



2023

COMMUNICATION ON PROGRESS

For Earth from Space

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From the CEO



Christophe
Vassal
Chief Executive Officer

90%
OF OUR EMPLOYEES
ARE PROUD TO BE
WORKING FOR CLS.

Engagement Survey Results 2022

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

We are proud to say that more than 95% of our revenues are generated from activities geared toward 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 have 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 from the outset, so naturally we have formally implemented them in our processes and partnerships.

What challenges did 2023 bring?

We devoted a lot of effort last year to combating eco-crime with the deployment of our MAS (Maritime Awareness System) services in Thailand, India and Sri Lanka.

MAS is a strategic asset for monitoring our seas and oceans, aiding governments striving to stamp out marine pollution and pillaging of marine resources.

Other major firsts were the certification of our floating LiDAR (FLiDAR), pivotal to our portfolio of solutions supporting development of decarbonized offshore wind energy, and the strengthening of our leadership position in maritime surveillance through our acquisitions in Brazil.

Our priorities in 2024 will be focused on furthering our corporate social responsibility approach, by affirming our digital transition, pro-actively implementing procedures in line with the EU Corporate Sustainability Reporting Directive (CSRD), and putting in place a plan to reduce our greenhouse gas emissions.

What would you like to tell readers in this report?

In this report, we want to clearly affirm our commitment to preserving our planet and managing its resources sustainably. Our mission at CLS is to develop innovative solutions based on satellite data to help us to understand and protect Earth and manage it responsibly.

What is your long-term ambition?

Our long-term ambition is to digitize ecosystems for which we have expert capabilities and to offer solutions that inform key decisions regarding ecosystem sustainability. This will give

our customers the ability to easily visualize ocean weather conditions, track species, human activities and plant health for herds, and monitor wind conditions crucial for wind farms. These ambitions are vital to safeguard the future of our planet and manage how and where we live.

UNITED NATIONS GLOBAL COMPACT

The Global Compact is the world's biggest voluntary sustainable development program. It encourages businesses to embed and promote a range of principles regarding human rights, working conditions, good environmental stewardship and anti-corruption practices.



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

We welcome feedback on its contents.

Resources

€10m

Invested every year
in research and
development

300

Satellites send
their data to CLS
every day

5

Data-processing
centers operated by CLS in
France, the United States,
Italy and Spain

950

Employees worldwide

1

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

35+ years

experience.

Our skilled and
experienced workforce is
our most valuable asset

€180m

revenues
in 2023

4%

Growth

31

sites around the globe

1

digital transformation
with 2 business
sector platforms

Our value creation model

Governance

CNP
66%



cnes
34%



Executive Board, from left:

Philippe Roques, Deputy CEO,
Digital and Operations

Cécile Espinassous, Chief HR &
Communication Officer

Christophe Vassal, Chief Executive Officer

Stéphanie Limouzin, Deputy CEO,
Business Development

Sébastien Thomas, Chief Financial Officer

951 employees*



* includes group and offices

** Cubic-I Ltd., formerly a CLS office, was acquired in August 2023

Shared values

Enthusiasm
Responsibility
Respect
Exemplarity

Commitment

Agility

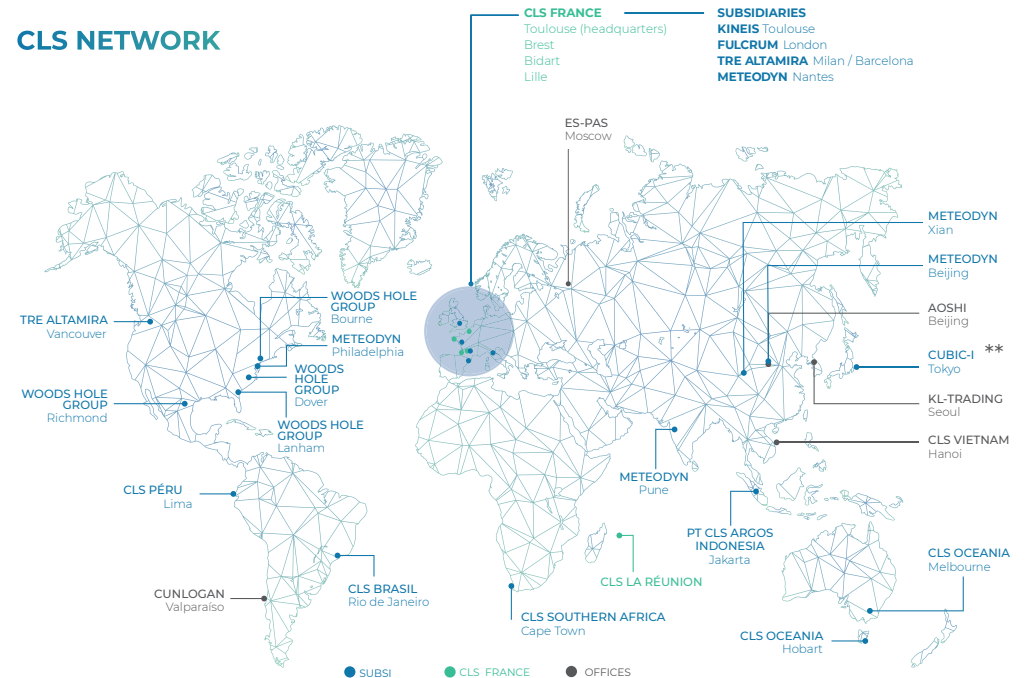
Trust

Reliability
Transparency
Expertise
Delegation

Cooperation
Anticipation
Innovation
Adaptation

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

CLS NETWORK



...IN RESPONSE
TO GROWING
VITAL NEEDS.

5 business units

17%

**Sustainable fisheries
management**
Supporting sustainable
management of marine
resources and related economic
and food sectors by combating
overfishing.

35%

**Environmental
monitoring & climate**
Supporting environmental
conservation and sustainable
development policies
to tackle the biodiversity
crisis, melting of the ice caps,
marine oil pollution
and water shortages.

28%

Energy & Infrastructures

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

10%

Maritime safety & security

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

10%

Mobilities

Developing innovative
telematics solutions,
notably for humanitarian
and waste management
in response to growth
in humanitarian needs
and waste volumes.

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

CLS HELPING TO ACHIEVE SDGs

More than 95%

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

44%

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

31%

are contributing to
economic development
and to sustainable cities
and communities
SDGs 7, 9, 11 & 12

10%

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

11%

are helping to improve
working conditions,
strengthen cooperation
and build solid global
partnerships
SDGs 4, 5, 10, 16 & 17



Gender equality (SDG 5)

40% of Executive Board members are women.
43% of Management Committee members are women.

Combating corruption (SDG 16)

CLS has outlined its commitment to integrity and responsibility in a Code of Conduct available in five languages. We also require all employees to complete online anti-corruption training.

Partnerships for sustainable development (SDG 17)

CLS is a signatory to the UN Global Compact and is working to implement the SDGs.



Partnerships for sustainable development (SDG 17)

CLS supports several NGOs including ACTED, an international NGO committed to providing immediate humanitarian relief to those in urgent need.

Reducing inequalities (SDG 10)

CLS is supporting the Stade Toulousain Rugby Handisport wheelchair rugby organization.

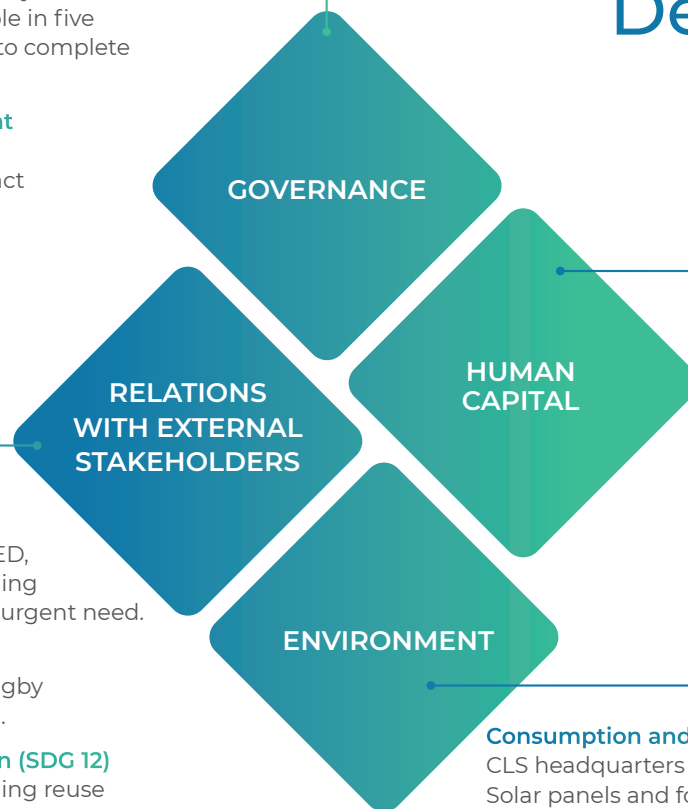
Responsible consumption and production (SDG 12)

CLS is involved in local initiatives encouraging reuse or recycling of computer hardware.

Preserving biodiversity (SDGs 14 and 15)

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

Our contribution to the United Nations Sustainable Development Goals



GOVERNANCE

HUMAN CAPITAL

ENVIRONMENT

RELATIONS WITH EXTERNAL STAKEHOLDERS

Gender equality (SDG 5)

CLS France obtained a gender equality index of 93/100

Decent work and economic growth (SDG 8)

CLS provides competitive insurance benefits, paying for more than 95% of supplementary health and disability premiums. In addition, there is no waiting period to be eligible for sick leave.

Consumption and production of renewable energies (SDG 7)

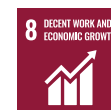
CLS headquarters is powered 100% by renewable electricity. Solar panels and four electric vehicle charging points have been installed.

Responsible consumption and production (SDG 12)

We require suppliers to adhere to our Responsible Purchasing Charter.

Climate action (SDG 13)

CLS is closely tracking its environmental footprint and deploying initiatives to curb its greenhouse gas emissions (limiting long-distance travel and promoting sustainable mobility).



A mission-driven company

CLS officially became a mission-driven company in May 2021 and is continuing to structure its approach through the four commitments formally established with its Mission Committee, set up end 2021. The committee, tasked with keeping track of execution, met three times this year and wrote its first report. It was also the first time we underwent a third-party audit on our mission-driven company status, by Ethics Group.



The first report on our mission by an independent third-party auditor concluded that we are meeting our goals.



ACTION FOR 2024

The Mission Committee's members will be reaching the end of their first term. We will be soliciting candidacies for a new employee member through a fair and equal-opportunities selection process.

OUR MISSION:

Conceiving and deploying space-based solutions to understand and preserve our planet, and to manage its resources sustainably.

OUR GOALS ARE FOUNDED ON FOUR PILLARS:

PLANET

Deploying space-based solutions to raise awareness of our fragile planet's riches and to preserve its natural resources and biodiversity for future generations.

ORGANIZATION

Developing and maintaining an efficient and sustainable organization that creates value for all stakeholders, serving the planet and humankind.

INNOVATION

Engaging the skills needed to develop innovative solutions based on cutting-edge space and digital technologies to drive sustainable growth.

PEOPLE

Recognizing and rewarding our people to foster their wellbeing in a respectful and tolerant work environment geared toward building an international environmental project together.

OUR MISSION COMMITTEE

A range of complementary profiles and expertise closely aligned with the company's mission and goals.

External members



Laurence Monnoyer-Smith
Director of Sustainable Development & Performance at CNES, the French space agency - Committee Chair



Alexandre Cadain
Founder of Anima, an advocate of disruptive innovation to transform business and society through AI



Anny Cazenave
Fellow of the French Academy of Sciences, expert in space oceanography and former IPCC member



Jean-Louis Étienne
Adventurer and physician, conceptor of world-renowned scientific projects



Alain Mauries
Human Resources Advisor at ONEIDA, a group specializing in transformative projects



Caroline Pihan
Associate Director of the Initiative et Finance environmental transition investment fund

CLS members



Jean-Rémy François
Operations project leader at Mobilities BU - Employee representative



Stéphanie Limouzin
Deputy CEO, Business Development



Headlines in 2023

Combating environmental crime to the for

In 2023, CLS strengthened its position in maritime safety and security and combating environmental crime, signing three strategic contracts with India, Sri Lanka and Thailand.

CLS's Maritime Awareness System (MAS) is a unique service for detecting and monitoring threats at sea, already used by French Customs and the French Navy as well as Ecuador. Relying on artificial intelligence and big-data technologies, it provides the capability to process and merge large volumes of heterogeneous data, informing and speeding decision-making.

David Bajouco, Director of Maritime Safety & Security at CLS: "Our MAS system, the fruit of 30 years' experience and expertise, guarantees constant, proactive surveillance of maritime activities, helping to strengthen the security and sovereignty of marine territories, while helping to protect ocean resources. We're proud that our cutting-edge service is recognized as being in the public interest by many nations, and we thank the governments of Sri Lanka, India and Thailand for their faith in us."

Located at the crossroads of major shipping routes, Sri Lanka is facing growing environmental risks. CLS is working with

the Sri-Lankan authorities on the OSDS (Oil Spill Detection Sri Lanka) project.

This innovative project deploys an offshore oil-spill detection service, delivered by CLS, to identify potential polluters and reduce the environmental impact of human activities at sea. This tried-and-tested detection system has proved its worth around the world. In Europe, for example, the CleanSeaNet service operated by EMSA has enabled the number of pollution events detected in European waters to be halved in 10 years, thanks to its deterrent effect.



6 KM²

Size of the first oil spill detected by CLS's analysts from the first radar images acquired for the Sri-Lankan authorities. In the first week alone, our experts detected more than five such spills.

CLS partnering India's commitment to enhanced maritime surveillance



India, a major strategic maritime nation, also has several reasons for stepping up the security of its waters. First and foremost, it must protect its national interests: as a country bordering the Indian Ocean, India has major economic, geopolitical and strategic interests in this region. Ensuring its maritime security is essential to protect its marine resources, vital lines of communication, offshore installations and key trade routes. Against this backdrop, India has to deal with multiple threats, including piracy, maritime terrorism, smuggling, human and drug trafficking. It also must watch its borders.

The environmental stakes are just as high. India relies heavily on marine resources for food, energy, fishing and the economy. Enhanced maritime security protects its resources against illegal fishing, pollution and other harmful activities. Environmental disaster prevention is also key, with the risks of marine pollution requiring continuous monitoring to ensure a rapid and effective response in the event of an emergency. Improved maritime safety helps minimizing the environmental consequences of such disasters.

To protect its national interests, manage diverse threats and maintain stability in a region where the stakes are varied and complex, the Indian government, working in partnership with the French space agency CNES, called on CLS to deliver a complete satellite-based maritime domain surveillance center, surveillance system (MAS ©CLS), data center and analyst training.

India is thus scaling up and positioning itself as a strategic player in maritime security in the Indian basin, equipping itself with cutting-edge technology delivered by CLS.

Thailand calls on CLS for integrated maritime security system

Thailand is also taking a proactive approach to the surveillance of its territorial waters as it seeks to protect its national interests and ensure compliance with international maritime safety and security regulations.

By partnering with CLS to implement the MAS system, Thailand is acquiring a cutting-edge capability to effectively monitor its territorial waters and ensure the safety of its marine resources, while helping to combat illegal activities at sea.

CLS sponsors new French Impact Tech ecosystem

The Impact Tech program was born in Toulouse under the impetus of French Tech Toulouse, working in partnership with **Impact Hub**, a global network of impact innovation incubators, accelerators, coworking spaces, and nonprofit organizations. Toulouse is the first French city to join this network.

More than 350 impact startups make up this community driving projects aimed at fueling the economy of the future. CLS joined this promising program in 2023, affirming its commitment to startups in the Occitanie region where it is headquartered.



Why has CLS joined this initiative?

CLS is a Tech4Good company that from the outset has put technology and satellite data to work for the planet.

We have a front seat observing the collapse of biodiversity, increasingly intense extreme natural events (floods, megafires, earthquakes, etc.), and the proliferation of plastic and oil pollution. We are keenly aware of the need to respond to this situation, so joining French Tech Toulouse's Impact Tech program made perfect sense for us.

Helping the network's startups to manage the environmental aspects of their business, giving them the benefit of the lessons we have learned, being an integral part of such an innovative community, and sharing values and technologies geared toward building a more sustainable world was clearly the way for us to go. That's why we quite naturally turned to French Tech Toulouse and its impact community.

17 PARTNERSHIPS FOR THE GOALS



PARTNERSHIPS TO ACHIEVE SDGS

The 17th and last goal seeks to promote effective partnerships between governments, the private sector and civil society to work toward the UN Sustainable Development Goals (SDGs) at global, regional, national and local levels. Partnerships must be inclusive, built around shared principles and values, making peoples and the planet their central concern.

To this end, CLS made a special effort in 2023, getting involved with French Tech's Impact Tech program on a number of initiatives:

- participation at Summer Tech Day spotlighting ways that technology can serve the planet
- training for 20 startups with a masterclass at CLS for Tech4Good leaders on how to draft an impact business plan
- sharing our experience in a podcast on the SDGs entitled *Toulouse Tech working for aquatic and land ecosystems*
- two sessions at French Tech Toulouse HQ coaching 10 partner firms



Click for climate, Developing leap-ahead hybrid solutions

How do we manage our production and information systems, data and innovation, while offering a fertile environment for our creative and innovative developers? We have put in place a dynamic organization to devise effective solutions for a sustainable planet.

We have more than 100 DevOps and operations engineers, architects, system design experts and operators working day in, day out at planet CLS.

Together, they are conceiving and sustaining more than 900 physical and virtual servers, 1,200 services, and 100 processing chains. They manage some 150 products (location, mean sea level, ocean temperature, vessel heading and speed, etc.), and handle more than 3,000 terabytes of data every day. These invaluable data are helping us to keep a check on the planet's health.

In the face of floods, megafires and mounting pressure on natural resources due to intensifying climate disruptions, we must be ready to build solutions ever more quickly and to adapt to our customers' new and changing needs, while maintaining the level of resilience and quality they have become used to.

Infrastructure is a complex matter, and any bottlenecks in development are an obstacle to firms reaching their goals. At a time when resilience is set to prove vital for humankind, shortening delivery times—notably by reducing lead times in procuring infrastructures—is a strategic necessity, building on the experience of our developers to make them more self-reliant, satisfied and productive, and rolling out new versions more often.

Today, the way to achieve this is through hybrid cloud-based and automated solutions.



3,000 TERABYTES
of unique and invaluable
Earth data archived
at our data centers,
helping us to better
protect our planet.

To achieve our goals, we are adapting our practices and organization to take tasks closer to the development team.



The cloud is enabling us to move away from a ticketing model to a more self-service-based model with more autonomy. Security reviews are automated and integrated into our developers' IDE or DevOps pipelines, and we create automated golden paths to increase rollout frequency and ultimately make this the norm. We are striving to introduce security-by-design practices from the start rather than address security as an afterthought, using an automated tool to ensure infrastructure compliance.



100 PROCESSING CHAINS

To post ever-more-strategic Earth data every day to the four corners of the planet to those working to achieve a more sustainable world.

Our developers also rely on FinOps, IAM and security management interfaces, and on architecture review guides to give them all the information they need to make decisions or submit specific waiver requests.

Automation is key here, allowing us to move away from a method based on good intentions to a uniform, fast and tightly controlled process.

Gains in development time translate into gains in operational efficiency in the race to achieve more rational and resilient use of the Earth system and its resources.



At CLS, we've always evolved and innovated. It's a philosophy and a way of working deeply embedded in our genes. Our near-term goal is to free up time to innovate and better serve the cause of protecting Earth. Our employees will soon be able to access all of the resources they need to work in "self-service" mode.

We're hoping to eliminate the latency between a team's needs and the creation of a service, the goal being to construct an easy, fast and agile way of working to unleash our employees' creativity.



Earth data - Securing invaluable information

Our IS security organization is based on a three-line defense strategy encompassing governance and risk management, operations and internal auditing.

A ten-strong team is dedicated to this task and we also turn to external consulting firms to challenge us and maintain our edge, because our data and services are invaluable.

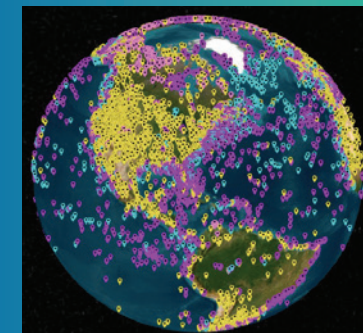
We are the guardians of a large proportion of the Earth data required to keep our finger on the pulse of the planet, and of some of the solutions sustaining it.

The stakes are high and our security teams are striving every day to assume the weighty responsibilities that go with them.



IN SHORT

Mission success is the only option.



PROTECTING LIFE ON EARTH

In 2023, National Geographic paid tribute to CLS and the Argos system in a series entitled *Great Migration*, chronicling how satellites are monitoring the most beautiful species living on our planet. This unique series showcased our services being used to study and protect Earth.

Rewriting the history of wildlife migration: identifying migratory corridors, breeding and feeding grounds, and nurseries with certainty.

Without CLS and the Argos system created by CNES, NOAA and NASA, protecting thousands of species would never have been possible.

CLS has been a partner for biodiversity since it was founded in 1986.

Success stories

1. LIMITING MINING POLLUTION IN CANADA WITH INSAR



6. CENTRALIZING THE MOST EXTENSIVE WILDLIFE TRACKING IN THE WORLD IN SOUTH AFRICA



11. SUPPORTING THE WORLD'S FIRST MARITIME WEATHER FORECASTING SYSTEM IN INDONESIA



15. HELPING TO PRESERVE BIODIVERSITY BY TRACKING REINDEER AND USING ARTIFICIAL INTELLIGENCE



2. SUPPORTING COASTAL RESILIENCE IN AMERICA



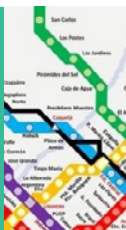
7. MAKING BELGIUM'S BRIDGES SAFE 1,000+ INFRASTRUCTURES MONITORED



12. SUPPORTING SEARCH-AND-RESCUE WITH THEMIS SAR



3. MAKING THE PERUVIAN SUBWAY SAFER IN LIMA



8. SUPPORTING GREAT BRITAIN'S COASTAL FISHERIES 1,000+ NEMO TRANSMITTERS DEPLOYED



13. MIGRATING JAPAN'S FISHERIES MONITORING CENTER TO THE CLOUD TO ENSURE A CONTINUOUS, TAILORED SURVEILLANCE CAPABILITY



16. UNITING 900 GREAT EMPLOYEES TO HELP MANAGE OUR PLANET SUSTAINABLY



4. PROTECTING CORAL REEFS FROM OFFSHORE ACTIVITIES OFF THE COAST OF BRAZIL



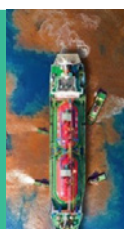
9. LEADING THIS CENTURY'S DIGITAL TRANSFORMATION DEVELOPING THE PLATFORMS OF THE FUTURE



5. ENSURING THE SECURITY OF CHILE'S MERCHANT SHIPPING



10. ENABLING SRI LANKA'S GOVERNMENT TO COMBAT ENVIRONMENTAL CRIME WITH OUR MAS SOLUTIONS



14. BOOSTING INDIA'S OPERATIONS THROUGH MARITIME SAFETY & SECURITY MISSIONS







Our challenges

CHALLENGE N° 1

Update our list of non-financial issues and risks

This is a challenge we have to meet 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 their impacts on the company's business, the risks and opportunities they involve, and our stakeholders' expectations, in order to establish a materiality matrix. Then we focus on the issues that pose the greatest risks for CLS and each of our subsidiaries according to the Management Committee's assessment. These regular updates help us to make our Communication On Progress (COP) a tool for managing the company's non-financial risks.

In 2024, we will be conducting a double-materiality analysis in line with the latest non-financial reporting regulations.

CHALLENGE N°2

Sustain our mission through the goals set and advice provided by the Mission Committee

In adopting mission-driven company status, CLS is conducting its business in line with its commitments.

CHALLENGE N°3

Continue globalizing our CSR practices, developing a CSR strategy specific to each subsidiary in line with our overall approach

Even though each subsidiary faces its own issues, we continue to share our CSR commitments with them. We prefer to work at the group level to include all of our internal stakeholders, but we also respect each of our subsidiaries' local cultures. A CSR correspondent has been appointed by TRE ALTAMIRA in Italy, Spain and Canada, and a CSR committee has also been set up at Meteodyn.

The information in this report mostly concerns CLS France, but we are working to gradually include our subsidiaries in the reporting process. This year we are publishing some social indicators with a broader scope, and a group-level electricity consumption indicator.

Our ultimate goal is to include all of our foreign subsidiaries in this statement to be able to publish group-wide consolidated key performance indicators. In 2023, the establishment of our carbon footprint assessment notably provided

the opportunity to bring subsidiaries up to speed with their reporting process.

CHALLENGE N°4

Adapting to new non-financial reporting regulations

We are continuing to focus on changes brought about by the Corporate Sustainability Reporting Directive (CSRD) to ensure compliance with new sustainability reporting requirements and to increase our transparency in this area.



CONTRIBUTORS TO THIS COP

This year our CSR officer was once again in charge of writing this statement. Our legal team for personal data and compliance aspects; our HR team for the first four issues; our health, safety and environment (HSE) manager for matters relating to our environmental policy; our quality team; our purchasing team; and our information system manager for data security were also closely involved.

Note: the expression short term covers 2-3 years, medium term 4-5 years.

The risks covered in this COP for their materiality are:

- Labor relations
- Anti-discrimination
- Skills development
- Attractiveness
- Employee health and safety
- Environmental management
- Waste management
- Quality
- Responsible purchasing
- Combating corruption
- Cybersecurity
- Personal data protection



Dynamic in-house dialog

CLS's core business is driven by people with a passion for high-tech projects that create value for society. So it's important that we listen to employees, address their needs, and protect their interests. Good labor relations bring peace of mind and stability, while ensuring the company's economic health. We are striving to increase our employees' sense of worth by involving them in the company's governance and through tools that foster in-house dialog.

NURTURING IN-HOUSE DIALOG AND CORPORATE CULTURE

Friendly workspaces

Our facilities in France include places where employees can chat in a friendly atmosphere and collaborative workspaces (agora, auditorium, cafeterias, innovation space).

Annual conventions

Two conventions were held this year in March and December. The purpose of these events is to share the company's

successes, results and market position, and its prospects and vision for the future. We invite all of our employees and the representatives of our offices and subsidiaries to review the previous year's results and to set their future goals and lines of development.

SUPPORTING SUBSIDIARIES

Our subsidiaries get regular support on HR, legal, CSR, communication, security and other issues. This is also a good time to discuss company and cross-functional topics, and to share best practices.

IN TUNE WITH MANAGERS

CLS France instituted monthly HR-manager meetings five years ago. Our goal was to strengthen first-line management and give managers as much

information as possible so they can lead their projects and support their teams.

CLS France managers can also express their views through the Voice of Customer Manager survey. The next survey will be held in 2024.

ENGAGEMENT SURVEY

In 2022, we conducted our second Engagement Survey, this time covering the whole CLS group and not just France. The goal was to provide a means of expression for employees across the enterprise on issues fundamental for CLS, while also measuring their views and sense of wellbeing at work. Topics covered were: onboarding of new employees, their sense of worth and career development, the company's reputation, work pace and organization, working from home



In 2023, a specific organization was put in place with the appointment of a Subsidiaries HRBP and dedicated roadmap supported by an action plan.



during the health crisis, equipment and offices, interpersonal relationships, supervision/management, interviews, career management, training, pay and benefits, in-house communication, digital transformation and overall company assessment.

We were thus able to complete a comprehensive survey of all CLS's employees. All the results have been analyzed to inform action plans aimed at seeking improvements. We conduct such surveys every two years: the next one will therefore be end 2024.

2022 ENGAGEMENT SURVEY RESULTS

74% of our employees completed the Engagement Survey

74% of managers took part

84% of employees are satisfied with their management at CLS France

78% of employees are satisfied with their employer and jobs

CLS EARNED AN OVERALL SCORE OF **6.8/10**

CHANGES TO INDUSTRY-WIDE CBA

CLS comes under the metalworking collective bargaining agreement (CBA)

Like all firms to whom this CBA applies, CLS pursued its transformation throughout 2023 to adapt to what marked a major HR change in France.

Efforts to evolve our job classification methodology and philosophy got underway at the start of the year. This involved:

- defining job descriptions
- applying new job coefficients in line with the methodology set out by the UIMM association of metalworking industries
- positioning all employees with respect to new job classifications with an associated coefficient
- communicating individually with each employee by mail
- responding to queries

Line managers took an active part in this process and employees were given regular updates through the Social and Economic Committee (CSE).



11 queries were submitted to HR teams

DIALOG AND COLLECTIVE BARGAINING

2023 was a year of employee representative elections. Monthly meetings are held with employee representatives on the CSE and Work Health and Safety Commission (CSSCT). The overseeing Executive Board and the Management Committee meet weekly. Information thus flows down from committee members to all of the company's employees.

CONSISTENTLY APPLIED WORKPLACE AGREEMENTS (CLS FRANCE)

Working time agreement

The working time agreement signed in November 2018 maintains fair and respectful working conditions by offering full or reduced working time to the employees who were with us then.

Teleworking agreement

Our teleworking agreement in effect since January 2020 enables employees to improve their work/life balance and makes CLS more attractive to job seekers in the employment market and with respect to our competitors. They can now opt to work from home two days a week.

An amendment was signed end 2022 to offer more flexibility and allow employees to work from home for half-days and outside their main residence.

Workplace health and wellbeing agreement

Negotiations on health and wellbeing at work and work/life balance could not be completed in 2023 and are scheduled for 2024.



OBJECTIVES

- Prepare and deploy group-wide 2024 Engagement Survey
- Score an overall rating of 7 or more in the 2024 Engagement Survey
- In 2025, analyze Engagement Survey results and incorporate any new topics in action plans
- By 2026, set up an international HR Sharepoint website



An action plan was deployed in light of the results of the 2022 Engagement Survey, covering compensation policy and support for our digital transformation, notably from DAT and Communication teams through monthly newsletters

Fostering diversity

Diversity involves every employee and partner and is vital to all of CLS's operations. With respect for individual differences boosting social cohesion and wellbeing in the workplace, diversity drives economic and social performance. Lack of diversity could hamper performance, creativity, innovation, and the company's reputation. Consequently, we are supporting our human resources without prejudice, with equal opportunity as our watchword evidenced by fair and equitable employment policies.

GENDER EQUALITY AT WORK

In 2019, we signed at CLS France a gender equality agreement designed to eliminate or at least reduce inequalities.



- 43% of CLS France's managers are women in 2023
- 36% of CLS managers are women

This agreement covers:

- Rates of pay
- Promotion
- Training opportunities
- Work/life balance

IN 2023, CLS FRANCE AGAIN SCORED HIGH ON THE GENDER EQUALITY INDEX (93/100)

DISABILITY ACTIONS

CLS has six employees with disabilities. We are emphasizing our desire to promote the employment of people with disabilities as we negotiate the workplace health and wellbeing agreement. To this end, we are working with a temping agency specialized in recruiting people with disabilities.

We continued our partnership with a food-service company that employs people with disabilities in 2023. This partnership is going from strength to strength, with the number of employees attending the cafeteria once again on the up (+10% between 2022 and 2023), having more than doubled since 2020.

Our subsidiary Meteodyn plans to hold awareness-raising sessions in 2024 on its premises with AGEFIPH, a non-profit association that manages funding for disability inclusion. The aim is to identify

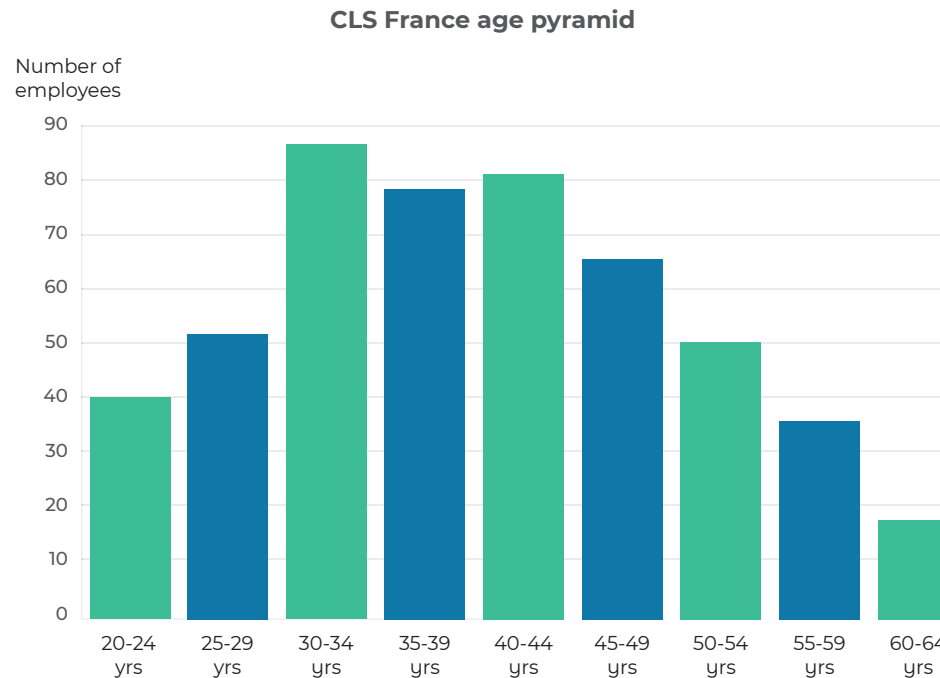
anyone with a disability who might not previously have been accounted for, and more broadly to raise employees' awareness of disabilities, particularly when recruiting.

We also renewed our sponsorship of the Stade Toulousain Rugby Handisport wheelchair rugby association (see page 39).

CLS SIGNATORY TO DIVERSITY CHARTER

On signing this charter in 2020, CLS committed to combating all forms of discrimination, promoting diversity in the workplace, and maintaining and expanding our anti-discrimination efforts. This charter goes beyond what anti-discrimination laws require.

A range of indicators show our commitment in this regard. For example, we have employees of some 35 different nationalities. Our age pyramid spans people aged 20 to over 60.



95%

of our employees think the work environment at CLS is respectful of diversity.*



OBJECTIVES

- Maintain a minimum score of 90% of employees who think the work environment at CLS is respectful of diversity in the 2024 Engagement Survey
- Return to a higher level of women in management positions in France (43% minimum)
- Maintain a high score on the Gender Equality Index (85/100 minimum)
- Signature of the Diversity Charter by Meteodyn in 2024

* 2022 Engagement Survey



REDUCED INEQUALITIES & QUALITY EDUCATION



Our subsidiary CLS Southern Africa achieved level 4 B-BBEE (Broad-Based Black Economic Empowerment) certification thanks to a range of actions including use of local B-BBEE-certified suppliers, career development and training for employees, and contributions to schooling of underprivileged children. CLS SA funded Reflective Learning, an organization dedicated to helping learners catch up in mathematics and English. This year, Delft Technical High School took part in the program.

B-BBEE is a South African government policy that aims to facilitate broader participation in the economy by historically underprivileged populations and rural communities.

Supporting fulfilling careers

Our employees are the company's most valuable asset. So it's vital that we manage our human resources diligently, work to nurture talents and offer them attractive career prospects, in order to support our growth and lay foundations for the future. Obsolescence or the loss of key competencies is likely to make us a less competitive employer while also impacting market share. CLS is therefore committed to precisely identifying training needs and matching budgets to meet them, and has established a dedicated HR roadmap.

OUR VISION

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 employees, managers and directors, and the HR department.

CONTINUOUS EMPLOYEE TRAINING

Tracking progress

Administration of our training program has been handled by a specialized external partner since 2018. Managers and the HR department thus have a powerful tool to keep track of the plan's progress and obtain a full range of statistics.

✓ New provider managing administration of training

Assessing needs

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

✓ 890 employees called up for training in 2023 at CLS France

Digitizing training

In 2021, we put in place our Rise Up digital learning platform at CLS France to accommodate all employee training. Each employee thus has an individual account to develop their career. The platform has significantly improved access to training. TRE ALTAMIRA is now also using it.



Next steps

A mobile application and the translation of training courses into several languages.

✓ 1.73% of CLS France's payroll is allocated to employee training

73% of employees received training in 2023

15 hrs of training on average per employee trained

INDIVIDUAL CAREER DEVELOPMENT PLAN

Each employee is offered tailored support. This Individual Career Development Plan is drawn up jointly by the HR department, the manager and the employee, setting specific goals for support, training or implementation, over a fixed period ranging from four to six months.

This type of plan is intended notably for employees moving into supervisory or managerial positions or who need to develop specific skills.

The employee's progress is regularly tracked to make any necessary corrections and ensure the plan's success for both the employee and the company.

TAILORED CAREER PATHS

Following the signature of the agreement on job and career path management (GEPP), paths have been established and linked to job descriptions in line with the profiles and skills that will be required in the future. This enabled us to collaboratively deploy the new job classifications stemming from the metalworking CBA in 2023.

CLS offers various dedicated training paths:

- "New Managers," to support employees moving into managerial positions and taking on new responsibilities
- "Commercial"
- "Customer Service"
- "Project Manager," developed in 2022 in partnership with our Quality team
- "Web development", completed by all developers at Meteodyn

PERFORMANCE INTERVIEWS AND FLAT DAY RATE

Employees have three mandatory interviews a year: the first sets goals for the year ahead, the second reviews these goals mid-year with respect to expectations and adjusts them if necessary, and the third assesses to what extent the goals have been achieved. Assessing behaviors is no easy task for managers, and as those defined five years ago need to be revisited, work began in 2023 with volunteer managers to review

them and think about how they could be better assessed. This effort will be pursued in 2024 to review the process from a group-wide perspective and choose a more appropriate global tool.

Employees on a flat day rate are also offered a specific interview to discuss workload and organization, as well as their work/life balance.



96% of CLS France employees received an annual individual assessment



OBJECTIVES

- Continue to deploy GEPP agreement in 2024
- Get back to 1.80% minimum percentage of payroll allocated to employee training by 2026
- Unify the framework and process for individual assessments through a single tool by 2026
- Set up a training path to develop mentoring and skills transmission
- Continue to drive upskilling for new technologies
- Deploy product owner/product manager path
- Continue to deploy our digital training plan



Retaining our talents

CLS is proud of its talents and depends on them. And at a time when certain job profiles are proving hard to fill, it's even more vital to retain our best and brightest people. Losing talent poses serious risks, so our HR teams are working hard to make CLS a place people want to stay. This means we intend to devote significant budgets to developing our employees' skills and offering them attractive career prospects. Retaining our talents is vital, as high levels of turnover lead to a loss of expertise, generating significant recruitment and training costs.

EFFECTIVE ONBOARDING

To help new employees transition smoothly into their jobs at CLS from day one, our HR department has created an onboarding program. During their first months in the company, they thus acquire additional "in-house"

skills and knowledge, learning our processes and procedures and gaining an understanding of where CLS came from, where we're going, and how we'll get there.

A full onboarding day for all new hires was organized in November 2023, which was followed by collective workshops. We have also deployed a digital onboarding process with awareness-raising and our quality process on Rise Up.

87%

of employees are satisfied with their onboarding *

CONSTANTLY REFINING COMPENSATION

We instituted our new compensation policy in line with job and career profiles and sectorial classifications. Meanwhile, our HR teams are analyzing job descriptions to further improve our policy and ensure that it's fair and equitable.



New compensation/individual pay rise policy deployed

* 2022 Engagement Survey

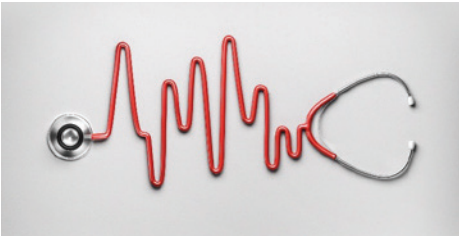
GREAT BENEFITS PACKAGE

CLS has 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. The new PERCOL savings plan gives employees extra options.

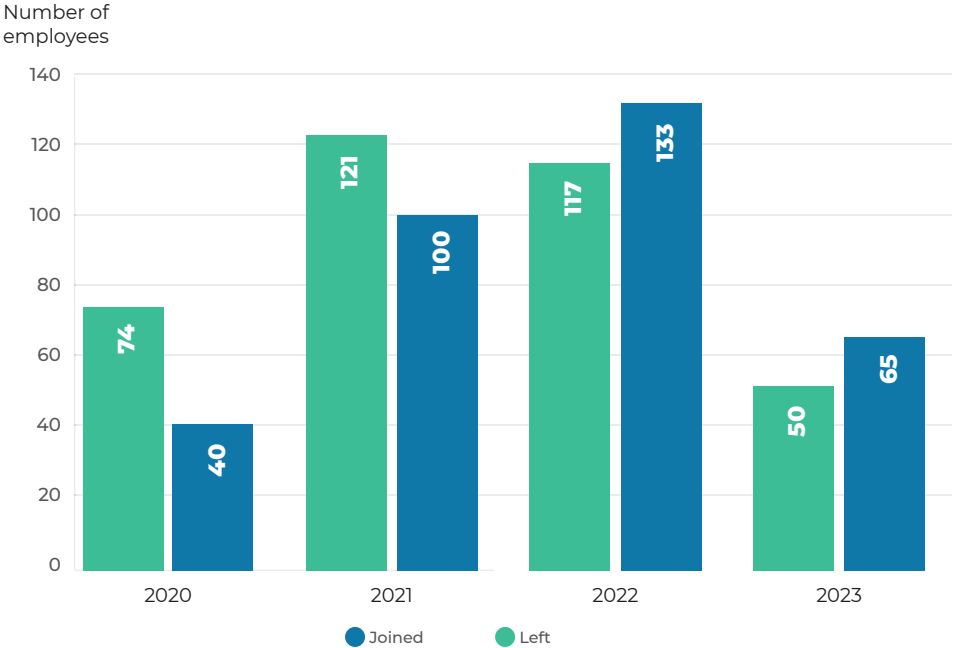
- ✓ 99.7% of employees say their right to disconnect is respected at CLS France
- 98.3% believe they have a good work/life balance

We provide competitive insurance benefits, paying more than 95% of supplementary health and disability premiums.

There is no waiting period to be eligible for sick or disability leave, and we also give our employees 12 days off if their children are sick.



CLS France: Changes in Permanent Contracts



11.8%
turnover rate at CLS France
in 2023



OBJECTIVES

- Increase referral bonus
- Complete deployment of new collective bargaining agreement and compensation policy
- Maintain turnover under 15% (national average according to INSEE national statistics institute)
- Increase percentage of new hires satisfied with onboarding to 90%
- Deploy unified onboarding program at Meteodyn by 2026



QUALITY EDUCATION

INSA Val-de-Loire Patronage

Sustainable World:
Engaging youth

More than ever before, we're going to need help, energy and enthusiasm to get talents and technologies working for our planet. CLS CEO Christophe Vassal is supporting students at the INSA national applied sciences institute as the patron of its 2022-26 class. Our CEO had a message for these promising students: "We all have a responsibility in tackling global warming and its effects, in the environmental impacts of what we do. Our future is at stake here.

By taking an active role, educating yourselves and joining firms like ours, you are working for a sustainable planet. We need you!"





Employee health and safety

Employee health and safety is a priority for the CLS group. We are committed to taking all necessary steps to protect our employees' safety and physical and mental health through prevention, awareness-raising and training actions. The company can be held liable under civil and/or penal law for regulatory non-compliance. We also run the risk not only of losing our talents, but also of being fined or in the very worst case convicted in the criminal courts. Providing the safest possible conditions for our employees is therefore fundamental

to their wellbeing at work.

HSE RISK-REDUCTION POLICY

We have identified three health and safety risks of closest concern: risks related to business travel, handling

electrical equipment and work-related stress.

Our health and safety manager is in charge of enforcing our health and safety policy and works with the Work Health and Safety Commission (CSSCT) and Human Resources to continuously improve working conditions.

GUIDELINES FOR BUSINESS TRAVEL

We have drawn up a formal Business Travel Policy that is particularly important for salespeople traveling to high-risk countries. We conduct geopolitical risk assessments and give a guide with key recommendations to all CLS France employees who travel abroad.

EMPLOYEE TRAINING

In 2023, 13 employees received first-aid training across CLS France's facilities. Six employees also refreshed their first-aid training. Nine people received training on how to conduct emergency building evacuations.

SPORT

CLS employees can join the sporting and cultural association at the French space agency CNES, which offers a range of activities free of charge. In this way we are looking to encourage regular sports

activities for the wellbeing of our people and to foster team spirit through sporting events like the famous Mølkky Cup.

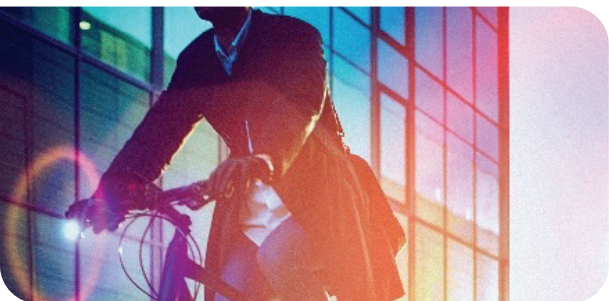
Also to nurture our employees' wellbeing, we have put in place the Generali Vitality program at CLS France. The aim is to help them improve their quality of life by making healthy choices (regular exercise, good diet). Lastly, our subsidiary Meteodyn increased its cycling bonus to incentivize employees to cycle to work and encourage healthier lifestyles.

TAKING CARE OF EMPLOYEES

To prevent work-related stress risks due to isolation when working from home, a psychological support unit was set up in 2020 in response to the COVID-19 pandemic. This unit is still active and its scope has been extended to employees who need help with personal or professional matters. We are also working closely with the occupational medicine to detect and treat any disorders employees might be suffering from.



A first version of our Group HSE policy has been drafted and is currently being revised and validated



OPTIMIZING THE WORK ENVIRONMENT

Well-designed premises

Our employees in Toulouse have been working in completely renovated buildings since 2018.

The premises were designed and built as a series of coworking spaces, with a succession of modern meeting rooms equipped with the latest audiovisual systems and individual work areas. To get as much natural light as possible, we opted for walls of windows. The coworking areas promote interaction. Each floor has its own relaxation area. The ground floor houses a catering area with an outdoor patio.

3

Workplace accidents in 2023 across all CLS facilities

0

Accident frequency rate for CLS France in 2023

0

Severity rate for CLS France in 2023

We have also laid out an area for innovation and creation where our employees can think about and work on their future projects.

All of our tertiary and technical premises in Toulouse received a visit from the Health and Safety Executive in the first quarter of 2023 to coincide with the meeting of the Work Health and Safety Commission (CSSCT).

Following our Lille team in 2020, it was the turn of employees in Bidart to move into their new premises in 2022. Focused coworking spaces are thus provided for technicians, support and sales teams, who also share a kitchen.

Ergonomic fittings

All interior elements such as carpets, ceilings and partitions have been chosen for their soundproofing and insulation properties. 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.

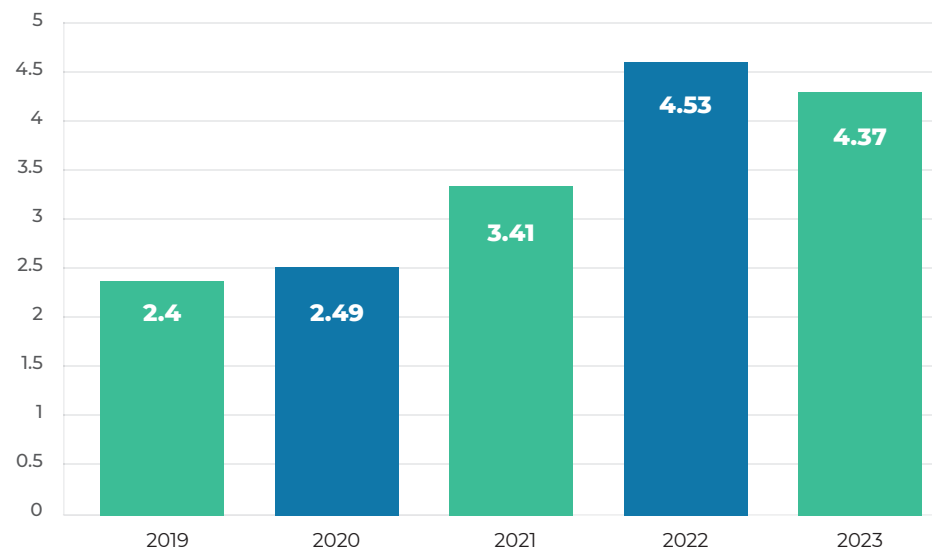
We distributed the equipment needed for all concerned to work from home in optimum conditions.



All periodic regulatory inspections were maintained at our Toulouse facility

132 inspections covering all of our technical facilities in Toulouse

CLS France absenteeism rate



More than 89%

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



OBJECTIVES

- Maintain CLS France absenteeism rate below 4.5%
- Continue to improve employee satisfaction with work environment



* 2022 Engagement Survey

Combating corruption

CLS is developing its anti-corruption compliance program step by step, in accordance with the Sapin 2 Act of December 9, 2016, in order to ensure sound and transparent commercial and institutional relations, and to protect against risks to our brand image and legal action in the criminal or commercial courts.

We do business in countries deemed to pose significant ethics risks by organizations such as Transparency International. Moreover, our customers include governments and international cooperation agencies. With a clearly defined, effective compliance program, we can control these risks.

ANTI-CORRUPTION COMPLIANCE PROGRAM

Corruption risk mapping

Our corruption-risk mapping process matches each identified risk scenario to a description of policies, procedures, controls and other supervisory measures.

Code of Conduct

We incorporated a Code of Conduct into our internal rules in 2017. This code formalizes our best practices and projects our values and is available in four languages besides French: English, Italian, Portuguese, and Spanish.

Our Code of Conduct sets out the virtuous practices that all CLS employees are expected to adopt in the course of their work.

Gifts and hospitality

Our gifts and hospitality policy provides employees with clear guidance on what is deemed appropriate in our commercial dealings.

Whistleblowing

All employees across the CLS Group can report any conduct or situations contrary to our Anti-Corruption Compliance Program.

Anti-corruption training

The online anti-corruption training modules set up in December 2020 for all group employees were fully deployed in 2021. The various modules discuss giving and receiving gifts and invitations, intermediaries, facilitation payments, patronage and sponsoring, and conflicts of interest.

All new hires at CLS France automatically receive this training. For new hires at our subsidiaries, training is organized

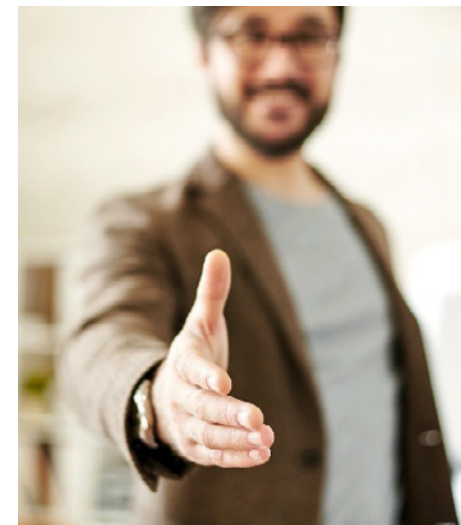
every two years. A campaign was thus initiated in 2023.

77% of new hires were trained in anti-corruption practices in 2023

The 90% training objective set last year was reached by subsidiaries, with 92% of new hires receiving training. However, the results for CLS France did not meet expectations. We shall therefore be drawing up an action plan in 2024 to increase the takeup percentage of employees invited to undergo anti-corruption training.

Commercial partner assessment and management

Our compliance team has put together a meticulous procedure for choosing our commercial partners. This procedure is applied to all of our subsidiaries by their designated compliance officer. The compliance team leaves nothing to chance and warns management at the slightest hint of alarm.



OBJECTIVES

- Improve takeup rate for anti-corruption training by new hires at CLS France (minimum of 70% in 2025)
- Deploy new whistleblowing procedure in 2024
- Deploy our commercial partner assessment and management procedure at new subsidiaries
- Update our Code of Conduct



Environmental management

Our employees are working hard to save the planet, so we naturally make a special effort to limit and reduce our own environmental footprint, at the same time helping us to anticipate related brand, regulatory and financial issues. Outside business operations, it's also normal that we adopt practices that are in tune with the challenges we're addressing, chief among them combating climate change and preserving biodiversity.

REDUCING OUR FACILITIES' ENVIRONMENTAL FOOTPRINT

Since 2017, we've established an environmental database for our energy use, tracked regularly by our HSE manager.

We've decided to update this database and to add data from some of our subsidiaries.

Decreasing water and energy consumption

CLS uses Ubigreen, a digital solution that measures electricity and water consumption using weather sensors. Ubigreen helps us determine how CLS France's facilities use electricity and water and make them more energy efficient.



In 2023, 25 new meters were installed at our Toulouse facility alone to control our consumption more closely

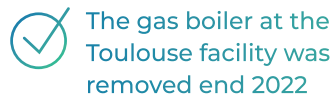
Our subsidiary Meteodyn also moved into new HQE-certified (high environmental quality) and energy-efficient premises in December. Air conditioning and heating temperature settings are bounded and lighting is from low-consumption LED panels.

Optimizing data center consumption

Since changing the infrastructure at one of our data centers at the French space agency CNES, we've been able to raise the temperature setting from 19°C to 21°C. In 2023, we transposed this setting to the data center at our headquarters.

Using and producing renewable energy

To help develop renewable energies, since 2017 we have opted to get our electricity from certified renewable sources for all CLS France facilities.



3,358 kWh / employee *
Group-wide electricity consumption

A new green energy supplier was selected for TRE ALTAMIRA's Italian and Spanish facilities. Meteodyn followed suit in 2023.

Moreover, the solar panels on the roof of our facility in Toulouse produced more than 8,000 kWh of electricity this year.

FIRST GROUP-WIDE CARBON ASSESSMENT

In 2023 we completed our first group-wide Scope 3 inventory of greenhouse gas emissions from 2022 data, working with a specialist external provider. All subsidiaries were called upon to provide energy consumption, purchasing, freight, travel, waste and other required data. This marks a big leap forward for our environmental management; at the time of writing, we're working to identify actions to reduce our main emission sources. However, it is still too early to establish reduction indicators or objectives, as we expect an increase in emissions from subsequent analytics as a result of obtaining

more comprehensive data and lessons learned from this first study.

CURBING OUR TRAVEL FOOTPRINT

Traveling responsibly

Videoconferences are preferred whenever possible to limit travel. Even certain types of customer training are now virtual. However, traveling by plane is still frequent due to the distances between our facilities and commercial phases where in-person meetings are often necessary.

Air transport accounts for 70% of travel and more than 97% of distances traveled by CLS France employees.

Promoting cycling

The company's Toulouse facilities are right next to the Canal du Midi, which enables employees to cycle to work safe from traffic. CLS came third in the AYAV challenge (for Allons-y à vélo or "Let's bike it") in the spring in the category for firms with more than 500 employees, with 24% of the staff cycling to work.



In 2023, business travel by CLS France employees by train and plane generated

360 tons equivalent of CO₂



We provide lockers for recharging electric bicycle batteries and charging points for electric scooters, as well as changing rooms and showers for our cyclists in Toulouse and Lille.

Promoting use of electric vehicles

Our Toulouse facility has four charging points for electric vehicles. Negotiations are underway with the lessor to install charging points at the Brest facility.

* Source: 2022 carbon assessment



LIFE ON EARTH

CLS signed up to the 10 principles of the Act4Nature initiative in 2021. These principles have continued to guide our approach to preserving biodiversity.

Outside our business operations, we're committed to helping to preserve species locally.

For example, two beehives have been installed at our Brest facility.

In Toulouse, four birdhouses and a bat house have been installed as part of VNF's Canal Observatory initiative.

While we have not been able to install a beehive, melliferous flowers have been planted for honey bees and a large insect house has taken pride of place at our headquarters' main entrance.



WORKING TOWARD DIGITAL EFFICIENCY

In 2022, we began working on ways to achieve better digital efficiency, reducing the consumption of our data centers and donating unused IT equipment as a first step in this direction.

Following our signature of the INR Sustainable IT Charter, we've continued to work on an action plan. This year, we organized a workshop to raise CLS France employees' awareness of the digital responsibility challenges facing them as we work together to operate our digital transformation.



Institut du
Numérique
Responsable

CHARTÉ NUMÉRIQUE RESPONSABLE

In May 2022, we signed the INR Sustainable IT Charter.

Our subsidiary Meteodyn is also making strides toward Sustainable IT. The IT team worked in 2023 to migrate and optimize its servers, enabling three of them to be taken off stream. Meteodyn's Software Manager also completed training on software eco-design.

An internal exchange mart was held to give employees the chance to recover the company's IT hardware, with leftover items donated to local nonprofit associations or sent for recycling. The same approach was applied to office furniture.

Meteodyn also signed up to ADN Ouest, a nonprofit association of digital professionals that aims to share best practices.

Meteodyn plans to sign the Sustainable IT Charter during the course of 2024. Other projects, such as factoring eco-responsibility criteria into telephony and IT sourcing, and dissemination of digital best practices, are also being looked at.



OBJECTIVES

- Set greenhouse gas emissions reduction targets on the basis of the results of our 2023 carbon footprint assessment
- In 2024, finalize our mobility plan for CLS France's four facilities
- Signature of Sustainable IT Charter by Meteodyn in 2024
- Between now and 2026, look at business travel with a view to reducing plane trips
- Reduce CLS France's electricity consumption by 40% between 2013 and 2030



Waste management

We are striving every year to improve our waste management practices, in particular how we handle products at the end of their lifespan. This poses a challenge for a global group like CLS, since waste management is strongly tied to available infrastructures in each region of the world where we are operating. Batteries used in transmitters and terminals contain electrolytes and heavy metals that become hazardous, toxic waste at the end of the battery's life. Processing waste batteries is therefore essential to protect the environment.

✓ All employees at CLS HQ were given cups to cut use of disposable goblets

Bottled water has also been replaced by drinking fountains

At Meteodyn's Nantes facility, trays have been provided to collect paper for reuse (as rough paper, for example).

CLS Perú is setting the standard with four separate waste streams for its office waste: paper and cardboard, plastic, organic waste and residual trash. An additional container is provided for batteries.

WEEE A CASE APART

Waste electric and electronic equipment (WEEE) is of course collected separately. We continue to make regular donations of unused IT equipment to nonprofit associations whenever we can. Otherwise, it is recycled.

To make such donations systematic at our Toulouse facility, we have joined the local reconditioning circuit provided by the SICOVAL inter-borough council. This is a voluntary initiative to combat the digital divide and a CSR commitment by local business and academic players.

SORTING OFFICE WASTE

We sort three types of waste at our facility in Toulouse: paper and cardboard, plastic bottles and cans, and residual trash. Bins are also provided to collect used pens for nonprofit association Les Clowns de l'Espoir (Clowns of Hope).

The aim is to foster a local reconditioning stream in four phases:

- Donations of digital equipment from local firms
- Reconditioning
- Local distribution to underprivileged people
- User support

Likewise, CLS has extended responsibility for WEEE. We are therefore keeping close track of any changes in applicable regulations in this domain to ensure our continuing compliance.

1,500 kg

of WEEE collected
at our Toulouse facility
in 2023

BATTERY PROCESSING

Processing of batteries used in CLS products is a significant environmental challenge. We continue to ensure strict regulatory compliance. Under European law on industrial and hazardous waste (IHW), we are responsible for this type of waste until it has been eliminated. Batteries must be collected in specific conditions for recycling.

Separate storage for each type of battery

Our products contain alkaline, lithium-ion or lead batteries. Lithium and lead are chemically incompatible materials and must never come into contact, so they cannot be stored together.



When these batteries have reached the end of their life, we therefore carefully store them in separate hermetically sealed tanks according to a secure procedure.

We sell two types of transmitters containing lithium batteries:

- drifting buoys set afloat in the ocean to follow the currents (primary, non-rechargeable lithium batteries)
- locator beacons/transmitters on boats or attached to floating devices (lithium-ion rechargeable batteries, recharged by an inbuilt solar panel in the case of NEMO transmitters).

100%

of batteries arriving at CLS France
are processed in compliance with
European regulations

Transportation under close surveillance

Batteries are tracked throughout their life cycle. We also closely monitor our battery-equipped products shipped by land, sea, or air according to specific procedures for each shipping method.



No battery tank shipped
in 2023

In line with the regulations imposed by the International Air Transport Association (IATA) on the transport of hazardous materials, four CLS employees are trained in the safe packaging of lithium. This training is renewed on a yearly basis.

Employees who handle these batteries know they must not leave the safe waste-treatment cycle or be mixed together.



Account created on
Trackdéchets waste-tracking
platform to ensure better
traceability

International perspective

We have been looking more closely for several years now at our liability for managing waste batteries and what happens to the batteries we export. The difficulty lies in overcoming 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. Our working group is continuing to look at global and local solutions to this challenge, both for products we already sell—battery recovery policy and identification of collection points—and eco-design of future products.



OBJECTIVES

- In 2024, conduct a survey of subsidiaries' practices, possibilities and issues regarding product end of life
- By 2025, draft an action plan in line with survey responses
- By 2026, establish process for reporting office waste tonnages



Ensuring quality

As a service provider, CLS's success depends on our ability to meet client expectations effectively. Our performance in ensuring quality is a key factor in securing our commercial success, financial health and long-term future. Our policy is to satisfy the demands and needs of our customers through innovative solutions and to provide them with the best available data. We strive to deliver fully functional and timely solutions, and are constantly improving the quality of our products and services, as well as our procedures.

MEASURING CUSTOMER SATISFACTION

The survey tool deployed in 2022 enabled us to conduct four product and services surveys of the Maritime Safety & Security, Environment and Mobilities BUs.

We deployed a tool for directly measuring customer satisfaction with our projects in September 2023.

In 2024, surveys are scheduled for the products and services of the Fisheries and Mobilities BUs.

✓ First direct measurements of customer satisfaction with our projects

Our ambition is to extend measurement of customer satisfaction to all projects, products and services by 2025.

97.3% of our clients were satisfied with our projects in 2023

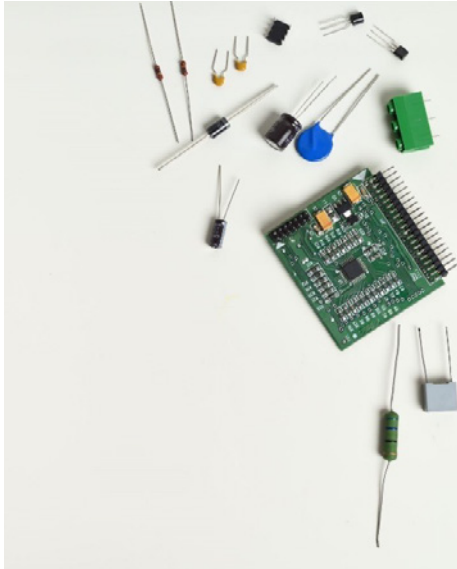
QUALITY TRAINING FOR EMPLOYEES

We have built solid processes and best practices over the years. Transmitting them to new managers and employees and regular reminders are vital to securing the company's long-term future.

Onboarding

New hires are familiarized with our practices and receive specific training in the use of our in-house digital tools. Their knowledge is assessed through a quiz.

In 2023, 45 new hires received training in Sharepoint—the same as in 2022—and videos were produced to provide a more modern presentation of our processes.



STRENGTHENING PRODUCT QUALITY

We are pursuing the action plan to improve our hardware products started in 2022. First of all, we are providing closer support to our in-house teams, with training in problem-solving methods and consolidation of cross-functional processes and handling of anomalies.

The Quality team can also halt a process before a product is delivered to the customer.

- ✓ Tools and training for teams in problem-analyzing methods (8D, 5P)

In 2023, an engineer with expertise in current software development, integration and continuous deployment techniques joined us to:

- establish rules for reliability, security and maintainability of our new software products
- implement automatic product compliance checking
- ensure post-check compliance

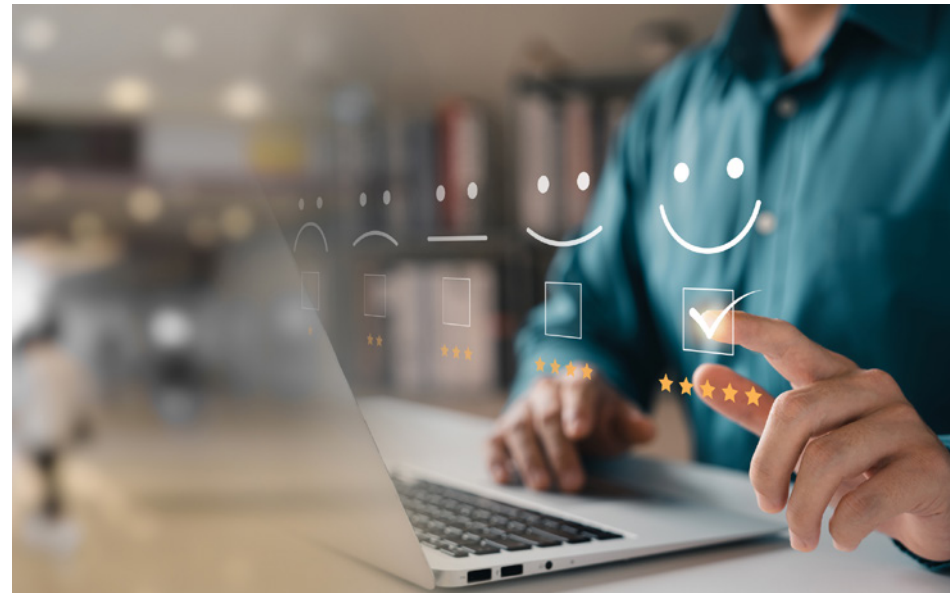
- ✓ Quality and Safety controls and compliance process established for all new software products developed as part of our digital transformation (CLS France).

Regular reminders

A workshop will be organized in 2024 to conceive the best ways to remind all our people of our processes and best practices at least once a year.

Training project leaders

Training project leaders remains essential to project success. In 2023, Fourteen project leaders received additional training from an external provider. Fourteen project leaders also took part in in-house training modules provided by our Quality team.



CURBING OUR ENVIRONMENTAL FOOTPRINT

The two workshops organized in 2023 defined our two main areas of focus for 2024:

- conduct a life-cycle analysis of one of our main hardware products
- acquire knowledge on eco-design



OBJECTIVES

- In 2024, conduct life-cycle analysis of one of our hardware products
- Aim to ensure quality and security compliance for 75% of software products by 2025
- Aim to reach a level of customer satisfaction with our products, services and projects of 96% by 2025
- Evolve our processes to scale up for hardware products by 2026
- Continue to transmit knowledge about our processes and best practices

Choosing responsible suppliers

We ensure rigorous selection of our suppliers to guarantee project success and quality of products and services. The risks that go with supplier selection may be contractual and legal (fairness of practices, ethics and governance) or have a bearing on the company's reputation (human rights and labor law, environmental conservation). They may also be operational and financial. This is therefore a strategic area we cannot afford to ignore.

They are chosen in particular on the basis of three CSR criteria:

- social (health & safety, resource management, job management, insertion/disabilities)
- environmental (distance from CLS, environmental management policy, waste management)
- cross-functional (policy and ambitions)

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.

Mapping of purchasing-related ESG risks

In 2020, our CSR team and Purchasing Department mapped the risks and opportunities related to each type of purchase we make against ESG criteria.

OBJECTIVE SELECTION CRITERIA

Each CLS project has its own unique requirements, so our supplier selection criteria are project-specific too. To select our strategic suppliers as objectively as possible, we use multiple criteria to evaluate their expertise, financial health, product quality, and commercial relations.



Our legal, purchasing and compliance department conducted a risk analysis factoring in CSR risks for each purchasing sub-segment in 2023

CSR commitments in writing

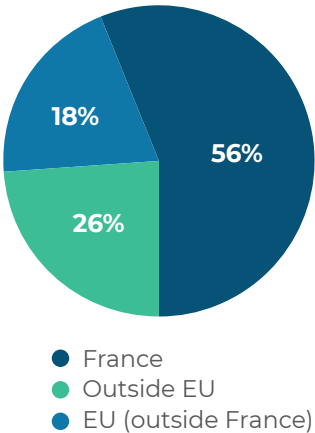
We include a business ethics clause in all of our purchasing contracts with suppliers, committing them to uphold fundamental principles like respect for human rights, combating child labor and corruption, and protecting the environment throughout their relationship with CLS.

RESPONSIBLE PURCHASING

Building local

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

Geographical distribution of purchasing *



* Purchases by CLS' HQ purchasing team

Deploying our Responsible Purchasing Charter

Our responsible purchasing charter finalized in 2021 is in two parts that are binding on CLS and its suppliers:



CLS COMMITMENTS TO SUPPLIERS

Supplier selection:

- Increased vigilance regarding corruption
- Priority to local businesses
- Equal treatment of suppliers

Supplier relationship:

- Reduced risks of mutual dependence between CLS and its suppliers
- Favor mediation
- Non-disclosure of information communicated
- Respect for intellectual property rights



SUPPLIER COMMITMENTS TO CLS

CLS expects its suppliers to:

- Guarantee human rights, labor law, and work conditions
- Preserve the environment
- Ensure fair practices, ethics and good governance
- Protect personal data



We are in the process of applying our Responsible Purchasing Charter to our subsidiaries' suppliers. It was communicated in 2023 to the main suppliers of CLS Southern Africa, Woods Hole Group, Meteodyn, CLS UK and CLS Brasil.

73% of CLS France suppliers who have received our Responsible Purchasing Charter have signed it **

ANNUAL SUPPLIER REVIEW

We wish to pursue our strategy of regularly and intelligently reviewing our panel of suppliers.

To this end, an internal contact person is appointed for each supplier and asked to give an annual and reasoned assessment of their satisfaction with the supplier.



OBJECTIVES

- Send Responsible Purchasing Charter to main suppliers of other CLS subsidiaries in order to publish a consolidated indicator by end 2024
- Work on specific CSR criteria for each purchasing sector in RFPs by 2025

** 1 supplier has given us its own formal commitment in place of the signature of our charter



Securing information systems

Our products and services depend entirely on our information systems (IS). Their added value derives from the diversity and volume of data we handle. Our ultimate aim is to maintain the trust of our users, customers and employees.

Information security is thus a prime concern for CLS. We are securing our value chain through three main lines of action:

- promoting the security of our services (notably through ISO 27001 certification)
- ensuring resilience to cyberthreats, through greater maturity and reduced risks
- securing our assets and interconnections and our digital transformation to preserve the company's future

THREE-LINE DEFENSE

The threats from inside and outside the company are numerous. The risks related to IS security may be human (mishap, ignorance, malicious intent), technical (defects, failures) or legal (failure to ensure regulatory compliance).

We have implemented an IS security organization based on best practices and a clear separation between governance, operations and internal auditing

This organization allows us to assess whether checking procedures match our security requirements.

We have also instituted a network of IS security contacts in each department and subsidiary.

Zero

critical security incidents detected in 2023 thanks to the efforts of our incident response teams

ROBUST TECHNICAL FOUNDATION AND PARTNERS

CLS has implemented a range of security measures in response to current cyberthreats: PCA, WORM backups, vulnerability management, micro-SOC, etc.

We also rely on highly expert partners to ensure the security of our information system, such as ANSSI, Devoteam, OCD, and PwC.

ISO 27001-CERTIFIED SECURITY MANAGEMENT SYSTEM

In 2020, we began working toward certifying our information security management system. We are progressively broadening this certification's scope: in 2022, it only covered access to our data center; today it includes a key application at our Mobilities BU and all assets required to design, build, sustain and secure it. It is also being extended to our subsidiaries, with CLS Perú, CLS UK and TRE ALTAMIRA achieving certification.

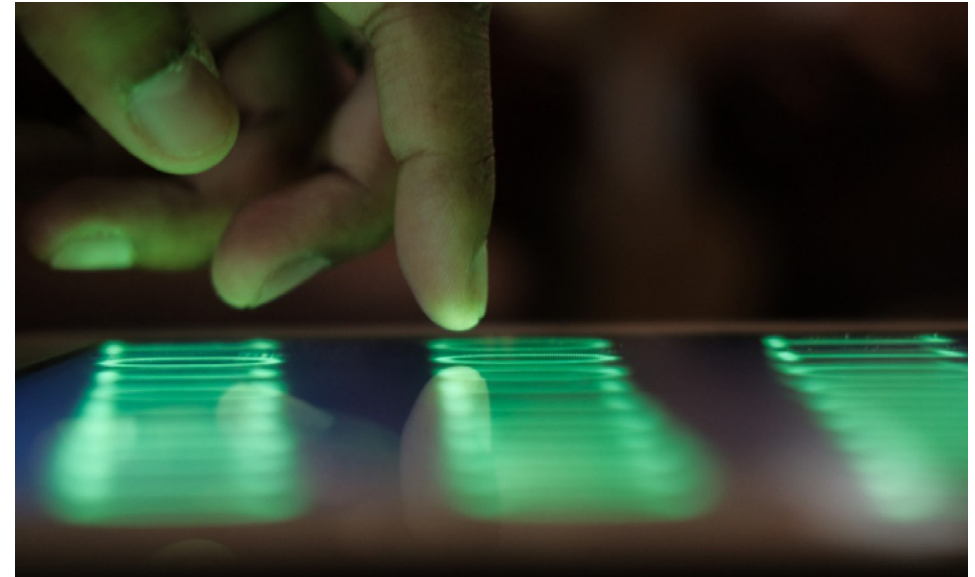
✓ All ISO 27001 certifications were maintained in 2023

FOCUS ON FOUR MAIN TYPES OF ATTACK

Our IS Security teams focused their efforts on four types of attack:

- distributed denial of service (DDoS)
- ransomware
- supply chain attacks (cyberattack targeting a key third-party supplier)
- phishing (e-mail purporting to be from a known website or official body inviting the recipient to click on a corrupt link)

Our employees are key to ensuring cybersecurity. Since 2023, we have been getting support from a specialist provider to combat phishing threats.



Some 4,900 emails were flagged by employees in 2023. Among these, 21% were considered dangerous and our IS Security team handled 261 of them between February and December 2023

For our simulated phishing campaign in January 2023, the click-through rate was 13%.

85% of employees responded to our phishing awareness-raising campaign, which produced results since the click-through rate came down to 3% for the whole of the second semester of 2023



OBJECTIVES

- Raise awareness about supply chain attacks in 2024 via our Rise Up platform
- Establish security governance at subsidiaries to ensure uniform approach to risk management and practices across the enterprise by 2025

Personal data protection

The protection of individuals with regard to processing of personal data is a fundamental right since the European General Data Protection Regulation (GDPR) took effect. The risks for CLS of failing to protect personal data are many: financial, brand image (customers and even employees losing faith), commercial, cybercriminal and more. As a result, we are taking all necessary steps to secure the way we process personal data and ensure that our partners apply the same strict standards.

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 Officer (DPO) and runs our GDPR compliance program. This 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.



No nonconformity during ISO 27001 audit on personal data management

Our DPO analyzed nine third-party software applications in 2023

RAISING GDPR AWARENESS

Starting in September 2023, a campaign to raise awareness about personal data protection issues for all CLS France employees was initiated via our Rise Up platform. This training module includes a presentation of general GDPR principles and a quiz to test their knowledge. Besides its utility to our business operations, this awareness-raising process is also part of our ISO 27001 certification and meets GDPR requirements. The training is therefore mandatory for all employees at CLS's facilities in France.

62% participation rate from CLS France employees to awareness-raising campaign

RIGHT OF ACCESS REQUEST

A CLS France employee requested access to their personal data in 2023. We responded within the legal deadline and satisfied the request. This exercise enabled us to prove the effectiveness of

our procedures and of the collaboration between our DPO and CLS departments.

No incidents

affecting personal data in 2023

DIGITAL TRANSFORMATION

Our digital transformation project requires us to focus intently on structural aspects and notably on personal data processing. With the remodeling of software and reorganization of data storage equipment, we have the opportunity to bring into compliance all applications affected by our digital transformation. To this end, our DPO is working with technical teams to factor in personal data protection issues—retention, security, type of data held, etc.—into these new structures from the early design stage.



OBJECTIVES

- Continue to ensure zero incidents affecting personal data
- Finalize HR department's data processing register in 2024
- Write a GDPR charter covering all of our business operations by 2025

Raising awareness in-house, local and humanitarian activities

SUPPORTING LOCAL ASSOCIATIONS - PATRONAGE

In 2023, we renewed our corporate sponsorship agreements and continued to support a range of nonprofit associations. Because the Canal du Midi is an endangered part of our heritage that our employees in Toulouse benefit from every day, we are supporting the VNF Sponsorship Mission to replant trees along the Canal du Midi.

We are also supporting the Planète Mer (Planet Sea) nonprofit association working to restore a sustainable balance between marine life and humans. In particular, we are supporting its

national Biolit citizen science program that enables walkers on the sea shore to communicate useful observations to scientists to help preserve coastal biodiversity.

Because we want to help change how people see those with disabilities, CLS is supporting the wheelchair rugby section of local club Stade Toulousain.

This year, we addressed disability issues from a new perspective, organizing the Rugby Cube escape game. We also took part in the TOP 5 partners tournament, providing plenty of opportunities for discussion and a lot of laughter besides!



#GIVINGTUESDAY



SOLIDARITY FOR GIVING TUESDAY

As the end-of-year festivities approached and for Giving Tuesday, the global generosity movement, CLS France organized collections of:

- old unused pairs of spectacles for the Lunettes Sans Frontières (Spectacles Without Borders) association
- working clothes that are no longer worn for the La Cravate Solidaire (Solidarity Tie) association
- used pens and felt-tip pens for the Clowns de l'Espoir (Clowns of Hope) association.



HUMANITARIAN AID

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



12,000+
vehicles tracked.

Since 2020, we have developed a new tool called Book & Move for humanitarian agencies.

We are working for NGO Save The Children in several countries, notably Liberia, Burkina Faso, Mozambique, Senegal, Democratic Republic of Congo (DRC), Niger, Zambia, Ethiopia, Zimbabwe, Sudan, South Sudan, Mali, Kenya, Nigeria, Malawi, and Uganda. We are also supporting French association Doctors Without Borders in the Central African Republic, DRC, Nigeria, South Sudan, and Tanzania.



Support for ACTED

We continue to support NGO ACTED coming to the aid of populations in crisis situations.

EMPLOYEES' PARTICIPATION IN THE CLIMATE FRESK

For European Sustainable Development Week in 2022, we gave employees the opportunity to learn about climate challenges through a fun participative workshop on the Climate Fresk. Thanks to our in-house leaders, these training sessions are being continued and organized monthly.

Two Meteodyn employees also received training as Climate Fresk activity leaders to roll it out for the subsidiary's 20th anniversary in May 2023.

Our plan is to deploy this workshop at our other French facilities and at our foreign subsidiaries in 2024 and further ahead. We are also looking at becoming involved in the Fresques du Numérique et de la Biodiversité (Digital & Biodiversity Fresks) as they are a good fit with our CSR strategy.



COMMUNITY SUPPORT INITIATIVES

TRE ALTAMIRA

Our teams at TRE ALTAMIRA's Italian facility rolled up their sleeves to support La Strada, an association that helps people that have come over hard times. Specifically, they helped with maintenance work at two of the association's centers in Milan.



In Canada, employees contributed to the Shoebox Project, buying goods for Christmas gift boxes for homeless women living in shelter accommodation in Vancouver.

And in Spain, TRE ALTAMIRA lent its support to the Fundació Salut Alta, an association working to aid children and teenagers living in difficult conditions

in the suburb of Badalona. Our Spanish subsidiary helped fund Christmas gifts and employees gave freely of their time to wrap and deliver them to the foundation.



CLS Brasil

Colleagues in Brazil contributed to a blood donor campaign. They also collected books and toys for a school in an underprivileged area. Lastly, our subsidiary sponsored the Social Circus program that aims to develop the social, artistic and creative skills of vulnerable young people between the age of 7 and 24, through educational circus, theatre and dance activities.

CLS Indonesia

For World Cleanup Day, our colleagues walked seven kilometers carrying placards through the streets of Jakarta collecting trash.

Woods Hole Group

As they do every year, colleagues at our U.S. subsidiary organized and took part in beach cleanups.

Employees' old IT and electronic equipment was also collected to recycle them correctly.



CLS Southern Africa

In 2023, several initiatives at CLS SA had a significant impact on local communities. Our subsidiary funded the refurbishment of Athlone Baseball Club's IT room so that underprivileged children could do their class assignments before training, thus encouraging them to pursue their education.

Likewise, Central Hockey Club received funding for an electronic display panel, video equipment and CCTV cameras. CLS SA also helped to buy tablets for a

trip to Germany for agriculture students at Soneike High School, demonstrating its commitment to youth education and development.

Lastly, the subsidiary helped fund CCTV cameras, an interactive whiteboard and tablets for Weltevreden Valley primary school in the Samora Machel community, one of the most underprivileged districts.

The thank-you letters received confirmed the positive impact of these contributions to local communities.

CLS Perú

In Perú, colleagues brought in their bottle tops to recycling points, enabling a total of 60 kg to be collected in 2023! The aim is to send them to an association to obtain funding for wheelchairs for disabled persons.



Note on methodology

Non-financial challenge	Key performance indicator	Unit	2022 result	2023 result	Variation	Scope
Dynamic in-house dialog	Overall satisfaction score	out of 10	6.77			Group Engagement Survey Results 2022
Favoring diversity	Percentage of employees who think the work environment at CLS is respectful of diversity	%	95			Group Engagement Survey Results 2022
Supporting fulfilling careers	Hours of training on average per employee trained	hours		14.9		Group, not incl. CLS SA, CLS Oceania and Meteodyn India
	Percentage of headcount receiving training during year	%		73		Group, not incl. CLS Oceania and Meteodyn India
Retaining our talents	Turnover rate	%	13.4	11.8	-12%	CLS France
Employee health and safety	Absenteeism rate	%	4.53	4.37	-4%	CLS France
	Workplace accidents	WA		3		Group
Environmental management	Energy consumption	kWh/employee	3,358			2023 carbon assessment from 2022 data, Group, not incl. CLS Oceania, Meteodyn China and Meteodyn India
Waste management	Percentage of batteries arriving at CLS France processed in compliance with European regulations	%	100	100	0%	CLS France
Ensuring quality	Percentage of clients satisfied with our projects	%	98	97.3	-1%	CLS France
Choosing responsible suppliers	Percentage of CLS France suppliers sent Responsible Purchasing Charter who signed it	%	70	73	4%	CLS France suppliers sent Responsible Purchasing Charter
Combating corruption	Percentage of new employees trained in anti-corruption practices	%	88	77	-13%	Group Not incl. employees who have left the company
Securing information systems	Number of critical security incidents detected during year	Major incidents	0	0	0%	CLS France
Personal data protection	Number of incidents affecting personal data	incidents	0	0	0%	CLS France

Detail per entity of Group indicators

Entity	Employees (at end of year)	Percentage of female managers	Average hours of training per employee trained	Percentage of headcount trained	Electricity consumption in kWh/ employee *
CLS France	506	41%	11.8	84%	3,654
TRE ALTAMIRA	111	19%	58.3	42%	3,700
Woods Hole Group	93	33%	15.3	98%	4,054
CLS Perú	36	50%	0.8	61%	1,261
CLS Brasil	48	30%	16.8	38%	827
CLS Southern Africa	20	25%	N/A	85%	1,124
CLS Oceania	5	0% (1 manager)	N/A	N/A	Not incl.
CLS UK	12	67%	5.3	75%	2,928
CLS Indonesia	28	36%	24	4%	2,090
Meteodyn France	35	40%	9.9	86%	2,409
Meteodyn China	20	33%	31.5	100%	Not incl.
Meteodyn India	5	N/A	N/A	N/A	Not incl.
CUBIC-I	9	Not incl.	Not incl.	Not incl.	Not incl.

* 2022 data from carbon assessment



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