

ANNUAL REPORT
ACTIVITIES AND CORPORATE RESPONSIBILITY
2017



Overview 2

Commitment

14

Full commitment from a cohesive team enables us to tackle all challenges from the simplest to the most complex.

Proximity

28

Close to our teams, close to clients, our management uses this closeness to generate fast and efficient solutions.

Responsibility

40

Responsibility means finding solutions, that meet our clients' challenges, then assessing, measuring, and analysing the impact of our services.

Accounts and annexes 56



“ None of this would be possible without the women and men of GSF. I wish to pay tribute to them, to show them my recognition. ”

Jean Louis Noisiez
CEO

Ethos, high expectations and independence

2017 heralds our 55th year of continuous growth. GSF has been growing organically since 1963, and 2017 was exceptional in this respect: a growth of nearly 7% in an otherwise nearly flat cleaning market. Our turnover was 847 million Euros. Our staff numbers in France and abroad stand at over 34,000.

We have also widened the scope of our activities, with many successes in airports and healthcare settings... We are also strengthening our position in traditional sectors such as agribusiness, industry and office space. And whilst we remain firmly anchored in the cleaning sector, we are also diversifying into services.

These successes didn't happen by chance. Our area of activity may be in a state of flux, but GSF continues to progress because the values written into our DNA do not change. GSF values proximity, and with 121 branches in France, the Group has a strong network across the country.

Our 535 inspectors interact every day directly with our clients. We are a human-scale organisation, with 2500 team leaders overseeing operations. This proximity is rewarded with a retention rate above 95%!

The mind-set here at GSF hasn't changed, it is based on respect, commitment and professionalism. We are a responsible company, and abide by our commitment to the United Nations Global Compact. That, for me, is the GSF commitment: an ethos, high expectations and complete financial independence, as detailed in the following pages.

I am motivated by two feelings: the first is the pride I feel for all our co-workers committed to this success. It is also with pride that I thank our clients, for whom we are a partner of choice. The other feeling I have is that we must avoid triumphalism. Because whilst our pathway through 2017 has been clear, we know that nothing is a given and that we must work for it every day. I know I can rely on the dynamism of all our GSF teams, and on the loyalty of our clients, for 2018 to be our 56th consecutive year of growth.

Governance

Supervisory committee



/ **Jean Louis NOISIEZ**
CEO



/ **Yves MAGAUD**
FINANCIAL DIRECTOR
Associate, GSF Partners



Lionel YVANT /
Associate, GSF Partners

Governance
Executive
Board

/ **Christophe COGNÉE**
EXECUTIVE BOARD MEMBER
Associate, GSF Partners



Gilles MARGALET /
EXECUTIVE BOARD MEMBER
Associate, GSF Partners



/ **Stéphane MASSÉ**
EXECUTIVE BOARD MEMBER
Associate, GSF Partners



Éric NOLEAU /
EXECUTIVE BOARD MEMBER

Company profile

The 34,067 employees of GSF -an independent French company set up in 1963- design and implement effective solutions that respect our teams and the environment, ensuring the cleanliness and hygiene of work spaces, production sites, healthcare settings, leisure facilities, and transport for their 6,000 clients. Covering every activity sector and also offering customised complementary services, GSF is present across the entire country and in four other countries; it belongs to the ECS (European Customer Synergy) network, which has a presence in 41 countries.



847

million Euros
IN **GROUP** TURNOVER ¹

OF WHICH

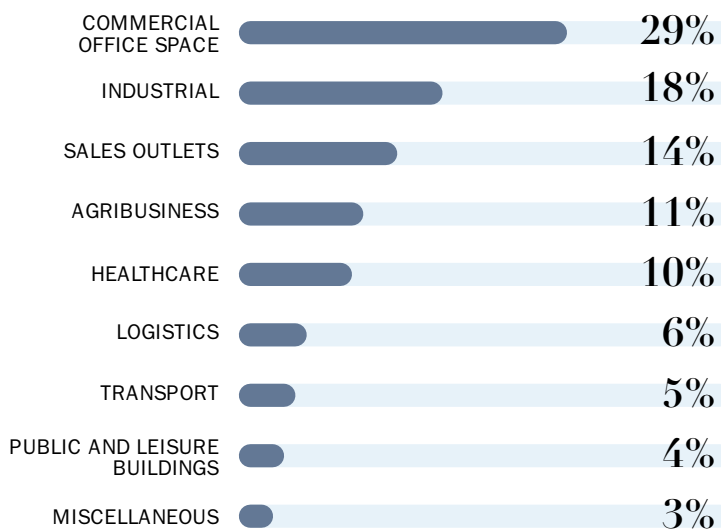
67

million Euros
FROM **OVERSEAS**

+ 6.5%

GROWTH IN 2017

TURNOVER **PER SECTOR**



¹ Group consolidated turnover

OVERVIEW



6,000
CLIENTS¹



121
BRANCHES ACROSS
FRANCE

95%
RETENTION RATE

34,067
EMPLOYEES³



37
CAC 40 COMPANIES
ARE GSF CLIENTS²

80/100
2017 ECOVADIS
SUSTAINABILITY MARK
(TOP 1% OF THE LEAGUE TABLE)

80%
OF CLIENTS
ARE MEDIUM-SIZED
COMPANIES



² at 31st December 1017
³ Group staff numbers 2017











Performance

GSF has displayed regular and stable development:
2017 is the 55th consecutive year of growth in turnover, which now stands at 847 million Euros. Our earnings, which were boosted by some highlights, have enabled us to maintain our policy of investment in local services, along with unrivalled staffing rates. Our investment rate in workplaces for both for equipment renewal and for new purchases has remained in step with need, as in previous years.


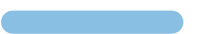








37

Million Euros
NET EARNINGS

EARNINGS GROWTH OVER TEN YEARS IN THOUSANDS OF EUROS

2017		847,474
2016		795,827
2015		740,031
2014		718,771
2013		688,516
2012		659,685
2011		603,878
2010		578,007
2009		549,510
2008		528,824

STAFF GROWTH OVER TEN YEARS NUMBERS OF STAFF

2017		34,067
2016		32,500
2015		31,220
2014		30,704
2013		30,015
2012		28,018
2011		26,474
2010		25,618
2009		25,392
2008		24,703



¹ • Provision for repayment by French State of 3% contribution on dividends
• Raise in CICE rate from 6% to 7% for the year 2017 (Crédit Impôt Compétitivité Emploi- Job competitiveness tax allowance)

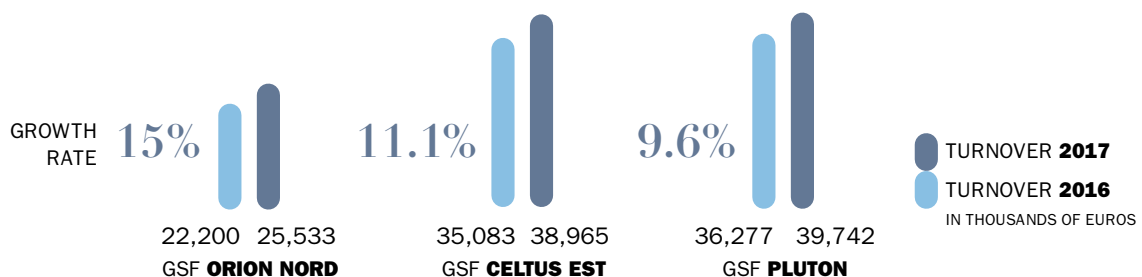
“ We foresee continued growth through 2018: the drop in CICE from 7% to 6% will however dent our profits. It will be replaced in 2019 by a reduction in social charges which will have significant impact on our profits, due to the fiscal effects of this transformation. It will benefit our employees whilst boosting participation. ”

YVES MAGAUD
FINANCE DIRECTOR

STAFF FIGURES - FRANCE ⁽²⁾



HIGHEST-PERFORMING REGIONAL COMPANIES
THIS YEAR AND THEIR GROWTH ⁽³⁾



² Average group staff numbers 2017

³ GSF has 35 regional or specialist branches in France

Futuroscope

GSF wins the cleaning contract for the theme park at Poitiers.



2017

Highlights



Reach for the stars

GSF teams carried out the cleaning of the Cité de l'Espace in Toulouse where 20,000 people celebrated its 20th birthday.



GSF Lab

The innovation centre is gaining momentum:

Around 20 innovations were trialled by field teams.

The largest start-up campus in the world

GSF maintains Station F.



First Grand Prix d'Amérique

for cleaning teams assigned to the Vincennes racecourse.



E-learning

The “service agent” course is offered via the GSF university portal, AFPENG, over 8 distance learning modules. This training course is aimed especially at distant staff unable to attend formal classroom-based sessions.

Winner

EDF awarded a “site management” prize (for signage, security, and cleanliness) to the Energia/GSF team at the Dampierre nuclear power station.



Managers

535 inspectors now supervise GSF field teams throughout France, an unparalleled staff-manager ratio in the sector.

Accreditation

53 GSF establishments are now triple QSE-certified (Quality, Security and Environment)



United Nations Global Compact

Communications about the GSF group's development was rated “Advanced” by the UN Global Compact for the fifth year, placing it in the top 6% of the network's companies in France.



2017 Overseas

GSF is opening branches in four countries: United States, Canada, United Kingdom and Spain. The Group ensures that these teams also operate to its fundamental core values. The ECS (European Customer Synergy) group completes this presence by offering the services of 17 key partners in 41 countries. 2017 saw many successes.

Subsidiaries with a shared culture

GSF subsidiaries abroad share the same company ethos and continue their growth, fully embodying the group's values and its organic growth model. Turnover in the States increased by 6.4% in 2017. GSF USA operates in Ohio, Illinois and Indiana. GSF Canada is present in Quebec and Ontario, GSF UK in London, Southampton, Birmingham and Manchester, GSF Spain in Barcelona.

ECS, a strong network of companies

Started by GSGF, the ECS group (European Customer Synergy) gathers together 17 partners who share our demanding values of respect for people, clients and the environment.

"ECS allows us to offer selected service providers to our French clients with requirements abroad. In counterpart, we are able to respond to international clients' requirements in France", emphasizes Gilles Margalet, Executive Board Member, and GSF's representative within ECS. "In this network, we all work with the same mind-set of satisfying all our clients. When we meet, we check that our commitments are all being coherently applied".



67

million Euros
TURNOVER FROM OVERSEAS

8%

OF TOTAL
TURNOVER

SCHOOLS MAINTENANCE: A GROWING MARKET FOR GSF USA

GSF USA currently performs the daily maintenance of buildings in 12 school districts, cleaning 51 public schools and associated administrative buildings.

"We are delighted to be growing in this sector, whose values are very in keeping with those of GSF: service quality, team responsiveness, and respect for people and the environment, are all very important to schools. In parallel with the emphasis on the men and women that make up our teams, we have created technical innovations that allowed us to win these markets and invest where necessary". Troy Bargmann, CEO of GSF USA, and Kurt A. Kuempel, branch manager at GSF Illinois, Inc.

CHEMICAL-FREE CLEANING SOLUTIONS PREPARED ON-SITE

GSF for the St Charles Illinois school district, that educates over 12,000 pupils and includes 17 schools. The focus was on carrying out perfect cleaning, whilst respecting the health of pupils and the environment, in an age where more and more students are allergic to certain chemicals.

The solution chosen was to use the Orbio Os3 system, which generates an electrolytic multi-surface cleaning solution on-site, and a chemical-free disinfectant solution. GSF invested in 9 of these generators. Managers and students are very pleased with the results: clean schools and no more chemical smells!

AN EFFICIENT CLEANING ROBOT FOR A 7000 SQ M HALL

The managers of the Fairview school district in Skokie, Illinois, wanted to find effective solutions for cleaning their premises, housing children from kindergarten to 12th grade. School halls are very heavily used, especially during the long winter months. GSF tackled this challenge by investing in a cleaning robot, which thanks to its ecological design, uses 85% less water and detergent. This is a very popular choice for operators, who appreciate its efficiency and the time freed up to carry out tasks other than cleaning this 7000 sq m hall floor.



RENEWED PARTNERSHIP WITH LONDON CITY AIRPORT

Already partners for last three years, GSF UK has renewed its contract with London City Airport, a dynamic airport at the gates of the City of London, with more than 4.5 million passengers in 2017. This sustained confidence rests on the quality of our service and the profile of our teams.

GSF RENEWS CONTRACT WITH THE BARCELONA CONFERENCE CENTRE

Contractor for the Barcelona Conference Centre since 2013, GSF Spain was awarded the top spot of all service providers in 2017 for the quality of its maintenance. This 100,000 sq m hall hosts events year-round; the new GSF Spain contract runs until 2021.



“Total team commitment allows
all challenges to be tackled,
**from the simplest
to the most complex.**”

Commitment



Tertiary sector

Full (r)evolution

GSF customises its services to any large changes underway in the tertiary sector, its leading market: Multifunctional, flexible workspaces, a rise in job sharing, new services for employees... Teams are developing continuous working and daily working patterns in keep step with these changes.

29%

OF TURNOVER
THE TERTIARY SECTOR,
LEADING GSF MARKET
IN FRANCE

GSF SUPPLIES

37 CAC 40
COMPANIES



The way the Crédit Agricole campus in Montrouge is run, using hot desking -where various people work from the same office throughout the day- means having a functional and responsive cleaning team constantly on-site.



DIANA GOMES
INSPECTOR



Key actor in the market for cleaning offices and corporate headquarters buildings, GSF is able to support its clients through the changes in working practices, deploying teams and services that respond to current need.

Denis Pollet, National Production Manager, states: *"We innovate on a social and organisational level to adapt our services to our clients' new*

environments". On this topic, more and more companies are asking GSF to carry out complementary services such as Delegated Waste management, or to take on new services. Another trend is towards organising our teams so that they are continuously operational; we are able to respond favourably thanks to the competence of our managers and our organisational flexibility.

Innovation

>> GSF carries out research to adapt its services to these new working environments and methods. GSF Lab teams are working to optimising its operatives' activities according to the occupancy rates at their clients' premises. Tests are underway into technology to determine whether there are people in a particular place, with real-time transmission of this information.

Highlights

>> **Launch across several test sites at GSF Tréville (Paris) of the "Better Human" system** for improving quality of life at work, for which we are working towards the *"Haute Qualité Humaine"* award.

>> Launched in mid-2017, **Station F is an entrepreneurial ecosystem** of entities housed together under the same roof, in the Halle Freyssinet in Paris. Open 24/7, this start-up campus provides 3000 work stations for collaboration, 60 meeting rooms and events areas. *"We have to constantly adapt and be very reactive and flexible: spaces that are used today might not be used tomorrow, and vice-versa. Daily, we have to manage peaks of activity – numbers can range from 1,200 to 2,500 people from one day to the next. We take care of the cleaning for many events"*, says Olivier Desfeux, site manager. *"We make the most of this shop window to try out various innovative materials picked by GSF Lab"*.

SPACES THAT GROW AS SOCIETY DOES

Current major changes in society impact the evolution in workspaces, healthcare, leisure, production, sales...

Places that adapt to people's new needs. Office blocks are becoming living spaces a little like home, in which the occupants move around without a defined office, with a place for working with other people, one for quiet working, one for phoning, etc... And sometimes spaces for relaxing, having fun or creating. GSF is very aware of these changes and takes an ever-growing part in them. A new type of organisation is set up because cleaning is always needed.

According to a 2016 study by Essec, 93% of young workers do not wish to work in a traditional office environment. The office of the future will look more like a hotel or even a virtual reality workspace than a company.

Industry

Innovation encourages
customer loyalty

Industry is GSF's 2nd largest market, with 18% of turnover. We are continually developing new associated services to respond to client demands.



A RETENTION
RATE OF

96%

IN THE INDUSTRY
SECTOR

7 million
euros

INVESTED IN
SPECIFIC
MATERIALS

1,500

INDUSTRIAL SITES
MANAGED BY GSF

“We demonstrated to our client, the Roquette Group, that we were able to include complementary services.”

FRANZ BONIFACE
DEPUTY REGIONAL DIRECTOR

Method engineers within the R&D department assist teams in fully understanding clients' issues, and how best to respond to their requirements. Vincent Ortega, National Production Director, says *“their input is crucial in elaborating processes and methods to use on industrial sites”*. Where necessary the Group invests in custom-built equipment to save time and improve efficiency.

Computer-assisted maintenance tools are frequently used. They organise maintenance, traceability and checks, and give complete transparency to site managers. This type of technology is used to optimise the cleaning and maintenance of the printing presses at

the largest French daily newspaper, Ouest-France, with its daily print run of 700,000. This is a major asset that, Vincent Ortega reminds us, *“enables us to plan our maintenance operations without disrupting the publication of the paper.”*

GSF clients are increasingly requesting complementary services to cleaning: the group supplies bumpers to production lines at the PSA factories in Sevelnord and Rennes La Janais, and since 2011 has managed the biomass plant at the Roquette Group factory in Beinheim. There is growing interest in our delegated waste management services, illustrating the trend towards the globalisation of services.

Highlights

>> **GSF was awarded the delegated waste management contract** for the Roquette Group's Beinheim factory, which had been a client for cleaning since 1998, and since 2011 for the management of its biomass plant.

>> **The scope of GSF services provided to Total's R&D department TRTG** (Total Research and Technologies at Gonfreville), a key client, had widened to include global logistics, including management of the store, and delegated waste management for 23 buildings across 16 hectares, with 355 employees.

Innovation

>> **GSF is continuing to roll out GSF Box**, a “home-grown” computer-assisted maintenance tool that adapts to any requirement and enables responsiveness and traceability.



Healthcare

Know-how, method and **technology**

The growing activities of the GSF healthcare department include the pharmaceuticals industry, for which the Group carries out bio-cleaning in many production facilities, and healthcare and medical-social settings (hospitals, clinics, care facilities for dependant older people, dialysis centres, thermal spas...) where GSF is increasingly operating.

6

OUT OF 10 OPERATIONS
WILL BE CARRIED OUT
AS DAY CASES BY 2020
(source: Ministry for Health)

GSF TEAMS ARE
RESPONSIBLE FOR THE
HYGIENE OF OVER

200

HEALTHCARE SETTINGS
ACROSS THE COUNTRY,
I.E. AROUND 10% OF THE
GROUP'S TURNOVER IN
FRANCE

Highlights

>> Renewal for a further 4 years
of our listing at the UniHa central
procurement agency, the largest public
markets purchaser in France, which
chooses suppliers for 67 large public
hospitals.

**>> Listed by the RESAH purchasing
agency** for its branches outside Paris.



Innovation

No need to run

GSF teams are responsible for cleaning the Mother and Baby Hospital in Lyon (HFME), a real “baby production line”, managing around 4,500 births a year. GSF uses a programme that can be accessed via a tablet computer, enabling healthcare staff and our agents on site to communicate as soon as a room is freed up and needs to be cleaned, and when it’s ready for the next patient. Healthcare assistants and the birth unit cleaning staff, often under time pressures, can gain precious time in getting the beds ready for the next occupant.

NEW CHALLENGES IN THE MEDICAL HOSPITAL SECTOR

GSF adapts its services and operational activities to changes in healthcare: stricter standards, shorter in-patient stays, day surgery, larger buildings...

Cleaning a hospital environment requires particular organisational skills: rooms must be “deep-cleaned” throughout the day, so that they can be quickly redeployed as patients leave. Because of the ever larger number of day cases, afternoons are now a peak period.

José da Costa, National Production Director, says: *“the commitment of our on-site teams has meant we’ve renewed our contracts with the Lyon Civil Hospices, the Strasbourg University Hospitals, and the Caen intensive care unit. We’ve also won the cleaning contract for the Bourges area hospital, and the Plaisir geriatric and medical-social hospital. Alongside this, the work of duty pharmacists in the R&D department has been pivotal in ensuring that GSF has had its listing with the healthcare purchasing centres renewed. Our experts have fine-tuned processes and methods that address these sites’ specific requirements.”*

Other than strictly abiding by the technical processes, the human aspect is crucial: GSF does its utmost to deploy stable teams, using recruitment and specific training processes, along with well-qualified and solid management. On larger sites, GSF deploys as many full-time people as it can to ensure the constant availability of well-qualified personnel.

THE PHARMACEUTICALS INDUSTRY: A VARIETY OF SERVICES

In 2017 the Group was able to diversify the services it offered to pharmaceuticals clients: very satisfied with the cleaning of their production sites, and trusting us, the clients asked GSF to carry out certain complementary services such as the supply of crockery to laboratories, relocation support for factories for example.

“Working in the pharmaceuticals industry requires discipline: we must prove at all times that we are on top of our game. The complete GSF Pharma Kit created in 2017 enables us to deliver our services securely: it sets out the detail of all the procedures and methods, and includes an exhaustive technical manual.”

CHARLES MOULINIER

HEALTHCARE EXPERT, GSF R&D DEPARTMENT



Agribusiness



40

THE NUMBER OF YEARS
GSF HAS BEEN PRESENT
IN THIS MARKET

496

AGRIBUSINESS SITES
CLEANED BY GSF ACROSS
FRANCE

7

SPECIALIST
R&D ENGINEERS
DEPARTMENT
LOCATED
ACROSS FRANCE

Food safety, an **absolute requirement**

Leader in France in this sector, GSF has worked in agribusiness sites of all sizes for over 40 years. Training, rigour and expertise are key to these successes.

SPECIALIST TRAINING

Services to the agribusiness industry are ever more technical and regulated. GSF has updated its specialist training followed by all its operators working on these sites. This training is both theoretical and practical and covers all the prerequisites required to ensure faultless hygiene in these sensitive environments.

INNOVATIVE METHODS FOR REMOVING **ALLERGENS**

GSF has in parallel, and in conjunction with specialist institute Actalia, launched its first study into the efficiency of cleaning protocols of surfaces contaminated with allergens. The aim is to invent innovative protocols to tackle this public health problem facing manufacturers on their production lines. This partnership has generated methods that remove 99.5% of the most common allergens.

Highlights

>> GSF won the maintenance contract for the world's largest cocoa factory, Barry Callebaut in Louviers (27), where cocoa beans docked at Le Havre and Rouen are processed. They are roasted and ground into paste, butter and cocoa cake, as well as powder.

>> GSF handles the cleaning of the "La Quercynoise" foie gras producers' group factory in Gramat (46).

>> GSF won the cleaning contract for the Cérélia factory, market leader for dough and mixes for flan casings, pizza bases and pastries, based in Rochefort-sur-Nenon (39).

Retail

Cleanliness is **central to the customer experience**

GSF operates in many big brand sales outlets across all sectors: hypermarkets, supermarkets, clothing, furniture, telephone, cultural products shops...



More than in any other area, cleanliness in sales outlets is a key element of a brand's image for end consumers. Customers in this

sector demand a high degree of responsiveness and a permanent staff presence. GSF teams are trained to continually deal with often very high levels of footfall.

“

To rise to the challenge of 10 Irish clothing company shops we look after, we set up an internal steering committee that meets every month. We swap and implement ideas, best practice and innovations.”

SANDRINE FUENTES
ACCOUNT MANAGER

A growing large accounts department

Dedicated to multisite clients across all sectors, the GSF key accounts department offers simplified overall monitoring with a single national contact point for all the sites. This centralisation allows practises and conditions to be harmonised across the whole country. Its activities are developing steadily.

58 KEY ACCOUNTS



Airports



Active in all types of environment

GSF teams operate in 11 airports, cleaning aeroplane cabins and airport terminals, and carry out services such as baggage handling and the management of luggage trolleys.

100,000

AEROPLANES A YEAR CLEANED



High levels of professionalism, solid management and a proven organisation enables GSF to operate efficiently in nearly 100,000 aeroplanes every year.

"Our services combine quality, productivity and reactivity", points out Jean-Marc Torlet, National Director of Production. Increasing numbers of airport managers trust us to clean their terminals.

Highlights

>> Following on from terminal 2E, **GSF has now won the cleaning contract for Terminal 1** at Paris-Charles-de-Gaulle.

>> GSF's contract with **Lyon-St-Exupéry airport** has been renewed.

>> **GSF won a clean-up contract** for Marseille-Provence, 5th largest airport in France.

Public areas

Cleanliness, no matter how many turn up

Exhibition halls, theme parks, casinos, shows/exhibitions, schools, cinemas, theatres, car parks, sporting arenas and supermarkets: GSF teams clean a great many public places. Flexibility is crucial in adapting to changes in footfall and to constantly address needs; presentation and behaviour are crucial in this sector, where GSF operatives are in contact with the end client.



GSF won the cleaning contract for the "Seine Musicale" event in Boulogne Billancourt

“

All the GSF (Nation) teams and inspectors were on duty on the day of the Grand Prix d'Amérique at Vincennes Racecourse. The client is very happy with our organisation and the quality of our services.

NELIO DE AGRELA
INSPECTOR

GSF won the contract for the new CentraleSupélec « Paris-Saclay » campus at Gif-sur-Yvette. Its four buildings host 4,500 students and a large number of events.

We have to provide a service that's in keeping with the world-class reputation of this campus.

SIMON LEPAREUR
BRANCH MANAGER

”

“


Synergy between our GSF teams has allowed us to make a real difference- we were able to learn from the experience of our colleagues at other similar venues. These exchanges have helped us to set up the best levels of organisation for the Montbéliard and Colmar bus networks.

PATRICK CHATELUX
REGIONAL DIRECTOR

”

Public Transport: Sustainable partnerships

Travelling in a clean and healthy environment is a top preoccupation of passengers using public transport. GSF cleans many urban networks in Nantes, Metz, Lyon and Reims, but also the Ile-De-Ré shuttle and Mont-St-Michel bus.



Nuclear industry

Acknowledged expertise

GSF has cleaned the nuclear power stations of Bugey since 2016 and Dampierre since 2015, where its teams also manage logistics operations. The quality of the GSF Energia services at Dampierre was recognised in an OSART (Operational Safety Review Team) audit in October 2017.

4,200

HOURS OF TRAINING
DELIVERED

GSF WAS CLASSIFIED
IN THE TOP

5%

OF THEIR MOST
EFFICIENT SUPPLIERS
BY EDF

GSF has had very good results in terms of security and quality for the two power stations we manage. This success is due to the competence and proximity of management, to their capacity to make executive decisions, and to the existence of dedicated centres for each site, which all make the difference. “The support of our R&D department is crucial for the regulatory and qualification aspects, crucial in this sector”, declares Guy Juston, Energia executive director.

The training programmes set up have enabled staff to be trained up: 90% of teams have level 2 qualifications, improving safety and efficiency.

Mohamed Benaziza, Inspector at the Bugey power station, says “A significant proportion of maintenance is carried out when the reactors are stopped. We then deploy larger teams whilst maintaining high ratio of management. Systematic mentoring by team leaders and inspectors enables us to ensure that the services supplied are of a high standard.”

Mohamed Belgacem, inspector at the Dampierre power station, says, “our on-site interventions are crucial to the safety and good handling of maintenance activities, whilst staying within the deadlines. For example we ensure that contamination is contained within the reactor building: our qualified teams work in 3x8 hour shifts.”

Innovation

>> Staff at the Bugey and Dampierre power stations tested TraXs smart shoe soles developed by the GSF Lab in 2017. If a lone worker wearing them falls, they send a signal to the team leader’s smart phone or computer. These will be deployed across both sites in 2018.

“GSF is a company that combines high levels of technical expertise with very good human resources management; on the job support from the team leaders and the empowerment of teams explain the high quality of the service.”

ELIAN BOSSARD
NUCLEAR INDUSTRY EXPERT

Associated services

Increasing demand for our complementary services

GSF carries out a range of associated services around its core business of cleaning, including building, processes and personal services in order to respond to its clients' requirements.

GROWING DEMAND
GSF clients appreciate its available management, its organisational flexibility, and the quality and monitoring of its cleaning services. More and more people therefore ask the Group to handle their needs for associated services, with the same level of know-how and professionalism. These services range from light maintenance of buildings to logistics (PSA, Arc International), or employment services. Solutions are adapted to every individual situation. *"This enables us to train our employees up to new roles, and where possible to offer them full-time work, whilst at the same time retaining clients"*, explains Renaud Fourneaux, National Production Director.

Furthermore, GSF works with Facility Management operators, and is listed by seven of the largest actors in the sector.

HIGH-PERFORMING DELEGATED WASTE MANAGEMENT

Good management of field teams is written into the very DNA of the company: aware of the organisational and project management capabilities of our group, our clients are increasingly trusting us with services that are complementary to cleaning. Thanks to the support of the environmental services and the legal departments, GSF can offer a delegated waste management service structured in four dimensions: human, logistics, IT and legal.

"Our delegated waste management services range from auditing and advice, to complete waste management, through monitoring of the regulatory documentation (with all the associated traceability reporting) and support for behaviour change management for site occupants. We undertake to reduce the amount of waste incinerated, by optimising sorting, increasing transparency on levels of upcycling and weight, and therefore allowing better cost management for the client", says Eric Noleau, Executive Board member.



“Within our teams we have people with the professional skills to respond to needs for associated services (painters, plumbers, electricians). These new services allow their jobs to evolve.”

RENAUD FOURNEAUX
NATIONAL PRODUCTION DIRECTOR

424

TONNES OF WASTE
SORTED IN 2017 AT
CARREFOUR HQ

50%

OF OUR CLIENTS TRUST
US TO MANAGE THEIR
WASTE

Over 95%

AVERAGE RECYCLING
RATE

Over 60%

AVERAGE
MATERIALS
RECOVERY

38%

GROWTH IN TURNOVER
FOR ASSOCIATED
SERVICES IN 2017





“Close to their teams, close to their clients, **our managers are able to generate fast and effective solutions.**”

Proximity



Network

RESPONSIVENESS AND KNOWLEDGE

GSF jobs are service industry jobs, in which teams must adapt daily to what they find on site: proximity, a key to efficiency, is one of the founding values of GSF. The whole group is organised such as to respond quickly to ever-changing needs.

A NETWORK ACROSS THE COUNTRY
As it develops, the group replicates its local presence onto the premises and/or sectors of its new clients: it now has 121 branches in France.

FIELD MANAGERS WHO ARE REACTIVE AND ABLE TO MAKE DECISIONS

The managerial model of GSF is based on an entrepreneurial mind set: local managers-team leaders, inspectors, branch managers all manage client relations themselves, and are able to address requirements very reactively. Where required -site opening, event, flooding etc..- they are able to quickly pull together the support of other GSF teams in the area.

A NETWORK OF EXPERTS CLOSE TO CLIENTS

Hygiene requires increasing levels of rigour and innovation, especially in sensitive areas. Engineers, scientists and pharmacists, GSF experts in the agribusiness, industry, healthcare and nuclear sectors across France, all contribute to the quality and efficiency of the solutions implemented.

“

Autonomy and empowerment are written into our genes. They are the main drivers of efficient proximity. It's about geographical closeness and a shared understanding of the challenges and what's required to tackle them.”

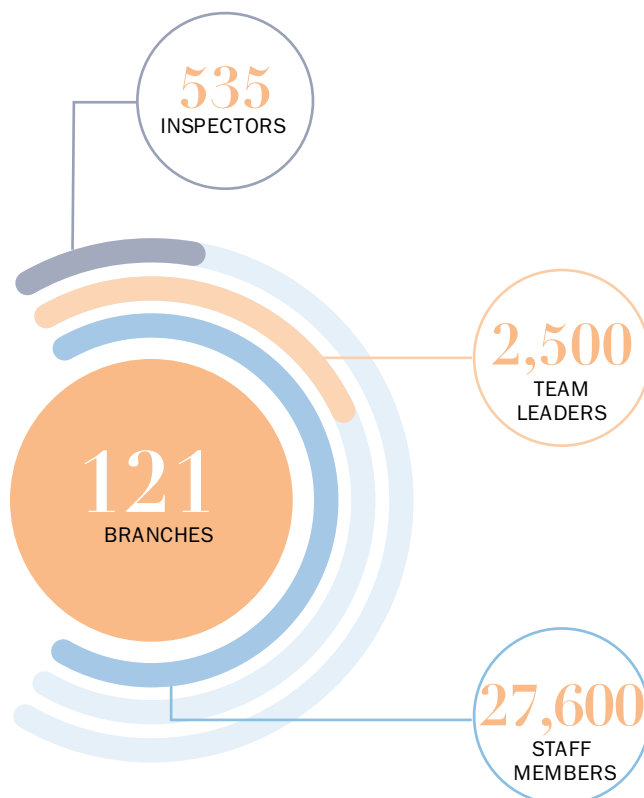
STÉPHANE MASSÉ
EXECUTIVE BOARD MEMBER

“ We are increasingly operating in “co-evolutionary” mode with our clients. It is our close proximity that enables us to have a perfect understanding of their changes and allow us to continually adapt to them. This improves our ability to forecast future needs and solutions. ”

CHRISTOPHE COGNÉE
EXECUTIVE BOARD MEMBER



**AN EFFICIENT
AND RESPONSIVE
ORGANISATION**
French data at
31/12/2017



Client perspective

A STRUCTURED APPROACH

The strength and precision of the GSF organisation are deployed particularly at site openings, a key step in ensuring quality of service and the relationship with stakeholders. A process has been running for a long time yet is constantly updated. For example:

A BRANCH ORDERS TEAM GEAR FROM THE PURCHASING DEPARTMENT

Clothing, safety boots, PPE etc.. and draws up service contracts with prospective laundering companies.

INTEGRATION OF STAFF

- > Safety training.
- > Environmental awareness.
- > Prevention plan awareness.

EMPLOYMENT CONTRACTS DRAWN UP

For staff transferred to GSF (agreement to the collective agreement for cleaning companies). Check of identity documents, work permits etc...

SCHEDULING MEDICAL CHECK-UPS

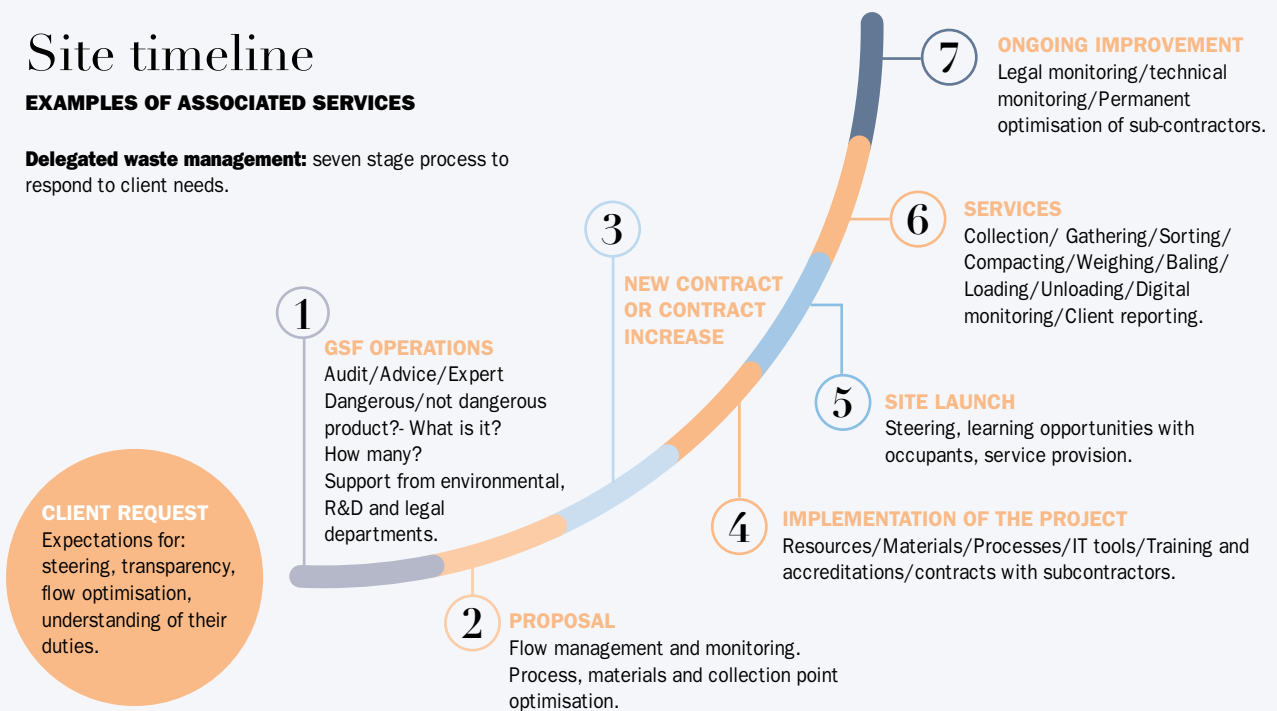




Site timeline

EXAMPLES OF ASSOCIATED SERVICES

Delegated waste management: seven stage process to respond to client needs.



Innovation

SOURCE OF OUR VALUES

GSF Lab, the innovations unit of GSF, celebrated its first birthday by achieving the goal set: to identify within the various departments of the Group using this approach, new practices, new products and materials, and especially to identify any faint sign of development in jobs. Only time will tell whether the Group's future trajectories will rest on these innovations.

CHANGING TASKS TO IMPROVE THEM

Digital transformation, automatization, and artificial intelligence are going to profoundly change jobs, including in all likelihood those at GSF. The aim is not to lose sight of the human in the innovation, but to stay in step with the technological revolution.

Designing working environments that give our teams familiarity before putting them into real-life situations, setting up an immersive learning (virtual reality) area in collaboration with GSF University, with a variety of workshops, including agribusiness, to minimise risks, are all concrete examples of our approach. "We are aware that innovation accelerates the need for training. We want to help our agents to grow by improving their skills, theoretical but mostly

practical, in order to support and anticipate changes. The long-term aim is to get the qualifications required to face technological changes", says Sabine Dujarric-Oueslati, GSF internal training unit manager

SPARKING CREATIVITY

There is stiff competition in the areas where GSF operates. Many actors of all sizes are operating in this market, and listening and being curious are crucial in identifying future innovations. GSF works at the heart of its ecosystem and is constantly trying to improve it by finding start-ups able to build solutions and constantly update. "We approach the start-ups to explain our processes and methods, so that they are the ones that come up with solutions they can offer us. And not the other way around", says Laurent Prulière, Head of R&D, manager of GSF Lab.

32

PROOFS OF CONCEPT

OF WHICH
17 IN PROGRESS
4 INDUSTRIALISED
4 STOPPED
7 AWAITING A DECISION
TO PROCEED

“Innovation is essential, crucial, it creates value and jobs.”

GILLES MARGALET
EXECUTIVE BOARD MEMBER

ALLYING INNOVATION AND JOBS

Automation should serve humans, not be to their detriment. Robots cannot do everything but may be used to avoid repetitive tasks, bringing more value to services carried out by humans. At GSF, innovation serves humans.



Making tasks less arduous for our staff is why GSF introduced an autonomous tracking cart to some test sites.



MORE THAN JUST A SURFACE TO CLEAN

What underlies all our client expectations is of course a surface to clean, but with a different approach each time. The aim is to build client loyalty for services articulated around the main product, cleaning; this is possible thanks to innovation, be it social, technical, methodological, or organisational.

“As an example of a successful social joint innovation, we have brought into one of our client’s premises as part of a continuous working pattern a staff member from a protected worker company. This is a complex three-part model, because this

staff member is managed by our team leader, but her wages are covered by her employer for all absences, holidays, training courses, etc... This a real human challenge because it means creating conducive working conditions and successful integration into the team. Backups must be available to cope with time off, to ensure that this innovative model is sustainable in the long-term. The reason it’s been successful is that we spent time choosing the right candidate, ensuring that they wouldn’t be hindered by reasons such as travelling distances to work”, says Philippe Barroso, Regional Manager at GSF Aries.

Innovation

DIGITAL SOLUTIONS



GSF uses digital solutions that improve communications with clients, on the one hand increasing the traceability and flexibility of services, and on the other hand increasing the safety of on-site teams and improving their working conditions.

The GSF IT management department creates adapted tools to improve field data return and handling, which are the foundations of the tools used, always of course using appropriate data handling protocols.

— GSF BOX

This tool is used for planning, coordination and traceability in monitoring services between clients and GSF. The Box improves information for on-site agents.

— IMMERSIVE LEARNING

Since 2014, the Group has delivered e-learning programmes; these immersive training sessions will be offered in 2018 to agents working in agribusiness settings.

— ECLAT

An updated version of the GSF quality control software already in use with many clients will be brought in in mid-2018 for use on smartphone, after a successful test period in 2017.



— MOBILITY

A new generation of smartphones is being introduced for inspectors, allowing the use of a single device to access all the GSF digital applications.

— PACK EMBAUCHE

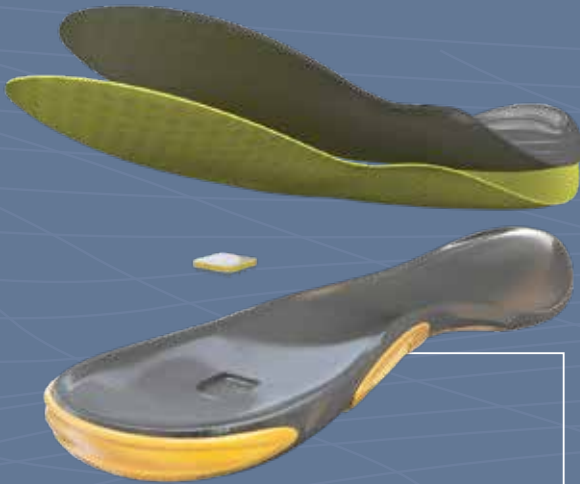
Currently being developing, the “Pack Embauche” recruitment software package enables an employment contract to be paperless and signed on a tablet computer.

— WEB PORTAL

Designed in 2017, and rolled out in 2018, the new client portal is accessible from all devices: computers, tablets and smartphones.

“ We are always on the lookout for digital solutions we can develop to streamline our operations. ”

LAURENT PRULIÈRE
DIRECTOR OF THE R&D DEPARTMENT



— SMART SOLES

TRAXXS soles will be rolled out in 2018 for all agents working alone, in case of falls or health issues.

SMART DEVICES

— «QUB»

The Axible smart cube is used on some sites, to diversify services and improve relations with clients. Clients can for example request a specific task.



— FLOBOT

We are part of the Flobot European project for the development of a new generation of entirely autonomous floor-cleaning robot for large rectilinear spaces. This cleaning machine will require no human intervention for recharging its batteries, emptying grey water or filling up on detergent.

Teamwork

WHAT OUR PEOPLE SAY



“It’s amazing- GSF lets us grow and climb the career ladder. It’s the perfect company if you want to progress.”

MARIA SIMOES



“They know they can rely on us.”

MOUSTAPHA COLY

“Every day I can rely on the support of my inspector and branch manager”

YULIYA BITYUTSKYKH



“GSF does everything it can to make us feel comfortable. They do their best for both clients and employees.”

DOBRILA JOVANOVIĆ



“We’re a great team.”

BOUALEM AMZAL



“At GSF you can progress very quickly. Three years ago I was a cleaning operative, now I’m a site manager.”

JOSÉ MORAIS





“Being responsible means finding the best solutions for our clients’ needs, then **evaluating, measuring and analysing the impact of our services.**”

Responsibility





Corporate Social Responsibility What it means to us

Our CSR approach, a long-held but constantly improving value, aims to address the expectations of our stakeholders, partners, clients and suppliers, and to control our environmental footprint.

Ambitious Policies

CORPORATE GOVERNANCE THAT SERVES OUR INDIVIDUALITY, OUR STAKEHOLDERS, AND OUR LOCAL FOOTPRINT

- >> Building on our values
- >> Being exemplary in every respect
- >> Reducing our environmental footprint
- >> Starting local charitable activities

SOCIALLY RESPONSIBLE PROCUREMENT IS CENTRAL TO OUR ETHOS

- >> Including product and equipment life cycle factor in the supplier selection process
- >> Safeguarding our purchasing processes



SOLUTIONS DESIGNED FOR SUSTAINABILITY AND CLIENT SATISFACTION

- >> Constantly innovating
- >> Client satisfaction and retention
- >> Supporting our clients with associated services
- >> Supporting our clients in their CSR and QSE actions

RESPECT AND SUPPORT EMPLOYEES AS THEY PROGRESS WITHIN THE COMPANY

- >> Ensuring a safe and fulfilling working environment
- >> Developing expertise and employability
- >> Promoting diversity and inclusion
- >> Promoting our brand as an employer

An efficient steering model

CSR COMMITTEE EXECUTIVE BOARD MEMBERS AND REGIONAL COMPANY REPRESENTATIVES

Ratifies and directs the Group's CSR strategy

QSE COORDINATORS

Explain and promote strategies on site



CSR UNIT

Implement the CSR strategy and collect progress indicators

REGIONAL DIRECTORS

Promote actions and strategy within their company

BRANCH MANAGERS

Ensure the CSR strategy is implemented.



Human values

Our 34,067 colleagues working on our clients' premises are the standard bearers for our commercial undertakings. Thanks to our training programme, our promotion strategy, and our high management-staff ratios, our people identify strongly with GSF, and this is expressed in their know-how and attitudes.

Prevention

>> At least one specialist preventative posture counsellor has been trained in every branch. This network of preventative counsellors helps us further improve our health and safety rates.

>> We spent nearly 2.5 million euros in 2017 on PPI equipment for our employees (up 9% from 2016 to 2017).

Regulations

>> Scheme set up to collect the Group's key indicators, in accordance with *Loi Sapin 2*.

53

BRANCHES ARE SAFETY-ACCREDITED under ILO-OSH 2001 or OHSAS 18001 (triple QSE certification), ie 42% of GSF France

2.79

CONTRIBUTION RATE FOR OCCUPATIONAL ACCIDENTS AND ILLNESSES

IE **32%** LESS THAN THE AVERAGE FOR THE SECTOR

For GSF France (FEP data)

A STREAMLINED ORGANISATION, SERVING THE BRANCHES

Our support services are designed to support branches on a daily basis. For example, and given the extremely busy year, our legal and social affairs department supported employees in the following actions: an agreement and a charter on rights to offline time were signed by every branch, and action plans will be implemented during 2018. With General Data Protection Regulations coming into force in May, there will be a nominated data protection officer.

Our obligations under the Sapin 2 law were also reflected: an alert collection system was set up, and we made changes to our voluntary ethical and reflective charter on vigilance. All of these changes are naturally supported by training courses, field work support materials and information-sharing with our clients.



“

Giving the best advice on legal and regulatory changes to support agents in the field, especially when they are faced with any kind of difficulty, helping them to give the best possible recommendations, and anticipating any changes, such are our aims and the building blocks of our ethos. ”

NATHALIE DELATTRE
DIRECTOR, LEGAL AND SOCIAL AFFAIRS

PREVENTION AND SAFETY: CONSTANT VIGILANCE

GSF's prevention, health and safety policy has the twin goals of protecting both GSF employees and the end client on sites where safety can be impacted by poor-quality service. The severity rate of workplace accidents at GSF has been below the average for the sector for more than 10 years. Nine branches have a severity rate below the target of 1.5 set by the Board. A newly set up Workplace Accident and Occupational Disease unit optimises branches' safety activities and provides legal and financial support.

The health and safety challenge

Prevention and safety are unwaveringly incorporated into daily activities, with every accident analysed to avoid it happening again. To underline the value GSF places on safety, every branch runs a competition annually, aimed at team leaders, the key actors of our policy. In every branch, a panel awards a prize to the three best team leaders of the year in terms of H&S.

Our workplace health and safety figures:

	2015	2016	2017
Workplace accidents ¹	979	949	1,093
Frequency rate ²	35.92	34.88	36.85
Severity rate ³	2.46	2.26	2.37

1 - Absence exceeding 24 hours due to work-related accidents

2 - Number of work accidents resulting in absence, per million work hours

3 - Number of days of absence due to work-related accidents, per thousand work hours

The employability challenge

The cleaning industry is facing challenge and change: more complex tasks, greater demand for traceability, the use of digital tools and even autonomous connected machines. We firmly believe that training and integration are powerful levers to facilitate these changes.

29%

OF INSPECTORS
APPOINTED IN 2017
CAME FROM INTERNAL
PROMOTION

84%

OF BRANCH MANAGERS
AT 31/12/17 WERE
PROMOTED INTERNALLY

911

NUMBER OF
APPRENTICES IN 2017
UP **20%**
FROM 2016 TO 2017

129

NATIONALITIES WORK
WITHIN THE GROUP



Creating employee loyalty

28% of our employees (at 31/12/2017) have at least 10 years' seniority within the Group (higher than the latest data for the profession, which stood at 21% in 2017).

This is the direct result of the daily effort from site managers in generating employee loyalty, developing feelings of belonging and to display the respect in everyday work that is one of the Group's core values.

“To attract candidates who are truly in keeping with GSF values, we are going to implement a recommendation policy, so that all our co-workers effectively become ambassadors for the GSF brand. We're also going to use video as a recruitment tool. The image we transmit of our profession is crucial to our activities. Know-how can always be learned from training courses, induction programmes, and management support. Knowing how to carry oneself is a basic requirement for our applicants.”

VINCENT RÉ

DIRECTOR OF SKILLS MANAGEMENT AND INTERNAL PROMOTION

WE FAVOUR INTERNAL PROMOTION

The match between candidates' professional ambitions and their potential is assessed by means of interviews both with managers and with the Skills Management and Internal Promotion department. This fine-tuned process to spot talent results in a job retention rate above 92% after one year, vs a DARES multisector average of 63.9%.

Because on average in 2017 only 20% of applicants for inspector roles were women, we continued our efforts to promote the company to female candidates, via professional social media networks and via partner companies such as recruitment agencies, job centres, etc. Through these initiatives 24% of our recruits to inspector roles in 2017 were women.

SUPPORTING DISABLED PEOPLE INTO EMPLOYMENT

GSF has since 2012 registered more than 7% of disabled employees: actions targeting the employment of disabled people are effective and long-lasting. Alongside well-established partnership with AGEFIPH, Cap Emploi, Hanploi, etc.... we aim now to extend this approach to all our roles.

Training and awareness-raising activities are organised for the management team. We held poster campaigns at Sophia Antipolis and Bagnolet, aimed at tackling employee perceptions of a variety of issues such as non-visible disabilities.

In order to improve the integration of disabled workers, a mentor can be nominated to support the disabled worker in their job throughout their working life, offering support for example with work relationships or organisational skills. This of course happens with the agreement of the employee. The mentors who offer themselves have all worked at the company for at least 5 years. This scheme is a concrete representation of GSF's core values of proximity and respect.

7.51%

OF WORKERS EMPLOYED
ARE DISABLED

77%

OF SITES EXCEED THE
LEGAL REQUIREMENT
OF DISABLED WORKERS
(CURRENTLY 6%)



SINCE 2014

The employability challenge

360

NUMBER OF CQP
CERTIFICATES STARTED
DURING THE YEAR

84

EMPLOYEES
FOLLOWED FRENCH
LANGUAGE CLASSES

GSF has remained loyal to its founding values since its creation: the human dimension is a core value of the Group.

With the support of a literacy charity, **#Stopilletrisme**, the company is fighting against language barriers by giving classes to its employees. Through the French and English lessons offered to operators, site managers and inspectors, every effort is made to ease the integration of workers into GSF.

Virtual university opened July 2015

This distance learning platform is open to all GSF employees; it supplements classroom-based learning, accredits basic skills where necessary, and addresses branches' need for flexibility. Trainees may take their module wherever they like, as long as their tutor is available to support their progress.

TRAINING, A KEY TO INTEGRATION

We have long considered training to be not an obligation, but an effective vector for our corporate responsibility. 2.57% of the wage bill is spent on training. Developing the employability of our employees by setting up secure pathways for each job and sector enables us to address the challenges of evolving jobs and professional practises.

Individual training accounts are monitored using our IT system and we can draw up a summary of every employee's professional history, including training courses, pay rises, job changes, and any professional certificates awarded.

	2015	2016	2017
Hours of training ¹	119,078	128,955	146,393
Number of employees trained ²	9,043	11,170	13,188

1 - Excluding leave for training – CIF – professional training contracts

2 - Excluding CIF and professional training contracts

360 CQP certificates started during the year

CQP (professional qualification contracts) are delivered for skills recognised by the trade body the "Fédération des Entreprises de Propreté" (federation of cleaning companies). They are an expression of effort and commitment of the employees with the support of their managers. This ambitious policy begun many years ago has been widely rolled out. Most certificates are taken as part of a training contract. Passing exams is a concrete expression of the willingness of these women and men to enhance their skills and gain recognition.



“Tremplins GSF”, a study in success...

At 31st December 2017, nearly 7% of GSF employees were under 25 years old, which proves that jobs in cleaning and associated services are attractive and offer interesting promotion prospects. To make the most of dynamic, the Group launched back in 2012 “*Tremplins GSF*”, or Springboards, a competition aimed at students studying for technical baccalaureates in Environmental services, and Nuclear Environments. This initiative enables teams of up to 5 students to experience a unique group professional experience that will boost their CV. The teams submit concrete and innovative projects, with the support of a GSF mentor and teaching staff from their school.

A panel then chooses the best solution in the remit of the cleaning sector. The group is thus able to assist colleges with their learning objectives, students wishing to enter a demanding but very interesting job, and also benefits from spotting future GSF innovations.

In 2017, the winning teams were recognised for creating an app designed to ease contact between GSF and its clients, for a comparative study of the various ways of purifying air to remove formaldehyde, and for a pre-work warm-up protocol for staff that helps avoid muscular and skeletal problems.

“ Seeing young people collaborate over an activity, a project, and learn to work together, is a source of great satisfaction.

SERGE LUNARDELLI
HEAD OF GSF APPRENTICESHIPS

”

Encouraging initiative

As well as aiming for excellence in all our activities, we try to identify and support our employees' CSR initiatives. The "Coup de Pouce" (Helping Hand) competition is aimed at providing funding for committed employee initiatives with an environmental or charitable dimension.

F EEDBACK ON THE FIRST YEAR

The winners of this project's first edition fed back to GSF about how the money paid over to their associations had been spent.

For example, **Les Beachas** was able to "*organise new activities to boost cross-generational links between children and retired people, to buy a sewing machine, and some garden games*". Laurence Benit, operator at GSF Ariane, along with the volunteers and children of the **Kergomard Social and Cultural centre** users' group, was able to arrange a musical event. A song written by the children explained why sorting recycling is important. Being environmental, joyfully and with your friends, is entirely possible...

Jordane Coutet, a GSF Mercure inspector in the healthcare setting unit, and a volunteer at **Ô Gré des Vents**, was able to take four multiply disabled holidaymakers to the Ardèche for a short break subsidised by the "Coup de Pouce" prize.

Early in 2018, we handed over the second batch of prizes in this competition. Some of the applications had a more international dimension, revealing the generosity of our employees and their openness to the world. The diversity of our teams also is reflected in their involvement: often, a personal initiative attracts colleagues into an emotionally rewarding experience.

"Without GSF's support, we wouldn't have been able to do everything".

HÉLÉNA GROLIER

TEAM LEADER GSF CELTUS

VOLUNTEER AT LES BÉACHAS.



The winners with their team leaders.



2017 winners

PAMÈLA GILLARD
TEAM LEADER GSF ATHÉNA

CATEGORY **Solidarity and social integration**

Winner for **“Protection Civile de la Vienne”**, an organisation that supports people in their emergency accommodation needs; they wished to buy beds and other items that could be easily moved in the event of a natural disaster, fire or terrorist attack. *“I applied for this challenge for a second time, and on behalf of Protection Civile, I’d like to thank GSF, which is going to help us increase our stock ready for when we need it.”*

MARIE MANITA ELIEN
TEAM LEADER GSF GRANDE ARCHE

CATEGORY **Judges’ special award**

Winner on behalf of **“Frères Unis”** which is building a primary school for 250 children in Gressier, Haiti. Thanks to this award, 2 additional classes will be available for the children. *“I’m really committed to this amazing project, and I would like to thank all the GSF Grande Arche managers for their contribution and support”.*

“ Looking after our employees’ well-being is a core GSF value, and one that is staunchly defended by our CEO Jean Louis Noisiez. Our jobs demand commitment every day, and I am always touched to discover the hidden side of GSF men and women dedicating themselves to generous, altruistic organisations either locally or abroad. These are the values of sharing and respect that we want to reward through the “Coup de Pouce” scheme. We highlight some initiatives, but I’m sure that many other altruistic people modestly staying out of the limelight. This also is a GSF value, and I’d like to warmly thank all those who are quietly helping their nearest and dearest.

”

FRANÇOIS LEFORESTIER
EXECUTIVE DIRECTOR,
GSF SAS
“COUP DE POUCE”
PANEL CHAIR

Helping to protect the environment

Over
50%

RISE IN THE
PROPORTION OF
ECO-FRIENDLY
PRODUCTS
PURCHASED SINCE
2014,
I.E. **53%**
IN 2017



Taking account of environmental challenges in addressing our stakeholders' expectations translates in practise into a twin vision: reducing the ecological footprint of our operation, and supporting our clients in their CSR/ QSE strategies. This can only happen when we use our responsible purchasing policy to be a key partner to our suppliers.

Fully aware that our purchasing decisions have an impact not only on the quality of our services to our clients, but also on our suppliers' policies in terms of product offer, we have for several years used a genuine and recognised responsible purchasing strategy. We must extend our use of it. Introducing new suppliers, understanding the issues, and suggesting new ideas and solutions, the purchasing department innovated in 2017 and decided to pre-empt our subsidiaries. In October for example, around 30 listed suppliers came to present their know-how to

a client, in the shape of a GSF branded stand.

This day brought together all the stakeholders in a collaborative fashion. *"The idea is that branch managers and inspectors can meet us, along with our suppliers, to take an interest in innovative solutions that meet their needs"*, says Marie Calautti, Deputy Director of the purchasing department. Five other days of this kind are planned for five other clients of the group. Getting as close as possible to the grassroots, convincing people of the opportunity offered by bringing innovation into already very efficient –and therefore very habit-based, cleaning processes, enables teams to be reflective, more creative and less conformist.

"Bringing our suppliers together for a half day of face-to-face communication is a real vector for change and a way of bringing innovation into our jobs."

LAURENT BOITELLE
REGIONAL DIRECTOR
GSF AURIGA

“

Like everywhere else, we at GSF play a part in society and must do everything we can to conserve the planet's resources. This happens through audits, environmental days, steering committees and management reviews, allowing us to improve the way our branches manage their consumption and to start thinking about using renewable energies. ”

JEAN-LUC TROIA

MANAGER OF THE INDUSTRY, ENVIRONMENT AND ENERGY
UNIT OF THE R&D DEPARTMENT

MANY PROFESSIONS ARE FACING A RANGE OF ENVIRONMENTAL CHALLENGES

Transmitting environmental and energetic values has meaning only if everyone unites over these increasingly relevant and concerning issues. At GSF, this involves the R&D, Legal, IT, Training, Purchasing, Buildings, Travel and Vehicles departments. To date, this teamwork has brought to life and run two accredited management schemes on the following themes: Environment (ISO standard 14 001:2015) and Energy (ISO standard 50 001). Delegated waste management also plays a part in protecting the environment.



30

million Euros

SPENT ON PRODUCTS AND MATERIALS
MEETING CSR CRITERIA



Taking up the mobility challenge!

As part of the *European Mobility Week*, which tries to promote more sustainable transport, employees at GSF Sophia-Antipolis were encouraged to explore different ways of travelling to work other than driving alone in their car. By bus, car sharing, by (electric) bike... many new and different means of transport were tested on the 21st September for the mobility challenge, totaling 2,385 km. At 67%, car sharing was by far the most popular choice, but special praise must go to the employee who cycled 50 km to and from work. The ADEME declared GSF as the winner of the 100 to 499 employee category.

46%

OF THE GROUP'S COMPANIES ARE
ISO 14001 CERTIFIED

100%

OF THE GROUP'S COMPANIES ARE
ISO CERTIFIED ISO 50001

CSR performance indicators

AREA	INDICATORS	2015	2016	2017	STANDARD		
					*	**	***
ECONOMIC INFORMATION							
GOVERNANCE	Managers trained in governance rules, including anti-corruption laws	100%	100%	100%	Article 1-3°-d	S03	-
	Companies accredited ISO9001:2015	100%	100%	100%	-	-	-
SOCIAL							
EMPLOYMENT	Total Staff (at 31/12)	29.718	30.660	31.731	Art. 1-1°-a	LA1	8
	Total Staff per job type	Operatives 87% Team Leaders 8% Employees, technicians and supervisors 4% Management 1%	Operatives 87% Team Leaders 8% Employees, technicians and supervisors 4% Management 1%	Operatives 87% Team Leaders 8% Employees, technicians and supervisors 4% Management 1%	—	LA1	8
	Percentage of permanent contracts	83%	84%	85%	—	LA1	8
	Employees covered by a collective agreement	100%	100%	100%	—	LA4	8
	Number of apprentices	607 training contracts 116 apprenticeship contract	639 training contracts 124 apprenticeship contract	753 training contracts 158 apprenticeship contract	—	—	10
	Number of apprentices employed at the end of their apprenticeship (permanent and temporary)	107	263	114	—	—	10
	Age profile of employees	8% under 25 57% between 25 and 45 35% over 45	7% under 25 56% between 25 and 45 37% over 45	7% under 25 55% between 25 and 45 38% over 45	—	LA1	10
	Working hours	72% part-time 28% full-time	71% part-time 29% full-time	70% part-time 30% full-time	Art. 1-1°-b	—	8
	Turnover rate for people on permanent contracts	17%	17%	19%	Art. 1-1°-b	—	—
	Absence rate in relation to average working hours	8.58%	8.75%	9.06%	Art. 1-1°-b	—	—
OCCUPATIONAL HEALTH & SAFETY	Workplace accidents with days lost over 24 hours	949	979	1 093	Art. 1-1°-d	LA7	3
	Frequency of workplace accidents (number of workplace accidents with days lost, per million hours worked)	35.92	34.88	36.85	Art. 1-1°-d	LA7	3
	Frequency of workplace accidents 2 (number of workplace accidents with or without leave per million hours worked)	54.46	53.15	54.22	Art. 1-1°-d	LA7	3
	Severity rate (number of days' absence caused by workplace accidents, per thousand hours worked)	2.46	2.26	2.37	Art. 1-1°-d	LA7	3
	Rate of workplace accidents and occupational disease	3.05	2.96	2.79	Art. 1-1°-d	LA7	3
	Number of fatal accidents	0	0	0	Art. 1-1°-d	LA7	3
	Number of occupational diseases (with or without leave)	86	106	101	Art. 1-1°-d	LA7	3
	Number of MASE-certified sites	18	18	18	Art. 1-1°-d	—	3
EDUCATION & TRAINING	Total number of training hours dispensed to employees (except for CIF training contracts and training contracts)	119,078	128,955	146,393	Art. 1-1°-e	LA10	8
	Total number of training hours granted to employees under vocational training contracts	84,115	58,271	30,940	Art. 1-1°-e	LA10	8
	Proportion of the wage bill spent on training	2.63%	2.63%	2.57%	Art. 1-1°-e	LA10	8
	Number of professional qualification certificates started during the year	304	401	360	Art. 1-1°-e	LA10	8
	Number of employees taking the Gestures and Posture module (7hrs training)	668	535	1,101	Art. 1-1°-d,e	LA10	3
	Number of employees trained in eco-friendly driving (7hrs training)	25	89	24	Art. 1-1°-e, 1-2°-a	LA10	11
SOCIAL RELATIONS	Number of agreements signed	28	82	80	Art. 1-1°-c	LA9	5
	Number of new cases before the adjudicator	285	125	100	—	—	5
DIVERSITY AND EQUAL OPPORTUNITIES	M/F parity overall staff numbers	33/67%	33/67%	33/67%	Art. 1-1°-f	LA13	5
	M/F parity management staff	55/45%	55/45%	55/45%	Art. 1-1°-f	LA13	5
	Rate of disabled staff compared to global staff	7.5%	7.9%	7.5%	Art. 1-1°-f	LA13	10
	Companies achieving the 6% legal obligation	77%	75%	77%	Art. 1-1°-f	LA13	10

RESPONSIBILITY

* Article 225 - Loi Grenelle 2
 ** Global Reporting Initiative
 *** Sustainable Development Objectives

AREA	INDICATORS	2015	2016	2017	STANDARD		
					*	**	***
ENVIRONMENT							
EMISSIONS, EFFLUENT, WASTE	Total direct and indirect greenhouse gas emissions Legislative scope 1 & 2	NA	NA	Next study using 2019 data	Art. 1-2°-d	EN16	13
	Carbon footprint, air travel	476.7 tonnes equivalent CO ₂	515.6 tonnes equivalent CO ₂	870.5 tonnes equivalent CO ₂	Art. 1-2°-d	EN17	13
	Carbon footprint, rail travel	5.7 tonnes equivalent CO ₂	5.8 tonnes equivalent CO ₂	4.8 tonnes equivalent CO ₂	Art. 1-2°-d	EN17	13
	Average emissions GSF utility fleet	132.5	127	125	Art. 1-2°-d	EN17	13
	Average emissions GSF fleet excl utility vehicles	112	110	109	Art. 1-2°-d	EN17	13
	Proportion of turnover for chemicals with an ecolabel	46%	50%	6%	Art. 1-2°-c	EN1-EN2	3
	Proportion of turnover for environmentally friendly items	45%	47%	46%	Art. 1-2°-c	EN1-EN2	12
ENVIRONMENTAL MANAGEMENT	Number of ISO 14001-accredited establishments	43	48	58	Art. 1-2°-a	—	14-15
	Total Number of booklets "Mes gestes qui comptent au quotidien" handed out	17,400	22,850	24,750	Art. 1-2°-a	—	14-15
	Number of employees trained in eco-friendly gestures (7 hrs training)	99	145	123	Art. 1-2°-a	—	12

CSR indicators set out in this document cover GSF activities in France and Monaco. Subsidiaries abroad have their own approach within the group's framework and in keeping with local laws. All the group's activities are covered by the CSR strategy. Four reporting campaigns a year- one comprehensive annual report published yearly for the AGM, and three reports produced every four months on a restricted number of performance indicators. The reporting year is the calendar year 2017 from January 1st to December 31st.

Equivalence table

GLOBAL REPORTING INITIATIVE G4	ARTICLE 225 LOI GRENELLE 2	GLOBAL COMPACT PRINCIPLE	ISO 26000	PAGES
STRATEGY AND ANALYSIS				
1			6.2	3
ORGANISATION PROFILE				
3				Cover
4				6 and 7
5				Back cover
6				6 et 7
7				der. de couverture
8				16 to 27
9				6 to 9
10				64, 65
11				64
12				50
13				16 to 27
15				11
16			4.7	43
RELEVANT DETAIL AND SCOPES IDENTIFIED				
17				Financial pages
STAKEHOLDER INVOLVEMENT				
24-27				40
REPORT PROFILE				
28-30				41
31				68
GOVERNANCE				
33			6.2	67
34-35-36-38			6.2 et 7.4.2	5 and 6

GLOBAL REPORTING INITIATIVE G4	ARTICLE 225 LOI GRENELLE 2	GLOBAL COMPACT PRINCIPLE	ISO 26000	PAGES
ETHICS AND INTEGRITY				
56		Principe 10		42 et 43
SPECIFIC DETAILS				
Economics				
EC1	-		6.8.1	6
Environmental				
EN15	Article 1-2°-d	Principes 7, 8, 9	6.5.5	65
EN16	Article 1-2°-d	Principes 7, 8, 9	6.5.5	65
EN17	Article 1-2°-d	Principes 7, 8, 9	6.5.5	65
EN30	Article 1-2°-c	Principes 7, 8, 9	6.6.6	65
Social				
LA1	Article 1-1°-a	Principe 4 et 5	6.4	64
LA4	Article 1-1°-c	Principe 4		64
LA6	Article 1-1°-d		6.8.8	43 and 64
LA9	Article 1-1°-e		6.8.5	47 and 64
LA13	Article 1-1°-f	Principe 6	6.3.7	64
LA14			6.6.6	50
Human rights				
HR1		Principe 1 et 2	6. 3. 10	65
Society				
S01	Article 1-3°-b		6.8	46,48 and 49
S04		Principe 10	6.6.3	43
Product responsibility				
PR1	Article 1-3°-d		6.6.6	50 and 65



Accounts and annexes

2017 consolidated financial position

CONSOLIDATED FINANCIAL POSITION AT 31ST DECEMBER

IN THOUSANDS OF EUROS

SUMMARY OF ASSETS	2017	2016
Fixed Assets		
Intangible assets	10,466	7,066
Tangible assets	75,110	74,815
Financial assets	1,203	1,181
Current Assets		
Inventories and Trade Receivables	1,103	970
Accounts Receivable	134,151	129,961
Other Receivables and Accruals	90,448	72,163
Investment Securities	5,410	5,405
Liquid Assets	73,960	60,879
Total Assets	391,850	352,439
LIABILITIES		
Equity (Group's shares)		
Capital	9,000	9,000
Premiums	984	984
Consolidated reserves	87,534	71,267
Consolidated income	37,413	27,160
Minority interests	1	1
Contingencies and Loss Provision	35,444	34,471
Debt		
Borrowings and Financial Debts	11,678	12,825
Accounts payable and related accounts	26,476	27,660
Other Liabilities, Accruals and Deferred Income	183,320	169,071
Total liabilities	391,850	352,439

CONSOLIDATED BALANCE SHEET AT 31ST DECEMBER

IN THOUSANDS OF EUROS

	2017	%	2016	%
Revenue	847,474	100	795,827	100
Operating Revenue	14,332	1.36	10,391	1.31
Consumables Costs	27,821	3.28	26,490	3.33
Staff costs	617,185	72.83	577,910	72.62
Other operating costs	114,304	13.49	105,420	13.25
Taxes and duties	31,488	3.72	31,503	3.96
Depreciation and Provisions	32,954	3.89	32,956	4.14
Operating Income	38,053	4.49	31,938	4.01
Financial Charges and Income	693	0.08	679	0.09
Current Income of Integrated Companies	38,746	4.57	32,618	4.10
Exceptional Income and Expenses	4,057	0.48	574	0.07
Income tax	5,390	0.64	6,031	0.76
Net Profit of Consolidated Companies	37,413	4.41	27,160	3.41
Net Profit of the Consolidated Group	37,413	4.41	27,160	3.41
Net profit (Group share)	37,413	4.41	27,160	3.41
Profit per share (in Euros)	176		128	

Annexe to the consolidated financial statements

SCOPE OF CONSOLIDATION PERIMETER

Consolidation Methods

Companies coming into the perimeter are consolidated using the following methods:

- accounts of companies placed directly or indirectly under GSF's exclusive control are consolidated using the full consolidation method. Control exists where GSF SAS has the power, whether directly or indirectly, to direct the financial and operational policies of the organisation in order to take full advantage of its activities;
- significant companies over which GSF exerts especial influence, in particular through a shareholding of at least 20% of voting rights, are accounted for using the equity method.

Changes to the consolidation scope

ETS Global Services was set up in Monaco and specialises in supplying associated services.

ACCOUNTING PRINCIPLES, VALUATION METHODS AND CONSOLIDATION METHODS.

The accounts were consolidated in accordance with current French legislation, particularly the regulations of the Accounting Regulations Committee 99-02.

Reporting Date

All the consolidated companies have selected a reporting date of 31/12/2017

These consolidated accounts were passed on 19th April 2018 by the company board of management.

Conversion method

The accounts of foreign companies are held in their operating currency.

The conversion method used for consolidating foreign companies' accounts is the closing rate for balance sheets, and average exchange rate for management accounts. Translation differences are recorded in equity and do not affect earnings.

Transactions denominated in foreign currency are converted at the exchange rate in force at the time of the transaction. At the year-end, payables and receivables denominated in currency are converted at the exchange rate at year-end. Translation differences resulting from transactions in foreign currency are included in the profit and loss account.

Revaluation of accounts

No revaluation of the accounts has been noted. Capital gains from contributions under the various merger and takeover operations carried out in the past have been offset.

Goodwill and valuation adjustments

Consolidation goodwill occurring when a subsidiary is first brought into the perimeter of the group, is allocated within one year to specific assets and liabilities. These valuation adjustments are then subject to the accounting methods governing the balance sheet items to which they have been allocated, as defined below.

Any residual unallocated goodwill is recorded in the "goodwill" budget line, amortised over ten years, pro-rated for the first year. Extraordinary depreciation may be registered where the subsidiary's activity and profitability prospects justify it.

Intangible assets

Any intangible assets purchased by GSF are accounted using the historic cost method, minus any cumulated depreciation or loss of value. Setting up costs are allocated to expenses for the period.

Business capital is depreciated over a period that reflects its economic lifetime. Capital acquired to date is representative of a client base of family firms. For these relatively undiversified portfolios, we have opted for amortisation plans of between 5 and 10 years. Software is amortised using the straight-line method.

Tangible assets

The gross value of tangible assets is their purchase price, and has not been revalued.

When an asset can be split into components with a separate use, or generating economic benefits at different rates, each component shall be accounted for separately or using a separate depreciation plan.

The straight-line method has been chosen for depreciating subsidiaries. Standardised calculations have been performed for the whole group, based on likely lifecycles, and pace of earnings drawn from operating the assets or their components. These lifecycles fall within the following ranges:

	Lifecycle
Buildings	20-33.33 years
Materials and tools	3-10 years
Transport materials	3-5 years
Office materials	3-6.67 years

There is marginal use of leasing or similar contracts. Any assets made available to companies consolidated under such agreements are therefore not registered as assets on the balance sheet.

Financial assets

Equity investments in non-consolidated companies are registered at their purchase price. These are companies over which GSF has neither control nor significant influence. Where relevant, a provision for depreciation is noted to bring them to their value in use. This value is calculated using the revalued share of net assets and profit forecasts.

Loans, deposits and other long-term receivables are calculated at their face value.

Inventories

Inventories are calculated at their purchase price. A provision for depreciation is made if the net realisable value is lower than the value noted.

Trade accounts and other receivables

Client receivables are registered at face value. Depreciation is performed if the inventory value is lower than book value.

Receivables over 6 months old are systematically provisioned at 50%. This rate is increased to 100% if the debt is over 1 year old.

Marketable Securities

Marketable securities are valued at their historic cost. These mainly comprise Sicav money market funds or negotiable deposit certificates taken out with leading financial institutions. The group does not hold any publicly listed shares.

Where the book value is lower than gross value, a provision for depreciation is made for the difference in value.

Deferred taxes and income tax

The income tax bill is the sum of the taxes payable by each consolidated fiscal entity, adjusted for deferred taxes.

Deferred taxes, calculated using the liability method, come from all the temporary differences between being recognised in the accounts and their inclusion in later taxable earnings. These differences are understood in their wider concept.

Deferred tax assets are accounted for where they are likely to become concrete. Tax deficits of companies within the consolidated perimeter are registered as deferred tax assets where they can be deferred indefinitely. Deferred tax assets are registered on deferrable tax losses of consolidated entities only if it is likely that the entities will be able to get them back through a taxable benefit expected during the validity period of the deferred tax asset. The French regime on fiscal consolidation allows some companies to offset their taxable income when working out their overall tax bill, for which only the parent company, GSF SAS, is liable.

Internal transactions

Intercompany accounts and earnings from consolidated companies are written off whenever their presence is likely to distort the image of the group as given in the consolidated accounts.

Provisions

A provision is accounted for in the balance sheet when GSF has a current or constructive obligation from a past event, and where an outflow of resources will be required to extinguish the obligation.

These are estimated on the basis of the most likely scenarios.

Pension commitments

Pension commitments are accounted for in accordance with regulations of the Accounting Regulations Committee no 99-02, and with ANC Recommendation 2014-02. These apply only to working employees.

Our calculations are carried out using the projected unit credit actuarial method. They are calculated for every individual and the results are consolidated at group level.

Under this method, the actuarial value of future benefits (AVFB) is worked out by calculating the amount of benefits due at the date of retirement, considering salary projections and length of service at that date, along with discount factors and probability of the employee's presence and likelihood of survival until retirement date. That value is the single immediate premium that would be required to finance the retirement package on the basis of the assumptions set out below.

The commitment represents the share of this actuarial value of future benefits which is considered relative to the time spent at the company prior to assessment date. This commitment is calculated by applying to the AVFB the ratio between length of service at the valuation date to length of service at retirement date.

From the commitment thus calculated are subtracted retirement plan assets related to the share of retirement pay-outs covered by an insurance policy.

Actuarial gains and losses are deferred to the balance sheet and presented as increases to the actuarial liabilities if they are gains, or decreases if they are losses. Their amount is adjusted to account for any further actuarial differences that may appear during the reporting period. Their cumulated amount for the period is then amortised.

MAIN ASSUMPTIONS USED TO CALCULATE RETIREMENT COMMITMENTS:

Retirement arrangements:

- for executives, technicians and supervisors: retirement at 65 years old.
- for clerical employees and workers: voluntary retirement.

Long-term inflation rate

- 1.75% per year

Discount rate

- 1.3%

Employer contributions

- 50.29% for managers
- 40% for employees

Retirement tax

- 50%

Notes to the balance sheet items, profit and loss account and their changes

INTANGIBLE ASSETS

IN THOUSANDS OF EUROS

Analysis of the change in gross intangible assets by nature	Concessions, patents, etc.	Goodwill	Other	Total
START OF PERIOD	17,360	7,745	3,540	28,645
Increases for the period	997		5,294	6,291
Decreases for the period	-249			-249
Transfers	779	-165	-779	-165
Impact of changes in foreign exchange rates		-431	-57	-488
END OF PERIOD	18,886	7,149	7,998	34,033

Analysis of the change in amortisation of intangible assets by nature				
START OF PERIOD	13,818	7,287	474	21,579
Increases	2,734			2,734
Reversals and decreases	-249			-249
Transfers		-14		-14
Impact of changes in foreign exchange rates		-425	-57	-482
END OF PERIOD	16,303	6,848	417	23,568

Analysis of intangible assets and their amortisation by geographical region	Gross values	Depreciation, amortisation and provisions	Net values
France	26,732	-16,266	10,466
Canada			
Spain	37	-37	
Great Britain	5,110	-5,110	
United States	2,155	-2,155	
TOTAL	34,034	-23,568	10,466

PROPERTY, PLANT & EQUIPMENT

IN THOUSANDS OF EUROS

Analysis of the change in gross property, plant and equipment by nature	Land	Buildings	Technical installations, plant and machinery	Other property, plant and equipment	Assets under construction and advances	Total
START OF PERIOD	3,759	45,859	94,148	72,456	1,756	217,978
Acquisitions and increases		23	17,738	6,992	1,714	26,466
Disposals and decreases			-13,346	-4,082		-17,427
Transfers			1,682	232	-1,748	165
Impact of changes in foreign exchange rates	-4	-38	-525	-312		-879
END OF PERIOD	3,755	45,844	99,696	75,286	1,722	226,303

Analysis of the change in depreciation of property, plant and equipment by nature					
START OF PERIOD	25,481	66,680	51,003		143,164
Increases		1,634	15,694	7,394	24,721
Reversals and decreases			-12,576	-3,514	-16,090
Transfers				14	14
Impact of changes in foreign exchange rates		-8	-408	-200	-615
END OF PERIOD	27,107	69,390	54,696		151,193

Analysis of property, plant and equipment and their depreciation by geographical region	Gross values	Depreciation, amortisation and provisions	Net values
France	215,923	-143,965	71,958
Canada	2,632	-1,471	1,162
Spain	408	-359	50
Great Britain	1,638	-1,298	340
United States	5,701	-4,101	1,600
TOTAL	226,303	-151,193	75,110

ACCOUNTS AND ANNEXES

NON-CURRENT FINANCIAL ASSETS

IN THOUSANDS OF EUROS

Analysis of change in gross non-current financial assets by nature	Equity investments	Other capital assets	Total
GROSS VALUE AT START OF PERIOD	25	1,156	1,181
Increases for the period		94	94
Decreases for the period		-66	-66
Impact of changes in foreign exchange rates		-6	-6
GROSS VALUE AT END OF PERIOD	25	1,178	1,203
Impairment provisions			
NET VALUE AT END OF PERIOD	25	1,178	1,203
Other non-current assets mainly consist of deposits and guarantees paid and related amounts.			
Analysis of non-current financial assets and their provisions by geographical region	Gross values	Depreciation, amortisation and provisions	Net values
France	995		995
Canada	91		91
Spain	117		117
TOTAL	1,203		1,203
Breakdown of non-consolidated equity investments	2017		2016
Interests below 20%	25		25
GROSS VALUE	25		25

INVENTORIES

IN THOUSANDS OF EUROS

	2017	2016
Raw materials	1,103	970
GROSS VALUE	1,103	970
Impairment provisions		
NET VALUE	1,103	970

OTHER RECEIVABLES

IN THOUSANDS OF EUROS

	2017	2016
Advances and payments on account in respect of orders	612	343
Sundry debtors	77,224	59,972
Accruals	1,856	1,858
Deferred tax assets	10,756	9,989
GROSS VALUE	90,448	72,162
Impairment provisions		
NET VALUE	90,448	72,162

EQUITY

IN THOUSANDS OF EUROS

	Capital	Premiums	Consolidated reserves	Net income (Group share)	Total
AT 31/12/2015 BEFORE DISTRIBUTION	9,000	984	71,267	27,160	108,411
Allocation of income			16,993	-27,160	-10,167
AT 31/12/2015 AFTER DISTRIBUTION	9,000	984	88,260		98,244
Change in translation adjustment and similar			-726		-726
Net income, Group share				37,413	37,413
AT 31/12/2016 BEFORE DISTRIBUTION	9,000	984	87,534	37,413	134,931

GSF share capital was at 31st December 2017 comprised of 211,822 shares of a face value of 42.49 euros.

No securities were issued other than the shares making up the share capital. In the absence of an instrument giving rights to a deferred access to GSF SAS share capital, the net income per share is equal to income diluted per share, which stood at 176.62 euros. This was calculated by dividing the consolidated net income by the weighted average number of shares in circulation at the end of the period.

PROVISIONS FOR LIABILITIES AND CHARGES

IN THOUSANDS OF EUROS

	2017	2016
Provisions for liabilities	5,412	6,677
Provisions for charges	4,016	3,651
Provisions for pension commitments	26,013	24,120
Provisions for deferred taxes	3	23
TOTAL	35,444	34,471

LOANS AND FINANCIAL LIABILITIES

IN THOUSANDS OF EUROS

Financial liabilities reported in the balance sheet break down as follows:

	2017	2016
Amounts due to financial institutions	30	90
Sundry liabilities	1,035	2,312
TOTAL BORROWINGS AND SIMILAR DEBTS	1,065	2,402
Bank loans and overdrafts	10,613	10,423
TOTAL LOANS AND FINANCIAL LIABILITIES	11,678	12,825

Bank borrowings are all fixed-rate liabilities.

Sundry liabilities mainly consist of employee profit-sharing reserves.

Borrowings and similar debts have a residual maturity of:

	2017	2016
Between one and five years	1,010	1,010
Less than one year	55	1,392
TOTAL	1,065	2,402

By currency, these borrowings and similar debts break down as follows:

	2017	2016
Euro	924	2,176
Canadian dollar	129	226
US dollar	12	
TOTAL	1,065	2,402

OTHER LIABILITIES

IN THOUSANDS OF EUROS

	2017	2016
Advances and payments on account in respect of orders	2	1
Tax and social security liabilities	176,432	161,514
Sundry liabilities	6,699	7,230
Adjustment account	187	325
TOTAL OTHER LIABILITIES	183,320	169,070

FINANCIAL COMMITMENTS

GSF has not undertaken, or benefited from any financial commitment.

TURNOVER

IN THOUSANDS OF EUROS

	2017	%	2016	%
France	780,378	92.1	731,514	91.9
Canada	26,335	3.1	20,921	2.6
Spain	3,795	0.4	3,705	0.5
Great Britain	11,525	1.4	15,052	1.9
United States	25,441	3.0	24,635	3.1
TOTAL	847,474	100	795,827	100

STAFF COSTS AND HEADCOUNT

IN THOUSANDS OF EUROS

Staff costs	2017	2016
Employee compensation	502,620	468,493
Payroll costs	112,609	107,930
Employee profit-sharing	1,956	1,488
TOTAL	617,185	577,910

The CICE competitiveness and employment tax credit was registered among the social security expense, which were decreased by 24,860 thousand Euros.

AVERAGE HEADCOUNT

Average headcount of the Group during the year	2017	2016
Managerial	370	358
Clerical	1,348	1,269
Manual	32,349	30,873
TOTAL	34,067	32,500

OPERATING INCOME

IN THOUSANDS OF EUROS

Operating income by country is broken down as follows:	2017	2016
France	37,292	30,909
Canada	2	189
Spain	42	
Great Britain	325	339
United States	391	501
OPERATING INCOME	38,052	31,938

NET FINANCIAL INCOME

IN THOUSANDS OF EUROS

	2017	2016
Interest income and expenses	695	660
Income from foreign exchange	-2	4
Other financial income and expenses		15
NET FINANCIAL INCOME	693	679

EXTRAORDINARY INCOME

IN THOUSANDS OF EUROS

	2017	2016
Income from operations	3,491	290
Income from asset disposal	566	256
Non-recurring provisions		28
EXTRAORDINARY INCOME	4,057	574

INCOME TAX

IN THOUSANDS OF EUROS

Breakdown by tax type	2017	2016
Taxes payable	6,200	5,484
Deferred taxes	-810	547
TOTAL	5,390	6,031
Breakdown of deferred taxes in the balance sheet	2017	2016
Deferred tax assets	10,756	9,989
Deferred tax liabilities	3	23

TAX CONSOLIDATION

GSF SAS is the parent company of a tax group under the terms of Article 223 a and subsequent of the French general tax code. Tax consolidated companies are listed with consolidated companies.

ABSENCE OF BUSINESS SECTORS

The services delivered by the group all together constitute a whole, exposed to the same types of risk and return. Our operations are unitary and no further sectorial information is therefore necessary.

EVENTS OCCURRING AFTER YEAR-END.

We are not aware of any event occurring since the accounts closed that might challenge the consolidated accounts.

AUDITORS' FEES

The amount of fees paid to the auditors for the group's parent company and its subsidiaries is 904,830 euros.

ACCOUNTS AND ANNEXES

LIST OF FULLY-CONSOLIDATED AND TAX-CONSOLIDATED COMPANIES

Fully consolidated	Country	Interest (%)	Control (%)	SIREN	Tax consolidation
Ariane 80	France	100	100	319 598 454	-
GIE Université	France	100	100	340 102 961	-
Groserfon	France	100	100	321 352 403	Integrated
GSF Aéro	France	100	100	484 145 156	-
GSF Aérotech	France	100	100	811 258 367	-
GSF Airport	France	100	100	489 652 412	-
GSF Airport CDG	France	100	100	823 492 756	-
GSF Ariane	France	100	100	509 646 816	Integrated
GSF Ariès	France	100	100	439 117 698	Integrated
GSF Athéna	France	100	100	519 022 586	Integrated
GSF Atlantis	France	100	100	344 636 477	Integrated
GSF Atlas	France	100	100	439 118 449	Integrated
GSF Auriga	France	100	100	344 862 362	Integrated
GSF Celtus	France	100	100	344 483 003	Integrated
GSF Concorde	France	100	100	809 938 129	Integrated
GSF Energia	France	100	100	788 650 661	-
GSF Grande Arche	France	100	100	794 514 356	Integrated
GSF Jupiter	France	100	100	967 802 059	Integrated
GSF Logistic Services	France	100	100	815 289 475	-
GSF Mercure	France	100	100	308 185 503	Integrated
GSF Neptune	France	100	100	306 044 504	Integrated
GSF Opale	France	100	100	452 737 976	-
GSF Orion	France	100	100	344 382 874	Integrated
GSF Orion Nord	France	100	100	824 170 872	Integrated
GSF Nukléa	France	100	100	824 279 780	Integrated
GSF Phébus	France	100	100	537 020 216	Integrated
GSF Phocéa	France	100	100	384 983 482	Integrated
GSF Pluton	France	100	100	304 349 277	Integrated
GSF Services	France	100	100	824 218 291	-
GSF Saturne	France	100	100	306 795 600	Integrated
GSF Stella	France	100	100	502 107 477	Integrated
GSF Transnord	France	100	100	815 205 851	-
GSF Trévise	France	100	100	310 827 563	Integrated
SFR Conseil	France	100	100	344 106 455	-
Valis Aurélia	France	100	100	347 869 612	-
GSF Canada	Canada	100	100	-	-
GSF SPM	Spain	100	100	-	-
GSF GB Ltd	Great Britain	100	100	-	-
GSF London Ltd	Great Britain	100	100	-	-
L.I.H.	Great Britain	100	100	-	-
GSF Sandylight Ltd	Great Britain	100	100	-	-
ETS Monaco	Monaco	99,85	99,85	-	-
ETS Global Services	Monaco	100	100	-	-
GSF USA	United States	100	100	-	-

CASH FLOW STATEMENT

IN THOUSANDS OF EUROS

	2017	2016
NET INCOME OF FULLY CONSOLIDATED COMPANIES	37,414	27,160
Depreciation, amortisation and provisions	28,448	30,183
Change in deferred taxes	-806	580
Capital gains from disposals	-568	-246
CASH FLOW FROM FULLY CONSOLIDATED COMPANIES	64,487	57,677
Change in inventories	-133	-146
Change in trade receivables	-4,189	-16,069
Change in trade payables	-1,033	6,523
Change in other receivables and payables	-3,420	-11,810
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	55,711	36,176
Acquisition of fixed assets	-32,784	-31,692
Proceeds from the sale of fixed assets	1,906	2,180
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	-30,878	-29,512
Dividends paid to shareholders of the parent company	-10,167	-30,502
Loan issues and repayments	-1,324	-1,129
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-11,492	-31,632
NET CASH FLOW (A) + (B) + (C)	13,341	-24,968
Cash flow – opening balance	55,860	81,108
Cash flow – closing balance	68,757	55,860
Impact of fluctuations in foreign exchange rates	445	280

Auditors' report on the consolidated accounts



KPMG S.A.
Côte d'Azur
80, route des Lucioles
Sophia Antipolis
06560 VALBONNE
France



FIDEXCO FRANCE
19, rue Rossini
06000 Nice
France

FINANCIAL YEAR-END 31ST DECEMBER 2017

GSF (Groupe Services France) S.A.S.

Headquarters :

49, rue de Tréville - 75009 Paris - France

Share capital: 9,000,000 €

Dear Sir/Madam,

In the execution of the task entrusted to us by your AGM, we have carried out an audit of the consolidated accounts of GSF Group SAS for the financial year ending 31st December 2017, as annexed to this report. We certify that the consolidated accounts are true and fair, in accordance with French rules and principles, and that they accurately reflect the company's financial performance over the last financial year, as well as the state of the finances and assets of the unit constituted by the people and entities included in the consolidation.

Basis of the opinion

Legislation on auditing

We carried out our audit in accordance with the professional standards in force in France. We judge that the evidence we collected is sufficient and an appropriate basis for our opinion. Our responsibilities under these standards are detailed in the section in this report entitled "Auditors' responsibilities for auditing consolidated accounts".

Independence

We carried out our audit in accordance with the rules on independence applicable to us, for the period running from 1st January 2017 to the date of our report, and in particular we have not supplied any services forbidden by the code of ethics governing the auditing profession.

Evidence behind this judgment

In accordance with the terms of Articles L823-9 and R 823-7 of the Code of Commerce on the evidence required our judgments, we would like to draw your attention to the following assessments, which in our professional judgment were the most significant ones in auditing the consolidated accounts for the financial period.

Your company is creating provisions to cover liabilities and charges, as described in notes II. M and 111.G of the annexe. Our work consisted in assessing the data and assumptions on which these calculations are based, in checking calculations performed by the company, in comparing accounting estimates for earlier periods with the corresponding outcomes, and in examining the board's approvals process for these calculations.

As part of our assessments, we have assured ourselves of the reasonableness of these judgments. The assessments then made become part of the audit of the entire consolidated accounts and of the formation of our opinion as expressed above. We express no opinion on any elements of these accounts taken in isolation.

Verification of the group's management report

In accordance with current French professional standards, we also carried out a specific check, as provided for in the law, of information on the Group, as set out in the group management report. We have no observations to make regarding their sincerity and agreement with the consolidated accounts.

Responsibilities of the board and of individuals forming the company's governance in relation to the consolidated accounts

It is the board's responsibility to draw up consolidated accounts that are a faithful reflection, in accordance with French rules and principles, and to establish any internal controls they deem necessary to drawing up consolidated accounts with no significant anomalies, be they the result of fraud or error.

When drawing up consolidated accounts, it behoves managers to assess the ability of the company to continue its operations, to present account and where relevant, necessary information on continuing operations, and to apply accounting conventions on continuity of operations, unless a liquidation or cessation of activities are planned.

The consolidated accounts have been presented by the Executive board.

Auditors' responsibilities on consolidated accounts

Our duty is to draw up a report on the consolidated accounts. Our aim is to obtain reasonable assurance that the consolidated accounts taken in their entirety contain no significant anomalies. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit carried in accordance with professional standards will systematically detect every significant anomaly. Anomalies may be the result of fraud or error, and are considered to be significant where one might reasonably expect them, taken either individually or cumulatively, to contribute to economic decisions that users of the accounts take on their basis.

As stated in Article L823-10-1 of the Commerce Code, our accounts certification task does not aim to guarantee the viability or quality of your company's management. For an audit carried out in accordance with French professional standards, auditors use their professional judgment throughout this audit. Furthermore:

- The auditors identify and assess the risks of the consolidated accounts containing significant anomalies, whether from fraud or error, define and establish auditing procedures to address

this risk, and gather the evidence they deem sufficient and appropriate on which to base their opinion. The risk of non-detection of a significant anomaly resulting from fraud is higher than that of a significant anomaly from error, because fraud can involve collusion, falsification, voluntary omission, false declarations or avoidance of internal checks;

- the auditors make themselves aware of the internal controls relevant to the audit in order to outline auditing procedures that are appropriate for the circumstances, and not for the purposes of expressing an opinion on the efficiency of the internal checks;

- the auditors assess the appropriateness of the accounting methods chosen, and the reasonableness of accounting calculations made by management, as well as any information about these methods supplied in the consolidated accounts;

- the auditors assess the suitability of the business continuity accounting conventions, and according to the evidence collected, decide whether or not there is such significant uncertainty about events or circumstances as to jeopardise the ability of the company to continue business. This assessment is based on evidence collected up to the date of the report, although it should be stressed that later events or circumstances may affect business continuity. If they conclude that there is significant uncertainty, readers' attention is drawn to the information supplied in the consolidated accounts about the uncertainty, or where this information is not supplied or not relevant, certification is released with conditions, or refused altogether.

- the auditors assess the overall presentation of the consolidated accounts and evaluate whether the consolidated accounts reflect underlying operations and events in such a way as to be a faithful representation;

- as far as financial information is concerned regarding individuals or entities included in the consolidation scope, the auditors collect the evidence they deem sufficient and appropriate to express an opinion on the consolidated accounts. They are responsible for the management, supervision and implementation of the audit of the consolidated accounts, as well as for the opinion expressed about these accounts.

The Auditors,
Valbonne and Nice, 23rd May 2018

KPMG S.A.
Philippe Levert

Fidexco France
Philippe Matheu

Auditor's Report of CSR data



FINEXFI

96, boulevard Marius Vivier Merle
69003 LYON - France

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Dear Shareholders,

Following a request made to us by GSF, and as an independent third party accredited by COFRAC under Number 3-1081 (scope available to view at www.cofrac.fr), we are pleased to present you with this report into the consolidated social, environmental and corporate information presented in the management report lodged on 31st December 2017. This information is presented in the consolidated report (hereinafter referred to as "CSR in information"), in a voluntary submission to the terms of Article L225-102-1 of the Code of Commerce.

Management responsibilities

It is the duty of the Board to produce a complete report including the consolidated social, environmental and corporate information provided for in Article R 225-105-1 of the Code of Commerce (hereinafter referred to "The Information"), drawn up by the company in accordance with the legislation in force ("The Legislation") and available on demand from GSF headquarters, a summary of which appears in the methodological notes available to view on the company's website.

Independence and Quality Control

Our independence is defined in regulations, the ethics code of our profession and the terms of Article L 822-11 of the Code of Commerce. Furthermore, we have set up a Quality control scheme that includes documented policies and procedures aimed at ensuring compliance with ethical rules, professional standards and the relevant legal and regulatory texts.

Duties of an independent third party

It is our duty, on the basis of our work, to:

- certify that the information required is present in the management report or, where it is missing, that there is an explanation within the terms of the third rider to Article R 225-105 of the Code of Commerce and Decree 2012-557 of 24th April 2012 (Certificate of Presence)
- to express a limited assurance report based on the fact that the information is present, in all its significant aspects, sincerely in accordance with the legislation selected (Limited Assurance Report)

CERTIFICATE OF PRESENCE

We carried out our work in accordance with professional standards applicable in France:

- We compared the information presented in the consolidated report, with the list set out in Article 225-105-1 of the Code of Commerce.
- We checked that the information covered the consolidated perimeter, which means the company and its subsidiaries under the terms of Article 233-1, and companies under its control under the terms of Article 233-3, of the Code of Commerce.
- Where consolidated information is missing, we have checked that the explanations supplied were in accordance with the terms of Decree 2012-557 of 24th April 2012.

On the basis of this work we certify that the required information is present in the consolidated report.

EVIDENCED OPINION ON THE SINCERITY OF THE CSR INFORMATION

Nature and extent of the work

Our work was carried out between May and June 2018, and totalled around 6 working days.

We carried out the work in accordance with standards applicable in France, with ISAE standard 3000, and a decree on 13th May 2013 setting out the conditions under which the independent third party must carry out its mission.

We conducted around ten interviews with the people charged with drawing up the CSR information from managers in charge of the collection of information, and where relevant, internal procedure and risk management managers, in order to:

- assess the appropriateness of the regulations in view of their relevance, completeness, neutrality, understandability, and reliability, taking industry best practice into account, where relevant;
- check for the existence within the Group of a mechanism for collecting, compiling, handling and checking information with the aim of producing exhaustive and coherent CSR information. We apprised the internal checking and risk management procedures relevant to drawing up CSR information.

We identified which consolidated information should be tested, and established the nature and extent of the tests and taken into account their importance in relation to the social, corporate and environmental effects of activities, and the characteristics of the Group, its CSR aims and good practice in the sector.

As far as the consolidated quantitative information that we deemed the most important is concerned:

- for the parent company GSF SAS and the companies it controls, we used analytical procedures, and using sampling, checked the calculations and consolidation of this information;
- for the sites or subsidiaries we selected⁽¹⁾, according to their contribution to the consolidated indicators, and a risk analysis method, we:
> held interviews to verify the correct application of procedures, and to identify any omissions;
> using sampling, carried out detailed tests that consisted in checking the calculations performed, and comparing data with the evidence. The selected sample represents an average of 30% of the social data contributed and 30% of the environmental data contributed.

• For the consolidated qualitative information that we deemed the most important, we conducted interviews and reviewed the associated documentary evidence to corroborate this information and assess their sincerity. As far as fair practices are concerned, we conducted interviews only within the parent company, GSF SAS.

• For the other consolidated information published, we assessed their sincerity and coherence using our knowledge of the company, and where relevant, used interviews or consulted documentary sources.

Finally, we assessed, where relevant, the relevance of the explanations provided about the absence of some information.

Because of our use of sampling techniques and other inherent operational limitations of any internal information and checking system, the risk of a significant anomaly in the CSR cannot be entirely eliminated.

Conclusion

On the basis of this work, we have noted no anomaly significant enough to challenge the fact that the information is presented in every significant aspect in a sincere fashion, as provided for in the legislation.

Lyon, 15th June 2018

FINEXFI
Isabelle Lhoste
Associate

¹ Companies selected for sampling: Group Headquarters at Sophia-Antipolis, GSF Celtus, GSF Jupiter, GSF Neptune, GSF Orion, GSF Stella.



To find out more, about the GSF Group
and its structure, visit

gsf.fr



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