

CIS

Catering in  
extreme  
Environments





Brésil



Guinea-Conakry



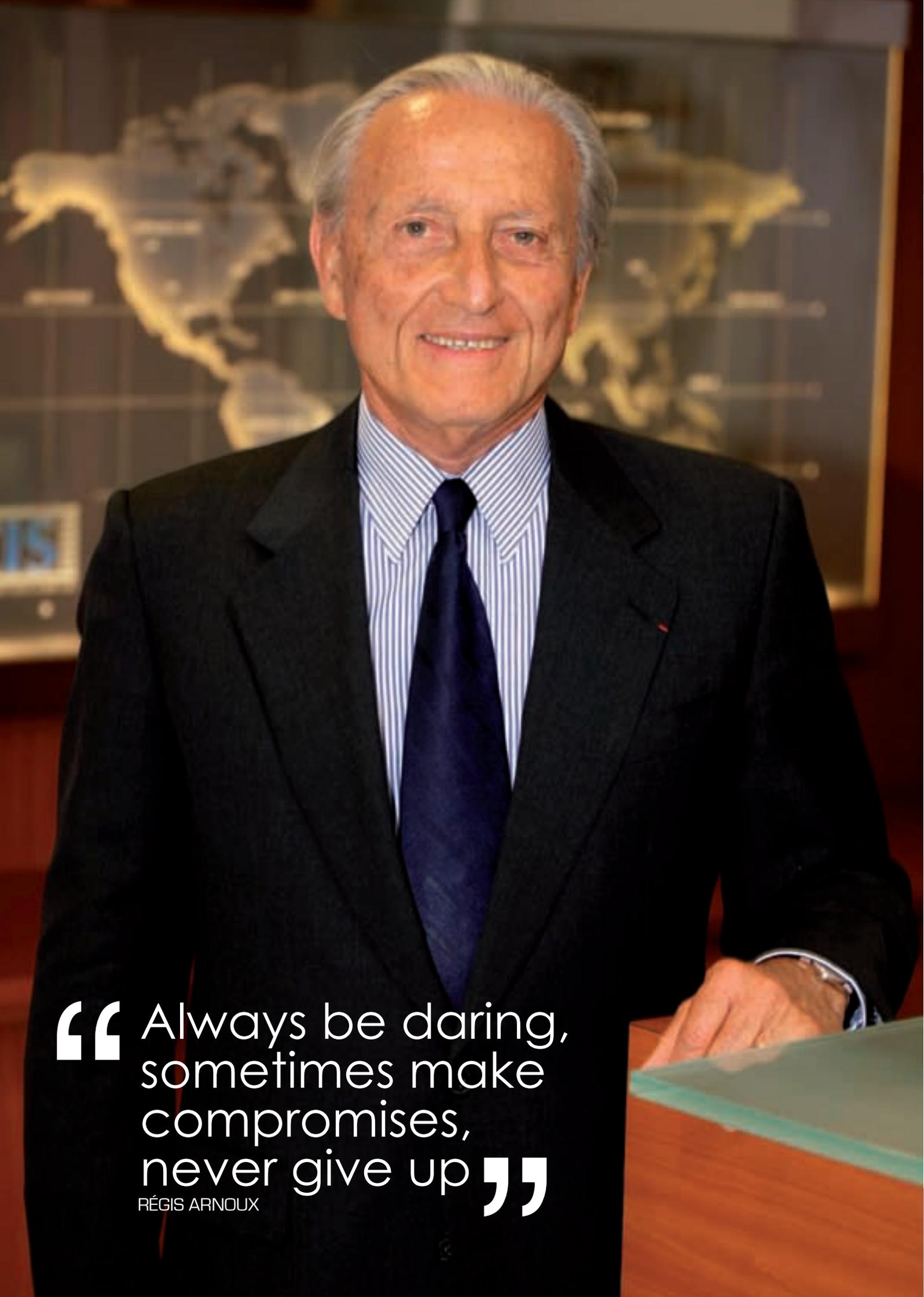
Bolivia



Algeria

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“ Always be daring,  
sometimes make  
compromises,  
never give up ”

RÉGIS ARNOUX

# Interview with Régis Arnoux

## In an uncertain global economic environment, how would you characterize CIS' performance in 2012?

CIS achieved growth of 18% in 2012 to reach sales of €315.6 million, a result that overall I would qualify as satisfactory, particularly with an annual order intake for the period of US\$435 million. This performance was driven in particular by strong expansion in the mining industry segment, in New Caledonia, Mauritania, Mongolia, Guinea-Conakry, Sierra Leone and Peru.

In New Caledonia, a successful model for development at all levels, we were able to sign directly one year extension for all our agreements. In Mauritania, our contract was renewed for an additional three years at more favourable terms and providing some additional services.

In Guinea-Conakry, despite a political context that slowed the pace of development for our customers, we were nevertheless successful in achieving a twofold increase in revenue.

In South America, we have refocused business activities in Peru on more profitable contracts and are optimistic about prospects for development in the mining and hydroelectric sectors. In Brazil, our subsidiary was not successful in returning to a profit but necessary measures were taken to reverse the trend in the course of the year. And already, the first signs of improvements from these measures are visible. As a result, 40% of contracts signed with Petrobras were renewed on the basis of higher margins.

Finally, Algeria, that accounts for 22% of CIS' revenue, maintained its cycle of virtuous growth, bolstered by the regular addition of new major contracts, among which may be cited those awarded by the Sonatrach/BP joint venture. Favourable trends resulting from legal provisions adopted with respect to national preference should facilitate the transfer of dividends with a positive impact on our margins.

## In reference to Algeria, what lessons can be drawn from the hostage crisis at the site of the In Aménas gas facility?

First, I wish to commend the great courage of our 151 employees present at the site, all of whom fortunately escaped this ordeal unharmed. More specifically, the case of Alexandre Berceaux, the catering manager and only French expatriate employee at the site, as well as Djamel Mektari, the site manager, along with Ali, his head chef, merit special mention. These latter employees took enormous risks to help Alexandre

Founded in 1992 by Régis Arnoux in Marseilles, CIS is one of the world's leading providers of remote site management services in extreme conditions. In this capacity it works with top-tier in the oil, mining, construction and civil engineering sectors throughout the world. Specialised from its creation in providing living accommodations and catering services, today CIS' offering has been expanded to include an extensive range of support and facilities management services covering such areas as waste management, engineering and construction as well as telecommunications and security systems.

CIS today has nearly 12,000 employees working at 170 operating sites in 41 countries with revenue of €360 million in 2012.

Listed on NYSE Euronext Paris (Segment B - mid caps) since 1998, CIS remains majority-held by its founder and the family shareholder group.

remain hidden during the 40 hours period before he was freed. I also wish to acknowledge my appreciation for the unwavering support from all our teams in Algeria, who under the responsibility of Arezki Mazri, the General Manager, and Amir Bourokba, Chief Financial Officer of our Algerian subsidiary Cieptal, continued to assure their mission for our different sites that are still operating in this country. They all demonstrated enormous courage and professionalism during these events. In fact, the first lesson that may be drawn from this dramatic event was the importance of solidarity. All my employees, regardless of their position, throughout the world and at the head office, demonstrated an enormous bond of cohesion. This represents the true corporate spirit of CIS!

## Will these events alter the way CIS operates in the future?

Yes, as a matter of necessity this is an inevitable consequence. We find ourselves forced to manage a situation of crisis for which no one was prepared. Since these tragic events, we have added the services of two crisis management specialists and formed a special unit able to be prepared for any eventuality. We have also taken preventive measures to secure the access within the living compounds. This episode in Algeria has made us stronger, and risk management represents a major priority for CIS.

# Interview

## What priorities have you set for development in the short-term?

We will focus on three key areas. First, strengthen and develop our subsidiaries in those countries where we are already present and that offer significant growth potential, with the goal of increasing our market share. Secondly, expand into new countries where capacity for growth in the oil, mining or gas sectors is very strong. Finally, we must continue to expand the range of our service offering. In effect, even though living accommodations and catering services constitute a core component of CIS' DNA, we must support the successful transformation of our business. The major principals and decision-makers with whom we work are currently increasingly looking for service providers able to provide "turnkey" solutions. On that basis, while maintaining catering as a common denominator in our service offering, our business model will gradually evolve in favour of the management of integrated services. Our objective, as a leading provider of catering solutions remains to always be able to meet the demands of our customers.

To this purpose, CIS must in consequence acquire know-how and expertise in high value-added services in a number of areas. It is for that essential reason that we continue to expand our commercial offering.

## How is CIS doing in the process of developing local partners?

Local partnerships also constitute a priority and even essential area for development. In effect, when we first expand into a new country, our development strategy is not focused exclusively on a management contract that is limited by nature in time. To the contrary, we are guided by a long-term vision. The management of this new project is always pursued on the basis of a long-term perspective. And the best way to ensure the lasting nature of our international operations is by joining our efforts with a top-tier local partner with a solid reputation. In this same spirit, we consistently seek to positively promote opportunities for the local population and economy in the countries where we operate.

## Development phases

**2005-2012**  
Fine-tuning  
and recognition

- Signature of major multi-service contracts: Mongolia (Ivanhoe), Yemen (Yemgas - Technip, JGC, KBR), Algeria (Sonatrach), Madagascar (SNC LAVALIN), New Caledonia (KNS), Mauritania (Tasiast).
- Expansion into new markets: Guinea-Conakry, Eritrea, Burkina Faso, Congo (DR), Sierra Leone, Iraq, Peru...
- ISO 9001 certification of the head office and certification for other ISO standards for several of our operating sites: ISO 9001, ISO 22 000, ISO 14001 & OHSAS 18001.
- First acquisition: Cieptal, Algeria's leading provider of catering services.

**1999-2004**  
Growth

- Signature of the first major catering contracts: in Chad and Cameroun with KBR and ExxonMobil (pipeline), Algeria with KBR (In Salah & In Amenas), Russia with Total, Starstroi and Schlumberger, Brazil with Petrobras...

**1996-1998**  
Investment  
and Development

- Opening of several CIS subsidiaries, notably in Kazakhstan and Bolivia in response to strong growth in activity.
- IPO and listing on the "Second Market" of the Paris stock exchange (today Segment B of NYSE Euronext Paris).
- Recognised by the international financial community, the company received its first prizes and awards.

**1993-1995**  
Initial learning phase

- Signature of several contracts in Asia, Africa and the ex-Soviet union. During this phase, the company developed its organisation and adjusted its key positions.

**1992**  
Creation

- Creation of CIS: specialised in the management of remote sites in extreme environments.





From left to right: Alain AILLAUD (Human Resources Manager) - Franck BRIESACH (Financial Manager)- Régis ARNOUX (Chairman and CEO) - Julien SALAS (Managing Director).

### Are trends for the commodities market still strong?

Demand and capital investments in the energy and commodity sectors remain sustained, particularly in emerging countries where we are already present. In the oil and gas market, if customers continue to give preference to extending existing projects instead of launching new ones, demand remains high. In the mining sector that accounts for 51% of CIS' revenue, worldwide demand is constantly growing. Certain energy sources such as coal considered obsolete, are once again subject to strong demand and several projects are in the process of being launched. CIS was also just awarded a contract for nearly US\$50 million in Mozambique, a new market we recently entered with significant potential in the mining and gas sectors.

### How would you explain CIS' winning strategy?

We have a particularly good business model. The choice when the company was created 20 years ago to position CIS as a specialist in catering services for extreme environments in the segment for major petroleum, mining and gas companies, has proven today to be particularly relevant.

This is clearly illustrated by a rate of annual revenue growth since its creation of nearly 40%. And of course while competition has increased since the company's beginning, we are today a major provider of remote site

“ I have been fortunate at CIS to be surrounded by staff who are passionate about what they do

”

management services. At the same time, a business model would be nothing without the people. In this respect, the management methods applied have also demonstrated their effectiveness. I often say that without passion it is impossible to work.

I have however been fortunate at CIS to be surrounded by staff who are passionate about what they do, loyal to the company and its ethical principles, highly responsive and with a thorough knowledge of their business. I have also been supported by directors and advisers of quality who serve on our different committees and contribute to the effective performance of CIS' operations and its global stature and influence.

### You are accordingly rather confident about CIS' future?

Without a doubt! There are many positive indicators and negotiations in progress on several large-scale projects which are particularly promising. At 31 March 2013, order intake for the first quarter was up 18% on last year's same period to US\$200 million. The medium and long-term outlook for revenue growth for our business lines remains sustained. On that basis, CIS expects further revenue growth in 2013 and we maintain our target for sales of €500 million by 2015. We accordingly look to the future with optimism, accompanied by rigour, discipline and determination.

# Key figures for 2012



> 11,600

*CIS employees worldwide*



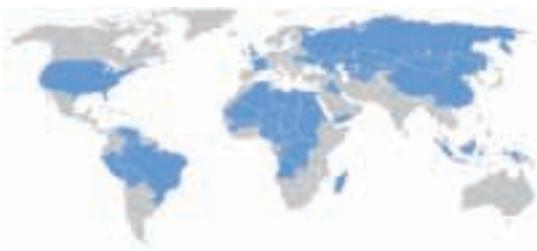
> 170

*Operating sites*



> 120,200

*Meals served per day*



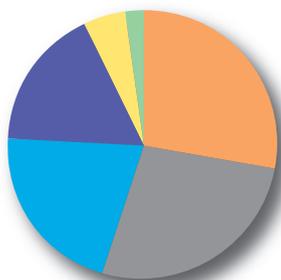
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*Countries where we are established*



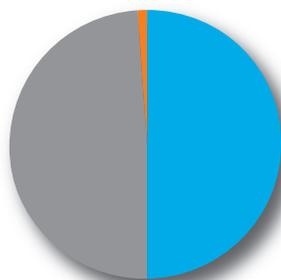
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*Nationalities within the Group*



**2012 REVENUE MIX**  
by geographic area

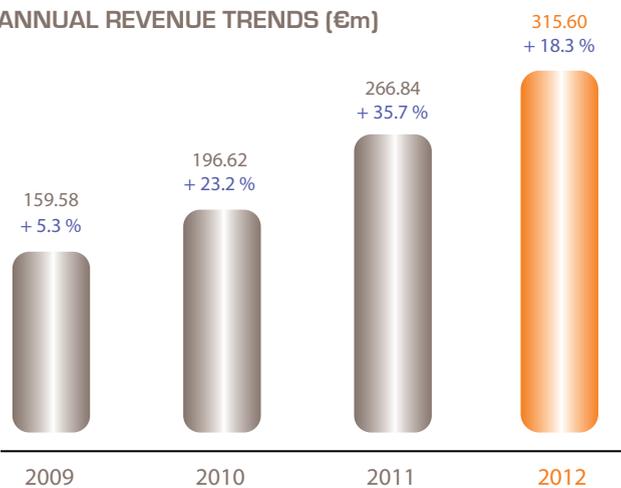
Other African countries	28%
Central Asia-Oceania	27%
North Africa	22%
South America	18%
CIS	4%
Middle East	1%



**2012 REVENUE MIX**  
by customer industry segment

Mining	51%
Oil and gas	47%
Other	2%

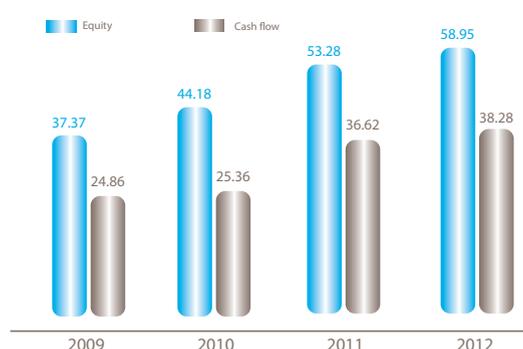
**ANNUAL REVENUE TRENDS (€m)**



**ANNUAL EARNINGS TRENDS (€m)**



**ANNUAL EARNINGS TRENDS (€m)**





At Régis Arnoux's invitation, employees, the Company's directors, friends, prominent figures, customers and partners of the Group gathered together from four corners of the globe to celebrate CIS' 20th anniversary.

Everyone had answered the invitation by Régis Arnoux by their presence at the magnificent venue of the Palais de la Bourse of Marseilles.

The atmosphere was warm with several high points marking the evening event. Régis Arnoux's speech that struck a balance between emotion and good humour was among the main events. After regretting the absence and paying homage with emotion to the memory of his friend and partner, Alain Aloyan, who prematurely passed away in 2006, CIS' founder recalled the circumstances that were at the very least colourful of the signature of his first catering service contract in Siberia in 1992. He then considered how far CIS had come over these twenty years in building a Group with a worldwide dimension and reputation. An adventure that Régis Arnoux did not bring to a close, leaving to the contrary the door open for the future.

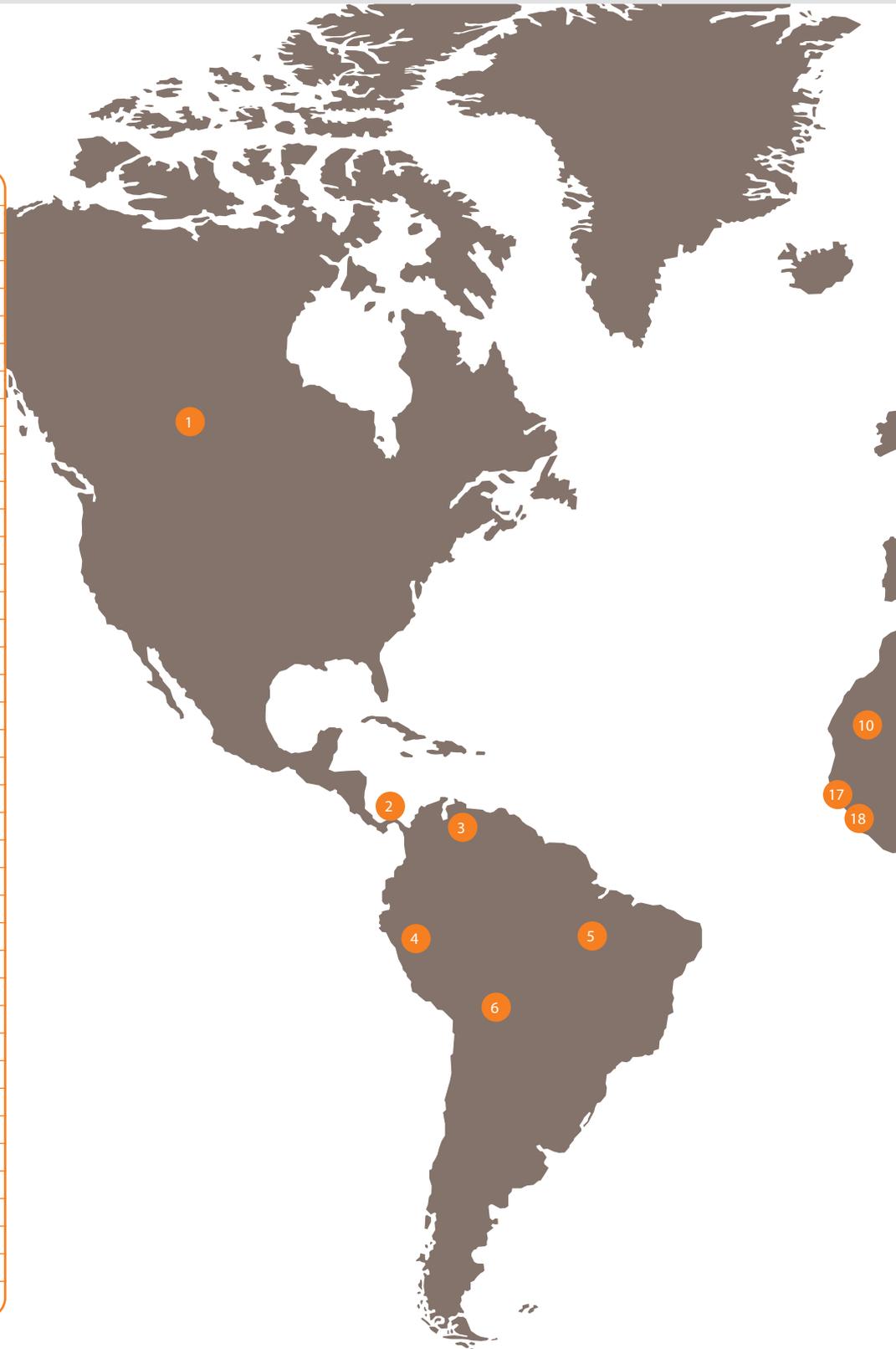
This was followed by a few words from the Mayor of Marseilles and Senator of Bouches-du-Rhône, Jean-Claude Gaudin, who highlighted the success of Régis Arnoux and CIS, the success of an entrepreneur of talent of particular significance for the city of Marseille.

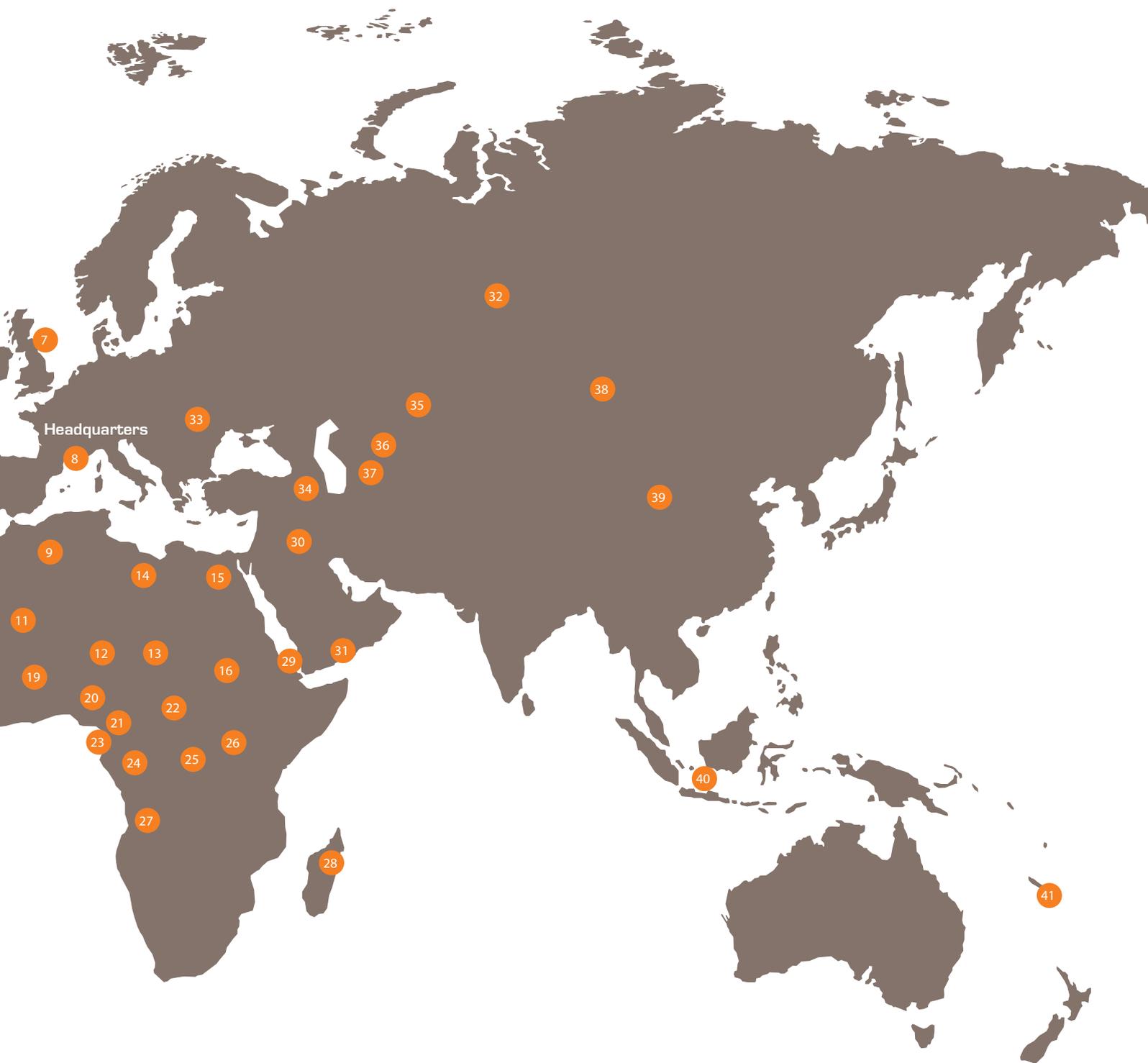
All CIS' country managers and their ambassadors dressed for the occasion in traditional local attire joined on stage for a large family photo. A short interlude that was met with considerable applause by the gathering.

Régis Arnoux and Jean-Claude Gaudin returned to the podium and called Franck Briesach, the Chief Financial Officer of CIS, to award him a medal for his long years of professional service. A moment charged with emotion for the latter, for the celebration of his 20 years of distinguished service to the company.

# CIS Worldwide

1. USA
2. Panama
3. Venezuela
4. Peru
5. Brazil
6. Bolivia
7. UK
8. Headquarters (France)
9. Algeria
10. Mauritania
11. Mali
12. Niger
13. Chad
14. Libya
15. Egypt
16. Sudan
17. Guinea-Conakry
18. Sierra Leone
19. Burkina Faso
20. Nigeria
21. Cameroon
22. Central African Republic
23. Equatorial Guinea
24. Congo Brazzaville
25. DR Congo
26. Uganda
27. Angola
28. Madagascar
29. Eritrea
30. Iraq
31. Yemen
32. Russia
33. Ukraine
34. Georgia
35. Kazakhstan
36. Uzbekistan
37. Turkmenistan
38. Mongolia
39. China
40. Indonesia
41. New Caledonia







Mongolia



Peru



Guinea-Conakry

# Core Business

## CIS' core business: remote site catering and living accommodation services in extreme conditions.

Our teams provide remote site catering and living accommodation services for major groups in the oil, mining, construction and civil engineering sectors operating throughout the world, often in very challenging climatic, environmental and political conditions.

We make sure that our customers are provided with optimal on-site living conditions and comfort for their day-to-day operations.

To provide catering services, our teams require expertise in managing the entire logistics chain from sourcing food supplies to meal service.

Our cuisine, designed in compliance with the most stringent health standards and balanced diet requirements, is prepared by highly qualified chefs and served by staff always on hand.

Our teams respect all culinary and religious practices and prepare special menus for holidays and special events.

In environments where the unforeseeable is a daily reality, only the experience of our men and woman and logistics management expertise make the difference.

Supply and storage are always guaranteed whatever the destination, the climatic conditions or the means of transport. A challenge our staff is capable of meeting at all times.

CIS teams exercise complete control over the storage and supply chains on a permanent basis.

We possess equipment best adapted for ensuring continuous compliance with cold chain and conservation standards to guarantee the safety of food transport.

For living accommodation services, CIS must provide its customers with the same level of comfort and health conditions as an international standard hotel.



Mauritania



Madagascar



Yemen

# Integrated **Services** offering

## Meeting the needs and expectations of our customers is our priority.

In addition to accommodation and catering services, managing a living compound calls for a wide range of other services to meet the day-to-day needs of teams working in hard conditions on projects located at remote sites throughout the world. Through its offering of integrated services, CIS is capable of meeting the full range of customer needs by providing turnkey solutions. And because every site is unique, CIS accordingly offers a large selection of services directly adapted to the specific needs of each.

### **Engineering**

Conception and design of living compounds, refurbishing ageing infrastructures, extension work and adapting facilities to environmental conditions and ensuring compliance with health and safety regulations.

### **Building**

Planning, site preparation, worksite project coordination and delivering living compounds.

### **Equipment**

Supply, installation and testing of all kinds of equipment necessary for our business, as well as after-sales service for equipment.

### **Facilities management**

Maintenance (electrical generators, machinery, etc.), upkeep and repairs (painting, plumbing, etc.) and reparations of the structure (buildings, roads and equipment) installed at the remote site.

### **Utilities management**

Supply, purification, desalination, evacuation of water and waste water management; waste collection, separation and processing, waste incineration and delivery of fuel (electrical transformers).

### **Other support services**

Implementation of integrated IT solutions (access control, room allocation, laundry and stock management, etc.), telecommunications.

Fleet management and maintenance, landscaping and upkeep of green areas, pest-control, fire safety, organisation of leisure activities (events, sports hall management), establishing points of sales for basic necessities, medical services, etc.



Turkmenistan



Sierra Leone



Chad

# Sustainable Development

## Sustainable development and social responsibility.

As a responsible corporate citizen, since its creation the Group has consistently sought to pursue a path of sustainable development in a manner that benefits local populations and economies in the countries where it operates. Through its position as a worldwide leader in remote site management specialised in providing living accommodations and catering services, CIS has an increasing responsibility to its customers, consumers, staff suppliers and citizens. With this objective, the Group has developed a comprehensive process built around the three pillars of sustainable development organised on the basis of the following priorities:

### Economic responsibility and performance

- Customer and consumer satisfaction:
- Guaranteeing effective processes to ensure profitability for our shareholders
- Contributing to sustainable local economic growth
- Publishing information on sustainable development

### Environmental responsibility and performance

- Reducing the environmental impacts of our products and services
- Limiting greenhouse gas emissions

### Social and corporate responsibility and performance

- Staff safety
- Monitoring human resources regulations and anticipating regulatory developments
- Ethical development of CIS
- Strengthening relations with stakeholders

	2011	2012	2013	2014
Algeria	100%	100%	100%	100%
Chad	100%	100%	100%	100%
Chad	100%	100%	100%	100%

With the goal of limiting waste, waste separation, compaction and recycling procedures are systematically deployed in countries where we operate.

Our subsidiary Cieptal in Algeria manages the CWAA (Central Waste Accumulation Area), a waste separation facility where plastic and paper waste is compacted in the form of bales and then resold to specialists for recycling. Non-recyclable waste is burnt in incinerators.

In Chad, after each meal service, waste is measured and the results are displayed in the restaurant as a measure to raise awareness and reduce waste.



Chad



Turkmenista

# Sustainable Development

## A people-centric business

For a services business like that of CIS, the human dimension is fundamental. Customer satisfaction is the critical factor and benchmark for the company's success. Without the professionalism of our staff, the men and women that form the most valuable asset of our company, nothing would be possible. With its 12,000 employees working in the four corners of the globe, while possessing a uniquely international dimension, CIS has retained its culture as a company with a human scale where all employees have an opportunity to evolve to achieve his/her professional goals and job satisfaction.

### - Workforce

At 31 December 2012, CIS had 11,637 employees (up 12% on the prior year), with women accounting for only 12% of the workforce. This imbalance is a direct consequence of our presence in certain countries where religious rules prohibit the presence of women in the workplace. At the head office, women account for nearly half the CIS workforce (46 %). Persons with disabilities represent 2%. The principle of gender equality is respected on the Board of Directors. Finally, personnel at the head office and expatriate staff represent 29 different nationalities.

### - Training and promoting talent

CIS favors local employment and professional mobility of its employees.



Testimonial:  
Frédéric Andrianantenaina,  
QHSE Manager in Mongolia

*"Since my years as a student it has been my dream to work abroad and with CIS this has been made possible. From Madagascar of Malagasy origin, I accordingly began my career at CIS in that country on the Ambatovy project in 2008.*

*The internal training programmes available to me provided me with opportunities for advancement within CIS. My devotion and ambitions were thus rewarded and my wish to pursue my career in another country was granted as since January 2012 I have been stationed in Mongolia."*

### - Training and promoting talent

In 2012, training through internal and external programs represented 21,994 hours, a 20% increase on 2011. With its focus on quality service but also promoting professional development for all staff, training is a major priority of CIS. For 2012, the budget for training was €92,600 (up from €73,000 in 2011).

### - Professionalization

CIS promotes a policy of using local employees to fill positions. On that basis, 97% of its operations are assured by local employees that receive in certain cases diploma-based professional training.

### - Safety

Measures in favour of QHSE (quality, health, security, environment) and Sustainable Development: In 2012, 21,516 hours were devoted to training and employee information initiatives on quality, health, safety environment and sustainable development, representing 98% of total training.

### - Nutrition

CIS served 44 million meals in 2012. The Group attaches considerable importance to health issues relating to a balanced diet.

To fight against cardiovascular illnesses and obesity, CIS head chefs receive specific training on measures for reducing saturated fats, sugar and salt in their recipes.

# Sustainable Development



## - Sourcing

For every new operation in a country, CIS conducts an assessment of its needs in relation to local production capacity. Our objective is to promote in priority local sourcing for our sites. CIS encourages local production of fruits and vegetables by independent local producers or cooperative farms, while ensuring them a sales outlet for a certain volume of their production.

When resources are not available or available only on a very limited basis in the region, and a long-term interest exists from the population, we adopt different measures of support to help these small producers meet our needs. Such measures take the form of developing farms and cooperatives, introducing new vegetable species, creating slaughterhouses and farms for laying hens, etc.

## - Local employment

Every CIS subsidiary participates in the development of a local project taking into account the specific regional

characteristics and needs. Burkina Faso represents one such example where CIS supports a cooperative venture of Gnogondémé women of the village of Yona for the manufacture of shea butter soap. In this way, all soap used at our different sites in this country are manufactured by this women's group cooperative.

CIS also makes regular donations of all types of supplies (food, equipment, etc.) to local associations.

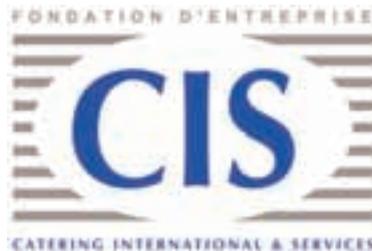


# The CIS Foundation

For six years the CIS Foundation has devoted efforts to assist youth originating from under-resourced urban district in the Marseilles region.

Its primary goal is to help fund their training and contribute to their entry into professional life.

In addition to providing project funding, CIS Foundation also seeks to foster contacts between youth and the business community with a focus on its economic, social and human diversity. This Foundation is chaired by Loïc Souron (Chairman) and Monique Arnoux (Vice Chairwoman).



The other members are Bruno Favret, Jean-Lucien Tassy and Natacha Gouvernet. For the first time in the history of the CIS Foundation, one of its scholarship recipients is currently pursuing an end-of-course six-month internship at our subsidiary in New Caledonia.

Under the responsibility of Valérie Dourel, the subsidiary's QHSE Manager, Quentin Mercier, 23 years old, is working on issues relating to traceability and the health control plan.

## “ The Foundation viewed by Quentin Mercier



*"I was put into contact with Loïc Souron, the Chairman of the CIS Foundation by the Fondation de France. I was trying to find funding to complete my university program. The CIS Foundation not only financed the last year of my Management and Quality Masters degree programme ,but it also offered me an internship at one of CIS' largest subsidiaries in New Caledonia. I was in this way given an unique opportunity to discover the workings of a group like CIS and develop my professional knowledge working alongside teams that were highly motivated, competent and passionate about their business. I am currently enjoying my first steps in the world of catering where I am learning a great deal. As for dozens of youth, CIS reached out to give me a chance, proving in this way that a great company can combine both a competitive spirit with human values".*



## > Corporate social responsibility report

### Our commitments

#### OUR BUSINESS: SERVICE. OUR OBJECTIVE: QUALITY

*Our business is providing food, living accommodations, service and care for thousands of people around the world working on major projects as a specialist in international catering services.*

Today we are recognised worldwide for our expertise in **managing remote sites in the four corners of the globe**, the **professionalism of our teams** and the **quality of our services**.

To maintain and **improve the performance** of our services, I initiated a **quality process** at CIS that in February 2004 received ISO 9001 certification and has subsequently been renewed every year since.

All **necessary means and resources** have been implemented for this process seeking to:

- Consolidate **CIS' position** in order to respond to major calls for tender and facilitate its access to **new markets**,
- Improve the **efficiency of our organisation and working practices**,
- Strengthen the **interfaces** between the headquarters and the sites,
- Ensure a consistent level of quality over the long-term of our services to meet the growing demands by our customers, particularly in the area of **QHSE**,
- Promoting and respecting core values in the areas of human rights, working condition standards and the environment, and the fight against corruption.

These quality objectives are reviewed, measured and analysed each year.

In this context, and because **the satisfaction of our customers and consumers** is our top priority, I ask **all staff**, including those working at the operating sites **to actively continue to contribute to this collective and company-wide undertaking**, with the Chief Quality Officer.

**"Our values: team spirit in respecting others"**

Régis Arnoux  
Chairman and Chief Executive Officer

### Our responsibilities

#### CIS: A RESPONSIBLE CORPORATE CITIZEN

CIS Group since its creation has consistently sought to pursue a path of sustainable development in a manner that benefits local populations and economies in the countries where it operates. Through its position as a worldwide leader in remote site management specialised in providing living accommodations and catering services, CIS has an increasing responsibility to its customers, consumers, staff and suppliers.

Our business has undergone major transformations in recent years. In response to this trend, CIS has decided to regularly introduce practices increasingly responsible, forward-looking and proactive. CIS has developed a comprehensive process built around the three pillars of sustainable development, divided into ten areas:

##### Economic responsibility and performance

- Customer and consumer satisfaction
- Guaranteeing effective processes to ensure profitable operations for our investors
- Contributing to sustainable local economic growth
- Publishing information on sustainable development

##### Environmental responsibility and performance

- Reducing the environmental impacts of our products and services
- Limiting greenhouse gas emissions

##### Social and corporate responsibility and performance

- Staff safety
- Monitoring human resources regulations and anticipating regulatory developments
- Ethical development of CIS
- Strengthening relations with stakeholders

Our ethical values

THE CIS BUSINESS ETHICS CHARTER: CORE VALUES SHARED BY ALL GROUPS STAFF



In 2004, CIS incorporated a business ethics charter into its management system that defines and highlights the ethical, moral and professional rules of conduct to be applied in our business practices and relations with third parties (customers, suppliers, partners, authorities, shareholders etc.).

Indeed, our actions must comply with the principles of integrity, impartiality and openness in order to maintain and increase the confidence of our shareholders, partners, customers and suppliers, and ensure our continuing success.

Our commitments consist in particular in combating money laundering, fighting against corruption, complying with the rules of fair trade and confidentiality, avoiding any situations giving rise to conflict of interests, strictly comply with all applicable laws and regulations, and adopting environmentally friendly and sustainable development practices. In line with these objectives, CIS has been a member of the UN Global Compact since 2005 and regularly publishes on this basis the report to stakeholders entitled "Communication on Progress".

In addition, CIS is actively engaged in its day-to-day operations in promoting diversity, equal opportunity employment, occupational health and safety. These values are shared by all CIS staff and management with the Business Ethics Charter applying to both.

The following information is presented in accordance with the disclosure requirements established by Article 225 of the «Grenelle II Act» of 12 July 2010 and the implementation decree of 24 April 2012. The reporting boundary for indicators presented covers the entire Group (CIS France as well as all subsidiaries and companies that it controls), calculated by consolidating data collected from 41 countries where CIS operates. As such the reporting boundary for social data and the Group's environmental impacts is consistent with the financial reporting boundary. Additional information on our sustainable development commitments and policy is available at CIS Group's website [www.cis-catering.com](http://www.cis-catering.com).

As the first reporting year subject to compliance with this implementation decree of Article 225 of the Grenelle II, Act, there was not a sufficient time to evaluate measures taken by the Group to adapt to climate change. It was also not possible to evaluate the severity rate for occupational accidents on a meaningful basis as this indicator is in the process of being defined for reporting purposes starting in 2013. Land use, noise pollution and other forms of pollution specific to an activity have also not been measured as indicators not applicable to our activity. Furthermore, certain indicators are presented herein on the basis of a limited reporting boundary (headquarters or headquarters and expatriate staff) in light of the relevance or availability of such information. These reporting boundary limitations are specified within the report for each indicator concerned.

The CIS Group employer profile

Our teams

At 31 December 2012, the Group had a total workforce of 11,637 employees, up 18% from the end of the previous year. Women accounted for 12% of the total workforce (for headquarter and expatriate staff). This significant gender imbalance within the Group is a direct consequence of our activity as a provider of catering services in extreme conditions and our presence in certain countries where religious rules prohibit women from working with the safety of our teams and operating countries remaining our priority.

CIS teams: a significant presence in international markets

	31 December 2012		31 December 2011	
	12 months	%	12 months	%
Average payroll				
Asia/Pacific	1,812	16	1,590	16
Africa	6,769	58	5,691	58
CIS	825	7	816	8
South America	1,895	16	1,493	15
Expatriates	287	3	247	3
Head office	49	0	49	0
<b>TOTAL</b>	<b>11,637</b>	<b>100</b>	<b>9,886</b>	<b>100</b>

Changes in the headquarters and expatriate workforce (336 employees in 2012) linked to growth in our business generated 68 recruitments and 28 departures (including 1 dismissal) in fiscal 2012.

CIS teams: highly experienced staff

Headquarters and expatriate workforce by age

(%)	31 December 2012	31 December 2011
Less than 25	1	3
25-29	8	12
30-34	19	13
35-39	10	15
40-44	20	17
45-49	16	15
50-54	14	13
55-59	9	9
60 or older	3	3
	100	100
<b>AVERAGE AGE</b>	<b>43</b>	<b>42</b>

Work-time organisation

The legal number of working hours for headquarters staff of the Group is 39 hours per week (including 4% part-time). The absenteeism rate in 2012 was zero as in 2011 (calculated as the number of unjustified days of absence for employee and per year).

Working hours for local employees in operating countries are determined in reference to local regulations.

**ROTATION**

The frequency of expatriate field assignments in operating countries.

The duration of expatriate assignments is largely dependent on the customer contracts.

Expatriates, depending on their contract and operating country, work according to assignments defined in terms of weeks or months of continuous presence in the field versus the length of their home stay (for example « 8/3 » corresponds to an eight week assignment in the field for three weeks at home).

The organisation of dialogue between employees and management

In light of its workforce, CIS France has established a dialogue of quality with employee representatives who may be consulted, in particular, on subjects relating to occupational health and safety. Employee representation bodies exist at the subsidiary CIS New Caledonia with which the company's management maintains regular dialogue. The other subsidiaries are not concerned by these provisions.

Promoting and developing talent;

Staff training: developing skills to achieve continuous improvement in the quality of our service and promote professional fulfilment for all our staff

Training programmes available to teams cover:

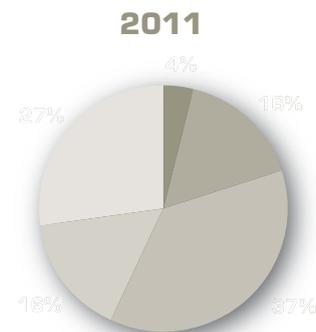
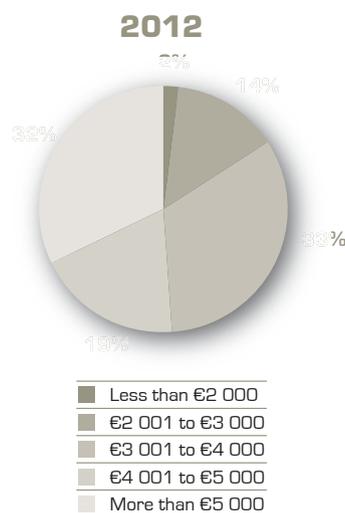
- Quality
- Safety
- Technical-business line skills
- Managerial skills
- Information technology

External and internal training provided to staff represented 21,944 hours in 2012 or 20% more than in 2011. All staff, regardless of their responsibilities, are offered a training programme adapted to their skills, providing them with a possibility, according to their wishes, for vocational retraining for a career change, an international assignment or a career advancement.

**€92,600**  
The annual training budget in 2012  
(€73,000 in 2011).

Compensation trends

The following charts provide a breakdown for headquarters and expatriate staff on permanent contracts by gross monthly compensation:



Average monthly salaries (including social charges) for local employees by geographic region break down as follows (in 2012):



### Safety of our teams: our priority

The occupational health and safety management methods of CIS Group comply with ISO and OHSAS guidelines. This also applies to subsidiaries not engaged in a certification process. Compliance with these guidelines by all Group staff is further reinforced by provisions that have been incorporated into the Business Ethic Charter

**2,600**

The number of days with no lost time injuries (LTI) in Chad.

Occupational accidents are systematically analysed to determine the causes and take corrective actions, by taking measures to secure the site, train personnel or implement preventive actions. In 2012, 28 lost time injuries compared with 17 in 2011, representing a lost time injury frequency rate of 0.90 in 2012 and 0.65 in 2011 (where this rate equals number of lost time injuries in relation to the number of hours worked multiplied by 1,000,000). At the Group's headquarters, no lost time injuries or occupational illnesses were reported in 2012.

### Our Business Ethics Charter: an internal code of conduct

#### Ethical recruitment and promotion practices

Recruitment and promotion within the Group are based exclusively on the skills and qualifications of each employee,

without discrimination relating to gender, ethnic origin or physical condition. By way of example, headquarters and expatriate staff represent 29 different nationalities, with women accounting for 12% (46% for the Group's headquarters), and disabled employees 2% (headquarters).

In addition, CIS' Board of Directors complies with the provisions of Law No. 2011-103 of 27 January 2011, pertaining to balanced gender representation.

Furthermore, the Charter requires within the Group the promotion of and strict compliance with the ILO core conventions (freedom of association and protection of the right to organise and negotiate collective bargaining agreements, eliminating employment and occupational discrimination, abolishing forced labour and the effective abolition of child labour).

Fair business practices call for an engagement by all employees Promoting the fight against corruption, and in particular, the policy of accepting and offering gifts within the framework of the relations of Group employees with interested third parties (supplier, customer, local public authority, board, etc.) is strictly defined by the Group's Business Ethics Charter. Furthermore, consumer health and safety is guaranteed by compliance with the ISO and OHSAS guidelines within Group subsidiaries.

CIS Group as an active environmental stakeholder

**QHSE AND SD**

The QHSE and Sustainable Development department of CIS Group is responsible for applying the social and environmental policy established by Executive Management.

The Group's headquarters and certain subsidiaries have engaged in certification processes:

		ISO 9001	ISO 14001	OHSAS 18001	ISO 22000
2014 Certifications planned	2014	Peru Guinea Mauritania	Peru	Peru	
	2013	Mongolia Russia	Brazil Mongolia	Brazil	Russia
2012 Certifications obtained	2012			Kazakhstan	
	2011	Chad Kazakhstan	Algeria Chad	Algeria	
	2010	New Caledonia		New Caledonia	
	2009			Chad	
	2008	Bolivia	Bolivia	Bolivia	
	2007	Brazil			Brazil
	2006				
	2005	Algeria			
	2004	France			

**Our commitments in favour of protecting the environment**

*Responsible consumption of resources*

In 2012, water consumption totalled 308 m<sup>3</sup> for the Group headquarters and electricity consumption 139 MWh. Based on those levels, recourse to renewable energy is not required. It was not possible to obtain this data for subsidiaries. In effect, due to the nature of our activity, we use on a temporary basis the installations of our customers. In consequence, only the latter are able to manage water and energy consumption efficiency for the sites. However, our teams receive training and information on sustainable water and energy use for day-

to-day operations and poster campaigns are carried out on a regular basis on good practices for reducing consumption. Some of our customers have also allowed us to carry out awareness-raising initiatives for users on water and energy conservation methods.

Our procurement policy provides for sending a questionnaire on ethical practices to suppliers prior to their selection. Supplies of food products for operating sites are dependent on contractual terms (which generally set minimum quantities for food supply inventories to be maintained on site).

CIS Group promotes the protection of biodiversity and refuses to use any endangered species (such as bluefin tuna) in the menus proposed to customers. Subsidiaries themselves are responsible for taking their own initiatives to promote biodiversity at the local level. Buyers and head chefs receive training from the QHSE and SD department on ways to improve product freshness (by giving priority to local sourcing, respecting the growing seasons for fruit and vegetables, etc.).



#### Reducing the Group's carbon footprint

The carbon impact of CIS Group's activities is measurable by carbon assessments for travel by headquarters and expatriate employees. In 2012, travel thus generated 1,184 tonnes of CO<sub>2</sub> (information unavailable for 2011). We encourage our personnel to limit their travel to reduce our environmental footprint, notably by using videoconferencing communications to avoid unnecessary travel. Electricity consumption of the headquarters represented 19 tonnes in secondary production of CO<sub>2</sub> in 2012.

#### Release of hazardous substances

The Group's activity does not generate air, water or ground pollution with an environmental impact.

#### Limiting waste

Recycling and limiting waste can have a meaningful impact on contributing to environmental protection.

In this way, 2.5 tonnes of paper was recycled in 2012 by the headquarters (2.9 in 2011). In priority we systematically print documents in PDF format and scan photocopies with the objective of limiting paper consumption and protecting the environment. Waste separation procedures for packaging are applied at all our subsidiaries, including Cieptal (Algeria) which manages a waste separation facility (CVVAA). We also carry out awareness-raising initiatives on behalf of customers with respect on ways to avoid food wastage. For example in Chad, food waste is weighed every day and the results are displayed.

#### CIS Group efforts in favour of QHSE and SD

Employee training and information initiatives on quality, health, safety and the environment and sustainable development represented 21,516 hours in 2012 or 98% of total training. In 2011, 17,940 hours of internal and external training focusing on QHSE issues was provided to CIS staff.

In 2012, CIS Group did not incur expenditures (as in 2011) for the prevention of environmental and pollution risks, as it is our customers who are the owners of the installations and consequently responsible for decisions on environmental measures. At 31 December 2012, there were no provisions for contingencies and guarantees for environmental risks.

#### Our societal commitments

##### The CIS Nutrition-Health programme

With nearly 44 million meals served every year, CIS Group is very conscious of the health effects of an unbalanced diet. In response, to combat cardiovascular illnesses and obesity, CIS head chefs receive specific training on measures for reducing saturated fats, sugar and salt in their recipes. On-site awareness raising initiatives are also regularly conducted.

##### Regional impact of CIS Group activities in operating countries

With a policy of giving preference to recruiting staff originating from the countries where it operates, 97% of CIS Group activities are assured by local employees. Employees are offered both job opportunities and training formations (in certain cases leading to a professional diploma), while subsidiaries promote the transfer of expertise from expatriates to local staff.

##### The commitment of Group companies to local development

In light of the breakdown of CIS activities throughout the world, we have not considered it useful to undertake initiatives in the different countries based on a common global project. Instead, CIS Group emphasises the importance to Country Managers and expatriate staff on the necessity of safeguarding the local environment. In this way, each subsidiary contributes to local projects of its own choosing, based on specific regional needs and considerations. Through this approach, each of our local projects receives the support of teams on-site, thus providing a way to propose initiatives considered relevant and effective by local stakeholders. The number of such projects is very extensive and the list of undertakings presented below represents only selected examples:

##### ■ Employment opportunities for women:

Since 2012, CIS Burkina Faso has supported the Gnogondémé women's cooperative in the village of Yona. This cooperative manufacturers shea butter soap among other products. Within the framework of this support, the subsidiary has abandoned the use of industrial soaps that has been replaced by soap produced by this cooperative and are used at all our sites in Burkina Faso.

■ Partnerships:

In Chad, through a partnership concluded between the "Hospitality & Tourism Management Centre" and the subsidiary, we undertake every year to offer internships to students of the school.

■ Donations and corporate sponsorship initiatives:

CIS Group provides funding, food or equipment to local associations that the subsidiaries wish to support.

■ Education:

In Madagascar a vocational training agreement has been signed with the national institute of tourism and hotel services (I.N.T.H.) of Tanarive. This agreement contributes to improving the level of training of our employees while recognising their experience by the issuance of diplomas.

■ Contributing to the economy and employment

The catering activity involves to a significant extent the acquisition of food supplies by Group subsidiaries. As much as possible, these supplies (and in particular fresh fruit and vegetables) are sourced locally. To improve the quality of the meals we serve and to promote local companies, local QHSE teams work closely with the corporate QHSE department at the headquarters to:

- Promote awareness by CIS teams of the importance of local sourcing;
- Work with local suppliers so that they are able to develop and adopt an appropriate organisation and in this way become more capable of meeting our demanding specifications.

■ Environment:

Cieptal, CIS Group's Algerian subsidiary, manages the CWAA (central waste accumulation area) where paper and plastic waste is separated and compacted to be resold. Non-recyclable waste is burnt in incinerators.

Furthermore, CIS Group has been a member of the UN Global Pact since 2005 and regularly publishes on this basis the report to stakeholders entitled "Communication on Progress" on promoting and respecting human rights, labour rights, the environment and anti-corruption measures.

Finally, in Marseilles CIS Group created a corporate foundation to which it has provided an annual budget of €30,000 since 2008 to young adults from the PACA region originating from under-resourced districts, to provide them with opportunities to join or pursue an educational programme, and in so doing, gain access to jobs in the workforce that corresponds to their ambitions for success. In 2012, the foundation supported 25 youth in pursuing their educational projects. Since 2008, 41 youth have participated in this initiative and certain gained access to permanent employment contracts made possible by the training programs financed by the CIS Foundation.