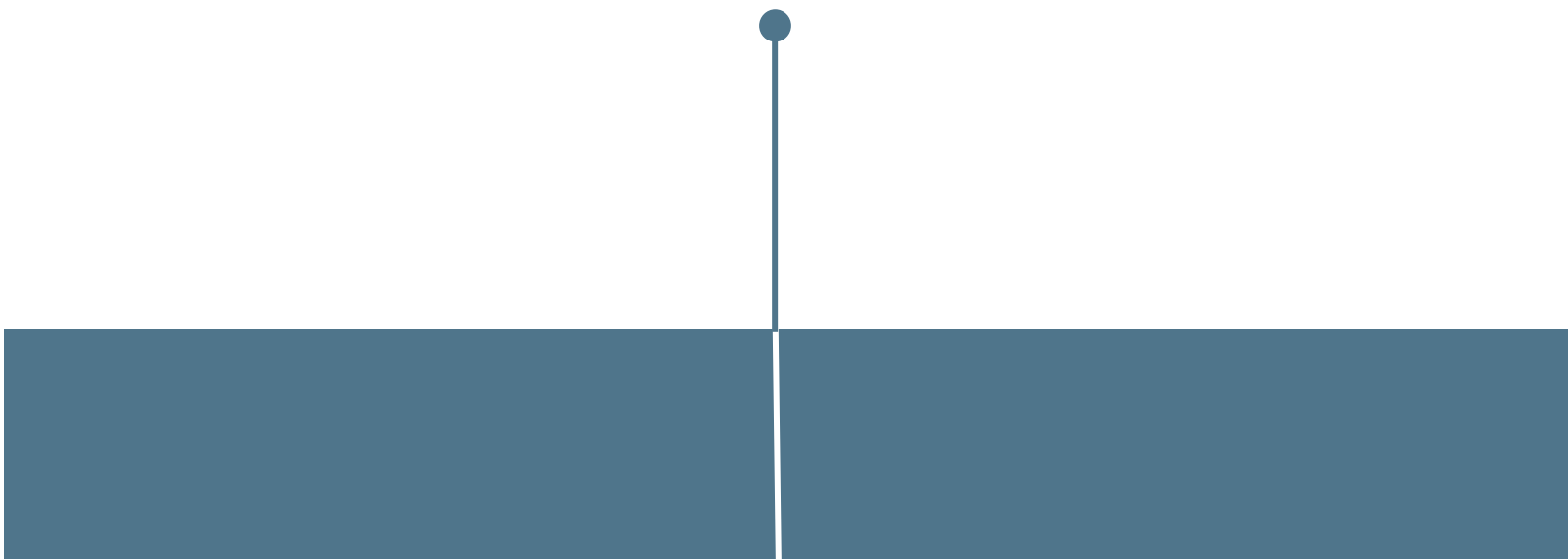
2016

ATLINKS

CORPORATE SOCIAL RESPONSIBILITY

ANNUAL REPORT



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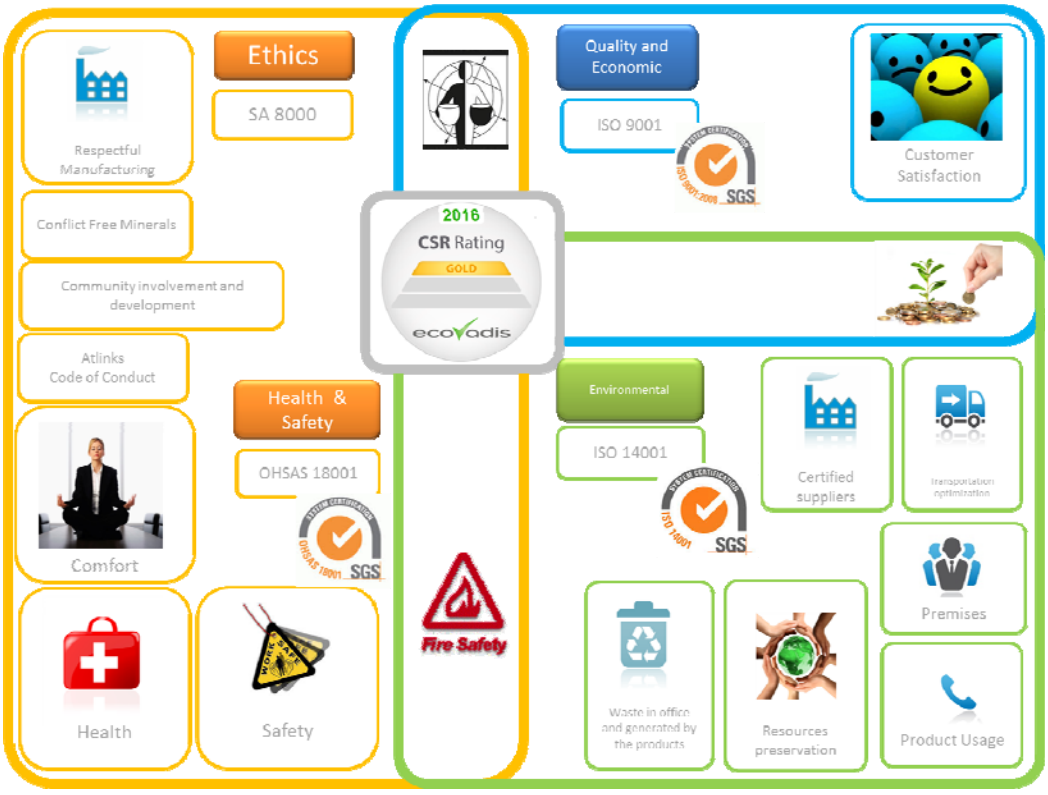
1 MANAGEMENT COMMITMENT

ATLINKS delivers excellence in its products, services and solutions that ensure customer value and contribute to their success. We strive to be recognized by our employees, customers, community and shareholders as a responsible organization that conducts our business in a manner that conserves the environment, minimizes pollution, protect its employees from hazards, by minimizing the risks.

Our commitment to quality, environment and health and safety, and sustainable supply chain, is reflected through programs focused on continual improvement and reasonable compliance with: applicable regulations, industry standards and best practices, contractual requirements and corporate initiatives. Planned, integrated and consistent efforts involving every element of our organization; create these results.

To warranty this approach, ATLINKS has an integrated Management Systems, which is certified conforming to the international Standards for: Quality, ISO 9001; Environment, ISO 14001 and Organizational Health and Safety, OHSAS 18001. We also support the 10 Principles of the United Nations Global Compact to enforce our commitment to all the stakeholders in our business.

Didier Goujard
CEO



2 COMPANY PRESENTATION

ATLINKS designs, develops, markets and sells fixed-line telephones, video and multimedia terminals, to operators and to professional and consumer retail sales channels all around the world.

It is a fab-less company, so it has a set of key manufactures for products (also called, suppliers or vendors), which are long time partners for ATLINKS.

ATLINKS distributes worldwide the product range under three main channels: Consumer, Telco and Professional, and uses importers in some countries to export the goods to those countries.

ATLINKS commercializes products under three brands: Alcatel, Swissvoice and ATLINKS. It also uses the Telco brand.
It acts as distributor for products under other brands brand.

From a joint venture

ALCATEL THOMSON

January 2010

ATLINKS

Independent company

Worldwide presence

Hong Kong

France

Spain

Mexico

Brand present in 60 countries

Telecom operators, business wholesalers, retailers

Business

PSTN & IP phones

Home phones &

Monitoring solutions

3 COMPANY STRUCTURE

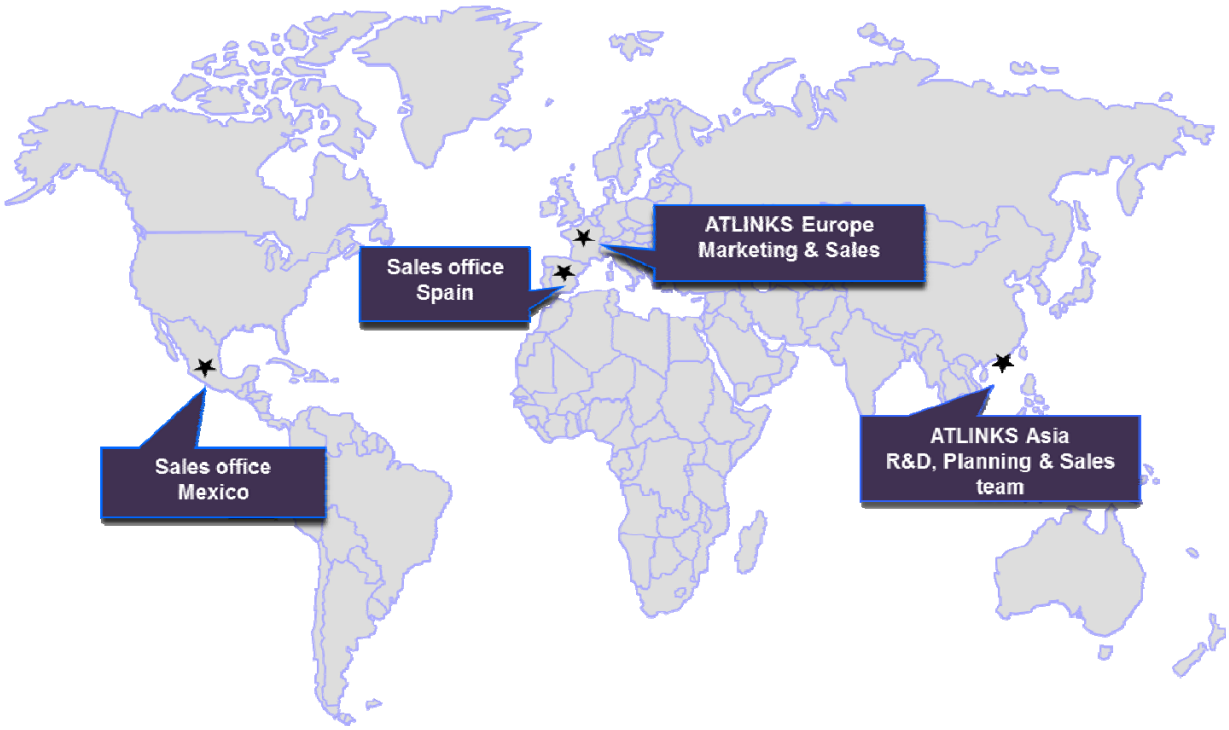
ATLINKS Holdings Ltd is a Hong Kong based company, with two subsidiaries, ATLINKS Asia Ltd, based in Hong Kong and ATLINKS Europe SAS, based in France. There are two representative offices, one in Mexico which manages the commercial activity for Latam, and another in Madrid which manages the Iberia market.

Other markets are addressed thru distributors, importers and/or agents.

The staff of the company repartition is as follows:

ATLINKS Asia Ltd:	25 employees
ATLINKS Europe	20 employees
Spain Sales office:	2 employees

There are also several consultants that assure some functions as identified in the *Organization manual*.



4 ORGANIZATION

The operations of ATLINKS use the different companies for different functions, and it works as a sole company. The long experience of its employees and the little turn over makes a solid community.

Most of the product related functions are located in Hong Kong, close to the product suppliers and manufacturing sites. The Europe operation is more oriented to the customers, marketing and communications.

4.1 SUSTAINABLE DEVELOPMENT: THE GLOBAL COMPACT

ATLINKS supports also the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption:

Human rights	Principle 1	Support and respect the protection of internationally proclaimed human rights; and	In ATLINKS operations countries we have been always be respectful with the local laws and regulations which comply with the respect of the Human rights. We also have requested to our suppliers to be compliant with it and we make audits to all of them to ensure the compliancy. Ref. *Suppliers Audits procedure,* Check list: *Supplier EHS and CSR check list (SA 8000 based)*
	Principle 2	Make sure that they are not complicit in human rights abuses	
Labor	Principle 3	Uphold the freedom of association and the effective recognition of the right to collective bargaining;	ATLINKS follows in each subsidiary (2) the rules relative to the employees association and bargain relations. Regular meetings are hold between the management and the employee's representatives to promote the communications in both senses.
	Principle 4	The elimination of all forms of forced and compulsory labor;	ATLINKS does not practice any forced or compulsory labor or the child labor at any of its subsidiaries. ATLINKS also controls the fact that its suppliers respect also those principles by auditing the suppliers against the international standards. Ref. *Suppliers Audits procedure,* Check list: *Supplier EHS and CSR check list (SA 8000 based)*
	Principle 5	The effective abolition of child labor; and	
	Principle 6	The elimination of discrimination in respect of employment and occupation.	ATLINKS does not practice any kind of discrimination: The staff at first level of reporting to the CEO is 50% female/male We do have 6 nationalities in our subsidiaries
Environment	Principle 7	Support a precautionary approach to environmental challenges;	We do follow an environmental friendly global approach on the company by implementing and continually improve our Environmental management system in a worldwide basis. We also encourage our suppliers to follow the approach and we audit them against the environmental standards to assure their compliancy. Ref. *Suppliers Audits procedure,* Check list: *Supplier EHS and CSR check list* *Vendors Certificates ISO 14001*
	Principle 8	Undertake initiatives to promote greater environmental responsibility; and	
	Principle 9	Encourage the	

		development and diffusion of Environmentally friendly technologies.	
Anti-corruption	Principle 10	Work against corruption in all its forms, including extortion and bribery.	ATLINKS has issued a CODE OF CONDUCT, applicable to all employees and consultants working on behalf of ATLINKS. This CODE OF CONDUCT reflects the Policy of the company to avoid any corruption, bribery or extortion, and respect of the rules and regulations related to these aspects. Every employee has the responsibility to ask questions, seek guidance, and report suspected violations of this Code of Conduct, to the local or global Management, employee's representatives or the Management representative. Ref. *Code of Conduct* ATLINKS has maintained an excellent check and balance system over transactions. Our books and accounts are subjected to statutory external Financial audit annually in both subsidiaries. These audits are used as one of the methods of identifying any suspicious payments which could be related to bribery or corrupt behavior. This information is checked and controlled by finance, administration and HR department and the CEO. Internal Audits are also used as the tool to detect any kind of deviation in this subject. Ref.: *External Financial Audits*

5 LABOR PRACTICES AND DECENT WORK

In ATLINKS operations countries we have been always respectful with the local laws and regulations which comply with the respect of the Human rights. We also have requested to our suppliers to be compliant with it and we make audits to all of them to ensure the compliancy.

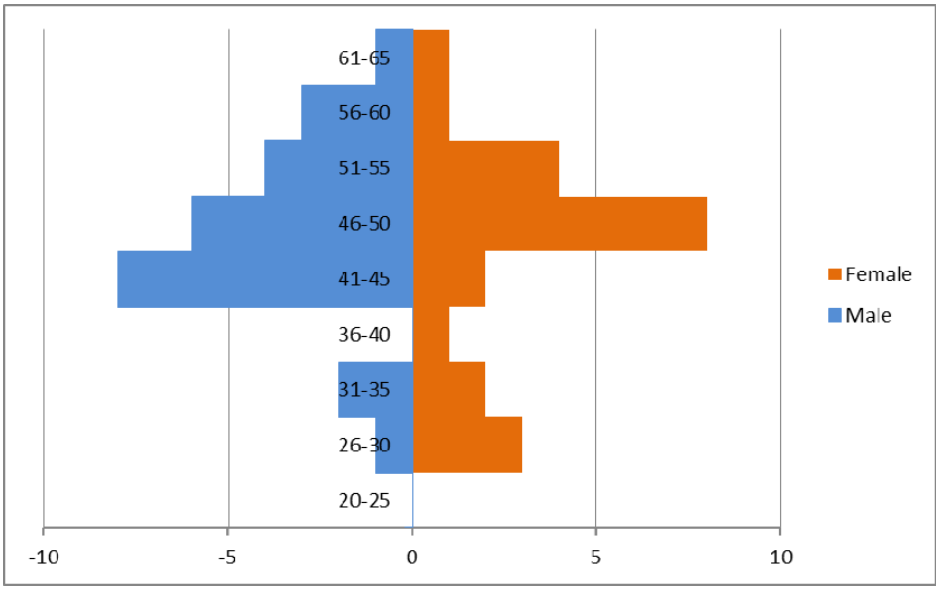
5.1 ATLINKS STAFF

Most of our staff is issued from the Joint-venture between Alcatel and Thomson in the early 2000's. We have a little turn-over and there is a natural equilibrium on female/male collaborators.

Management at first level of reporting to CEO is balanced female/male.

The recruitment level is very small, since the company had been structured at its creation in 2010 to the level of staff coherent to the operations in a very competitive and non-growing market.

	STAFF	
Hong Kong	25	53%
France	20	43%
Spain	2	4%
Total	**47**	



5.2 EMPLOYEES INSURANCES AND MEDICAL CHECKS

All ATLINKS employees are entitled to a personal and family medical insurance, as well as travelers insurance, when travelling on the company mission.

Wherever the regulations require a medical check, they are duly performed. Records are kept in the HR files.

5.3 CONTRACT OF PROGRESS. LABOR / MANAGEMENT RELATIONS

The contract of Progress (COP) is the document where the management and the employees fix the objectives for the year. There are individual and team objectives. Those are reviewed in a year basis in meeting staff manager.
It is also the moment where the competences and training can be reviewed.
100% of the employees are covered by this process.

Result: an evaluation is done per year with a "mark" average is within the targets

5.4 TRAINING AND AWARENESS

The aim of training is to contribute to the development of the competencies of the staff, to better address existing and future needs of the Company, and:

To identify the technological and organizational evolutions,
To anticipate and accompany professional evolutions of the staff according to the Company needs,
To improve on the level of expertise, knowledge and competency of the staff.

A training plan is established as per company and staff needs.

There are trainings and awareness meetings organized yearly on the field of Quality, Environment, Health and Safety and Sustainable development areas, for all the staff.

Results:
Training provided as per training plan in all entities
100% of the staff in Hong Kong and 80% of the staff in Europe followed the Sustainable development training and awareness along the years.

5.5 ORGANIZATIONAL HEALTH AND SAFETY PROGRAMS

Within the framework of the OHSAS Management systems the following programs have been deployed in relation with the hazards and risk level identified by the company and its employees.

- Staff has been trained to the fire risk, by performing drills and the usage of fire extinguishers (2 sites, 90% of staff)
- First Aid Kit and first aid training (2 sites, 90% of staff)

- Driving safe chart published and sign by the company car drivers (100% of company drivers).
- As set of videos to recall the traffic rules has been provided to French staff, with a quiz test (half of the staff completed)
- Office exercising guidance (2 sites, 90% of staff)
- Ergonomic assessment on the use of computer and screen. (1 site, 47% of staff)
- E-mail management guidance for the stress reduction (100% of staff)
- Anti-smoking campaign in the French subsidiary.

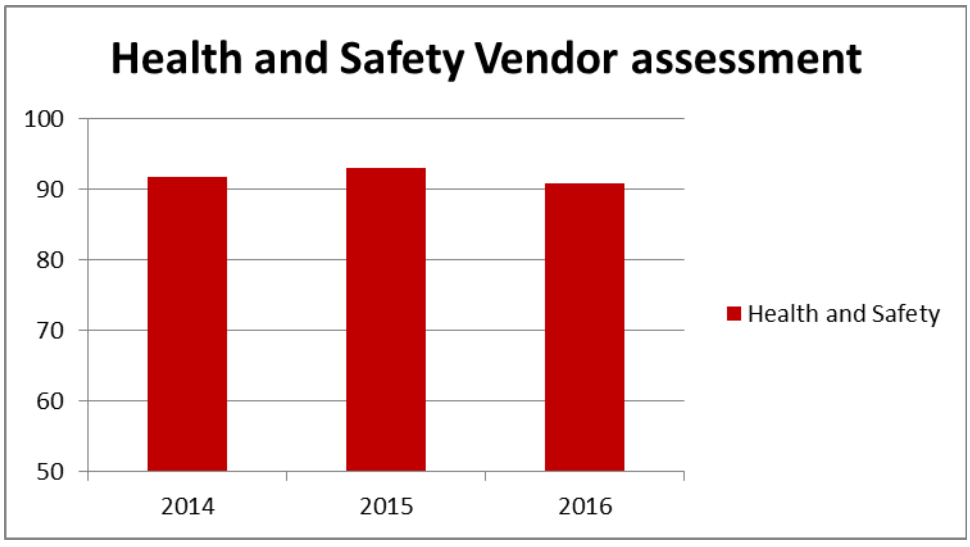
Results: ATLINKS has 0 accidents since its creation.

5.6 SUPPLIERS ASSESSMENT ON HEALTH AND SAFETY

For ATLINKS its suppliers are one of the main stakeholders, and since many years a process of Selection and Evaluation of suppliers is being applied with success.

We evaluate by audits and rating our suppliers in the Health and Safety aspects. The average rating from 0 to 100 is shown in the following chart for the 3 last years.

Result: 100 % of active vendors audited with the result as shown, improving over the years.



6 HUMAN RIGHTS

6.1 NON-DISCRIMINATION

ATLINKS is a very international company, with a mix of nationalities in each country where operates. There are “foreigners” in all entities:

Hong Kong: 4 nationalities (26% foreigners)
France: 2 nationalities (5% foreigners)
Spain: 2 nationalities (50% foreigners)

We do have a total of 6 nationalities belonging to 3 continents.

Despite of being a technology company, there is a good balance in genders (male and female).

6.2 HANDICAP

The little turn-over and the lack of manpower growth, makes difficult to ATLINKS to hire handicapped people. However a diagnostic has been performed by external consultant (Alther, Enterprises and Handicap) in February 2014 to improve the performance in this field.

A decision has been made and since then we have identified one supplier for dealing with the WEEE office waste, who is an “ESAT” (*Établissement et services d’aide par le travail*), and can provide the Certification of equivalent timing worked for ATLINKS by handicapped staff.

Results: In 2016 we have had the equivalence to **29,02 hours.**

6.3 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

ATLINKS has always guaranteed the freedom of association in full compliance with current regulations. The employees are represented by electing their representatives.

Human Resources and management are in direct contact with the representatives and staff, with a formal and informal interchange of news and information.

In accordance with unions and/or representatives ATLINKS verifies the strict application and interpretation of provisions stated in the existing National Collective Labor Contract; performs and follows all stages of any negotiation.

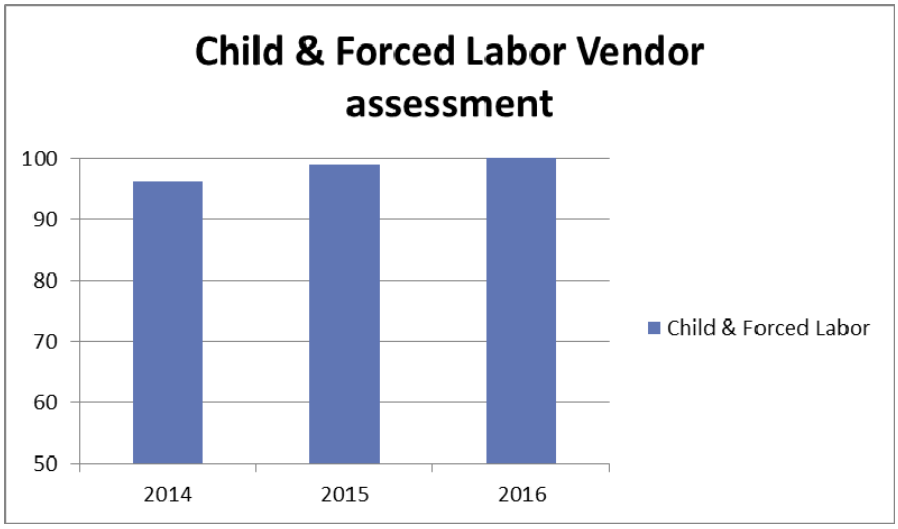
Results:
Regular summary meetings are issued per year (mainly France and Spain sites, 47% of the staff)
Elections are organized as per the local regulations (France, 43% of the staff)

6.4 CHILD LABOR, FORCE AND COMPULSORY LABOR

For ATLINKS its suppliers are one of the main stakeholders, and since many years a process of Selection and Evaluation of suppliers is being applied with success.

We evaluate by audits and rating our suppliers to avoid child labor and any compulsory or force labor. The average rating from 0 to 100 is shown in the following chart for the 3 last years.

Result: 100 % of active vendors audited with the result as shown improving over the years.

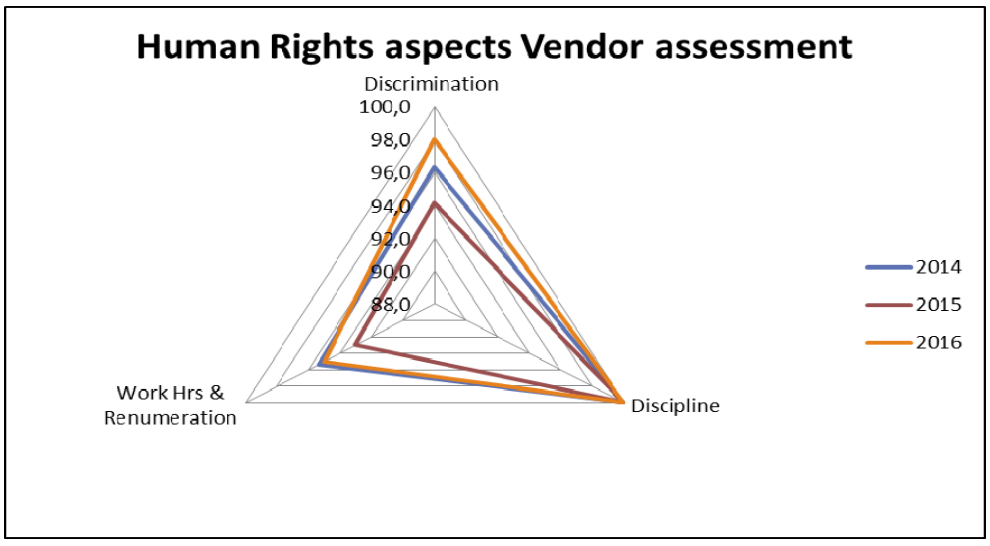


6.5 SUPPLIER HUMAN RIGHTS ASSESSMENT

For ATLINKS its suppliers are one of the main stakeholders, and since many years a process of Selection and Evaluation of suppliers is being applied with success.

We evaluate by audits and rating our suppliers to warranty the respect of human rights. The average rating from 0 to 100 is shown in the following chart for the 3 last years.

Result: 100 % of active vendors audited. One new suppliers that is not as good as our historical ones. We have improved in 2016.



7 ENVIRONMENT

7.1 ENVIRONMENTAL MANAGEMENT

ATLINKS is a fab-less company, but very aware of the impact done in the environment. Framed with a Worldwide Environmental Management system, we focus our programs where we do have more impact: eco-design (recycling, product usage, and resources preservation), transportation, waste and end-of-life of the products.
We also work in the environmental impact that our premises can have: resources preservation (paper, electricity consumption), waste management.
All those actions are driven within the respect of all applicable laws and regulations.

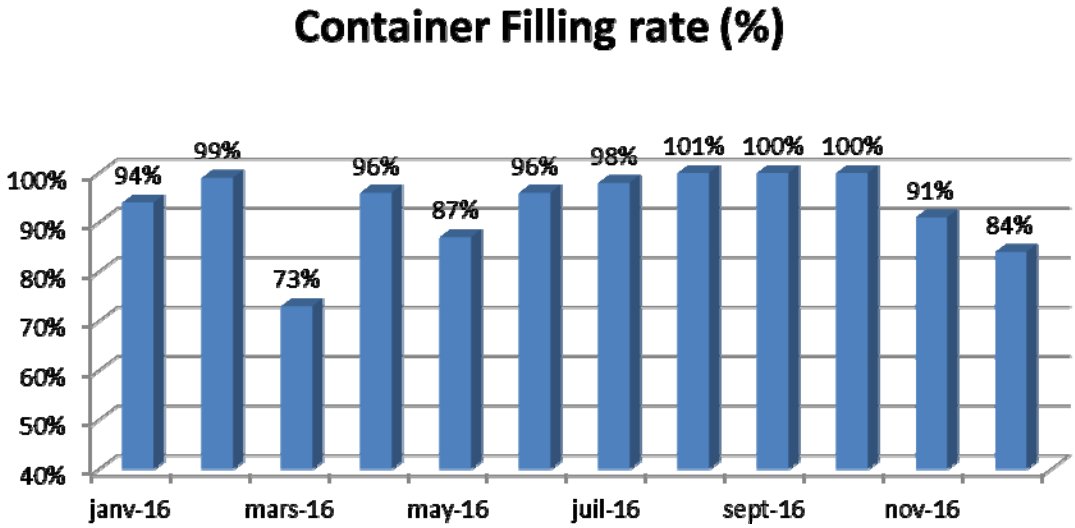
7.2 TRANSPORTATION

Transportation in one of the main Environmental impacts ATLINKS has in its operations. Since many years, we try to avoid the most polluting transportation (air) and we concentrate in the sea transportation for the inbound transport.

One of our environmental programs has been to optimize the containers capacity to be able to put a maximum of products using the same transport effort, thus reducing the CO2 impact for this activity.

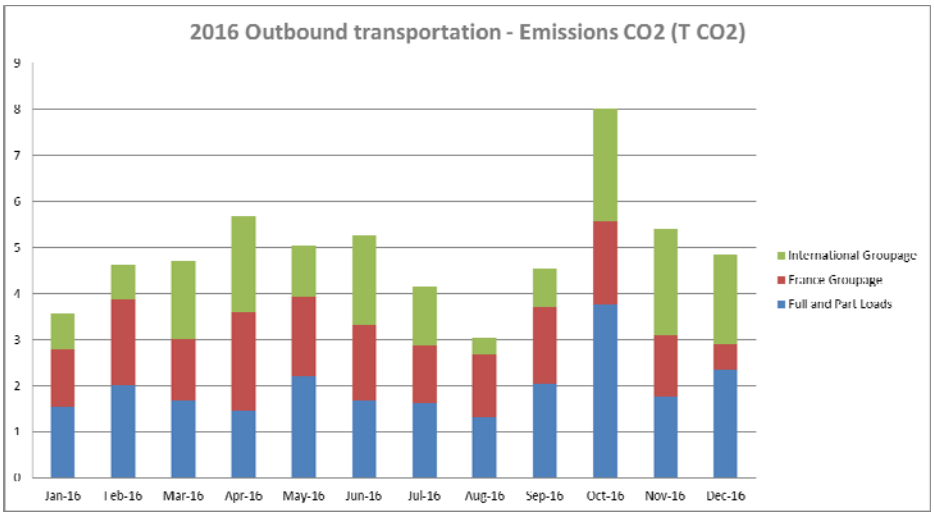
Result:

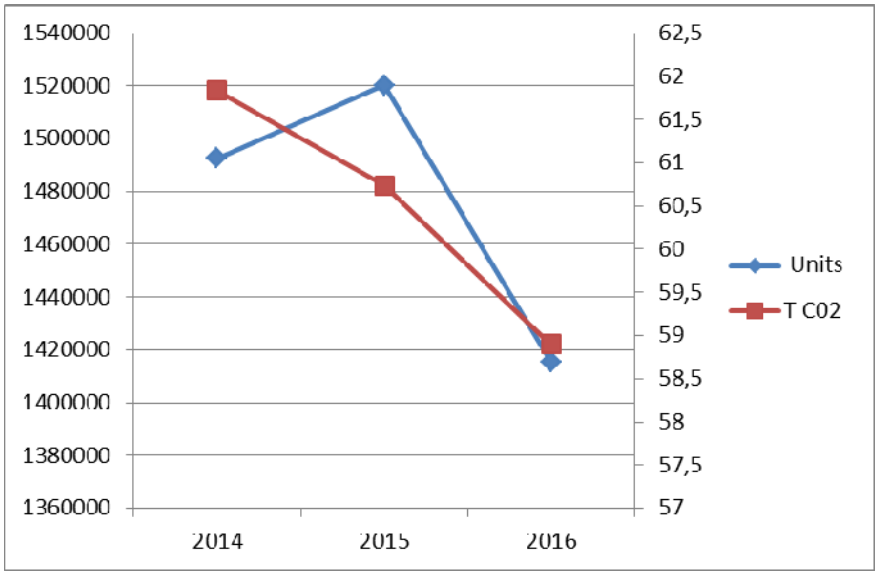
We have average rating of fulfillment over 95%



Since the end of 2014 we are also following the outbound transportation, so we can eventually take some measures to reduce the impact. Our logistics 3rd party is an essential collaborator to support this action.

Results:





Lower emissions.

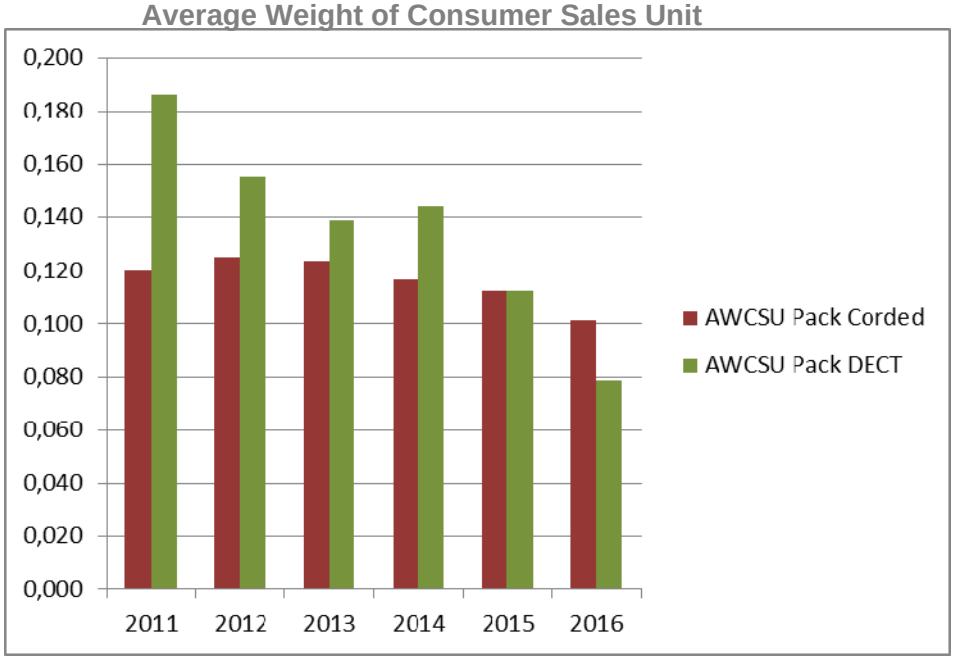
7.3 ECO-DESIGN

We have put in place several programs along the years:

- EuP regulation to reduce the product consumption in its life (all products compliant)
- Reduction of the packaging and user's guide, size and weight for resources preservation and transportation optimization
- Reduction of the products weight (less material used)

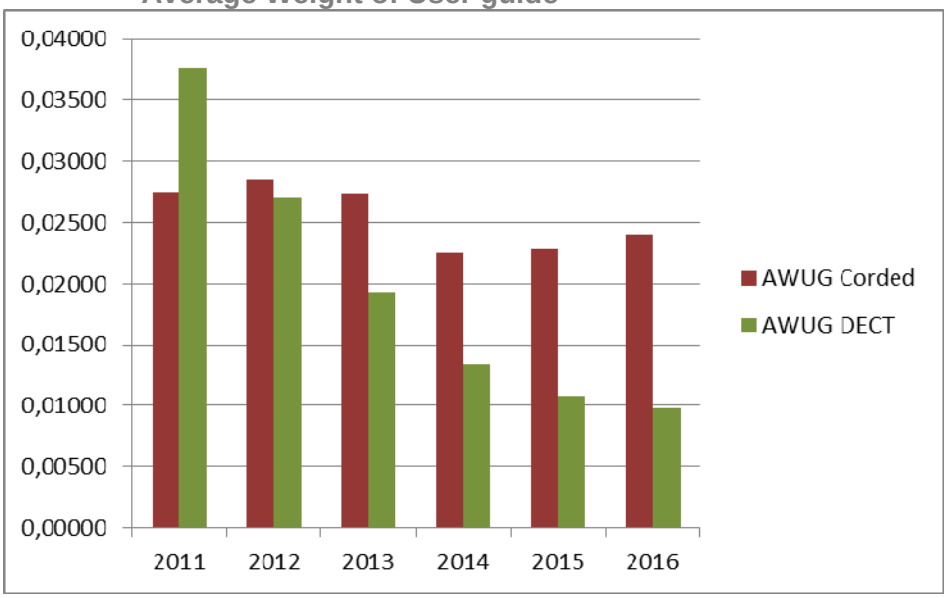
Results:

AWCSU:
Average Weight of Consumer Sales Unit

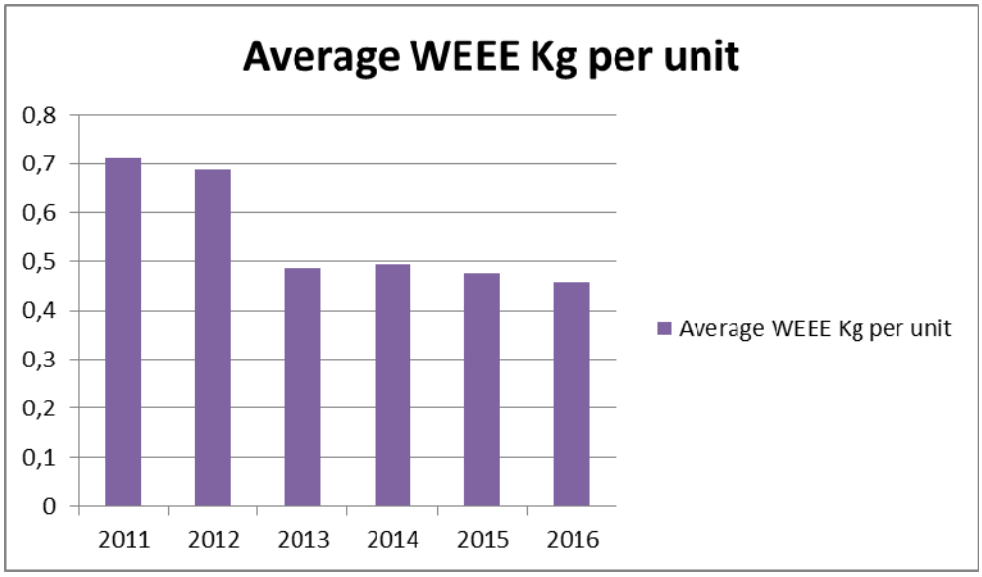


- Corded has reduced the size as per target **(-9,5% in 2016)**
  DECT has reduced the size **(-30,1% in 2016)**

AWUG:
Average Weight of User guide



- DECT user guide is continuously decreasing **(-11% in 2016)**
- However there is now the limit on the usability of the UG.



Decrease of 3,68% of the products average waste weight

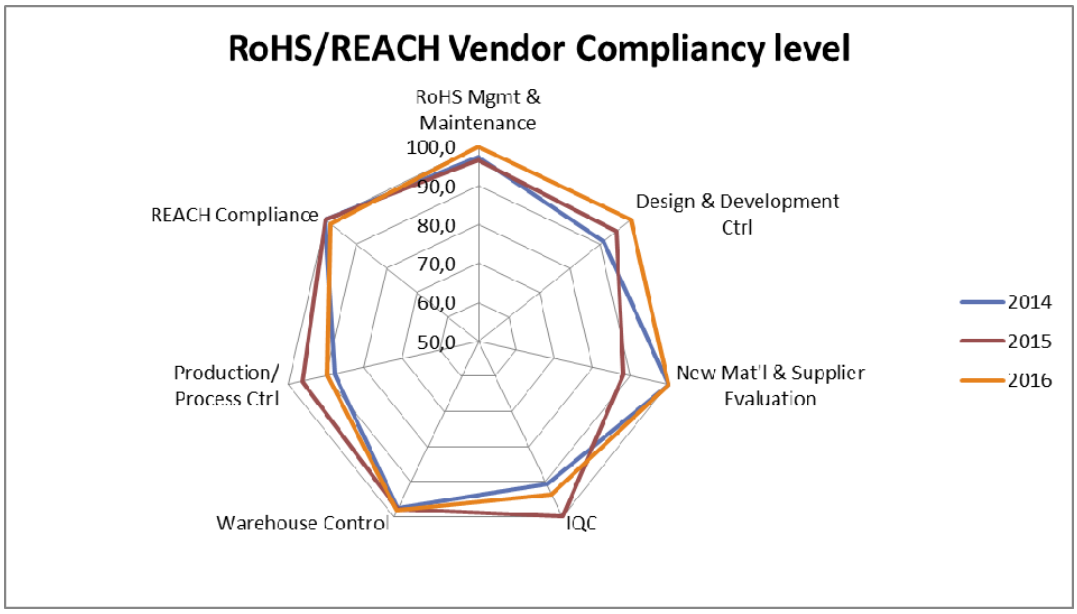
7.4 CHEMICALS MANAGEMENT

ATLINKS follows the regulations in force regarding the restriction of use of certain substances, and make sure that the products complies with all regulations in force regarding these aspects, in particular the RoHS (Restriction of Hazardous Substances) and REACH (Restriction, Evaluation, Authorization of Chemicals).

We request to the manufacturers to provide every year with the declaration of substances contained in each product and also the compliancy with the RoHS regulation.

Atlinks performs Suppliers Audits to make sure the control on those substances is made properly at the manufacturing sites. We also keep record of all the Certificates issued by our vendors in our Documentation system.

Results: Audits at 100% of the manufacturing places with the following result on conformity by criteria. 2016 is overall even better than the previous.



7.5 PRODUCTS END OF LIFE. RECYCLING

ATLINKS participate with several organizations for the collection and recycling of the waste produced by the products all over Europe

- Packaging
- WEEE
- Batteries

We declare the units and weight of the different elements to be collected and contribute financially to the collection, recycling of the waste produced by our products.
We participate in several programs to reduce those wastes.

We also follow the recommendations from the organizations to help the users in the recycling. The below logo is printed in the boxes, to indicate the good bin where different elements of the packaging for better collection and recycling.

Info tri-point:

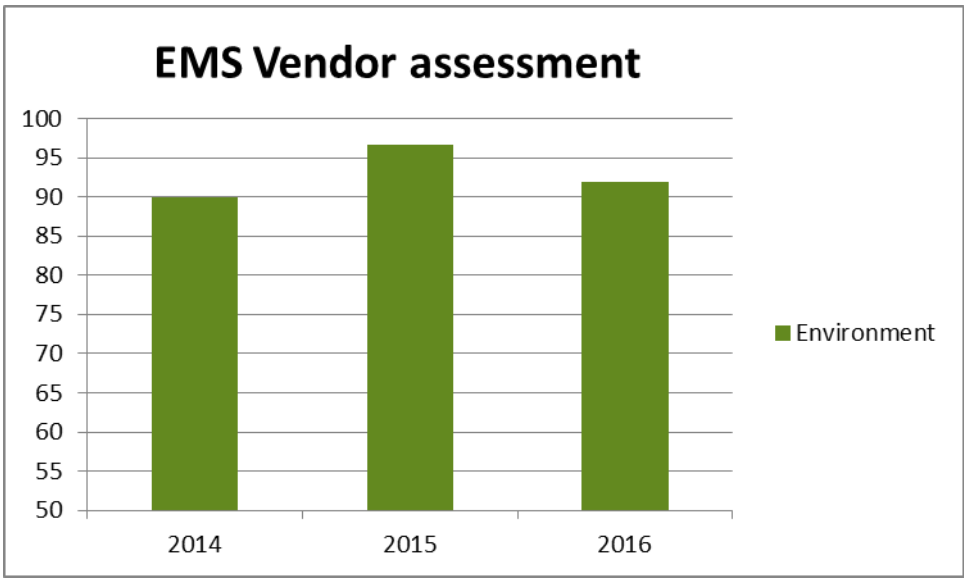
And Triman:

7.6 SUPPLIERS ENVIRONMENTAL ASSESSMENT

For ATLINKS its suppliers are one of the main stakeholders, and since many years a process of Selection and Evaluation of suppliers is being applied with success.

We evaluate by audits and rating our suppliers in their environmental management systems. The average rating from 0 to 100 is shown in the following chart for the 3 last years.

Results: 100% of the active vendors audited. The result is a bit degraded due to a new supplier that is far from the maturity. The results do not take into account the volume of purchase. Corrective actions will be put in place.

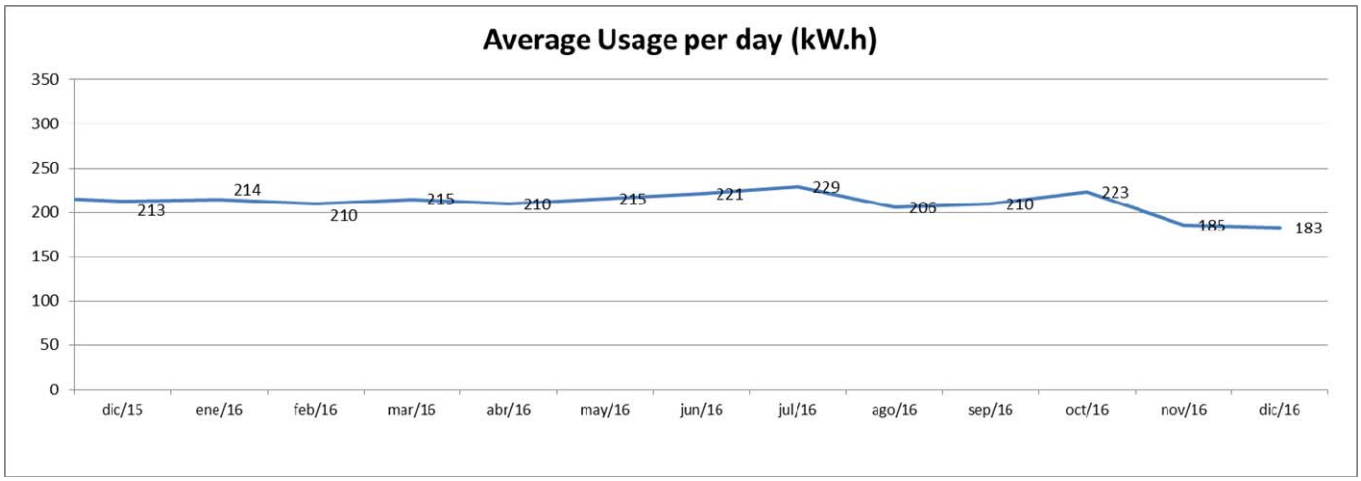


7.7 ATLINKS PREMISES

We have followed few programs:

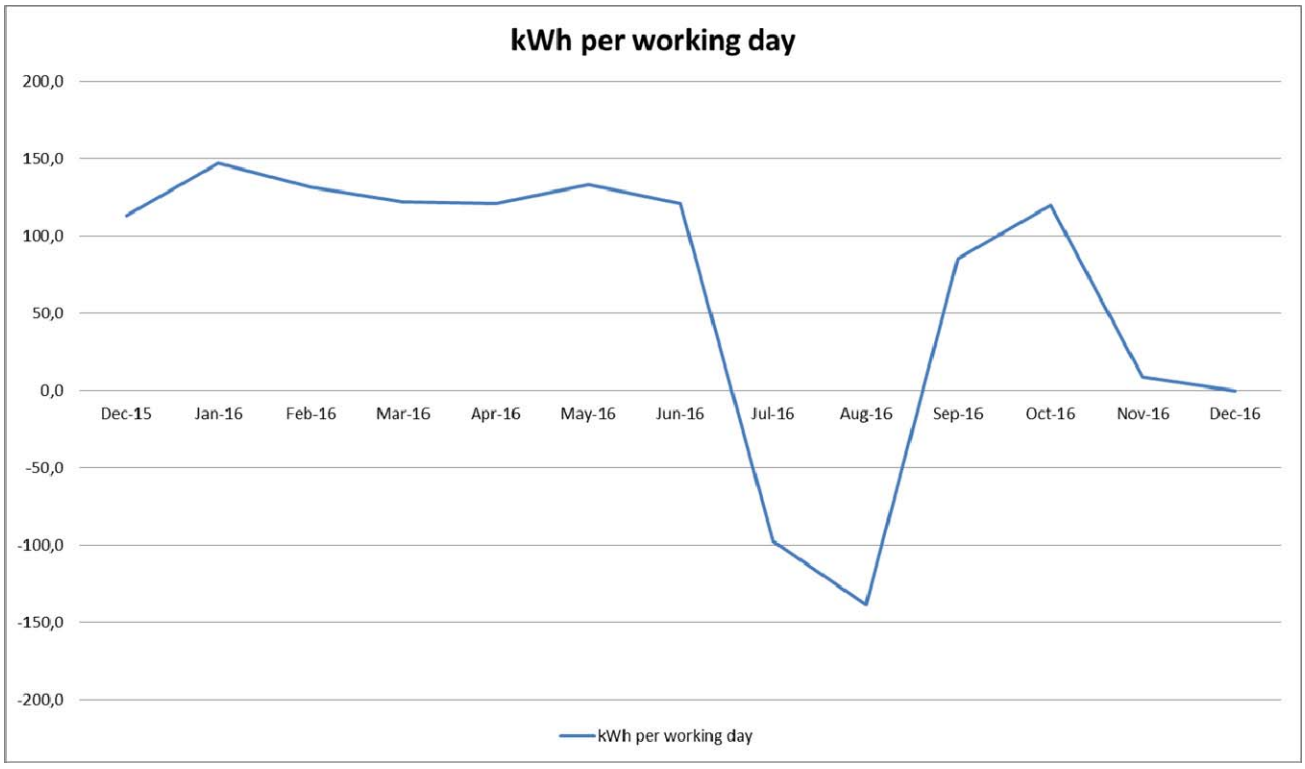
Waste separation (paper, carton, others): Hong Kong and France, handle by ATLINKS, in the other Sales representation offices managed by the business center where located.
Management of Hazardous Waste (WEEE from samples, toner cartridges, ink cartridges)
Electricity consumption.
Paper consumption monitoring (Hong Kong and France site)
EDI for many transitions with customers to avoid paper invoices (save paper and transport)
New management of Certificate of Origin, to avoid, paper, express courier between China and Europe.

Results:
Electricity Hong Kong office



Average 2013: 283 kW.h
Average 2014: 253 kW.h -11% (electricity saving)
Average 2015: 238 kW.h -5,6% (electricity saving)
Average 2016: 210 kW.h -11,7% (electricity saving)

Electricity France office: (first year measuring)

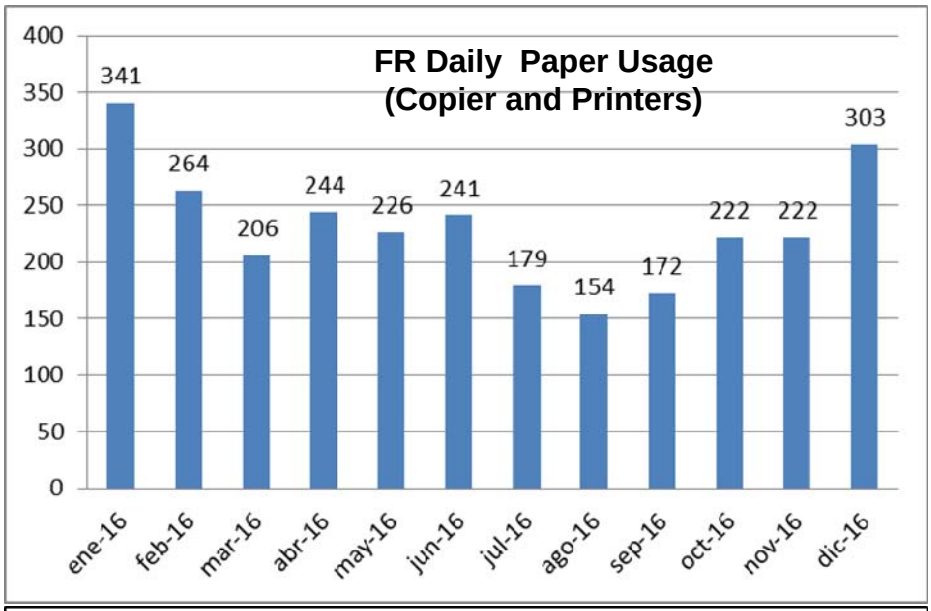


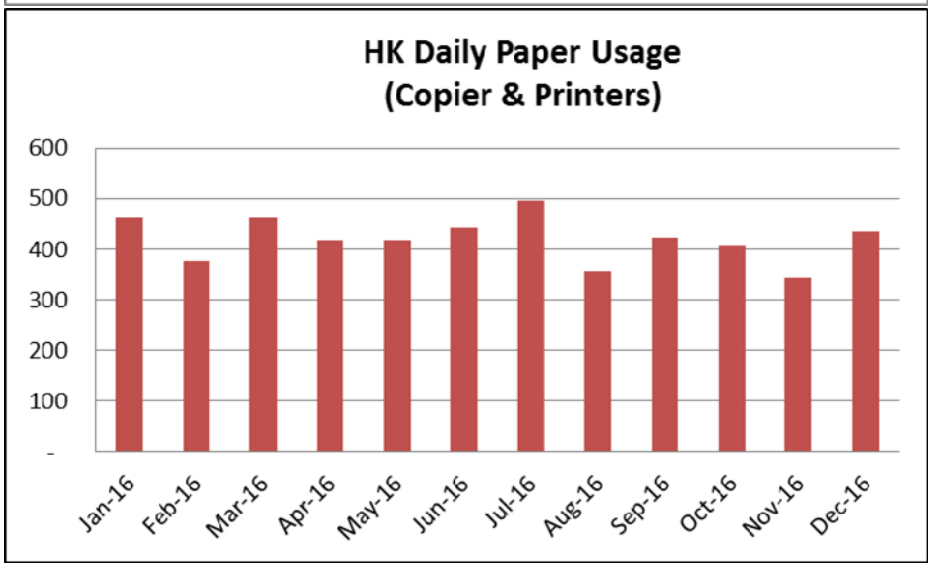
Average 2016: 72 kW.h

Usage of Paper premises:

France:
2014 average: 279
2015 average: 216
2016 average: 231 (+6,25%, stable)

Hong Kong:
2014 average: 489
2015 average: 477
2016 average: 420 (-12%, still deacreasing)





DHL shipment (paper less for customs documentation)

YEAR		Shipments	Actual weight [in kg]	CO2 Emissions [in kg]	
2014		411	3350	8943,72	
2015		386	4173	6152,63	31%
2016		222	2588	3623,40	41%

8 PRODUCT RESPONSIBILITY

8.1 CUSTOMER HEALTH AND SAFETY

ATLINKS cares about the Health and Safety of the users, and it complies with the relative European directives on Low voltage (2006/95/EC) and Electromagnetic compatibility (2004/108/EC).
Tests are performed to safety products before put into market, and keep records for compliancy demonstration.
Most of our products are tested against these directives even if they are not for Europe.

8.2 PRODUCT LABELING

Our products are labeled in conformity with the applicable laws and regulations: CE, cross-bin-wheel, and some other areas requirements.

8.3 SERVICE CENTER, CONSUMER SUPPORT

Within the frame of our Quality Management systems, we put the customers in the center of the targets. We do all the best to listen to them and give a maximum of satisfaction:

- We have a web site with customers interface to ask the questions related to product or our services
- We do provide our user's guides in an extended version, so as to include in the packaging only simpler version (less paper to print).
- We received letters to give us feedback in our service
- We have a Call Center (Hot line) to provide support for the use or what to do in case of doubts, or any quality issues with the products.
- We provide 2 years warranty for better satisfaction.
- We have implemented a Service Center to repair or refurbish the products.
- Service Center provide also a good information about the quality of the products and eventually the improvements to implement to avoid any quality problems, particularly in the NOT FAULT FOUND category, which indicate other issues than failure of the products
- The Service Center has an integrated Management System Certified, for Quality, Environment, and Health and Safety.
- The Service Center also manages the WEEE following the European Directive 2012/19/EU.

Result:

The return rate has been constantly decrease and arrive to a very low level, indicating a very reliable products
The second year warranty appears to be a very little impact in our operations
The complaints from customers are become more compliments and just questions asked
The hot line provides a good service level

The products are more reliable and then less Waste to produced
The information provided to the customers makes the need to bring the products to the Service Center avoiding unnecessary transportation or refurbished products.
The extended version of user's guide available on the web makes less paper to print, less weight to transport and less waste to handle at the end of life for products.

8.4 CUSTOMER PRIVACY

ATLINKS applies the European Directive 1995/46/CE related to the protection of the data of its customers and makes it mandatory for any suppliers in contact with its suppliers to respect it (after sales service).

8.5 COMPLIANCE

ATLINKS has a process in place to follow the different regulations, thru alerts, webinars, seminars, newsletters, and some external assessments by notify bodies, to follow the European regulations. For other areas we rely on a network of professionals (technical people, labs, and commercial people) to provide the changes applicable to ATLINKS.

The compliancy to regulations is one of the main requirements to put products in the market.

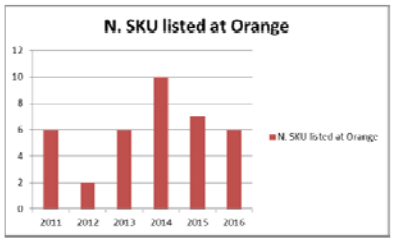
8.6 PRODUCT EXTERNALS EVALUATIONS (ECO-RATING)

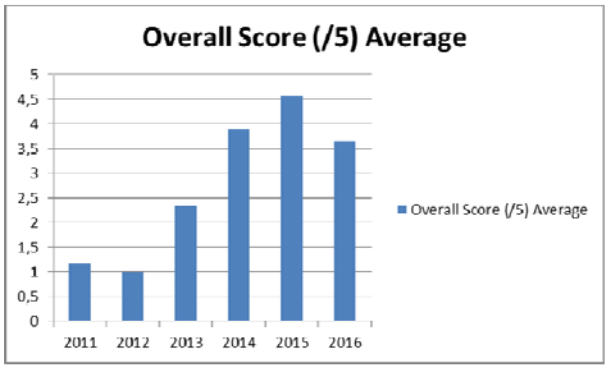
ATLINKS participates to an initiative done by one of its customers to the evaluation of the products Environmental performance called Eco-rating, with the contribution of WWF. The Environmental performance of the products is based on:

CO2 foot print for the product (simplified calculation with specific methodology)
Natural resources preservation evaluation
Eco-design

The marks are in a 5 basis, and are displayed in the shops and the website.

Result: ATLINKS keeps the track of record since 6 years.


N. SKU listed at Orange
12
10
8
6
4
2
0
2011
2012
2013
2014
2015
2016
N. SKU listed at Orange


Overall Score (/5) Average
5
4,5
4
3,5
3
2,5
2
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1
0,5
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2011
2012
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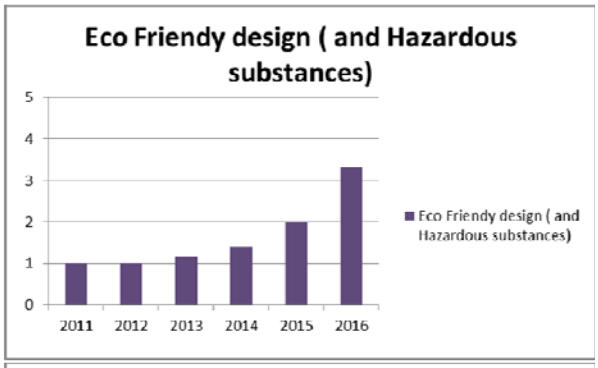
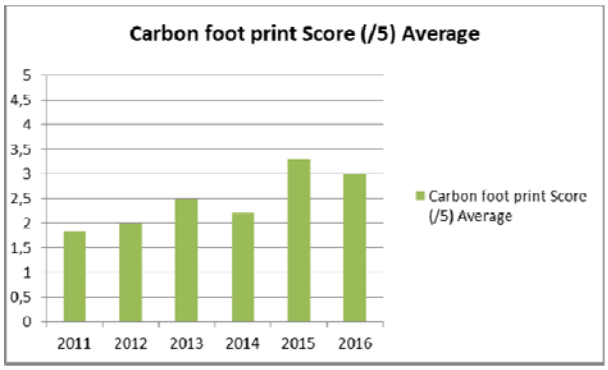
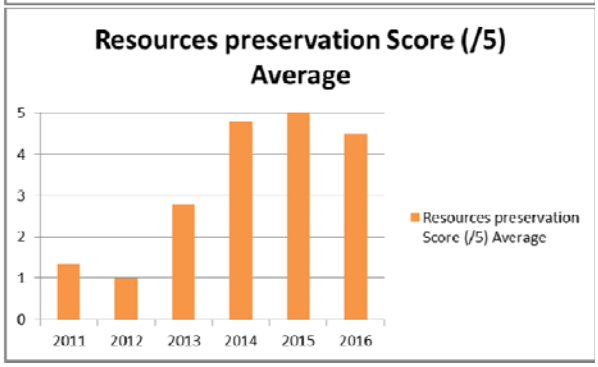
2015
2016
Overall Score (/5) Average


Eco Friendy design (and Hazardous substances)
5
4
3
2
1
0
2011
2012
2013
2014
2015
2016
Eco Friendy design (and Hazardous substances)


Carbon foot print Score (/5) Average
5
4,5
4
3,5
3
2,5
2
1,5
1
0,5
0
2011
2012
2013
2014
2015
2016
Carbon foot print Score (/5) Average


Resources preservation Score (/5) Average
5
4
3
2
1
0
2011
2012
2013
2014
2015
2016
Resources preservation Score (/5) Average

note environnementale : 5/5
Alcatel Versatis F380
> limitation du CO2 .....
12 kg eq CO2 émis de la fabrication au recyclage
> préservation des ressources naturelles.....
> conception éco-responsable
(dont limitation des substances dangereuses)
Une meilleure info, un meilleur choix
facile pour vous, utile pour tous

note environnementale : 5/5
Alcatel Versatis F380 Voice
> limitation du CO2 .....
12,8 kg eq CO2 émis de la fabrication au recyclage
> préservation des ressources naturelles.....
> conception éco-responsable
(dont limitation des substances dangereuses)
Une meilleure info, un meilleur choix
facile pour vous, utile pour tous

8.7 CONFLICT MINERALS TRACEABILITY

ATLINKS is not a manufacturer but by means of the External evaluation of Eco-rating we have started questioning our vendors on the resources preservation of some metals like: Gold, Silver and Tin. After, there is a calculation of the raw material depletion in person-reserve.
In this process there is also the concept of Origin of Rare metals, and its traceability.

We have been asking the question since 2011, but we have not yet obtained a lot of results on this part of the questionnaire.

We are putting in place a process to request the traceability for information to our main suppliers of cordless phones (top 5 of our purchase value, 95 % of sales) on the following items:

- Plastics raw materials
- Printed Circuit Boards
- Semiconductors (chipsets)
- Soldering paste
- Capacitors (tantalum)

To study the following metals origin: Gold, Tin, Tungsten and Tantalum

Process:
1. A Conflict Mineral Reporting Template based on the CFSI (Conflict Free Sourcing Initiative) will be send to our vendors once a year.
2. We have questioned main vendors
3. Collection of data and analysis
4. Record the information on our Documentation Systems.

Result:

We have received the completed CFSI questionnaire 100% fulfilled, for the 5 main suppliers representing over 95% of our sales worldwide.

	Supplier 1	Supplier 2	Supplier 3	Supplier 4	Supplier 5
1) Is the conflict metal intentionally added to your product? (*)					
Tantalum (*)	No	Yes	No	No	No
Tin (*)	Yes	Yes	Yes	Yes	Yes
Gold (*)	Yes	Yes	Yes	Yes	Yes
Tungsten (*)	No	Yes	No	No	No
2) Is the conflict metal necessary to the production of your company's products and contained in the finished product that your company manufactures or contracts to manufacture? (*)					
Tantalum (*)	No	Yes	No	No	No
Tin (*)	Yes	Yes	Yes	Yes	Yes
Gold (*)	Yes	Yes	Yes	Yes	Yes
Tungsten (*)	No	Yes	No	No	No
3) Does any of the conflict metal originate from the covered countries? (*)					
Tantalum	No	Yes	No	No	No
Tin (*)	No	Yes	No	No	No
Gold (*)	No	Unknown	No	No	No
Tungsten	No	Unknown	No	No	No
4) Does 100 percent of the conflict metal (necessary to the functionality or production of your products) originate from recycled or scrap sources? (*)					
Tantalum	No	No	No	No	No
Tin (*)	No	No	No	No	No
Gold (*)	No	No	No	No	No
Tungsten	No	No	No	No	No
5) Have you received conflict metals data/information for each metal from all relevant suppliers of 3TG? (*)					
Tantalum	None	No, but grater than 50%	Yes, 100%	Yes, 100%	Yes, 100%
Tin (*)	Yes, 100%	No, but grater than 50%	Yes, 100%	Yes, 100%	Yes, 100%
Gold (*)	Yes, 100%	No, but grater than 50%	Yes, 100%	Yes, 100%	Yes, 100%
Tungsten	None	No, but grater than 50%	Yes, 100%	Yes, 100%	Yes, 100%
6) For each conflict metal, have you identified all of the smelters your company and its suppliers use to supply the products included within the declaration scope indicated above? (*)					
Tantalum	No	No	Yes	Yes	Yes
Tin (*)	Yes	No	Yes	Yes	Yes
Gold (*)	Yes	No	Yes	Yes	Yes
Tungsten	No	No	Yes	Yes	Yes
7) Has all applicable smelter information received by your company been reported in this declaration? (*)					
Tantalum	No	Yes	Yes	Yes	Yes
Tin (*)	Yes	Yes	Yes	Yes	Yes
Gold (*)	Yes	Yes	Yes	Yes	Yes
Tungsten	No	Yes	Yes	Yes	Yes
Question					
A. Do you have a policy in place that addresses conflict minerals sourcing? (*)	Yes	Yes	Yes	Yes	Yes
B. Is your conflict minerals sourcing policy publicly available on your website? (Note – If yes, the user shall specify the URL in the comment field.) (*)	Yes	No	No	No	No
The URL in the comment field	\\hybf03\DCC_Q\Green Product System Document				
C. Do you require your direct suppliers to be DRC conflict-free? (*)	Yes	Yes	Yes	Yes	Yes
D. Do you require your direct suppliers to source from smelters validated by an independent private sector audit firm? (*)	Yes	Yes	No	Yes	Yes
E. Have you implemented due diligence measures for conflict-free sourcing? (*)	Yes	No	No	Yes	Yes
F. Do you collect conflict minerals due diligence information from your suppliers which is in conformance with the IPC-1755 Conflict Minerals Data Exchange standard [e.g., the CFSI Conflict Minerals Reporting Template]? (*)	Yes	Yes	Yes	Yes	Yes
G. Do you request smelter names from your suppliers? (*)	Yes	Yes	Yes	Yes	Yes
H. Do you review due diligence information received from your suppliers against your company's expectations? (*)	Yes	No	Yes	Yes	Yes
I. Does your review process include corrective action management? (*)	Yes	No	Yes	Yes	Yes
J. Are you subject to the SEC Conflict Minerals rule? (*)	No	No	No	No	No
Product List	All products	No products or item numbers listed	No products or item numbers listed	No products or item numbers listed	No products or item numbers listed
Smelter List	One or more smelter names have been provided	Complete	Complete	One or more smelter names have been provided	One or more smelter names have been provided

9 SOCIETY

9.1 COMMUNITY INVOLVEMENT AND DEVELOPMENT

During 2016 we have continued to collaborate with local associations to promote the development

JUNE 2016: Emmaüs

ATLINKS Europe made a donation of over 180 phones in perfect working conditions to be sold in the “solidarity day sales” organized by Emmaüs in Paris.
Emmaus (*Emmaüs*) is an international solidarity movement founded in Paris in 1949 by friar Abbé Pierre to combat poverty and homelessness. Group of associations present in 39 countries.

OCTOBER TO DECEMBER 2016: Téléthon

In collaboration with Screlec, we participate at a special collection of batteries in our premises for giving a donation to the Téléthon.
Téléthon is a televised fundraising event that lasts many hours or even days, the purpose of which is to raise money for medical research in the domain of rare sickness.

NOVEMBER 2016 WITHOUT SMOKING

French campaign to fight against the smoking habit. Display has been put all over the French office as well as in the building (even it is not strictly Atlinks' responsibility): elevator, entrance hall.

9.2 ANTI-CORRUPTION

ATLINKS has issued a CODE OF CONDUCT, applicable to all employees and consultants working on behalf of ATLINKS.
This CODE OF CONDUCT reflects the Policy of the company to avoid any corruption, bribery or extortion, and respect of the rules and regulations related to these aspects.
Every employee has the responsibility to ask questions, seek guidance, and report suspected violations of this CODE OF CONDUCT, to the local or global Management, employee's representatives or the Management representative.

ATLINKS has maintained an excellent check and balance system over transactions.
Our books and accounts are subjected to statutory external financial audit annually in both subsidiaries. These audits are used as one of the methods of identifying any suspicious payments which could be related to bribery or corrupt behavior.
This information is checked and controlled by finance, administration and HR department and the CEO.

Internal Audits are also used as the tool to detect any kind of deviation in this subject, and to identify any potential decision not made by any employee in an objective way, in the field of sourcing, purchasing or service request.

We have edited a ***Code of Conduct HANDBOOK*** with tools to help understanding of corruption and bribery, and to evaluate the risks by areas and countries where we operate.
A training plan has been completed end of 2015 and beginning of 2016 to cover the management, purchasing involved people, sales staff and sales agents.
At the end of 2016 an extended training has been deployed to all employees and consultants. This training is based on the United Nations "The Fight Against Corruption", and it is given in the mother language of the trainee. More than half of the staff has already done it, and will continue over 2017.

The UN Convention against Corruption is also available in our documentation systems for easy access in the 3 main languages of the company: English, French and Spanish.

Result:

0 reports on corruption among the employees or any other stakeholder

100% of Priority 1 staff trained on anti-corruption (CEO, CFO, HR, Purchasing related staff, Sales Asia and Sales Latam), test pass with 92% successful result.

Over 50% of the rest of the Staff has got their Certificate of participation on "The fight Against Corruption"

9.3 ANTI-COMPETITION AND RESPONSIBLE MARKETING

ATLINKS protects and respects the intellectual property by means of contractual commitment with suppliers and customers.
Specific legal counsel support is assigned whenever necessary for ensuring these aspects.

Result: 0 reports on anti-competition by any stakeholder

Our Customer Service it is open to contact with final customers by different means: standard mail, e-mail, phone, etc. We put at customer disposition also a Hot line to help customer with any difficulties or information required.
We answer to any question whenever customers ask to us, providing satisfactory service not only with our products but with any information regarding our practices.
We do have *Customer Complaints procedure* that covers all questions in quality, environment or CSR issues.

Result: Most of the customer letters or emails are inquiries or request for documentation. No CSR issues reported this year.

9.4 CSR SUPPLIERS – AUDITS

Our Product Manufacturing suppliers are one of our main stakeholders, and are considered as partners by ATLINKS. We do have a long relationship with most of them, but we are always in the move of qualifying new partners for new kind of products.

Our *Suppliers Selection and Evaluation process* is running for many years, and we do have an excellent track of record for all of them.
We do request to them to have different Certified Management Systems: Quality and Environmental; and to achieve the maximum of our confidence, a Health and Safety Management Systems, and a Social Accountability Management System.

We also monitor by audits the compliance with the RoHS and REACH regulations to avoid hazardous and prohibited substances in our products (already reported above in this document).

Our main partner has fully certified the 4 Management Systems.

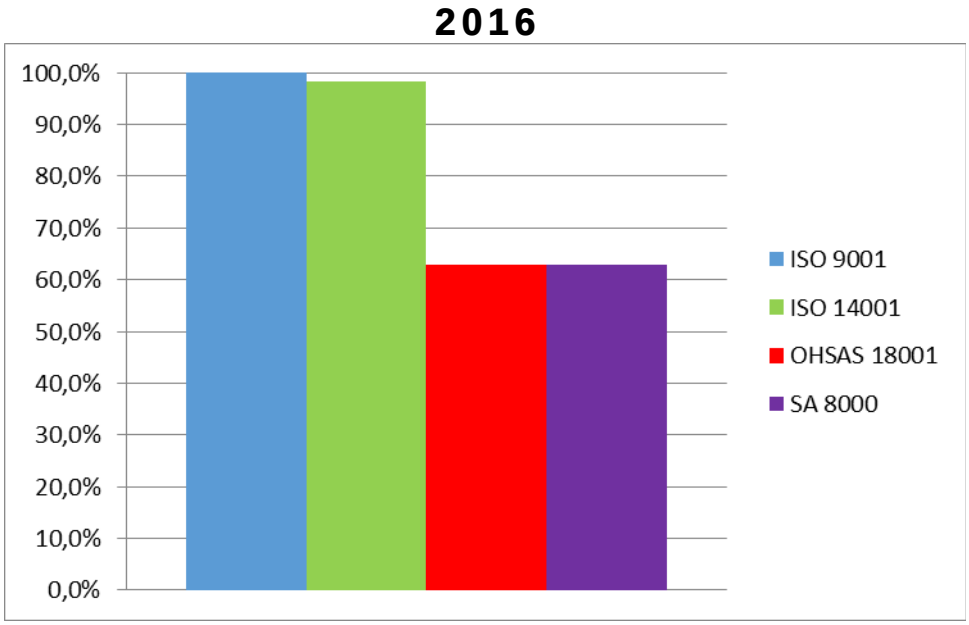
The selection and Evaluation is based in many criteria, and apart for most of the Quality, Financial, and Operational, we also include Corporate Social Responsibility, including: Environment, Health and Safety, and other criteria based on SA8000 standard , like, Discrimination, Child and Forced Labor, Working hours and Remuneration and Discipline.

We do perform every year a complete Evaluation on those criteria for 100% of our Product Suppliers.

Whenever a suppliers is not more in our standards and it is not capable to provide the appropriate corrective actions we can disqualify them.

Results:

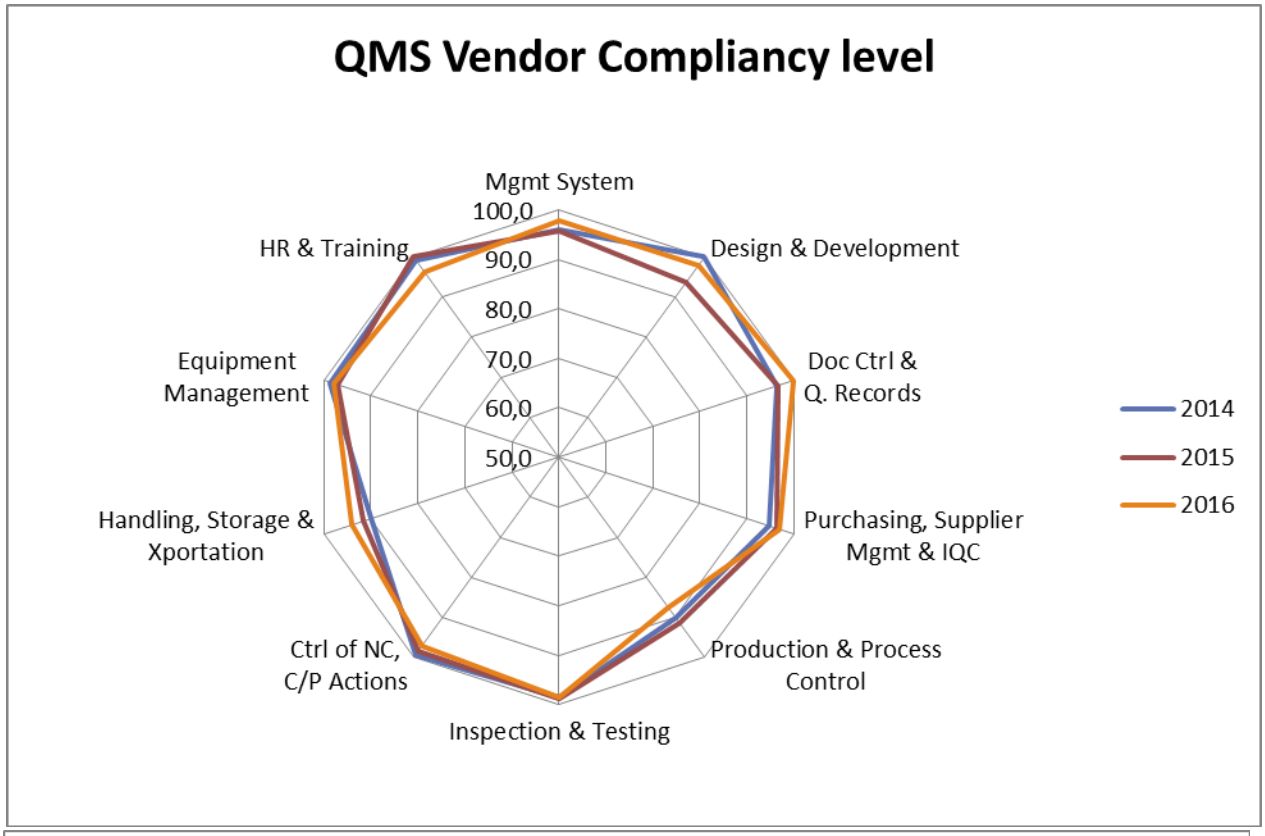
Percentage of Purchased products Worldwide (value) coming from Certified Suppliers.

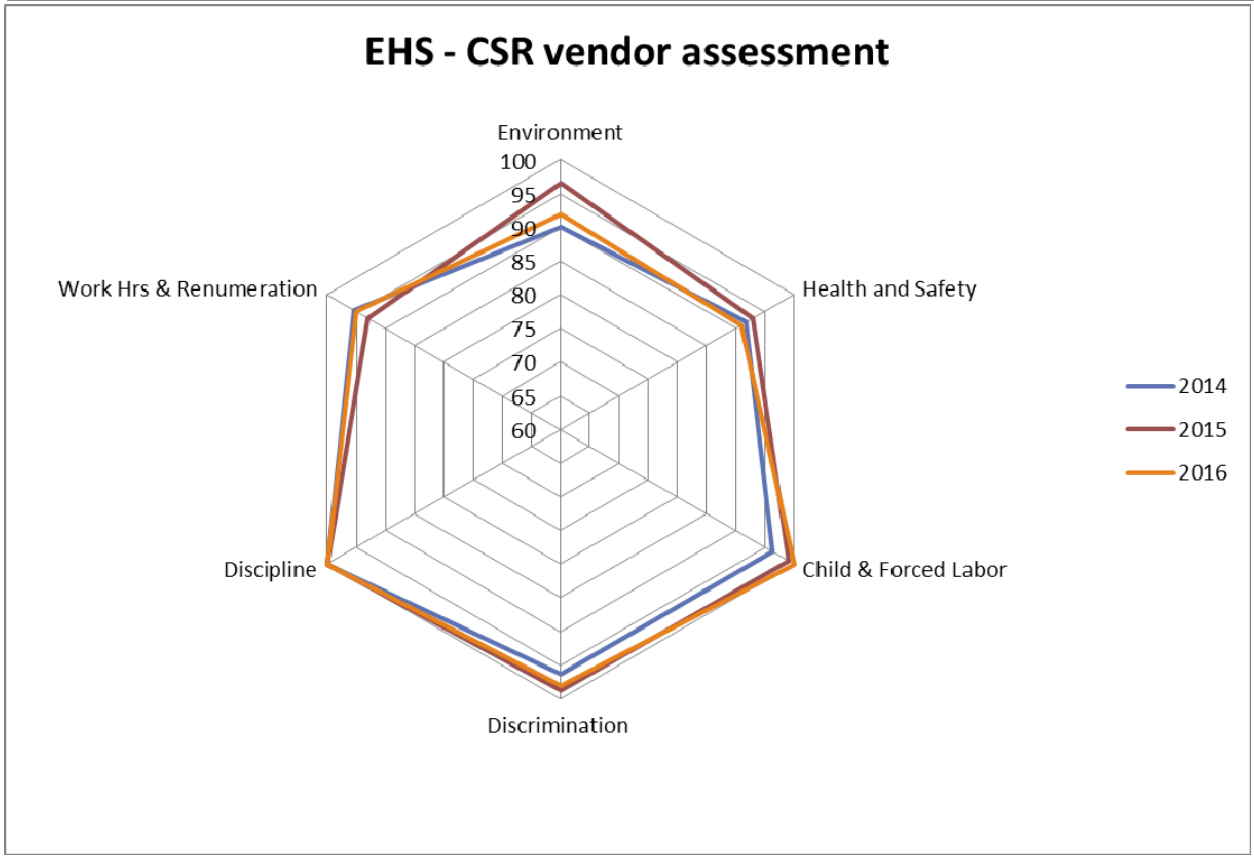


Percentage of Manufacturing Suppliers Audited

Audits QMS : 100%, of active vendors
Audits EHS-CSR: 100% of active vendors
Audits RoHS/REACH: 100% of Active vendors (shown in previous pages)

Results on Audits: Quality and EHS-CSR





9.5 EXTERNAL EVALUATIONS (ECOVADIS)

EcoVadis operates the 1st collaborative platform allowing companies to assess the environmental and social performance of their suppliers on a global basis. EcoVadis combines technology and Corporate Social Responsibility (CSR) expertise to deliver simple and reliable supplier scorecards, covering 150 purchasing categories and 21 CSR criteria.

The EcoVadis methodology framework assesses the policies and measures put in place as well as the reporting published by companies with regards to environmental, labor practices & human rights, fair business practices and sustainable procurement issues. The assessment conducted by CSR experts is made on the basis of the company answers to a survey which is dynamically adapted to their country, sector and size, on the basis of supporting documentation, and on public and stakeholder (NGOs, trade unions, press) information.

ATLINKS is framed in the Category/Industry **"Manufacture of communication equipment",** even it has not its own manufacturing facilities, the products commercialized by ATLINKS have its own licensed brand Alcatel, and then it can be considered as a manufacturer.
This category is much more demanding than the wholesaler type of.

Actions based on the detailed report issued by Ecovadis have been taken to improve ATLINKS performance in the CSR results for next year.

Result:
ATLINKS has confirmed its commitment to the Corporate Social Responsibility by obtaining the Gold level of recognition, and the "advanced" level.

10 RISK MANAGEMENT

ATLINKS has identified and classified the different risks related to:

- Business activity
- Environment
- Health and Safety
- Anti-bribery

The **business** activity risks are identified in the mappings of each process, and they are followed by the different indicators on the business activity. The risk assessment is done based on the following chart:

Risk matrix	LIKELIHOOD				
CONSEQUENCE	**Rare** The event will **only occur in exceptional** circumstances	**Unlikely** The event is **not likely to occur** in a year	**Possible** The event **may occur** within a year	**Likely** The event **is likely to occur** within a year	**Almost Certain** The event **is almost certain to occur** within a year
Catastrophic (lost of significant business, margin)	**High Risk**	**High Risk**	**High Risk**	**High Risk**	**High Risk**
Major (Lost of business, margin, etc)	**Low Risk**	**Moderate Risk**	**Significant Risk**	**High Risk**	**High Risk**
Moderate (Lost time)	**Low Risk**	**Low Risk**	**Moderate Risk**	**Significant Risk**	**High Risk**
Minor (Minor consequence)	**Low Risk**	**Low Risk**	**Low Risk**	**Moderate Risk**	**Significant Risk**
Minimal little impact	**Low Risk**	**Low Risk**	**Low Risk**	**Low Risk**	**Moderate Risk**

High Risk		**Significant Risk**		**Moderate Risk**		**Low Risk**	
Immediate action required	√	Action required as soon as possible		Action required within 1-3 months		Monitor the hazard Minimal action	

For **Environment**, the risks are evaluated thru the Environmental Analysis, with the aspects and impacts matrix.

Weight index	1	2	3	4
Frequency-Probablility	Exceptional (at least once a year)	Rare (At least once a month)	Occasionnal (At least once a week)	Systematic (everyday)
Gravity	Negligible Little impact on image Impacts non mesurables sur l'environnement	Marginal Image damaged Quick control on environmental effects	Critical Lost of image important envimmental effects but reversible	Catastrophic Important image lost Irreversible environmental effects
Control	Systematic detection (<day) Existing procedure and applied correctly Non control for the site	Quick detection (<week) probable, Non accurate procedures or controls	Possible detection but difficult detection non sufficient or not adapted procedures	Non existant non existant data or procedures

[Environmenta RISK = Frequency * Gravity * Control] [N=normal Contitions / T= Depleted conditions / A= Accidental conditions]

RiE	Importance	Signification
Between 1 and 10	Low	EA non priority, do not need inmediate intervetnion
Between 11 and 20	Medium	Taking this EA into acccount will have positives effects for the environment, but not a priority
Between 21 and 50	Significatant	The EA needs to be taken into account for programming CA
Above 50	Serius	EA priority

For the **Health and safety** the risks are also evaluated on the Risks assessment.

CONSEQUENCE	Rare The event will **only occur in exceptional** circumstances	Unlikely The event is **not likely to occur** in a year	Possible The event **may occur** within a year	Likely The event **is likely to occur** within a year	Almost Certain The event **is almost certain to occur** within a year
Catastrophic (Accidental death / serious injury)	High Risk	High Risk	High Risk	High Risk	High Risk
Major (Serious injury)	Low Risk	Moderate Risk	Significant Risk	High Risk	High Risk
Moderate (Lost time due to workplace injury)	Low Risk	Low Risk	Moderate Risk	Significant Risk	High Risk
Minor (Minor workplace injury – no lost time)	Low Risk	Low Risk	Low Risk	Moderate Risk	Significant Risk
Minimal (No injury)	Low Risk	Low Risk	Low Risk	Low Risk	Moderate Risk

High Risk		Significant Risk		Moderate Risk		Low Risk	
Immediate action required	√	Action required as soon as possible		Action required within 1-3 months		Monitor the hazard Minimal action	

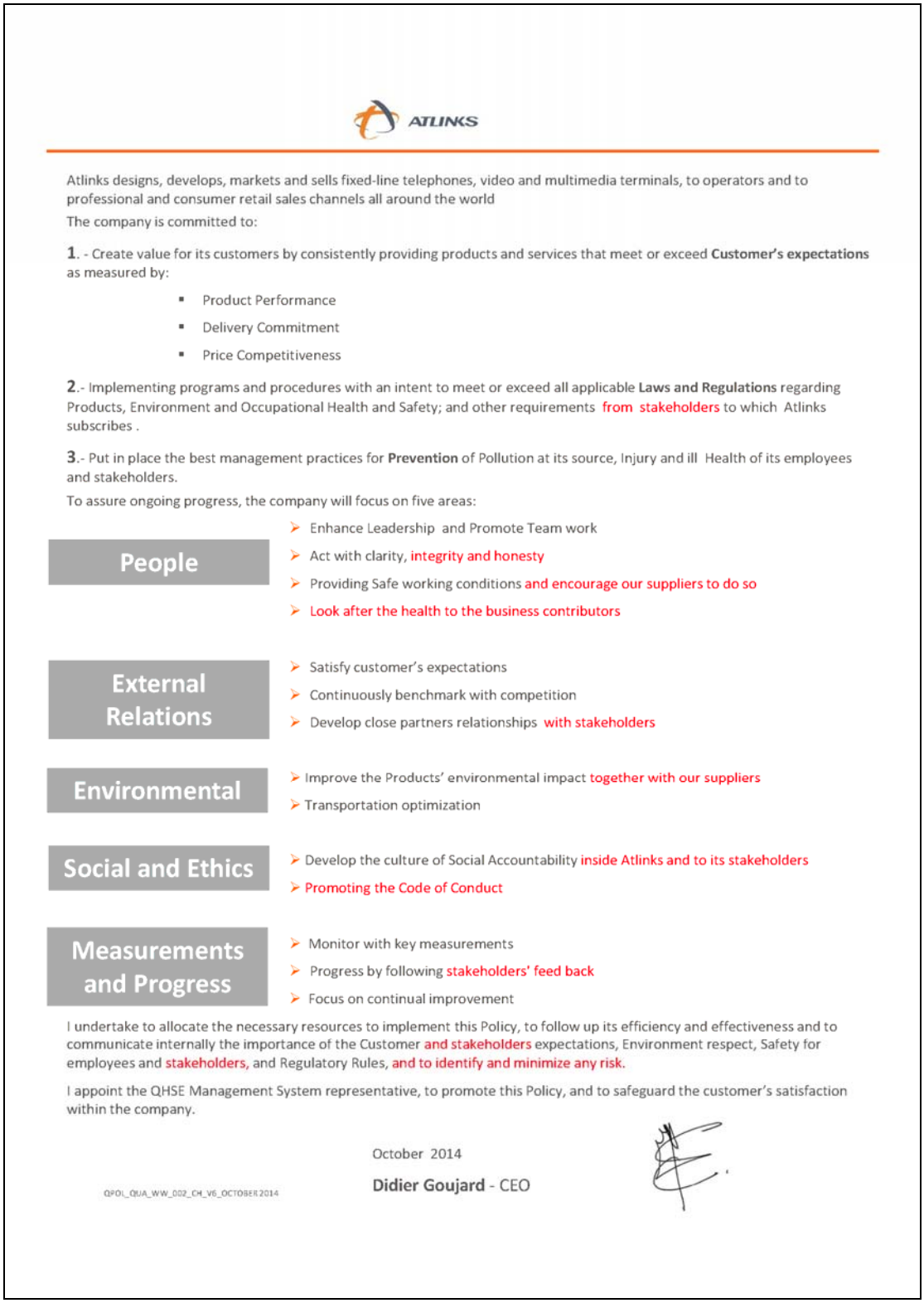
The **Anti-bribery** assessment is done based on the following chart:

Risk matrix	LIKELIHOOD			
IMPACT	**Rare** The event will **only occur in exceptional** circumstances	**Unlikely** The event is **not likely to occur** in a year	**Possible** The event **may occur** within a year	**Likely** The event **is likely to occur** within a year
Major	High Risk	High Risk	High Risk	High Risk
Moderate	Moderate Risk	Significant Risk	Significant Risk	High Risk
Minor	Low Risk	Moderate Risk	Significant Risk	High Risk
Minimal	Low Risk	Low Risk	Moderate Risk	High Risk

High Risk	Significant Risk	Moderate Risk	Low Risk
Stop business activity	Action required as soon as possible	Action required within 1-3 months	Monitor the risk Minimal action

11 ANNEXES

11.1 COMPANY POLICY



ATLINKS

Atlinks designs, develops, markets and sells fixed-line telephones, video and multimedia terminals, to operators and to professional and consumer retail sales channels all around the world

The company is committed to:

1. - Create value for its customers by consistently providing products and services that meet or exceed **Customer's expectations** as measured by:

- Product Performance
- Delivery Commitment
- Price Competitiveness

2.- Implementing programs and procedures with an intent to meet or exceed all applicable **Laws and Regulations** regarding Products, Environment and Occupational Health and Safety; and other requirements from stakeholders to which Atlinks subscribes .

3.- Put in place the best management practices for **Prevention** of Pollution at its source, Injury and ill Health of its employees and stakeholders.

To assure ongoing progress, the company will focus on five areas:

People

- Enhance Leadership and Promote Team work
- Act with clarity, integrity and honesty
- Providing Safe working conditions and encourage our suppliers to do so
- Look after the health to the business contributors

External Relations

- Satisfy customer's expectations
- Continuously benchmark with competition
- Develop close partners relationships with stakeholders

Environmental

- Improve the Products' environmental impact together with our suppliers
- Transportation optimization

Social and Ethics

- Develop the culture of Social Accountability inside Atlinks and to its stakeholders
- Promoting the Code of Conduct

Measurements and Progress

- Monitor with key measurements
- Progress by following stakeholders' feed back
- Focus on continual improvement

I undertake to allocate the necessary resources to implement this Policy, to follow up its efficiency and effectiveness and to communicate internally the importance of the Customer and stakeholders expectations, Environment respect, Safety for employees and stakeholders, and Regulatory Rules, and to identify and minimize any risk.

I appoint the QHSE Management System representative, to promote this Policy, and to safeguard the customer's satisfaction within the company.

October 2014

Didier Goujard - CEO

QPOL_QUA_WW_002_CH_V6_OCTOBER 2014

11.2 CODE OF CONDUCT

ATLINKS

CODE OF CONDUCT

The Atlinks Code of Conduct outlines expected behaviors for all Atlinks employees and consultants. A complete **handbook** and **tools** are available to properly implement this policy.

Atlinks will conduct its business **fairly**, **impartially**, in an **ethical** and **proper manner**, in full **compliance with all applicable laws and regulations**, and consistent with the **Atlinks Policy**.

In conducting its business, **integrity** must underlie all company relationships, including those with customers, suppliers, and communities and among employees.

The highest standards of **ethical business conduct** are required of Atlinks employees in the performance of their company responsibilities. Employees will not engage in conduct or activity that may raise questions as to the company's **honesty**, **impartiality**, **reputation** or otherwise cause embarrassment to the company.

Any employee of Atlinks Company will ensure that:

- He/She will not engage in any activity that might create a **conflict of interest** for him/her or the company.
- He/She will not take advantage of his/her Atlinks position to seek personal gain through the inappropriate use of Atlinks or non-public information or abuse his /her position.
- He/She will follow all restrictions on use and disclosure of information.
  This includes following all requirements for protecting Atlinks information and ensuring that non-Atlinks proprietary information is used and disclosed only as authorized by the owner of the information or as otherwise permitted by law.
- He/She will observe **fair dealing** in all of his/her transactions and interactions.
- He/She will protect all company, customer and supplier assets and use them only for appropriate company-approved activities.
- Without exception, He/She will **comply with all applicable laws, rules and regulations**.
- He/She will promptly **report any illegal or unethical conduct** to management or other appropriate authorities (i.e., Ethics, Law, Security,..).

Every employee has the responsibility to ask questions, seek guidance, and report suspected violations of this Code of Conduct.
Atlinks provide **training** to all employees and consultants based on **the United Nations Convention Against Corruption.**

Didier GOUJARD- CEO
February 2017

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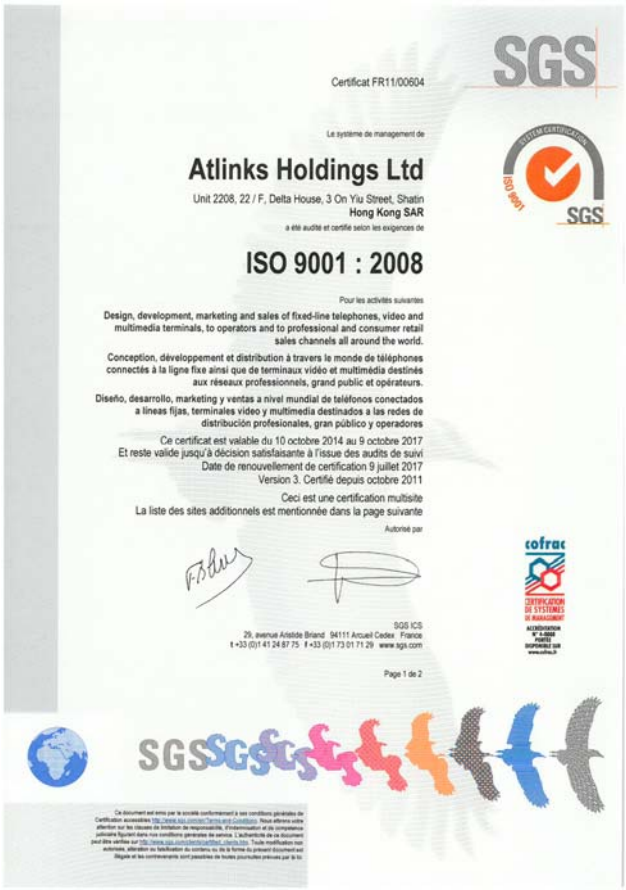
11.3 CERTIFICATES

QUALITY MANAGEMENT SYSTEMS



Certificat FR11/00604

Le système de management de

Atlinks Holdings Ltd

Unit 2208, 22 / F, Delta House, 3 On Yiu Street, Shatin
Hong Kong SAR

a été audité et certifié selon les exigences de

ISO 9001 : 2008

Pour les activités suivantes

Design, development, marketing and sales of fixed-line telephones, video and multimedia terminals, to operators and to professional and consumer retail sales channels all around the world.

Conception, développement et distribution à travers le monde de téléphones connectés à la ligne fixe ainsi que de terminaux vidéo et multimédia destinés aux réseaux professionnels, grand public et opérateurs.

Diseño, desarrollo, marketing y ventas a nivel mundial de teléfonos conectados a líneas fijas, terminales vídeo y multimedia destinados a las redes de distribución profesionales, gran público y operadores

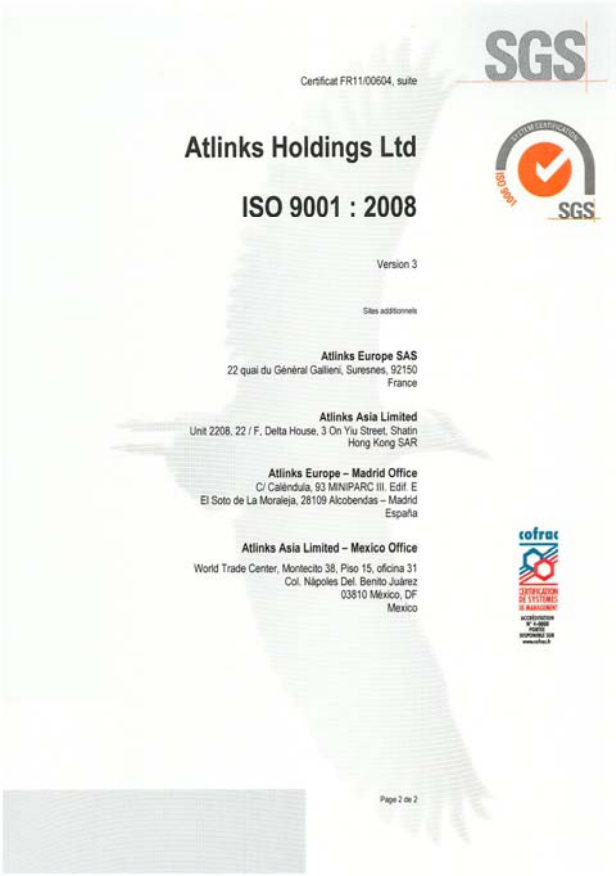
Ce certificat est valable du 10 octobre 2014 au 9 octobre 2017
Et reste valide jusqu'à décision satisfaisante à l'issue des audits de suivi
Date de renouvellement de certification 9 juillet 2017
Version 3. Certifié depuis octobre 2011

Ceci est une certification multisite
La liste des sites additionnels est mentionnée dans la page suivante

Autorisé par

SGS ICS
29, avenue Aristide Briand 94111 Arcueil Cedex France
t +33 (0)1 41 24 87 75 f +33 (0)1 73 01 71 29 www.sgs.com

Page 1 de 2



Certificat FR11/00604, suite

Atlinks Holdings Ltd

ISO 9001 : 2008

Version 3

Sites additionnels

Atlinks Europe SAS
22 quai du Général Galleni, Suresnes, 92150
France

Atlinks Asia Limited
Unit 2208, 22 / F. Delta House, 3 On Yiu Street, Shatin
Hong Kong SAR

Atlinks Europe – Madrid Office
C/ Caléndula, 93 MINIPARC III. Edif. E
El Soto de La Moraleja, 28109 Alcobendas – Madrid
España

Atlinks Asia Limited – Mexico Office
World Trade Center, Montecito 38, Piso 15, oficina 31
Col. Nápoles Del. Benito Juárez
03810 México, DF
Mexico

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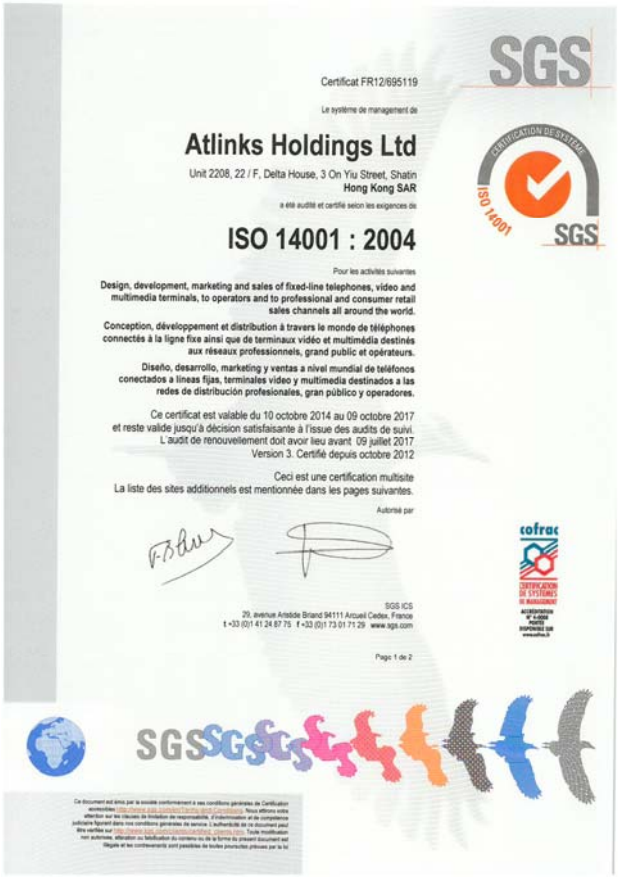
ENVIRONMENTAL MANAGEMENT SYSTEMS



Certificat FR12/695119

Le système de management de

Atlinks Holdings Ltd

Unit 2208, 22 / F, Delta House, 3 On Yiu Street, Shatin
Hong Kong SAR

a été audité et certifié selon les exigences de

ISO 14001 : 2004

Pour les activités suivantes

Design, development, marketing and sales of fixed-line telephones, video and multimedia terminals, to operators and to professional and consumer retail sales channels all around the world.

Conception, développement et distribution à travers le monde de téléphones connectés à la ligne fixe ainsi que de terminaux vidéo et multimédia destinés aux réseaux professionnels, grand public et opérateurs.

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Ce certificat est valable du 10 octobre 2014 au 09 octobre 2017
et reste valide jusqu'à décision satisfaisante à l'issue des audits de suivi.
L'audit de renouvellement doit avoir lieu avant 09 juillet 2017
Version 3. Certifié depuis octobre 2012

Ceci est une certification multisite
La liste des sites additionnels est mentionnée dans les pages suivantes.

Autorisé par

SGS ICS
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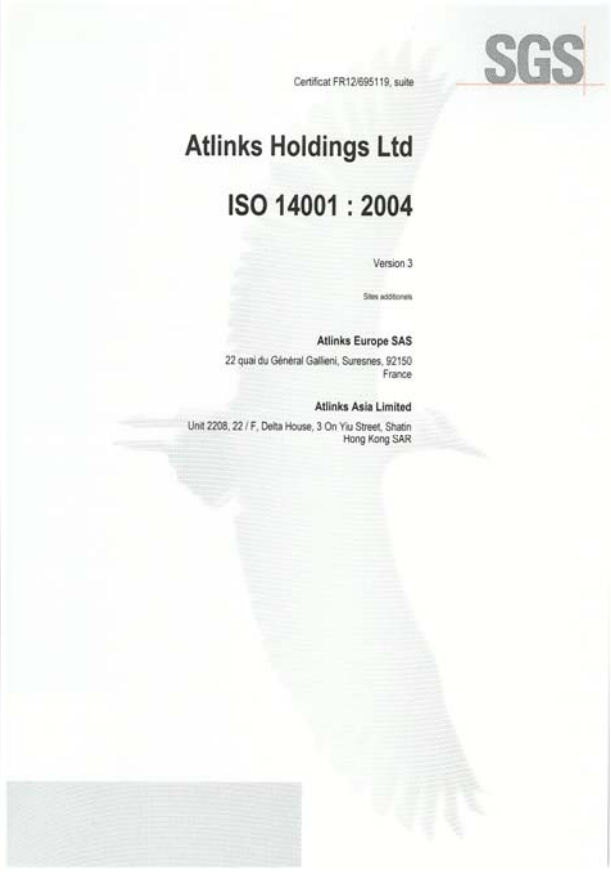
Page 1 de 2



Certificat FR12/695119, suite

Atlinks Holdings Ltd

ISO 14001 : 2004

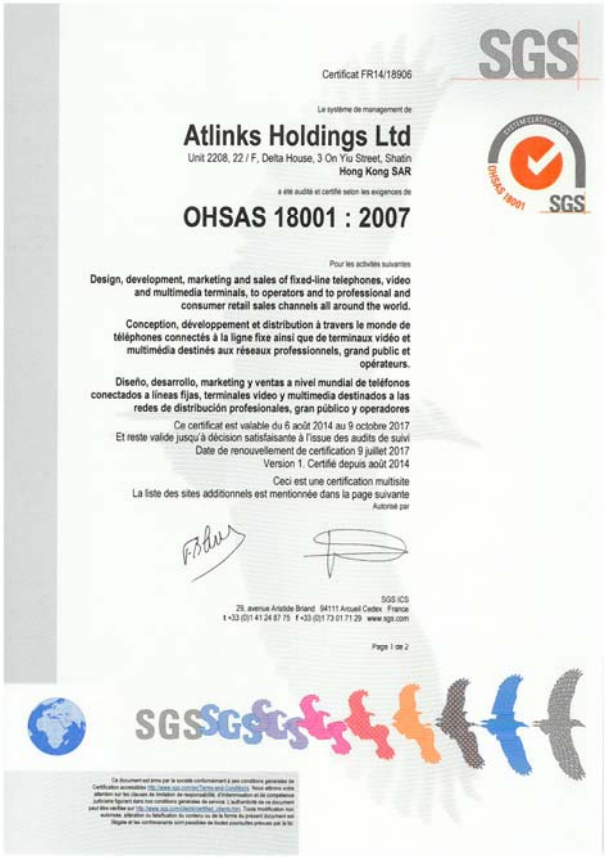
Version 3

Sites additionels

Atlinks Europe SAS
22 quai du Général Gallieni, Suresnes, 92150
France

Atlinks Asia Limited
Unit 2208, 22 / F, Delta House, 3 On Yiu Street, Shatin
Hong Kong SAR

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEMS



Certificat FR14/18906

Le système de management de

Atlinks Holdings Ltd

Unit 2208, 22 / F, Delta House, 3 On Yiu Street, Shatin
Hong Kong SAR

a été audité et certifié selon les exigences de

OHSAS 18001 : 2007

Pour les activités suivantes

Design, development, marketing and sales of fixed-line telephones, video and multimedia terminals, to operators and to professional and consumer retail sales channels all around the world.

Conception, développement et distribution à travers le monde de téléphones connectés à la ligne fixe ainsi que de terminaux vidéo et multimédia destinés aux réseaux professionnels, grand public et opérateurs.

Diseño, desarrollo, marketing y ventas a nivel mundial de teléfonos conectados a líneas fijas, terminales video y multimedia destinados a las redes de distribución profesionales, gran público y operadores

Ce certificat est valable du 6 août 2014 au 9 octobre 2017
Et reste valide jusqu'à décision satisfaisante à l'issue des audits de suivi
Date de renouvellement de certification 9 juillet 2017
Version 1. Certifié depuis août 2014

Ceci est une certification multisite
La liste des sites additionnels est mentionnée dans la page suivante

Autorisé par

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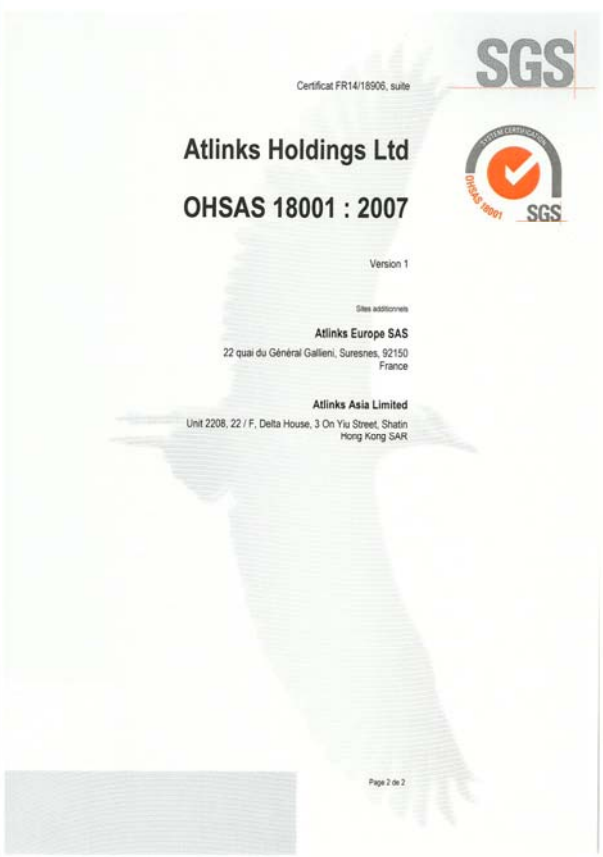

Certificat FR14/18906, suite

Atlinks Holdings Ltd

OHSAS 18001 : 2007

Version 1

Sites additionnels

Atlinks Europe SAS
22 quai du Général Galleni, Suresnes, 92150
France

Atlinks Asia Limited
Unit 2208, 22 / F, Delta House, 3 On Yiu Street, Shatin
Hong Kong SAR

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CSR EVALUATION