



COMMUNICATION ON PROGRESS

2019

For Earth from space

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From the CEO



Christophe
Vassal

CLS Chief
Executive Officer



WE REALIZE THAT A CLEAR AND RIGOROUS CSR APPROACH IS A KEY COMPETITIVE ADVANTAGE.

Since signing up to the United Nations Global Compact in 2016, CLS has set itself each year the goal of continuously improving its non-financial performance.

At CLS, we believe that such fundamental issues as respecting human rights, preserving the environment and tackling corruption are integral to a company's social role.

The pursuit of the UN Sustainable Development Goals is inscribed in our company's DNA and central to everything we do, since 80% of our revenues contribute directly to this aim.

CLS aspires unquestionably to become a beacon of corporate social responsibility.

This year again, our CSR working group is pursuing the drive to improve our CSR policy.

We realize that a clear and rigorous CSR approach is a key competitive advantage. That is why identifying and managing the non-financial challenges encountered by CLS form the foundation for this report.

The year was a transformative one for CLS, as we integrated our Novacom Services subsidiary and our Kinéis subsidiary gradually gained its independence. Through this report, we want to give our stakeholders the means to gauge the importance of the issues that underpin our non-financial reporting obligations.

This statement also gives us the opportunity to reiterate for the fourth time our adherence to the UN Global Pact

Resources

€10m

Invested every year in research and development

130

Satellites send their data to CLS every day

5

Processing centres operated by CLS in France, the United States, Italy and Spain

745

Employees worldwide

1

Only one planet, which we must observe, watch over and preserve

+30 years

of experience. Our skilled and experienced workforce is our most valuable asset

€134m

Revenues in 2019

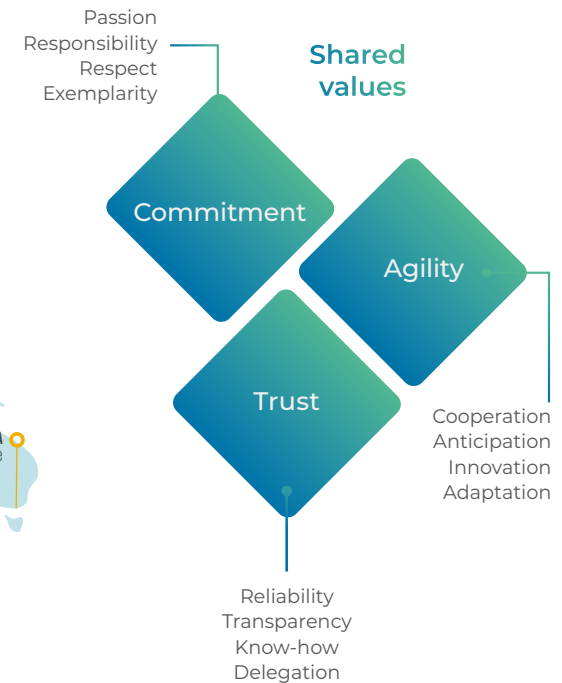
Our business model

CLS - A global company

Satellites are today delivering vast amounts of varied data. To unlock the wealth of information these data contain for our customers, we have decided to invest

in artificial intelligence and harness the power of big data and analytics infrastructures to gain deeper insight into their businesses. For CLS, this move is vital to stay ahead of competitors from all sides and retain our customers' trust.

OUR MISSION IS TO CONCEIVE AND DEPLOY SPACE-BASED SOLUTIONS TO UNDERSTAND AND PROTECT OUR PLANET AND MANAGE ITS RESOURCES SUSTAINABLY...



745 employees*



... IN RESPONSE
TO GROWING
VITAL NEEDS.

5 business units

Energy, Mining & Infrastructures

Developing products and services for the energy, mining and infrastructure markets to improve efficiency and safety, while reducing their environmental footprint in order to respond to increasing natural and man-made disasters, as well as the growing number of complex large-scale projects that require close monitoring

80%
of CLS's revenues are contributing directly to Sustainable Development Goals (SDGs)

41%
are helping to tackle climate change and preserve marine and terrestrial biodiversity
SDGs 6, 13, 14 and 15

34%
are contributing to economic development and to sustainable cities and communities
SDGs 9, 11 and 12

5%
are helping to tackle poverty and give vulnerable communities greater autonomy
SDGs 1, 2, 3 and 8

Sustainable Fisheries Management
Supporting sustainable management of marine resources and related economic and food sectors in order to combat overfishing



Maritime Safety & Security

Preventing and responding to illegal events and activities at sea affecting people and property. Combating terrorism, piracy and all forms of trafficking (immigrants, drugs) and preventing all types of pollution (e.g. oil)

Environment & Climate

Supporting environmental conservation and sustainable development policies to tackle the biodiversity crisis, polar ice melt, marine oil pollution and water shortages



**Understanding the past
Observing the present
Planning the future
Adapting to meet climate and environmental challenges
Gauging the environmental impacts of economic and industrial activities**

Fleet Management

Developing innovative telematics solutions, notably for humanitarian and waste management purposes in response to growth in international freight and waste volumes

United Nations Global Compact

The UN Global Compact is the largest voluntary international initiative on sustainable development. It encourages businesses to embed and promote a range of principles regarding human rights, working conditions, good environmental stewardship and anti-corruption practices.

CLS is committed to making yearly progress on each of the 10 principles of the Global Compact.

SUSTAINABLE DEVELOPMENT GOALS AND OUR BUSINESS

CLS is helping to accomplish the **17 greatest challenges** facing the planet in the ecological, political and economic spheres. We are proud to affirm that 80% of our revenues are generated from activities geared towards achieving the UN Sustainable Development Goals (SDGs).

INTERNAL POLICIES AND PRACTICES MAKING A POSITIVE CONTRIBUTION TO SDGs

Every day, the CLS Group is deploying initiatives that are having a positive impact on the achievement of the SDGs.

Besides our commercial offering, we are also supporting SDGs through our internal policies and practices with respect to corporate governance, management of human resources and good working conditions, the reduction of our environmental footprint and our relations with external stakeholders and civil society.

WE SUPPORT THE GLOBAL COMPACT



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Pact**.

We welcome feedback on its contents.



Gender equality (SDG 5): women represent 60% of CLS's Executive Committee and 3 out of 5 members of its Executive Board.

Tackling corruption (SDG 16): the Group's Code of Conduct has been written and translated into 4 languages.

Partnerships for sustainable development (SDG 17): CLS is a signatory to the United Nations Global Compact and is working to implement the SDGs.



Gender equality (SDG 5): women represent 45.5% of the Group's managers and 41% of its total workforce (at October 2019).

Decent working conditions (SDG 8): the Group offers extra benefits on top of basic salaries and has put in place profit-sharing schemes for about 54% of its employees



Partnerships for sustainable development (SDG 17): CLS is supporting several NGOs.

Reducing inequalities (SDG 10): The CLS Group is supporting the Stade Toulousain Rugby Handisport wheelchair rugby organization.

Responsible consumption and production (SDG 12): CLS is involved in local initiatives seeking to encourage 'soft' mobility solutions.

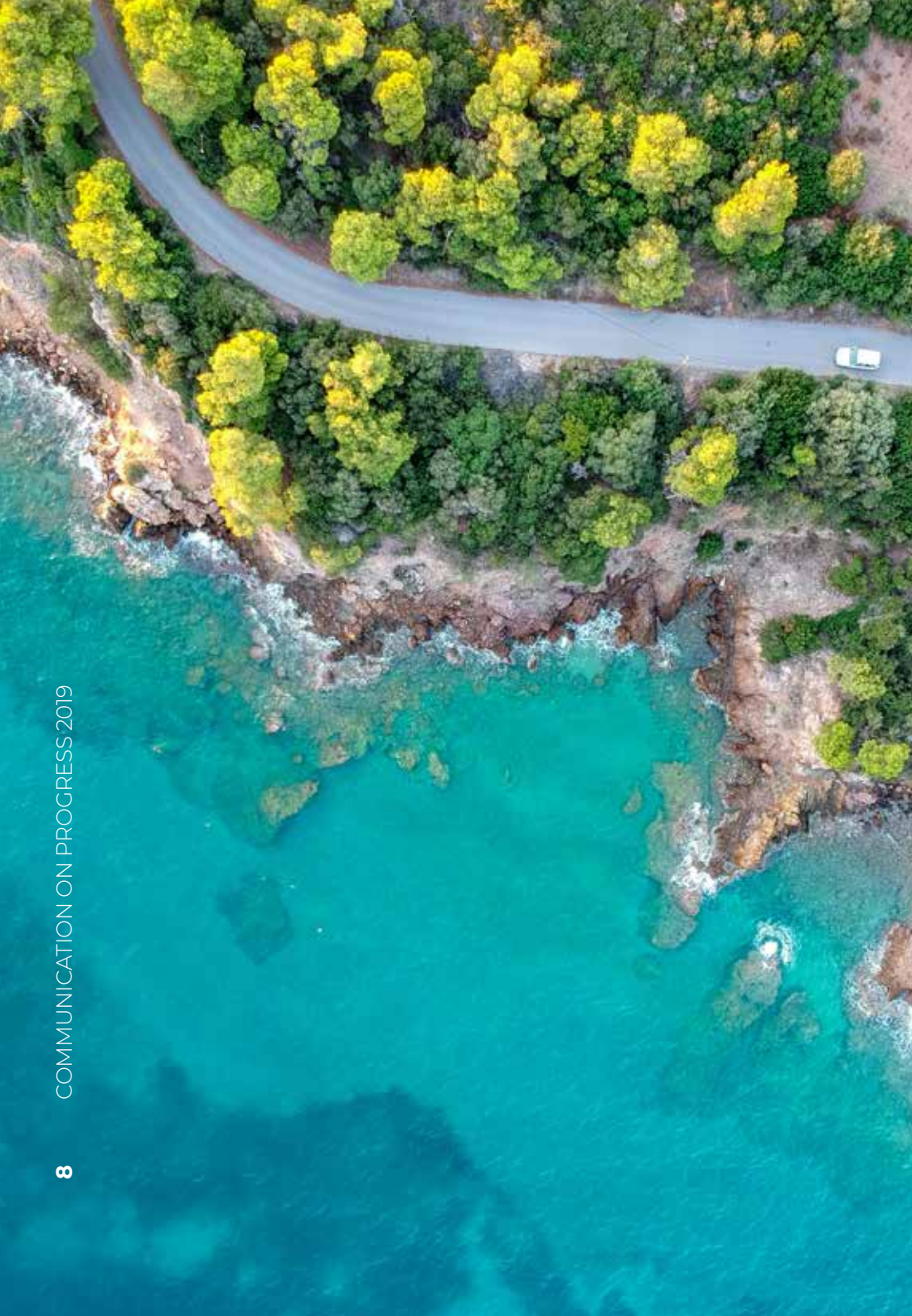
Preserving biodiversity (SDG 15): CLS is supporting a project to preserve biodiversity and promote local replanting of trees through Voies Navigables de France (VNF), the public body responsible for managing France's navigable waterways.



Consumption and production of renewable energies (SDG 7): CLS headquarters is powered 100% by renewable electricity and 4 electric vehicle charging points have been installed.

Responsible consumption and production (SDG 12): CLS headquarters has equipped itself to sort waste.

Climate action (SDG 13): CLS is closely tracking its environmental footprint and deploying initiatives to curb its greenhouse gas emissions.



Foreword

For its second Non-Financial Performance Statement, CLS is seeking to pursue the course charted the previous year and to set ever-more ambitious social responsibility and environmental goals.

A number of the challenges set in our last Non-Financial Performance Statement (NFPS) were met during the course of 2019.

The first of these was to **produce an up-to-date list of non-financial issues**. For the second challenge, issues identified were classified taking into account **their impact on the company's business**, the risks and opportunities they imply and the expectations of our stakeholders in order to establish a materiality matrix of our non-financial risks. Progress made on these issues is documented in this report.

Our objective remains unchanged: to focus our NFPS on the issues most relevant to CLS, in line with the analysis validated by the Executive Board. We have therefore set new challenges in this second report.

CHALLENGE N°1

For each of the challenges selected, we shall continue to mobilize the employees identified as the key stakeholders in implementing our best practices. The following were therefore again closely involved in writing this year's report: our Legal & Compliance Director, our Human Resources Director, our Health, Safety and Environment Manager, our Purchasing Director, our Quality Assurance Manager and our Data Protection Officer.

CLS also turned to an external service provider for assistance in drawing up and deploying its CSR strategy. Lastly, we hired a CSR Officer whose first mission was to write this report.

CHALLENGE N°2

This year, we wish to improve the fitness of the indicators we have chosen in order to reach our goals and effectively manage this new approach to our risk-based CSR policy over the long term.

CHALLENGE N°3

The new challenge in this statement is to extend our CSR policy internationally. The information in this statement covers CLS France and for the first time our Italian subsidiary Tre Altamira.

At CLS headquarters in Toulouse, where most of our employees work, our CSR working group has implemented numerous actions in recent years to improve our corporate social responsibility.

We intend to extend this approach progressively to all international CLS subsidiaries, starting in 2019 with the Italian subsidiary.

Mandatory themes are addressed throughout the document. Only one theme not relevant to CLS's business is again excluded this year: combating food waste.



The issues covered in this NFPS for their materiality are:

- Labour relations
- **Employee training**
- Attractiveness
- **Cybersecurity**
- General Data Protection Regulation (GDPR)
- Battery disposal
- Environmental management
- **Tackling corruption**
- International extension of our CSR policy



Optimized labour relations

CLS's core business is driven by people with a passion for high-tech projects that create value for society. With this in mind, senior management must maintain and demonstrate its readiness to remain attentive to the needs and interests of its employees. Good labour relations bring peace of mind and stability, while ensuring the company's economic health.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Employee representatives on the Labour Relations Committee (CSE) were re-elected at the start of 2019 and the committee's Work Health and Safety Commission (CSSCT) was set up. In 2019, the Labour Relations Roadmap was shared and a methodology agreement signed with union and employee representatives to encourage dialogue and negotiation. Regular meetings are held with employee representatives, on a monthly basis for staff delegates and the CSE. The overseeing Executive Board meets weekly and the Management Committee once a month. Minutes of monthly Management Committee meetings are communicated to all employees, so that everyone is kept abreast of issues being addressed by senior management.

POLICY

CLS is striving to increase its employees' sense of worth by involving them in the company's governance and through tools that foster in-house dialogue. Here's how.



OBJECTIVE REACHED IN 2019

Labour Relations Roadmap created and shared with union and employee representatives

VIBRANT IN-HOUSE COMMUNICATION

Nurturing in-house dialogue and corporate culture.

Workplace

Workplace, our corporate social network used by all Group employees, has been a success since it was rolled out in June 2017. While the Communication Department has made this network one of its key channels, employees have also been invited to use it freely and are doing so in practice. Closed and open discussion groups have been formed, focusing on a range of topics.

For example, in 2019 the car-sharing group was created to enable colleagues to travel to work together. Discussions are focused chiefly on CLS's businesses, but not exclusively so. General CSR information is shared through the SEA (Social and Environmental Awareness) 4 CLS group. This tool is very valuable for a group present on all five continents. Information may be posted in French, English and Spanish.

Friendly workspaces

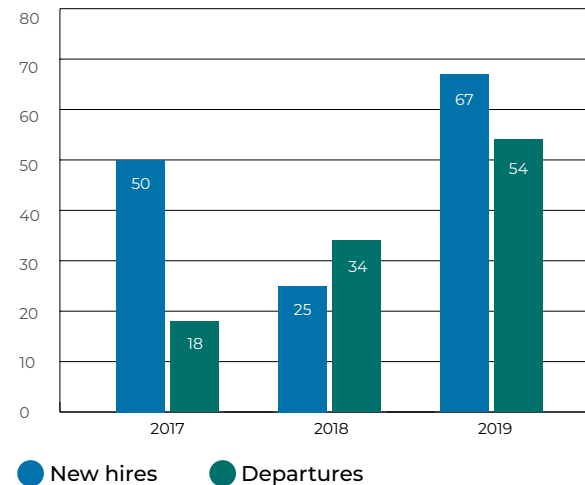
The new buildings include places where employees can chat in a friendly atmosphere (agora, auditorium, cafeterias, innovation space - Launchpad). Collaborative workspaces have also been laid out in one of the buildings.

Annual conventions

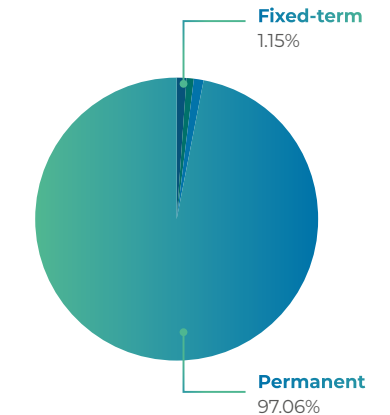
As it does every year, CLS senior management organized two Conventions in 2019. The purpose of these events is to share the company's successes, market position, results, prospects and vision for the future and how to make that vision come true.

The first convention was held to coincide with Representatives' Week in early February, with all representatives of CLS offices, subsidiaries and personnel invited to a presentation of the previous year's results, sectors of activity and the goals and development paths for the coming years. A fun evening was also organized for employees to relax and enjoy being together. A second convention is organized in December on a smaller scale, without representatives from subsidiaries and offices.

Permanent contracts



Headcount by type of contract for whole period



Permanent contracts replacing fixed-term contracts in 2019:

5 on average for CLS France.

In 2019, CLS hired more than 90 people for new positions and replacements, including those recruited for SIRS and Kinéis, and is planning to spend a large budget in 2020.



MEDIUM-TERM OBJECTIVES

- Harmonize HR management across international facilities.
- 100% of employees using Workplace.



KEY PERFORMANCE INDICATORS

Negotiated agreements:
For 2019, 8 agreements signed out of 8 negotiated.

CONTINUITY THE RULE FOR HR POLICY

HR policy in 2019 adhered to the same principles as the previous year, guided by roadmaps for labour relations, HR development, attracting talent, compensation/benefits and subsidiaries.

HR department restructured

Towards the end of the year, CLS's HR team took advantage of the experience acquired by one of its members with Kinéis to consolidate its centres of expertise.

The team is structured into different branches with three centres of expertise backed by a central HR Business Partner function covering all HR issues for departments within its scope. A Management Operating System (MOS) is in place since 2018 to support discussion and regular tracking of issues, both within the HR department and with managers and operational personnel.

HR Managers Meetings

To strengthen people management and give managers the widest possible range of tools to lead and support their teams, CLS has instituted HR Managers Meetings. These meetings are an opportunity to exchange news, keep everyone fully up to date, ask questions and discuss related topics—such as finance or business—with speakers from outside Human Resources.

HR Customers' Voice satisfaction survey for managers

Following on from the previous year, in June 2019 the HR Customers' Voice manager survey was conducted. This survey aims to improve daily HR support to teams and forms the basis for an Action Plan. This will be an annual survey from now on.

This survey is conducted yearly.

Customers' Voice manager survey	2018	2019
Number of managers concerned	69	70
Number of responses	31	35
Response rate	45%	50%



OBJECTIVE REACHED IN 2019

Broad deployment of HR Roadmaps



MEDIUM-TERM OBJECTIVES

- Set up an employee Engagement Survey. This was initially planned for 2019 and should now be operational before the end of 2020.
- A monthly HR café is envisioned for employees.



KEY PERFORMANCE INDICATORS

Response to Customers' Voice manager survey in 2019: 50% (35/70 managers)

SPOTLIGHT ON HR ROADMAPS

Labour relations

Achieve constructive dialogue with the workforce on projects that are foundational for the company's future and meaningful to employees

HR development

Ensure the right people in the right place, with the right skills and at the right time

Attracting and retaining talent

Maintain the ability to attract, hire and retain talent through an innovative recruitment policy and a strong employer brand

Compensation and benefits

Offer a fair and competitive package to retain our people / Provide effective tools to ensure satisfied employees

Subsidiaries

Disseminate our corporate culture, processes, ways of working and tools to ensure better understanding and more harmonious management.



DISABILITY - A MAJOR FOCUS FOR IMPROVEMENT

With seven disabled employees, CLS still has considerable room for improvement. One reason we are not yet where we want to be is the difficulty in finding candidates with the right qualifications. CLS is working with a temping agency specialized in recruiting people with disabilities. In 2019, disability is a central issue in the discussions of our CSR working group. When negotiating the Quality of Life at Work agreement, the desire to foster workplace integration is emphasized.

In May 2019, CLS took part in the **Duo Day event**, which proved a success at our Lille-based subsidiary SIRS, with a disabled person signing a three-month temp contract as a result. This mission was subsequently extended to end August 2020, a total of 14 months in all. During the course of the year, CLS also hired **a disabled intern. Lastly, we forged a partnership with a catering firm** that employs disabled people.



SPOTLIGHT ON SUBSIDIARY REORGANIZATION

Novacom Services In 2018, CLS worked to integrate its Novacom Services subsidiary. The merger, effective since the start of 2019, has been accomplished under the banner of continuity and underpinned by a shared strategy and values.

SIRS

In 2019, HR teams lent their support to our Lille-based subsidiary SIRS for HR management, business and engineering. The aim is to integrate SIRS in January 2021.

Kinéis

After the partial transfer of assets from the Argos System Operations branch of CLS to its subsidiary Kinéis, employment contracts were also transferred. CLS has ensured that this transition is smooth to guarantee the well-being of Kinéis employees, whose pay and conditions are similar to those at CLS. Employees have been able to maintain a comfortable work environment and have a dedicated HR manager. A specific roadmap has been deployed. This transfer is therefore a labour relations success.

27 AUGUST 2019: SIGNATURE OF A COLLECTIVE AGREEMENT ON WORKPLACE GENDER EQUALITY

This agreement is a key asset that will help CLS to attract talents, foster diverse skills and fuel innovation and creativity.

This agreement supersedes the previous one signed in November 2014. Its aim is to foster workplace gender equality and secure the resources required to remove or at least reduce inequalities.

Equal pay for equal responsibilities

CLS reaffirms that men and women must be hired on the same salaries for the same level of responsibilities, qualifications, experience and skills. Pay progression for men and women must be exclusively based on their

skills, experience, qualifications and performance.

Promotion

Men and women must be given the same opportunities to further their careers and hold positions of responsibility. Each individual must be actively engaged in their career progression, in line with their interests, motivations, efforts and opportunities within the company. The criteria for career development are the same for men and women, based on skills, experience and performance.

Training opportunities

CLS reaffirms that its men and women must have the same training opportunities.

Work-life balance

Achieving the right balance between work, private life and parenting is something that concerns all employees, raises issues regarding how the company is organized and managed, and has a strong impact on equal opportunities, performance and motivation at work. CLS is adapting to changes in people's parenting expectations and committed to working to nurture a better work-life balance for employees who are also parents.

SPOTLIGHT ON Diversity and gender equality

As of October 2019, out of a total female headcount of

41%

45.5% of managers are women

3 out of **5** members of the Executive Board are women.

30 nationalities working for the CLS Group
All generations are represented



KEY PERFORMANCE INDICATORS

Gender equality index score in 2019: **99/100**
Up from 94/100 in 2018
Goal: reach 100/100

This index, which companies with more than 250 employees must publish since September 2018, is an instrument aimed at ending unequal pay for which there is a legally required minimum score.

- Indicator 1** Gender pay gap (for a comparable position and age): 39/40
- Indicator 2** Pay rise gap: 20/20
- Indicator 3** Promotions gap: 15/15
- Indicator 4** Percentage of pay rises on return from maternity leave: 15/15
- Indicator 5** Gender distribution among 10 highest salaries: 10/10





Fulfilment at work

CLS is proud of its talents and depends on them. The skills of our employees are the company's most valuable asset. Our HR department takes the risks related to losing talents very seriously and is working hard to instil optimum working conditions in order to retain them.

A comprehensive training programme

POLICY:
CLS aims to retain its talents by identifying their training and development needs. Here's how.

OUR VISION

Learning, progressing and perfecting one's skills are the keys to a satisfying working life. Employees' training and development needs are identified through a procedure involving employees, their managers, business unit managers and the HR department.

TRACKING PROGRESS

Since 2018, CLS has entrusted management of training to a specialist external partner, while its HR Development centre of expertise retains control of quality assurance and strategy.

This decision was geared towards ensuring an effective and professional approach while enabling CLS to remain in charge of strategy and management. Managers and the HR department thus have a powerful tool to keep track of the plan's progress and obtain a full range of statistics.



PERMANENT GOAL
Identify and meet
employees' training needs



OBJECTIVE FOR 2020
Deploy Manager's Charter

Assessing needs

Key people and future employees with specific training needs are identified to give CLS a medium-term vision in the event that an employee should leave the company.

INDIVIDUAL DEVELOPMENT PLAN

An individualized support system for each employee is in place since the end of 2017.

The Individual Development Plan supports employees moving from a non-executive to a management position or in need of clearly identified and specific training.

This Individual Development Plan is drawn up jointly by the HR department, the manager and the employee, setting specific goals for support, training or implementation, over a fixed period ranging from four to six months. The employee's progress is regularly monitored to make any necessary corrections and ensure the plan's success for both the employee and the company.

TAILORED TRAINING PROGRAMMES

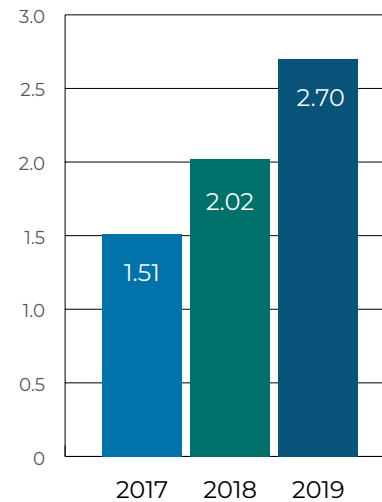
After deploying the Managers' Training Programme in 2018, with specific training focused on 10 carefully selected themes relating to managerial practices, CLS is now organizing workshops to draw up its Manager's Charter.

A specific New Managers programme is also deployed yearly to provide support to new managers and get them up to speed. A Sales Programme was deployed in 2019 and a Customer Services programme got underway at the end of the year and is continuing in 2020. A Project Leader programme is also being readied for 2020.

Programmes for specific job profiles and roles are being established to reflect the jobs and skillsets required for the future. These changes aim to anticipate amendments to the Metallurgy collective labour agreement planned for 2022.



KEY PERFORMANCE INDICATORS



Percentage of payroll spent on employee training

 **OBJECTIVE REACHED IN 2019**
GEPP career and job management deployed in 2019

 **KEY PERFORMANCE INDICATORS**
95% of employees say their right to disconnect is respected at CLS

SPOTLIGHT ON Deployment of GEPP career and job management

This approach (formerly called GEPC) is geared towards:

- Compiling a clear map of job profiles
- Defining broad job families, divided into sub-families
- Classifying these job profiles in families and sub-families
- Identifying skills that are critical, sensitive or lacking
- Harmonizing company job titles
 - Creating job 'templates' in accordance with roles (Assistant / Operator / Unit Manager / Centre Manager / Director)
 - Compiling job descriptions accordingly

120

Job descriptions have been drafted to enable existing company job titles to be harmonized. Each employee can access their job description via ADP and discuss it with their manager.

Retaining our talents

POLICY:

The HR department sets out to support our employees throughout their careers at CLS, and to attract them and retain their loyalty by providing not only a work environment conducive to well-being and creativity, but also benefits and opportunities whenever possible. Here's how.

EFFECTIVE ONBOARDING

To help newcomers to the company, the HR department has set up an onboarding programme to support employees from day one. Employees follow this programme for their first months in the company to enable them to acquire the additional inside skills and knowledge they need to grasp processes and procedures, and to understand where the company comes from, where it is going and how.

Mentors are assigned to each 'class' of new hires.

For each class, four or five mentors volunteer to show new hires the ropes and guide them through the onboarding process.

This system thus gives each employee the keys to accomplish their mission effectively.

CONSTANTLY REFINING COMPENSATION

CLS is keenly aware that its compensation and benefits policy plays a key role in the attractiveness of a company and its ability to retain talents, which is why for many years it has offered its employees an incentive bonus and a profit-sharing scheme (payment based on results and calculated in accordance with legal



criteria) with a top-up contribution from the company if the sum is invested in the Company Savings Plan. A new profit-sharing agreement with better terms was signed with union and employee representatives in 2019.

Furthermore, for any time off work, benefits kick in from day one and CLS pays more than 95% of private health cover premiums to keep costs reasonable. The company also has renegotiated an agreement concerning employees' time-savings accounts, which they can use to take early retirement, work shorter hours

during a phased pre-retirement period, request additional leave for personal reasons or work part-time over a maximum of six months for exceptional family reasons.

In 2019, work began on a new compensation policy in line with job and career profiles and branch classifications. It is also worth mentioning that individual compensation and benefits assessments covering the previous year are being instituted in 2020.



OBJECTIVE FOR 2020

Set up an online onboarding system so that the process can begin before employees arrive



NEW WORKING HOURS AGREEMENT APPLIED IN 2019

In November 2018, a new agreement on working hours was signed after being approved by more than 80% of employees through a referendum.

This agreement came into effect on 1 January 2019.

The objective of this agreement is to better meet our customers' needs in a highly competitive context while ensuring that quality of work remains fair and respectful for all by offering a choice between a Full Package and a Reduced Package for employees present in the company when the agreement was signed.

Employees' right to disconnect was also affirmed through the publication of a charter, as required by law.



SHORT-TERM OBJECTIVES

Adapt recruiting tools to attract talents, with a stronger social media presence, for example on the Careers page of LinkedIn. Identify the needs of **new generations** with a view to securing loyalty.



COMMITMENTS FOR 2020

- Institute **teleworking** as of 6 January 2020.
- Introduce a rewarded **referrals** scheme as of 1 January 2020.

SPOTLIGHT ON Teleworking agreement

In September 2019, CLS signed a teleworking agreement with union and employee representatives.

This agreement was decided to reflect the changes in the way we work today.

The agreement enables employees to achieve a better work-life balance while making CLS a more attractive proposition in the job market and gain an edge on its competitors.

The agreement came into effect on 6 January 2020.



Employee health and safety

The health and safety of our people is a priority for the Group. Workplace health and safety risks are a key concern and CLS constantly strives to guarantee its employees the safest possible working conditions. Health is the first fundamental step in ensuring their well-being.

POLICY:

Quality of life at work is vital to protect employees' mental health. CLS is committed to taking all possible steps to reduce workplace accidents and injuries. Here's how.



OBJECTIVE FOR 2020
Establish **first-aid training** programme for employees

HSE POLICY TO REDUCE RISKS

CLS has identified health and safety risks of closest concern. These include risks related to business travel, handling electrical equipment and to a lesser extent psycho-social risks. Our HSE Manager is charged with implementing the company's health and safety policy, working in concert with the Work Health and Safety Commission (CSSCT) and Human Resources to continuously improve working conditions.

RULES CONCERNING BUSINESS TRAVEL

CLS has drawn up a formal Business Travel Policy that is particularly important for sales personnel travelling to high-risk countries. A geopolitical risk study is carried out and a "travel guide" containing key advice is provided to any employee travelling abroad.



NOTEWORTHY RESULTS

- Renewal rate of health and safety qualifications: **100%**. In 2019, all qualifications requiring renewal were renewed.
- Facility safety: **100%** of periodic regulatory inspections (more than 120 inspections covering all of our technical facilities).

QUALITY OF LIFE AT WORK

Taking care of our employees and involving them in the governance of the company is something that is in the Group's DNA and has a direct impact on the prevention of psycho-social risks. Workshops on preventing such risks for managers were organized during the course of the year.

In addition, CLS works closely with occupational health services to detect and treat as early as possible any pathologies that employees may develop. A programme has been set up to adapt workstations and prevent musculoskeletal disorders.

All structural and organizational changes are subject to validation by the employees' representative bodies, including the CSSCT.

In 2019, work on updating the Single Document initiated in 2018 continued in partnership with staff delegates.

Employees were thus able to volunteer to take part in this process—a particularly innovative approach.

OPTIMIZED WORK ENVIRONMENT

Since November 2018, teams in Toulouse have been working in completely refurbished buildings.

The premises were designed and built as a series of collaborative spaces, with a succession of modern meeting rooms equipped with the latest audiovisual systems and individual work areas. The building's large glass walls enable natural light to predominate.

In 2019, new collaborative spaces were created to foster discussion and federate teams around a common project.

Enhanced comfort

Each floor has its own relaxation area. The ground floor houses a catering area with an outdoor patio. A space dedicated to innovation and creativity has also been arranged to encourage employees to craft their future projects.

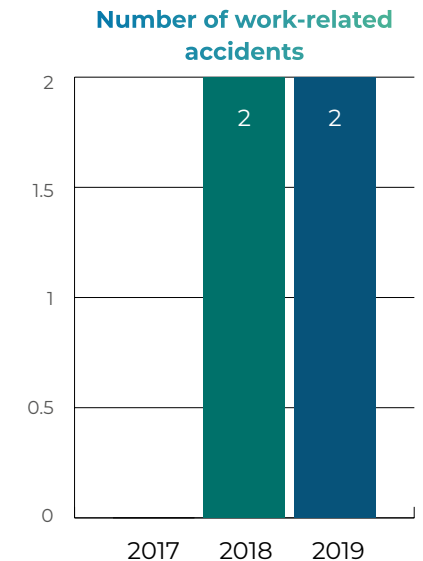
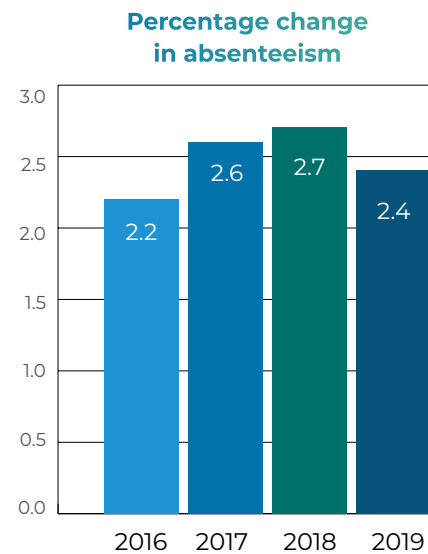


KEY PERFORMANCE INDICATORS

Workplace accidents:

In 2019, **2 accidents** (1 case of lumbago and 1 case of dizziness) required **3 days** off work, against 39 days in 2018.

The accident frequency rate dropped from 3.7 in 2018 to **3.06 in 2019**. The accident severity rate dropped from 0.07 in 2018 to **0.004 in 2019**.



Ergonomics

All interior elements such as carpets, ceilings and partitions have been chosen for their soundproofing and insulation properties. Chair and desk heights are adjustable. Training was provided to ensure that employees put this ergonomic furniture to optimal use. Lastly, silent keyboards and noise-reducing headsets have been made available to employees to enable them to work comfortably in this new environment.


Looking after sports enthusiasts

Changing rooms and showers have been installed for the comfort of our many cyclists, runners and other sports enthusiasts.

Everyone has their say

Lastly, adjustments were made during September and November to change the layout of the premises in response to staff feedback and requests.

A “First Impressions” survey was sent out in 2019 to 10 key people by the HSE Manager (7 responses were forthcoming).

-  **PERMANENT OBJECTIVES**
- Reduce accident frequency rate
 - Reduce severity rate
 - Reduce absenteeism

REDUCING OUR FOOTPRINT

Optimizing building energy consumption

In 2019, CLS recorded a significant drop in its transport CO₂ emissions by preferring teleconferences over face-to-face meetings.

At the start of 2019, weather sensors for our electricity and water were installed with the Ubigreen digital solution. This software allows CLS to understand and manage the energy performance of its facilities. Motion detectors were installed in toilets and washrooms. Four charging points were installed at the end of 2019 to encourage use of electric or at least hybrid vehicles. Likewise, CLS is encouraging employees to use an electric vehicle renting application, notably for short business trips (e.g. to airports, train stations and city centres).

New waste-sorting system

Three-way sorting of paper and cardboard, plastic and miscellaneous office waste was instituted in 2019 and continues to be refined in 2020 (to include tin cans and small cardboard packaging).

-  **OBJECTIVE FOR 2020**
- Restore the heat-recovery system to operation to achieve energy savings.





From customer need to customer satisfaction

As a service company, CLS depends on its ability to meet its customers' expectations effectively. The Group sees the performance of its quality system and the care taken in selecting its suppliers as clear opportunities for success, both in the short and long terms.

Our quality assurance approach

POLICY:

Satisfy the demands and needs of our customers through innovative solutions and provide them with the best available data. CLS makes every effort to deliver fully functional and timely solutions to its customers. We are constantly improving the quality of our products, services and processes. Here's how.

INNOVATION

CLS's development strategy is focused on delivering increasingly innovative solutions. We have created Innovation and Solutions teams within each Business Unit to design products that meet customers' needs as closely as possible. The Innovation Mission that reports directly to the CEO has been consolidated to further stimulate and ensure a central role for employees' imagination and inventiveness.

ISO CERTIFICATIONS

ISO 9001

ISO 9001 certification is today a clear competitive advantage for winning new business. CLS was first certified in 2004 and its certification has since been regularly renewed. This approach gives the Quality Department a lever with which to challenge how the company operates. Certification, which is reviewed each year during the follow-up audit, provides proof to stakeholders of the efficiency of the company's management system. ISO 9001:V2015 certification is valid through 2022, subject to confirmation by annual follow-up audits.



ISO 27001

ISO 27001 certification for our Information Security Management System was an objective for 2020.

We obtained it mid-January. Our plan is to extend the scope of this certification in the years ahead.

Customer satisfaction surveys

A project is planned in 2020-2021 to perform customer satisfaction surveys electronically. Today, we receive a very low number of customer claims for our products and services. We began measuring customer satisfaction with our projects in 2019 and will be analysing the results in 2020.



MEDIUM-TERM OBJECTIVES

- Support the company's digital transformation
- Delight our customers through innovative end-user experiences
- Leverage our human capital



OBJECTIVES FOR 2020

- Institute systematic quality control of hardware products (transmitters, terminals)
- Build project success by providing closer support to project leaders
- Develop onboarding



KEY PERFORMANCE INDICATORS

Customer satisfaction is evaluated on the basis of the following metrics:

- Instant satisfaction (0 to 5 stars)
- Customer experience (effort required to obtain satisfaction on a scale of 1 to 5)
- Recommendation (Would you recommend CLS?)

Projects qualifying for research tax credit:

CLS has 180 projects qualifying for research tax credit in 25 areas, such as climate action, maritime intelligence, oceanographic modelling and Earth-observation networks.



Choosing our suppliers

CLS has raised the bar in the way it selects suppliers to ensure the success of projects and quality of products and services. Here's how.

REVIEWING PURCHASING

CLS has radically overhauled its purchasing policy since 2018, with a new Supply Chain Purchasing Department (DSA)

encompassing three units (Pre-production Engineering, Purchasing, and Supply Chain Logistics and Product Support). The Purchasing Unit is staffed by three employees. All major procurements are now systematically in the hands of experts.

OBJECTIVE CRITERIA

Each CLS project has its own specific features. This is why selection criteria are tailored to each one. Suppliers are screened and selected on the basis of objective

criteria such as skills, product quality and financial health. The systematic use of a multi-criteria selection matrix factoring in the opinions of the various stakeholders ensures the most objective analysis possible when selecting suppliers. To date, 100% of the choices made by the Purchasing Unit have been made using this methodology. A business ethics clause has also been inserted into suppliers' contracts. This clause commits the supplier to respect fundamental principles like human rights, combating child labour, combating corruption, and preserving the environment throughout their relationship with CLS.

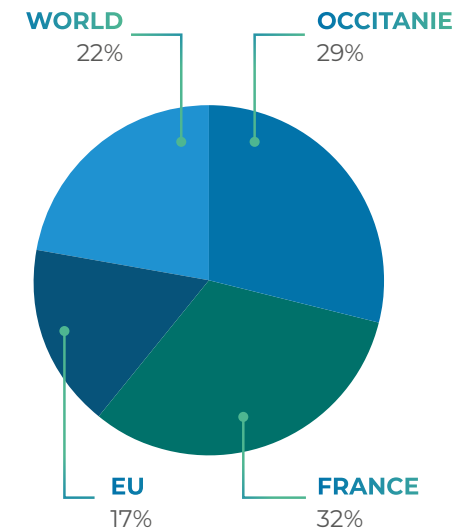
YEARLY SUPPLIER REVIEW

CLS wishes to pursue its strategy of regularly and intelligently reviewing its panel of suppliers. To this end, an internal contact person will be appointed for each supplier and asked to give an annual and reasoned assessment of their satisfaction with the supplier. DSA also plans to implement more in-depth quality control of products from its suppliers, and to develop more stringent performance thresholds.

BUILD LOCAL IS THE PRIORITY

DSA is committed to building locally wherever possible. For example the company's Nemo and Triton transmitters are manufactured in France.

Distribution of purchasing in Occitanie region and in France compared to total purchases



CLS procurement: 78% from European Union, of which 61% in France, 29% in Occitanie



SHORT-TERM OBJECTIVE

Establish a **responsible purchasing charter** identifying main raw material risks in the company's value chain.



KEY PERFORMANCE INDICATORS

Reduced number of listed suppliers selected using multi-criteria choice matrix (skills, financial health, product quality):

2,400 (2018) down to 1,000 (2019)



OBJECTIVE REACHED IN 2019

CLS optimized supplier management and **halved its listed suppliers** (from 2,400 to 1,000). Strategic suppliers were selected objectively on the basis of their skills, financial health, product quality and business relationship.

Battery disposal

The HSE Manager ensures that batteries used in CLS products are properly handled throughout their life cycle.

THE PROBLEM

Batteries contain electrolytes and heavy metals which, at the end of their life, become hazardous toxic waste. If they are not fully and properly recovered, they are likely to constitute a serious pollution hazard, which is why they must be collected under special conditions for recycling. European regulations on industrial and hazardous waste (IHW) place the responsibility for this waste until its final disposal on CLS.



302 kg

of batteries disposed
of in 2019

TRANSPORT

Batteries are tracked throughout their life cycle. The transport of products equipped with batteries is closely monitored. They can be shipped by sea, road and air, in accordance with procedures specific to each mode of transport.

In line with the regulations imposed by the International Air Transport Association

(IATA) on the transport of hazardous materials, four CLS employees are trained in the safe packaging of lithium.

PROCESSING TAILORED TO EACH TYPE OF BATTERY

CLS products contain alkaline batteries, lithium-ion batteries or lead batteries. Lithium and lead are chemically incompatible materials and must never come into contact, so they cannot be stored together. These end-of-life batteries are meticulously stored in different sealed containers and rendered secure. Unlike accumulator batteries, single-cell batteries have a given charge and when discharged do not require such stringent storage conditions. Employees who handle these batteries know that they must not leave the safe waste-treatment cycle or be mixed together.

As planned, a third storage container especially for alkaline batteries was provided in 2019.

CIRCULAR ECONOMY - CLS has not identified any contribution to the circular economy directly related to its business. However, this topic was addressed with employees during the European Sustainable Development Week in May 2019 to raise awareness among our employees and generate ideas.



KEY PERFORMANCE INDICATORS FOR 2019

100% of the 302 kg of batteries arriving at CLS were processed in compliance with European regulations. All batteries were processed (as in previous years), but **the number of batteries consigned to waste was halved** compared to 2018.



OBJECTIVE REACHED IN 2019

Alignment of waste-processing practices at Novacom Services. On 1 January 2019, CLS acquired the French company Novacom Services.

A comprehensive review was carried out to ensure that waste-processing practices are fully aligned.

The results of the review are positive and CLS's good waste-sorting practices have been adopted at our new Fleet BU (ex. Novacom Services).



MEDIUM-TERM OBJECTIVE

Succeed in overcoming the specific local practices of countries that do not have adequate waste-processing systems to apply CLS France's battery disposal practices to all our international service centres.





A naturally **eco-friendly** business

The projects CLS teams are working on add high environmental and social value—a great source of pride for all our employees.

Projects tackling key environmental issues

Spotlight on the social and environmental impacts of CLS's business.

MEASURING GLOBAL WARMING

More than 90 oceanographers and 25 years of expertise in satellite altimetry enable us to observe with certainty the slightest movements of our seas and oceans. As a result of these efforts, CLS is enabling scientists to track the rise in mean sea level (3.3 mm/year). This curve, produced jointly with CNES and LEGOS and released since 1992, is one of the best indicators of global warming.



6,000

Oceanographic data buoys send back their data to CLS every day.

IN THE NEWS IN 2019

In January, CLS's expertise was called into service for the Jules Verne Trophy to detect dangerous icebergs in the path of competitors from space.

MONITORING BIODIVERSITY

CLS and Argos help scientists, NGOs and governments measure the health of biodiversity. The results of these observations are the basis for measures protecting a large number of threatened species.



150,000

Animals tracked since CLS began operating.

IN THE NEWS IN 2019

In August, SIRS was called into action to track the wildfires in the Amazon and produce maps to assess the extent of the disaster.

COMBATING ILLEGAL FISHING

Using tools that combine satellite observations, numerical models and real-time data collection and location systems, CLS is helping many governments to achieve rational fisheries management, deploy solutions to combat illegal fishing and implement plans for sustainable fisheries management.

COPERNICUS

Copernicus is a major European Earth-observation programme jointly initiated by the European Space Agency (ESA) and the European Union. CLS is contributing to all six of the programme's environmental and climate monitoring services.

MARITIME SURVEILLANCE

CLS is helping to understand, plan and efficiently manage all events and actions in the maritime sector that could potentially impact the safety and security of people and property, law enforcement at sea, defence, border control, protection of the marine environment, fisheries control and national economic interests.



NOTEWORTHY RESULT

Pollution events halved in 10 years thanks to the VIGISAT maritime surveillance service deployed by CLS for the European CleanSeaNet service.

IN THE NEWS IN 2019

In March, the oil spill from the *Grande America* was monitored from space by VIGISAT, which reached its 10th year in service in 2019.





MANAGING ENERGY PRODUCTION

CLS is supporting offshore energy players engaging an environmentally friendly approach by deploying and operating products and services based on space and in-situ oceanography, radar interferometry, location and data collection. CLS offers solutions for securing both the production of oil and gas at offshore sites and mining and civil engineering infrastructures. We do this by closely studying the sites before work begins, forecasting currents and potential ground displacement. In 2019, CLS continued to develop its new offering for offshore wind power.

SUPPORTING HUMANITARIAN RESPONSE

HumaNav is a real-time satellite-based geolocation and fleet management solution designed to ensure the safety and security of humanitarian organizations, NGOs and United Nations (UN) agencies.

105 nations
+7,000 vehicles tracked



SPOTLIGHT

SOS MÉDITERRANÉE AND CLS: A LOCATOR BEACON ON THE AQUARIUS

SOS Méditerranée is a non-profit association of concerned citizens that charters a boat called the *Aquarius* to come to the aid of refugees fleeing to save their lives. In two years, some 28,000 people have been saved, one-third of them minors. A Triton maritime security locator beacon supplied by CLS has been operating on the *Aquarius* since 19 March 2019. The ability to communicate the boat's position to SOS Méditerranée's operators on shore enables it to respond quickly during operations at sea.



TRITON is a locator beacon from CLS's range used on boats for maritime security applications.



Environmental management

CLS's employees are dedicated to sustaining an environmentally friendly business, so we are quite naturally making a special effort to limit our own environmental footprint. To this end, in 2017 the company created an environmental database to track its energy consumption. 2018 marked the publication of our first environmental management audit. This audit was renewed in 2019.

Reducing our environmental footprint. Here's how.

TARGETING WEAK POINTS

The audit in 2017 found that 61% of CLS's carbon emissions were indirect (mainly due to travel). Direct emissions come mainly from consumption of electricity powering and cooling data centres.

IMAGINING SOLUTIONS

Encouraging cycling

The company's Toulouse buildings are right next to the Canal du Midi. We provide lockers for recharging electric bicycles batteries, as well as changing rooms and showers for our cyclists. CLS once again took part in the winter and spring 2019 AYAV challenge (for *Allons-y à vélo* or "Let's bike it"), a fun initiative to encourage employees to cycle more. CLS took 4th place in the winter challenge, with 10% of the total workforce coming into work by bike. The CycloStand association also maintains and/or repairs staff's bicycles one day a month on the neighbouring trading estate.

METRICS

Seven key environmental performance indicators have been monitored for the years 2017, 2018 and 2019, enabling us to track the results of actions undertaken.

The next step will be to establish metrics to evaluate the effectiveness of policies to encourage more cycling.

Reining back on long-distance travel

Half of CLS's meeting rooms are equipped for videoconferencing. All personnel have also been trained via internal webinars on the new Office 365 tools, which enable remote working and document sharing. These modes of communication have quickly become part of our corporate culture and, together with the new Travel Policy, are significantly reducing the need for business travel by air and rail.

Renewable energies

The solar panels at CLS produced 7,535 kWh of electricity between September 2017 and September 2018. Since 2017, 100% of the electricity consumed comes from renewable sources. Charging stations for electric cars were installed at the end of 2018, and more were added in 2019 (four in total at headquarters).

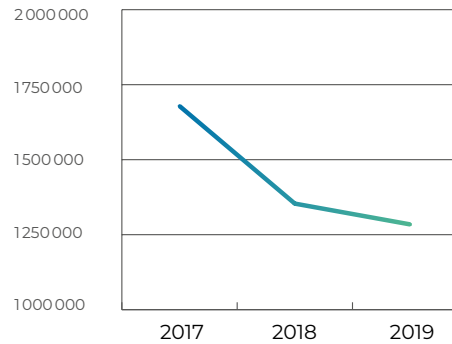
Going paperless

Following the optimization of waste management and printer use in 2017, 2018 was the year CLS went paperless. Validation of supplier invoices that were previously printed for circulation between departments to be signed off by several different managers is electronic since February 2018. This is the final step in making the purchasing process paperless, along with reception and payment forms. Employees were also given training to bring them up to speed with electronic solutions and thus encourage them to save paper.



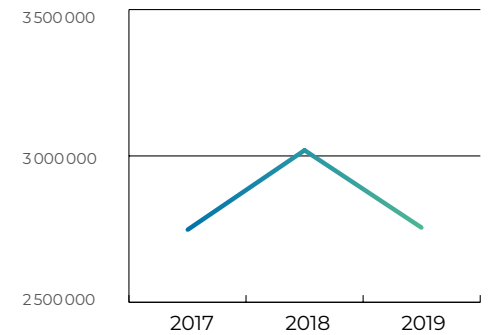
KEY PERFORMANCE INDICATORS

Business trip-related CO₂ emissions (air and rail)*



69,360 kg/km per passenger of CO₂ emissions were avoided in 2019 on air and rail travel. Again, this marked an improvement on the previous year, even taking into account the integration of Novacom Services.

Energy consumption*



Electricity consumption reduced in 2019. Electricity consumption dropped between 2018 (**3,020,029 kWh**) and 2019 (**2,754,602 kWh**)—a saving of more than 250,000 kWh over the previous year.



OBJECTIVE REACHED IN 2019
Paperless purchasing



OBJECTIVE FOR 2020
Start using **electronic signatures** from the first quarter of 2020



SHORT-TERM OBJECTIVE
Maintain or **reduce our consumption** despite increased headcount

Spotlight on **local actions**

Signature of Climate Charter

In June 2019, CLS enshrined its commitment to work for a sustainable planet with the signature of the Climate Charter of the SICOVAL inter-borough council alongside 12 other local firms.

In so doing, CLS undertook to follow the 2019-2024 Territorial Air Energy Climate Plan that aims to achieve a 60% reduction in greenhouse gas emissions by 2050, develop renewable energies, improve air quality, work towards energy efficiency and engage climate change mitigation solutions.

Sustainable Development Week at CLS

The first European Sustainable Development Week event at CLS was held on the company's premises in Toulouse in June 2019.

On this occasion, our CSR team put together stands on a range of themes such as waste sorting and recycling, sustainable travel, the circular economy, food and consuming responsibly.



DIY workshops got employees making household and beauty products.

They were also able to take part in laughter yoga and mindful singing activities.

One employee organized a relaxation, meditation and stress management activity, while another gave a Chinese gym class geared towards improving mobility and well-being and controlling musculoskeletal disorders.

Energy efficiency in the home and renewable energy were addressed by non-profit association SOLEVAL. In particular, it had on display a thermal imaging survey showing heat loss from houses within SICOVAL's perimeter.

Sponsorship

In 2019, our company renewed its corporate sponsorship agreements and continued to support a range of associations. Because the Canal du Midi is an endangered part of our heritage that our employees in Toulouse benefit from every day, CLS is supporting the **VNF Sponsorship Mission** to replant trees along the Canal du Midi. Because we want to help change how people see those with disabilities, CLS is supporting the **wheelchair rugby section of local club Stade Toulousain**. And because preserving the environment is central to everything we do, CLS is also supporting the French NGO Expédition 7^e Continent in its efforts to tackle plastic pollution.



OBJECTIVE FOR 2020

Become a company committed to nature with Act4Nature France
Joining this national initiative will:

- **bring us national recognition** and lend credibility to our actions and commitments
- **promote our approach** through regular communications by OFB, the French biodiversity office
- **foster synergies and partnerships** with fellow member firms
- enable us to **share experiences**

Combating corruption

CLS conducts business in countries considered by agencies such as Transparency International as posing significant ethical risks. Moreover, our customers include governments and international cooperation agencies. In this context, a clearly defined and effective compliance policy can provide good protection against many risks.

POLICY:

CLS is developing its anti-corruption compliance programme step by step, in accordance with the Sapin II statute of 9 December 2016, in order to ensure sound and transparent commercial and institutional relations. Here's how.

Compliance is the responsibility of the CLS Legal Department. The Legal & Compliance Officer is responsible for deploying the anti-corruption system and has set up a compliance team. Implementation of the eight measures mandated by law is progressing step by step towards the development of a comprehensive anti-corruption compliance programme. Our compliance team believes in the utility of these measures and has set itself the goal of completely eliminating any risk of CLS being involved in corrupt practices.

OUR ANTI-CORRUPTION COMPLIANCE PROGRAMME

Mapping corruption risks

CLS maps corruption risks, combining each identified risk scenario with a description of policies, procedures, controls and other supervisory measures, as well as recommendations for improving preventive measures.

Code of Conduct

CLS first issued its Code of Conduct in 2017. This code is an integral part of the company's rules and regulations, formalizing our best practices and projecting our values.

The Code of Conduct has now been translated from the original French into four languages: English, Italian, Portuguese and Spanish since 2019. It also exists in pocket-book format.

Gifts and hospitality policy

Our gifts and hospitality policy provides our employees with guidelines on what is deemed appropriate. It lists situations in which offering or receiving gifts and other services (meals, travel, leisure) is authorized by law.

Training

In 2019, a compliance training programme for sales teams was put in place. Its aim is to help the most exposed employees gain proficiency with our Anti-Corruption Compliance Programme.

In particular, the Legal & Compliance Officer provides regular training on our gifts and hospitality policy.

Our Brazilian subsidiary ProOceano also received anti-corruption compliance training. The anti-corruption compliance programme and Code of Conduct were translated into Portuguese on this occasion.

Procedure for evaluating and managing commercial partners

The compliance team has established a detailed procedure for selecting commercial partners. Senior management is alerted at the slightest sign of an alarming development.

Internal alerting system

The e-mail address **compliance@groupcls.com** is available for employees to report any conduct or situations contrary to the CLS Anti-Corruption Compliance Programme. The internal alerting system is under construction.



OBJECTIVES FOR 2020

- The Legal department plans to set up a group-wide **e-learning** module
- Fully deploy the **procedure for evaluating and managing commercial partners** and the **internal alerting system**
- Propose a Key Performance Indicator for this risk

CLS's anti-corruption compliance system is under construction, which is why we do not yet have a Key Performance Indicator for this identified risk.

Protecting data

Information security is a prime concern for CLS. This is because our products and services depend entirely on our information system. Their added value derives from the diversity and volume of data we handle. The protection of individuals with regard to processing of personal data is also covered, a fundamental right since the entry into force of the European General Data Protection Regulation (GDPR) on 25 May 2018.

Securing information systems

POLICY:
We are continuously improving our Information Systems Security Policy instituted in 2015. Here's how.

WRITTEN AND DISSEMINATED POLICY

The Information Systems Security Policy (ISSP), revised in May 2019, has been approved by the CEO and sent to all personnel. All employees are required to read this policy as well as all related security charters (IT Security, Office Systems and Administrator charters) and must confirm that they have done so by electronic signature.

AWARENESS & PRECAUTIONS

Awareness-raising campaigns are run annually for staff and service providers. IT development teams and project managers receive training in information systems security. Our contracts with suppliers include non-disclosure agreements.

The Business Continuity Plan covers cybersecurity risks. The Guidelines for Information System Security (CPSSI) detail the cybersecurity approach CLS requires of its suppliers. A dedicated e-mail address is also provided for internal alerting of security issues.

CLEAR OPERATIONAL ORGANIZATION

The organization overseeing information system security is composed of an Information Systems Security Officer (ISSO), an Information Systems Security team, Information Systems Security Correspondents (ISSC) in each CLS department and finally external expertise for support and audits.

MONITORING SECURITY

Monitoring tools are used for continuous improvement. These include a vulnerability and surveillance scanning tool, a software code inspection tool and internal audits with support from external experts. Audits are also performed by customers.

A cybergovernance scoreboard is also currently in development.



IN 2019, CLS ENGAGED THE ISO 27001 CERTIFICATION PROCESS. CERTIFICATION WAS OBTAINED IN JANUARY 2020.



AWARENESS IN 2019

61% of CLS personnel attended awareness sessions on information systems security



PERMANENT OBJECTIVE

Strengthen security tools



OBJECTIVES FOR 2020

- **Step up** our ISO 27001 certification approach
- **Set up** a Security Operations Centre

We do not have a Key Performance Indicator for this risk as it would imply disclosure of confidential information (such as security alerts handled) that CLS does not wish to make public as a precautionary measure.

General Data Protection Regulation (GDPR)

POLICY:
CLS takes all necessary steps to secure the way it processes personal data and ensure that its partners apply the same strict standards. Here's how.

GDPR PROJECT TEAM

To achieve its objective, CLS has set up a project team combining legal and technical expertise. The project team was selected from among the members of CLS's Legal Department and is led by the Group's Data Protection Officer (DPO). The project constantly updates our data protection map and maintains a register listing all the personal data processing that CLS is and will be required to carry out in the course of its business.



KEY PERFORMANCE INDICATORS IN 2019
Ratio of number of reported incidents and requests to number of incidents and requests resolved: **100% processed and resolved**

ACTION PLAN

The actions undertaken by CLS firstly concerned all of its websites and platforms accessible on the Web. Secondly, an information campaign was aimed at all CLS employees.

Technical and organizational measures, in particular to apply "by design" and "by default" processing principles, were developed and are or will be covered by written procedures.

In addition, CLS endeavours to regularly update its contracts as and when necessary in order to allocate responsibilities between the parties involved in processing of personal data, in accordance with the GDPR.

CRITICAL KPMG REVIEW

CLS turned to consulting firm KPMG to perform a critical review of its GDPR compliance project. The optimistic report produced in July 2019 sets out actions to be pursued and new ones to be implemented.



OBJECTIVES REACHED IN 2019

During the course of the year, the DPO established **new rules regarding data retention and erasure** for the highly sensitive Fleets business unit. This BU is now fully compliant with GDPR requirements and customers are assured that the regulations are being adhered to.

Training sessions on archiving of personal data were also organized.

In 2019, the **Privacy Impact Assessment** was instituted for processing of biometric data at CLS used to control access to the data centre.

Another objective for 2019 was to obtain **ISO 27001 certification**, which implies strict compliance with GDPR provisions and national standards governing personal data protection. This objective was reached in January 2020.



2020 OBJECTIVES

- Establish a **more precise map**
- Put in place a new processing register
- Craft an **internal CLS** policy and a **GDPR charter**
- Set up **online training on Sapin 2 statute and GDPR**

In 2019

30

interventions by the DPO related to CLS business

2

incidents impacting personal data reported

3

requests formulated to access personal data



NEXT STEP: SET UP AN ALERTING PROCESS THAT COMPLIES BOTH WITH THE GDPR AND THE SAPIN 2 STATUTE.



An international CSR policy

CLS aspires to institute a sincere international CSR policy that goes beyond just mandatory reporting requirements. Our ultimate goal is for this policy to encompass all subsidiaries with commitments and tools that will help them to boost their performance.

In 2019, CLS's three subsidiaries were assessed to gauge their degree of CSR compliance and their understanding of the issues at stake. This assessment was conducted via the points of contact at each subsidiary, i.e.:

- ProOceano (Brazil)
- Tre Altamira (Italy, Spain, Canada)
- Woods Hole Group (United States)

TRE ALTAMIRA (ITALY)

This year, Tre Altamira comes within the reporting scope of our Non-Financial Performance Statement (NFPS).

Tre Altamira's CFO, the subsidiary's compliance point of contact, now has the tools needed to track progress in implementing policies within the scope of our NFPS, such as for mapping of non-financial risks. These tools could be used to engage a CSR approach tailored to its business context.

Our Code of Conduct has been translated into Italian, Spanish and English to cover the full scope of Tre Altamira's business. Employees received training in 2019 to familiarize themselves with the code, which serves to promote ethical business conduct.

Our Italian subsidiary is also operating in full compliance with the GDPR. In September 2019, a 'smart working' pilot project was initiated to further a managerial vision based on giving employees more flexibility and autonomy with respect to workspaces, working hours and instruments (no conditions stipulating where and when they work). Their sense of responsibility and results have improved as a result.

PROOCEANO (BRAZIL)

During the course of the year, our Brazilian subsidiary received training in combating corruption.

The Code of Conduct was also translated into Portuguese. All employees who might be exposed to a risk of corruption are asked to complete a survey.

Individual interviews were held to map corruption risks. This map is now being compiled following interviews with the company's managers.

The subsidiary's short-term objective is to adopt commercial supplier selection procedures based on the provisions of the Sapin 2 statute.



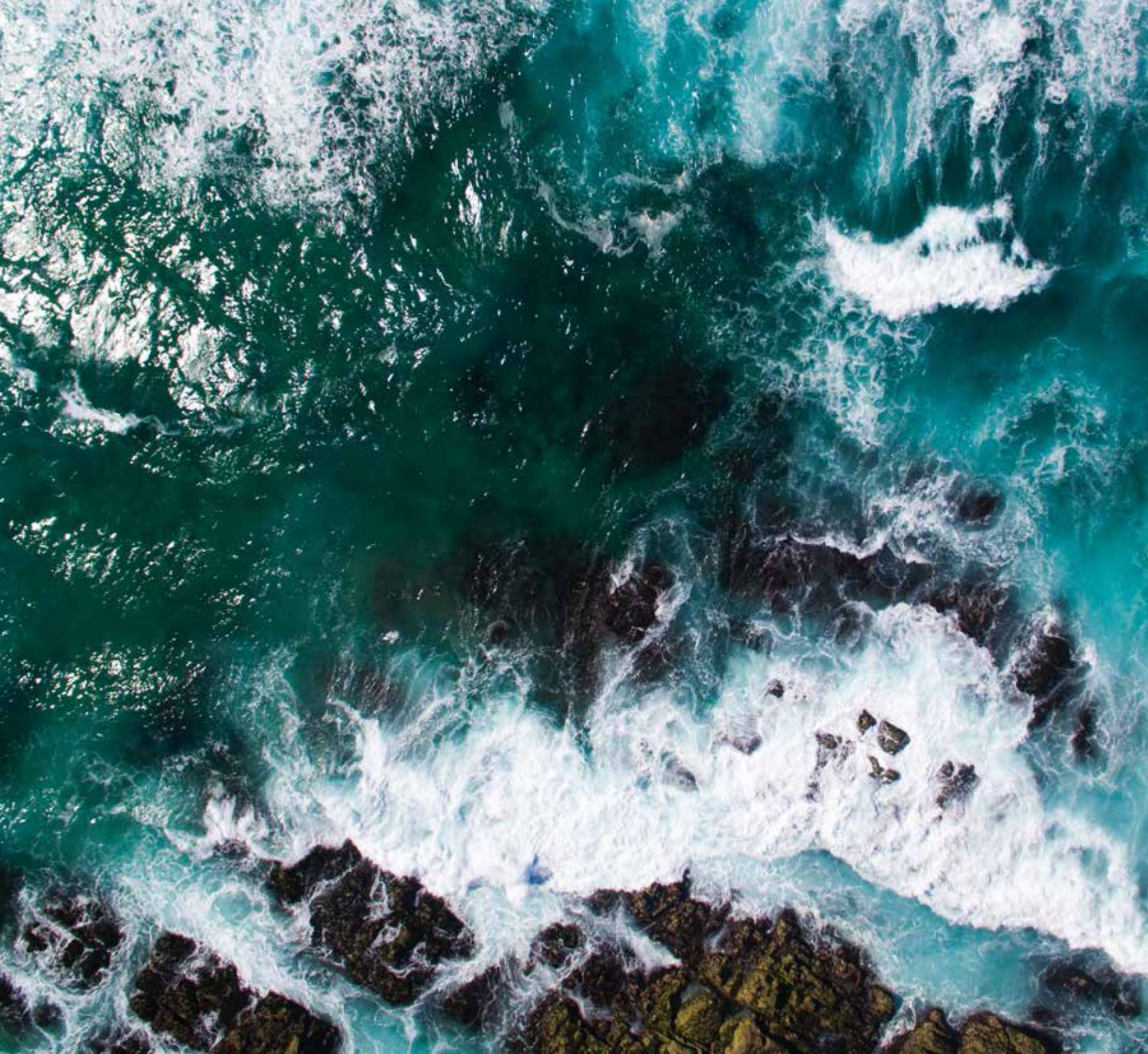
OBJECTIVES FOR 2020

- TRE Altamira plans to finalize GDPR training in Spain in the course of the year.
- By February 2020, the 'smart working' project should be fully up and running in Italy.

Annex: Detail of scope for each identified risk and Global Compact baseline

SUBJECT	KEY PERFORMANCE INDICATOR / OBJECTIVE/ NOTEWORTHY RESULT	SCOPE	Global Compact Principles
Optimized labour relations	Ratio of agreements signed/negotiated	France (excl. Lille)*	Work conditions (principle 3, 4 & 5)
	Voice of Customers Managers	France (excl. Lille)*	
	Gender equality	France (excl. Lille)*	Human rights (principles 1 & 2)
Fulfilment at work: A comprehensive training programme	Payroll spent on training	France (excl. Lille)	
	Right to disconnect	France (excl. Lille)	
	Ratio of new hires/departures (headcount)	France (excl. Lille)	
Employee health and safety	Renewal rate of health & safety qualifications	France (excl. Lille)	Work conditions (principles 3, 4 & 5)
	Facility safety	France	
	Workplace accidents	France (excl. Lille)	
	Absenteeism	France (excl. Lille)	
Our quality assurance approach	Customer satisfaction	France	
	Research tax credit	France	
Choosing our suppliers	Listed suppliers	France (excl. Lille)	
	Distribution of purchasing	France (excl. Lille)	
Projects tackling key environmental issues		World	
	Battery disposal	France (excl. Lille)	
Environmental management	Business trip-related CO ₂ emissions (air and rail)	France (excl. Lille)	Environment (principles 7, 8 & 9)
	Energy consumption	Toulouse + Brest	
Combating corruption		World	Combating corruption (principle 10)
Information system security		France	
General Data Protection Regulation (GDPR)		Europe	

*Lille has been integrated within the scope of our business in France as of January 2020.



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