



2020  
**COMMUNICATION  
ON PROGRESS**

*For Earth, from Space*

# Contents

- 03** From the CEO
- 04** Our business model
- 05** Our contribution to the United Nations' Sustainable Development Goals
- 07** This year's challenges
- 08** Our naturally eco-friendly business
- 12** Optimizing labor relations
- 15** Promoting diversity
- 17** Supporting fulfilling careers
- 21** Ensuring employee health and safety
- 24** Managing the environment
- 28** Keeping our clients happy
- 30** Combating corruption
- 31** Securing data and ensuring data privacy
- 32** The General Data Protection Regulation (GDPR)
- 33** Raising awareness in house. Our local and humanitarian aid activities

# From the CEO



Christophe  
Vassal  
CEO, CLS



**95%**  
OF OUR EMPLOYEES SAY  
THEY FEEL A STRONG BOND  
WITH CLS AND ARE PROUD  
TO WORK WITH US

2020 Engagement Survey Results

## How is CLS helping achieve the UN's Sustainable Development Goals?

We are proud to say that 87% of our revenues are generated from activities geared towards achieving the United Nations Sustainable Development Goals (SDGs).

Our business contributes to the 17 greatest ecological, political, social and economic challenges facing our planet.

Since we joined the UN Global Compact in 2016, we've made progress every year on each of the 10 principles concerning human rights, labor law, environmental protection and the fight against corruption. The goals and values inherent in these principles have inspired our company since the beginning, so naturally we've implemented them into our processes and partnerships.

## What challenges did 2020 bring?

The year started with a new governance structure. Our new shareholders, who are positioning themselves for a long term partnership because they share the vision and philosophy of the Group, will be able to support us in our development and commitment to our corporate social responsibility in the years to come. Despite the COVID-19 pandemic, we were able to fulfill many of our targets in 2020. Mostly notably, we joined Act4Nature International, which cemented our commitment to biodiversity and decided to become a "société à mission".

## What would you like to tell readers in this report?

Despite the unprecedented health crisis, we are still committed to making progress in all CSR areas, such as protecting human rights and the environment, which is the foundation of our business.

We strive at all times to strengthen our non-financial performance. It's a key driver of our competitiveness and long-term success.

## What is your long-term goal?

We want to make our CSR strategy a worldwide strategy, gradually bringing all of our subsidiaries on board. Writing this report is our chance to take stock of this highly extraordinary year and get ready to meet 2021's CSR challenges.

## UNITED NATIONS GLOBAL COMPACT

The Global Compact is the world's biggest voluntary sustainable development program. It encourages companies to adhere to and promote principles related to human rights, working conditions, environmental protection, and fight against corruption.



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

We welcome feedback on its contents.





## Resources

**€10 M**

Invested every year in research and development

**130**

Satellites transmit data to CLS every day

**5** CLS-operated

data processing centers in France, the United States, Italy, and Spain

**780**

employees around the world

**1**

Planet Earth to observe, monitor, and protect

**30+**

years of experience  
Our employees with their expertise and experience are the group's greatest asset.

**€138.4 M**

Revenue in 2020

**3%** growth

# Our business model

## CLS, a global company

Satellites send us a mass of diverse data. To make all that data talk and harness its power for the benefit of our clients, we have invested in artificial intelligence: big data infrastructure, intelligent data analysis tools, and tools that analyze our clients' businesses. This change was crucial to keep CLS ahead of the constantly changing competition and keep our clients' trust.

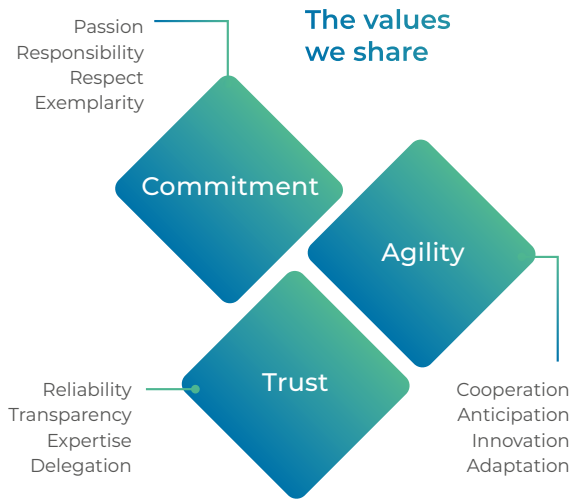
**92 %**  
OF EMPLOYEES FEEL  
ALIGNED WITH CLS'S  
CORPORATE PURPOSE

Engagement Survey Results 2020

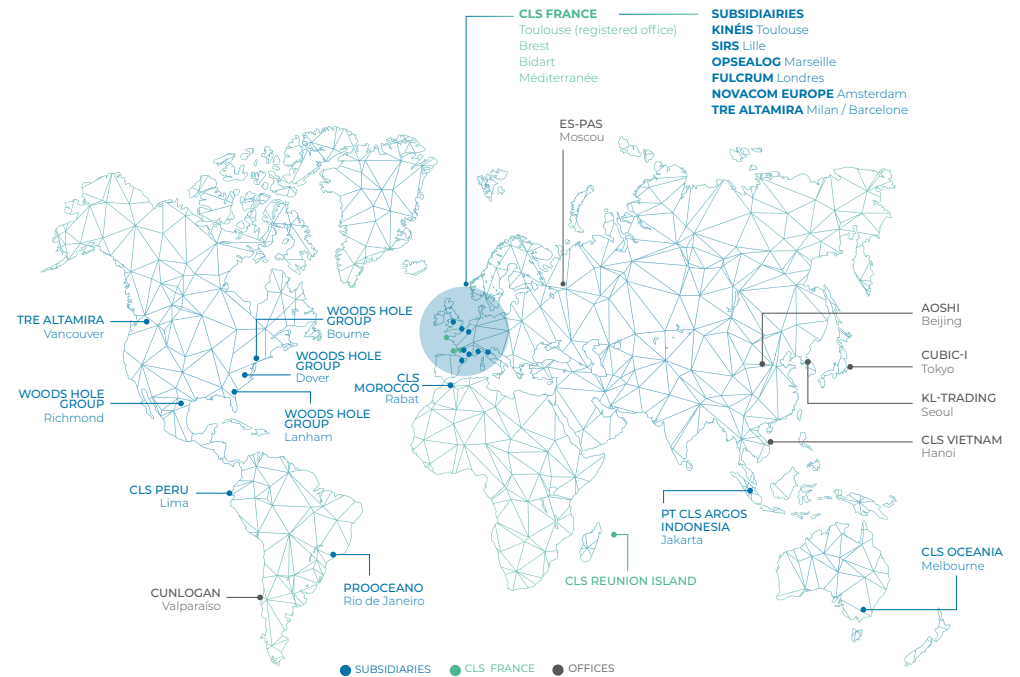
**780** employees\*



\* includes the workforce of the group, subsidiaries and offices



**OUR MISSION:**  
CREATE SPACE-BASED  
SOLUTIONS TO  
UNDERSTAND AND  
PROTECT OUR PLANET  
AND SUSTAINABLY  
MANAGE ITS  
RESOURCES...



... TO MEET INCREASING CRITICAL NEEDS.

## 5 business units

**20%**

### Sustainable Fisheries Management

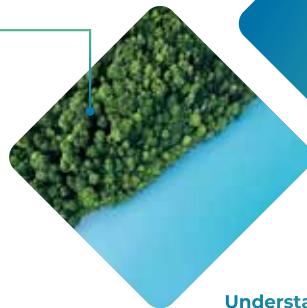
CLS helps sustainably manage marine resources and the related economic and food industries by combating overfishing.



**35%**

### Environmental and Climate Monitoring

We support conservation and sustainable development policies to combat the biodiversity crisis, polar ice melt, ocean spills, and the shortage of freshwater.



**Understanding the past  
Observe the present  
Planning the future  
Adapt to meet climate and environmental challenges  
Evaluate the environmental impacts of economic and industrial activities**



**17%**

### Energies, Mining, and Infrastructures

CLS develops products and services to improve the efficiency and safety of the energy, mining, and infrastructure industries while limiting their environmental impact. The goal is not only to offset the increasing number of man-made disasters, but also to manage large, complex projects that require accurate monitoring.



**15%**

### Maritime security

Preventing and responding to illegal activities/events that take place at sea and affect people and property. Combating terrorism, piracy, and all forms of trafficking (such as of immigrants and drugs) while preventing all types of pollution (especially from oil).



**13%**

### Fleet Management

CLS creates innovative telematic solutions for humanitarian and waste management purposes to offset the increase in international freight and the waste that has to be collected.



## CLS IS HELPING ACHIEVE THE SDGs

**87%**

of CLS's revenue is contributing directly to Sustainable Development Goals (SDGs)

**57%**

from combating climate change and protecting biodiversity on land and sea (SDGs: 6, 13, 14, & 15)

**29%**

from promoting economic growth and sustainable cities and communities (SDGs: 7, 9, 11, & 12)

**6%**

from combating poverty and helping vulnerable communities become self-sufficient (SDGs: 1, 2, 3, & 8)

**8%**

from helping strengthen cooperation and build solid global partnerships (SDG: 17)

# Our internal practices contribute to the SDGs

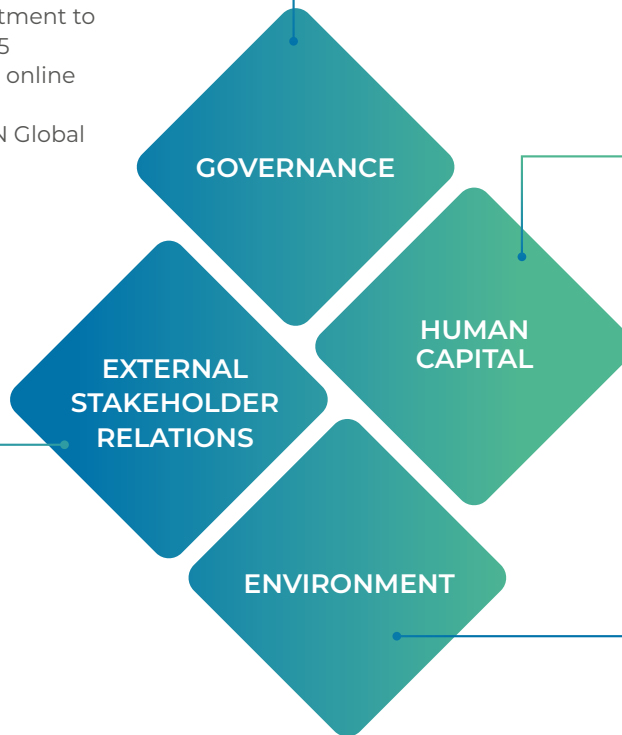


**Gender equality (SDG 5):**

40% of CLS's Executive Committee are women;  
 47% of its Management Committee are women;  
 40% of TRE Altamira's Board of Directors are women.

**Combating corruption (SDG 16):** CLS has outlined its commitment to integrity and responsibility in a Code of Conduct available in 5 languages. We also require all Group employees to complete online anticorruption training.

**Sustainable development partnerships (SDG 17):** CLS is a UN Global Compact signatory and is helping achieve the SDGs.



**Gender equality (SDG 5):** Women make up 42% of CLS's staff in France, but 48% of its managers.

**Decent work (SDG 8):** In addition to their base salaries, 60% of CLS Group employees have a profit-sharing plan.



**Sustainable development partnerships (SDG 17):** CLS supports several NGOs including ACTED, an international NGO committed to immediate humanitarian relief to support those in urgent need.

**Reducing inequalities (SDG 10):** The CLS Group supports the French Stade Toulousain Rugby Handisport (wheelchair rugby organization).

**Responsible consumption (SDG 12):** CLS is working locally to encourage soft mobility solutions.

**Preserving biodiversity (SDGs 14 and 15):** CLS is supporting a local program to preserve biodiversity and promote reforestation run by an association called "Voies navigables de France". CLS further committed to protecting biodiversity when it joined Act4Nature International in October 2020.



**Renewable energy consumption and production (SDG 7):** CLS headquarters is run entirely on electricity from renewable sources and with 4 charging stations for electric cars.

**Responsible consumption (SDG 12):** At CLS headquarters, we sort our trash.

**Combating climate change (SDG 13):** CLS is closely tracking its carbon footprint and takes steps to reduce its greenhouse gas emissions.

# This year's challenges

Every year we take the opportunity to set ambitious social and environmental goals when we write our Non-Financial Performance Statement. This year our CSR officer is once again in charge of writing the Statement. Our legal & compliance director; human resources director; health, safety and environment (HSE) manager; quality manager; procurement director; and data protection officer were also closely involved.

## CHALLENGE N° 1

**Update our list of non-financial issues and risks.**

We have to meet this challenge every year: without an up-to-date risk map, we can't effectively implement our long-term CSR strategy. First we assess our non-financial risks by listing our non-financial issues and their impacts on the company's business, the risks and opportunities they involve, and our stakeholders' expectations. Then we focus on the issues that pose the greatest risks for CLS and each of its subsidiaries according to the Management Committee's assessment. These regular updates help us fine tune our key performance indicators.

## CHALLENGE N° 2

**Mobilize the employees in the Group's subsidiaries identified as being central to our CSR strategy's success.**

To ensure the consistency of our CSR approach, we have to identify the employees in each subsidiary who should be involved in implementing the strategy. Then we have to keep the teams in the subsidiaries and at headquarters communicating with each other.

## CHALLENGE N° 3

**Globalize our CSR practice. That requires developing a CSR strategy specific to each subsidiary that's in harmony with the Group's overall strategy.**

Even though each subsidiary faces its own issues, we inform them of the CSR commitments we've made to our stakeholders. We prefer to work at the group level to include all of our internal stakeholders, but we also respect each of our subsidiaries' local culture and issues. The information in this report concerns France and, for the second year in a row, CLS's Italian subsidiary, TRE Altamira. We hope to eventually include all of our foreign subsidiaries in this statement and to define key performance indicators for each subsidiary.

## SPOTLIGHT

### ON CLS "SOCIÉTÉ À MISSION"

In 2020 CLS set up a working group to weigh the pros and cons of becoming a "société à mission" (company with a mission). Since our corporate mission was already defined, the work done in 2020 mainly concerned adding objectives to the bylaws to reflect that purpose. We hope to complete that work in 2021.

## This Non-Financial Performance Statement covers the following issues based on their materiality:

- Labor relations
- Employee training
- Attractiveness
- Employee health and safety
- Environmental management
- Protecting biodiversity
- Battery handling
- Cybersecurity
- The General Data Protection Regulation
- Anticorruption

CLS takes its social and environmental responsibility seriously. Its CSR policy is not merely a way to meet reporting obligations.



We discuss all of the mandatory topics in this document. The only topic we don't discuss is combating food waste, which is not relevant to our business.



# Our naturally eco-friendly business

**CLS's employees take pride in the fact that all of our teams' projects have high added environmental and social value**

## MEASURING GLOBAL WARMING

With more than 90 oceanographers and nearly 30 years of experience in radar altimetry, CLS can accurately measure the slightest motion in our seas and oceans. We use our observations to calculate a key global warming indicator: the mean sea-level change curve (average increase of 3.4 mm/year). CLS has been producing and printing this curve with the French Space Agency (CNES) and the French laboratory for geophysics studies and space oceanography (LEGOS) since 1992.



**13,000 scientific transmitters** send data to CLS for processing every month

## 2020 NEWS FLASH

CLS estimated forest industry carbon emissions for Gabon's National Climate Council.

## MONITORING BIODIVERSITY

CLS helps protect many threatened species. Its Argos data localization and collection system helps the scientific community, NGOs, and governments to measure biodiversity.



**de 150,000+** animals tracked since CLS was founded



**20,000** Argos tags transmitting data every month

## 2020 NEWS FLASH

CLS is currently working on a number of fascinating projects -tracking reindeers and horses in Sakha, Siberia, sheeps in Spain, and whale sharks in the Galapagos!



## COMBATING ILLEGAL FISHING

Using tools that combine observations from space, digital models, and real-time data localization and collection systems, CLS is helping many governments develop eco-friendly fishing management systems, combat illegal fishing, and institute sustainable fishing programs.



**3,500+ CLS beacons** were distributed to track fishing boats around the world despite the pandemic



**15,000 fishing boats** are now tracked every month

## MONITORING THE OCEANS

CLS also helps its clients understand, prevent, and comprehensively manage maritime events and activities that may affect the safety and security of goods and people, enforcement of the law of the sea, defense, border control, protection of the marine environment, fishing control/inspections, and governments' economic and political interests.

**The number of polluting events was cut in half in 10 years thanks to the Vigisat maritime surveillance service CLS operates for the European Clean-SeaNet service.**

### 2020 NEWS FLASH

CLS's commitment to coastline safety awarded in the framework of the Avenir Littoral call for projects.

### 2020 NEWS FLASH

An oil spill off the coast of Mauritius was monitored from the civilian Vigisat space station. *European Maritime Safety Agency asked CLS to keep a close watch on this threat to the island's coastline as part of an international partnership.*

## MANAGING ENERGY PRODUCTION

To help offshore energy operators be more environmentally friendly, CLS installs and operates products and services driven by radar interferometry, space-based and on-site oceanography, and data localization and collection.

And thanks to CLS's preinstallation site studies, water current forecasts, and ground-displacement predictions, energy producers can monitor civil engineering works and pursue their environmental responsibility strategies.

In 2020 CLS further expanded its range of offshore windfarms and solar energy products and services.



## SPOTLIGHT ON SDG 7: SPEEDING UP ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE, MODERN ENERGY FOR ALL

CLS now contributes to 12 SDGs, having added SDG 7 to the list through its wind and solar energy business. After meeting with solar energy players, our SIRS subsidiary started providing a new service to identify the best places to install solar farms.



## SPOTLIGHT ON JOINING ACT4NATURE INTERNATIONAL

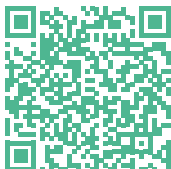
Biodiversity has been a central concern since CLS was founded in 1986. Signing Act4Nature's 10 common commitments is in keeping with our longstanding commitment to protect biodiversity.



CLS HAS SET AMBITIOUS ACT4NATURE GOALS. READ ABOUT THEM HERE

### Ambitious goals

One of CLS's commitments is to include protecting biodiversity in its bylaws as a fundamental value. CLS measures and monitors biodiversity and is committed to acting as a responsible natural resource manager. By joining Act4Nature, we're also reaffirming our commitment to combat plastic pollution.



LEARN MORE



HELPING OUR CLIENTS STUDY AND PROTECT BIODIVERSITY IS THE VERY CORE OF OUR MISSION. EVERY DAY WE'RE DEVELOPING PRO-PLANET SOLUTIONS FROM SPACE TO SUPPORT BIODIVERSITY- AND EARTH-FRIENDLY STRATEGIES



### OBJECTIVE ACHIEVED IN 2020

We joined Act4Nature International, which was launched by Entreprises pour l'Environnement. Rather than join Act4Nature France, we joined the international organization because we operate internationally and want our subsidiaries to adopt our biodiversity strategy.



### OUR 2021 OBJECTIVES

- Take concrete steps toward meeting our Act4Nature commitments
- Use our installations as biodiversity relays:
  - > Install 2 beehives on the Brest site
  - > Install 4 birdhouses and 1 bat house on the Toulouse site

## SPOTLIGHT ON CLS's Datalab: helping meet environmental challenges

Teams from CLS and Kinéis proposed to meet 2 challenges at ActInSpace 2020:

- **Save endangered species:** invent new ways to protect animals using satellite data
- **Make our oceans even more beautiful:** use satellite images and data from sensors transmitted via the space-based IoT to save the oceans.

All the participants worked simultaneously for 24 hours to invent new, innovative solutions based on data and space-based technologies.

The event's success proves that "future generations are committed to what CLS has been working on for more than 30 years: studying and protecting our planet and its resources," said CLS's Director of Innovation and Prospective.

## SPOTLIGHT ON THE ZAN (Zero Net Artificialisation) challenge, launched by the French government

SIRS has developed an innovative solution to combat artificialization, which seals the soil and drastically reduces biodiversity.

**Goal: reduce gross soil sealing by 70% by greening 550 hectares (5.5 km2) of artificialized land every year.**

To preserve and even increase green space, it's crucial to know where it is and monitor it over time.

SIRS helps local players meet this challenge by supplying accurate, up-to-date maps of wild and agricultural lands as well as reliable data on artificialization and the pressure put on those lands.



### COMBATING WATER POLLUTION

CLS helps prevent, monitor, and reduce ocean plastic pollution. Our expert oceanographers have developed solutions that really make a difference for coastal municipalities. Using data from meteorological and oceanic models, they derived a plastic drift model (Mobidrift) that can predict where plastics will wash up and where the pollution will be concentrated.

## SPOTLIGHT

### ON COMBATING PLASTIC POLLUTION WITH CLS INDONESIA

Indonesia is one of the world's biggest plastic polluters, but it aims to reduce plastics by 70% by 2025 thanks to its anti-ocean-pollution plan. The Ministry of Maritime Affairs and Fisheries asked CLS and the French Research Institute for Sustainable Development to help it understand how waste circulates in Indonesian waters. With financing from the French Development Agency and the World Bank, the program aims to provide a better understanding of how and where plastics and marine debris from rivers and big cities drift, accumulate, and wash up. It can then be determined whether it's better to collect the debris on land or at sea. CLS deposited 70 Argos drifting satellite buoys at the mouths of three Indonesian rivers.

By noting each buoy's position every hour, CLS was able to follow their trajectories and precisely determine where they would wash up or accumulate. This is good news, because it's obviously easier, cheaper, and safer to collect waste on land than at sea.

#### Next steps:

continue studying Indonesian rivers and expand the program to include other countries.

### 2020 NEWS FLASH

**Vendée Globe 2020** – CLS interpreted and analyzed 300 satellite images during the race. It located more than 100 icebergs and calculated their drift to keep the contestants safer.

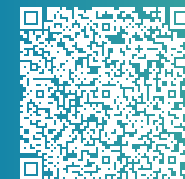
**Kévin Escoffier was rescued thanks to a Cospas-Sarsat beacon.** The CLS operators were the first to receive the skipper's SOS, several hundred miles from the Cape of Good Hope.

**As she approached the Kerguelen Islands,** Alexia Barrier deployed an Argo float as part of the Argonautica program.

## SPOTLIGHT ON Project E-Gear: fishing gear connected by satellite to reduce plastic pollution and help fishing crews every day

With support from the French oceanographic institute (IFREMER) and CNES, CLS deployed fishing nets connected by satellite in the Mediterranean. The goal is to help fishing crews with their daily work and reduce both plastic pollution and ghost fishing. Every year more than 640,000 tons of nets, lines, life jackets, and other ropes are lost at sea. More than a third of plastic pollution comes from fishing equipment in European waters. By monitoring fishing gear from space, we can reduce both plastic pollution and the cost of operating at sea. By knowing where their gear is, fishing crews will save time and fuel looking for it, reducing their carbon footprint and the risks associated with deep sea fishing.

LEARN MORE:







# Optimizing Labor Relations

CLS owes its success to people who love technology and who love working at jobs that create a great deal of value for society. So it's important that we listen to employees, address their needs, and protect their interests. Good labor relations promote peace and stability within the company and spur us on to do more and to do better. They proved to be even more important when it came to dealing with the COVID-19 pandemic in 2020.

**OUR POLICY:** Enhance our employees' sense of belonging, include them in our governing bodies, and use tools that foster communication. How do we do it?

## COLLECTIVE DISCUSSIONS AND BARGAINING

**Well-established labor relations**  
CLS continued to follow its Labor Relations Roadmap in 2020. The Method Agreement signed in 2019 made discussions and negotiations easier, and meetings with personnel representatives continued to be held regularly. The executive committee, which is our steering committee, meets every week. The social and economic committee (SEC), the workplace health and safety committee (HSC), and the management committee meet monthly, and every employee receives a copy of the management committee's monthly report.

### More frequent discussions during the pandemic

The HSC was set up as a SEC subcommittee in 2019 and saw a lot of action in 2020. To manage the health crisis, weekly HSC meetings were held during the lockdowns.

Our human resources (HR) policy elaborated in 2018 still follows our five roadmaps: labor relations, HR development, attracting and retaining talent, pay and benefits, and subsidiaries.

## ONGOING INTERNAL COMMUNICATION

### Fueling in-house discussions and reinforcing corporate culture

We had to keep the lines of communication open to combat the isolation brought on by the health crisis and the massive switch to teleworking during the lockdowns. We sent more than 50 messages about the pandemic to all our employees in 2020.

### Using internal social media

CLS has been using Workplace (social communication platform for companies) since 2017. It is proving to be priceless for a group operating on every continent. Discussions in the various groups can be displayed in French, English, and/or Spanish.

### A friendly workplace

Our buildings all have co-working spaces and places to gather (agora, auditoriums, cafeterias, and innovation areas).

### Annual celebrations

Management generally hosts two events a year to celebrate the company's success and talk with employees about CLS's market position, results, outlook, future goals, and plans to achieve those goals. We invite all of our employees and the representatives of our offices and subsidiaries to present the previous year's results and their future goals and topics for research and development.

This year the health crisis meant the representatives' convention, which is usually held in March, had to be cancelled.

So we held our very first virtual convention in December. It was an opportunity to come together, connect remotely, and take the time to assess this very unique year.

## SUPPORT FOR OUR SUBSIDIARIES

### Integrating SIRS

CLS created a working group in 2020 to help integrate SIRS, our Lille-based subsidiary, with respect to HR, finance, legal, business and organization, communication and management, IT, and site operation.

By late 2020 all SIRS employees had moved into the new office and one of our HR people devoted most of their time to them: providing training, changing the collective bargaining agreement, adjusting grade coefficients and salaries, revising the procedures for informing and consulting the elected employee representatives, signing amendments, etc.

Data was integrated and the HR/pay software was calibrated and configured in late 2020.

### Monthly subsidiary follow-up

CLS helped Woods Hole Group, TRE Altamira, and Novacom Europe reorganize and hire staff.



## OBJECTIVE ACHIEVED IN 2020

We officially completed the SIRS integration on January 1, 2021.



## OUR MEDIUM-TERM OBJECTIVES

- Harmonize HR management across our sites around the world
- Foster cooperation, collaboration, and interaction among the various BUs and support functions

## FOSTERING GOOD HR-MANAGER RELATIONS

### Monthly meetings between HR and managers

CLS instituted monthly HR-manager meetings three years ago. Our goal was to strengthen first-line management and give managers as much information as possible so they can direct their projects and support their teams. Given this year's health crisis, these meetings were held virtually and more people attended than ever!

### Manager satisfaction tracking

To track our managers' overall satisfaction, we included a manager-specific section in this year's Engagement Survey. Our HR teams collected data similar to the data usually collected through the HR Department's Customer's Voice Survey, which was discontinued in 2020.



### OBJECTIVE ACHIEVED IN 2020

CLS started conducting an Engagement Survey to measure employees' commitment



### KEY PERFORMANCE INDICATOR

Manager completion of the Engagement Survey: **89%** vs. **50%** for the 2019 Customer's Voice Survey (manager edition)

## SPOTLIGHT ON: CLS EMPLOYEE ENGAGEMENT SURVEY

### CLS France launched its first Engagement Survey on September 28, 2020

We put together a survey to measure employee satisfaction on all of the issues that affect them:

- Onboarding of new employees
- Sense of belonging
- Career development
- Company reputation
- Work pace
- Work organization
- Teleworking during the health crisis
- Equipment and offices
- Interpersonal relationships
- Supervision/Management
- Interviews
- Career management
- Training
- Pay and benefits
- Internal communication
- Overall company evaluation
- SPOTLIGHT on managers (manager-specific questions)

We worked with our employee representation bodies to develop and conduct the survey. An independent consulting firm, **People Vox**, collected and analyzed the data.

### Objectives

- Start holding group conversations about fundamental company-related topics
- Find out how employees feel and what they think about working at CLS
- Identify the most important things we need to do to prepare for the future



### KEY PERFORMANCE INDICATORS

- **78%** of our employees completed the Engagement Survey (327 of 421 surveys returned)
- **86%** are satisfied with their employer and their jobs
- CLS earned a rating of 7.2/10 (26th of 117 companies ranked by People Vox)



### OUR 2021 OBJECTIVES

- Keep working on improving our Engagement Survey topics (work organization, pay, career management, etc.)
- Roll out an action plan in May 2021



### OUR MEDIUM-TERM OBJECTIVES

- Conduct this type of employee satisfaction survey every two years
- Expand this pilot survey to the whole group in 2022

## SPOTLIGHT ON

### WOODS HOLE GROUP, USA: ITS CSR STRATEGY IS NOW IN WRITING

The Woods Hole Group HR/Admin director created a CSR working group in 2020 to set goals and formalize its CSR strategy. The group mapped non-financial risks, and a risk control plan will be implemented in 2021. This subsidiary's top priorities for 2021 are to calculate its carbon footprint and improve waste management and sorting on its various sites. It wants to reduce its environmental footprint by reducing travel between its various facilities and making greater use of videoconferencing. It is also facing HR challenges, including harmonizing job descriptions for its three sites and setting up an HR platform.





# Promoting diversity

**Diversity isn't just a Human Resources issue; it involves every employee and partner and is vital to all of CLS's operations. With inclusive management practices and respect for individual differences boosting social cohesion and well-being in the workplace, diversity drives economic and social performance.**

## **OUR POLICY:**

Diversity is one of CLS's top priorities. Non-discrimination is one of our founding principles and an integral part of who we are.

## **OUR OBJECTIVE:**

Manage our human resources without prejudice, with equal opportunity as our watchword evidenced by fair and equitable employment policies.

## **Signing the Diversity Charter**

CLS joined 4,100 other signatories to combat all forms of discrimination, promote diversity in the workplace, and maintain and expand its anti-discrimination activities. The Diversity Charter is a set of commitments open for signature by all employers who want to promote diversity and voluntarily go beyond what anti-discrimination laws require. Signing this Charter demonstrates a commitment of the highest order. The Charter's six articles provide a guide for taking concrete action and increasing diversity with innovative practices. The Diversity Charter also encourages companies to get their entire ecosystems involved so they can all help make society more diverse.



## **OUR 2021 COMMITMENT**

To keep combating discrimination in all its forms



## **OBJECTIVE ACHIEVED IN 2020**

Signing of the Diversity Charter

## **Various indicators show just how committed we are:**

We have employees of 27 different nationalities.  
Our age pyramid goes from under 20 to over 60.

### Gender equality is a CLS priority

In 2019 we signed a company-wide gender equality agreement that opens the door wider to attracting talent, encouraging diverse skillsets, and promoting innovation and creativity. The agreement is designed to promote gender equality at CLS and eliminate or at least reduce inequalities.

It covers the following topics:

- Rates of pay
- Promotions
- Access to training
- Work/life balance

CLS scored high on the Gender Equality Index again this year, proving that it takes this issue seriously.

### KEY PERFORMANCE INDICATOR

2020 Gender Equality Index score:  
**94/100**

### SIGNIFICANT INDICATORS

In 2020, **48%** of CLS France's managers and **36%** of TRE Altamira's managers were women.  
**47%** of Management Committee members were women.

### Disability, an area for major improvement

With just one intern and nine employees (one under a professionalization contract) living with a disability, CLS has a lot of room for improvement. One reason we're behind in this area is that it's hard to find candidates with the types of degrees we're looking for. We are therefore working with a temp agency specialized in recruiting people with disabilities. We are also emphasizing our desire to promote the employment of people with disabilities as we negotiate the French Interprofessional Workplace Health and Well-Being Agreement.

And in 2020 we continued our partnership with a food-service company that employs people with disabilities.

CLS is also concerned about disability issues in sports and has renewed its sponsorship of Stade Toulousain Rugby Handisport. In 2021 we want to launch a disability awareness campaign to find out if any of our employees have disabilities that we are as yet unaware of.



### OUR 2021 OBJECTIVE

**Finish negotiating the Workplace Health and Well-Being Agreement** (health and well-being at work and work/life balance)







# Supporting fulfilling careers

At CLS we help our employees grow their careers

CLS is proud of its talent and depends on its employees, which are its greatest asset.

Losing talent poses serious risks, so we are working hard to make CLS a place people want to stay.

**OUR POLICY:**  
Retain our talent by identifying their training and development needs. How do we do it?

## OUR VIEW

CLS believes that learning, growing, and improving are the keys to a fulfilling career. To determine what our employees need in the way of training and career development, we've instituted a procedure that involves the employees, their managers and directors, and the HR department.

## CONTINUING EDUCATION

**Despite the pandemic, we didn't stop providing training**

CLS was able to cover its employees' training needs in 2020 despite the health crisis. The vast majority of our training sessions were held in person when possible.

**We track our employees' progress**

The administrative management of CLS's training program has been handled by a specialized external partner since 2018. That partner has provided managers and the HR department with a powerful tool that accurately tracks progress through the program and provides complete statistics.

**We assess their needs**

CLS identifies key individuals and potential hires who will need specific training. This gives us a medium-term view in case an employee leaves.



## OUR CONSTANT GOAL

Determine and meet our employees' training needs



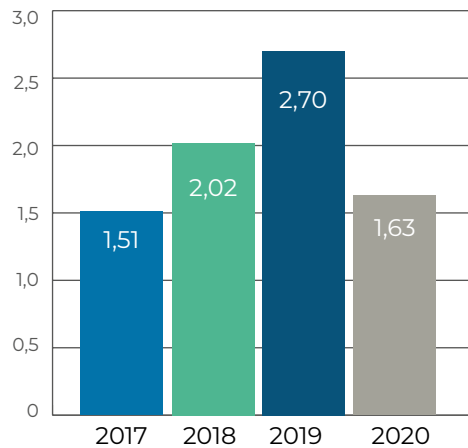
## OUR MEDIUM-TERM OBJECTIVE

Create a Learning Experience Platform (LXP) with all of the training our employees are taking (in person and on line) where each employee has an account and can track and take control of their career development.



**KEY PERFORMANCE INDICATORS**

- **14.40 hours** of training on average per employee taking training
- **95%** of CLS France and **100%** of Tre Altamira employees, or **90%** of CLS employees on average, have received an annual individual assessment
- Percentage of payroll allocated to employee training: **1,63%** in 2020



The percentage of payroll allocated to employee training in 2020 was lower than usual because of the pandemic.

**INDIVIDUAL CAREER DEVELOPMENT PLAN**

Every employee receives individual support. CLS's HR Department, the employee, and the employee's manager create an Individual Career Development Plan together setting specific, four-to six-month support and training or performance objectives. This type of plan is intended primarily for employees moving into supervisory or managerial positions or who need to develop specific skills. Employees are followed up with regularly. If necessary, their plan is revised to make it a success for both the employee and CLS.

**ADAPTIVE CAREER PATHS**

CLS has identified jobs and skills of the future and developed career paths to prepare for them (based on "job descriptions" or "roles"). The goal is to be ready for the changes coming in 2022 to the job categories in the metalworking industry's collective bargaining agreement.

**OBJECTIVES ACHIEVED IN 2020**

- We created a 6-year career assessment for the employees concerned
- We signed a Job and Career Path Management (JCPM) agreement in December 2020
- We updated HR's Quality procedure

**OUR 2021 OBJECTIVE**

Launch the Managers Charter Initially set for 2020, this objective has been postponed to 2021. *Much of the work has already been done and the final version of the Charter is almost ready.*

**KEY PERFORMANCE INDICATORS**

**97%** of our employees find that CLS respects their right to disconnect.

**96%** believe they have a good work/life balance at CLS. *[Results of the 2020 day-based working time interview]*

**SPOTLIGHT ON**

**JOB AND CAREER PATH MANAGEMENT**

This approach has enabled CLS to:

- Map jobs clearly
- Define the major job families and subfamilies
- Assign jobs to these families and subfamilies
- Identify key, sensitive, and essential but scarce skills
- Harmonize job titles throughout CLS
- Create "standard" profiles for each type of position (assistant/operations staff/unit supervisor/department manager/department director)
- Create job descriptions based on the above: 120 job descriptions have been written and CLS's existing job titles were harmonized in the process. Employees can access their job descriptions under the HR/pay software and talk about it with their manager
- Identify the jobs of tomorrow (especially for our newly integrated subsidiary, SIRS) and jobs in decline

**CLS offers various special training programs:**

- "New Managers," to support new managers as they move into managerial positions and take on new responsibilities, supplemented by the Managers Charter
- "Commercial"
- "Customer Service"
- "Project Manager," which was developed this year in partnership with our Quality team



# Retaining Our Talent

**We are managing jobs and skills to support growth and get CLS ready for the future.**

## **OUR POLICY:**

**Provide HR support to employees throughout their careers at CLS. Attract and retain talent by creating a work environment that promotes well-being and creativity. Provide benefits and opportunities whenever possible. How do we do it?**

## **EFFICIENT ONBOARDING**

To help new employees transition smoothly into their jobs at CLS as of Day 1, our HR department has created a thorough onboarding program. New employees are assigned “sponsors” and complete the program during their first few months. They acquire additional “in-house” skills and knowledge this way, learning our processes and procedures and gaining an understanding of where CLS came from, where it’s going, and how it will get there.

This year new hires were given a booklet containing all the information an employee needs during their first few days to get to know their new workplace.

## **REGULAR REVIEW OF COMPENSATION OPTIONS**

CLS is well aware that pay and benefits are key factors in attracting and keeping talent. For several years it has paid its employees an incentive bonus (based on results and legal criteria) with a contribution to the employee savings plan if the employee pays into it. In 2020 after a change in shareholders, we paid an exceptional capital gain bonus and started applying a new, more favorable incentive agreement. CLS is also devising a new compensation policy linked to the industry’s career paths and job categories. Meanwhile our HR teams are analyzing jobs to further improve our compensation policy and ensure that it is fair and equitable.

## A GREAT BENEFITS PACKAGE

CLS provides competitive insurance benefits. We pay 95% of supplementary health and disability premiums, and there's no waiting period to be eligible for sick or disability leave. We also give our employees a lot of time off if their children are sick.

CLS has also renegotiated a time savings account agreement so employees can use their accounts to take early retirement, progressively reduce their working time as they approach retirement, take additional days off for personal reasons, or switch to part-time status for up to six months for exceptional family reasons.

## OPTIMIZED HIRING

Despite the health crisis we hired a lot of people in 2020, especially in the first semester. One of those people is a hiring manager who joined our HR team. CLS also hired thirty trainees under alternance contracts to contribute to efforts to boost employment during this highly unusual time.



### OBJECTIVES ACHIEVED IN 2020

We launched an online onboarding program so new hires can start getting to know CLS before they arrive



### KEY PERFORMANCE INDICATOR

**88% of employees are satisfied with their onboarding** [Engagement Survey 2020]



### OBJECTIVES ACHIEVED IN 2020

- We began individualized social assessments (for 2019)
- We started sending a News Flash to announce the arrival of new employees or internal transfers
- We started using new hiring software to manage applications better

## SPOTLIGHT ON

### CHOOSE MY COMPANY®, HAPPYINDEX® TRAINEES

CLS was named a favorite company by interns and trainees in the ChooseMyCompany ranking (category: 20–49 students)



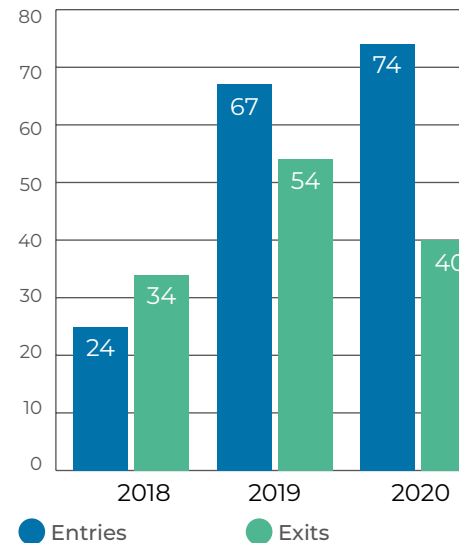
### KEY PERFORMANCE INDICATOR

**ANNUAL EMPLOYEE TURNOVER: We hired a considerable number of people given the global economy.**

Turnover rate (entries and exits in 2020): 10.97% in France/8.16% in Italy

Fixed-term > permanent contracts in 2020: 3 at CLS France.

### Changes in Permanent Contracts



### OUR SHORT-TERM OBJECTIVE

**Keep updating our hiring tools to attract new talent** through a stronger presence on social media (a LinkedIn career page, for example). Find out what future generations are looking for so we can keep them with us.

## CONSISTENTLY APPLIED WORKPLACE AGREEMENTS

### Working time agreement

The working time agreement we signed in November 2018 has made it possible to maintain fair and respectful working conditions as well as product and service quality by offering full or reduced working time to the employees who were with us then.

### Teleworking agreement

Our teleworking agreement took effect in January 2020. Signed in September 2019, it enables employees to improve their work/life balance and makes CLS more attractive to job seekers.

### Teleworking and COVID-19:

- After a favorable opinion from the SEC, we issued a Unilateral Employer's Decision (UED) on full-time teleworking related to the COVID-19 pandemic
- We followed-up with and supported employees working remotely
- After a favorable SEC opinion, we issued a UED on individualized part-time work
- We signed an agreement on continuing to pay our part-time non-supervisory staff their full net salaries



## “Smart working” at TRE Altamira

In September 2019 TRE Altamira started developing a “smart working” pilot project that went into effect in February 2020. Smart working is a flexible management model that does not require employees to work in a particular place at a particular time. Instead, they’re given control over where they work, when they work, and the tools they use. As a result, they take on more responsibility and results improve.



### KEY PERFORMANCE INDICATOR

Of the 4 agreements under negotiation in 2020, **all 4 were signed (the mandatory annual negotiation (NAO), maintaining net salary for part-time work, the Vigisat trainee team, and JCPM)**



### OBJECTIVES ACHIEVED IN 2020

- We instituted remote or teleworking on January 6, 2020
- On January 1, 2020 we started offering employees a bonus if we hire someone they refer
- We started testing the smart-working model at TRE Altamira

## SPOTLIGHT ON How CLS supported employees during the COVID-19 pandemic

- We set up a COVID-19 crisis unit, with top management people meeting every night during the first lockdown and once a week during the second
- Extraordinary HSC meetings were held every week
- We sent more than 40 messages about how we were managing the crisis
- We checked in every month with every employee, whether they were working full time or part time, on site or off
- Given the situation, we issued 25 temporary UEDs: 6 concerning the pandemic and 19 concerning teleworking. All these decisions had received favorable opinions from the social and economic committee.
- We also informed/consulted employee representatives regarding the obligation to take vacation in April, over the summer, and in December, as well as about the provisional plan to open up in May
- We continued to pay the full net salaries of part-time employees, and paid the raises provided for during the mandatory annual negotiations

# Ensuring employee Health and Safety

**Employee health and safety is a priority for the CLS group. Our employees work in places that pose significant health and safety risks, and CLS tries to provide its employees with the safest possible working conditions. This is an essential first step toward ensuring our employees’ well-being.**

### OUR POLICY:

**Ensure health and well-being in the workplace. Doing so is essential to prevent stress-related mental health issues. CLS also takes every possible measure to reduce the number of workplace accidents. How do we do it?**



### OBJECTIVES ACHIEVED IN 2020

Employees who needed to do so renewed their first aid training

## OUR RISK-REDUCTION HEALTH AND SAFETY POLICY

The main health and safety risks our employees face stem from business trips, handling electrical equipment, and work-related stress. Our health and safety manager is in charge of enforcing CLS’s health and safety policy and works with the HSC and Human Resources to continuously improve working conditions.

## OUR GUIDELINES FOR BUSINESS TRIPS

CLS has instituted a particularly important Business Trip Policy for salespeople traveling to high-risk countries. We conduct geopolitical risk assessments and give a guide with key recommendations to all employees who travel abroad.

As the unprecedented health crisis has drastically limited travel both in France and abroad, our travel-related risks have decreased.

**SIGNIFICANT RESULTS**

All health and safety training sessions were held despite the pandemic

All periodic regulatory inspections were conducted (more than 120 inspections covering all of our technical facilities)



**OUR CONSTANT GOALS**

- Reduce accident frequency
- Lower the seriousness rating
- Reduce absenteeism



**OUR 2021 OBJECTIVES**

- Give more employees first aid training
- Comply strictly with the electrical and working-at-heights clearances and give all additional staff (Brest and Toulouse) first aid training



**KEY PERFORMANCE INDICATORS**

**Workplace accidents:**

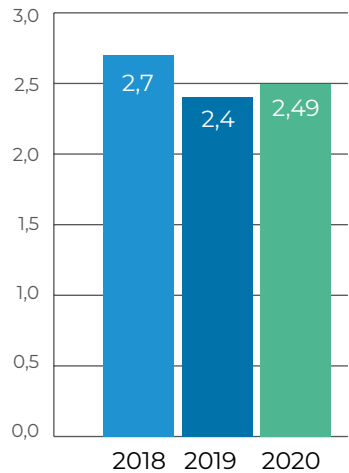
In 2020 there were 3 workplace accidents (1 with temporary disability leave and 2 without).

The result was 32 days of temporary disability leave.

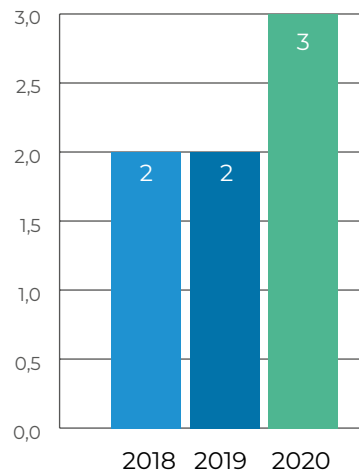
Change in the frequency rate: 1.46 in 2020 vs. 7.76 in 2019

Change in the seriousness rating: 0.05 in 2020 vs. 0.01 in 2019

**Change in the absenteeism rate**



**Change in the number of workplace accidents**



## PRIORITIZING EMPLOYEE HEALTH

Taking care of our employees and involving them in corporate governance is group policy and contributes directly to controlling psychosocial risks.

The pandemic and the isolation that resulted because everyone was teleworking led us to set up a psychological support unit and we don't foresee disbanding it.

CLS is also working closely with the occupational physician to detect and treat any psychological disorders employees might be suffering from. And we are adjusting workstations to make them more ergonomic. All such structural and organizational changes are submitted to the employee representation bodies, including the health and safety committee (HSC), for approval.

## OPTIMIZING THE WORK ENVIRONMENT

Our employees in Toulouse have been working in completely renovated buildings since November 2018. The offices were redesigned as co-working spaces separated by modern meeting rooms with state-of-the-art audiovisual equipment and isolated working areas. To get as much natural light as possible, we opted for walls of windows. The co-working areas promote interaction and cohesion as teams work on joint projects. There is a place to relax on every floor and a cafeteria on the ground floor with

an outdoor terrace. We also set up an area for innovation and creation where our employees can think about and work on their future projects.

### Significant events in 2020

The staff of SIRS, our subsidiary in Lille, moved into new offices where the same workplace optimization policy applies.

## OUR WORKPLACE IS USER FRIENDLY

All the materials for each floor (carpeting, ceilings, partitions) were chosen for their acoustic and thermal insulating abilities. All of the chairs and desks are height adjustable, and we provided training on the best way to use this ergonomic furniture. We also provided silent keyboards and noise-cancelling headsets to make it easier for our employees to adjust to their new work environment. SIRS employees were given the same ergonomic consideration when they moved into their new premises.

And our concern for our employee comfort didn't vanish once everyone started teleworking: we distributed the equipment they needed in record time so they could work from home in optimum conditions.



## KEY PERFORMANCE INDICATORS

More than **85%** of our employees are satisfied with their work environment in general (office setup, equipment, lighting, cleanliness, etc.), with the co-working areas, and with the relaxation areas. They feel they have the resources and tools they need to work efficiently.

**81%** of our employees think CLS is a company that cares about its employees' well-being. [Engagement Survey 2020]



## OUR SHORT-TERM OBJECTIVE

Continue to satisfy at least **85%** of our employees

## SPOTLIGHT ON COVID-19: We provided a variety of masks

**Phase 1:** we distributed disposable masks once our site reopened after the first wave of the pandemic

**Phase 2:** we cut down on waste by distributing reusable masks:

- first a model made from recycled military uniforms by a company in Toulouse
- then 5 cloth masks with the CLS logo for each employee





# Managing the Environment

Our employees are working hard to save the planet, so we naturally make a special effort to limit our own ecological footprint.

**OUR POLICY:**  
Reduce CLS's environmental footprint.  
How?

## IDENTIFY AREAS WHERE WE CAN IMPROVE

We've had an environmental database linked to our energy use since 2017. At that time, 61% of CLS's carbon emissions were indirect and mainly due to travel. Our direct emissions came (and still come) primarily from the energy we use to fuel and cool our data centers. We are therefore focusing on limiting our travel (especially long-distance travel) and using less electricity.

## REDUCE OUR FACILITIES' ECOLOGICAL FOOTPRINT

### Decreasing our water and energy consumption

CLS uses Ubigreen, an energy management system that measures consumption using sensors. Ubigreen helps us determine how our facilities use electricity and water and make them more energy efficient. It will be installed in the SIRS offices in 2021. Our facilities are also equipped with motion detectors so lights are turned off automatically. Four charging stations were installed in late 2019 to encourage our employees to use electric or at least hybrid vehicles, and it worked! Ten employees bought electric cars and regularly charge them at work. CLS is also encouraging its employees to use an electric-car rental app, especially for short trips (to the airport, train station, or city center). We used the app this year to run tests.

### Sorting our trash

CLS put bins for three types of waste (paper and cardboard, plastic, and miscellaneous garbage) in all its French locations in 2019. We refined the system in 2020, adding bins for aluminum cans and small cardboard packaging materials. All of our French offices sort their trash this way.

#### KEY INDICATOR

284 kg of WEEE (waste electric and electronic equipment) was collected at our Toulouse site in 2020

### Using and producing renewable energy

To help develop renewable energies, CLS opted to get its electricity from certified renewable sources. Since 2017 all of the energy we've used has been from renewable sources. In 2020 our solar panels produced 8,046 kWh of electricity.

Our heat recovery system was supposed to be recommissioned in 2020, but we postponed that since the offices were mostly empty due to the pandemic.



### OUR 2021 ACTION PLAN

Refurbish unused monitors and PCs and donate them to not-for-profit organizations and schools in Toulouse



### OUR CONSTANT GOAL

Maintain or reduce our current level of consumption despite our growing staff



### KEY PERFORMANCE INDICATOR

**Energy consumption:**  
2,525,723 kWh for 585 employees (Toulouse + Brest + on-site providers), or roughly **4,300 kWh/year/employee in 2020**  
*Our downward trend continued, with 2,525,723 kWh in 2020 vs. 2,754,602 kWh in 2019, a savings of more than 220,000 kWh*

## SPOTLIGHT ON COVID-19'S IMPACT ON OUR CONSUMPTION

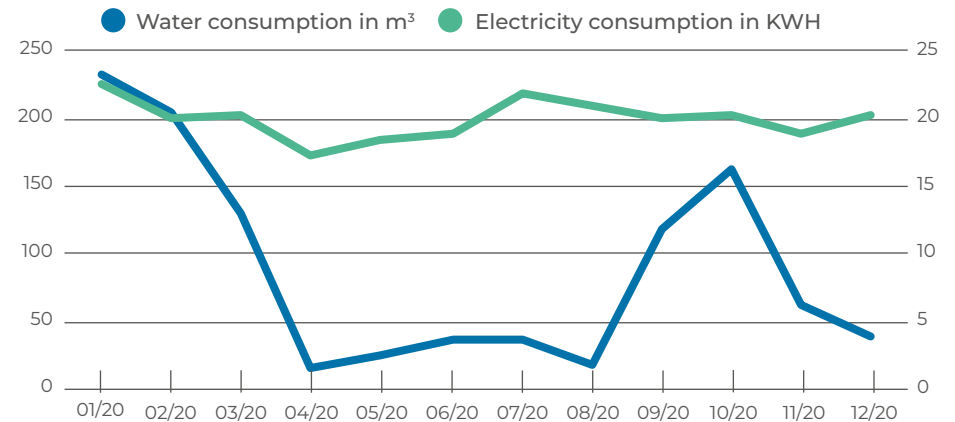
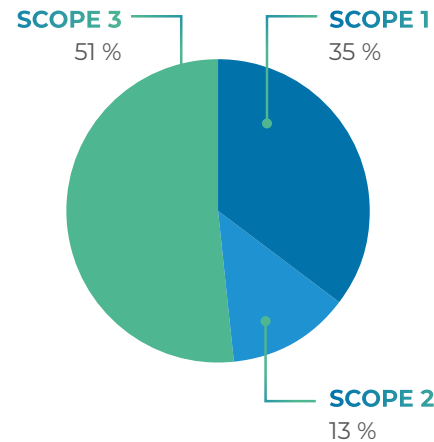
COVID-19 had an immediate impact on water consumption. It had less of an impact on energy consumption because we have equipment that has to operate continuously and uses a lot of electricity (for example our data center, refrigeration units, and heat pumps).



### KEY PERFORMANCE INDICATOR

Annual reduction of each scope of greenhouse gas emissions, with details of the main sources

### Breakdown of CLS's GHG emissions per scope (Toulouse site, 2020, and breakdown of ISO 14064 scopes)



## SPOTLIGHT ON CLS, a corporate climate charter signatory

As a signatory of the SICOVAL corporate climate charter, CLS will follow the 2019–24 Territorial Climate Air Energy Plan. The goal is to reduce GHG emissions by 60% by 2050, further develop renewable energies, improve air quality, use less energy, and start making the changes needed to adapt to climate change.

### Going digital

CLS started systematically using electronic signatures in the first quarter of 2020, completing the move to electronic documents begun in 2018.

No need to wait days for the post office to deliver a contract, quote, or any other type of document that requires a signature. In just a few seconds any employee, whether in lockdown or simply working from home, can sign a document in a few clicks on their smartphone, tablet, or computer. This will speed things up considerably.

#### 1100 electronic signatures in 2020!

We noticed a drastic reduction in the number of documents printed in 2020 because we'd switched to electronic signatures and very few people were working on site. We will therefore reduce the number of printers on our sites in the next few years.



#### OBJECTIVE ACHIEVED IN 2020

We started using electronic signatures in the first quarter of 2020

### RESPONSIBLE TRAVEL

**CLS's transportation-related carbon emissions have dropped significantly since we started communicating remotely rather than in person. The pandemic accentuated this trend in 2020 by drastically reducing our travel.**

#### Limiting long-distance trips

Half of our meeting rooms are equipped for videoconferencing. In addition, our employees have attended in-house webinars on how to use Office 365's new communication and document-sharing tools.

Using these means of rapid communication has become customary at CLS. Along with our new Responsible Travel Policy, they are driving the considerable drop in business-related air and rail travel.

### Promoting cycling

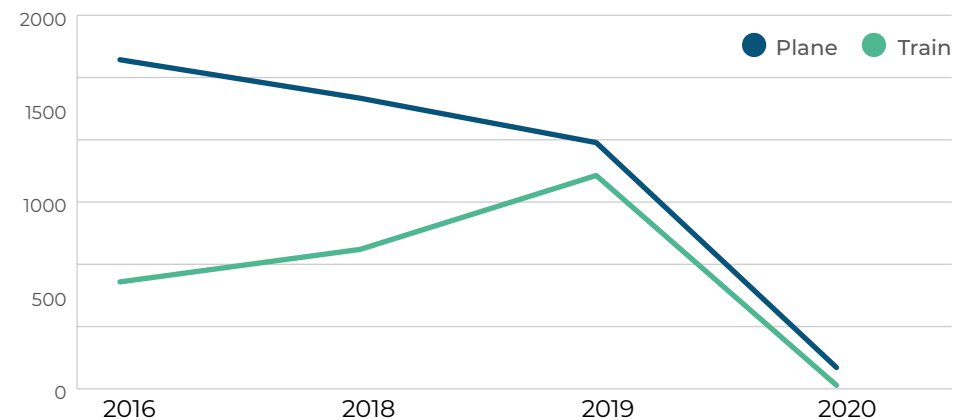
Our facilities in Toulouse border the bike-friendly Canal du Midi. To add to our employee-cyclists' pleasure, we've installed locker rooms, showers, and battery charging stations for electric bikes.

Our cyclists can also take advantage of the free bike maintenance and/or repair services offered once weekly in the neighboring industrial zone by CycloStand, a local non-profit. To further encourage cycling, CLS usually participates in the local AYAV "Let's go by bike" challenge. Unfortunately, this year's edition was postponed due to the pandemic.



#### KEY PERFORMANCE INDICATOR

**Carbon emissions related to air and rail business travel in tons of CO<sub>2</sub>/km/passenger:** We emitted **1,281,585 kg of CO<sub>2</sub>/km/passenger** from air and rail travel in 2020. This was an improvement over 2019, in an unprecedented crisis that drastically reduced business travel.





# Battery processing

**Our HSE manager ensures that the batteries in CLS's products are handled as carefully as possible throughout their life cycle.**

## AN IMPORTANT ENVIRONMENTAL ISSUE

Batteries contain electrolytes and heavy metals that become hazardous, toxic waste at the end of the battery's life. If batteries are not fully and cleanly recycled, they can pose a grave danger and become a source of pollution. That's why they must be collected under special conditions. Under European law on industrial and hazardous waste, CLS is responsible for this type of waste until it has been eliminated. Processing waste batteries is therefore essential to protect the environment, and CLS knows it. In 2020 the group began looking more closely at CLS's liability for managing waste batteries and what happens to the batteries we export.

## SEPARATE STORAGE FOR EACH BATTERY TYPE

CLS sells two types of transmitters that contain lithium batteries: drifting buoys set afloat in the ocean to follow the currents, and beacons installed on boats or attached to floating devices. Drifting buoys have primary, non-rechargeable lithium batteries. Beacons have lithium-ion rechargeable batteries (recharged via an integrated solar panel in the case of NEMO beacons). Other CLS products may contain alkaline batteries, lithium-ion rechargeable batteries, or lead batteries. Lithium and lead are chemically incompatible and must never come in contact with each other. When these batteries have reached end of life, we therefore carefully store them in separate hermetically sealed tanks according to a secure procedure.

## TRACKING AND TRANSPORTATION

We keep track of all our batteries, regularly updating tracking forms throughout the batteries' cycle life. We also closely monitor our battery-equipped products during transportation. They are transported by land, sea, or air according to specific procedures for each method of transportation.

## APPROPRIATE TRAINING

As required by the International Air Transport Association's Dangerous Goods Regulations, four CLS employees have been trained to safely package lithium. This training was renewed in 2020.

Unlike rechargeable batteries, primary (non-rechargeable) batteries have a given charge and once they're depleted, they can be stored under less strict conditions. The employees who handle these batteries have been trained to keep them from exiting the secure waste processing cycle or getting mixed together. At CLS we have three different tanks for storing three different types of alkaline batteries.

  
**410 kg**  
of batteries processed  
in 2020



## OUR MEDIUM-TERM OBJECTIVE

Overcome local constraints in countries with less-developed waste treatment systems so that CLS's battery handling practices can be followed in all of our international service centers.



## KEY PERFORMANCE INDICATOR

**As required by law,** all of the batteries that arrive at CLS are processed in accordance with the European directive.

## CIRCULAR ECONOMY

*CLS has not identified any contribution to the circular economy directly related to its business.*

*We have addressed this issue in house, however, during events such as European Sustainable Development Week.*

# Keeping our clients happy

As a service provider, CLS's success depends on its ability to meet client expectations effectively and efficiently. The group considers that ensuring impeccable quality and taking care when selecting suppliers undeniably lays the foundation for short- and long-term success.

## WE PROVIDE INNOVATIVE SOLUTIONS

CLS's development strategy is to provide ever-more-innovative solutions. Our employees' imagination and ingenuity play a central role.

### OBJECTIVES ACHIEVED IN 2020:

- We made our projects more successful by giving our project managers more support: we trained 35 project managers in 2020
- We expanded support for new hires 90% of the 65 new hires took our quiz

## WE MEASURE CLIENT SATISFACTION

We started taking surveys to measure client satisfaction in 2019. In 2020 we analyzed the data we'd collected, and there were very few complaints about our products and services. Our project managers also file monthly reports. We started digitizing our client satisfaction surveys in 2020, and that will continue in 2021.

## ISO CERTIFICATIONS

### ISO 9001

Our ISO 9001:V2015 certification is valid until 2022, provided we pass the annual follow-up audits. In addition, the scope of that certification will expand because we integrated SIRS (our subsidiary) into CLS in 2020–21.

### ISO 27001

We obtained ISO 27001 information system security management certification in mid-January 2020. Our challenge for the next few years will be to expand its scope, starting with the operations center in 2021.

# Ensuring quality

## OUR POLICY:

Provide innovative solutions to satisfy our clients' demands and needs and give them the best data available. CLS makes every effort to deliver perfectly operational solutions by the agreed delivery date. We are constantly improving our product and service quality as well as our procedures. How do we do it?



## OUR MEDIUM-TERM OBJECTIVE

Continue CLS's agile transformation



## OUR CONSTANT GOALS / MISSION

- To charm our clients by offering innovative user experiences
- To support CLS's digital transformation
- To keep investing in our human capital



## OBJECTIVE ACHIEVED IN 2020

We instituted systematic quality control of the equipment we produce (transmitters and terminals)

**740 transmitters were inspected by our Quality department in 2020** (none were inspected in 2019)



## KEY PERFORMANCE INDICATOR

- **96%** of our clients were satisfied with our projects in 2020 (impression of the project/business managers)
- We have a very low rate of complaints about products and services (< 0.3% of client inquiries)



## OUR 2021 OBJECTIVE

Measure client satisfaction using the following indicators:

- One-time satisfaction indicator (from 0 to 5 stars)
- Client experience indicator (effort required to obtain satisfaction on a scale of 1 to 5)
- Recommendation indicator (Would you recommend CLS?)

# Choosing Responsible Suppliers

## OUR POLICY:

Raise the bar for selecting suppliers. We want to be sure we're providing top-quality products and services and that our projects will succeed. How do we do it?

## WE USE OBJECTIVE SELECTION CRITERIA

Each CLS project is unique. That's why our supplier selection criteria are project specific. To select our strategic suppliers as objectively as possible, we use multiple criteria to evaluate their expertise, financial health, product quality, and commercial relations.

Objectivity is guaranteed by our systematic reliance on these criteria, which include assessments from various stakeholders. All of the Purchasing Department's choices to date have been based on these criteria.

## WE REVIEW SUPPLIERS ANNUALLY

To beef up our strategy with regular, intelligent supplier reviews, CLS will name an in-house coordinator for each supplier. These coordinators will write annual evaluations explaining why they are satisfied or dissatisfied with their supplier. The Purchasing Department will also institute more thorough quality control of the products received from suppliers and set higher performance standards.

## WE GET CSR COMMITMENTS IN WRITING

We include a business ethics clause in all of our manufacturing contracts with suppliers. That clause requires the supplier to uphold fundamental principles throughout its relationship with CLS, for example by respecting human rights, combating child labor and corruption, and protecting the environment.

## WE BUY LOCAL

Our Purchasing Department gives priority to locally manufactured products. For example, our Nemo and Triton beachons are made in France.

## WE MAP OUR PURCHASING-RELATED CSR RISKS

In 2020 the CSR team and the Purchasing Department mapped the risks and opportunities related to each type of purchase CLS makes. Based on environmental, social, and corporate governance criteria, this map lays the foundation for a responsible purchasing system.



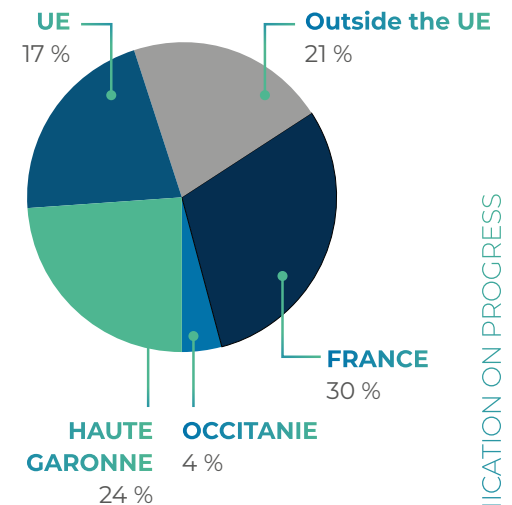
## OUR MEDIUM-TERM OBJECTIVE

Sign a responsible purchasing charter



## KEY PERFORMANCE INDICATOR

Share of total purchases made in France's Occitania region and France generally



**Total CLS purchases in 2020: 79% in the European Union, including 58% in France and 28% in Occitania**



# Combating corruption

**CLS does business in countries deemed to pose significant ethics risks by organizations such as Transparency International. Moreover, CLS's clients include governments and international cooperation agencies.**

**With a clearly defined, effective compliance program, CLS can control these risks.**

## OUR POLICY:

**Guarantee healthy, transparent commercial and institutional relationships through an anticorruption compliance program in line with France's Sapin 2 Act. How do we do it?**

## OUR ANTICORRUPTION COMPLIANCE PROGRAM

### Our corruption risk map

CLS maps corruption risks, connecting each risk scenario to a description of procedures, verifications, and other risk management measures. The implementation of such a mapping is also underway in progress at Prooceano (our Brazilian subsidiary).

### Our Code of Conduct

CLS incorporated a Code of Conduct into its internal rules in 2017. In it, we set out our best practices and communicate our values. The Code is available in four languages besides French: English, Italian, Portuguese, and Spanish.

### Our gifts and invitations policy

CLS's gifts and invitations policy explains to employees what is and what is not permitted in this regard.

### Our anticorruption training for employees

In December 2020 we set up online anticorruption training for all group companies. The various modules discuss giving and receiving gifts and invitations, intermediaries, facilitation payments, patronage and sponsoring, and conflicts of interest.

Employees will be able to access this "anticorruption pack" until the end of 2021.

## Our commercial partner evaluation and management procedure

Our Compliance team has developed a meticulous procedure for choosing our commercial partners. All group subsidiaries will follow it.

## Our whistleblowing system

We created a dedicated email address (**compliance@groupcls.com**) so employees can inform us of situations or conduct that is inconsistent with CLS's Anticorruption Compliance Program.

In 2020 CLS Peru began the procedure to obtain ISO 37001 antibribery certification.



## OBJECTIVE ACHIEVED IN 2020

We set up an online training program on France's Sapin 2 Act (anticorruption)



## OUR 2021 OBJECTIVES

- Launch anticorruption training and assess its impact
- Have all our subsidiaries start following our commercial partner evaluation and management procedure



## KEY PERFORMANCE INDICATOR

We do not have an anticorruption KPI for 2020. We will be able to announce one in 2021 after we've launched our anticorruption training program.



# Securing data and ensuring data privacy

Information system security is one of CLS's major concerns. Our products and services rely on our information system and their added value stems from the variety and volume of the data CLS manages. A secure information system also protects individuals' privacy when their personal data is processed. This protection became a fundamental right when the so-called GDPR, Europe's data privacy regulation, took effect on May 25, 2018.

## Securing our information systems

**OUR POLICY:**  
Continuously improve our information system security. How do we do it?

### WE HAVE A WRITTEN, WIDELY PUBLICIZED POLICY

All CLS employees shall comply with our Information Systems Security Policy (ISSP) and all of our related security charters (Information Security Charter, Office Equipment Charter, and Administrator Charter).

### WE RAISE AWARENESS AND TAKE PRECAUTIONS

As we do every year, in 2020 CLS ran a campaign to raise employee and provider awareness about information system security.



#### AWARENESS IN 2020

62% of CLS employees were informed about information system security.



#### OUR CONSTANT GOAL

To keep tightening data security

### WE HAVE A VERY COMPLETE ISS TEAM

Our information system security team includes an information systems security manager (ISSM), a technical team devoted to information systems security, information systems security officers (ISSOs) in each CLS department and subsidiary, and outside experts who provide support and conduct audits.

### WE CONTINUOUSLY MONITOR OUR NETWORK

CLS uses software tools to continuously improve security, including a vulnerability scanner, a software code verifier, and monitoring and security tools. We also conduct internal audits with support from external experts and allow our clients to conduct security audits. And we're developing a cybersecurity governance dashboard.

### ISO 27001 Certification

In January 2020 CLS obtained ISO 27001 (Information Security Management System) certification for the way it controls access to its data center.

The certification requires strict compliance with the GDPR and national data privacy standards, and we are progressively broadening its scope to include all of CLS's operations.

The first audit following certification was conducted in late 2020. Our subsidiary TRE Altamira is aiming to obtain this certification in 2021.



#### OBJECTIVES ACHIEVED IN 2020

- We became ISO 27001 certified in January 2020 for our data center access control
- We secured our infrastructure data as part of the move to teleworking



#### OUR MEDIUM-TERM OBJECTIVES

- Take a broader approach to ISO 27001 certification and expand the scope of our certification
- Change how we inform staff of the stakes involved in information system security

We are once again not announcing a key performance indicator for this risk because it would require us to disclose confidential information (such as the number of security alerts). For security reasons, CLS prefers not to make this public.

# The General Data Protection Regulation (GDPR)

## OUR POLICY:

Take all necessary measures to secure all personal data processing and require our partners to do the same.

How do we do it?

## CONTINUOUS GDPR COMPLIANCE EFFORTS

To respond to the issues raised by the GDPR, CLS relies on legal and technical experts. A member of our Legal Department acts as our Data Protection Office (DPO) and runs our GDPR compliance program. The program is based on mapping and keeping records of all the personal data processing CLS carries out or will carry out in connection with its business.

## OUR ACTION PLAN

CLS is bringing all of its websites and web-accessible platforms into compliance with the GDPR. We have informed our employees of the stakes involved in GDPR compliance, and they care about this issue. And we are building “privacy by design” and “privacy by default” principles into our data processing methods. The technical and organizational measures involved in this process are or will be spelled out in written procedures.

## A REGULARLY UPDATED PROGRAM

Every year we check our processing map for accuracy. In 2020 we continued to bring CLS websites into compliance by strengthening our cookie requirements to guarantee data privacy for our web users. In 2021 we will review all of our IT supplier contracts.

## EMPLOYEE TRAINING

In 2020 we held training sessions on how to archive personal data. GDPR training will be provided to our subsidiary TRE Altamira’s Spanish office in 2021. This training was originally planned for 2020 but had to be postponed due to the pandemic. And because a new data privacy law just went into effect in Brazil, we will provide appropriate training to the staff there, especially department directors.



## KEY PERFORMANCE INDICATOR

- Ratio of reported incidents and requests/number of resolved incidents and requests: All incidents and requests were resolved, just like last year.



## OUR 2021 OBJECTIVES

- Update our processing records
- Write an internal CLS policy and GDPR charter to cover all of our activities.



## KEY INDICATORS IN 2020

- The DPO received 35 calls in connection with CLS’s business (30 in 2019)
- 3 incidents affecting personal data were resolved (2 in 2019)
- No requests for access to personal data were made this year (3 in 2019)
- Time to respond to requests related to personal data processing: CLS responds to data subjects’ requests in less than 7 days (time allowed by law: 1 month).



# Raising awareness in house. Our local and humanitarian aid activities

## Familiarizing our employees with sustainable development issues

### European Sustainable Development Week (ESDW)

Due to the pandemic, the 2020 edition of Sustainable Development Week was held online via CLS's corporate social software, Workplace. Each week for four straight weeks a different SDG-related topic was presented through various articles and other resources. This year's topics were responsible production and consumption, biodiversity, wellness in the workplace, and reducing inequality. After that event, in October 2020 a group of CLS employees took part in the Ma Petite Planète [My Small Planet] challenge, a three-week ecology competition.

The goal? To heighten awareness and get as many people as possible involved in protecting our planet.



## Course des Lumières, connected version

On November 14 a team of 20 CLS employees competed in the connected version of Course des Lumières, a nighttime race to raise funds for cancer research.

Participants have two options: run 10 km or walk 4 km with an LED light wand to symbolically light up the night against cancer. The "Light Bearers' Livestream" allowed us all to take part in the event together. The funds collected will be donated to Fondation Toulouse Cancer Santé.

## Supporting and sponsoring local non-profits

In 2020 CLS renewed its sponsorship agreements and continued to support various not-for-profit organizations.

Because the Canal du Midi is an endangered world heritage site and benefits our Toulouse employees every day, CLS supports the program to plant trees along the canal run by Voies Navigables de

France (VNF). VNF has provided us with four birdhouses and a bat house, which we'll install on our site in early 2021. Because we want to help change how we view people with disabilities, CLS supports Stade Toulousain Rugby Handisport. And since protecting the environment is the thrust of our business, we also support Expedition 7<sup>th</sup> Continent's work to combat plastic pollution. In October 2020 CLS presented a joint webinar with Expedition 7<sup>th</sup> Continent. Their founder and scientific team and our innovation director discussed the bane of our planet's oceans, plastic pollution, and the role research and public awareness can play. The scientific team also presented the results the organization obtained using satellite data provided by CLS.

## Supporting humanitarian aid activities

HumaNav is a CLS real-time satellite geopositioning and fleet-management solution used by humanitarian organizations, NGOs, and United Nations agencies to protect their staff.



7,000+ vehicles tracked

In 2020 CLS developed a new tool called Fleetsharing for humanitarian agencies.



WE SUPPORT ACTED, AN INTERNATIONAL SOLIDARITY NGO

CLS gave financial aid to ACTED twice this year: after the explosion in Beirut (August 2020) and to support displaced populations in Armenia (December 2020).

## 2020 NEWS FLASH

CLS teams were awarded a Save the Children contract. Save the Children is a leading humanitarian organization for children. Its vision? A world in which every child attains the right to survival, protection, development, and participation. CLS will work for this NGO in DRC, Ethiopia, Uganda, and Somalia starting in the first semester of 2021.

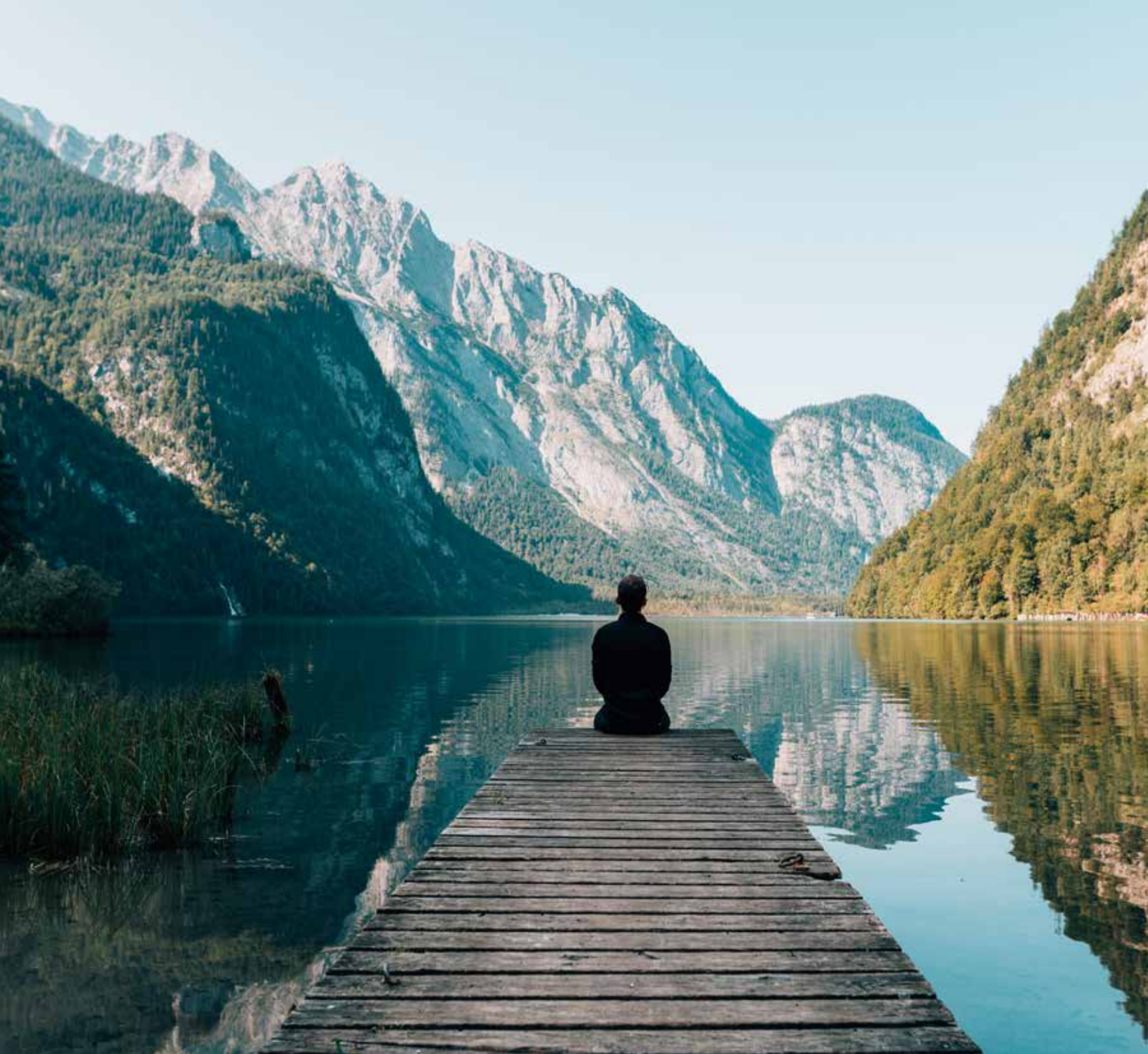
## Scope details for each identified risk and the Global Compact principles

SUBJECT	KEY PERFORMANCE INDICATOR/GOAL/ SIGNIFICANT	RESULT SCOPE	Global Compact Principles
Optimized labor relations / Diversity	Gender equality	France (excl. Lille)*	Human rights (principles 1 & 2)
	Engagement Survey	France (excl. Lille)*	
	Ratio agreements signed/agreements negotiated	France (excl. Lille)*	
Supporting fulfilling careers: Career development and support for our employees/Retaining our talent	Percentage of payroll spent on training	France (excl. Lille)*	Working conditions (principles 3, 4, 5 & 6)
	Right to disconnect	France (excl. Lille)*	
	Ratio entries/exits (staff)	France (excl. Lille)*	
Ensuring employee health and safety	Health/safety training renewal rate	France (excl. Lille)*	
	Facilities security	France	
	Workplace accidents	France (excl. Lille)*	
Ensuring quality	Keeping our client's happy	France	
Choosing responsible suppliers	Purchasing breakdown	France (excl. Lille)*	
Our naturally eco-friendly business		World	
Managing the environment	Battery handling	France (excl. Lille)*	Environment (principles 7, 8, & 9)
	Carbon emissions from air and rail business travel	France (excl. Lille)*	
	Energy consumption	France (excl. Lille)*	
Combating corruption		World	
Information system security		France	Combating corruption (principle 10)
General Data Protection Regulation		Europe	

\* Lille is integrated into the France scope from January 2020.







### **CLS**

11 rue Hermès  
Parc technologique du Canal  
31520 Ramonville Saint-Agne  
FRANCE

### **CLS Brest**

Technopôle Brest Iroise  
Avenue La Pérouse  
29280 Plouzané  
FRANCE

### **CLS Bidart**

Technopôle  
Izarbel Créaticité  
C64210 Bidart  
FRANCE



@ info@groupcls.com

www.cls.fr

