A network of over 100 companies

AS AN INDUSTRIAL ENGINEERING GROUP, Fives designs and supplies machines, process equipment and production lines for the world’s largest industrial players in the aerospace and special machining, aluminium, automotive and manufacturing industries, cement and minerals, energy, glass, logistics and steel sectors.

AFRICA / THE MIDDLE EAST

Sales
€167 M
11%

THE AMERICAS

Sales
€450 M
29%

ASIA / OCEANIA

Sales
€396 M
25%

EUROPE

Sales
€547 M
35%
Located in nearly 30 countries and with almost 8,000 employees, Fives is recognized for its technological expertise and competence in executing international projects. Fives’ multisector expertise gives it a global vision of the industry which provides a continuous source of innovation. The effectiveness of its R&D programs enables Fives to design forward-thinking industrial solutions that anticipate clients’ needs in terms of profitability, performance, safety and compliance with environmental standards.

The Group’s strategy is also based on a human resources policy that is focused on initiative and technical excellence. The ability to listen, strong dedication and pioneering spirit make Fives a partnering group for its clients with the capability to anticipate their needs and propose the most efficient, relevant and forward-thinking solutions. The ability to listen, strong dedication and pioneering spirit make Fives a partnering group for its clients with the capability to anticipate their needs and propose the most efficient, relevant and forward-thinking solutions.
THE CHAIRMAN’S LETTER

The global economic climate in 2014 was less favorable than expected at the beginning of the year. Over the course of a few months, it became increasingly uncertain and volatile, primarily due to recurring geopolitical crises in Eastern Europe, the Middle East and some emerging countries, health epidemics in Western Africa, and economic downturns in the European Union and Japan. This course of events finally took a toll on the Group’s financial performance.

A new record of order intake in 2014

This year saw a drop in activity, from €1,626 million in 2013 to €1,560 million in 2014, despite the full-year contribution of the three latest acquisitions (Fives Machining Systems, Fives ITAS) and Fives’ performance. This drop in activity did not stop Fives from achieving slightly higher gross operating income, up from €133 million in 2013 to €135 million in 2014. By diversifying its markets and having a presence in some 30 countries, in 2014 the Group took a record-setting order volume totaling €33.1 million, up 18% from €28 million in 2013 and new patented inventions (53 in 2014, well above the Group’s annual objective) that brought the number of active patents worldwide to nearly 1,900.

First, on the commercial side, two turnkey cement plants in Algeria and Qatar and a grinding workshop — marked the year 2014: A number of commercial or production successes in 2014 are all the more impressive in the context of the downturns in the European Union and Japan. This is especially true in the face of many composite fiber placement machine tools, additive manufacturing, non-destructive testing, robotics, connected machines and international development, and finding ways to attract and nurture new talent to enhance the Group’s diversity.

Second, on the production side, the successful commissioning of the world’s largest aluminum plant for Alcoa in Brazil and the pot gas treatment center to equip the new Rio Tinto Alcan plant in Canada using high amperage AP 60 technology, a successful startup last summer of the rail treatment center to equip the new Rio Tinto Alcan plant in South Africa, the UK’s acceptance of seven line and reheating furnaces for the Chinese and American steel industries; and finally, the delivery of several sorting centers in Japan, Korea and Australia.

A number of commercial or production successes marked the year 2014:

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Fives continued its research and development efforts in 2014 with more spending increases from one year to another totaling €35 million, up 18% from 2013 and new patented inventions (53 in 2014, well above the Group’s annual objective) that brought the number of active patents worldwide to nearly 1,900.

Fives will resume its expected level of growth activity in 2015 by capitalizing on its assets, controlling its costs and risks, elevating its agility and more quickly reacting to change, continuing to prioritize innovation and international development, and finding ways to attract and nurture new talent to enhance the Group’s diversity.

Optimism and ambition for the future

People) and encouraging transparency and fairness (Customer, Operational excellence, Innovation, Entrepreneurial mindset and the Group’s signature pioneering spirit. It also aims to influence all the growth drivers by shifting them into higher gear (Customer, Operational excellence, Innovation, People and encouraging transparency and fairness in the Group’s relationships with all its internal and external stakeholders).

Opportunities and ambitions for the future

With renewed setting under volume and implementation outlook (H1 2014), an improved EBITDA margin at 8.5%, up from 8.2% in 2013, growth in service activities (2% constant scope and exchange rates), record net profits (€75.4 million as of late 2014 versus €44.6 million the year before), a strong balance sheet, and solid cash flow are all undeniable assets which give Fives an optimistic and ambitious outlook for the future.

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Optimism and ambition for the future
**The Fives Corporate Governance** is comprised of decision-making and supervisory bodies (Executive Board and Supervisory Board) that include expert and advisory committees (Executive Committee, Steering Committee and Coordination Committee). The Group’s international dimension led Fives to create four country divisions (North America, China, India and Italy) and three Steering Committees in China, France and North America. These bodies provide support coordinating the Group’s major geographic territories and foster relations between the functional and operational units.

**The Executive Board**

- **Frédéric Sanchez**, Chairman of the Executive Board
- **Lucile Ribot**, Member of the Executive Board, Group Chief Financial Officer
- **Jean-Camille Uring**, Member of the Executive Board
- **María Dorezas**, Member of the Executive Board
- **Jean-Camille Uring**, Member of the Executive Board

**The Executive Committee**

- **Jean-Marc Corail**, Head of the International Development Department
- **Alain Cordonnier**, Head of the Cement Division
- **Benoît Caratgé**, Head of the Steel/Glass Division
- **Jean-Marie Caroff**, Head of the International Development Department
- **Hugues Vincent**, Head of the Aluminium Division
- **Paule Viallon**, Head of the Human Resources Department
- **Michelle XY Shan**, Country Director, China
- **Sylvain Dulude**, Country Director, North America
- **Jean-Paul Sauteraud**, Group General Counsel
- **Jean-Paul Sauteraud**, Group General Counsel

**Fives | 2014 Annual and CSR Report**
In China, we have formalized a Steering Committee of general managers and functional managers in the country from departments such as finance, human resources and marketing and communications. This body enables us to properly align our priorities and implement local action plans that are coherent with the Group’s commitments.

Michelle XY Shan, Country Director, China

The Steering Committees

The Executive Board is forming a series of regional Steering Committees whose prime purpose is to act as a creative melting pot for the Group. In each major region, their membership includes Group company CEOs and functional department heads from within headquarter and/or for the region concerned. They promote regional cross-disciplinary and ensure that the Group’s management bodies are fully in touch with operational needs. First introduced in 2012 in France, North America and China, these will be set up in India, similar committees will be formed at a future date in other countries.

The Coordination Committee

The Executive Board is forming the Coordination Committee with the intention of boosting cross-functional interaction. This new body is being formed specifically to:

- provide overall development support and assistance to Group companies,
- act as a channel for informal communication,
- ensure consistency between the policies and the recommended measures.

Bruno Carbonaro, Director of Manufacturing Technologies

THE FRANCE STEERING COMMITTEE is where we come together to map out substantive matters such as the service offer, R&D strategy and networking. Our objective is to submit recommendations to the Executive Board to implement at the Group level that are also helpful and adapted for all subsidiaries.

The Coordination Committee provides the opportunity to share ideas on a regular basis on a variety of programs at Fives, collectively reflect on common issues and coordinate subsidiary-related actions as much as possible. It is an invaluable space to exchange and improve our efficiency!

Estelle Fontenay, Director of CSR

THE COORDINATION COMMITTEE

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MILESTONES

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14 HIGHLIGHTS
16 HIGHLIGHTS AND TERRITORIES

MULTISECTOR EXPERTISE AND INTERNATIONAL DIMENSION make Fives a resilient group.
Driven by two turnkey cement plant contracts signed during the year, the Group’s 2014 order intake reached a record €1,865 million, a 52% increase after a disappointing 2013 (€1,227 million). However, the economic slowdown in emerging countries, coupled with the emergence of regional geopolitical tensions and industrial growth below expectations in the United States, did affect small and medium order volumes that saw a modest uptick despite higher service activity. This state of affairs had a direct effect on the year’s turnover. With the two large cement plant contracts only in the early stages, amounted to €1,560 million, down 4% compared to 2013 (€1,626 million).

EBITDA remained buoyant at €135.1 million and was up slightly compared to 2013 (€133.0 million). At the close of the fiscal year, the order book was €1,494 million, or 33% higher than when the year opened (€1,125 million) and provides clear visibility for the Group on its level of activity for 2015.

FIVES HAS ONCE AGAIN DEMONSTRATED RESILIENCE of its business model based on multisector activity and worldwide presence, even in a trying economic and geopolitical climate.

Lucile Ribot, Member of the Executive Board, Group Chief Financial Officer
Since 2012, R&D spending has increased by more than 45%.
Research partnership

Fives signed a framework agreement with TECH that will give the Group access to laboratory resources for their technology development programs.

Automotive

Start-up of the new line for Jaguar Land Rover

Jaguar Land Rover started up its production line for the Range Rover Sport L494 and CX17 SUV at its Solihull plant. For this project, Fives built the final assembly shop and supplied fluid filling equipment.

On the web

Find everything Fives has to offer!


Safety Award

Fives received a Safety Award

For the fourth month in a row, Fives was awarded for its excellent safety performance on the Alcoa Tennessee Automotive Project.

Operational Performance Department

This department aims to help the subsidiaries strengthen their performance in implementability, particularly in safety, purchasing, project execution and manufacturing. It is chiefly tasked with providing and sharing expertise, establishing standards and implementing best practices.

China

A very eventful 2014

As part of the Franco-China Committee’s “So French, So Innovative” campaign to promote French innovation in China, Fives won an award in the Innovative Product category for its AdvanTek® WRT 2.0 combustion system for continuous flat steel production lines. The Group expanded its organization in China with a new Marketing & Communications Manager and Service Manager, who have been tasked with helping increase brand recognition and tailoring the Group’s initiatives for the Chinese market.

Élysée signing ceremony

Fives and steelmaker Wisco signed a cooperation agreement to create a manufacturing joint venture in Wuhan, China. The contract was signed in March at the Élysée during the official visit of Chinese president Xi Jinping.

Acquisition

In January, Fives completes its combustion offer with the acquisition of Italian company ITAS, which has been renamed Fives ITAS. For close to 40 years, ITAS has been supplying equipment mostly in the gas and oil sectors and for environmental applications.

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In the steel tube segment a new contract for Fives in the Korean tube manufacturer Heocho for the supply of a complete line, including key equipment for weldable tube manufacturing (EHM), and tube finishing equipment for its new site in Pohang.

Renewed high environmental performance technologies

In combination, Fives was awarded a contract by Altechna Corp. for the retrofit of hot gas generators installed in Texas refineries to produce catalytic.

Guatemala

Sugar and biomass energy for optimizing the plant

The Pantanal Group selected Fives to design, manufacture and assemble a vertical crucible, massive reheater and Cail crystallizer, massecuite reheater and Cail rotating pan for process optimization at its main plant in Guatemala.

The Philippines

Cement: A new contract with Lafarge

Pives has put an order in place to supply a turnkey cement grinding workshop for Lafarge Republic Inc.

Asia and Oceania

Australia

Logistics: Toll IPEX and TMT renewed their trust in Fives

Australia’s top two express shipping companies opted for Fives’ cross-belt technology to automate their Melbourne facilities.

China

Steel: A confirmed leading position for process lines

In the flat steel segment, the Group was awarded four complete lines – three continuous annealing lines and one annealing – as well as a contract for one vertical line furnace for Inner Mongolia Baotou Steel Co. and Guanzhou Iron & Steel Group Co. (Wisco group).

Grinding: Recognized technologies

Public, a tier 2 Chinese subcontractor, chose Fives for the supply of six Lsds 2500 grinders.

India

Logistics: A renewed confidence

The Group’s eeguating Japanese customers have once again put their faith in the Group’s technologies for the supply of six Landis LT2e grinders.

Fuda, a tier 2 Chinese subcontractor, chose Fives for a contract for one vertical line furnace for Inner Mongolia Baotou Steel Union Co. and Guangxi Iron & Steel Group Co. (Wisco group).

Steel Group Co. (Wisco group).

Nuclear maintenance: Fives signed a framework agreement with EDF

As part of the multi-year maintenance programs and upgrades for the French nuclear fleet EDF has awarded Fives a four-year renewable framework agreement for the “Gauze Machine” section for the sites of Graignes, Plamanet and Penly.

Italy

Steel tube segment: Ilta Inox trusts in Fives

Ilta Inox (Arvedi Group), which already operated two lines supplied by Fives has asked the Group to supply a new mill that offers high production flexibility thanks to an innovative design.

United Kingdom and Spain

Automotive: Two new projects for Nissan

In the automated production systems segment, Nissan placed an order with Fives to extend its final assembly line for 50% as well as the design and supply of a new zone in its Sunderland plant in the UK. The carmaker also awarded Fives an order for manufacturing existing lines of its site in Barcelona, Spain, to produce a new model of pickup trucks.
OUR EXPERTISE, OUR MARKETS

Know-how and expertise

20 OUR EXPERTISE
21 INNOVATION
22 SERVICE
23 AEROSPACE AND SPECIAL MACHINING
24 ALUMINIUM
25 AUTOMOTIVE AND MANUFACTURING INDUSTRIES
26 CEMENT AND MINERALS
27 ENERGY
28 GLASS
29 LOGISTICS
30 STEEL

ANTICIPATING the customers’ needs and proposing leading technologies and associated services.
Innovative and sustainable proprietary technologies

Fives develops its own equipment. Backed by a portfolio of nearly 1,900 active patents, Fives now has a huge range of proprietary technologies at its disposal. Since 2012, a growing number of these technologies is offering improved energy and environmental performance to help its customers meet their sustainable development objectives.

Expertise in manufacturing

Fives made the strategic choice to maintain full control over the production and assembly of key elements of the supply chain and to outsource a large part of manufacturing. The Group is structured to accommodate these approaches. Fives relies on an international network of highly skilled and accomplished machining and assembly shops. For many years, Fives has added value to its own equipment. Fives is a pioneer in developing its own equipment. Fives has been a trailblazer in many industrial sectors since its inception. Even today, the Group continues to plan for the future to foresee the promising technologies of tomorrow.

Fives'.noticeable growth in Brazil and China

Fives offers unparalleled metallurgy expertise with a focus on applications for flat carbon steels. It derives from extensive knowledge of the steel process and proprietary software for steel process management and steel coil production management. Thus, Fives offers its customers upstream advisory services to define their requirements, during the installation startup phase, and provide operational assistance.

Metallurgy: A unique expertise

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Our Expertise

Breakthrough technologies and industry experts working to improve customer operational performance

With its multisector and international expertise, Fives possesses the assets and resources to offer its customers high-performance solutions and services based on innovative and sustainable proprietary technologies.

As an industrial engineering Group

Fives designs and supplies machines, process equipment and production lines for the world’s industrial players in the aerospace and special machining, aluminium, automotive and manufacturing industries, cement and materials, energy, glass, logistics and steel sectors.

Why Fives?

Fives’ expertise is at the heart of the designs for the world’s most sophisticated processes and for the world’s leading industrial players. As an engineering and production company, Fives’ goal is to design and build upstream and downstream equipment, production lines and entire plants. Fives’ expertise is at the heart of the designs for the world’s most sophisticated processes and for the world’s leading industrial players. As an engineering and production company, Fives’ goal is to design and build upstream and downstream equipment, production lines and entire plants.
Inventing the factory of tomorrow

For 200 years, Fives has placed innovation at the heart of its development strategy. The solutions and equipment developed by the Group enable its industrial customers to meet their own current and future performance challenges, including energy and environmental performance.

An active innovation approach

Fives designs pioneering innovations recognized by its customers for their breakthrough technology. The Group is committed to develop solutions and equipment to meet the high-level expectations of its industrial customers.

To further advance these innovations, Fives decided to open up its R&D and implement internal visionary programs.

- Fives has partnered with stakeholders in the research community (research laboratories and institutions like CEA Tech and IRT Jules Verne in France, American and European universities, etc.) to gain access to the latest resources and accelerate new product development.

- The annual in-house Fives Innovation Awards competition cultivates the development and application of new ideas.

- Cross-functional R&D initiatives across the Fives subsidiaries are on the rise, exploring topics like sensors, combustion...

Technologies for more eco-friendly plants

Fives has a proactive policy for developing new, more environmentally friendly technologies, primarily through the Engineered Sustainability® brand. Engineered Sustainability® embodies the Fives commitment to offer technologies that combine operational excellence and high environmental performance. It is a mark of the most advanced equipment in the industry that has passed a rigorous inspection program. The Group is also continuing its efforts to develop energy recovery and storage solutions.

Inventing smart factories

The factory of tomorrow will need to meet new economic challenges by quickly and accurately adjusting production to new requirements and shifting market conditions.

The undeniable drivers of a more agile and effective plant are digital solutions, robotics and cobotics. Fives has consolidated its position in these areas and is developing solutions for its customers that simplify operator tasks and allow for example, process optimization, maintenance and even energy consumption.

Partnership

In September 2014, Fives signed a framework agreement with CEA Tech. The solutions and resources this distinguished French research institution provides will help develop new technologies for processes and improve equipment in sectors like new materials, additive manufacturing, mobile robotics, heat loss recovery and heat storage.

R&D spending has increased by more than 45% from 2012 to 2014. 

In 2014, 407 ideas submitted for the Fives Innovation Awards

In 2014, 4 more products earned the Engineered Sustainability® label

32% of patents are related to energy and environmental performance

In 2014, Fives published a Smart Control application that uses a range of direct and remote devices (desktop computer, tablet or smartphone) to view run parameters for sugar centrifugals and give sugar plants options for maintenance and to analyze performance.

INNOVATION
Moving closer to our customers

In line with the Fives objective to always offer its customers the most flexible, responsive and tailored solutions, it continues to expand its range of services and add to its local teams working as close to their production sites as possible.

A value-added Service offering

Over the past few years, Fives has reinforced and restructured its teams to rethink a full service offering that accounts for the day-to-day constraints and increasingly specific objectives of its customers. Backed by its highly-skilled teams and thorough knowledge of customer processes, the Group has developed unparalleled and flexible tools that enable manufacturers to optimize their installations.

The offering covers everything from operational support to retrofitting and upgrading equipment and systems. At its foundation lie the Group’s expertise, guidance and models that enable customers to maximize their production tool and get the most from their equipment.

Connected services are the future

Meanwhile, Fives continued to develop innovative services that merge its process expertise with the power of algorithms for analyzing production data. The connected services allow remote connectivity inside production units and thus anticipate and prevent potential risks to provide optimum support.

The applications range from remote repairs and predictive maintenance to performance analysis and optimization. They can optimize sugar plant income, certify a mill’s steel quality and perform predictive maintenance by pre-empting mechanical equipment issues.

Renowned expertise in industrial maintenance and renewed customer confidence

The Fives service line also includes industrial maintenance for complex production systems that is known for its expertise and operational performance. In 2014, the Safran Group turned once again to Fives by renewing the Group’s contracts for Snecma plants in Gennevilliers and Corbeil that design and manufacture sub-assemblies for aircraft engine makers. At the Gennevilliers site, the Group’s scope of work was expanded in 2007 to include the plant’s entire machine fleet, which subcontracts its maintenance. At the Corbeil site, which opened in 2011, the contract was extended and includes more areas of activity.

In CHINA, OUR MACHINE INSTALLATION BASE is large and spans a number of industrial sectors. In order to provide optimum customer satisfaction, we have strengthened our local teams.

Local presence

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Frank Zhu, China Service and After Sales Vice President

The e-commerce company Dispeo also contracted Fives for preventive and corrective maintenance at its two sites in the northern region of France.

Moreover, defense contractor Nexter Munitions chose Fives to provide machine maintenance at its La Chapelle Saint-Usine (Cher - France).

Our customers trust us for the quality and performance of our technology as well as our ability to support them throughout the lifecycle of their equipment. We are an essential partner in our customers’ performance!

Denis Bouteille, Service Director

Between 2013 and 2014, Service order intake increased by 26%.

Service, a comprehensive and flexible offer

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With regard to industrial equipment for the mining and oil and gas sectors, the Group’s business was impacted by the difficulties affecting these two end markets. Despite a flat market environment, Fives obtained several orders from the major customers in this market in both machine tool and composite sectors. The orders were mainly related to the modernization and upgrade of existing equipment as well as the supply of new machines tailored to the specific requirements of each project. In terms of service, the teams’ expertise in rebuilds, modernization and upgrade enabled the Group to retain a large number of projects both in the aerospace sector as well as in the oil and gas sector.

In 2014, sales activity was impacted by the postponement of a number of projects. On one hand, the two major global manufacturers, Boeing and Airbus, once again pushed back their investment programs related to the “second wave” of their new long-haul aircraft. On the other hand, bids going out to Russia were frozen. A few opportunities did emerge from China but volumes were still limited.

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2014 began by confirming the 2013 trend. Despite a strong production deficit experienced by the market in the first half of the year, the recent increase of installations that were put into operation and high inventory levels reduced the impact on market prices, which did not inflate enough to justify new investments in more plants. Only isolated pieces of equipment and services benefited from bids during the year.

In spite of this environment, Fives was able to exploit the recognized expertise of its teams and its technologies’ performance, working on existing lines and supplying isolated pieces of equipment and spare parts as well as carrying out maintenance for its established customers.

Thus, the aluminium producer Alba in Bahrain, tasked the Group with turnkey modifications to its number 3 & 4 gas treatment centers, enabling it to up ampereage and production on its number 5 line. In Saudi Arabia, Ma’aden Aluminium, to which Fives has supplied several pieces of process equipment, called on the Group’s technical support throughout the year to run and maintain its green anode plants and pot gas treatment centers. The Cascade alumina feed system for pot gas treatment centers, designed to improve the performance of capturing fluorine, has been chosen by Rio Tinto Alcan-Alma, in Quebec, while the Scottish arm of the same group selected Fives for two Genios™ electromagnetic liquid metal moving and transfer systems for its casthouse furnaces.

Numerous commissioned all over the world

In Canada, Fives commissioned the pot gas treatment center for the new Bauxite installation in bauxite, using very high ampereage AP 4.0 technology. In India, the Group also commissioned the pot gas treatment centers for Balco’s new line (Vedanta Group) in Korba site. Additionally, the Group commissioned the green anode plant and the firing and control systems on anode baking furnaces for Hindalco’s new plant in Aditya. In Iceland, Nordural took delivery of OZEOS™, the electromagnetic liquid metal moving system for its casthouse furnaces, while in Abu Dhabi the Fives teams commissioned the furnaces for the new Emal phase 2 casthouse.

Several aluminium plants, furnace treatment centers, firing and Control Systems (FCS) for anode baking furnaces and carbon bath recycling units.

A year confirming the development of new technologies

In 2014, Fives finalized the design of several innovation technologies and systems in partnership with its customers. At Alba in Bahrain, Fives commissioned and tested a heat exchanger for cooling gas from electrolysis pots. At Century Aluminium-Vlissingen in Holland, the Group validated the Low NOx performance of its new injectors for the Helios™ firing and control systems. At Ma’aden Aluminium in Saudi Arabia, the teams perfected a new system for catalytic removal of pitch fumes. With this technology, the fumes emitted by the liquid pitch hoppers can be treated while minimizing energy consumption and carbon footprint.

MORE ON

www.fivesgroup.com

FIVES OFFER

Raw materials
Coal tar distillation.
Liquid pitch marine terminal.
Carbon
Soot: anode plants, furnace treatment centers, firing and Control Systems (FCS) for anode baking furnaces and carbon baths recycling units.
Electrolysis
Gas treatment centers and bath processing units.
Casthouse
Holding and melting furnaces, heat treatment furnaces, and casthouse water cooling systems.

MAIN CUSTOMERS

ALBA - ALCOA - AMRICKY STEEL - HYHON-BADCO -
TALCÔLICA - INGUILLIT - SUBTAL ALUMINIUM
VISTAG - EAG - HINDALCO - MA’ADEN ALUMINIUM
BRITISH ALUMINIUM - BALCO - BALCO GROUP - SOHAR ALUMINIUM - VEDANTA

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The pace of investment slowed in 2014 after the peak of 2011-2013. In China, production capacity has now caught up with demand. In the United States, the cycle of rationalizing production methods and refurbishing plants that began following the 2009 crisis is drawing to a close. In Brazil, India and Russia, activity was virtually at a standstill in 2014, while in Europe the market, led by the United Kingdom and Spain in particular, has returned to slow growth.

In the field of machining systems, the technologies developed by the Group, particularly for grinding, are recognized by major manufacturers both locally and internationally. Fuda, a 2nd Chinese subcontractor operating in car and truck vehicle construction, chose Fives to support its growth strategy and diversification toward larger sub-assemblies for boat and locomotive engines. This partnership began in 2008 with orders the Group received to supply grinding systems for truck parts and has since seen seven major advances in 2014 with an order for six Landis LT2e grinders, four of which will be used in grinding engine crankshafts. It also opens new doors for the Group in grinding components for larger engines in the shipbuilding sector.

In the automated production systems segment, the CentriSpray™ range of robot solutions for part washing that was eco-designed by Fives has been a great success. In the United States in particular it was chosen by Ford for the launch of its new assembly line programs for automatic transmissions (10-speed/9-speed transmissions, 6F15 transmissions, D35 engines). Initial orders have also come in from China and South Africa. In 2014, Fives also started production on two 9-speed automatic transmission assembly lines supplied to Chrysler for their Tipton plant in Indiana.

With regard to sealing and filling systems, the Group has strengthened its position in China by becoming key partner to numerous customers, including SGM, FAW Volkswagen, GE, DPCA and Ford Changan, and maintained its development in North America. At the same time it also continued to benefit from the programs launched in 2013 in Europe and by Japanese manufacturers in Southeast Asia.

THE CENTRISPRAY™ RANGE is dedicated to washing and drying automotive parts. It delivers excellent environmental performance, reducing energy consumption in comparison to standard equipment by a third, cutting down used air waste by 65% thanks to controlled air output, while its operating noise levels do not exceed 77 dB.

THE CENTRISPRAY™ RANGE

Pioneering technologies

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The steady growth of global consumption (3.5% excluding China in 2014) has still not translated into a significant recovery in investments. South America, with the exception of Mexico and Columbia, is dealing with weakened demand, while in Southeast Asia where consumer growth is high, local cement plants are struggling to find financial backing. Driven by a strong demand for infrastructure, Africa and the Middle East are emerging as the most dynamic regions. Additionally, several countries such as Algeria have released numerous calls for bids over the past two years.

In 2014, Fives was awarded a significant number of sales orders, which confirms the preference of its historic customers for its technologies and team expertise.

Fives was awarded an order to supply a turnkey cement grinding workshop by Lomaghem Republic, Inc. for its Nicoranya site in the Badagashe province of the Philippines. This workshop is newly identified to the one ordered in 2013 for the Tunis site. It will produce 500,000 tons of cement annually and will incorporate several proprietary process equipment developed by the Group, including a FCB NovoFlam® grinding mill to reduce power consumption at the cement plants, third-generation FCB TSV™ separator, TGT® filter and Pillard NovaFlam heat gas generator. Cimenterre National Cement Co. chose Fives to build its fifth clinker production line, after having entrusted the Group in the past to build three previous lines. With a daily capacity of 5,000 tons, the new line incorporates all of Fives' proprietary equipment from raw material preparation to cement shipping (grinding FCB B-mills, FCB TSV™ classifiers, an FCB Zero-NOx precalciner, a three-pier FCB kiln, Pillard HeatGen hot gas generator, FCB B-mills, FCB A erodecantor). It is designed to meet the extremely high demand for cement created by an extensive list of infrastructure projects planned in Qatar, including those related to the 2022 World Cup. In 2014, Fives also obtained an order from Entreprise des Ciments et Dérivés (ECDE), a subsidiary of Groupe Industriel des Ciments d’Algérie (GICA), for its third production line at its cement plant in Chlef, about 200 km west of Algiers. The contract is for a turnkey delivery of a new line with a daily capacity of 6,000 tons of clinker with production due to begin at the end of 2016. For PROCECO, this is an opportunity to continue and strengthen collaboration through a long-term partnership with the Algerian cement industry.

To comply with changes in their environmental standards, American manufacturers – Armstrong Cement, CDC-Clean Harbor, Saint Gobain Bryant – have chosen emissions filtration or purification systems developed by the Group. With regard to commissioning, the Group completed the revamping and capacity augmentation from 700 to 1,000 tons of clinker per day of the white cement line at Saudi White Cement Co. Although there were quality issues with the quarry, the Group delivered equipment that now enables the plant to achieve expected performance levels after previously never reaching nominal capacity. In Brazil, the slag cement grinding workshop Fives supplied was accepted by Cimencorob. A joint venture between the Queiroz Galvão and Cornelio Brennand groups. In Niger, for Dangote, the Group's teams commissioned combination equipment (NovoFlam® burners, and TGT® process filters). It is designed to meet the extremely high demand for cement created by an extensive list of infrastructure projects planned in Niger, including those related to the 2022 World Cup.

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INDUSTRIAL PIPING

The French market was stimulated by the ongoing Flamanville EPR site. With regard to maintenance, the cost-cutting measures announced by EDF caused delays in the first major orders that were expected for France’s Major Retrofit (“Grand Carénage”) and post-Fukushima programs. However, Fives continues to expand its work for this customer on recurring maintenance framework agreements for French nuclear power plants.

EDF signed a four-year renewable framework agreement with Fives for its multi-year maintenance programs and upgrades to the French nuclear fleet. For the “Casa-Marie” section, this contract is for maintenance services on pipework, welding and associated non-destructive checks, at the Flamanville, Flamanville and Penly sites, delivered both during unit shutdowns and while operational. It ties in with the ongoing nuclear maintenance work carried out over several decades for the established French nuclear operator, to which Fives has already been able to demonstrate its expertise in pipework and mounting, as well as its agility and ability to mobilize teams all over France.

EDF has also awarded a contract to the Group for modifications to the heat barriers for the primary motor pump units, with work extending to 2022.

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Contracted by Areva, Fives will also carry out work on auxiliary piping during the replacement of the steam generators at Blayais and other sites. Still with nuclear, Fives was chosen for the ITER fusion program, alongside the THALES group, to supply an assembly of metal pipework for the demonstration power plant.

Apart from nuclear, Fives obtained an order from Snecma to adapt an engine test bed for the new Ariane 6 launcher, as well as an onsite pipework consultancy for the Vietnamese Mekong Energy Company.

FIVES OFFER

Industrial equipment primarily used in energy production:
– brazed aluminium plate-fin heat exchangers (for air separation units, ethylene production or liquidified natural gas);
– cryogenic piston and centrifugal pumps (for air separation units, hydrocarbon production and distribution of any liquified gas);
– engineering, supply, manufacturing and assembly of highly technical piping (new construction or refurbishing).

Combustion systems designed for electric and thermal energy production and for industrial processes.

Equipment and complete plants primarily used in sugar and bioethanol production.
Our expertise, our markets
Energy and environmental efficiency

SUGAR AND BIOENERGY

In 2014, prices leveled off in the sugar and bioenergy sector. Even though consumption is still growing, stocks continue to increase due to the great success of the last three campaigns (especially in Brazil) and partly to lower oil prices that have prompted ethanol producers to shift some of their production over to sugar. The market was characterized by the low volume of new equipment projects. Meanwhile, the wave of investments from 2011-2012 gave manufacturers a chance to upgrade their production resources, which provided fewer short-term opportunities in maintenance and services.

Despite these circumstances, Fives profited by relying on the proven performance of its technologies and expert teams.

In South America, the Pambeiros Group placed an order to design, manufacture and assemble a Cail & Fletcher vacuum crystallizer, a Cail & Fletcher massecuite reheater and Cail & Fletcher steam pumps for process optimization of its main plant in Guatemala. This project was a great example of operational performance by the Fives teams, which started up the installations in less than six months.

In Thailand, Mitr Phol, the fifth largest producer in the world, commissioned Fives to supply two Cail & Fletcher continuous vacuum pans and vertical crystallizers for two of its sites. After already having ordered this equipment for other production lines, the customer selected it again for its operational performance and easy maintenance.

The Group created a service and consulting offer called Fives Sugar Consulting based on CAMEO, a software platform developed completely by its own teams. The software simulates operations in sugar plants. These services can generate recommendations for customers on operations and maintenance programs, production line optimization scenarios and equipment replacement simulations.

In 2014, industrial leaders began focusing on the energy and environmental efficiency of their installations amid stricter regulations and a desire to optimize costs. A spurt of new revamping projects began in the United States prompted by manufacturers looking to improve their equipment’s efficiency. But in the rest of the world, the conflicts in the Middle East, North Africa and Ukraine/Russia hindered any possibility of realizing the projected growth potential.

Fortunately, Fives was able to attract some large deals around the world because of its offer featuring technologies like the Pillard LowNOxFlam G2 and the new North AmericanTempa DMC System, recognized as one of the systems with the highest performance levels in energy and environmental efficiency.

In the United States, chemical group Albemarle Corp. selected Fives for its ultra-low NOx technologies and placed an order to retrofit the hot gas generators of its Texas refineries for the production of catalysts. Mexican boiler maker Cerrey contracted the Group again for its Pillard LowNOxFlam G2 technology to equip three new boilers of the Lake Charles petrochemical facility.

In Denmark, AFA Land Aalborg has chosen the Group to supply combustion systems for a fleet of 14 new LNG units. Russian equipment manufacturer Sibur chose the Pillard Sulflam® technology for two new projects to build systems for a fleet of 14 new LNG units. Russian equipment manufacturer Sibur chose the Pillard Sulflam® technology for two new projects to build systems for a fleet of 14 new LNG units.
Capacity investments in the flat glass market were scarce in response to a sluggish European market and overcapacity in China. There were notable early signs of a recovery in Southeast Asia and the United States at the end of the year, where Fives’ technology is well positioned.

In the hollow glass segment, the world’s leading producer of bottles for the pharmaceutical industry, SGD, commissioned Fives to build two new bottling lines for its new plant under construction in Picardy, France. The Group will also be providing an electric furnace with a capacity of 70 tons/day and a baromelting furnace processing 35 tons/day that will be equipped with the Group’s exclusive design called HRA technology, that reduces the temperature of oxy-fuel combustion flue and improves energy consumption by up to 15% compared to conventional furnaces. These two furnaces are scheduled for commissioning in mid-2015. In the Czech Republic, PCRR hired Fives to supply a turnkey float glass unit and a merchandise from glass and flatmelt in Italy has contracted the Group to design and build a fiberglass production line.

In the flat glass segment, the Group’s expertise and industry know-how made it a natural choice to supply annealing line equipment for high-capacity lines (1,200 tons/day) most notably for KCC in Korea and Xinyi in China. In 2014, Fives also continued building the second float glass line producing 800 tons/day for Düzce Cam in Turkey.

In August, Brazilian glass producer Vivix (CBVP) also reached expected production capacity of 800 tons/day on the line supplied by Fives. The glass production unit features L.E.M.® technology, a combustion air float glass technology (Low Energy Melter®) that uses 10-15% less energy than standard melters by acting on the three glass melting stages.

In the service segment, in 2014 Fives restructured its dedicated team of experts for industrial glass and strengthened the teams in China, France and the United Kingdom. This new Service offer is clearer and has helped the Group bring in a variety of contracts for spare parts, support and feasibility studies for Vivix and Solvay in Brazil, Saint-Gobain in Mexico and India, and SGD and AGC Boussois in France.

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In the postal and express courier segment, Fives completed the startup of several significant installations and continued to be contracted by industry leaders for its technologies and expert teams. In Japan, three steel belt sorters that can process 20,000 parcels/hour were supplied to Fujitsu for its Sakai terminal while Sagawas opened in Fukuoka. These installations to be supplied for the Fukuoka site will include two cross-belt sorters and two slide sorters. It will be operational in September 2016 and provide Yamato with the sorting capacity of 30,000 items/hour for parcels and 5,400 items/hour for objects with more complex shapes.

In Germany, DHL selected the group to expand its site in Leipzig. Fives will be retrofitting the sorting system it had supplied and automating a new 35,000 m² building where it will supply two cross-belt sorters with 42 injection lines. After the expansion, this hub will be the largest in Europe and one of the biggest in the world with a sorting capacity of over 100,000 parcels/hour. To support this expansion, Fives has asked DHL to expand and automate its largest European platform.

In distribution, Fives was awarded several contracts to automate order picking centers like the one it built for Tempo One in Marseille, France. This is a “reversible” solution that can accept and prepare orders on the same installation at speeds of up to 2,000 parcels/hour. The Group also automated order preparation lines for Stihl (France’s leading motorized gardening equipment maker), Sonepar (the world’s top distributor to electricity professionals), and OCP (a company specializing in pharmaceutical distribution in France).
In the flat steel market, Fives has confirmed its position as a principal supplier of process lines. Fives succeeded in securing five orders for carbon steel plate production lines for the only two significant projects out of seven lines that were announced in China in 2014. The Group was awarded four complete lines – three continuous galvanizing lines, each with a capacity exceeding 400-2300 tons, and a 12500 ton hot strip annealing line, as well as a contract for a vertical furnace line. These sales achievements, obtained by Mico and Inner Mongolia Baotou Steel Union Co., are the result of a comprehensive offer that integrates both advanced Fives technologies (Stein Digiflex® vertical furnaces, DMS 4Hi and 6Hi Skin-pass mills, Stein Flash Coating® cooling systems, Stein AdvanTek® WRT 2.0 combustion systems) and the Group’s well regarded know-how in process expertise and operational support. This offer will enable the Group’s customers to manufacture a wide range of high added-value steel products. The Group will be supplying complete line, including care equipment for welded tube manufacturing (ERW), finishing equipment for welded tubes, as well as finishing equipment for seamless tubes and pipes. Praxair provides the flexibility to manufacture the full range of tubes (273-609 mm in diameter) without having to change adjusting. This line’s innovative design provides the flexibility to manufacture tubes, pipes and long products solutions ERW mills & related equipment – Finishing equipment – Long product long straightening.

Surface treatment
Pickling - Degreasing.

Systems
Cooling solutions - Virtuo™ level 2 optimization.

Thermal equipment

Mechanical equipment for flat products
Cold rolling - Reversing rolling mills - Skin-pass rolling mills - Strip processing - Shearing - Strip & tool handling equipment - Strip transport.

Tube, pipe & long products solutions
ERW mills & related equipment – Finishing equipment – Long product long straightening.

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OUR COMMITMENTS

EXTENDING a long-term partnership to our stakeholders.
Seven years ago, Fives initiated a social responsibility program. This commitment reflects the Group’s determination to go beyond innovative technologies and set itself apart with its best practices and performance. This structured program is also a vehicle to share a cohesive common vision, with all the entities that form Fives, which is aligned with each of these situations and interests.

**Four CSR commitments**

**Environment**
- Maximizing the environmental footprint of the Group and its customers
- Promoting fair practices on the marketplace

**Social**
- Providing a safe and motivating working environment
- Governing

**Incorporating CSR priorities into the organization of all Fives entities**

**OUR COMMITMENTS**

- **Environment**
  - Minimizing the environmental footprint of the Group and its customers
- **Economics**
  - Promoting fair practices on the marketplace
- **Social**
  - Providing a safe and motivating working environment
- **Governance**
  - Incorporating CSR priorities into the organization of all Fives entities

**IN BRIEF**

- **DIVERSITY**
  - 96% of executive officers attended business ethics training course.
  - 16% of managers, engineers, and employees were passed through a career management committee (CEDRE).
- **DIAGNOSES**
  - 70% of total workforce had a job evaluation.
  - 96% of executives attended business ethics training course.
  - 54% of employees were passed through a career management committee (CEDRE).
  - 84% of total workforce had a job evaluation.

**A public commitment**

- Fives joined the Global Compact in 2011. The goal of this UN initiative is to promote the 10 principles of human rights, workplace standards, the environment and anti-corruption.

**A designated CSR framework**

In 2008, Fives created a department to structure and monitor its social and environmental responsibility policy. Part of the Operational Performance Division, the CSR department is comprised of a core team of four people and a network of 58 health, safety and environment representatives around the world. Fives provides ongoing support for the Group companies to apply its CSR commitments locally. In 2014, 38 subsidiaries received CSR coaching. A total of over 60% of the Group’s workforce has participated in this program. The Fives Executive Board directly oversees the CSR program.

**Fives engages in fairness and sustainable policies**

**ETHICS**

- The Directives and Guidelines Manual is intended to provide a framework for managing the Group’s commitment, whatever their business and country location. Fives has reinforced its business ethics policy by creating a new Directive.

**The Code of conduct, distributed to all Fives employees, assesses the Group’s commitment and outlines the ethical and professional values of management employees.

**OUR Partners**

- Since the Fives eco-design program was launched, 6 pieces of equipment earned the Engineered Sustainability® brand.

**GENERAL PUBLIC**

- Fives continues its efforts to devise the factory of the future and industry of tomorrow through events held by the Fives Plants of the Future Observatory and coordinating with the French government’s “Industrie 4.0” initiative for a Factory of the future plan.

**HEALTH SAFETY ENVIRONMENT**

- The 2014 accident frequency rate has markedly declined in the past 6 years.
- 89% of target sites have been ISO 14001-certified.
- Close to 60% of Group HSE representatives.

**OUR TEAM**

- 54% of employees were passed through a career management committee (CEDRE).
- 16% of managers, engineers, and employees were passed through a career management committee (CEDRE).

**DEVELOPMENT**

- 84% of total workforce had a job evaluation.
- 70% of total workforce had a job evaluation.
- 46% of executive officers attended business ethics training course.

**INNOVATION**

- 10% of the EcoVadis panel.

**INDICATORS**

- 5.36

- The 2014 accident frequency rate has markedly declined in the past 6 years.

**EXPERTISE**

- section p. 20

**INNOVATION**

- section p. 22

**INDICATORS**

- section p. 60-73

www.fivesgroup.com

www.plantsofthefuture.com

At the heart of Fives

Careers

www.plantsofthefuture.com

The Directives and Guidelines Manual is intended to provide a framework for managing the Group’s commitment, whatever their business and country location. Fines has reinforced its business ethics policy by creating a new Directive.

**OUR Partners**

- Since the Fives eco-design program was launched, 6 pieces of equipment earned the Engineered Sustainability® brand.

**GENERAL PUBLIC**

- Fines continues its efforts to devise the factory of the future and industry of tomorrow through events held by the Fines Plants of the Future Observatory and coordinating with the French government’s “Industrie 4.0” initiative for a Factory of the future plan.

**HEALTH SAFETY ENVIRONMENT**

- The 2014 accident frequency rate has markedly declined in the past 6 years.
- 89% of target sites have been ISO 14001-certified.
- Close to 60% of Group HSE representatives.

**OUR TEAM**

- 54% of employees were passed through a career management committee (CEDRE).
- 16% of managers, engineers, and employees were passed through a career management committee (CEDRE).

**DEVELOPMENT**

- 84% of total workforce had a job evaluation.
- 70% of total workforce had a job evaluation.
- 46% of executive officers attended business ethics training course.

**INNOVATION**

- 10% of the EcoVadis panel.

**INDICATORS**

- 5.36

- The 2014 accident frequency rate has markedly declined in the past 6 years.

**EXPERTISE**

- section p. 20

**INNOVATION**

- section p. 22

**INDICATORS**

- section p. 60-73

www.fivesgroup.com

Fines joined the Global Compact in 2011. The goal of this UN initiative is to promote the 10 principles of human rights, workplace standards, the environment and anti-corruption.

**A designated CSR framework**

In 2008, Fines created a department to structure and monitor its social and environmental responsibility policy. Part of the Operational Performance Division, the CSR department is comprised of a core team of four people and a network of 58 health, safety and environment representatives around the world. Fines provides ongoing support for the Group companies to apply its CSR commitments locally. In 2014, 38 subsidiaries received CSR coaching. A total of over 60% of the Group’s workforce has participated in this program. The Fines Executive Board directly oversees the CSR program.

**A public commitment**

- Fines joined the Global Compact in 2011. The goal of this UN initiative is to promote the 10 principles of human rights, workplace standards, the environment and anti-corruption.

**More Details**

- www.fivesgroup.com
- www.plantsofthefuture.com
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- The 2014 accident frequency rate has markedly declined in the past 6 years.
MAJOR EXPORTERS LIKE FIVES must, with determination, fight corruption and learn how to withstand the solicitation.

These commitments are a guarantee to secure resilience and performance over time.

Frédéric Sanchez, Chairman of the Executive Board

THE DIRECTIVES AND GUIDELINES MANUAL

The Directives and Guidelines Manual sets the framework for how Fives conducts business and treats its customers, suppliers, subcontractors, agents, consultants and distributors. It provides a clear foundation for Fives’ management teams, regardless of the subsidiary’s country, activity or history.

The Code of conduct contains Fives’ fundamental values for all its employees. It is published in 13 languages so every employee can read it in their native language.

BUSINESS ETHICS

Business ethics Fives is a major exporter, so it has to work with commercial intermediaries as it expands. A key component of mitigating business ethics risks is how these intermediaries are supervised and monitored. With over 100 locations worldwide, the Group must also make an ongoing effort to explain and clarify its expectations and position with its subsidiaries and their executives. To address these two interests, in 2014 Fives launched a training program on business ethics for all its company executives.

Nearly 210 people attended the five-session course that primarily focused on anti-corruption, anti-competition practices and money laundering.

At the same time, the Group bolstered its business ethics policy by issuing a new directive to formalize the topics discussed in the training. The directive was sent out to the subsidiaries and will gradually be rolled out in conjunction with training for the different business lines.

The Code of Conduct has been in place for 15 years.

96% of executives attended a business ethics training course.

UN GLOBAL COMPACT

Since Fives joined the United Nations’ Global Compact in 2011, it has been openly committed to making the principles underpinning its business an integral part of its operations and practices, particularly the principles of human rights, workplace standards and anti-corruption.

Nearly 200 people attended the five-session course that primarily focused on anti-corruption, anti-competition practices and money laundering.

At the same time, the Group bolstered its business ethics policy by issuing a new directive to formalize the topics discussed in the training. The directive was sent out to the subsidiaries and will gradually be rolled out in conjunction with training for the different business lines.

MORE DETAILS

www.fivesgroup.com

At the heart of Fives

The Directives and Guidelines Manual has been in place for the past 10 years.

The Code of Conduct has been in place for 15 years.

96% of executives attended a business ethics training course.
THE RELATIONSHIPS WE MAINTAIN WITH OUR PEOPLE are based on respect and trust through consideration of the cultural diversity at Fives. This environment will allow employees to fully unleash their skills and expertise. 

Paule Viallon, Head of Group Human Resources Department

Social benefits
In 2014, Fives conducted an audit on the social benefits offered in the countries which the Group operates. The goal was to determine a uniform policy by the end of 2015 that encompasses the Group’s values, practices and local differences. The effort to harmonize social benefits policies is underway in the United States and has already begun in China and India.

MORE DETAILS
HSE section p. 54
GENERAL PUBLIC section p. 56
INDICATORS section p. 60-73

www.fivesgroup.com

Careers

Diversity
The Fives human resources policy is founded on equal opportunity and anti-discrimination. With 53 nationalities, the Group has found ways to build common practices while observing cultural differences. Since 2006, Fives has also had an active policy to foster diversity. The Group has introduced further actions to better integrate its disabled employees and expand hiring opportunities for disabled staff. Employee awareness, manager training and new local partnerships with specialized organizations have enabled Fives to double its employment rate for this group of workers.

Health and safety
One of the Group’s core strategies is to protect the health and safety of the men and women advancing their careers in Fives. All the companies are held to the same standards, regardless of the industry or country. Fives has set an objective to build a stronger safety culture in the Group via a special awareness program deployed throughout 2014 for management, the health, safety and environment community and the teams.
Fives is dedicated to its customers. Fives contributes to the CSR objectives set by its customers. The Group does this by analyzing their interests in the very early stages and provides solutions, particularly with regard to safety and energy and environmental performance.

In 2014, Fives continued efforts to help its customers reach their goals in social and environmental responsibility. The Group develops eco-designed technologies to support its customers in reducing their environmental footprint. Fives has developed a number of solutions through its special eco-design program called Engineered Sustainability®.

In terms of customer support, Fives is true to its sustainable partnership principles, and has expanded its service offering for the lifecycle of equipment it supplies. New applications have been developed that improve how its customers monitor the performance of their machinery and production lines. The Group also meets their needs by restructuring and strengthening its dedicated teams.

Suppliers and subcontractors: Developing standard practices without losing local initiative

On the procurement side, Fives has developed tools that all its subsidiaries can use to self-evaluate their purchasing practices and determine if there is any room for improvement. The Group also heads an actual purchasing community divided into regional coordination groups like in the United States and Europe. This community addresses a diverse range of situations. These can be spot purchases for major projects located anywhere in the world. It can also pertain to different kinds of subcontracting like the manufacture of key equipment that requires a very high investment in quality and reliability. Or the assembly and commissioning required alongside Fives teams at the customers’ work sites, reinforcement needed to meet the demands in subsidiary workshops and more conventional procurement functions like motors and compressors that are integrated and assembled by Fives.

The year 2014 was marked by the Purchasing Directives update in the Directives and Guidelines Manual, a directive that governs procurement practices for all Group subsidiaries. The general purchasing terms and conditions were also revised, primarily to strengthen the Group anti-corruption policy.

Fives’ ambition is to stimulate the service potential of its suppliers and subcontractors as part of the measures introduced to strengthen the Group’s capacity for innovation. Some of them are very large groups that Fives has been working with for a number of years.
Pillars of our operational excellence

Health, safety and the environment form the foundation of the Fives social responsibility policy. They are among the core drivers of operational excellence for all the Group’s activities.

**OUR COMMITMENTS**

**HEALTH, SAFETY AND ENVIRONMENT**

Fives’ objective is to achieve a work-related accident frequency rate under 4, in 2016.

Pascal Mercier, Health, Safety and Environment Coordinator

Ongoing consolidation of the safety process

Fives continues its efforts to achieve the objective it set in 2013 to reach an accident frequency rate under 4 in 2016 for its employees and temporary staff. At the end of 2014, this rate was 5.36 for the entire Group and 4.67 within a constant scope (not including the companies Fives acquired in 2013 and 2014). Efforts under way focus on two approaches: Reinforcing the safety culture for all Group managers and improving control of the key risks to which the Group is exposed.

Training initiatives continued in 2014 with a concerted effort on accountability for leadership teams and a stronger safety culture. Internal communication campaigns were accelerated in the area of HSE with active participation from managers.

* OHSAS 18001 is a recognized certification and benchmark in terms of safety management.

Fives also continued its cross-functional audit program for its own sites as well as its customers’ work sites. So far, 80% of the Group’s companies have been audited.

At the same time, the safety certification approach continues and is expanding geographically. Until now, only French and Italian companies were OHSAS 18001* certified. In 2014, a Chinese company, English company and American company earned this certification. Unlike for the environment, certification is left to the discretion of the subsidiaries. Progress on this front is a strong indication that the Group’s culture is evolving.

The fight against accident severity

Fives has decided to significantly strengthen its efforts to prevent serious accidents. The majority of the Group HSE representatives network, or nearly 49 employees in Europe and North America, were trained in accident analysis so they could pinpoint the root causes. Additional sessions are scheduled in 2015 for the Chinese, Indian and Japanese teams.

Fives also formalized its tools and processes to increase awareness of incident reporting.

Environment

As an industrial engineering company that has assembly plants and sometimes manufacturing plants, Fives deals with two sorts of environmental issues. It helps its customers reduce their environmental footprint and sustainably manages its own sites worldwide to control their impact on the environment.

Fives met the challenge of designing and offering its customers industrial equipment with the best balance of efficiency and energy/environmental performance by developing a proprietary eco-design program called Engineered Sustainability®. With close to forty industrial sites worldwide, including the United States, Italy and France, Fives focused on establishing an environment management system (ISO 14001) at each industrial site. At the end of 2014, 95% of its target sites had been ISO 14001-certified. The Group also maintained and analyzed energy and water consumption at all of its sites to detect any abnormalities and resolve them by sharing best practices.

In 2014, 25 industrial sites among which 37 industrial sites among which 22 industrial sites with safety certification

* ISO 14001 is a recognized certification and benchmark in terms of safety management.
For over 200 years, Fives has been at the heart of industrial and technical history and supports its partners to design production lines and equipment that are more user and eco-friendly. True to its values, in 2014 the Group continued efforts to foster sustainable industrial activity for its stakeholders.

In 2014, Fives continued to reflect and conduct initiatives for the factory of the future, based on two projects:

The factory of the future: Reflecting on the progress

In 2014, Fives continued to reflect and conduct initiatives for the factory of the future, based on two projects:

- The mission of the Fives Plants of the Future Observatory, founded in 2012, is to deliberate debate on the topic of the industry of tomorrow. To this end, a dozen people from different fields (industry, economic and mathematical research, strategy planning and military air force, etc.) attended three events in 2014 to share their vision of a more sustainable industry which also focuses on the topic of the place of people in factories that are becoming increasingly more automated.

- In May 2014, Fives presented a roadmap for the Factory of the future plan for the French government “Nouvelle France Industrielle” initiative as a co-directing with Thales Syntelium. In the end, more than 120 experts from the public and private sectors came together to help determine the key factors of success for industrial segments. The project is ongoing and is concentrating on installing pilot production lines, which Fives has already been working on.

Advancing innovation through sharing

Fives attended several conferences in 2014 with a wide range of audiences, from trade organizations and members of parliament to industry leaders, to share its expertise with them on the factory of the future and the results of the undertaking.

On a more general level, the Group is looking to collaborate with the research community to expand its open R&D approach and accelerate new product development. In September 2014, Fives signed a new framework agreement with CEA Tech that will give Group’ subsidiaries access to laboratory resources for their technology development programs.

Training the younger generation to innovate

In 2012, Fives conducted a survey on the image of industrial factories that revealed that the younger generation is not attracted to industry. In 2014, Fives continued to promote its trades to lay the groundwork for developing the innovations of the younger generation.

Fives is invested in efforts to give students career guidance by offering internships and work-study contracts. This has led the Group to attend a number of events organized by France’s engineering schools (Centrale Paris, Supélec, Arts&Métiers ParisTech). Fives also hosts a large group of interns and work-study students at its subsidiaries around the world.

To further this goal and by recommending topics for research projects, in 2014 Fives continued to partner with the French engineering school Centrale Paris to work with students pursuing concentrations and majors closely aligned with its core business: Energy, international project management and innovative product design.

Another key pillar of this objective is training the younger generation: Fives is collaborating with institutions to develop training programs in its specialized areas of business.

What is the factory of the future?

The results of the two outlook initiatives that Fives is part of coincide with each other (Factory of the future plan and the Fives Plants of the Future Observatory). To guarantee its competitiveness and become more attractive, the factory of the future must incorporate new challenges, new technologies and production methods. This will allow for more flexibility and efficiency as well as incorporating safer and more user and environmentally friendly technologies.

A multidisciplinary steering committee for the Fives Plants of the Future Observatory.

The Fives Plants of the Future Observatory is a multidisciplinary steering committee that will give Group’ subsidiaries access to laboratory resources for their technology development programs. A project is underway to co-direct with Dassault Systèmes.

Michel Dancette, Head of Group Innovation, recorded his sherpa for the Factory of Future Plan No. 34

Respect

What is the factory of the future?

The results of the two outlook initiatives that Fives is part of coincide with each other (Factory of the future plan and the Fives Plants of the Future Observatory). To guarantee its competitiveness and become more attractive, the factory of the future must incorporate new challenges, new technologies and production methods. This will allow for more flexibility and efficiency, as well as incorporating safer and more user and environmentally friendly technologies.
INDICATORS

60 Financial Indicators
61 Non-Financial Indicators
68 UN Global Compact

REPORTING ON OUR TRENDS
and our advancements.
### 1. FINANCIAL INDICATORS

#### ORDER BOOK

**BY GEOGRAPHICAL AREA**

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**Contribution from mature economies**

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**Contribution from emerging countries**

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#### ORDER INTAKE

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#### BY END MARKET

**SALES BY GEOGRAPHICAL AREA**

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#### SUMMARY OF CONSOLIDATED FIGURES

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<tr>
<td>EBITDA (*)</td>
<td>115.1</td>
<td>133.0</td>
<td>135.1</td>
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<tr>
<td>EBITA (*)</td>
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<tr>
<td>Net profit</td>
<td>97.3</td>
<td>52.3</td>
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*The Group defines EBITDA and EBITA as follows:

- **EBITDA** is current operating profit before amortization and depreciation of tangible and intangible assets, restated for any effects on the gross margin of purchase price allocation accounting entries.
- **EBITA** is current operating profit before amortization of intangible assets related to acquisitions, restated for any effects on the gross margin of purchase price allocation accounting entries.

As a reminder, purchase price allocation accounting entries negatively impacted the gross margin by €0.3 million in 2013 and €0.4 million in 2014.
**2. NON-FINANCIAL INDICATORS**

The data provided are collected on an annual or quarterly basis with the reporting tool set up by the Finance Department. The consolidated scope for IRB and innovative debt is the same as the consolidated financial scope but is due to eligibility criteria implemented for this type of report (see full year in the Group), CSR reporting does not include the acquisitions completed in 2014 (from Fives). This report includes all companies with 10 people or more.

**SOCIAL INDICATORS**

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<th>Year</th>
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<th>France</th>
<th>Europe excl. France</th>
<th>Asia and Africa</th>
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<td>2013</td>
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<td>2014</td>
<td>6,000</td>
<td>5,370</td>
<td>1,245</td>
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</table>

**Employees**

- Number of people who underwent a Starter meeting: Assimilation reports completed 6 to 18 months after new hires arrive
- Number of people who received a Starter meeting: Assimilation reports completed 6 to 18 months after new hires arrive
- Number of people who underwent an official training course: Assimilation reports completed 6 to 18 months after new hires arrive
- Number of people who received a training course: Assimilation reports completed 6 to 18 months after new hires arrive
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- Number of people who received a training course: Assimilation reports completed 6 to 18 months after new hires arrive

**Employees by region**

- America: 542
- Europe excl. France: 3,357
- Asia and Africa: 2,105
- Total: 6,000

**Employees by category**

- Professionals: 1,150
- Technicians, designers and supervisors: 3,909
- Employees by category: 1,245

**Share of women in management - total**

- Total: 39%
  - Americas: 36%
  - Europe excl. France: 33%
  - Asia and Africa: 41%

**Percentage of engineers and managers among women**

- Total: 30%
  - Americas: 28%
  - Europe excl. France: 32%
  - Asia and Africa: 33%

**Workforce by gender**

- Male: 65%
  - Americas: 62%
  - Europe excl. France: 66%
  - Asia and Africa: 68%

**Number of nationalities**

- Total: 47
  - Americas: 7
  - Europe excl. France: 32
  - Asia and Africa: 8

**Employees by age range**

- Less than 20: 6%
  - Americas: 0%
  - Europe excl. France: 3%
  - Asia and Africa: 9%

**Employees by length of service**

- Less than 2 years: 42%
  - Americas: 41%
  - Europe excl. France: 41%
  - Asia and Africa: 41%
The Group R&D expenditure in € million

<table>
<thead>
<tr>
<th>Category</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of new products and processes</td>
<td>22%</td>
<td>42%</td>
<td>45%</td>
</tr>
<tr>
<td>Research and radical innovation in design in 2014</td>
<td>18%</td>
<td>20%</td>
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</tr>
</tbody>
</table>

The total number of people trained in the Group close to 150.

As part of the Engineered Sustainability® program, 54 people received eco-design training in 2014, bringing the total number of people trained in the Group close to 150.

For the year 2013, there were 53 filings and in 2014 and the number of new patents increased, which was a significant improvement over our annual objective of 40 filings. A total of these new patents are with companies that have not conducted their business in the Fives Group for the full year 2014. Thus, Fives R&D was not included in the CSR reporting scope because it was acquired at the first quarter of 2014.

Fives received eco-design training in 2014, bringing the total number of people trained in the Group close to 150.

As a reminder, unlike HR and Finance reporting, this reporting excludes companies that have not conducted their business in the Fives Group for the full year 2014. Thus, Fives R&D was not included in the CSR reporting scope because it was acquired at the first quarter of 2014.

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<table>
<thead>
<tr>
<th>Number of sites engaged in ISO 9001</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance certificate</td>
<td>16%</td>
<td>17%</td>
<td>15%</td>
</tr>
<tr>
<td>Total sites that have an internal</td>
<td>97%</td>
<td>97%</td>
<td>97%</td>
</tr>
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</table>
| Corporate Social Responsibility (CSR) reporting covered all sites with an average workforce of 10 or more in 2014 and all sites with an industrial activity. As such, only companies included in the CSR reporting in 2014 as a whole with regard to the Code of conduct, the main objective was to distribute it to the entities that had joined the Group in 2013. So far, 44% of these new subsidiaries have deployed it internally, bringing the Group-wide distribution rate to 87%.

As part of the Engineered Sustainability® program, 54 people received eco-design training in 2014, bringing the total number of people trained in the Group close to 150.

In 2014, Fives launched a widespread business ethic program focused on promoting corruption, anti-competition practices and money laundering. An essential element was to make all Group executives in this area, totaling 182 people over five years.

With regard to the Code of conduct, the main objective was to distribute it to the entities that had joined the Group in 2013. So far, 44% of these new subsidiaries have deployed it internally, bringing the Group-wide distribution rate to 87%.

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<th>Number of new patent applications</th>
<th>2012</th>
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<th>2014</th>
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<tr>
<td>Filed in the Code of conduct</td>
<td>15%</td>
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<td>17%</td>
</tr>
<tr>
<td>Number of patents and patent applications in force</td>
<td>113</td>
<td>53</td>
<td>56</td>
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As a reminder, unlike HR and Finance reporting, this reporting excludes companies that have not conducted their business in the Fives Group for the full year 2014. Thus, Fives R&D was not included in the CSR reporting scope because it was acquired at the first quarter of 2014.

The Fives R&D expenditure in € million

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With regard to the Code of conduct, the main objective was to distribute it to the entities that had joined the Group in 2013. So far, 44% of these new subsidiaries have deployed it internally, bringing the Group-wide distribution rate to 87%.
The Group’s safety performance continued to improve in 2014 with an accident frequency rate (employees and temp workers combined) of 5.36 (versus 5.86 in 2013). In a departure from 2013, this time the trend greatly improved in the year and it is evident that an important step has been achieved in the workshops and the properties is up compared with 2013. Accidents on project sites remain proportionally stable. However, the increase of serious accidents that began in 2013 continued in 2014 with the severity rate going from 0.18 in 2013 to 0.21 in 2014. There were several severe accidents, particularly in the recently acquired companies. In an effort to quicklystderr this phenomenon, the following actions were implemented in 2014 and will continue to be rolled out in 2015:— improve the accident analyses to address the root causes of accidents,— communicate more widely additional feedback to supervisors preventive actions across all Group companies,— devise mandatory rules and apply them for all high-risk operations such as lifting or working at heights,— continue to involve all employees as well as a handover from Group management to safety management, notably by bringing them into all the accident and communications treatment processes,— reduce or severely or potentially severe accidents in the safety statistics.

This uplift in severity needs to be qualified if we based it on the 2012 scope not counting accidents, the accident severity in 2013 was lower at 0.15 (versus 0.16 and the lower frequency rate would be more sustainable at 0.05 (versus 0.06). This is the evidence of the success of action subsidiaries have been implementing over the last seven years and cross-functional measures taken by the Group. As an example, Fives Nordon should be commended for its outstanding performance with a frequency rate of 2.3 in nearly 1.8 million hours worked, an outcome that is a testament to the significant effort that company has been making over the last few years to spread its safety culture. As an example, Fives Nordon should be commended for its outstanding performance with a frequency rate of 2.3 in nearly 1.8 million hours worked, an outcome that is a testament to the significant effort that company has been making over the last few years to spread its safety culture.

From good to still to achieve a frequency rate of under 4 in 2016 through policy work on the Group safety culture at every level of the organization; subsidiaries, executive committee management, etc. Some practical examples of this include the working seminars for CEOs that have been organized since 2013, the biannual seminar for line managers who are responsible for the industrial safety teams of the top five workshops in the Group. The companies that entered the Group in 2013 significantly improved environment-related metrics in the sense that they have already demonstrated they are committed to energy conservation and in particular for the 15% of sites. Most of these new sites are industrial and admittedly metallic, but these have been driven by the top five workshops in the Group.

Not counting the impact of these companies, the Group’s energy consumption dropped by 11% in 2014. The impact of this decrease was much more in natural gas and heating oil consumption, which fell by 28% and 25% respectively, but the other countries of the Group, China was the only place where the trend remained neutral due to the operational ramp-up of a new production line of Fives Cryo Suzhou. Furthermore, the energy mix is changing this year, with an increase in electricity, and electricity is becoming the primary energy source. Natural gas accounts for 49% of the Group’s energy consumption in 2014. The Group adhered facilities use natural gas for hot and almost all of the industrial sites use natural gas for the production process or for comfort. Moreover, the cost differential continues to widen between electricity and gas due to the effect of large regional differences in energy prices.

For the first year, water consumption seems to represent the Group’s actual consumption. Leaders were established at all sites. Water consumption also remained relatively stable. As a reminder, while half of the industrial sites used water in their processes, this water is mostly used for relatively energy-consuming activities like cooling, hydraulic testing, part washing, etc.
**UN GLOBAL COMPACT**

**PROGRESS ON DEPLOYMENT OF THE GROUP CORPORATE SOCIAL RESPONSIBILITY PROGRAM**

A yearly assessment of the progress made by the Group in the field of Corporate Social Responsibility is being carried out since 2012. In addition to developments from 2014 and 2015, the 2016 objectives, Fives set for itself were integrated this year. For the second year in a row, Exfi-Partners has conducted an evaluation of the Group’s social responsibility program. As a result of this evaluation, a materiality matrix was put together (see matrix on the opposite page).

Their findings are informing Group talks about priorities and determinations to make across the whole social responsibility program.

The following table (see p.69) details the overall progress made by the corporate social responsibility programs of the Group and how this progress relates to the committed made by Fives to respect and promote the 10 principles of the UN Global Compact. All 10 principles have been incorporated fully into the Group corporate social responsibility policy and several programs contribute directly to Fives’ progress towards full compliance with the commitments set out in the UN Global Compact.

Their correlation with the 10 principles of the UN Global Compact is indicated by “GC” (Global Compact 1) for the program that corresponds to Principle 1 of the UN Global Compact and so on, as detailed below.

| Human rights | GC 1. Businesses should support and respect the protection of internationally proclaimed human rights; and  
GC 2. ensure that they are not complicit in human rights abuses |
| Environment | GC 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;  
GC 4. the elimination of all forms of forced and compulsory labor; and  
GC 6. the elimination of discrimination in respect of employment and occupation |
| Labor | GC 5. Businesses should uphold the freedoms of association and the effective recognition of the right to collective bargaining;  
GC 8. undertake initiatives to promote greater environmental responsibility; and  
GC 9. encourage the development and diffusion of environmentally friendly technologies |
| Anti-corruption | GC 7. Businesses should support a precautionary approach to environmental challenges;  
GC 8. undertake initiatives to promote greater environmental responsibility; and  
GC 9. encourage the development and diffusion of environmentally friendly technologies |

**THE FIVES PLEDGE**

Fives' adoption of good practices on all key issues and performance well on several less material issues.

<table>
<thead>
<tr>
<th>ENVIRONMENTAL STAKES ARE MANAGED IN LINE WITH THE PRACTICES OF THE SECTOR</th>
</tr>
</thead>
</table>
| GC 1. Environmental and social performance and Governance (ESG) pertains to Fives' ability to understand these topics.  
GC 2. CSR strategy and risk management  
GC 3. Human resources management  
GC 4. Health and safety  
GC 5. Social policy and strategy  
GC 6. Purchasing process and responsibility towards suppliers  
GC 7. Water  
GC 8. Waste  
GC 9. Energy and emissions  
GC 10. Energy and emissions  
GC 11. Energy and emissions  
GC 12. Purchasing process and responsibility towards suppliers  
GC 13. Responsibility towards clients |

For the second year in a row, Exfi-Partners has conducted an evaluation of the Group’s social responsibility program. As a result of this evaluation, a materiality matrix was put together (see matrix on the opposite page).

**External evaluation by Exfi-Partners**

For the second year in a row, Fives’ presentation has evaluated a selection of the key issues covered in the company’s social responsibility program. The evaluation was based on documents, questionnaires and interviews that were used to balance out the evaluation guidelines from the Global Reporting Initiative* and to measure Fives’ performance against these guidelines.

The materiality matrix above provides an overview of these two working strategies:

- on the y-axis, materiality reflects the significance of each topic in relation to Fives’ business (according to the Global Reporting Initiative, these are “topics that have a direct or indirect impact on an organization’s ability to create, preserve or enhance its value for itself, its stakeholders and society at large”);  
- on the x-axis, Environmental and Social performance and Governance (ESG) pertains to Fives’ ability to understand these topics.

The findings are informing Group talks about priorities and determinations to make across the whole social responsibility program.

According to Exfi-Partners, the key areas of social responsibility for Fives are part of the following Fives programs (detailed on pages 70-73):

<table>
<thead>
<tr>
<th>Good practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fives adopted good practices on all key issues and performs well on several less material issues.</td>
</tr>
</tbody>
</table>

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*The Global Reporting Initiative is an organization that advocates for the standardization of sustainable development reporting practices to encourage the use of best practices and companies to integrate their sustainability performance into their reporting to investors, customers, employees, and supply chain partners.

**Source : Exfi-Partners**

**Environmental and social performance and Governance (ESG)**

**Materiality level:** Material topics for an organization should include those topics that have a direct or indirect impact on an organization’s ability to create, preserve or enhance its value for itself, its stakeholders and society at large (source Global Reporting Initiative).
### Achievements at end-2013

- **One brand product**: New Digital Furnace® at 50-60 bars, one of 2 brand products.
- 10 products being analyzed by the Group on the basis of the date they joined the Group.
- 10% of the eligible subsidiaries involved in this program.

### 2015 goals

#### Indicators

- Minimizing the environmental footprint
- Promoting fair practices on the marketplace
- Management toolbox.

### Achievements at end-2014

- **Program**
  - The project is working in phase with about 25 projects across all industrial sectors: 4 brand products in 2014, bringing the total to 6 products.
  - 10 products being analyzed by the Group.
  - 10% of the eligible subsidiaries involved in this program.

- **Languedoc**
  - Continue at the same pace of deployment in 2015.
  - Prepare the brand for the CentriSpray® chamberline system.
  - The first project to complete the launch, three-year validity period.

### Environmental sustainability

- **Internal eco-design program**
  - By taking into account the requirements of the ISO 14001 standard.
  - It is an innovation program that has led to the overall of a brand identifying best-in-class practices in terms of environmental and safety performance.

- **Toolbox**
  - EY awarded this program an insurance certificate for 2014.
  - EY awarded this program an insurance certificate for 2014.

- **Code of conduct**
  - Distribution of the Code of conduct to 94% of employees.
  - Training sessions for 96% of CEOs.

- **Social responsibility**
  - Guidance for the whole Code of conduct.
  - Rewrite the agent management procedures.

### Fives in France

- **Free zone**
  - Number of employees: 20.
  - Number of employees: 20.

### Fives in France

- **Code of conduct**
  - Adoption of the Code of conduct by all employees.
  - Distribution of the Code of conduct.

- **Training project**
  - Training project for the whole Code of conduct.
  - Training project for the whole Code of conduct.

### Perspectives

- **Safety roadmap for 2016**
  - GC 10
  - GC 8 - GC 9
  - GC 7 - GC 6

- **Public relations**
  - In addition to the activities already in place.
  - Drive an all-inclusive CSR vision including human rights and corruption prevention for the new Group Business Ethics Department.

- **Emergent**
  - Compared to the top 10% of the 20,000 companies rated by the BRI ranks.

- **Performance categories**:
  - 96% of employees think that Benetton.

- **Gender equality**
  - 36% of women are engineers or managers.
  - 36% of women are engineers or managers.

- **Quality of employment**
  - 100% of employees know how to build a stronger safety culture.
  - 100% of employees know how to build a stronger safety culture.

### People matters

- **Innovations**
  - Free zone = 5.87
  - Free zone = 5.87

### Management in action

- **Fives Executive Board, Executive Committee, Managing Directors and Site Managers**
  - A full report was done in 2014.
  - A full report was done in 2014.

- **HR matters**
  - 37% of employees are 50 or over.
  - 37% of employees are 50 or over.

### Consumer matters

- **Customer CSR management**
  - Distribution of the 2013 results of the Group’s CSR approach to the sales community.
  - Distribution of the 2013 results of the Group’s CSR approach to the sales community.

### Table

<table>
<thead>
<tr>
<th>Topic not identified</th>
<th>2015 goals</th>
<th>Level of maturity at end 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Program</td>
<td>Achievements at end-2013</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Achievements at end-2014</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2015 goals</td>
</tr>
</tbody>
</table>
Achievements at end-2013

- Communicate & Benefits Manager was hired.
- A global audit of the current benefits programs was carried out in order to determine an action plan.
- The program to remove the French regulatory framework.

After the 2014 progress report, set up country-specific action plans.

- Newly acquired subsidiaries added to existing plans.

Commitment

2015 goals

- Improve the plans resulting from the satisfaction survey, preparing a new opinion survey.
- Launch a new opinion survey.

INDICATORS

Commitment

Providing a safe and motivating working environment

- Analyse the shortfall and build action plans.
- Qualify the existing positions in the subsidiaries.
- Identify the skills required to achieve the objectives more closely.
- Determine which measures need to be taken to improve employee performance.

- Resources representative, to:
  - Identify the key CSR challenges and priority improvement areas.
  - Recommend actions covering all Group entities.
  - Compilation of Directives and Recommandations.
  - Distribution to all management committees.
  - An opinion survey conducted among employees.
  - Distribute best practices and Group directives.

- The program will not change in 2015 while being expanded to other geographic areas.

- 90% of French subsidiaries have finalized the action plans resulting from the satisfaction survey, and are implementing it.
- 54% of employees are assessed in a CEDRE career management committee meeting.
- 35 companies are involved in this program, accounting for 68% of staff.
- The program will not change in 2015 while being expanded to other geographic areas.

- 100% of subsidiaries, except those acquired in 2013.
- 38 companies are involved in this program, accounting for 63% of staff (including new subsidiaries).
- Distribution of all management committees of companies acquired by 2013.
- 100% of subsidiaries, except those acquired in 2013.

- A Compensation & Benefits Manager was hired.
- Annual tracking of the action plan.
- Distribution of the Manual of Directives.

- There was the same number of pooling actions in 2014. 81 employees were staffed out of other subsidiaries, mostly in project-related and design office functions.

- 35 companies are involved in this program, accounting for 60% of staff (including new subsidiaries).
- The program will not change in 2015 while being expanded to other geographic areas.

- There was the same number of pooling actions in 2014. 81 employees were staffed out of other subsidiaries, mostly in project-related and design office functions.

- Distribution of the Manual of Directives.
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