 (0.2%)
Number of new employees <sup>18</sup>	431
Recruitment rate <sup>19</sup>	42%
Number of departures <sup>20</sup>	141
Rate of departures <sup>21</sup>	14%
Ratio of Recruitments/Departures	3.1

Total employee numbers rose 32% in 2018, from 886 employees on 31/12/2017 to 1,169 employees on 31/12/2018. With 17 subsidiaries and 21 offices in 16 countries, and sustained international expansion, our employees work in Europe (44%), North America (38%) and Asia-Pacific (18%).

In light of our rapid growth in a fast-changing, competitive market, it is of crucial importance that we are able to attract and retain the talent which makes up our teams and enables us to move forward. For this purpose, and with the slogan "Work, have fun, change everything!", we offer potential employees a

<sup>12</sup>Number of salaried Talend employees on 31/12/2018, on permanent or fixed-term contracts (including interns), full- or part-time; temporary staff are not included

<sup>13</sup>Germany, Denmark, Spain, France, Ireland, Italy, Netherlands, United Kingdom, Sweden, Switzerland

<sup>14</sup>Canada, United States

<sup>15</sup>Australia, China, India, Japan, Singapore

<sup>16</sup>Employee engaged by Talend for an indeterminate period

<sup>17</sup>Employee engaged by Talend for a specific limited period

<sup>18</sup>Number of new employees (on permanent or fixed-term contracts, full- or part-time) who took up their posts during the period in question (2018)

<sup>19</sup>Number of new employees divided by the average workforce over the period in question (2018)

<sup>20</sup>Number of employees (on permanent or fixed-term contracts, full- or part-time) who left the company (voluntarily or involuntarily) during the period in question (2018)

<sup>21</sup>Number of departures divided by the average workforce over the period in question (2018)

chance to join a market leader in Cloud and Big Data integration software, which is recognised in the industry for its rapid growth and its open source solutions. An attractive wage policy, international career and professional development opportunities, and an enriching, human-orientated, responsive working environment shaped by innovation are all assets which enable us to retain the talent we need in order to grow.

In 2018, Talend was awarded the HappyIndex®AtWork and AgileIndex® labels, in recognition of our excellence in managing and motivating our employees and our flexible business model. Talend was awarded the HappyIndex®AtWork label by choosemycompany.com, in France, the United Kingdom and Germany, which rewards the best companies to work for. The HappyIndex®AtWork label is based on employee opinions, and measures commitment, management and motivation at work. In France, with a score of 8.84 out of 10 and a recommendation rate of 93%, Talend was ranked 4<sup>th</sup> out of 880, for companies or groups with 200 to 499 employees (employees in France). The company was also an award-winner in the AgileIndex® category, which recognises the organisations in which teams feel the most agile.

With the rapid growth we have undergone, it is critical that we continue to develop and maintain a culture of openness, flexibility and collaboration, which are part of Talend's values. In the HappyIndex®AtWork report, Talend was particularly praised by its employees for being a human company guided by innovation. These values make employees want to remain, grow and develop their careers at Talend.

In 2018, we recruited 431 new employees (a recruitment rate of 42%) and had 141 departures (a departure rate of 14%), giving a recruitment:departure ratio of 3:1. Of the departures, 79% were voluntary and 21% were involuntary. The main reasons for voluntary departures were better career opportunities (50%), a career change (22%) or personal reasons, such as relocations (23%).

### *Wages*

Our wage policy is aligned with market practices, and has been reviewed and approved by the management team. At the end of June 2018<sup>22</sup>, average wages for Talend employees were over US\$120,000 annually per employee.

## 3.2 Organisation of work

### *Organisation of working time*

In terms of organisation of working time (hours, rest periods, paid leave, etc.), we adapt our rules and policies to the countries in which we operate, and we apply, as a minimum, the local employment regulations.

Most of our operations take place in industrialised countries in Europe, North America and Asia-Pacific, where employment regulations, although different from one country to another, are clearly defined, well established, and do not give rise to major risks of employee abuse. Specific provisions on the organisation of working times are in place in some countries, for example:

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<sup>22</sup>Data used for the annual gender wage equality survey



- in France, we have a workplace agreement on the adjustment and reorganisation of working time, a standby and call-in policy, a charter on remote working from home (containing conditions on the eligibility, frequency, and the organisation of remote working), a charter on the right to disconnect, and a maternity charter (covering work adjustments and the duration of maternity, paternity and parental leave);
- in the United Kingdom and Germany, the terms governing the organisation of working time (hours, rest time, paid leave, special leave e.g. in the event of illness) are stated in employment contracts, and there are specific provisions for employees working from home or on customer premises;
- in the United States, the terms for organising working time are outlined in the Employee Handbook, and cover hours (including the flexibility of working hours), overtime (for eligible employees), paid and special leave (illness, parental, family reasons, etc.).

We also have operations in China and India, where 8% and 5% of our employees work respectively. These countries potentially pose more risks in terms of working conditions. In these countries, we implement the required provisions to ensure that working times allow for decent hours with sufficient rest periods. The 40 hour working week with two rest days per week is in force for our employees in China and India.

*Absenteeism*

Indicators	2018
Hours of absence for unforeseen reasons <sup>23</sup>	25 315
Absenteeism rate <sup>24</sup>	1.4%

In 2018, our employees accumulated 25,315 hours of absence for unforeseen reasons (around 3,164 days of absence), leading to an absenteeism rate of 1.4%.

The main reasons for unforeseen absences were illness (around 70%) and unpaid leave (around 20%).

**3.3 Workplace relations**

The regulatory framework for dialogue between employers and employee representatives varies between countries. However, over and above adherence to local labour legislation, Talend is dedicated to respecting freedom of association, collective bargaining and collective representation of its employees. We apply these principles in all countries in which we operate, in Europe, the United States, China and India.

<sup>23</sup>Absences for unforeseen reasons include illness, workplace accidents, personal reasons (whether or not reasons were given), unpaid leave, strikes, etc. Planned absences (paid leave, public holidays, days off in lieu, maternity/paternity/parental leave) are not included in this indicator

<sup>24</sup>Hours of absence for unforeseen reasons, divided by the total number of planned hours over the period in question (2018)

In all countries in which we operate, social dialogue takes place via discussion groups, information meetings, emails sent to all employees, etc. Specific social dialogue provisions are in place in some countries. For example in France, our employees are covered by the Syntec Federation National Collective Agreement, applicable to employees of technical design offices, consulting-engineering firms and consultancy companies. We also have two social and economic committees. These are employee representative bodies that have replaced the employee representatives and health, safety and working conditions committee since 2019.

At Group level, an internal satisfaction survey was introduced in 2017 to obtain employee feedback and analyse commitment and satisfaction levels. This survey, sent to all Talend employees, is short (22 questions on a wide range of topics such as collaboration, innovation, management, business culture, career development, work-life balance, etc.), quick to complete (under 5 minutes) and confidential (anonymous and managed by a third party) - the objective being to achieve the highest possible level of participation. The results are analysed and shared with employees, and action plans are developed in response to improve working conditions and employee satisfaction levels. This survey takes place twice a year to measure the progress and effectiveness of the action plans implemented.

The survey conducted in October 2018 had a participation rate of 80% (compared to 85% for the April 2018 survey), and the results were relatively stable compared to the two previous surveys. Of the 19 questions with a benchmark, the Talend results were in line with or above the benchmark for 14 questions and slightly below the benchmark for 5 questions. In particular, 79% of our employees are happy to work for Talend, and 80% would recommend Talend as a company that is good to work for.

3.4 Training and professional development

Indicators	2018
Total number of training hours <sup>25</sup>	20,340
Percentage of eligible employees <sup>26</sup> who have had an annual performance review (%)	96.5%

*Training*

The Talend training offering is made up of online training and scheduled face to face training programmes, delivered internally or by external providers:

<sup>25</sup>Includes online training hours, as well as general HR training programmes; data for face to face training managed locally at division level is not available for 2018

<sup>26</sup>Full- and part-time employees taken on before 1 October of the year in question (2018)

- we offer in-house technical training courses online which are specific to our operations. In 2018, our employees received almost 17,290 hours of online training on our products, solutions and sales and customer service processes;
- we also use the Udemy online training platform to give our employees access to over 3,000 training programmes on a range of topics (technical and non-technical) delivered by external experts. Each training programme lasts from 30 minutes to 40 hours, and is made up of several individual sessions which usually last less than 10 minutes and can be taken any time and anywhere. Since the launch of 'Udemy for Business' in May 2018 and until the end of 2018, Talend employees have registered for over 2,000 sessions on Udemy and almost 24,000 individual lessons have been taken, totalling 1,960 training hours;
- we organise centralised face to face training programmes on general HR topics. In 2018, two programmes were delivered in this way to a total of almost 100 employees on the basics of management (two-day training session attended by 33 employees) and on self-leadership (one-day training session attended by 64 employees), for a total of 1,090 training hours;
- at the division level (sales, marketing, customer relations, etc.), specific face to face training programmes may also be arranged locally for our employees, but also for our customers and partners.

In 2018, our employees received around 20,340 training hours via online training and general HR training programmes<sup>27</sup>.

#### *Annual performance review*

All Talend employees hired before 1 October receive an annual performance review for that year (employees hired after 1 October are under no obligation to have one, but may do so voluntarily). For 2018, 96.5% of employees concerned (1,010 employees out of 1,047 eligible employees) had an annual performance review in early 2019.

The annual performance review is a key component of career development at Talend. For each employee, the process is an opportunity to review achievements and successes over the past year, and look at how the employee applies the Talend values to his or her work; it is also a time to look at areas for improvement and career development opportunities. The process involves a self assessment by the employee, an evaluation by colleagues selected by the manager, a review by the manager, an analysis by the HR teams, and individual interviews between each employee and their manager.

The annual performance review process is a key tool which helps the Talend HR teams develop mobility, development and succession plans.

We also have the Talend Management by Business Objectives Bonus Program, which recognises the attainment of individual and/or group objectives.

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<sup>27</sup>The data for face to face training managed locally by the divisions is not available for 2018.

3.5 Non-discrimination and equal treatment

Indicators	2018
Percentage of female employees (%)	27%
Percentage of female managers <sup>28</sup> (%)	28%

*Non-discrimination*

The main principles of non-discrimination and equality are included in the Talend Code of Conduct and Ethics, most recently updated in 2018 : "Talend is committed to providing a working environment that is free of discrimination and harassment. Talend is an employer which offers equal opportunities, and which allocates career development opportunities on the basis of merit and operational requirements. Moreover, Talend strictly prohibits any form of discrimination or harassment, either on the basis of race, colour, experience, religion, gender, sexual orientation, age, physical or mental disability, health status, social background, marital status, or any other characteristic covered by applicable laws".

In the United States, managers receive training every two years on the prevention of all forms of discrimination, harassment and retaliation, in accordance with applicable law in California. Further, all employees must complete periodic training on sexual harassment.

*Gender equality*

Convinced that gender balance leads to a better working environment and improves the company's performance, Talend places great importance on the principle of diversity and inclusion, and upholds equal gender treatment. At the end of 2018, 27% of Talend employees were women, and 28% of managers were women (a 4% increase on 2017). Compared to the main technology companies, the percentage of female managers at Talend is comparable to the best (19% to 36% depending on the company), but the total percentage of women is among the lowest (26% to 45% depending on the company)<sup>29</sup>. These figures reflect the efforts that have been made for several years in terms of diversity and inclusion, but also show that there is room for improvement. Therefore, a specific 'Diversity and Inclusion' programme was launched in 2019, which includes, amongst others, the following components:

- involvement in events to promote diversity and the inclusion of women in the technology sector, such as "WomenHack" in Paris (France), "Women of Silicon Valley" in San Francisco (United States) and "European Women in Technology" in Amsterdam (Netherlands);
- monitoring and improvement of the gender balance within our in-house and external talent pools;
- elimination of subconscious gender bias in our recruitment and internal mobility processes;
- annual gender wage equality survey.

The annual wage equality survey for 2018, conducted in partnership with specialist company Syndio, covered all Talend employees in all divisions, and did not identify any gender wage equality problem. The wage differences identified were considered as random, according to the statistical analysis.

<sup>28</sup>Employees with direct subordinates

<sup>29</sup>Source: recode, How Facebook compares to other tech companies in diversity, April 11 2018

*Employment of people with disabilities*

Depending on the country, legislation may or may not authorise the identification and monitoring of people with disabilities within the company. Therefore, it is difficult to define a consistent overall indicator to monitor progress in this area.

In France, we work with the ESAT, a structure which enables people with disabilities to work while receiving medical, social and educational support in a protected environment. This structure is for people who do not have the level of autonomy necessary to work in an ordinary employment environment or in a company suited to their needs.

In the United Kingdom, we follow local regulations and the best practices promoted by Acas (Advisory, Conciliation and Arbitration Service – an independent body which provides information and advice on workplace regulations and relations) in terms of non-discrimination towards people with disabilities.

3.6 Health and safety

Indicators	2018
Number of occupational accidents <sup>30</sup> with absence <sup>31</sup> for Talend employees (#)	0
Number of instances of occupational illnesses <sup>32</sup> for Talend employees (#)	0

In 2018 we recorded no employee occupational accidents with absence either in our offices, our customers' offices or during business trips. We recorded one accident between home and the workplace in France. We did not record any employee occupational illnesses.

In comparison with industrial activities at a plant, for instance, our activity - the development and marketing of IT solutions - does not expose our employees to a significant risk of occupational accidents or illnesses. This does not mean, however, that we neglect the health and safety of our employees because an accident can still occur in the offices or during business trips.

Thus we take the necessary steps to protect employee health and safety in our offices. Examples include:

- in France, we have two social and economic committees. These are employee representative committees that replace the health, safety and working conditions committee. Clearly identified employees are responsible for health and safety at work, the rules of application of which are set out in the rules of procedure. We also work closely with the company doctor;
- in the UK we keep an up-to-date risk assessment register for our offices and have a detailed health and safety policy which explains the risk identification and management procedure and the health and safety regulations employees must follow;
- in Germany a dedicated health, safety and working conditions committee meets every quarter to discuss health and safety issues and implement any corrective action necessary. There are agreements

<sup>30</sup>Accident suffered by an employee due to or while doing their work, regardless of the cause; this includes accidents in Talend's offices, customers' offices or during business trips, but does not include accidents during the daily commute between home and work

<sup>31</sup>Occupational accident requiring at least one day's absence from the day following the accident

<sup>32</sup>Illness as a result of exposure of any duration to a risk in the usual course of work

in place with the occupational medicine centre in Bonn and an external workplace safety specialist. In addition, clearly identified qualified employees are responsible for health and safety matters in the offices (e.g. first aider, fire safety specialist);

- in the United States, statutory posters from the Labor Law Center display the health and safety at work rules in the offices.
- in China we conduct periodic checks of the fire safety equipment (extinguishers, etc.) and electrical installations and run regular fire evacuation exercises. We have also installed air filters to improve the internal air quality.

Furthermore, employee safety is a key element of our business travel policy which was updated in January 2019. It sets out, for example, rules for taking out accident insurance when hiring a car, the procedure to follow if involved in a car accident and the number of Talend employees permitted to travel on the same flight. In addition, all Talend employees are covered by a company insurance policy for accidents occurring while on a business trip.

## 4. Environmental information

### 4.1 Energy consumption and climate change

#### *Energy consumption of the datacentres - Scope 2 greenhouse gas emissions*

The main environmental impact specific to our activity - the development and marketing of IT solutions - is the electricity consumption required to supply and cool our server rooms/datacentres, and the resulting greenhouse gas emissions (Scope 2 linked to the purchase of electricity).

As of the end of 2018 we owned three physical server rooms which are managed internally and located at our offices in Suresnes (France), Bonn (Germany) and Peking (China). We also have servers hosted in external physical datacentres in the United States which belong to, and are managed by, the companies Equinix and Contegix. Lastly, we use virtual datacentres via Cloud solutions hosted by Amazon (Amazon Web Services "AWS"), Google (Google Cloud Platform) and Microsoft (Microsoft Azure).

We do not currently monitor the electricity consumption of our datacentres, firstly because the data is not readily available and<sup>33</sup> secondly because of our medium-term datacentre management strategy.

In fact, we plan to centralise and outsource our datacentres by 2020 (subject to budget approval). The servers at our two internal datacentres at Suresnes and Bonn will be moved to an external centralised host for the EMEA area (location still to be decided) and managed by a specialist company. We will do likewise in China, where we wish to move our internal servers currently located at our Peking premises to an external datacentre covering the Asia-Pacific region. We are going to keep our outsourced datacentres in the United States and increase our use of virtual servers on the Cloud.

In the medium term, our strategy to centralise, outsource and virtualise our datacentres should mean we would no longer have physical servers managed internally in our offices. Although this means transferring the responsibility for server management (and therefore their energy consumption) to our service providers, we firmly believe this will ultimately reduce the electricity consumed by our servers. Indeed, by centralising the physical servers for the EMEA area on the one hand, and entrusting the management of the (physical and virtual) servers to specialist companies using the best technologies available (less energy consuming) on the other, we are sure that the centralised, outsourced servers will be more energy-efficient than the internal servers we currently use.

In the short term (awaiting the actual implementation of our medium-term strategy) we are replacing the oldest equipment with more powerful and more energy-efficient servers.

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<sup>33</sup> For our internal datacentres located in the offices we rent (Suresnes, Bonn, Peking), the consumption specific to the datacentres is not available as it is included in the electricity bill for the total office consumption (and sometimes the electricity cost is included in the rent). For our external datacentres in the United States, we pay a fixed monthly amount and do not have direct access to our electricity consumption figure. For the Cloud solutions hosted with Amazon, Google and Microsoft, we do not have our own clearly-dedicated physical servers so the figure for the associated electricity consumption is not available.

### *Business travel - Scope 3 greenhouse gas emissions*

Our sales and technical teams are required to visit our customers regularly and our employees travel between subsidiaries for different projects, seminars and other internal events. Business travel is therefore potentially significant and an environmental aspect specific to our activity.

Business travel is made by plane, train, private car or hire car/taxi. Based on the information available from the Concur business travel and expenses management software, we estimated that the CO<sub>2</sub> emissions linked to business travel (Scope 3) for 2018 were 2,900 tCO<sub>2</sub> for plane travel, 100 tCO<sub>2</sub> for private cars and less than 50 tCO<sub>2</sub> for train travel<sup>34</sup>.

We apply basic principles and use our common sense to ensure that travel is made to meet operating requirements only and the environmental impact is kept to a minimum.

- the use of online discussion tools and video conferencing is encouraged wherever possible;
- we encourage travel by train rather than plane when the distance/travel time permits or demands (e.g. travel from the Suresnes office to the Nantes office in France);
- car-sharing is encouraged when several employees are travelling to the same place;
- Our business travel policy also asks all employees to limit their travel for meetings and internal events.

## 4.2 Other environmental topics

Other than datacentre management and business travel, our operations are merely standard office activities to which the following environmental topics apply:

- consumption of paper, office supplies and IT equipment;
- water consumption for the toilets and kitchenettes;
- energy consumption for lighting, electrical/electronic appliances, heating and/or air conditioning;
- production of office waste (used paper, packaging, used electrical and electronic equipment, food waste from the kitchenettes);
- employee travel between home and office and the corresponding (Scope 3) greenhouse gas emissions.

Talend does not consider these topics to be material, firstly because of the small number and size of the offices we rent worldwide, and<sup>35</sup> secondly because these are relatively minor environmental impacts linked to all office activities and not specific to our IT solution development and marketing activity.

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<sup>34</sup>For plane travel, the CO<sub>2</sub> emissions are available directly in Concur. For travel by private car, the CO<sub>2</sub> emissions have been estimated on the basis of mileage reimbursed. For train travel, the CO<sub>2</sub> emissions have been estimated on the basis of train tickets reimbursed. We have no available figures to enable us to estimate the CO<sub>2</sub> emissions from travel by hire car/taxi.

<sup>35</sup>21 offices in 13 countries, the largest being: 4,600 m<sup>2</sup> in Redwood City (California, United States), 2,600 m<sup>2</sup> in Nantes (France), 1,700 m<sup>2</sup> in Suresnes (France)



We therefore do not monitor the indicators linked to these environmental topics and do not have any group-wide strategy or targets to reduce their impact.

This does not mean, however, that we do not take action and some of our offices have local initiatives to reduce their consumption of water, energy and office supplies, minimise waste and optimise waste management and promote alternative modes of transport. Some examples of local initiatives are given in the table below.

Offices	Examples of actions/initiatives to reduce the environmental impact of our office activities
Nantes (France)	<ul style="list-style-type: none"> <li>* Waste sorting (paper, plastic, glass, batteries, etc.)</li> <li>* Minimum printer consumption (paper, ink)</li> <li>* Still/fizzy water fountains to avoid the purchase of plastic bottles</li> <li>* Hand dryers rather than paper towels in the toilettes</li> <li>* Coffee machines that use ground coffee rather than capsules</li> <li>* Recovery of coffee grounds (employees take them home for their gardens)</li> <li>* Employees use their own water bottle/cup (to avoid disposable cups)</li> <li>* Employees favour restaurants which offer takeaways in glass containers which they return on their next visit</li> </ul>
Maidenhead (UK)	<ul style="list-style-type: none"> <li>* Sorting of recyclable waste</li> <li>* Filtered water from the tap rather than bottled water</li> <li>* Bike shed to encourage employees to cycle to work</li> </ul>
Bonn (Germany)	<ul style="list-style-type: none"> <li>* Sorting of waste (paper from plastic from other waste)</li> <li>* 'Bonnjour' building where we rent offices has DGNB Or green, sustainable building certification</li> <li>* Employees are given a travel card for free travel on public transport in the Bonn/Cologne area</li> </ul>
Sydney (Australia)	<ul style="list-style-type: none"> <li>* Sorting of waste (paper from other recyclables and from non-recyclables)</li> <li>* Member of the Green Furniture Hub, an organisation which collects and redistributes excess and/or used office supplies from offices which are being renovated or rebuilt</li> <li>* Cycling to work is encouraged with bike parking and taking part in 'Ride to Work' week</li> <li>* The management company for the building in which we rent our offices also has an environmental initiative through which it aims to become carbon neutral by 2040</li> </ul>
Redwood City (United States)	<ul style="list-style-type: none"> <li>* Waste sorting</li> <li>* Recycling of paper and ink cartridges</li> </ul>
Peking (China)	<ul style="list-style-type: none"> <li>* Paper sorting and recycling</li> <li>* Low paper consumption</li> <li>* Employee awareness on the topics of sorting, recycling and energy saving both at home and in the office</li> </ul>
Bangalore (India)	<ul style="list-style-type: none"> <li>* Waste sorting and recycling</li> <li>* Waste water recycling</li> </ul>
Singapore	<ul style="list-style-type: none"> <li>* Paper sorting and recycling</li> </ul>

## 5. Societal information

### 5.1 Personal data protection

Talend takes data protection very seriously, specifically within the context of the European Union General Data Protection Regulation (GDPR). At Talend we very quickly grasped the benefits of a collaborative approach, with responsibility shared within the company, to ensure compliance with local, national and international data protection regulations.

Our Legal Affairs Director and IT Director have thus put together a dedicated data protection team (Talend Data Protection Team) comprising members of the legal affairs and IT security departments. Every division collaborates with the Talend Data Protection Team to ensure the compliance of all areas of our activity.

The main initiatives in this respect include:

- Talend acts and communicates transparently on how it manages the data we collect and process. We have confidentiality policies, which are regularly updated, informing our partners, customers, employees and visitors to our website how we collect, use and protect their personal data. Talend replies to all data management requests within the statutory deadline and, for most, in line with the GDPR;
- in anticipation of the GDPR we identified and recorded, by division, all the activities involving the processing of personal data. In March 2019 we launched a data mapping refresh (FY2019 Data Mapping Refresh) with the aim of updating our register of data processing activities and collecting exhaustive information on the data protection practices in each division;
- we put policies and procedures in place to identify and analyse any new data processing activities as early as possible in the process to ensure that these activities are carried out in compliance with the data protection regulations. Whenever necessary, we conduct data processing impact studies and legitimate interest assessments. Talend's data processing policies and procedures are in line with the European Data Protection Committee's advice and guidelines. The Talend Data Protection Team regularly consults the documents published by the local data protection authorities, in particular the French data protection commission (*Commission nationale de l'informatique et des libertés* (CNIL)) and the Information Commissioner's Office (ICO) in the United Kingdom;
- Talend protects data transfers outside the European Union. All Talend entities are parties to an intra-group data transfer agreement whereby each entity must meet requirements equivalent to those of the GDPR when processing data received from other Talend entities located in the European Union. When the data is transferred to a third party located outside the European Union, we ensure that security arrangements are in place to protect the data;
- Talend requires all third parties with whom it shares personal data to comply with data management regulations. Before receiving personal data from Talend, all third parties must undergo an IT security assessment conducted by the Talend Data Protection Team.

## 5.2 Employment and local development

Talend has 17 subsidiaries and 21 offices in 16 countries. Most of our employees are based in France (28%) and the United States (37%). Each of the other subsidiaries has less than 8% of the total workforce and some subsidiaries have only a few employees.

We rent offices everywhere we operate and virtually all of our employees are highly qualified. In a competitive, fast-evolving market where it is difficult to hire good talent, it is not realistic for us to put in place a strict local employment policy requiring us to hire people from the local communities. This said, we set up office primarily in the main technology hubs of the countries where we operate (Silicon Valley in the United States, the Paris basin and Nantes region in France, for example), which provides us with a pool of highly-qualified local talent to meet the demands of our rapid growth and ever-evolving technology.

Because we operate a tertiary IT solution development and marketing activity, we do not use a large number of suppliers (mainly for office supplies and equipment) or many subcontractors (essentially IT developers/consultants for specific requirements and office maintenance/cleaning companies). Our impact on local development is therefore relatively limited. We do however encourage the use of local suppliers and subcontractors whenever possible, an example being the housekeeping and plumbing companies used by our Nantes office (France).

## 5.3 Partnerships and sponsorship

In 2018, Talend supported communities through various partnership and sponsorship initiatives at group level or put in place locally by our subsidiaries. Here are a few examples:

- Talend works with Save the Children UK<sup>36</sup> to improve their data quality and processing processes and help as many children as possible throughout the world: using Talend Data Integration and Talend Data Quality has reduced the data import time (cleaning and loading the data from around 50 flows combining support and donations from the direct debit system, the text messaging system, TV campaigns, etc.) by 60%, thereby improving donor visibility, increasing donations and guaranteeing compliance with the General Data Protection Regulation (GDPR);
- as part of our annual Data Masters Awards programme, which recognises Talend customers who use data integration technologies in innovative ways to further their digital transformation, on behalf of the winners, who are selected from among 1,500 Talend customers, Talend makes a \$1,500 donation to a charity of their choice;
- the Nantes office (France) takes part in local charity activities such as the Toutes Pompes Dehors initiative which, which through a mass collection of (used but still wearable) shoes at more than 1,000 collection points throughout the Grand Ouest region, funds holiday stays for the association's children;

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<sup>36</sup>Save the Children UK is a not-for-profit organisation which runs programmes and activities to support children in the UK and worldwide, covering a broad spectrum of areas including the survival, education and protection of children in humanitarian emergencies caused by armed conflict, epidemics and natural disasters.

- the employees at the Maidenhead office (United Kingdom) regularly visit and support the elderly people who are supported by the charity Aged UK in the region and make up baskets of sweet treats at Christmas;
- our Redwood City office (United States) takes part in two charity activities each year: in late summer, we take part in "Give Back Day", when our employees volunteer for a few hours for a local charity of their choice; at Christmas, our employees buy gifts which are given to families/children in need by The Family Giving Tree association;
- in Sydney (Australia), as part of our involvement in the Green Furniture Hub mentioned above, we donate office supplies to charities and not-for-profit organisations.

#### 5.4 Suppliers and subcontractors

As previously explained, we do not use a large number of suppliers (mainly for office supplies and equipment) or many subcontractors (essentially IT developers/consultants for specific requirements and office maintenance/cleaning companies). As a service company, we do not produce manufactured goods and do not have any material issues or significant risks related to the supply chain, the distribution of our products to customers or the end-of-life of our products (recycling/circular economy).

We therefore do not have any specific social and/or environmental criteria for supplier and subcontractor selection. We do however encourage the supply of recyclable, sustainable and/or less resource-intensive products whenever possible (e.g. recycled and/or FSC® certified paper, energy efficient equipment) and the use of subcontractors who operate according to an environmental and social policy. In Nantes (France), for example, the housekeeping company is part of an eco-responsible programme and the plumbers Talend uses travel by bike to reduce their carbon footprint. In Redwood City (United States) we buy sustainable/compostable products and supplies for our kitchenettes. In Sydney (Australia), the management company for the building in which we rent our offices applies a code of conduct for its suppliers which includes governance and ethics, risk management, working standards, environmental management and health and safety in the workplace criteria.

## Appendix - List of reasons why Statement of Non-Financial Performance (SNFP) topics are not applicable or deemed immaterial

The SNFP topics (Articles L225-102-1 and R225-105 of the French Commercial Code) listed in the table below are not applicable or deemed to be immaterial in view of Talend's activities and are therefore not included in this report.

SNFP Topic	Reason why it is deemed not applicable or of low importance for Talend
Combating food waste and food insecurity, respect for animal welfare, responsible, fairly traded and sustainable food	These topics are not applicable because Talend has no activity in the agriculture, food or animal sectors. There is no restaurant service (canteen or cafeteria) in Talend's buildings, just kitchenettes (with fridges and microwaves) and food waste is therefore limited to the food brought in by employees for their lunch.
How the company handles environmental issues and environmental assessment and certification processes	Given the low environmental impact of our activities, we do not have a specific environmental management organisation and we have not taken any steps to achieve environmental certification such as ISO14001. Because we rent office space in existing office buildings, we do not own our premises and are therefore not actively involved in obtaining environmental certification for the buildings, such as the international LEED certification, HQE in France or BREEAM in the United Kingdom. Some of the buildings in which we operate may however have this certification, as is the case with our Bonn offices where the 'Bonjour' building has DGNB Or green and sustainable building certification.
Resources in place to prevent environmental risks and pollution	As there are no pollution or other major environmental risks linked to our activities, we do not have any specific resources in place to prevent environmental risks.
Amount of provisions and guarantees for environmental risks	We do not have any provisions or guarantees for environmental risks in our company financial statements and there is no environmental risk or liability linked to our activities which would justify such provisions or guarantees.
Measures to prevent, reduce or remedy emissions into the air, water or soil with serious environmental affects	Our operations are limited to office activities and business travel and are not likely to generate emissions into the air, water or soil which are likely to seriously affect the environment.
Consideration of all forms of pollution specific to an activity, in particular noise and light pollution	Any noise pollution from our activities is from vehicles on business trips the only light pollution is office lighting in an urban area.
Land use	We do not use new land surfaces in connection with our activities given that we rent office spaces in existing buildings.
Voluntary medium and long-term greenhouse gas reduction targets and action taken in this respect.	Given that our activities have very little impact on climate change (see section 4.1), we have not set any greenhouse gas reduction targets for our activities.
Biodiversity protection	Our operations are limited to office activities and business travel and do not have a direct impact on biodiversity.

SNFP Topic	Reason why it is deemed not applicable or of low importance for Talend
Impact of the company's activity on neighbouring or local populations	Our operations do not extend beyond office activities (carried out in rented offices in existing buildings in urban areas) and business travel so they do not have any direct impact on neighbouring or local populations.
Measures taken to protect the health and safety of consumers	As a company which develops and markets IT solutions, we do not distribute products which could have an impact on the health and safety of consumers.

We would also like to point out that, although Talend is very sensitive to the topics of human rights, the fight against corruption and combating tax evasion, which could potentially be material, they are not presented as part of the SNFP as Talend is not listed on a regulated stock market.