

The background image shows two workers in a food processing facility. They are wearing white lab coats, blue surgical masks, and hairnets. They are wearing blue gloves and are packaging food into white trays. The trays contain cooked shrimp and green leafy vegetables. The worker in the foreground is focused on the task, while the worker in the background is also working. The overall scene is clean and professional.

Corporate Social Responsibility 2018

*Including the
Consolidated Non-Financial Statement*

SERVAIR 

a gategroup member 



SERVAIR

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SERVAIR

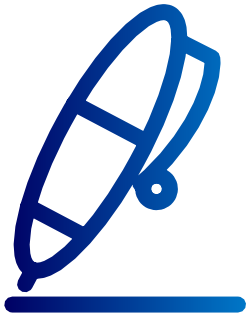
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SERVAIR

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Our CSR commitments

Since 2010, Servair has been committed to a CSR approach. Servair integrates the right balance of economic efficiency, labour equity as well environmental and social impacts on a daily basis, so as to contribute to a more sustainable future into its business.

Through this new CSR policy, I wished to think over the footprint we want to leave behind. Daily operations cannot be our company's only goal.

Our ambition is to create value and share it within our company together with our various stakeholders. Servair is committed to developing its business by respecting its employees, its customers and the environment.

The company is also involved in a responsible development within the regions and communities in which it operates, both in France and Africa.

Our CSR commitments are as follows:

- guarantee a healthy and safe offering in our various food activities
- promote a respectful social model for our collaborators which offers opportunities for career enhancement
- ensure occupational health and safety for our employees as well as our suppliers and subcontractors
- control our environmental impact and fight pollution and waste.

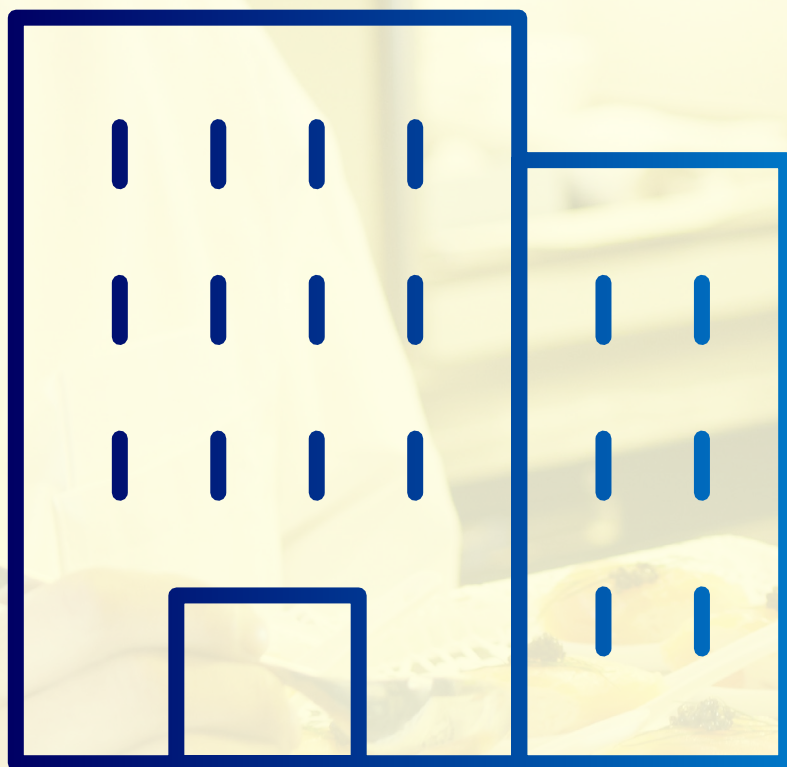
I am counting on the commitment of each and every one of us so that Servair still keeps progressing on the path of responsible development and takes into consideration, in a continually improving manner, social, societal and environmental issues within the company.

Alexis FRANTZ

CHIEF EXECUTIVE OFFICER OF SERVAIR

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Servair



Publication context

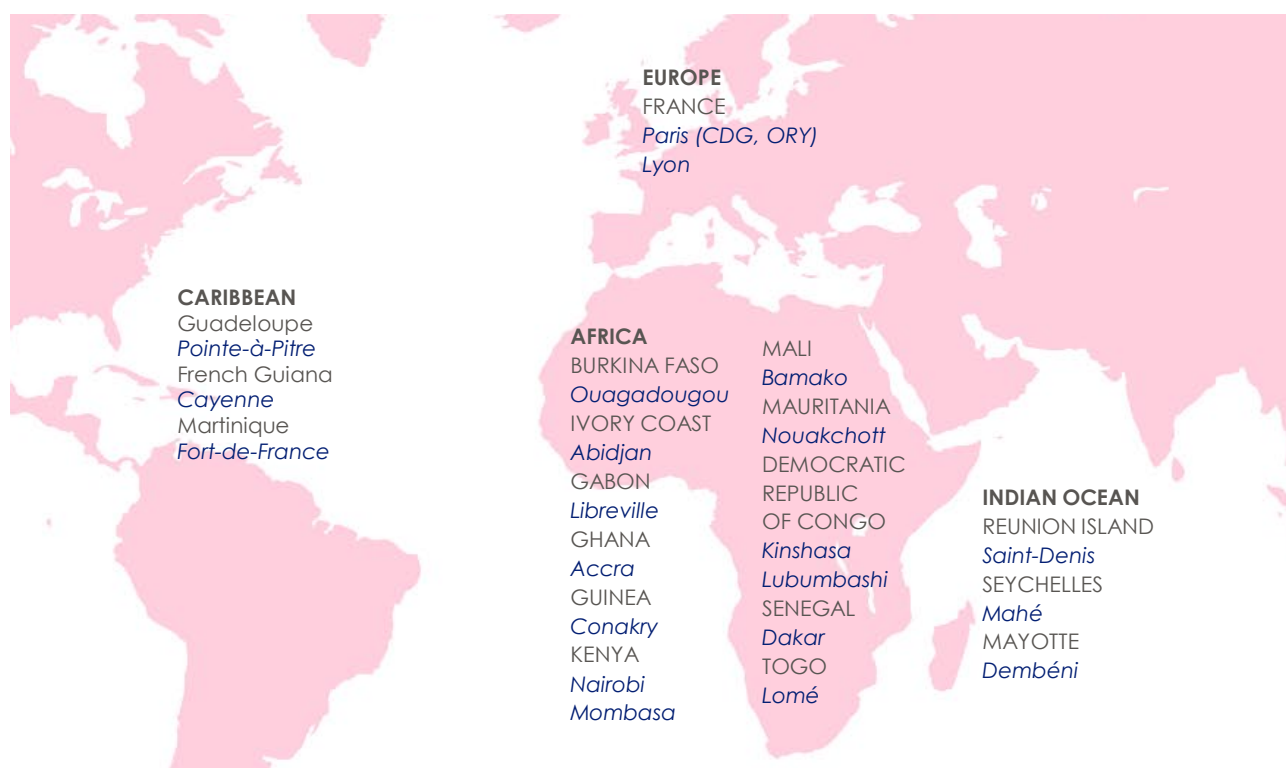
Since 7 January 2019, Servair has been a 50.01% subsidiary of gategroup, a company headquartered in Zurich, Switzerland. gategroup consolidates the financial accounts of Servair and its subsidiaries in gategroup's Financial Report, but has no report consolidating CSR information.

In 2019, French companies which employ more than 500 people and which generate profits or sales of more than €100 million are required to submit their first Consolidated Non-Financial Statement. This is an evolution of the "CSR report", resulting from the transposition into French law of EU directive on non-financial reporting (Directive 2014/95/EU). This version guides companies towards a more risk-based approach and encourages them to be more relevant and transparent, sharing information about their policies, initiatives, commitments and results in CSR-related areas.

For the purposes of the Consolidated Non-Financial Statement, Servair wanted to consolidate its French and international subsidiaries as part of a global approach, even though no financial information is consolidated at Servair and its subsidiaries. For this first CSR data consolidation year into the Consolidated Non-Financial Statement, we decided to consolidate data from companies of more than 300 employees. Therefore, we can cover 79% of Servair and its subsidiaries headcount.

Business model

Servair is the leading French airline catering and cabin cleaning company. It operates over 22 airports with a total workforce of 10,270 employees. Servair is also the airline catering leader in Africa.



The business model presented on the following chart highlights Servair's goals: its resources, strategy, activities, and created value.

The Servair business model 2018

MARKET TRENDS IN AIRLINE CATERING

Airline catering
growth, changing
business model of
airlines

Complex regulatory
environment
(hygiene,
environment, OHS,
nutrition, consumer
information, customs)

Long-haul flights:
customise offering
and differentiation
and up-marketing
strategy

Medium-haul flights:
cheaper operational
model for buy on
board and
development of new
business lines

RESOURCES

HUMAN RESOURCES

Job diversity:
contract, status,
Levels of
agreements,
Negotiations,
Training

INTELLECTUAL RESOURCES

Expertise
(culinary, logistics,
food safety,
nutrition,
environment, OHS,
airport
requirements)
Knowledge
of African market

INDUSTRIAL RESOURCES

Buildings,
Vehicle fleets,
Dishwashers, Hot
kitchens, Airside
access, Digital
infrastructure

FINANCIAL RESOURCES

Shareholder
equity, Financial
debts

NATURAL RESOURCES

Raw food products,
Processed food
products and
beverages,
Fluids, water,
consumables

STRATEGY

1 Maintain our customers' trust, first among them Air France

Strengthen our special relationship
with AF Establish long-term
economic performance (to reach
EBITDA margins of 10%)

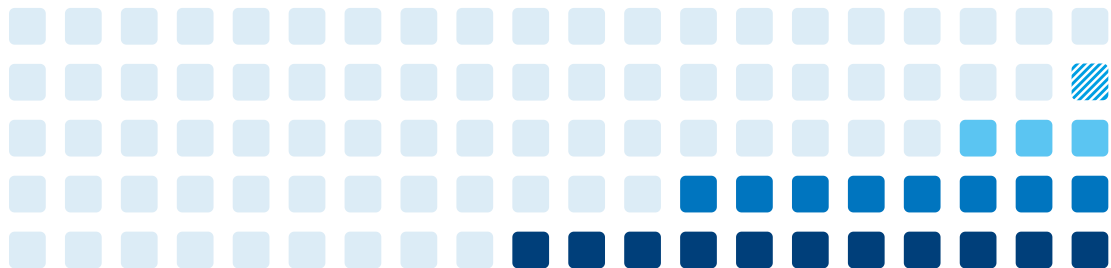
2 Geographic development and diversification of business lines

Grow in Africa Diversify our
Business Lines for growth,
including our core business which
is catering

3 Integration into gategroup

Help create the world leader
in airline catering

MAIN BUSINESS ACTIVITIES



■ Airline catering

■ Cabin cleaning

■ Commercial catering and DFS

■ PDRM Assistance

■ Emergency food

CREATED VALUE

HUMAN VALUE

Compensation,
Employability,
Promotion,
Know-how
maintenance, Gender
equality, Labour
dialogue

INTELLECTUAL VALUE

Recipe catalogue,
Diversity and
creativity in
products and
services offering,
HUB management

INDUSTRIAL VALUE

Buildings,
High-performance
equipment and
vehicle fleet,
Automated lines,
Supply chain
logistics,
Standardised
processes

FINANCIAL VALUE

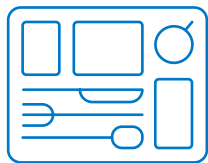
Balanced
accounts, Positive
operating result to
support the
investment and
development
strategy

NATURAL VALUE

Waste treatment
and recovery,
Pretreatment of
industrial water,
Environmental
labels



Over 100 airline customers



Over 210,000 meals/day



24,000 recipes



36 catering units in 19 countries



1,052.8 million CHF
900 million €
(Turnover in 2018)



14 ISO 9001
or ISO 22000
certifications



22,000 microbiological
analysis/year

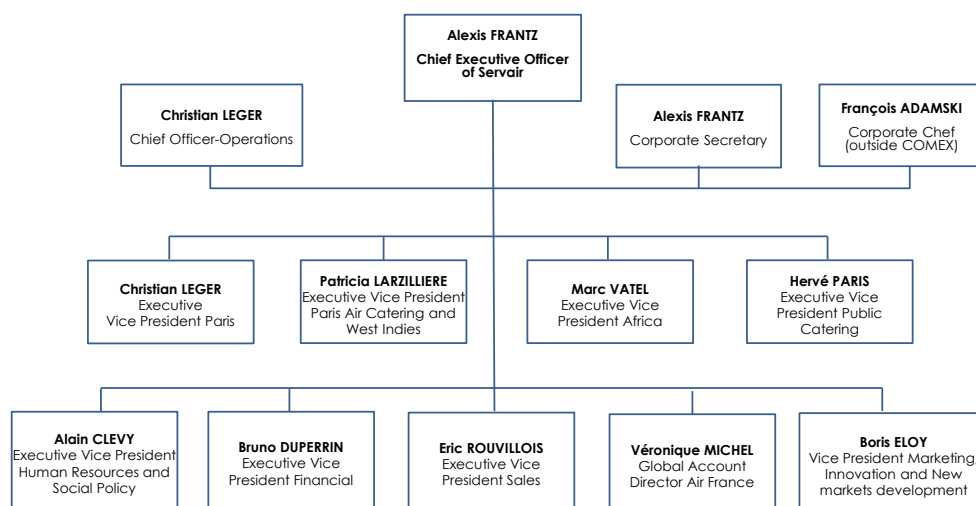
In France and Africa, Servair has been the preferred partner of airlines for more than 40 years. Whether it is in in-flight catering, airport assistance or consultancy, its global expertise ensures that the company can meet all of its clients' needs including those of more than 100 airlines.

Servair has also expanded into out-of-home catering, particularly into commercial catering and collective catering.

Via its three main areas – On-Board Services, Airport Services and Out-of-Home Catering – Servair can provide tailor-made solutions to meet all of its customers' requirements. Its aim? Ensure that service quality and innovation drive performance for airlines and companies operating both in airline and non-airline industries.

Our organisation

Servair has a clear and easy-to-understand organisational structure which reflects its priorities. Servair's Executive Committee is made up of the members below (August 2019). It makes all decisions about the company's strategy.



A complete client-focused, and customized offering

From consultancy through to delivery, cooking to logistics, economy to business class, low-cost to premium, aircraft to city... By focusing on the client at each and every stage of our operations, we are in a position to provide fully tailor-made services, packages and solutions.

With their extensive knowledge of passenger needs and preferences, Servair's teams are dedicated to developing and managing all various activities involved in making the passenger's travel enjoyable.

Our Servair teams deliver all On-Board Services, from designing meals, cooking, setting them up and then arranging and loading the meal trays on board the aircrafts.

Servair offers other services to its airline customers ranging from cleaning cabin and commissary services, handling newspapers and magazines to on-board sales.



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Airport Services cover all services available in airports before take-off and after landing, such as lounges, bars and snacks, assistance for persons with disabilities and reduced mobility, and duty-free shops.



Out-of-home Catering covers all business catering, institutional catering, and catering services for remote sites.

Identifying CSR risks

CSR risks are identified using a materiality matrix aimed at defining the relevant pillars for the company. It sets forth issues that are relevant for the company. The way in which relevant issues are structured is identified according to four main pillars: Workplace, Marketplace, Environment and Our Communities. The materiality of topics, derived from various CSR standards, is rated based on the impact for the company and on the expectations of stakeholders (customers, employees, etc.). Some CSR risks are financial risks. They are indicated by ^{FIN}.

The topic is considered significant if it has been rated as very important by the company and stakeholders. A total of 21 material topics have been identified. For each of the relevant issues, we have identified the associated significant risk. Some of the material topics have been consolidated under a single CSR risk.

The materiality matrix is presented in the appendix page 33.

Altogether, we have identified 16 main CSR risks:

Pillars	Material topics for Servair	CSR risks
Workplace	Policy Human Rights, Child Labour and Forced labour	Risk of violating Human Rights, Child Labour and Forced labour
	Fighting discrimination	Risk of violation of people's rights Risk of lacking access to skills
	Labour dialogue	Risk of breaking workplace harmony and so impacting performance
	Occupational health and safety, work organisation	Risk of work related accidents, absenteeism, fire hazards ^{FIN} , aircraft hit ^{FIN}
Marketplace	Food safety Traceability	Risk for consumer's health ^{FIN}
	Customer satisfaction	Risk of losing customers
	Audit conducted by a third party	Risk of losing customers
	Culinary expertise, logistics expertise	Risk of losing customers
	Nutrition	Risk for consumer's health ^{FIN}
	Control of supply chain (ESG criteria)	Risk relating to the supply of a raw material/service from a supplier ^{FIN} Risk of one of our suppliers negatively impacting working conditions or seriously damaging the environment
Environment	Compliance regarding Waste management, Waste reduction, Waste recycling	Risk of pollution ^{FIN} , of natural resources being depleted and of contamination
	Food waste	Risk of natural resources being depleted
	Resource sustainability	Risk of natural resources being depleted
Communities	Local Jobs, value sharing	Governance risk
	Food donation	Governance risk
	Fighting food insecurity and malnutrition	Governance risk

By adopting this risk-based approach, we can track and measure the overall performance of sustainable development in relation to Servair's corporate, social and environmental responsibility.

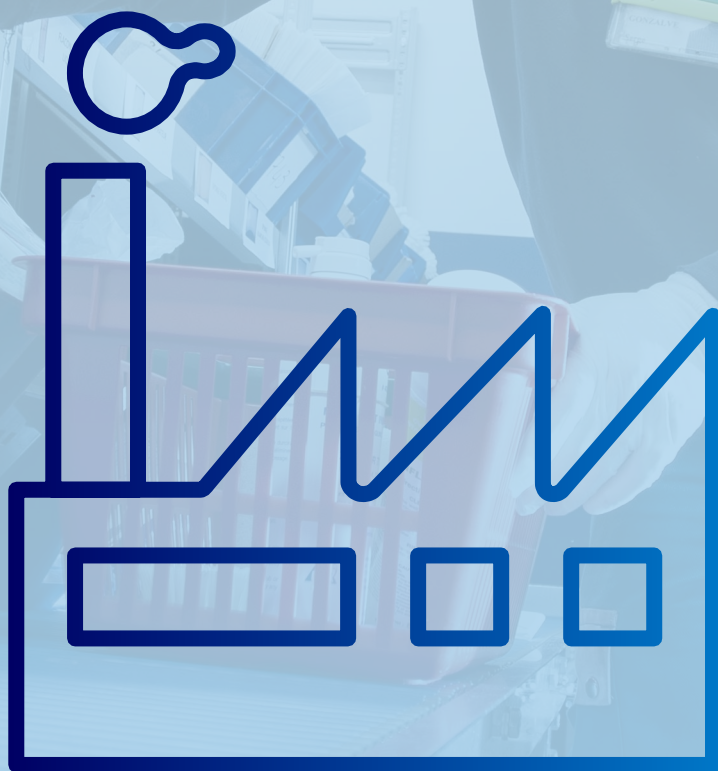
Current and future targets, which are Servair's priorities, are being formalised as part of a collaborative initiative with the relevant departments, and in a consistent manner with the results of the materiality analysis.

Contribution to the UN sustainable development goals

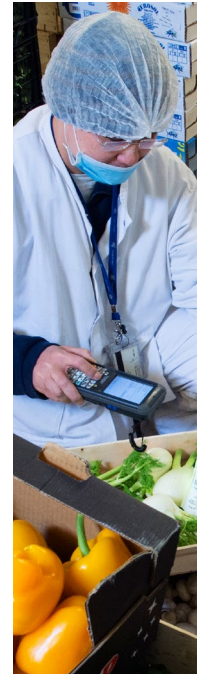
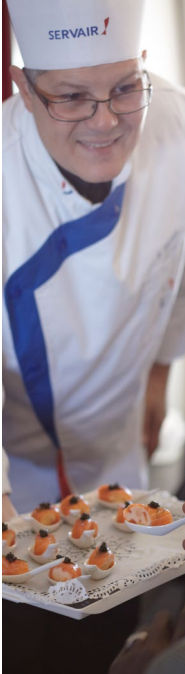
Of the **17 Sustainable Development Goals (SDGs)** set by the United Nations for the year 2030, Servair has identified 12 to which it is contributing.



Workplace



Staff



Headcount as of 2018/12/31	2017	2018	Evolution
Total headcount	6 744	8 151	
% of women	35.9%	34.1%	Increase in the scope of the consolidated non-financial statement, from 65% of Servair's total headcount and those of its subsidiaries in 2017 to 79% in 2018
Staff < 30 years old	9.0%	10.9%	
Staff >= 30 to < 50 years	49.2%	52.0%	
Staff >= 50 years old	41.9%	37.2%	

Human Rights

Servair is uncompromising as far as the strict application of international principles on Human Rights, Child Labour and Forced labour are concerned. It rolls out a gategroup code of conduct and business ethics which fosters – in addition to strict compliance with legislation – honest behaviour to employees and in compliance with competition law and business ethics as far as our customers and suppliers are concerned.

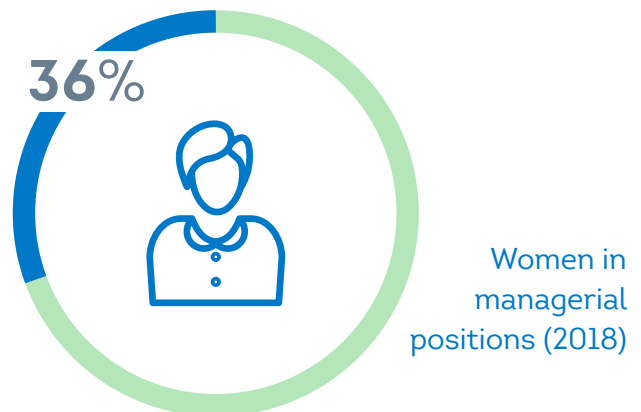
The gategroup code of conduct was submitted to the Board of Directors in 2017-2018. It should be updated in 2019 for broader distribution.

Equal employment opportunities

For several years, workers representatives and management of both Servair and its subsidiaries have shared the desire to promote a policy supporting job diversity and gender equality at work.

The topic of **equal opportunities** is addressed in collective bargaining agreements for each company. Signatories have defined specific measures in precise areas, such as recruitment, mobility, training, work-life balance and actual remuneration.

In relation to the mandatory annual negotiation agreement, Servair SA came up with a remuneration package designed to reduce income gaps between women and men for the third year running. Thirty-nine women benefited from gap-reduction measures in 2018.



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The policy on **employing people with disabilities** remains an important commitment for Servair and its subsidiaries. The target is to achieve a balance in employment and hiring of disabled workers.

In 2018, Servair SA initiated negotiations on **quality-of-life in the workplace**, covering the topic of disability. The aim was to give impetus to initiatives and measures related to this subject, as well as recruiting people with disabilities, welcoming, integrating and keeping them in their jobs.

These negotiations continued early 2019. A draft agreement has been developed and submitted to workers' representatives for signing.

The issue of **fighting discrimination** is addressed through various company collective bargaining agreements: equal opportunities for men and women, forward management of jobs and skills, exercise of union rights, and development of labour dialogue.

Initiatives are being led to tackle discrimination effectively. In particular, these include awareness campaigns about stereotypes (disability week, International Women's Day on March 8), together with interviews with labour representatives (start and end of term).

Labour dialogue is one of the company's strong values

In 2018, negotiations with workers' representatives from the various companies resulted in the signature of 28 collective bargaining agreements for 10 different issues (mandatory annual negotiation, company performance bonuses, profit sharing, benefits, gender equality, collective performance, working time organisation, union rights).

Specific negotiations were conducted with a view to setting up social and economic committees, a new elected personnel representation body, created by the ordinance of 22 September 2017, grouping together three former bodies (works council, works' representatives and health, safety and working conditions committee). Professional elections were held at the end of November 2018 at Passerelle CDG, and will be held in 2019 for other units in France. The purpose of these negotiations is to set the foundations, in a coordinated fashion, for the way in which this new framework is to operate.

Employment

The company reinforced its policy of **recruiting young people** by favouring knowledge transfer so as to compensate for the gradual departure of older employees and support the company's modernisation projects.

At the same time, the company uses internal mobility and promotion to help employees with their career development. The company also continues to pursue its replacement scheme approach so as to detect and develop potential and better plan for future needs.

In parallel, in 2018, it created new training modules (Manager 2.0) for its supervisory staff in order to create a platform of shared values and so deal with the new challenges facing the company.



Occupational Health & Safety

Health and safety in the workplace are of constant concern to the company. The QE4S2019-2021 (Quality, Environment, Food Safety, Occupational Health and Safety, Flight Safety, Standardisation) policy provides the general framework and sets the priority aims and initiatives for the whole Servair network as far as OHS are concerned.

A central department has been created to deal with these topics and coordinators have been appointed at each unit. The aim is to provide a safe working environment for all employees, in compliance with regulations.

The company gives priority to keeping employees in their jobs, and invests to adapt certain workstations. Servair constantly engages in initiatives to reduce the arduous nature of work and prevent occupational illness, be it by adequate working hours, load carrying, movement and attitudes or restrictive handling.

Regarding occupational safety, regular audits and checks are conducted on site to ensure that the working environment is safe, both in the production workshops and airside activities, where significant numbers of operations are conducted simultaneously.



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The company has implemented structured training plans in all of these areas.

As far as ramp operations are concerned, training programmes and checks are carried out by the management teams to ensure that loading and unloading activities are correctly sequenced. The "daily patrols" which are undertaken within the framework of our managerial programmes, are fully in line with this continuous safety improvement initiative.

Servair measures its performance in this area by frequency and severity of accidents in the workplace, as well as investments made in workstations, such as cutlery packing tables, Make&Pack tables, tray denesters, platform protection, railings on lorries, mechanised tailgates, etc.

Work Organisation

Servair pays particular attention to the way in which its employees' work is structured, as part of a continuous drive to find a balance between quality of life in the workplace and economic efficiency.

The specific nature of in-flight catering activities requires organising employees' work in cycles, as described in the agreements entered into with labour representatives for each of its companies. These agreements are adapted on a regular basis, as and when needed.

In 2018, the aircraft cabin cleaning activity entered into a "transformation" agreement aiming within this spirit, to significantly and sustainably increase economic performance and save jobs. This milestone agreement, which is in the process of being rolled out, involves reviewing previous agreements and habits, adapting work cycles and working hours, annualising paid leave and modernising processes.

Servair's companies experience high and rising absenteeism rate. This absenteeism, which is often unpredictable, results in work organisation issues and calling on costly external temporary work agencies. A root cause analyses is being conducted with an eye to implementing actions to curb this increase

Labour indicators*

	2017	2018
Hires and departures		
Total hires	1,891	2,078
Total departures	1,890	2,235
Training		
Number of training hours	77,108	102,816**
Average number of internship hours (Excluding NAS)	14.1	15.7
Diversity		
Share of women in management positions	35%	36%
Number of disabled employees (Excluding NAS, Servair Abidjan)	494	496
Occupational Health and safety		
Frequency rate (Excluding NAS, Servair Abidjan)	51.8	55.3
Severity rate (Excluding NAS, Servair Abidjan)	5.5	5.6
Absenteeism rate (Excluding NAS, Servair Abidjan)	11.1%	11.4%

*Increase in the scope of the consolidated non-financial statement, from 65% of Servair's total staff numbers and those of its subsidiaries in 2017 to 79% in 2018

**Skills development training courses (Manager 2.0).

Marketplace



Food Safety

Servair has always guaranteed healthy and safe food for its customers.

Food safety is an integral part of Servair's corporate processes and culture.

The QE4S 2019 - 2021 policy (Quality, Environment, Food Safety, OHS, Flight Safety, Standardisation) provides the general framework and sets the priority aims and initiatives for the whole Servair network.

This policy is implemented upstream taking into account simultaneously, with suppliers management through supporting documents and site audits, control of raw materials through analyses and through menu design. The development of new techniques is also approved through feedback, bibliographical studies, ageing studies and by using the Sym'Previus microbiological data prediction tool.

Servair uses **the HACCP method** to identify and manage hazards in the fields of microbiology, parasitology, foreign bodies, chemicals and allergens, as well as fraud.

For this purpose, the company is supported by its own internal networks, as well as by a Scientific Committee made up of experts. In addition, Servair is taking action in relation to food safety and nutrition by being a member of the ASA association ("Animal, Société, Aliment"), and by being on various international committees.

Servair has **its own internal microbiological analysis laboratories** in Paris and Nairobi, which are accredited in accordance with the ISO 17025 standard, and conducts more than 22,000 analysis per year. Servair has therefore expertise in this area and is able to conduct analysis in short timeframes - essential for maintaining higher levels of responsiveness.

The design of building units according to hygiene standards ensures that food safety regulations can be adhered to, effective cleaning can be carried out, compliance with the "go forward" principle and the cold chain. Technicians training, the involvement of management and the monitoring of quality teams ensure that procedures are adhered to on a day-to-day basis.



Management and improvement are enabled by the quality management (ISO 9001) and food safety (ISO 2200) systems in place in French units and in a number of African units. In 2018, over 94% of staff at productions sites within the consolidated non-financial statement scope were working in units certified according to these standards.

Servair is implementing a unit monitoring plan that includes internal as well as independent third party audits; which gives rise to an audit report and accreditation or certification depending on the given standards.

Traceability is essential for your food safety.

It serves as a means of identifying the raw materials making up a dish and information about the clients to which it was delivered.

Servair has invested in digital traceability within its Paris units given the volume of data: integration of EDI (Electronic Data Interchange) from its suppliers, bar code identification, and wifi PDA (Personal Digital Assistant) in production.

Other units handle traceability manually. On this point, a goal and tasks are defined in the QE4S policy and are reported on a monthly basis.



Nutrition is a public health issue which is of relevance to all stakeholders involved in food.

This applies to Servair, particularly for its collective catering activities, including school catering.

This involves regular consumers, some of whom have specific needs, such as children, as well as hospital patients.

The company's dieticians ensure that menu plans adhere to the recommendations outlined in food frequency tables.

They also help in designing "special" menus (gluten-free, salt-free, etc.) and in balancing meals, using special software for calculating nutritional values, connected up to our nomenclatures.



Culinary expertise

Servair's culinary expertise is a key factor for its future.

French and international cuisine, food and taste are an integral part of Servair's culture and expertise. Servair uses this expertise to serve its customers via recipes, its chefs' skills, its production kitchens, and through consulting and training.



The Studio Culinaire Servair, run by the Corporate Chef, is a **an innovation think-tank**; it guides Servair in its initiatives.

The Corporate Chef also ensures the implementation of necessary measures to achieve culinary excellence at Servair.

Servair teams also develop **cooking and preservation techniques** to maintain the flavour and organoleptic qualities of its products.

This is especially the case for traditional or low-temperature sous-vide cooking, which combines concentration of aroma, juiciness, and tenderness with long shelf life.

Servair pays particular attention to the kitchen section of its production units and to its research and development cuisine.

Servair identifies talented cooks, trains them, and then helps them develop their practice, technical skills and managerial role.



Logistics expertise

Logistics expertise consists on the one hand in optimising orders and delivering goods from our suppliers' plants to Servair units, and, on the other hand, in optimising container shipments of products that cannot be found locally to remoter sites (quality, quantity and regularity constraints).

Logistics also means loading aircrafts, all the way from production units to the aircrafts, within the constraints of punctuality and loading compliance.

Customer satisfaction



*Customer satisfaction
is a key concern at
Servair.*

It requires compliance with operational (on-time performance) and product (recipe, grammage, etc.) expectations.

Key goals in this area are covered by the QE4S (Quality, Environment, Food Safety, OHS, Flight Safety, Standardisation) policy.

ISO 9001 certifications of our units demonstrate Servair's ability to supply a product or service in compliance with its customers' standards and its commitment to increasing their satisfaction. Within the framework of ISO certifications, Servair addresses customer satisfaction through surveys and questionnaires.

Customer audits, as well as rankings and evaluations by some of its customers, and customer compliance inspections are ongoing measures to ensure their satisfaction.

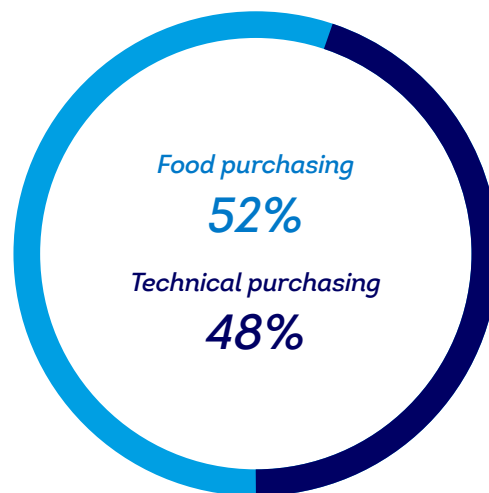
Customer satisfaction measures are therefore numerous and specific to each of Servair's business lines and activities. Next year, Servair will present a shared customer satisfaction indicator.

Beyond those criteria, Servair is committed to meeting its customers' innovation and development needs on a daily basis thanks to its culinary and logistics expertise.

Purchasing

Servair purchases a **wide variety of products and services** at its Paris units and stopovers. With nearly 700 main suppliers and over 3,500 active food product references each month, the purchasing function is essential. An indicator for local purchasing is being implemented and will be published next year.

In large part, these purchases are made up of food products plus technical purchasing (nearly 50%) such as temping, security, and acquisition and maintenance of industrial equipment.



Our purchasing practices are driven by the pursuit of balanced growth and shared values with our suppliers and service providers

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Servair deals with reliable suppliers who can provide products and services of good **quality and logistics consistency** in terms of timelines and quantities.

The catering business is complex, and suppliers must be able to handle that complexity. Servair is building a long-term relationship with them via contracts and respect for commercial practices.

Sustainable development criteria are integrated into supplier and service provider Servair's accreditation. Specifications include specific aspects related to complying with the labour law, environmental protection, and gategroup code of conduct.

An ongoing study aims also to take into account the results of the materiality matrix created this year.

To meet the needs of its customers and sites, Servair also helps develop partnerships with local SMEs and works actively to build long-term relationships.

Environment



Servair's primary goal, beyond regulatory standards, is to help preserve natural resources by controlling our consumption and pollution caused by our activities.

Servair strives to reduce greenhouse gas emissions, and thereby takes part in the collective effort to fight against climate change.

The establishment of an environmental and unit management system makes it possible to improve its environmental monitoring and account for existing regulations at the local, national, and European level. The QE4S 2019 – 2021 (Quality, Environment, Food Safety, OHS, Flight Safety, Standardisation) policy provides the general framework and sets the priority aims and initiatives for the whole Servair network.

Waste management

Waste resulting from activities come from industrial processes and aircraft cabin waste. All waste is treated based on existing local systems and in compliance with regulation.

Waste from aircraft cabins and production is mostly incinerated. When incineration is not an option locally, this waste is buried or sent to landfill sites.

In metropolitan France, **incineration includes energy recovery**; this treatment process covers 63.7% of its waste.

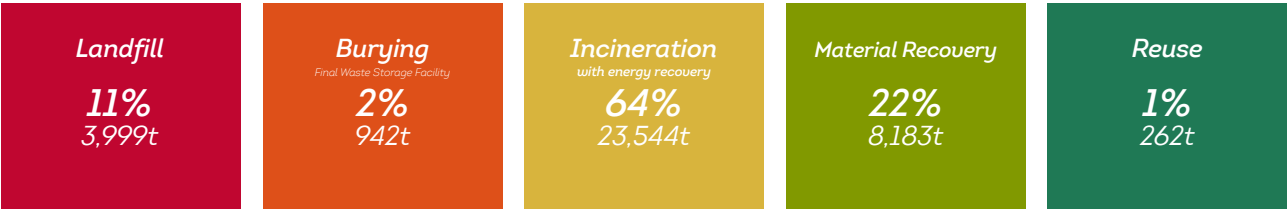
There is also a strong effort to **recycle**: the material recycling rate is 22.2%. The main recycling sectors are cardboard, glass, newspapers/magazines or even sludge from pre-treatment of industrial water. In Paris, there are more than 20 recycling centres. The deployment of every sector is based on the circumstances of each unit, the availability of a local service provider, and the quantity of waste at the site.

To reduce waste, Servair has long undertaken **re-purposing and reuse** processes. Re-use mostly applies to wooden pallets and food donations, and accounted for 262 tonnes of material in 2018.

Waste reduction efforts are also directed at liquid found in waste (ice cubes and leftover juice, soft drinks and wine).

For this purpose, Servair particularly works to reduce ice cube bags, and uses glass recycling that redirects liquid waste into the industrial water system.

Waste treatment methods and tonnage at Servair in 2018 (France & Africa)



Sustainable use of resources

Servair helps conserve water resources by tracking monthly consumption and investing in adapted water treatment systems.

Servair also focuses on optimising energy consumption; this is moreover one of the goals in its 2019 environmental policy.

To reach the goal of reduction, Servair has planned to conduct energy audits at its main production sites in France and to set up an application encouraging employees to help save energy on a daily basis.

Fighting food waste

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Servair optimises the use of food products, helps fight food waste, and helps conserve natural resources by managing inventory, sous-vide cooking process, and logistics platform.

To reduce destruction of food products, Servair has set the goal in its new environmental policy of tracking this destruction, with the aim of reducing it by 10%.

Food donations also help fight food waste (see paragraph about food donations in “Our Communities” section, page 31).



Animal welfare

Since 2018, our entire French egg supply has come from free-range chickens. In terms of egg product supply, our French suppliers have all already committed to stopping production or purchase of eggs from caged chickens by 2025. That aligns with Servair's commitment (for French units) to no longer source eggs and egg products from caged chickens by 2025.

This change in production methods has a strong impact on suppliers and their producers. Therefore, Servair has committed to providing long-term support during the transition to this production process that is better for animal welfare.

Environmental indicators*

	2017	2018
Waste management		
Total waste	31,795	36,936
Total recycled material	22.8%	22.2%
Recovery rate (material + energy)	nd	85.8%
Sustainable use of resources		
Water consumption (m ³)	257,776	365,309
Water consumption at catering units		
L/Tray	nd	5.84
Building energy consumption (MW)	77,622	83,837
Building energy consumption (kWh/m ² /month)	nd	42.2
Fuel consumption (m ³)	2,256	2,844
Fuel consumption (L/aeroplane covered)	nd	6.56
Fighting climate change		
BEGES Emissions teqCO ₂	25,186	29,543

*Increase in the scope of the consolidated non-financial statement, from 65% of Servair's total staff numbers and those of its subsidiaries in 2017 to 79% in 2018

Our Communities



Sharing values and local jobs

Servair has direct impact on local development at its sites, as we favour local employment in Paris with over 7,000 employees there, and over 4,000 employees in overseas departments and abroad. Its business model is always tied to a local partner in overseas departments and international sites. Whenever possible, Servair participates in developing local supply systems.

Servair is also a partner of Acting for Life, a French international charity organisation that works in favour of economic, social and regional development for vulnerable communities. Locally, our units can support projects, such as Servair Benin, which supports AMAP (Association for the preservation of farming agriculture).



Food donation

As for food donations, inventory (resulting from changes to customers menus or unused emergency supplies, etc.) can be donated within the required hygiene standards for each product.

In 2018, over 21 tons of food were donated to charities. Overall, the equivalent of 61,140 meal-trays were distributed.

2017

4 tons

=
11,400
meal trays

2018

21.4 tons

=
61,140
meal trays

31

Fighting food insecurity and malnutrition

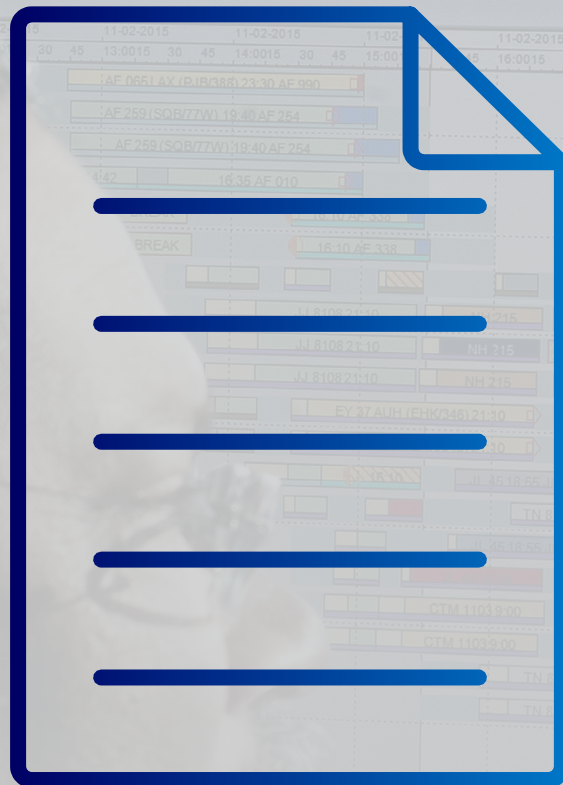
Thanks to its involvement in the food industry and its footprint in Africa, Servair has had the opportunity to offer its skills to a humanitarian cause: the development of a ready-to-use therapeutic food product to treat severe acute malnutrition in children aged six months to five years.

Its original formula and manufacturing process are patented (first filed in September 2014), and the Vyma product follows a precise set of technical specifications in terms of nutrition, microbiology, and labelling.

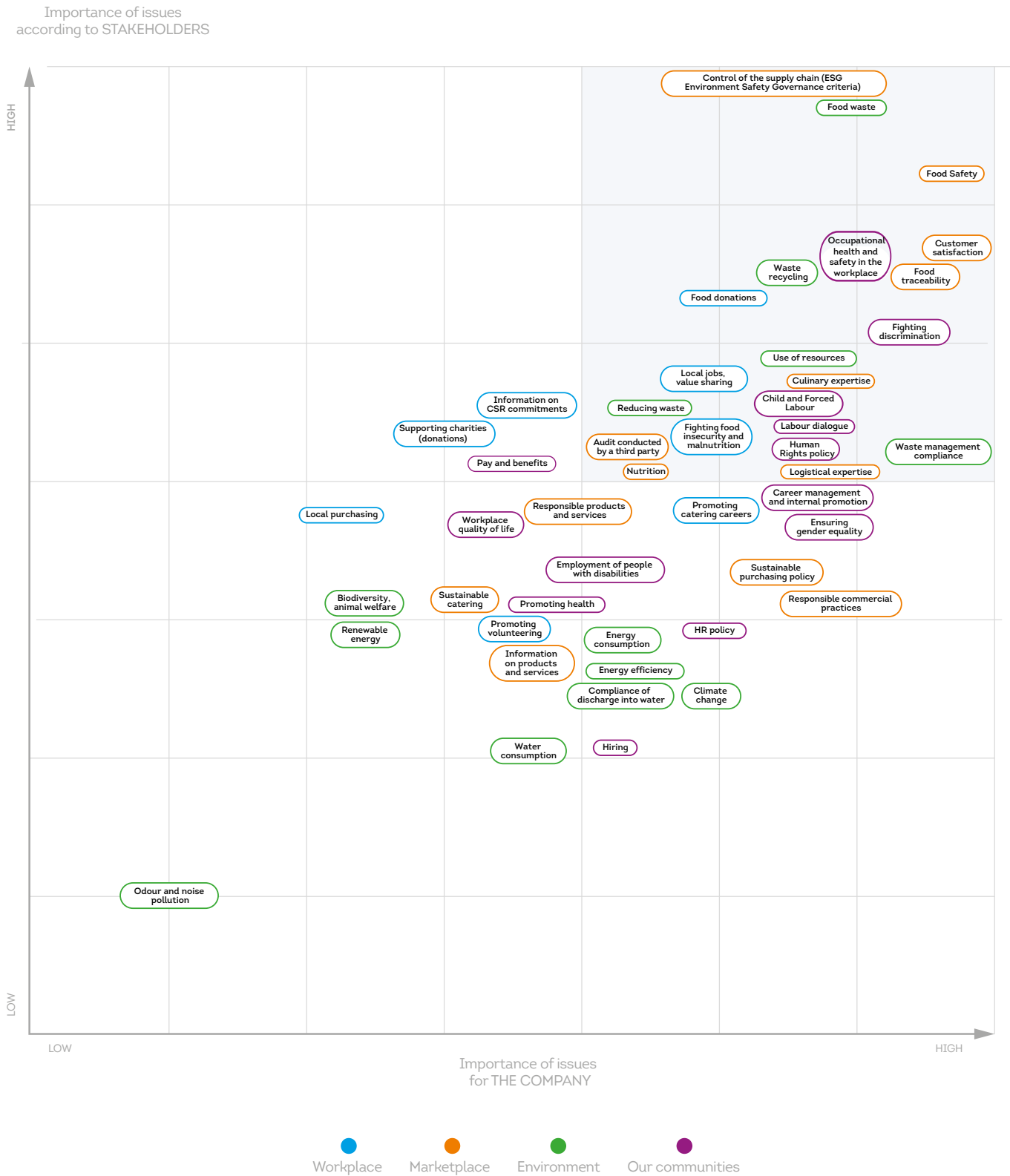


The patents are currently being delivered and Servair is working in close collaboration with a public international body to start producing Vyma as quickly as possible to help fight malnutrition.

Appendices & methodology



Servair Materiality Matrix 2018



Methodology note on reporting

SERVAIR SA and its subsidiaries have chosen to get their labour and environmental indicators verified by KPMG Audit.

In application of the provisions of Article L. 225-102-1 V. of the Commercial Code and of Decree No. 2012-557 of 24 April 2012 as modified by Ordinance No. 2017-1180 of 19 July 2017 and Decree No. 2017-1265 of 9 August 2017, it is up to the independent third party to express a conclusion of moderate assurance of Consolidated Non-Financial Statement compliance and authenticity of labour, environmental and social information published.

The scope of Consolidated Non-Financial Statement applies to Servair SA and its subsidiaries that have over 300 employees, which corresponds to Servair SA, PAC SA, OAT SA, Passerelle CDG, ACNA SA in France, and NAS (Kenya) and Servair Abidjan (Côte d'Ivoire) in Africa.

This year 2018, this scope covers nearly 79% of total headcount, which is 14 points higher than in 2017.

Labour indicators

Scope

Reporting of labour data is performed based on physical staff numbers (expressed as "heads") recorded at the end of the calendar year.

The labour data reporting period is based on the calendar year to ensure consistency with the Labour Report data.

As part of a continuous improvement approach, methodological details are provided about indicators, especially as concerns their definition.

If there are changes to definitions that have a significant impact on data, since the comparison between data from previous years and data from that fiscal year will be irrelevant, the change will be mentioned in the methodology note.

Reporting tools

Indicators are gathered and consolidated using several software applications:

- HR ACCESS (Administrative and payroll management tool) for headcount part
- PARADIS (Training management tool)
- Follow up through Excel for Africa region

Data about staff are processed centrally at Human Resources General Management and with regard to the labour policy by the Analysis and Labour Management Control department.

Data about training are processed by SERVAIR FORMATION, training center.

Data about Africa region are gathered and processed by the Africa BU.

Details and methodology - comments on indicators

Staff

This is the number of staff (expressed in "heads") recorded as at 31 December of the reference year, no matter what type of employment contract (permanent, fixed-term, seasonal, apprentice, professionalisation contract or individual contractor) and no matter the number of hours worked per month.

Employees who have an end date as at 31 December are counted as staff

Interns and temporary work agencies workers are not counted.

New hires

This indicator concerns permanent contract hires and fixed-term contract hires over the course of the reference year.

Permanent-contract hires include fixed-term contract hires (fixed-term in every sense) whose contract has been switched over to permanent status over the course of the year (inductions). They also include transfers or secondments between companies (permanent-contract employees from a subsidiary joining the reference company).

Fixed-term contract hires include seasonal workers, apprentices, professionalisation contracts or individual contractor workers hired over the course of the reference year. Interns and temporary work agencies workers are not counted. An employee hired three times over the course of the year on the same type of contract will be counted once.

Example:

3 fixed-term contracts over the year => counted as 1 fixed-term contract hire

1 apprentice contract + 2 fixed-term contracts => counted as 1 apprentice hire + 1 fixed-term contract

Departures

This indicator concerns contract terminations over the course of the reference year, no matter what type of employment contract (aside from outside agency workers and interns).

An employee who departs three times over the year from the same type of contract will be counted once.

Training

The “average number of training hours” indicator is the ratio of the number of training hours completed during the reference year to the number of trainees (one employee who does three training sessions over the course of the year will be counted once).

Workers with disabilities

The “number of workers with disabilities” indicator counts people who have Recognition of Disabled Worker Status, victims of workplace accidents or occupational illnesses, disability pensioners, war wounded or similar, and holders of disability cards or adult disability benefits cards.

All types of work contracts are counted, including temporary work agency workers and interns, as well as designated units converted with respect to “useful” turnover (meaning workforce) of ESATs (in compliance with Articles L5212-1 and following the Labour Code).

Frequency rate (FR)

This is the number of lost-time accidents per 1,000,000 hours worked.

Severity rate (SR)

This is the number of lost-time days resulting from work related accidents per 1,000 hours worked.

Absenteeism rate

The absenteeism rate is the ratio of the number of days of absence to the number of theoretical hours worked converted to days. Counted absences include absences related to illness, workplace accidents, maternity, and unpaid absences.

Environmental indicators

Scope covered and Scope n-1

For SERVAIR SA and its subsidiaries, the environmental data reporting period is year-over-year from 1 October N-1 to 30 September N. When a data point is unavailable, the reported data is estimated based on past data or a comparison with equivalent sites. This practice accounts for less than 5% of presented data.

Reporting and details about methodology

Environmental data are gathered by each Paris unit using the water and energy consumption billing SAP software as well as waste records as regards waste. For units outside our Paris base, environmental data are gathered using the CR360 reporting tool. In parallel, on-site consumption is tracked (meter record, pick-up notes) whenever possible.

For purposes of more reliable reporting, a general reporting procedure defines each indicator and the process for gathering, calculating and consolidating indicators.

Consistency tests are also conducted using syntheses provided by suppliers and service providers.

Consolidation of data from Servair SA and its subsidiaries is done by the Servair Sustainable Development and Quality Department.

Comments on changes

Regulatory requirements and reporting and consolidation principles for Servair and its subsidiaries are described in a document entitled "Reporting of Environmental Indicators", which is updated each year. Data gathering methods and calculation and consolidation methodologies are defined in that document.

As part of a continuous improvement approach, details about methodology are regularly added. When these modifications have a significant impact on data, any comparison between data from previous years and data for the given fiscal year is irrelevant.

Quantity of waste resulting from activities

Waste resulting from activities comes from our industrial processes and aircraft cabin waste from air transport.

If the quantity of waste has not been communicated by service providers at the end of the reporting period, it will be the quantity cited in the removal orders that is counted. However, this quantity is estimated as marginal.

For cooking and service waste from flights coming from outside countries (outside the European Union), this waste counts as Category 1 animal sub-products. Health regulation (EU No.1069/2009) imposes a specific elimination method. In Paris, the elimination method is incineration with energy recovery.

Water consumption

Water consumption is accounted for at all production sites. This concerns drinking water used as process and sanitation water.

Energy consumption

This indicator includes the following energy sources:

- Electricity
- gas for heating of buildings, hot sanitation water, and hot process water. The conversion of the quantity of gas consumed accounts for the characteristics of the gas that are specific to the given department (ex. Réunion).
- Superheated water for heating of buildings, hot sanitation water, and hot process water.
- Frozen water for air conditioning/refrigeration of buildings
- LPG (Liquefied Petroleum Gas)
- Domestic heating fuel for generators.

Fuel consumption

This indicator includes the following fuel sources:

- NRD (Non-Road Diesel) for runway devices
- Diesel for heavy weights, utility vehicles, and some light vehicles
- Petrol for other light Servair vehicles.

GHG emissions (CO₂ eq.t)

Total GHG (greenhouse gas) emissions are for Scopes 1 and 2, corresponding with fuel and energy consumption types listed above, refrigerant fluid leaks, and dry ice consumption.

Emissions factors were updated for year 2018 using the ADEME carbon database.

Food donation

This indicator corresponds to the total weight of each food product. This information is attached to the donation statements signed by the receiving organisation. This indicator is tracked over the calendar year.

Meal trays equivalent

The defined equivalent of a meal tray is 350g.

