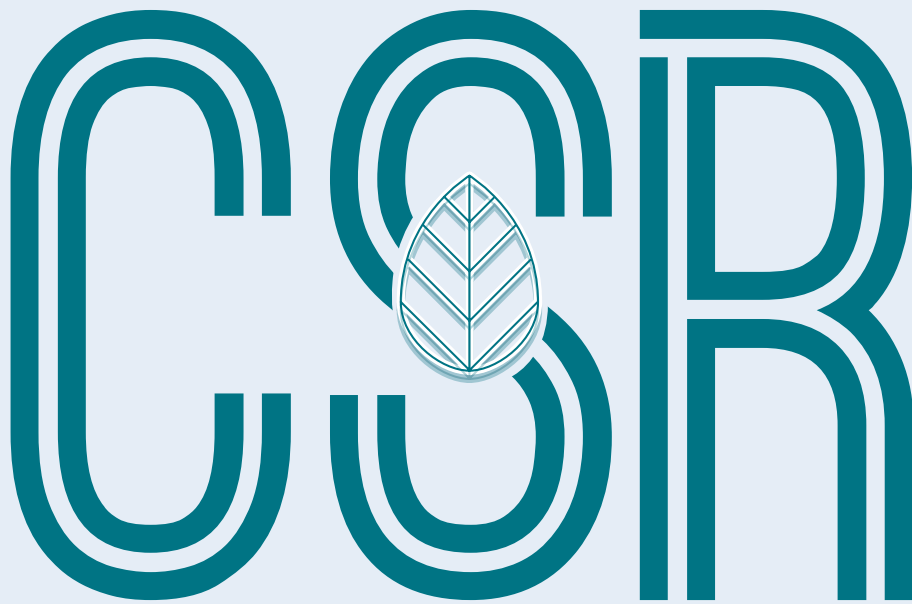


STRATEGY
SOCIAL
ENVIRONMENT
CORPORATE
INDICATORS



**CORPORATE SOCIAL
RESPONSIBILITY REPORT**

Respect for the environment, regional roots, economic and cultural ties were the drivers behind the Channel Tunnel project. Corporate social responsibility has therefore been at the heart of the Eurotunnel Group's strategy since the outset and this founding commitment has not wavered. Anchored in the development strategy of the Group's overall performance, it is further enhanced through concrete and quantifiable measures, reported in a wholly transparent way.



N°1

**company
in infrastructure
management**

according to the CSR study
published in June 2016
by Generali Investments
and based on quantitative,
social, environmental and
governance criteria.

#SOCIAL

- Continuously strengthen risk prevention and improve working conditions
- Develop staff employability
- Promote constructive social dialogue
- Encourage diversity and equal opportunities
- Identify and nurture talent
- Facilitate employment and integration of workers with disabilities

#ENVIRONMENT

- Minimise the impact of our activities on the environment
- Reduce our carbon footprint
- Preserve natural resources
- Protect and increase biodiversity
- Limit and make effective use of waste
- Control disturbance from operating activities

#CORPORATE

- Contribute to regional economic development
- Build lasting relationships with all stakeholders (shareholders, customers, subcontractors, suppliers, etc.)
- Act as an inclusive, public-minded company
- Provide support to local communities
- Encourage research, innovation and the sharing of expertise
- Participate in the development of culture and heritage

A responsible and sustainable policy

- Best practice in governance
- Economic responsibility for long term profitability
- Respect for human rights
- Ethics and compliance
- Strict purchasing policy

STRATEGY ACTING AS A CORPORATE CITIZEN

Even before the introduction of the concept of CSR, the cross-Channel Fixed Link project advocated the creation of wealth for all in tandem with corporate responsibility. Respect for Mankind, nature and territory have been among the Eurotunnel Group's greatest concerns since the start.

The Channel Tunnel is a physical link between peoples, and it has played host to more than 390 million passengers and 77 million vehicles of all types since its opening in 1994.

It is also an economic link, today accounting for 25% of the trade between the United Kingdom and Europe. In addition, it is an ecological link, and is the quickest, simplest and most environmentally-friendly way to cross the Channel. Excavated through the chalk marl 100 metres below sea level, this high-performance infrastructure does not interfere in any way with the marine ecosystem. Up to 400 trains per day, running at high-speed, consume electricity that is generated without emitting CO₂ into the atmosphere. A truck crossing the Short Straits in a Eurotunnel Shuttle emits up to 20 times less greenhouse gas than if it were to make the crossing from Dover to Calais on a ferry.

Corporate social responsibility is in the company's DNA, and it informs every aspect of its overall performance. The Group strives to combine entrepreneurial, environmental, social and societal challenges in its sustainable growth strategy by way of concrete, measurable actions which are reported on annually in a wholly transparent way. Indicators measuring the Group's efforts in terms of CSR are, whenever possible, common to all Group entities and subject to publication in the Registration Document approved by the *Autorité des Marchés Financiers* (AMF).

Responsible Economy Profitable Economy

A growth factor and a source of competitive advantage, corporate social responsibility means investing in social and environmental innovation. A factor for progress, CSR is also a source of productivity.

The introduction of digital tools in human resource management highlights

the Group's desire to establish a working environment that encourages development and personal growth, in order to attract and retain high-quality, qualified employees. From the selection of candidates for recruitment to the succession plan that helps to assess the long-term evolution of the workforce, as well as individual performance reviews, the digitisation of key processes refines knowledge, minimises the number of administrative tasks and allows HR specialists to focus on human relations.

The first and still the only cross-Channel operator to have completed a carbon assessment,

the Eurotunnel Group has reduced its carbon footprint by 55% since 2006. This ongoing commitment to combat global warming is measured and certified every two years by the Carbon Trust Standard, whose logo can be seen on every Eurotunnel locomotive.

A leading stakeholder in the economies around Calais and Kent, the Eurotunnel Group contributes to the dynamism of the regions surrounding its operations.

The studies all agree on the fact that since the commercial opening of the Channel Tunnel in 1994, the Fixed Link's activity has resulted in the creation of at least 8,100 jobs in Kent and the Calais area. The Group's involvement at a local level on a day-to-day basis is reflected in real terms by the activity of Clifco in Coquelles, the leading private organisation in training for rail careers, through the development of apprenticeship contracts with local educational establishments, and by various initiatives to support youth employment. In the field of innovation, the Group spearheads major projects in partnership with public and private research organisations located in its territory.

N°20 in the Gaïa Index out of 230 companies assessed

This index measures the degree of involvement of listed companies in terms of CSR issues, according to criteria of corporate governance, environment and social policy, as well as stakeholder involvement. This confirmation highlights the Group's CSR efforts with the financial community and investors, evidenced by a 35% increase in its overall score since 2012.



Eurotunnel Group confirmed in the FTSE4Good index

During the annual assessment in December 2016, the Eurotunnel Group again received confirmation of its inclusion in the FTSE4Good index (it was first included

in 2014). The index identifies those listed companies deemed ethical and responsible. This renewed recognition reflects the importance the Group

attaches to the development of its activities in compliance with non-financial criteria of corporate, environmental and social responsibility.

SOCIAL

THE GROUP'S EMPLOYEES AT THE HEART OF OUR CONCERNS

1.

DIGITISING PROCESSES

The Eurotunnel Group is developing integrated human resources management with digital tools to pool data, to build a comprehensive view of processes and to ensure accurate performance monitoring. The Success Factors application was rolled out to mine the data collected during the annual performance reviews of 450 managers from the four highest grades. A powerful decision support tool, this software programme allows users to refine the review, to more accurately detect talent with high potential, and to better identify training needs. It will gradually be rolled out to intermediate levels of the hierarchy and ultimately to all employees. Upstream, the digitisation of information obtained from candidates - more than 6,000 CVs are received each year - will begin in 2017. The incorporation of this information within Success Factors will minimise administrative tasks and allow the focus to shift to relationships with people around a central aim: to recruit the best people, to develop our employees' skills and to create their succession plan.

2.

NEW UNIFORMS FOR CUSTOMER SERVICES

Drivers and Chefs de train, Crew members, Check-in and terminal Agents: 1,000 employees in customer services wear a uniform. The new uniforms were designed working closely with the employees concerned to ensure that they are perfectly suited to all roles.

3.

VOLUNTEERS FOR PEAK DAYS

Record levels of traffic in 2016 were reflected by 32 "Busy and Ready" (BAR) days when over 7,000 vehicles take Passenger Shuttles in one direction. Teams of volunteers are called upon to maintain a high level of quality of service. In total, 80 employees in roles that are not usually customer-facing volunteered, asking "How can I help?" in France and England, in return for specific remuneration, to help ease the flow of traffic, provide information and enhance customer comfort.





4.

4. EMPLOYEE INVOLVEMENT IN WORKPLACE SAFETY AT EUROTUNNEL

Safety, a top priority for the Eurotunnel Group, requires vigilance and the continuous reassessment of one's surroundings. Workshops organised in 2016 focused on the theme of Safety, bringing together many levels of the company's hierarchy alongside union partners. Other workshops were also set up for subcontractors, allowing for exchanges that provided a wealth of shared experience.

The desire for continuous improvement in performance resulted in:

- A new organisation that puts safety facilitators at the very heart of operating divisions,
- An internal communications campaign, "Safety goes to the movies", which addresses safety themes in video from a quirky angle,
- New tools that will facilitate the recording of safety events, faster sending of information and appropriate processing.

5. SAFETY IS EVERYONE'S BUSINESS AT EUROPORTE

Safety Week 2016 at Europorte focused on the risks of occupational accidents, with feedback on the least rare incidents (car accidents, hand injuries, falls when exiting a locomotive). Managers made 59 site visits to discuss a variety of topics with employees from the various entities. In addition, the company is actively

New sectoral agreement for freight

Europorte's executives participated in the development of the new labour rules now applicable to all rail freight companies in France. At the request of the government, the collective agreement effective from 13 December 2016 will lead for example to allocating locomotive drivers thirteen working time rest periods per full year, which will require increasing productivity gains in order to reach operating profitability.



preparing to renew its ISO 9001:2015 certification, a new, more stringent version of the standard that takes into account performance in terms of quality, safety and respect for the environment.

6. COMPANY SAVINGS PLAN

The Share Incentive Plan (SIP), set up in 2015 for employees under UK legislation allows them to acquire GET shares with an employer matching contribution for the same amount for the first £450 invested, after which a 25% contribution applies, up to a maximum of £1,800 per year. It was a great success, with over 50% of the eligible employees taking part. These employees thus benefit from provisions similar to those of the French Group Savings Plan (PEG), in which 80% of potential beneficiaries invested.

Both the PEG and the SIP can be boosted by securities received as part of the Free Share Award Programme. Since its launch in 2011, every Group employee who has been employed since the launch of the programme, with the exception of executives, has received 910 free GET shares.

Opened in 2016, the Collective Retirement Savings Plan (PERCO), featuring an investment fund receiving matching contributions from the Group, allows employees subject to French labour law to prepare for their retirement by saving either money or time.



N°1

The Share Incentive Plan

received the award for Best Share Savings Plan at the Employee Benefits Awards 2016 in London.



MANAGERIAL CULTURE

To promote the collaborative approach of the Vision 2020 project, more than 300 Concession managers attended training sessions in managerial culture over the year. The topics covered included team dynamics, the removal of silos within the organisation, the strengthening of interfaces between departments, managerial skills, openness and shared requirements in terms of safety.

ENVIRONMENT

THE LEADER IN ENVIRONMENTALLY FRIENDLY TRANSPORT

1. CONTINUOUS REDUCTION OF CO₂ EMISSIONS

The undisputed world leader in piggyback transport, Eurotunnel is a pioneer in low carbon transportation. The reduction of greenhouse gas emissions related to its activities represents a central line of its CSR process. The leading and still the only cross-Channel operator to have completed a carbon assessment, the continuous reduction in its emissions since 2006 has meant that it has achieved Carbon Trust certification four times.

Furthermore, the Group reduced its greenhouse gas emissions by 12% in 2016 compared to 2015 on a like-for-like basis (excluding GB Railfreight). The Eurotunnel Group joined the Global Union for Sustainability NGO in 2012. To this end, it is committed to further reducing its carbon footprint by 3% per year. In 2013, the Eurotunnel Group also joined the United Nations Global Compact. This plan specifically asks companies to:

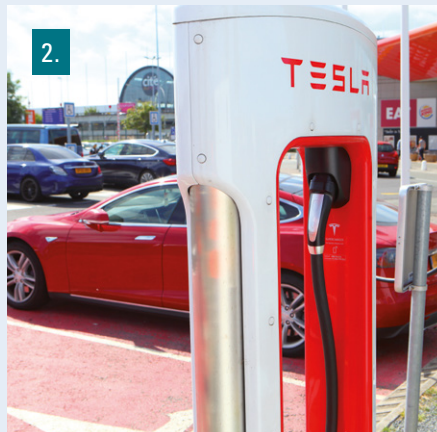
- Apply a precautionary approach when dealing with environmental issues,
- Undertake initiatives aiming to promote greater environmental responsibility,
- Encourage the development and distribution of environmentally friendly technologies.

2. OUR CUSTOMERS SWITCH TO ELECTRIC

The number of customers taking their electric cars on Le Shuttle has increased sharply, from 40 in 2014 to 800 in 2015, then 3,533 in 2016, of which 70% driving Tesla cars, and probably 5,000 in 2017. The terminals at Coquelles and Folkestone provide customers a total of 16 charging points, including 8 Tesla superchargers.

3. “LOW CARBON” COOLING

Four new refrigeration units, located in the Sangatte and Shakespeare Cliff plants, replaced the former units, to cool the water supplied to keep the railway tunnel temperature below 30°C. The new units, though more powerful, consume 40% less electricity than their predecessors. Another major ecological plus comes from the fact they use an organic refrigerant, HFO, instead of the previous R22, which had a negative effect on the ozone layer in the upper atmosphere.



Clean locomotives

In accordance with Belgian law, Europorte equipped its Euro 4000 diesel locomotives with an anti-overflow protection system designed to prevent oil from spilling onto the ground while the machine is refuelled.

4. HALON REPLACEMENT

Halon, a hydrocarbon derivative used as a fire extinguishing gas in the 240 technical rooms of the Fixed Link rail tunnels was replaced in 2016 by Novec 1230, a gas that emits 7,000 times less CO₂ when used. Halon is also being replaced by a Stat-X aerosol system in the technical modules of the locomotives and by a water mist in the train driver cabs.

5. SAMPHIRE HOE WINS THREE AWARDS

This 40-hectare site, which is owned by the Eurotunnel Group, was reclaimed from the sea during the digging of the Channel Tunnel. It welcomes some 80,000 visitors per year, especially school trips. In July 2016, Samphire Hoe received its 12th consecutive Green Flag, awarded each year to British natural sites of the highest environmental quality. The nature reserve is home to many species of animals and hugely diverse flora. The site also won a gold medal in the "country park" category at the South and South East in Bloom Awards. In January 2017, the education shelter won the UK-wide Special Award for Innovation from the Green Flag Award Scheme for its high environmental quality and its contribution to local communities and school groups.

6. MOVING TOWARDS PAPERLESS

Saving time, space, energy, and forests, and increasing convenience, the digitisation of paper documents has many benefits, and has become even easier in this fully digital age. Since 2016, Fixed Link employees in France, ClFFCO and the holding company have, if they wish, been able to receive their payslips in electronic form, via the totally secure digital safe provided by Digi-poste, a subsidiary of La Poste Group. Around 500 employees, or 30% of all concerned, have already opted for this. A paperless invoice service is offered to Truck Shuttle customers. Similarly at Europorte, the RailFleet One application, used by drivers to pass on details of locomotive technical issues by mobile, marks a new stage in the complete digitisation of the monitoring of traction units.

Cycle to work

To encourage employees to leave their cars at home, the British government is encouraging them to buy a bike by providing a reduction in their social security contributions of at least 25% of the bike's price. In Folkestone, 52 Eurotunnel employees joined the scheme in 2016. It's a win-win for everyone, since employees save money on a bike and get fitter, public health improves and the company reduces its carbon footprint.



MORE INFORMATION
WWW.SAMPHIREHOE.COM



CORPORATE EUROTUNNEL GROUP, A COMMITTED PARTNER



1. EUROTUNNEL'S AMBASSADORS

The Eurotunnel Group highlighted the Fixed Link's binationality and its employees' commitment through a series of ten video portraits of the men and women working in Coquelles and Folkestone. This campaign was widely shared on social networks.



VIDEOS OF THE 10 AMBASSADORS AT
WWW.EUROTUNNELGROUP.COM

2. CAPITAL FILLES

For the second year running, the partnership with the *Capital Filles* association was renewed in 2016. Twelve female Eurotunnel mentors supported young girls in the final year of secondary school in France as they learned about promising careers of the future in the region, particularly in the technology and industrial fields, which, contrary to outdated beliefs that are all too often entrenched, are just as accessible to women.



3. EUROTUNNEL GROUP IS A PARTNER OF THE WORLD FORUM FOR A RESPONSIBLE ECONOMY

At the World Forum for a Responsible Economy 2016, chaired by Philippe Vasseur, Board director of Eurotunnel Group and chairman of the Alliances Network, thirty professional representatives of local and regional companies (Auchan, Bonduelle) took part, at the Coquelles site, in discussions on the various themes of corporate responsibility.

4. THE TUNNEL SERIES RETURNS

Eight episodes of the second series of this Franco-British production were shown in March 2016 on Canal+, and in April and May on Sky Atlantic. The two investigators, Elise Wassermann, commander of the judicial police in Calais (Clémence Poésy) and Karl Roebuck, senior police inspector in Kent (Stephen Dillane) joined forces once again, this time to look into a double kidnapping in the Channel Tunnel and a suspicious plane crash in the Short Straits. A number of the Fixed Link's facilities, such as the rail control centre, the maintenance workshops and the Shuttles themselves are featured in the programme, in which Group employees also appear as extras. Keep your eyes out for series 3 which goes into production in the spring of 2017!

5. A TELEGENIC INFRASTRUCTURE

Replacing 50 km of track in two rail tunnels without disrupting the densest traffic route in the world: in a report broadcast in December 2016, BBC South East Today introduced viewers to this technical feat performed every 5-7 years to maintain maximum safety levels in this exceptional infrastructure. Safety was also the theme chosen for the programme "Le monde de Jamy" on the France 3 channel, in an episode showing the Tunnel's four SAFE stations, which are the first of their kind in the world: they enable a fire on an HGV in the Truck Shuttle to be quickly extinguished while maintaining maximum passenger safety and minimising damage to the Tunnel itself.

6. SUPPORT FOR CHARITABLE ASSOCIATIONS

A collection organised at the initiative of the works council, and partnered by the Group allowed the French associations *Les clowns de l'espoir*, *AFM Téléthon* and *Ligue contre le cancer* to each receive a cheque for €2,000.



JOBS TRANSFRONTALIERS FAIR

This year the Eurotunnel Group was again present at the cross-border employment forum, held in Fréthun on 6 October 2016. More than 40 French, British and Belgian recruiters were there with vacancies for some 1,600 jobs. It was a great opportunity to present the career opportunities within the Group, to showcase vacancies to the 1,100 participants and to collect hundreds of CVs.



9. FAMILY DAY

On Saturday 24 September 2016, Eurotunnel invited the families of its employees to join them at the Coquelles terminal and the Samphire Hoe site near Folkestone for a festive day around the theme of superheroes. Children got dressed up and, along with their parents, took part in competitions to find the Best Superhero or Super Family, followed by a fabulous Wonder *Soirée*. More than 1,400 people took part in the event, which was also a great opportunity to visit the facilities, which for security reasons are usually off limits to unauthorised persons.

7. THE TUNNEL'S ECONOMIC IMPACT CAPTURED THROUGH AERIAL PHOTOS

On the website of the French National Geographic Institute (IGN), the "Go Back In Time" (*Remonter le temps*) feature looks back at the development of a town, city or area by comparing maps over time, starting with the one drawn by Cassini in the 18th century, and aerial photographs taken since 1950. Using the feature, we can see that Coquelles, an agricultural village of 970 inhabitants 50 years ago, has grown thanks to the Channel Tunnel to become a town of 2,400 inhabitants equipped with one of the largest shopping centres in Europe, and the 650 hectares Eurotunnel terminal. The French statistical and economic body INSEE states that the municipality had 6,233 jobs in 2013, with 79% in the trade and transport sector.

8. GB RAILFREIGHT: 15 YEARS OF CHARITY RAILTOURS

For its 15th anniversary, GB Railfreight organised a four-day rail tour starting at Victoria Station in London on 8 September and ending on 11 September, calling at Reading and Edinburgh via Liverpool. During the trip, a record amount of £125,100 was collected for the benefit of three charities: the British Heart Foundation, Woking Homes and The Ripple Project. More than 30 employees took part in the preparation, starting a year ago, and completion of this operation, which was also supported by several of GB Railfreight's suppliers.

Wind turbine solidarity

Since the commissioning of the wind farm installed at the Eurotunnel terminal in Coquelles, the Group has paid 10% of the revenues from its operations to French charity Secours Populaire. This association chose to dedicate these funds to supporting dozens of families struggling to pay their gas and electricity bills.



INDICATORS

KEY SOCIAL AND ENVIRONMENTAL DATA

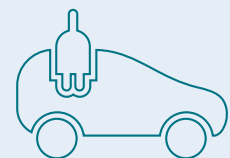
The Group's CSR actions are measured by a range of non-financial indicators audited and published each year in Groupe Eurotunnel SE's Registration Document, available online at www.eurotunnelgroup.com. As the 2016 indicators exclude GB Railfreight, the 2015 data has been restated for the purposes of comparison.



Carbon emissions generated by rail freight are **99 times** lower than those of air transport and **8 times** lower than those of ferries.



-12%
the reduction in the Group's greenhouse gas emissions in 2016, the equivalent to c.12,000 tonnes of CO₂ compared to 2015.

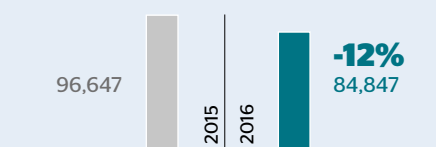


49 electric cars
In the 1st quarter of 2017, the fully electric car fleet in operation on the terminals consisted of 49 vehicles comprising 33 in Coquelles and 4 in Folkestone for Eurotunnel and 12 for Onet, a subcontractor performing various duties on the Coquelles site.

ENVIRONMENTAL INDICATORS

GREENHOUSE GAS EMISSIONS

(tonnes of CO₂ equivalent)

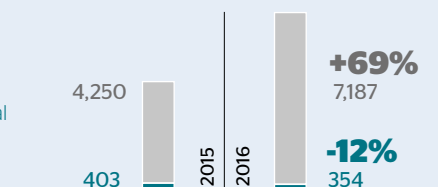


The improvement in 2016 is due in particular to the replacement of halon and cooling fluids, and this was achieved despite the significant increase in operating activities.

INDUSTRIAL WASTE

(in tonnes)

Non-hazardous industrial waste
Hazardous industrial waste

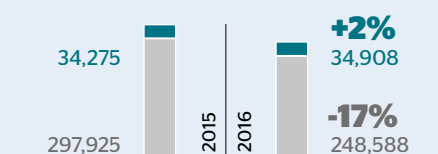


The increase in non-hazardous industrial waste is due mainly to increased work on terminals and the strengthening of security measures at the Coquelles terminal.

WATER CONSUMPTION

(in m³)

Water drawn from the water table
Water taken from the public system



The reduction in water consumption drawn from the public system is mainly due to a change in the method used to clean the Shuttles.

The increase in electricity and diesel consumption is mainly due to the growth in Shuttle activities and the reinforcement of security measures at the Coquelles terminal (deployment of lighting sources and a larger vehicle fleet).

ENERGY SOURCES	2016	
Electricity (in kWh)	561,376,759	+5%
Natural gas (in kWh)	7,691,510	-10%
Fuel and non-road diesel (NRD) (in litres)	7,094,665	-9%
Liquefied petroleum gas (LPG) (in litres)	7,290	-38%
Diesel (in litres)	808,243	+12%
Petrol (in litres)	43,970	-13%

SOCIALLY RESPONSIBLE INVESTMENT (SRI)

Evaluated for its performance in the environmental, social and governance areas by several non-financial rating agencies, the Eurotunnel Group qualified for listing on benchmark SRI indices in 2016: FTSE4Good, Low Carbon 100 Europe, the Dow Jones STOXX Global ESG Leaders, in particular EURO STOXX Sustainability and STOXX Europe Sustainability. The Eurotunnel Group also ranked 20th in the Gaia-Index, the SRI index for mid-cap stocks securities developed by IDMidCaps, Ethifinance, MiddleNext and SFAF, thus improving its overall score by 35% since 2012.

SOCIAL INDICATORS



76.6% men



23.4% women

46 years

the average age of the Group's employees in 2016.

33%

of employees were aged under 40.

GROUP WORKFORCE BY COUNTRY



WORKFORCE BY SUBSIDIARY

EUROTUNNEL	2,483
EUROPORTE	831
CIFFCO	7
EUROTUNNEL GROUP	15

268

recruitments

for the Group in 2016, of which 82.8% are on permanent contracts.

172 young people

on apprenticeship or professional training contracts were part of the Group's teams in 2016.



67%

of the Group's employees worked shifts in 2016 to ensure continuity of services, 24/7, 365 days a year.



WORKPLACE SAFETY

8.6

Frequency rate*

of lost-time work-related accidents in 2016 (compared to 11 in 2015).

0.6

Severity rate**

of work-related accidents is stable.

* Frequency rate: number of work-related accidents requiring time off work x 1,000,000/number of hours worked.

** Severity rate: number of days off work x 1,000/number of hours worked.

84,508 hours

of training dispensed to Group employees in 2016, an average of 25 hours per employee.

€4M

cost of training for Eurotunnel Group employees in 2016.

Annexe

6. CORPORATE SOCIAL RESPONSIBILITY

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6.1. OVERVIEW OF THE EUROTUNNEL GROUP'S CSR PROCEDURE

6.1.1 ORIGIN OF THE CSR PROCEDURE AND THE EUROTUNNEL GROUP'S COMMITMENTS

Group's history and commitments

From the very beginning, as an innovative rail company and responsible infrastructure manager, the Eurotunnel Group has adopted a social responsibility policy, which seeks to reconcile financial performance, social equity and environmental protection, within a framework of continuous improvement.

The Eurotunnel Group has placed social responsibility at the heart of its business activities and in its interactions with the various internal and external stakeholders, clearly demonstrating its commitments to its partners such as employees, customers, suppliers, shareholders, investors, regional government bodies, local authorities, associations and communities.

Overview of the CSR policy

The Eurotunnel Group has set up a formal CSR policy, supported and sustained at the highest level of the organisation by the Chairman and Chief Executive Officer and the Board. This policy, which entered into force in 2015, dictates the Group's principles, challenges and commitments. The CSR objectives are defined each year and are included in the objectives assigned to the directors and the heads of the various entities of the Group.

True to its principles, the Group has implemented for over twenty years now, a policy that is both demanding and concrete, mainly in three main areas that represent the strategic priorities of its business:

- **People**, i.e. each of the 3,336 men and women employed by Eurotunnel Group;
- **Region**, i.e. all communities the Group is connected to everywhere in France, in the UK and in Europe;
- **Nature**, i.e. the environment and ecosystems with which its growing operations interact.

The Eurotunnel Group's CSR policy is in line with the observance of fundamental rights as defined in the major international principles – the 1948 Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization, OECD guidelines for multinational companies, and the principles of the United Nations Global Compact. As a signatory of the United Nations Global Compact, the Group communicates annually on its Corporate Social Responsibility (CSR) best practices within a "Communication on Progress" (COP) report. In 2016, this Group report was classified at the highest Global Compact level (GC Advanced), thereby placing the Eurotunnel Group amongst the 60 French companies that reached this classification in 2016 out of more than one thousand signatories in France. The Eurotunnel Group supports, adheres to and actively participates in the World Forum for a Responsible Economy and the values it promotes.

Scope

As indicated in section 6.8 (methodological note) of this Registration Document, consolidation of the 2016 data covers all entities of the Group except GBRf (due to its sale during the year), the maritime segment and the ElecLink project. All data in this chapter excludes GBRf, the maritime segment and ElecLink except for sections 6.2.6 and 6.5 of this Registration Document. To facilitate comparability, data for 2015 has been restated accordingly.

6.1.2 MATERIALITY AND DIALOGUE WITH STAKEHOLDERS

Group teams in each of their respective areas, are listening to their stakeholders and primarily to their clients in order to match their expectations and the Group's long-term goals. Constructive dialogue based on trust is clearly established with the various stakeholders. To go even further, the Group seeks to formalise the results of this dialogue at different levels of its organisation. In 2015, the Eurotunnel Group conducted a materiality analysis to determine its most significant ethical, social or environmental challenges, both internal and external to the company, in light of the potentially major impact on its stakeholders, its environment or its economic performance. The procedure included consulting with the main stakeholders within and outside the Group, to identify and rank the Group's primary CSR challenges, both internal and external. It also allowed the Group to identify present and future opportunities and risks that could have a significant impact on its stakeholders, its environment or its economic performance.

Methodology

A materiality analysis consists in identifying and ranking the main CSR challenges, based on its operations and its stakeholders' expectations. This analysis was conducted by KPMG in three main steps:

Step 1 – Identification: 57 challenges were identified through an internal and external documentary review of the Eurotunnel Group (Group's publications and publications by companies in the same sector, analysis of media coverage, and benchmarks).

Step 2 – Assessment by the stakeholders: 25 internal and external stakeholders were polled by an independent third party based on a questionnaire. The top 25 CSR challenges were identified.

Step 3 – Prioritising challenges: This is represented as a materiality matrix that reflects the importance given by the respondent stakeholders and the impact that each challenge has on the Group's business.

RESULTS

By establishing this ranking, the analysis identified a list of challenges arranged in their order of priority (top priority, very important, important):

CHALLENGES	1	Development of the business activity	Safety and security of sites
	2	Development of the business activity	Efficiency and reliability of equipment and infrastructures
	3	Investing in our employees	Employee safety
	4	Development of the business activity	Safety of travellers and goods
	5	Environmental performance	General policy governing environmental management

The Eurotunnel Group assessed all the policies, procedures and means adopted for each of the challenges in order to determine the actions to be conducted to consolidate or step up its performance, as part of a continuous improvement process.

This procedure highlighted the primary values of the Group according to its stakeholders: safety and security, service, employees, environment, innovation.

6.1.3 MAIN DIMENSIONS OF THE CSR POLICY AND 2016 HIGHLIGHTS

The table below illustrates the most material challenges for the Eurotunnel Group in each of its three areas of responsibility, as identified by the materiality analysis, and shows the key events for 2016:

	Ambition	The most material challenges	Key events in 2016
People	As a responsible employer, the Eurotunnel Group is committed to providing a working environment that fosters personal development and fulfilment in order to attract and retain good and qualified staff.	Health and safety (including that of infrastructures and the industrial sites) Working conditions Dialogue and labour relations Employment Training	Awareness campaign, "Safety makes its cinema", in the Fixed Link 5 th edition of Europorte Safety Week on the theme of safety in the workplace and sharing feedback. The MOOC (Massive Online Open Course) "Sur les rails de l'emploi", opened on 11 January 2016 (see section 6.3.2)
Region	As a committed partner in the economic and social environment in which it operates, the Eurotunnel Group is actively engaged in establishing its regional foothold and has created several thousand direct, indirect and related jobs in Kent and the Calais area since its establishment. The Group also demonstrates its corporate social responsibility in its concrete commitments and solidarity with the community, in partnership with the local authorities and associations.	Traveller safety Customer satisfaction and loyalty-building Promotion of rail transportation Regional development	
Nature	As part of its commitment to low-carbon transport, the Group undertakes to reduce the impacts of its own operations on the environment, raise awareness among its staff about civic environmentalism practices, opt for innovative and environmentally-friendly products, and strengthen actions that promote the protection of diversity.	Climate change and energy policy Circular economy Protection of biodiversity	In June 2016, a study on Corporate Social Responsibility (CSR) conducted by Generali Investments ranked Eurotunnel Group the number one top company in the infrastructure management sector, taking into account social, environmental and governance quantitative criteria. 12 th successive Green Flag

6.1.4 POLICY STEERING AND ORGANISATION

Governance – Board

The Strategy and Sustainable Development Committee of the Board examines questions concerning the environmental objectives of the company or the Group and reports on these to the Board. The Committee is responsible for regularly examining the performance of GET SE and the Group in environmental matters and the strategic initiatives designed to promote environmental management, preserve natural resources and limit the impact of GET SE's and the Group's activities on the environment.

The work undertaken by the Committee composed of Tim Yeo, Chairman, Philippe Camu, Peter Levene and Jacques Gounon, Chairman and CEO of GET SE, is described in chapter 4 of this Registration Document. The Committee oversees the establishment of the Group's CSR policy and sets environmental priorities, structured around the themes included in the global CSR policy.

Remuneration

For the year 2016, the Nomination and Remuneration Committee maintained the composite CSR performance index: stringent, stable, pertinent and balanced, this index is structured around four areas that are directly linked to the Group's activities: safety / security, labour relations, GHG emission and customer satisfaction. For each of these areas, indicators and targets were established so as to calculate a completion rate with respect to the composite index, according to the objectives set for each area. This index is used to calculate 10% of the annual variable remuneration of the Chairman and CEO and 10% of the free share grant

plans subject to performance conditions. The composite index was audited in 2016, as part of the audit of social information by the statutory auditors.

6.1.5 REPORTING METHODS AND DATA CERTIFICATION

The Eurotunnel Group's social and environmental reporting is based on the labour and environmental information stipulated in article 225 of French law 2010-788 of 12 July 2010, known as "Grenelle 2", and on the transparency principles of the Global Reporting Initiative (GRI). Following the materiality analysis conducted by KPMG in 2015, the challenges deemed as the most material by the internal and external stakeholders were also identified as such by the Eurotunnel Group.

6.1.6 INDICES AND AWARDS

Indices

In 2016, Eurotunnel Group was included in the following sustainable development indices:

- Dow Jones' STOXX Global ESG Leaders indices, in particular EURO STOXX Sustainability and Stoxx Europe Sustainability;
- Gaia Index, the ISR index for midcaps developed by IDMidCaps and EthiFinance for the sixth year running;
- The Euronext Low Carbon 100 Europe® index: In December 2015, the Eurotunnel Group entered the new version of the Low Carbon 100 Europe® index that measures the performance of the 100 largest European companies with the lowest CO₂ emission levels in their respective business sectors. The selection is based on an in-depth and accurate assessment of the carbon footprint of each company and is overseen by a scientific committee composed of experts, NGOs, public partners and financial sectors;
- The FTSE4Good index, included following the update in September 2014: the FTSE4Good index measures the performance of companies whose commitment to the environmental, social and corporate social responsibility (CRS) fields is significant.

In this respect, the Eurotunnel Group is regularly monitored by several non-financial rating agencies.

Awards

In 2016, the Eurotunnel Group won the following awards:

- 3rd prize in the 9th edition of the Best Investor Relations Award for all categories which rewards Euronext listed companies for the quality of their financial communication practices.
- Green Flag Award: For the 12th year running, the Eurotunnel Group received the green flag in recognition of its accomplishments in safeguarding the environment at Samphire Hoe, a natural reserve in England that is home to many rare species of fauna and flora. The Eurotunnel Group in collaboration with White Cliffs Countryside Partnership jointly manages Samphire Hoe which welcomes over 80,000 visitors each year.
- The "Digital Project and new tools" prize, awarded by the National Association of HRMs at the 3rd edition of the Digital HRM Awards by the ANDRH, and the "Digital HR Coup de Cœur" from the jury of the HRIS Awards for the MOOC "Sur les rails de l'emploi".
- The "Best Share Savings Plan" award at the Employee Benefits Awards for the Share Incentive Plan set up in 2015 by the Group for its British employees.

6.2. PEOPLE

Overview of the Group's policy

As a responsible employer, the Eurotunnel Group seeks to promote the personal fulfilment and development of its employees, which it considers a key factor in its corporate strategy. Its human resources policies have been developed in order to foster equal opportunities and treatment for all Group employees throughout their career.

These human resources policies recognise each employee's contribution, taking account of the employee's qualifications, level of responsibility and individual performance.

The Eurotunnel Group staff members who work for the Fixed Link are employees of ESL in the United Kingdom, and ESGIE in France, Germany, the Netherlands and Spain. The employees coming under the rail freight transport and port infrastructure management activities are employed by the entities of the Europorte segment. Staff may also be seconded to other Group companies. The company who acts as employer bills the other Group companies for their respective staff costs. The Group's senior managers are mostly employed by GET SE.

The most material challenges

The Group's commitment is focussed on the challenges that have been deemed the most material in the materiality analysis:

- Safety of employees, travellers, goods and sites, as well as the efficiency and reliability of the equipment and infrastructures;
- Well-being at work and work-life balance;
- Implementation of efficient forms of dialogue with employees;
- Working conditions;
- Employment and development of appeal.

6.2.1 HEALTH AND SAFETY

Group's challenges and policy

Site safety and security, safety of employees, travellers and goods, as well as the efficiency and reliability of equipment and infrastructures were identified by the Eurotunnel Group's stakeholders during the materiality analysis as being the priority challenges for the Group. Several mechanisms and procedures, which are reinforced on a regular basis, are used within the Eurotunnel Group and its entities to ensure and reinforce work safety and security:

- The Group defines security as protection against external risks, resulting more specifically from deliberate, malicious acts;
- Safety involves the protection against risks arising from faults, damage, errors and hazards, of a physical, emotional or psychological nature, etc.

For the Eurotunnel Group, health is a comprehensive state of physical, mental and social well-being that is promoted in the company by monitoring employees, listening to them and conducting preventive actions with the department of occupational health (monitoring of aptitudes, interviews with medical staff, psychological help, vaccination campaigns, improvement of working conditions, recognising hardship, etc.).

Performance in matters of safety is monitored regularly as part of the continuous improvement process with appropriate corrective actions taken as needed. The Group has adopted policies and procedures to ensure the health, safety and well-being of its staff (SAFD and OENV).

Security was at the heart of the Fixed Link design. The transport system has a level of safety recognised as good, reinforced by feedback received since the beginning of operations. The health and safety measures put in place by the Eurotunnel Group ensure that employees are guaranteed work conditions in accordance with the legislation in force in each of its locations and the human resources policies of each subsidiary.

In order to test response plans for the emergency services and good coordination in the event of an accident in the Tunnel, the Eurotunnel Group and the authorities organise an annual major full-scale safety exercise: the Binat (as in binational). Held in January 2017, the latest Binat was the 27th since the construction of the Tunnel and the 20th since the opening of commercial services began in 1994. The United Kingdom was the pilot State this year for the purposes of the exercise.

The Group recognises the adherence to best practices and has established a set of procedures to ensure that the infrastructure and equipment are used efficiently. Effective management of these risk areas provides the foundation for overall safety performance.

Like safety, health has always been a major concern for the Group. Its policy in this area is based on transparency, discipline and discussion at all levels in the company. It is communicated to everyone and reviewed regularly.

In France, a charter on the handling of work-related psychosocial risks has been in force since April 2009 for ESGIE employees. This establishes the procedure adopted by the company to deal with cases of suffering at work. In keeping with this charter, a commission was set up to anticipate and address work-related psychosocial risks and a psychological unit was created in July 2015 with the members of the CHSCT. The commission meets quarterly with an associated plan of action. In July 2015, ESGIE also signed a company agreement on the donation of days off to parents of seriously ill children which was extended to cover spouses and co-workers who are seriously ill, isolated and vulnerable.

Actions and means implemented

Organisation

Within the Board, the Safety and Security Committee ensures that mechanisms and procedures designed to ensure the safety of customers, employees, subcontractors and all stakeholders are implemented. Additionally, each segment of the Group has its own safety and sustainable development department whose main task is to define the company's safety objectives and to guarantee the implementation and application of all the safety rules. It is also responsible for measuring performance within the various departments, with the objective of steadily establishing a safe and healthy work environment. Safety performance is regularly monitored by each of the entities as part of a programme for continuous improvement and any corrective actions are taken as necessary.

The main security expenditure (to ensure System security) in 2016 totalled a net amount of approximately €19 million (€29 million in 2015 and €12 million in 2014) for the Fixed Link.

Safety of facilities

The safety management system of Europorte's French entities licensed as rail companies is governed by the legislation of the different countries in which they operate.

The operating system for the Shuttle was designed under the supervision of the Intergovernmental Commission (IGC) and the Safety and Security Committee. Each phase of the initial design was examined by the IGC and formally acknowledged by way of a no-objection statement.

IGC and the Safety and Security Committee were created under the Treaty of Canterbury and the Concession agreement. IGC and the Safety and Security Committee are charged with supervising the construction and operation of the System on behalf of the United Kingdom and France. In addition, EPSF, the French rail safety authority, carries out audits under a specific mandate from the French delegation of the Safety and Security Committee.

Safety features and procedures are updated regularly and are part of the Safety Management System, which ensures the validity of the operating certificate issued by IGC, in accordance with laws and regulations resulting from the enactment of the European Union's Railway Safety Directive 2004/49/EC of 29 April 2004.

More generally, the System has detailed safety, security and policing features meeting the requirements of the United Kingdom and French authorities. These measures have been reinforced in the geopolitical context of the past two years, as indicated in section 1.2.1 of this Registration Document.

Safety and security measures for high-speed passenger trains and for freight train operators have been developed by the operators after discussion with, and with the approval of, the United Kingdom and France. The Train Operators work with Eurotunnel Group as the infrastructure manager to implement and continuously improve these safety measures. Automated passport control incorporating facial recognition technology is operational for the Eurostar departing Gare du Nord in Paris⁽¹⁾. Identical systems are used at Saint-Pancras station in London since June 2016. These systems check the traveller's identity using facial recognition. After London and Paris, Eurostar plans to install the same systems at the Brussels Midi station.

In the course of 2016, IGC transferred its economic regulation authority to two regulators in France and the United Kingdom (ARAFER and ORR). Checks and terms of operation of the user rail companies are now overseen by ARAFER and ORR.

Safety, the utmost priority for the Fixed Link

The Channel Tunnel has a team of 48 rescue mission specialists who patrol the service tunnel round the clock. Since 2011, four SAFE stations are operational in the intervals in the centre of the Tunnel, so that in the event of a fire on a Truck Shuttle, the 800 metre-long train can rapidly reach one of these stations. The Channel Tunnel is the only infrastructure of its type in the world equipped with a system of this kind.

Site safety

Intrusion attempts at the Coquelles site (Hauts-de-France) decreased in 2016 compared to 2015, thanks in particular to the setting up by the Eurotunnel Group of an important program with the support of the French and British states, responsible for border control. This multi-year action plan is described in section 1.6.2b) of this Registration Document.

Health and safety in the workplace

All safety events are recorded and analysed in order to issue recommendations and produce action plans. Additionally, various safety indicators are monitored continuously and systematically, notably by the safety and security committee at Board level, in order to ensure improved overall performance. This is particularly true for the indicators concerning the safety of employees and subcontractors and the transportation system.

Prominence is also given to feedback that is implemented routinely in the Group's subsidiaries after an exercise or following a significant event. This feedback allows the integration of lessons learned and contributes to the effective development of organisational methods, with a view to making them more efficient.

The Group takes special care to ensure that its safety and security rules and procedures are enforced by its sub-contractors who are required to sign a contractual agreement on compliance with labour laws and regulations. Despite these efforts and vigilance, the risk of an accident cannot be totally avoided, as stated in section 3.1.2 of this Registration Document.

⁽¹⁾ Source: Eurostar press release, 15 February 2017

Each subsidiary deploys procedures and action programmes to limit and prevent the major risks inherent to the activities of its employees and to improve their quality of life at the workplace.

A committee dedicated to improving working conditions

In France, committees on hygiene, safety and working conditions (CHSCT) are set up and tasked with ensuring the protection of the health and safety of employees, and the improvement of their working conditions. This committee, that is comprised notably of staff representatives, analyses occupational risk and ensures – through means including surveys and inspections – compliance with the regulations in place. It is consulted prior to any major modification to working conditions.

In the United Kingdom, the occupational health service plays a key role in preventing occupational illnesses through the education and the promotion of health issues, and through the suitable control measures that are set up to improve working conditions. Composed of representatives of employees and company managers, the committee aims to promote safety at work and improve working conditions.

From a medical standpoint, employees have regular medical check-ups with occupational healthcare professionals and can request a medical examination independently of these check-ups. For ESGIE in France and ESL in the United Kingdom, the Group has appointed an occupational healthcare professional and two nurses to monitor employees' health.

In 2016, the Eurotunnel Group also continued its actions in favour of health and safety by conducting awareness-raising and training sessions for its employees:

- Europorte organised the 5th edition of the Safety Week on the theme of safety at work and the sharing of feedback, based on the main causes of workplace accidents in the company. In 2016, Europorte's CODIR carried out 59 site visits, during which the statistics were presented and examined in the context of extensive exchanges.
- An awareness-raising campaign, entitled "Safety makes its cinema", was launched by the general management of the Fixed Link in 2016 and will continue in 2017. Based on short format videos broadcast on the corporate intranet, this campaign aims to achieve greater awareness of security issues and to promote and share best practices.

Results of the year

Work-related accidents

Work-related accidents resulting in time off	Frequency rate⁽¹⁾	Severity rate⁽²⁾
2016	✓ 8.6	✓ 0.6
2015	✓ 11.0	✓ 0.6

⁽¹⁾ The frequency rate for work-related accidents resulting in time off corresponds to the number of accidents resulting in time off which occurred during the year for the Group's workforce and temporary workers multiplied by 1,000,000 and divided by the number of hours actually worked and paid.

⁽²⁾ The severity rate of work-related accidents resulting in time off is the number of calendar days taken off by the workforce concerned during the year resulting from work-related accident, multiplied by 1,000 and divided by the number of hours actually worked and paid by the whole workforce.

All information identified by the symbol ✓ was verified with a reasonable level of accuracy by an independent third party.

In 2015, the Group's work-related accident data was impacted by the results of the Europorte segment. The efforts and actions deployed in 2016 by Europorte have improved their safety performance. In 2016, the Group recorded a decrease in the frequency of work-related accidents to 8.6 (compared with 11 in 2015).

Also, in France, fourteen applications requesting the recognition of occupational disease were recorded (13 files for ESGIE and one for Socorail), during 2016. Most of the requests concern musculoskeletal problems caused by certain movements and postures at work, linked to manual handling activities.

The Group had no fatal accidents in 2016.

6.2.2 WORKING CONDITIONS

Group's challenges and policy

As regards work time organisation, the Eurotunnel Group's policy is based on the compromise sought between two major priorities: the determination to satisfy and best serve the company's customers, and the need to maintain a balance between its employees' work and family life.

The Group's policy is driven by a flexible and responsive approach that enables the company – in particular the Fixed Link – to operate 24/7, 365 days of the year under the Concession agreement.

Actions and means implemented

The Eurotunnel Group ensures that all its subsidiaries comply with legal and contractual obligations regarding working hours. In the United Kingdom, the average working week for ESL employees is 37 hours (i.e. 1,924 hours per year) based on individual contracts and agreements in place with the labour union Unite and the staff representative bodies.

In France, employees' working hours (with the exception of certain senior managers and directors) must not exceed an average of 35 hours a week over the year, and in any event, not more than 1,600 hours per year.

Results for the year*Working hours*

Breakdown of workforce	2016	2015
Staggered hours	67.2%	66.1%
Office hours	32.8%	33.9%
Part-time	5.8%	5.7%
Full-time	94.2%	94.3%

Overtime

No Group entity makes routine use of overtime. Overtime hours worked are usually in response to the unplanned events that may affect any transport business and the organisation of its operations.

Indicator: number of overtime hours

	2016	2015
Number of overtime hours	117,190	113,685

Absenteeism

	2016	2015
Absenteeism rate	✓ 4.5%	4.4%

The absenteeism rate of 4.5% in 2016 is slightly up compared to 2015 (4.4%). The main reason for absenteeism is sickness other than occupational disease. This increase is due, amongst other things, to a major increase in therapeutic part-time working following long-term sick leave in ESGIE (31 employees in 2016 for more than 7,500 hours compared to 23 employees and nearly 5,700 hours in 2015), to an increase in the number of unjustified absences in ESL (78 employees for 1,400 hours in 2016 compared with 33 employees and 517 hours in 2015) and a significant increase in sick leave for Europorte Proximité employees (1,281 hours in 2016 compared with 413 hours in 2015).

6.2.3 DIALOGUE AND LABOUR RELATIONS**Group's challenges and policy**

The implementation of efficient forms of dialogue with employees was identified as a highly important challenge in the materiality analysis. Labour relations are very important for the Group, particularly negotiations with staff representative bodies. The Group has always strived to establish long-term and constructive relations with all its employees.

Actions and means implemented

The Eurotunnel Group has created the following bodies for dialogue with its employees:

	Tasks & working	Actions in 2016
Works Councils Health, hygiene and safety	<p>In France, all subsidiaries have a Works Council and a Health and Safety Committee, which meet according to the specific operational rules governing each committee.</p> <p>In the United Kingdom, the Company Council and the Safety, Health and Environment Committee are the two organisations for ESL employees with which permanent dialogue has been established. These two committees meet once every two months.</p>	<p>12 meetings were held during 2016 between ESGIE management and HSC and 11 with Works Council members.</p> <p>The Company Council met six times in 2016, and the Safety, Health and Environment Committee met six times during the same year.</p> <p>Eight meetings were held in 2016 between the ESL management and the labour union Unite.</p>
European Works Council for the Fixed Link	<p>The Fixed Link's European Works Council, a truly transnational body, is a venue for information, consultation, exchange of views and dialogue. The European Works Council supplements the existing national staff representative bodies, with its own prerogatives. The Fixed Link's European Works Council re-appointed its members in December 2010. The Fixed Link's European Works Council normally meets twice a year. It is informed about and, where appropriate, consulted on transnational issues having an impact on the Fixed Link's employees.</p> <p>The Group's European Works Council is composed of 16 incumbents. It is informed about the economic, financial and employee-related strategies of the Group.</p>	No meetings in 2016.
Eurotunnel Group Committee	<p>The committee was set up on 31 January 2014 following a unanimous agreement between the Group's management and four unions. It is intended to operate as a forum for mutual information, to exchange views and to maintain dialogue between staff representatives and management on strategic guidelines and major employee-related issues. To this end, it is informed annually of the developments that have taken place and the future outlook.</p> <p>The Group Committee comprises six incumbent staff representatives and six alternate staff representatives appointed by the labour unions. It is supplemented by a union representative for each labour union. It meets twice a year in a plenary session, when convened by the Chairman or the Chairman's representative.</p>	The Committee met twice in 2016 in the presence of the Group Chairman and CEO, the Deputy CEO and the Group Head of human resources.
European Company Committee	<p>The staff representatives on the European Company Committee are employees of Group Eurotunnel SE's subsidiaries who are elected or appointed according to the rules applicable in the country that employs them, for a four-year period, as from 1 January 2015.</p> <p>The committee is composed of 12 incumbent staff representatives and 12 alternate staff representatives who are elected or appointed according to the rules applicable in the country that employs them, and is supplemented by a union representative for each participating labour union that appointed members to the European Company Committee.</p> <p>The committee is informed formally prior to any significant decision relating to the European company's scope, legal or financial structures, and the consequences, if any, on employment.</p> <p>The committee meets twice a year in an ordinary plenary session. Extraordinary meetings may be held in the event of exceptional circumstances that are likely to affect the employee's interests.</p>	The Committee met twice in the presence of the Group Chairman and CEO, the Deputy CEO and the Group Head of human resources, who outlined the Group's operations, financial results and key events.
Committee for occupational health and well-being	<p>The committee was set up in 2015 following the conclusions of a study performed by an outside firm to assess the workplace health and well-being of ESGIE employees.</p> <p>In addition to the CHSCT, this committee is in charge of considering actions aimed at improving working conditions and well-being at work, as an observer.</p>	The Committee met three times in 2016.

Dialogue and internal communication

The Eurotunnel Group regularly holds meetings with staff representatives and directors. These procedures testify to the Group's determination to reinforce internal communication and social dialogue.

In addition, internal communications are mainly intended to nurture and strengthen the commitment and involvement of all employees. The Eurotunnel Group uses different tools to communicate with and inform these employees (magazine, intranet, project-specific communications, etc.). The circulation of information relating to the Group strategy, objectives and results as well as the promotion of achievements and/or innovative initiatives are examples of actions taken to keep the employees of the Group informed in real time.

In February 2016, Europorte decided to carry out a survey called "Europorte And You", which it entrusted to an independent company. The approach enabled the identification of areas for improvement in modes of communication, relations within the company and life in the workplace. Three areas of progress were identified, for which action will be taken from 2017: supporting mobility, sharing company strategy and promoting communication between services.

Results of the year

No labour disputes or strikes disrupted operations in 2016.

Summary of collective bargaining agreements

During the year 2016, 16 company-level agreements were signed by the Group's subsidiaries on topics such as profit-sharing, the strategic workforce planning (GPEC) and wage negotiations. Two agreements introducing a Savings Plan for collective retirement and a Group Savings Plan were also signed at Group level on 7 March 2016. An amendment to the PEG was also signed on 7 March 2016.

In France, employees of ESGIE are represented by four trade unions and covered by a collective bargaining agreement as part of a company-level agreement. The employees of Europorte subsidiaries are also represented by four unions and come under two collective bargaining agreements.

The employees of ESGIE come under the collective bargaining agreements mainly relating to the 35-hour work week, night work, strategic workforce planning, profit-sharing, and professional equality and efficiency gains. Specifically, in 2016, ESGIE signed three agreements and riders on profit-sharing, GPEC and the mandatory annual pay negotiations. ESL entered into an agreement in March 2016 following wage negotiations.

In the United Kingdom, due to the voluntary agreement on single union representation signed in 2000 by ESL with the union Unite, all employees of ESL (with the exception of supervisory staff) are represented by Unite during collective negotiations. Employees may nevertheless belong to the union of their choice for their individual representation.

Company welfare facilities

In 2016, in France, ESGIE paid 0.8% of its gross total wage bill as restated to the Works Council, amounting to €580,702 for the development and management of its company welfare facilities (compared to €568,484 in 2015). ESGIE also contributed 0.2% of its total gross wage bill, i.e. €145,175, towards the operation of the Works Council (€142,121 in 2015).

For 2016, Socorail and Europorte France contributed 0.56% of their gross total wage bill respectively to their Works Council for developing and managing company welfare facilities, of which 0.2% for their operation (compared to 0.56% and 0.2% in 2015).

In the United Kingdom, the company council, which receives contributions from ESL equal to 0.8% of its gross total wage bill as restated, received £243,916 in 2016 for developing and managing company welfare activities (compared to £232,696 in 2015). ESL also contributed 0.2% of its gross total wage bill, i.e. £60,979, towards the operation of the Company Council (£58,174 in 2015).

6.2.4 EMPLOYMENT**Group's challenges and policy**

The Eurotunnel Group pays particular attention to the recruitment and employment of its employees and their remuneration in order to closely match workforce numbers and skills to its actual business needs.

Age pyramid

The Group continued its prospective management of the age pyramid and is committed to promoting the maintenance of employees aged 55 and over in active employment, and to improve the working conditions of older employees. Specifically, this entails improving the current representation of the work done by older workers and fostering career development throughout their working life.

Recruitment

The recruitment policy aims to equip the Group with the best skills in order to support its development. True to its values, the Eurotunnel Group's recruitment process places great importance on the applicants' cultural openness, their ability to work as part of a team, and their entrepreneurial spirit.

Remuneration

The Eurotunnel Group's remuneration policy is based on equitable and transparent remuneration, which ensures full cohesion between individual and company objectives. Its strategy consists of sharing its success with its employees and making them a partner to its growth.

Recognition of individual performance is a major element in the Eurotunnel Group's remuneration policy, and is intended to motivate all Group's employees, with a view to rewarding and retaining the most talented. The differences in remuneration between employees can be justified and reflect the responsibilities shouldered, the work experience and the potential of each person.

Career management

The Group is committed to the improvement of its employees' performance, and considers the individual annual performance review as an indispensable management tool for human resources management. It therefore fixes the target number of interviews at 100% for all the managers of the company.

Since 2015, Eurotunnel Group uses a new computer application called Success Factors that centralises the information gathered from annual performance reviews of the Group's managerial staff. This tool measures the needs of the different entities in the short, medium and long term and enables an assessment of the individual and collective potential of human capital and their deployment, as well, when necessary, the anticipation of the succession process for key jobs.

Employee share ownership and profit-sharing

The Group has put in place a number of mechanisms related to statutory and non-statutory profit-sharing, stock options and free shares, which are all systems intended to involve each of the employees in the Group's financial performance.

Temporary employment and subcontracting

The Group employs temporary staff, mainly to replace employees who are absent due to sickness or on leave, or to handle exceptional traffic peaks. It also relies on subcontractors to manage activities outside its core businesses or those requiring specific skills.

Actions and means implemented

The Group has taken various measures to cope with the risk of mismatch between the development of its activities and the human resources necessary to implement its strategy.

For several years now, the Group has been holding discussions with the staff representative bodies of Europorte France and Socorail that, in 2013 and 2014, led to the introduction of an action plan concerning the employment of older staff members. Socorail implemented a new action plan concerning the employment of older staff members in 2016.

Recruitment

The Group tends to favour permanent work contracts, keen to demonstrate its commitment to its employees over the long term and guarantee them lasting employment.

Since 2014, the Eurotunnel Group has been working with Réseau Alliances to promote an employment support programme for new graduates.

Remuneration

Under a bonus system, half based on safety and service quality indicators and half on cash flow performance, all Concession employees are entitled to receive a bonus of up to 6% of annual basic salary.

For three years now, the Group's employees have received (this year in dematerialised form) a Total Benefits Statement detailing their overall remuneration and all the benefits they receive.

Employee share ownership and profit-sharing

The Eurotunnel Group pursues an active policy of encouraging employee shareholders so that they can share in the company's success. Thus, the Board has awarded shares to all employees of GET SE and its related companies or groups (excluding

executives and corporate officers of GET SE), as indicated in note E.5 to the consolidated financial statements included in section 2.2.1 of this Registration Document.

In addition, all employees of GET SE's French subsidiaries have the possibility to invest in ordinary shares in a Group savings plan via a "corporate shareholding plan" (*Plan Commun de Placement d'Entreprise* – PCPE) "Eurotunnel shareholding". The sums invested in this fund receive a matching contribution within the legal caps in force. At 31 December 2016, 1,166,800 ordinary shares were held under this plan, representing 0.21% of outstanding share capital.

The Group's employees also receive statutory and non-statutory profit-sharing bonuses. Thus, in France, amendments to the profit-sharing agreements were put in place within Europorte Proximité, Europorte France and Socorail in 2016. For 2016, ESGIE staff received a profit-sharing bonus of €1,607.81.

Although the French statutory profit-sharing scheme is not transposable to the United Kingdom, employees of ESL nevertheless benefit from a collective bonus scheme that resulted in the payment of £1,035 per ESL employee in 2016 (£1,254.50 in 2015).

Work-study

Each year, the different entities of the Group offer training opportunities in the form of a work-study programme. Such agreements have been signed with various high schools and universities in the Nord-Pas-de-Calais region and in the Paris region.

In this area, Europorte has initiated a collaboration with E2C Grand Lille (Second Chance school in Lille) to guide unskilled and unemployed young adults aged 18 to 25 into first-time employment and social inclusion, by providing them with professionalisation contracts, work-study training or internships.

In 2016, a recruitment session for a professionalisation contract was organised between CIFFCO, the French "Pôle Emploi" and the Eurotunnel Group. The Group also plans to recruit 17 employees under professionalisation contracts in 2017.

The various subsidiaries of the Group also take on interns, apprentices and young people under professionalisation contracts. In France, 276 trainees, apprentices and young people under professionalisation contracts joined the Group in 2016. In addition, ESGIE welcomed young graduates as part of the International Business Volunteering scheme that allows French companies to give a young person (up to 28 years old) a professional post abroad.

As a part of its commitment and active involvement to promote the employability of young people, in 2016 the Group participated in several forums dedicated to recruitment to introduce its line of business and propose jobs or internships (the "Jeunes d'Avenirs" fair, the "Job d'Avenirs" Forum, the 7th edition of Cross-border job fair at Fréthun, and the salon "Permis Sport Emplois" organised by FACE Calais).

Diversity and equal opportunity

The Eurotunnel Group has taken an open stance in fighting discrimination in its Charter of Ethics and Behaviour and through fair human resources policies for recruitment, remuneration and training. Moreover, the Group is a signatory of the United Nations Global Compact, and fully adheres to its ten fundamental principles, notably those relating to Human Rights and Rights at Work. The Group's human resources policies are also geared towards combating discrimination, and are designed to guarantee equal treatment and opportunities for all employees at every stage of their career. The Group never bases its decisions on criteria linked to gender, race, nationality, religion, ethnic origin, political opinions or union activities. The only valid decision-making criteria for the Eurotunnel Group are each employee's professional qualities, qualifications and skills.

Professional equality between men and women is a particularly important lever in the Group's diversity policy. Its adherence to the principles of gender equality is reflected in the application of an equal opportunities policy in recruitment, access to training, remuneration and promotion. The human resources policies of every Group entity are based on the inviolable principle of gender equality, and the Charter of Ethics and Behaviour addressed to all Group employees describes the principles that must govern the behaviour of every employee in relation to respect for people, of which the principle of non-discrimination is one of the most important.

Disability is another important aspect of the Group's diversity policy, which supports the first-time employment, professional training and continued employment of disabled people.

Under its human resources policy, the Eurotunnel Group conducts various actions and develops partnerships with economic stakeholders, the business sector and local players to foster employment. Since 2015, the Group entered into a partnership with the "Capital Filles" association that organises mentoring of young girls in technical high schools by female professionals to promote accessibility by women to traditionally male dominated job sectors. In 2016, 12 sponsorships of this kind were established at the Calais high school, Lycée Léonard de Vinci.

An agreement on professional equality to do away with wage gaps between men and women was signed in June 2009 by ESGIE with the labour unions for an indefinite period.

In the United Kingdom, the Rate for the job remuneration system and the HAY method (that notably measures the extent of the responsibilities entrusted and the difficulty inherent to them) ensures fair remuneration for ESL employees.

Together with its actions to promote the continued employment of disabled people, the Group works hand in hand with the sheltered and supported sectors by using employment agencies for disabled workers and/or sheltered job centres. An ongoing agreement was concluded in 2010 for the benefit of disabled workers with AFAPEI and ESGIE. On 23 July 2013, a partnership framework agreement was signed between the Eurotunnel Group and APF (the French association for people suffering from paralysis) in which the Group undertook to approach APF for any service falling within its areas of competence. ESGIE approached APF several times in connection with this partnership, for various services. Through this collaboration, three persons have been provided with permanent, full-time employment.

As in 2015, the Group conducted several awareness-raising actions within the Group on disability with the specialised company "Made in TH", by appointing a dedicated ambassador, setting up a monthly consultation session on site, conducting interviews and setting up support measures. In addition, a training program was set up within the framework of a partnership between the Eurotunnel Group and a temporary employment agency specialising in helping disabled people. As part of this partnership, CFFCO organised the training of 12 people as reception agents in 2016. At the same time, another action was carried out with the Direccte of the Hauts-de-France, which allowed the insertion of a handicapped worker for a one-year service contract.

Europorte signed a contract for the cleaning of work clothes with an ESAT organisation helping people back to work in the North-West region. This option will be considered when renewing contracts in other regions.

Results of the year

During the year, the Group experienced a decrease of just over 1% in its workforce compared to 2015 (excluding the GBRf and the maritime segment). This trend is mainly concentrated in the Europorte segment. In contrast, the workforce increased by more than 4% between 2013 and 2016 on a like-for-like basis.

Workforce and geographical distribution

Number of employees	France	United Kingdom	Total
At 31 December 2016	2,435	901	✓ 3,336
At 31 December 2015	2,512	862	✓ 3,374

At 31 December 2016, Eurotunnel Group employed 3,336 persons.

73% of the workforce is employed in France and 27% in the United Kingdom (2015: 74.5% and 25.5% respectively and 2014: 74.2% and 25.8% respectively).

Breakdown of workforce by gender

Number of employees	Men	Women
At 31 December 2016	✓ 2,556	✓ 780
At 31 December 2015	✓ 2,607	✓ 767

At 31 December 2016, women made up 23.4% of the total workforce (22.7% in 2015, and 22.8% in 2014). This breakdown reflects the specific requirements of jobs within the Group, especially those related to rail maintenance.

Breakdown of workforce by age group

Number of employees	Under 25 years	25 – 29 years	30 – 34 years	35 – 39 years	40 – 44 years	45 – 49 years	50 – 54 years	55 – 59 years	60 – 64 years	65 years and over
At 31 December 2016	134	325	323	308	463	751	498	346	161	27
At 31 December 2015	147	340	302	317	572	720	464	331	150	31

At the end of the 2016 financial year, approximately 23% of the Group's workforce are under 35 years of age and around 47% are under 45 years of age. The number of employees aged 55 and over is slightly higher than in the previous year: they represent 16% of the workforce, compared to 15% in 2015. There are 188 employees over 59 years of age representing 5.6% of the workforce (compared with 181 in 2015, i.e. 5.3%).

The average age of the workforce is ✓46 years (45 years in 2015, and 44 years in 2014).

As indicated in section 6.2.4 of this Registration Document, the Group is continuing its work on the age pyramid.

Breakdown of workforce by category

At 31 December 2016, the proportion of managerial staff in the Group's workforce was ✓ 23.3% of which 22.4% were women.

Recruitment

Number of persons	Permanent employment	Fixed-term employment	Total
2016	222	46	268
2015	210	84	294

At 31 December 2016, 83% of all persons recruited were hired under permanent work contracts. The rate of temporary employment (fixed-term contracts/temporary work contract) was ✓ 6.4% in 2016 compared to 7.2% in 2015.

Departures

Number of employees	Dismissal	Layoff	Contractual termination and termination by mutual consent	Resignation	Retirement	End of contract	Transfer within the Group	Transfer outside the Group	Unsuccessful trial period	Death	Total
2016	38	18	27	66	34	64	16	25	14	6	308
2015	31	8	16	46	29	48	14	2	26	8	228

In a context of low staff turnover (as shown below), the balance between hirings (268) and departures (308) is negative. Resignations (21% in 2016, 22% in 2015, 41.5% in 2014) constitute the main reason for employees leaving in 2014 and 2016.

Staff turnover

In 2016, the average turnover rate for the Group's workforce was 7.1% (5.4% in 2015 and 4.9% in 2014). This increase is partly explained by an aging workforce and retirements. It is also explained by transfers outside the Group (25 in 2016 compared to 2 in 2015).

Remuneration

In France, all employees received a collective increase in basic salary and of all allowance payments linked to working conditions from 1 January 2016, representing 0.8% for ESGIE staff. For 2016, this increase was 0.3% for Socorail staff and 0.3% for EPP staff. For EPF employees, the negotiations were held during the second half of 2016 and a general 0.2% increase was applied with effect from 1 July 2016.

In the United Kingdom, a 1% collective increase to pay and allowance payments linked to working conditions was negotiated by the management and Unite for ESL on 1 April 2016. For 2016, the results of the Fixed Link (ESGIE and ESL) translated into an operating bonus of 0.89% and a financial bonus of 3.0%, representing a general bonus of 3.89% (2015: 0.49%, 2.1% and 2.59%, respectively). A management bonus is also paid to management staff, equal to a salary percentage that changes with the management level. In addition to this general bonus, ESGIE – ESL employees received an exceptional bonus of 0.11%, giving a total bonus of 4.0%.

Indicator: gross total wage bill and employee contributions

€000	2016	2015
Gross total wage bill	146,403	147,718
Social security contributions	33,648	35,636

Data is consolidated in euros at the exchange rate used for the income statement for the year. The gross total wage bill and the social security contributions cover 100% of the workforce as at 31 December 2016.

Workforce external to the company: average monthly temporary workforce

	2016	2015
Average monthly temporary workforce	215	228

Indicator: subcontracting costs

€000	2016	2015
Subcontracting costs	72,521	73,642

Gender equality

At 31 December 2016, there were 780 women in the Group's workforce. There are 174 women in the managerial population, representing a manager rate of 22.37% (22.39% in 2015).

Employment and inclusion of disabled employees

In France, the employment rate for disabled workers in 2016 for ESGIE, EPF and Socorail, calculated on the basis of the data contained in the mandatory annual declaration of employment submitted to the AGEFIPH (National Association responsible for managing the fund for disabled employees), is 4.06%, 0.75%, and 0.69%, respectively (2015: 3.73%, 0.45%, and 0.92% and 2014: 4.10%, 0.42% and 0.94%).

While data cannot be gathered for this indicator in the United Kingdom as there is no specific "disabled worker" status, the British entities of the Group, like all the Group, are nevertheless bound by the same commitments and the fundamental principles of the Group's Charter of Ethics and Behaviour as concerns equality. Also, they implement an equal opportunities policy intended to ensure that all employees are treated identically, as in the French subsidiaries.

6.2.5 TRAINING

Group's challenges and policy

The Eurotunnel Group, which operates in highly technical business segments, has always placed training at the forefront of its concerns.

The main focus of the Group's training policy is to strengthen the key competencies of its employees and to maintain a high level of operational performance within teams, enabling them to contribute to the development of the business. Emphasising a common culture in the areas of safety, security and the environment and improving the adaptation of employees to their job position are key priorities.

Actions and means implemented

The Eurotunnel Group opened a training centre, CIFFCO, to both manage the training plan and to conduct the training for the Concession, as well as support the development of the rail freight industry and local train operators. It provides dedicated training programmes with a focus on rail-related activities in the national Railways and other networks, as described in section 6.3.2 of this Registration Document.

Results of the year

	2016	2015
Number of training hours	✓ 84,508	✓ 98,984
Cost of training (in €000)	4,025	6,119
Proportion of the total wage bill represented by training	2.75%	4.14%

In 2016, 84,508 hours were devoted to employee vocational training, representing an average of just over 25 training hours per employee. The cost of training represents nearly 2.75% of the total wage bill and totalled €4,024,759 in 2016, compared to €6,119,050 in 2015 and €5,094,498 in 2015 on a like-for-like basis.

6.2.6 2014/2015 FIGURES INCLUDING GBRf AND MyFerryLink

Work-related accidents

Work-related accidents resulting in time off	Frequency rate	Severity rate
2015	✓ 9.8	✓ 0.5
2014	✓ 8.0	✓ 0.4

Working hours

Breakdown of workforce	2015	2014
Staggered hours	67.7%	67.4%
Office hours	32.3%	32.6%
Part-time	5.2%	5.2%
Full-time	94.8%	94.8%
Overtime	2015	2014
Number of overtime hours	266,368	255,679

Absenteeism

	2015	2014
Absenteeism rate	✓ 4.05	✓ 3.9

Workforce and geographical distribution

Number of employees	France	United Kingdom	Total
At 31 December 2015	2,512	1,480	✓ 3,992
At 31 December 2014	2,470	1,479	✓ 3,949

Breakdown of workforce by gender

Number of employees	Men	Women
At 31 December 2015	✓ 3,180	✓ 812
At 31 December 2014	✓ 3,141	✓ 808

Breakdown of workforce by age group

Number of employees	Under 25 years	25 – 29 years	30 – 34 years	35 – 39 years	40 – 44 years	45 – 49 years	50 – 54 years	55 – 59 years	60 – 64 years	65 years and over
At 31 December 2015	184	387	357	378	664	852	577	393	165	35
At 31 December 2014	197	368	342	388	757	791	557	358	160	31

Recruitment

Number of employees	Permanent employment	Fixed-term employment	Total
2015	268	85	353
2014	371	88	459

Departures

Number of people	Dismissal	Layoff	Contractual termination and termination by mutual consent	Resignation	Retirement	End of contract	Transfer within the Group	Transfer outside the Group	Unsuccessful trial period	Death	Total
2015	32	43	22	65	30	52	14	2	26	9	295
2014	30	7	12	108	15	54	20		11	3	260

Indicator: gross total wage bill and employee contributions

€000	2015	2014
Gross total wage bill	193,851	176,075*
Social security contributions	45,778	40,202*

* Adjustment at the end of the financial year to integrate the European subsidiaries into the reporting scope of the indicator.

Workforce external to the company: average monthly temporary workforce

	2015	2014
Average monthly temporary workforce	228	176

Indicator: subcontracting costs

€000	2015	2014
Subcontracting costs	77,622	74,134

Training

	2015	2014
Number of training hours	✓ 159,837	✓ 227,289
Cost of training (in €'000)	6,276	5,461
Proportion of the total wage bill represented by training	3.24%	3.1%

6.3. REGION

Overview of the Group's policy

Corporate social commitment is deeply ingrained in the Eurotunnel Group's history and culture. The Group wishes to establish close ties with all the communities that it interacts with – customers, local authorities, economic partners – in France, in Great Britain and in Europe.

Recap of the biggest challenges

The Group's commitment is focussed on the most pressing challenges as indicated in the materiality analysis:

- Customer satisfaction and loyalty-building;
- Expansion of the railways and in particular, the links with national and European regulations;
- Development of the local employment and economy.

6.3.1 CUSTOMER SATISFACTION AND LOYALTY-BUILDING

Group's challenges and policy

The materiality analysis placed customer satisfaction and loyalty-building, as well as the management of traffic, capacity and railway line availability among the very important challenges for the Group. Free movement of goods and people are included in the important challenges.

The Eurotunnel Group has placed customer care at the heart of its development strategy. For the staff in all of its subsidiaries, security and quality of service are a priority as well as a daily and strategic requirement. Deeply rooted in a bi-national and customer-centric culture, the Eurotunnel Group invests continuously in adapting its services, in quality care to customers,

punctuality, smooth operation, comfort and safety, hinging on a central goal: to constantly expand the high-level quality of service which is the foundation for its economic growth.

Actions and means implemented

Passenger reception

The “Terminal 2015” project described in section 1.6.2 of this Registration Document places customer satisfaction at the centre of the Group’s development strategy.

Development of traffic

In the run-up to the Vision 2020 project, the Eurotunnel Group has ordered three new Truck Shuttles to increase its capacity by 20% and to switch to a peak period of eight departures per hour, compared to six currently. The reinforcement of the fleet is accompanied by a program to extend the terminals at Coquelles and Folkestone in order to ensure smooth traffic at the site.

Europorte’s sales policy seeks to transform the traditional approach of the rail transport sector based on short-term traffic into structured medium-term partnerships.

At the beginning of 2016, Nantes Saint-Nazaire Port chose, following an invitation to tender, to renew Europorte for the management, operation and maintenance of its railway infrastructure. As the port has set itself the objective of doubling its rail traffic by 2020, the awarding of this new contract is a recognition of Europorte’s railway expertise.

6.3.2 PROMOTION OF RAIL TRANSPORTATION

Group’s challenges and policy

The Group’s dependence on national and European railway regulations was identified as a very important challenge by the materiality analysis. As world leader in rolling motorway and rail-road transport, the Eurotunnel Group campaigns for the use of railways to leverage the development of regions while keeping environmental impact low.

Actions and means implemented

Vocational training in the rail industry

The Eurotunnel Group established CIFFCO in 2011, the first private training centre dedicated to rail industry professions. CIFFCO is open to all European rail companies, to infrastructure maintenance companies and their subcontractors for the training of their staff.

The CIFFCO has:

- a Franco-British team with expertise in railway training;
- a building entirely devoted to training;
- 14 modern and efficient micro-simulators essential for the training of train drivers;
- a new platform for distance learning;
- the necessary approvals to operate as a railway training centre; CIFFCO is certified by EPSF to provide train safety training on the French national rail network. The train driver training of CIFFCO is listed in the French national directory of professional certifications since 2014. It can award a professional qualification recognised by the French State. The CIFFCO is therefore today the first, and only, private training organisation authorised to offer this qualification, in addition to the French public operator.

Furthermore, since 20 November 2015, the CIFFCO is the only railway training organisation to have its train driver training recognised for its quality and its results in terms of employability, by the I-trans labelling, a railway reference centre for railways at national level.

During the 1st quarter of 2016, the CIFFCO set up the 1st MOOC (Massive Open On line Course) *Emploi du Ferroviaire*: six weeks of digitalised training to discover railway related jobs, and particularly the job of train driver. This MOOC attracted more than 5,300 registrations for a final result of 1,200 people who completed the standard four-week course and 800 certified candidates who successfully completed the full six-week course.

The content developed for the MOOC has been integrated into the construction of a new digital learning platform for railway trainees (e-ferro).

In addition, the MOOC:

- was nominated for the “Prix de l’Innovation Logistique” at the SITL fair (the international meeting of transport, freight forwarding and supply chain professionals) in Villepinte in March 2016;

- received the “Coup de Coeur Digital HR” award from the Trophies SIRH jury (association of managers SIRH independent solutions publishers);
- received the “Prize for the Digital Project and the new tools” awarded by the National Association of HRDs during the third edition of the Digital HRD Award by ANDRH.

In 2016, CIFFCO provided a total of 2,565 railways training days for 235 people from all over France but also from Belgium, Switzerland, Italy and the United Kingdom (Group employees and outside companies). In total, since the opening of the centre, 220 ground staff and nearly 500 trainee train drivers have been trained, with half of the training provided to companies outside the Eurotunnel Group.

During the year, the training mainly concerned train drivers entering the French railway network, as well as ground staff. CIFFCO contributes to creating skilled jobs and promoting employability. It also is a key driver in the development of railway transport and of its related jobs and, more generally, is involved in the economic development and the enhanced influence of the Hauts-de-France region. In 2016, the CIFFCO, ESGIE, the GRETA of Calais and Cap Intérim, arranged a seven week training course for disabled jobs seekers to facilitate their employability and their integration into the professional work place.

As part of its commitment to young people, the Group develops its relations with universities and schools in order to promote better knowledge of the jobs it offers and help young people enter the world of employment:

- Training diploma in railway engineering and maintenance professions set up and developed by Europorte in close collaboration with CNAM;
- Agreement with the Ecole Nationale des Ponts et Chaussées engineering school to establish an education and research “Railway transport sciences” chair dedicated to the study of railway activity, until the year 2018. The aim of this chair is training and research on the topics associated with infrastructure and transport services. This initiative attests to the Group’s willingness to share its expertise in order to advance science and innovation, and to position the railway industry as a profession of the future;
- Partnerships with the ICAM and IAE Lille institutions to develop a new approach to maintenance professions;
- Participation in November 2016 in the “Professeurs en entreprises” operation initiated by Fondation C Génial, a foundation for scientific and technical culture. This operation is aimed at teachers (and other members of the national education system) at the secondary level and, in addition to the professional integration of young people, it makes it possible to promote the sectors and the scientific and technical professions of the companies visited. Several managers of the Fixed Link Rolling Stock were mobilised in favour of this action.

Group partnerships for the development of the railways

The Eurotunnel Group offers its expertise in managing transport infrastructures and rail activities to various public bodies at European, national and regional levels.

The Eurotunnel Group also contributes to the work of the European Committee for Standardisation as part of the working group responsible for drafting a proposed standard for calculating the greenhouse gas emissions of transport services.

The Eurotunnel Group is a founding member of the Fer de France association which was created in 2012 to bring together the leading players in the French railway industry. The work presided over by the Group led to proposals for the French State to recognise different professions in this developing sector.

The Eurotunnel Group is also an active member of I-Trans, the global competitiveness cluster and the reference cluster for railways in France. The Group’s Human Resources Director participates as the controller in the CAPFOR (training project management and coordination circle) operational group that aims to make existing training more consistent with the industry’s expectations, creating a pool of expertise in the region and developing high-quality higher education with international influence.

6.3.3 REGIONAL DEVELOPMENT

Group’s challenges and policy

The development of local employment and the local economy are listed among the important challenges in the materiality analysis.

The Eurotunnel Group has carved a niche for itself in its environment and has shaped that environment in a positive manner. As an employer, it participates directly and actively in local economic development, and pursues its mission as developer in consultation with stakeholders. As a committed partner in its economic and social environment, the Eurotunnel Group has always been a leading economic player and local employer. Its mission is fully in line with the “regional foothold” approach ISO 26000 defines as an “organisation’s proactive outreach to the community, aimed at preventing and solving problems, fostering partnerships with local organisations and stakeholders, and adopting civic behaviour towards that community”.

The Eurotunnel Group considers its commitment to regional matters to be crucial, especially as it contributes to improving the overall performance of the company, internal climate and social cohesion, and to enhancing employee loyalty.

To meet these challenges, the Eurotunnel Group endeavours to establish links with all the local communities by providing active support to the associations, schools, universities and organisations with which it works closely on both sides of the Fixed Link. This commitment notably relies on its dialogue with all its stakeholders.

Actions and means implemented

Development of local employment

For over 20 years now, the Tunnel is a vital link between Great Britain and continental Europe. Since the Tunnel came into operation, it has created 8,100 direct and indirect jobs in the Kent and Pas-de-Calais regions, and led to the building of large-scale associated infrastructure, notably new motorways, high-speed railway lines and international railway stations.

As indicated in section 1.1.1 of this Registration Document, Ernst and Young published a report evaluating the economic contribution of the Tunnel to trade and tourism and its role in the economic growth of the United Kingdom. Pursuant to the regeneration agreement signed in 2006 with the French State, the Eurotunnel Group continues to contribute financially and through its expertise to Calais Promotion, the Pas-de-Calais development agency. This contribution is earmarked primarily for supporting job creation. Similarly, the Group provides financial support and actively participates in the Cross-border Job Fairs, a local initiative that facilitates the professional mobility of young people between France, the United Kingdom and Belgium.

Through its commitment to Fondation Agir Contre l'Exclusion (FACE), which provides assistance to those most in need, the Eurotunnel Group encourages its employees to get involved in and initiate humanitarian and charity projects. Several part-time work contracts have been signed since 2013 between the subsidiary ESGIE and persons assisted by FACE Calais. A recent contract concerned an environmental protection assignment totalling 400 hours of work.

Other subcontracting and service partnerships were signed between ESGIE and local companies to develop employment and guarantee the regional foothold for the Group's activities. These partnerships represented about 1,470 full time equivalent in 2016 for various work including services.

Development of the local economy

In connection with its role as a developer, the Eurotunnel Group, through its subsidiary Euro-Immo GET, was chosen in January 2013 by the municipality of Sangatte Blériot Plage to develop the seaside eco-village and golf resort at Porte des Deux Caps. This project will involve building an international-standard golf course, a luxury hotel, and an eco-friendly residential development of 500 housing units.

The Group's land banks at Coquelles (Pas-de-Calais) were gradually transformed into a 700-hectare mixed development zone (ZAC) that now includes a shopping centre drawing 6 million visitors per year on average.

In France, the Europorte companies as a whole are developing their rail freight haulage activities, which enable disused marshalling yards and railway lines, as well as lines with restricted traffic, to continue operating or to be brought back into service. However, without political will on the part of the actors responsible for developing transport infrastructure, the progressive deterioration or eventual disappearance of the feeder networks could have, as described in chapter 3 of this Registration Document, a major impact on the income of EPF, which obtains an important part of its business from the transportation of grain.

Under an agreement similar to a public-private partnership, the Eurotunnel Group, alongside the French State, the Hauts-de-France region, the CCI Cote d'Opale, and the urban community of Dunkirk and SNCF Réseau, is financing feasibility studies on the modernisation of the Fréthun-Calais-Dunkirk railway line, which would involve its electrification and an increase in rail freight path availability.

Solidarity actions

A key player in the natural, economic and human environment, the Eurotunnel Group fulfils its social responsibility through concrete commitments and solidarity actions for community support:

- Payment since 2010 of 10% of the land rental of the wind farm on its Coquelles site to Secours Populaire, which distributes the payments in the form of "energy vouchers" to families in Pas-de-Calais. Following its expiry, the partnership agreement between the Eurotunnel Group and Secours Populaire, was renewed for two more years (2015-2017).
- Active support to the French Second Chance Foundation, a recognised public interest group committed to the rehabilitation of people who have faced great difficulties in their lives.
- Solidarity actions in favour of Papa Tohanga, an association for social aid to populations of the Democratic Republic of Congo, whose founding chairman is an ESGIE staff member. In 2015, a bus was gifted to the association.
- Common actions set up with the French Red Cross for customers in the French terminal of the Concession.

- Donations to various associations such as “La Ressourcerie du Calaisis” as part of a crowdfunding campaign conducted by the FACE Calaisis association.

Sponsorship

The Eurotunnel Group financially supports the World Forum for a Responsible Economy in Lille. Launched by the Réseau Alliances, this organisation aims to promote a responsible global economy, by sharing the best business practices of responsible companies.

6.3.4 BEST BUSINESS PRACTICES: BEING FAIR AND RESPONSIBLE

Group's challenges and policy

The setting up of the code of ethics and the responsible purchasing policy were identified as important challenges in the materiality analysis. The Eurotunnel Group is committed to building a climate of trust and fair relations with all of its stakeholders both inside and outside the Group. As a signatory of the United Nations Global Compact, the Eurotunnel Group endorses its fundamental principles, including the tenth principle, which states that “businesses should work against corruption in all its forms, including extortion and bribery”.

Actions and means implemented

Ethics

In its Charter of Ethics and Behaviour, approved by the Board in 2013, the Eurotunnel Group sets out the common rules regarding respect for people, fair competition, internal controls and environmental protection.

The Group operates as a collection of entities in various sectors of activity and geographical areas. These principles and guidelines for action apply to all the employees of the Group and its subsidiaries, as well as to their subcontractors and suppliers. Failure to abide by these ethical rules by employees of the Group can lead to disciplinary action.

Relations with suppliers

The relations between the Eurotunnel Group and its suppliers go beyond the mere purchasing of goods and services. In compliance with the principles set down by the Charter of Ethics and Behaviour, the ACHA 0019 procedure (professional ethics code) set out the Group's ethics standards. These standards not only ensure compliance with applicable laws and regulations, but beyond legal criteria, they make for the building of a climate of trust in exchanges between Group representatives and third parties. Each Group buyer or other employee undertakes to abide by the professional ethics code and to seek suppliers who share these commitments. The tender process is designed to guarantee the fair treatment of suppliers during consultations.

In representing the Group's CSR values and engagements, the Procurement Departments of the various entities have taken actions that, beyond referring to the Eurotunnel Group's Charter of Ethics and Behaviour in all new contracts, require their suppliers to comply with its fundamental principles and to sign the Compliance Policy (Article 23). Article 23.2.1 requires that suppliers “comply with the French regulations on corruption, as well as UK corruption laws, notably the Bribery Act 2010”.

The sustainable development aspect is included by Concessionaires as part of their tendering process for sub-contracted work on their Fixed Link sites. Subcontractors are required to commit contractually to respecting labour laws and regulations. As Europorte operates mainly on its customers' sites, as regards the management of port infrastructure, it integrates the port authorities' requirements into its own subcontracting contracts.

In January 2012, the Eurotunnel Group signed the “Charter for responsible supplier relations”. This charter includes ten commitments for responsible purchasing, ensuring a genuine partnership between customers and their suppliers with due regard to their respective rights and obligations. It is committed, in particular, to ensuring financial equity towards suppliers, to respecting the principle of transparency, to incorporating the environmental dimension or even to ensuring the territorial responsibility of its company. It thereby represents a measure to prevent corruption.

The Eurotunnel Group is also a member of steering committees for the “Responsible supplier relations” charter and certification, and has clearly demonstrated its wish to be a part of this certification process, as an extension of the implementation of the charter's ten engagements. In addition, the ethics and compliance steering committee worked on the implementation of a Group anti-corruption policy, approved by the Board Ethics and Governance Committee and the Board of Directors, which aims to reinforce the dissemination of the rules of conduct which form the foundation of the Eurotunnel Group's integrity and ethics.

6.4. NATURE

Overview of the Group's policy

In a world of limited natural resources, to ensure their sustainability, companies must make constant efforts to have full control over their energy consumption and reduce the impact of their operations on the environment. For the Eurotunnel Group, this is obvious: there can be no success in the long term without strict control over one's environmental impact.

The most material challenges

The Group's environmental commitment is focussed on the challenges that have been deemed the most material in the materiality analysis:

- the general policy for environmental management and in particular, training of employees in environmental issues;
- the management of energy consumption and the increased use of renewable energies;
- the circular economy policy and waste management;
- the Tunnel and its rail transport system provide certain intrinsic environmental advantages;
- the Tunnel runs entirely underground and does not interfere in any way with the marine environment; and
- the use of electric power, 90% of which is of nuclear or hydraulic origin, for haulage produces minimal atmospheric pollution and much lower greenhouse gas emission levels than fossil fuels.

Spurred on by the Group, Europorte has stepped up its environmental procedure. Alongside the implementation of transparent reporting on abstractions from and discharge into the environment, an environmental impact assessment of the activities of Europorte's French entities was completed in 2013, resulting in various measures being taken to mitigate the impacts:

- energy consumption optimised to reduce contributions to the greenhouse effect;
- environmental criteria taken into account when planning maintenance programmes for its shunting engines (oil leaks and particulate emissions). At the end of 2016, 42% of the Socorail site is now equipped with new-generation engines;
- appropriate mechanisms set up for sorting/collecting and treating the various types of waste produced;
- environmentally friendly products chosen;
- green areas created for the parking and maintenance of machines;
- improved management of hazardous situations involving customers;
- awareness-raising among staff about civic environmentalism practices.

6.4.1 GENERAL ENVIRONMENTAL POLICY

In the materiality analysis, the general policy for the environment was classified amongst the priorities, and environmental training for employees was included amongst the important challenges for the Eurotunnel Group.

Governance/steering

Above and beyond compliance with the legal and regulatory constraints for which a review is conducted and published each month, the Concessionaires, true to this constant commitment to the environment, created a safety and sustainable development department in 2006.

The general policy of Europorte subsidiaries lays down environmental considerations that require Europorte to be involved in controlling its environmental impacts, particularly as regards energy consumption. Progress on the resulting environmental action plans is monitored monthly by the Europorte safety committee and during management reviews. The deployment and the implementation of this plan are handled by Europorte's central safety, quality and environment department and more specifically, the environment quality department and taken up by the regional safety and quality officers.

Certifications and labels

As early as 2002, the Concessionaires installed an environmental management system based on the requirements of the ISO 14001 standard, and put in place trained environment officers and internal auditors. An "Environmental Requirements" clause was also introduced into agreements with its subcontractors. Each year, targeted audits are carried out in France and the United Kingdom by the safety and sustainable development department; in 2016, eight internal audits were carried out – one in the operational divisions and seven on subcontractors.

With the SQAS Rail (Safety and Quality Assessment System) assessment procedure every three years since 2014 for the entire scope of its subsidiaries, Europorte implements a continuous improvement procedure. This assessment supplements the MASE and ISO 9001 certifications mentioned in section 3.1.2 of this Registration Document.

Within the framework of the regulatory developments arising from France's Grenelle Environment Round Table programme, in September 2013, Socorail obtained EcoPhyto certification for weeding activities conducted on the rail networks of certain ports

and industrial sites. The system implemented is intended to limit the use of crop protection products and better control their impact.

Risk prevention

Pursuant to French law no. 76-663 of 19 July 1976 relating to installations classified for the protection of the environment (ICPE) both terminals in Coquelles and Sangatte are designated ICPE sites due to the potential dangers and risks that their activities may pose to the surrounding area and to health, safety, nature and the environment, such as refrigeration, air-conditioning, storage and use of flammable liquids, maintenance workshops and paints. These activities are set out in a list which, on the basis of the severity of the dangers or risks that they may represent, requires Eurotunnel Group to either report to or request authorisation from the Prefecture of the Pas-de-Calais. These activities are monitored by the regional authority for the environment, planning and housing (DREAL). Similarly, pursuant to French law no. 92-3 of 3 January 1992 on water, the Concessionaire France Manche must request authorisation from the relevant administrative authority for any proposed construction, work or activities to be carried out outside of the ICPE area, which may pose a danger to public health and safety, endanger the free flow of water, reduce the availability of water, substantially increase the risk of floods or seriously damage the quality or diversity of the marine environment.

From the construction of the Tunnel, expenditure has been incurred to prevent the harmful consequences of business activities for the environment. There are separate sewer systems for rain water and waste water, retention ponds, and treatment plants.

The Group has not set aside any provisions for environmental risks, nor did it pay out any court-ordered compensation for environmental damage during the course of the year. The obligation to establish a financial guarantee, as defined in article L. 516-1 of the French Environmental Code, against any environmental damage does not apply to the Group's activities.

No fine of any nature has been imposed on the Group nor has it been reported for non-compliance of its operations.

Employee awareness/training

As part of their induction to the company, every new employee learns about the company's environmental policy, its targets, and the organisation put in place to minimise the environmental impacts of its activity. Moreover, the Group is working on setting up digital CSR training, aimed at increasing employee awareness of the actions undertaken in the areas of social responsibility and of the stakes facing the Group.

6.4.2 CLIMATE CHANGE AND ENERGY POLICY

Group's challenges and policy

The materiality review identified the management of energy consumption and the increased use of renewable energies as very important and important priorities respectively.

As part of its commitment to "low-carbon" transport, the Group pursues an ambitious strategy combining the development of its core activity, cross-Channel transport, with external growth in its two main businesses and areas of expertise other than the Fixed Link: infrastructure management and railways operations. In line with this strategy, the Eurotunnel Group and the Europorte subsidiaries are developing a broad-based offering of rail freight transport and associated logistics services throughout France and the United Kingdom.

Actions and means implemented

Emission level measurement

The Eurotunnel Group is developing a policy for monitoring and managing the greenhouse gas emissions of its subsidiaries in anticipation of the publication of the implementing regulations of article 228 – II of the Grenelle 2 law regarding mandatory disclosures by entities providing transport services or organising the provision of transport services, on the quantity of carbon dioxide emitted by the mode(s) of transport used to carry out that service. In order to better satisfy the transparency requirements imposed by article 173 of law no. 2015-992 of 17 August 2015 on energy transition for green growth, the Group has initiated a study aimed at identifying the primary sources of greenhouse gas emissions which, beyond the Fixed Link, should make it possible to provide a detailed qualitative analysis for the next financial period.

The Eurotunnel Group is certified by The Carbon Trust Standard since 2009. In 2011, the Group's management of greenhouse gas emissions was audited by this independent organisation that set the baseline level for greenhouse gas emissions for the whole of the Group's activities at 2010 levels. In 2015, for the Fixed Link scope, Eurotunnel Group's Carbon Trust Standard certification was renewed in recognition of its carbon footprint reduction policy for the period 2013-2014. An audit is scheduled for the spring of 2017, for the purpose of renewing certification for the period 2015-2016.

Furthermore, the Eurotunnel Group is the sole cross-Channel operator to have conducted and published a carbon footprint assessment. In France and the United Kingdom, an exhaustive carbon footprint assessment of the Fixed Link was performed in

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2007, using the method developed by ADEME. This carbon footprint assessment identified the Fixed Link's primary sources of greenhouse gas emissions. This was followed by the implementation of an action plan focused on two factors that accounted for 80% of the emissions, namely the use of energy provided by electricity and fossil fuels, and refrigeration fluid leakages.

In the United Kingdom, the Concessionaires, as managers of infrastructure of major importance to the British economy, were asked by the British Department for Environment, Food and Rural Affairs, in line with the 2008 Climate Change Act, to carry out a study of the infrastructure's ability to withstand the foreseeable effects of climate change.

In keeping with the 1992 Montreal protocol, actions were implemented to reduce emissions of all gases leading to ozone layer depletion. Halon is being dismantled from the infrastructures of the Fixed Link. Also, the refrigerants used in the cooling ducts in Sangatte and Shakespeare Cliff were also entirely replaced for the French portion and for half of the British portion with new cooling units that are more energy-efficient and have no negative impact on the environment.

Customer offer

The Group is committed to leading the way in environmentally responsible transport and makes its expertise and leadership available to its subsidiaries and customers to help them reduce the carbon footprint of their activities.

An eco-comparison tool is available on the Fixed Link website and can be used by customers to calculate the average savings on CO₂ emission levels in using the Truck Shuttles.

Since 2015, Eurotunnel Group provides passengers with electric cars with a fast recharge facility free of charge, at the Fixed Link site in Coquelles (Pas-de-Calais) and in Folkestone (Kent) – in thirty minutes, they can charge 80% of the battery capacity (universal battery chargers) providing a range of over 250 km. There are sixteen dedicated spots that can be used simultaneously at the two terminals of the Channel Tunnel. These are the only sites in Europe to provide such a comprehensive offering. The number of customers using the Passenger Shuttle in electric cars increased from 40 in 2014 to 800 in 2015, and more than 3,500 in 2016. This number is expected to reach 5,000 in 2017.

Since 2014, Europorte's subsidiaries have been certified TK' Blue label by the European TK' Blue Agency. This label measures the ecoresponsible engagement level and the technical, economic, environmental and social performance of its transport services.

Energy policy

Comprehensive energy audits spanning the full range of energy consumption for the Concession's operations – going beyond the regulatory requirements – were conducted in 2015 by an external auditor. The conclusions rendered in 2016, suggest various actions for energy performance as well as paths for improvement for further environmental gains.

The purchase of Truck Shuttles will result in the grant of Energy savings certificates which will be allocated to EDF pursuant to the partnership agreement signed in 2015 between France Manche and EDF. In addition, new generation electronic variable speed drives, which use less energy, were purchased and installed in France in 2016, making it possible to modulate one speed of the cooling fans. At the end of 2016, the fleet of 100% electric vehicles operating on the Concession terminals reached 37 vehicles. 12 other vehicles have been ordered and are to be delivered in March 2017.

Europorte France has set up an eco-driving initiative to increase awareness among high-main line installation of technical equipment to cut down fuel consumption by locomotives, as well as driver assistance systems depending on the railways network and the train, so that drivers can adopt a more environmentally-friendly driving style. In 2015, Europorte France also commissioned – a first in France – seven medium horsepower locomotives in a new model (Vossloh DE18) which, for an equivalent level of use, provide a 15% to 20% reduction in fuel consumption.

The energy audits conducted by an approved body for Europorte made it possible to identify opportunities for reducing energy consumption. As such, an initial experience in car self-sharing of company cars was set up in the Lyons area. Arval awarded the eco-responsible mobility award to Europorte for this initiative.

Results of the year

Greenhouse gases (GHG) emission indicator (scope 1 and scope 2 of the Kyoto protocol⁽¹⁾)

Tonnes of CO ₂ equivalent	France	United Kingdom	Total
2016	62,740	22,106	✓ 84,847
2015	64,368	32,279	✓ 96,647

⁽¹⁾ Emissions resulting from the use of fossil fuels in combustion facilities or in transport vehicles (scope 1), as well as fugitive emission of refrigerant fluids, SF6 and halon 1301 (scope 1) and indirect emissions from electrical power purchase (scope 2).

The Eurotunnel Group constantly strives to limit the impact of its activities on the environment. This year the Group's GHG emission levels decreased 12% compared to the previous year on a like-for-like basis.

This reduction in greenhouse gas emissions is the result, at Fixed Link level, of the replacement of halon in the technical rooms of the service tunnel and at the two terminals of the Fixed Link with less polluting gases. An investment of more than €40,000 was also made to replace certain refrigerants.

Note that efforts are continuously being made to reduce the energy consumption of the Group and consequently CO₂ emissions. Thus, tests have been carried out, since 2015, to equip the on-board air conditioning systems with GSM datacards that will take readings, every two hours, of the pressure and temperature of the generators. This will minimise leakage by making detection easier and quicker. We are moreover considering replacing some of these on-board air-conditioning systems.

An investment in 2016 and 2017 is moreover allocated to the purchase of new HVAC (heating, ventilation and air conditioning) units for the Passenger Shuttles (150 out of a fleet of 450) in order to overcome the ageing of this equipment.

Since the commissioning of the Truck Shuttles, the Eurotunnel Group has enabled savings of nearly 3.7 million tonnes of CO₂ compared to ferries, and since 2006, the Group's carbon footprint and GHG emission levels have fallen by 55%.

Energy source indicator

Energy source	Total consumption in 2016	Total consumption in 2015	Unit
Electricity	561,376,759	533,498,858	kWh
Natural gas	7,691,510	8,565,506	kWh
Non-road diesel (NRD)	7,094,665	7,800,886	Litres
Liquid petroleum gas (LPG)	7,290	11,753	Litres
Diesel	808,243	720,135	Litres
Petrol	43,970	50,351	Litres

The 5% increase in electricity consumption compared to the previous year is linked to the increase in activity and therefore the growth in energy consumption for traction with a higher number of rotations. In addition, new lighting points have been added at the French terminal of the Fixed Link for safety reasons. NRD consumption is down slightly due to lower activity in its volumes. The increase in the consumption of diesel (12%) is for the Fixed Link due to the increase in the fleet of rental vehicles in order to allow, in the context of the migration crisis, the setting up of the anti-intrusion plan which required more vehicles. For Europorte, the increase is linked to occasional traffic on the non-electric network. Natural gas consumption dropped 10%, due primarily to a significant drop (65%) at Europorte linked to a change in the estimation method. Indeed gas consumption is no longer estimated based on the average gas consumption/m² ratio provided by ADEME but on the basis of an average estimate per m² and per day on the Europorte sites that have a meter. LPG and petrol consumption also dropped by 38% and 13%, respectively, compared to the previous year and on a like-for-like basis.

Water consumption indicator

Cubic metres	Water from public network			Groundwater		
	France	United Kingdom	Total	France	United Kingdom	Total
2016	125,811	122,777	248,588	34,908	0	✓ 34,908
2015	162,813	135,111	297,925	34,275	0	✓ 34,275

The consumption of water from the public network dropped sharply compared to the previous year (about 17%), a decrease that in France is primary due to a change in the process for shuttle cleaning, which requires less water. Consumption taken from the underground water table rose 2% across the Group.

In addition, water offtakes respect the relevant legal constraints.

6.4.3 CIRCULAR ECONOMY AND WASTE MANAGEMENT

Group's challenges and policy

According to the findings of the materiality analysis, the circular economy policy and waste management were included among the important challenges for the Eurotunnel Group. The Group has a waste collection and treatment strategy that prioritises recovery

or reuse. Most waste products come from industrial activities and vary in type and quantity from year to year depending on the projects being undertaken.

Note moreover that given the nature of its activities, food wastage is not a material issue for the Group. This subject concerns only food services on the site and data on this subject will not be published for the 2016 financial period.

Actions and means implemented

In France, the Fixed Link sorts non-hazardous industrial waste, 94% of which is recycled as briquettes used in industrial boilers. This process was made possible by the emergence of new solid recovered fuel sectors. There are three ways of recovering waste: improved sorting, waste buyback and outlets, recycling or free takeback.

For Europorte, almost all the waste produced comes from the maintenance of rolling stock and rail infrastructure. At industrial sites, waste management procedures are generally the responsibility of the customer. Europorte applies its own waste management procedures to its port rail infrastructure services at Dunkirk, Nantes-Saint Nazaire and Le Havre-Rouen, and Europorte Proximité's locomotive maintenance workshop at Arc-les-Gray. In both these activities, waste is sorted internally and passed on to a waste service provider for treatment. In addition, the measures to prevent soil pollution were strengthened at the Europorte Proximité workshop by setting up a system for drywashing locomotives.

Results of the year

Waste indicator

Tonnes	Hazardous industrial waste			Non-hazardous industrial waste		
	France	United Kingdom	Total	France	United Kingdom	Total
2016	186	168	354	5,499	1,688	✓ 7,187
2015	114	290	403	2,914	1,336	✓ 4,250

The production of hazardous industrial waste dropped 12% compared to last year on a like-for-like basis. This decrease is due to the lower frequency of tunnel cleaning operations in 2016, which resulted in less waste (soap, large quantities of contaminated water, detergents). On the other hand the quantities of non-hazardous industrial waste increased sharply (69%) due in particular to an increase in on-site work and the cutting down, for safety reasons, of trees at the French terminal.

The noise of commercial activities and maintenance is also closely monitored around installations. A study in 2009 showed that the activities of the Fixed Link breached no noise standards, either at the edge of the property or in regulated surrounding areas, during the day or at night. Measurements were taken in compliance with (i) the technical annex to the Ministerial Order dated 23 January 1997 on limiting environmental noise by installations classified for environmental protection (ICPE) without derogating from any of its provisions, and (ii) Standard NF S 31-010 of December 1996 on the characterisation and measurement of environmental noise-specific measurement methods.

By the nature of its activities, raw materials consumption and improving the efficiency of use are not relevant issues for the Group.

6.4.4 PROTECTION OF BIODIVERSITY

Group's challenges and policy

In the area of biodiversity, the Eurotunnel Group complies with the letter and the spirit of the Convention on Biological Diversity whose main goals include the conservation of biodiversity and the sustainable use of its elements.

Actions and means implemented

The Concessionaires have large land reserves in France and the United Kingdom and have, since the Tunnel's construction, created several dozen hectares of nature reserves for the conservation and development of biodiversity. In France, nature reserves are located within the Concession perimeter and therefore not open to the public. In France, the "Jardins Ordonnés" with the seven-hectare lake situated next to the Coquelles terminal is a much-used haven for migrating species and an essential nest-building site for many birds.

In the United Kingdom, the Samphire Hoe site is a concrete example of the Group's determination to take measures to develop biodiversity and protect the environment. Samphire Hoe, a nature reserve spanning about thirty hectares at the foot of the Dover cliffs, was created using 5 million cubic metres of blue chalk and marl extracted from the Channel subsoil when the Tunnel was bored. This strip of land reclaimed from the sea was gradually transformed into a nature reserve. The White Cliffs Countryside Partnership (WCCP), in charge of the day-to-day management of this protected space, is supported by many volunteers living in

and around Kent. The partnership between the Concessionaires and WCCP was awarded its twelfth successive Green Flag Award® in 2016, recognising the high ecological quality of this nature reserve.

Samphire Hoe attracts over 80,000 visitors each year. Since 2014, a new reception centre, financed jointly by Eurotunnel and the Heritage Lottery Fund, provides a fully-equipped educational centre for school groups all year round.

In another partnership with WCCP, the Concessionaires are also involved in the upkeep and conservation of the Doll's House Hill site, the steep slope overlooking the Folkestone terminal facilities, whose plant and wildlife belong to a Site of Special Scientific Interest (SSSI).

The soil and plant life in Biggins Wood were removed when the Folkestone terminal was built and replanted close by, to safeguard this testimony of Britain's primary forest.

6.5. 2014/2015 FIGURES INCLUDING GBRf

Greenhouse gases emission indicator

Tonnes of CO ₂ equivalent	France	United Kingdom	Total
2015	64,369	108,924	✓ 173,292
2014	62,911	93,349	✓ 156,260

Energy source indicator

Energy source	Total consumption in 2015	Total consumption in 2014	Unit
Electricity	533,659,961	515,816,892	kWh
Natural gas	8,578,914	8,871,267	kWh
Non-road diesel (NRD)	37,104,110	33,816,154	Litres
Liquid petroleum gas (LPG)	40,310	44,332	Litres
Diesel	825,038	865,983	Litres
Petrol	50,370	102,692	Litres

Water consumption indicator

Cubic metres	Water from public network			Groundwater		
	France	United Kingdom	Total	France	United Kingdom	Total
2015	162,814	135,439	✓ 298,253	34,275	0	✓ 34,275
2014	143,112	138,960	✓ 282,072	31,368	0	✓ 31,368

Waste indicator

Tonnes	Hazardous industrial waste			Non-hazardous industrial waste		
	France	United Kingdom	Total	France	United Kingdom	Total
2015	114	362	✓ 476	2,914	1,783	✓ 4,697
2014	156	326	✓ 482	2,355	2,362	✓ 4,717

6.6. CROSS-REFERENCE TABLE

Grenelle 2 – article R.225-105-1	GRI Equivalent G4	Title	Equivalent in chapter 6 of the Registration Document
WORKFORCE INFORMATION			
Employment			
Total workforce	LA1	Total number and percentage of new employees hired and staff turnover by age, gender, and geographical distribution	6.2.4 Employment: Workforce and geographical distribution
Breakdown of employees by gender	LA1	Total number and percentage of new employees hired and staff turnover by age, gender, and geographical distribution	6.2.4 Employment: Breakdown of workforce by gender
Breakdown of employees by age	LA1	Total number and percentage of new employees hired and staff turnover by age, gender, and geographical distribution	6.2.4 Employment: Breakdown of workforce by age group
Breakdown of employees by geographical region	LA1	Total number and percentage of new employees hired and staff turnover by age, gender, and geographical distribution	6.2.4 Employment: Workforce and geographical distribution
Hirings	LA1	Total number and percentage of new employees hired and staff turnover by age, gender, and geographical distribution	6.2.4 Employment: Recruitment
Dismissals	LA1	Total number and percentage of new employees hired and staff turnover by age, gender, and geographical distribution	6.2.4 Employment: Departures
Remuneration	LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	6.2.4 Employment: Remuneration
Changes in remuneration	LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	6.2.4 Employment: Remuneration
Work Organisation			
Organisation of work time	LA	Labour Practices and Decent Work	6.2.2. Working conditions: Working hours
Absenteeism	LA6	Rate and type of work-related accidents, occupational disease, absenteeism, proportion of lost workdays and total number of work-related fatalities by region and gender	6.2.2. Working conditions: Absenteeism
Labour Relations			
Organisation of social dialogue	HR4	Identified sites and suppliers in which the right to freedom of association and to collective bargaining may be not respected or seriously under threat and measure taken to ensure respect for this right <i>Equivalence Charter of Ethics and Behaviour: pages 2 and 3</i>	6.2.3 Dialogue and labour relations
Organisation of social dialogue	LA4	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements <i>Equivalence Charter of Ethics and Behaviour: pages 2 and 3</i>	6.2.3 Dialogue and labour relations: Summary of collective bargaining agreements

Grenelle 2 – article R.225-105-1	GRI Equivalent G4	Title	Equivalent in chapter 6 of the Registration Document
Health and Safety			
Occupational Health and Safety	LA5	Percentage of total workforce represented in joint occupational health and safety committees that help monitor and advise	6.2.1 Health and safety: Health and safety in the workplace
Agreements signed with trade unions on workplace health and safety	LA8	Health and safety topics covered in formal agreements with trade unions	6.2.1 Health and safety: Health and safety in the workplace
Frequency rate of workplace accidents	LA6	Rate and type of work-related accidents, occupational disease, absenteeism, proportion of lost workdays and total number of work-related fatalities by region and gender	6.2.1 Health and safety: Work-related accidents
Severity rate of workplace accidents	LA6	Rate and type of work-related accidents, occupational disease, absenteeism, proportion of lost workdays and total number of work-related fatalities by region and gender	6.2.1 Health and safety: Work-related accidents
Occupational diseases	LA7	Employees exposed directly and frequently to diseases related to their activity	6.2.1 Health and safety: Work-related accidents
Training policy			
Total number of training hours	LA9 / LA10	Average hours of training per year per employee, by gender and employee category. Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	6.2.5 Training
Diversity and equal opportunities			
Diversity and equal opportunities policy and actions	LA12 / EC5 / EC7	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity <i>Equivalence Ethics and Behaviours Charter: page 2</i>	6.2.4 Employment: Diversity and equal opportunity
Gender equality	LA13	Ratio of basic salary and remuneration of women to men by employee category and by significant locations of operation <i>Equivalence Charter of Ethics and Behaviour: page 2</i>	6.2.4 Employment: Diversity and equal opportunity, Gender equality
Employment and integration of disabled people	LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	6.2.4 Employment: Employment and inclusion of disabled employees
Policies to prevent discrimination and promote diversity	LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity <i>Equivalence Charter of Ethics and Behaviour: page 2</i>	6.2.4 Employment: Diversity and equal opportunity
Promotion and respect of ILO values (Human Rights)			
	LA and HR	Labour Practices and Decent Work / Human Rights <i>Equivalence Charter of Ethics and Behaviour: page 2</i>	6.1.1 Origin of the CSR procedure and Eurotunnel's commitments

Grenelle 2 – article R.225-105-1	GRI Equivalent G4	Title	Equivalent in chapter 6 of the Registration Document
ENVIRONMENTAL INFORMATION			
General Environmental Policy			
Company organisation to take into account environmental issues. Environmental assessment or certification where required	Management approach	Disclosures that cover how an organisation addresses a given set of topics in order to provide context for understanding performance in a specific area <i>Equivalence Charter of Ethics and Behaviour: page 6</i>	6.4.1 General Environmental Policy
Employee training and communication on environmental protection	Management approach	Disclosures that cover how an organisation addresses a given set of topics in order to provide context for understanding performance in a specific area <i>Equivalence Charter of Ethics and Behaviour: page 6</i>	6.4.1 General Environmental Policy
Allocation of resources to prevent environmental risks and pollution	EN31	Total environmental protection expenditures and investments by type	6.4.1 General Environmental Policy: Risk prevention
Amount of provisions and guarantees for environmental risks (unless there is risk of serious harm)	EN29 / EN34	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations Number of environmental impact grievances filed, reviewed and resolved through formal grievance mechanisms	6.4.1 General Environmental Policy: Risk prevention
Pollution			
Prevention, reduction or compensation measures for air emissions or water and soil discharges that seriously affect the environment	EN23 / EN24 / EN25	Total weight of waste by type and disposal method Total number and volume of significant spills Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	6.4.3 Circular economy and waste management: waste indicator
Taking account of noise and other forms of pollution specific to an activity	EN24	Number and total volume of substantial discharges	6.4.3 Circular economy and waste management
Circular economy			
Waste prevention and waste management			
Measures for the prevention, recycling, reuse, other forms of recovery and elimination of waste	EN23 / EN25	Total weight of waste by type and disposal method Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	NA
Fight against food waste		N/A	NA
Circular economy			
Sustainable use of resources			
Water consumption and water supply according to local constraints	EN8 / EN9 / EN10	Total water withdrawal by source Water sources significantly affected by withdrawal of water Percentage and total volume of recycled and reused water	6.4.2 Climate change and energy policy: water consumption indicator
Consumption of raw materials and measures taken to improve efficiency in their use	EN1 / EN2	Consumption of materials by weight or volume Percentage of materials from recycled materials	
Energy consumption and measures taken to improve energy efficiency and renewable energy use	EN3 / EN6 / EN7	Energy consumption within the organisation Reduction of energy consumption Reduction of energy requirements for products and services	6.4.2 Climate change and energy policy: energy source indicator
Soil use	EN5 / EN6 / EN7		6.4.2 Climate change and energy policy: energy policy

Grenelle 2 – article R.225-105-1	GRI Equivalent G4	Title	Equivalent in chapter 6 of the Registration Document
Climate change			
The significant sources of greenhouse gas emissions	EN15 to EN21	Direct greenhouse gas emissions (SCOPE 1) Indirect greenhouse gas emissions (SCOPE 2) related to energy Other Indirect Greenhouse Gas Emissions (SCOPE 3) Intensity of greenhouse gas emissions Reduction of greenhouse gas emissions Emissions of ozone-depleting substances NOx, SOx and other significant air emissions Total water discharges by type and destination Total weight of waste by type and method of treatment Number and Total Volume of Substantial Discharges	6.4.2 Climate change and energy policy: greenhouse gases emission indicator (scope 1 and scope 2 of Kyoto protocol)
Adaptation to the impact of climate change	EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	6.4.2 Climate change and energy policy
Protection of biodiversity			
Measures taken to protect and improve biodiversity	EN11 to EN14	Operational sites held, leased or managed in or adjacent to protected areas, as well as areas rich in biodiversity outside these protected areas Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas Habitats protected or restored Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	6.4.4 Protection of biodiversity
SOCIETAL INFORMATION			
Territorial, economic and social impact of activity			
On employment and regional development	EC7 / EC8	Development and impact of infrastructure investments and services supported Substantial indirect economic impacts, including the extent of impacts.	6.3.3 Regional development: Development of local employment, Development of the local economy
On residents or local populations	SO1 / SO2	Percentage of sites having implemented local community engagement, impacts assessments and development programs. Operations with significant actual and potential negative impacts on local communities.	6.3.3 Regional development: Development of local employment 6.3.4 Best business practices: being fair and responsible
Relations with stakeholders			
Conditions of dialogue with people and organisation	G4-24 to G4-27		
Sponsorship and partnership actions	EC1	Direct economic value generated and distributed	6.3.3 Regional development: Solidarity actions, Sponsorship
Subcontracting and suppliers			
Consideration of social and environmental issues in procurement policies	EC6 / HR10	Percentage of new suppliers that were screened using human rights criteria	6.3.4 Best business practices: Being fair and responsible
Importance of subcontracting and consideration of CSR in relations with suppliers and subcontractors	SO9	Percentage of new suppliers that were screened using criteria for impacts on society	6.3.4 Best business practices: Being fair and responsible

Grenelle 2 – article R.225-105-1	GRI Equivalent G4	Title	Equivalent in chapter 6 of the Registration Document
Fair practices			
Actions taken to prevent all forms of corruption	SO3 / SO4 / SO5	Percentage and total number of business units assessed for risks related to corruption and significant risks identified. Communication and training on anti-corruption policies and procedures. Confirmed incidents of corruption and actions taken <i>Equivalence Charter of Ethics and Behaviour: page 3</i>	6.3.4 Best business practices: Being fair and responsible
Measures taken for consumer health and safety	PR1 / PR2	Percentage of significant categories of products and services for which health and safety impacts are assessed for improvement. Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	6.2.1 Health and safety: Safety of facilities, Site safety

6.7. CSR POLICY: PRINCIPLES, CHALLENGES AND COMMITMENTS

CSR at the heart of the Group's strategy

Corporate social responsibility (CSR) requires companies to integrate environmental and social issues into their business model and plan. A self-regulation initiative which in its early days was adopted on a voluntary basis, CSR has been enshrined in a regulatory framework initiated in France since 2001-2002 by the law on new economic regulations (Nouvelles Régulations Economiques). The verification of sociological, social and environmental data by an independent third party has gone on to become mandatory for French businesses following the publication in 2012 of the Decree implementing Article 225 of the Grenelle 2 law and subsequently the Ruling of 13 May 2013. Eurotunnel Group has exceeded this obligation and its initiative goes beyond simple verification.

The Eurotunnel Group places social responsibility at the heart of its activities and its interactions with its various internal and external stakeholders and provides clear information about its commitments to its partners: employees, customers, suppliers, shareholders, investors, territorial collectivities, governments, associations and communities. True to its principles, it has operated a policy for more than twenty years which is both challenging and supportive of corporate social responsibility, which it applies in three main areas, the strategic areas of focus linked to its activities:

- People, i.e. each of the 3,336 Eurotunnel Group employees;
- Nature, in other words the environment and the eco-systems with which its increasing activities interact;
- Region, or all communities with which the Group has a relationship, particularly in France, the UK and Europe.

The Eurotunnel Group has developed a CSR policy which is based on the respect of fundamental rights as defined by the major founding international texts: the Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

The Eurotunnel Group's Board and its Chairman and Chief Executive Officer fully support the principles stated in these international codes and standards. The purpose of this policy is to translate this support into a set of operational procedures defining a common approach for all Group entities.

Compliance with this policy will be continuously monitored under the close scrutiny of the Group's Board supported by the Committee for Sustainable Development. Stakeholders shall also be informed of the policy via the Group's various annual reports.

The CSR targets will be defined each year and will form part of the targets set for the directors and managers of the various Group entities. They shall be monitored and assessed during individual annual reviews.

Each manager shall be charged with ensuring that the stated principles are communicated to all employees and are further understood and observed by them.

Challenges

The Eurotunnel Group has identified five major challenges which correspond to core issues set out in the major founding texts and the various international frameworks and standards (Global Compact; GRL, ISO 26000). These challenges can be split into several categories: social, regional, environmental, economic and ethical.

- Social challenges: respect the rights of employees
- Regional challenges: develop close links with the region
- Environmental challenges: reduce the impact of the business activity on the environment
- Economic challenges: manage relationships with customers
- Ethical challenges: continue with policy development and value sharing within the Group in connection with stakeholders.

Answering these challenges has been and remains a priority for the Eurotunnel Group which, since its inception, has been committed to a social responsibility policy reconciling economic performance, social equity and environmental protection as part of a programme of continuous improvement.

Social challenges

For the Group, responding to the social challenges involves a commitment to fully support a work environment which fosters the personal development and growth of its workers. The human resources policies are developed on the basis of criteria which support truly equal opportunities and treatment for all employees. In its Charter of Ethics and Behaviour, the Eurotunnel Group has effectively committed itself to combating all forms of discrimination. In the same Charter, it strongly reasserts its adherence to the principles and values of the 1948 Universal Declaration of Human Rights and to the fundamental conventions of the International Labour Organization as well as to the principles of the United Nations Global Compact.

In order to reinforce the development of its workers and to guarantee a stable and safe working environment for them, the Eurotunnel Group has made the issue of improving security and health at work a major concern with the renewed and expressed target of zero accidents. Mindful of the progression of its employees' performance, the Group considers the individual annual review to be an essential management tool for human resources and has therefore set a target for all managers in the company of 100% reviews.

The Group invests heavily in young people and is developing its relationships with universities and schools with the aim of fostering a better understanding of its business and of better integrating young people into the world of work. This is why an agreement was signed in January 2013 with the Ecole nationale des Ponts et Chaussées creating for a period of 5 years an education and research chair for the science of railway transport dedicated to the study of railway activity. The aim of this chair is training and research on the topics associated with infrastructure and transport service. This initiative attests to the Eurotunnel Group's willingness to share its expertise in order to advance science and innovation and to position the railway sector as a profession of the future.

The Eurotunnel Group also is also strongly focused on training for careers in the railway sector. Created by the Group in 2011, the international railway training centre CIFFCO contributes to the creation of skilled jobs and professional integration. It plays a leading role in the development of railway transport and its associated businesses and, more generally, plays a part in the economic development and influence of the Nord-Pas-de-Calais region.

Regional challenges

As a committed partner in its economic and social environment, the Eurotunnel Group has always been a leading economic actor and local employer. As part of its mission, it fully subscribes to a logic of "community involvement", understood as defined by ISO 26000 "proactive outreach work undertaken by an organisation within the community with the aim of preventing and solving problems, fostering partnerships with local organisations and stakeholders and being a good citizen of the community".

The Eurotunnel Group has contributed to the creation of several thousand direct, indirect and induced jobs in Kent and the Calais region and has, as part of its role as a developer, strongly contributed to the growth of the local economy at either end of the Tunnel and to the positive transformation of the environment in which it operates.

The Eurotunnel Group is conscious of the fact that community involvement is not limited to responsibility for the impact of its activities on the environment but involves responsible behaviour and good citizenship. It is also constantly seeking ways to strengthen its integration into its immediate environment by means of firm commitments and actions of solidarity geared towards the community. The Group also supports education and culture and is conscious that sharing knowledge is a factor which promotes more equal opportunities.

The Eurotunnel Group considers its regional commitment to be essential as it contributes to the company's overall performance, to the internal climate and social cohesion and to the loyalty of its employees.

In order to meet these challenges, the Eurotunnel Group is committed to strengthening links with local communities by actively supporting associations, schools, universities and organisations with which it works closely on both sides of the Fixed Link.

Environmental challenges

In a world with limited natural resources, companies cannot ensure their continuity without making constant efforts to control their energy consumption and reduce the impact of their activities on the environment. For the Eurotunnel Group it is clear: it is impossible to have success in the long term without better control of environmental impacts.

Committed to “low-carbon” transportation, the Group is pursuing an ambitious strategy which combines developing its core activity – cross-Channel transport – and external growth beyond the Fixed Link in its two major disciplines and areas of expertise: the management of infrastructures and railway operations.

Since the construction of the Tunnel, expenditure has been incurred to prevent the harmful consequences of business activities for the environment. There are two separate sewer systems for rain water and waste water, retention ponds, treatment stations, etc. Furthermore, an environmental management system based on the requirements of ISO 14001 was put in place by the Concessionaires in 2002.

For 2016, the Eurotunnel Group is committed to acting in line with the principles of sustainable development and in accordance with the principles of the Global Compact relating to the environment. In order to achieve this, the Group has four commitments:

- to reduce the environmental impacts of its own operations by focusing on reducing greenhouse gas emissions, reducing its energy consumption, increasing its fleet of electric vehicles and optimising waste management;
- to raise awareness amongst staff of their responsibilities as eco-citizens;
- to choose innovative and environmentally friendly products;
- to strengthen actions which support the protection of diversity.

In addition to these commitments, the Eurotunnel Group will pay special attention to the environmental approach of its suppliers and will ask them to implement actions which would support the protection of the environment.

Economic challenges

The Eurotunnel Group places a focus on each individual customer at the heart of its development plan. Quality of service is both an everyday and a strategic priority and expectation for its teams within all of its subsidiaries.

Rooted in a bi-national culture where the concept of “customer” prevails, the Eurotunnel Group is continually investing in adapting its offer, the quality of customer services, punctuality, smoothness, comfort and security around a central objective: to constantly increase the high level of quality of service which forms the basis of its economic growth. A golden rule is applied: every innovation and every investment project must demonstrate that it benefits customers before being adopted. This continuous improvement initiative is of particular importance today when, more than 20 years after the start of operations, a new generation of customers is emerging.

This commitment was consolidated in 2013 by the launch of important projects in the various Group subsidiaries, such as the creation of a Customer Experience Department, the renovation of the terminals and Truck Shuttle wagons, a mobile telephone service throughout the Tunnel, etc.

The number one private railway operator in France and the UK, Europorte, a subsidiary of the Eurotunnel Group, stands out by the quality of service.

Committed to a continuous improvement initiative, the Eurotunnel Group is carrying out a transformation project in its terminals where the reception capacity will be increased in order to offer, as of 2015, more departures and toll lanes and secure parking to respond smoothly to the expected growth in truck traffic.

The Eurotunnel Group and its subsidiary service companies aim to achieve a higher level of quality of service for 2016. Customer satisfaction is an absolute priority for the Group. For 2016, it has set a central goal for the sector of a customer satisfaction rate of 90% for the passenger activity and 85% for commercial truck activity.

In order to meet the challenges of responsible supply, the Group has undertaken work to identify and evaluate its main suppliers in the field of sustainable development.

Ethical challenges

In order to define its priorities, the Eurotunnel Group is involved in and is continuing an ongoing dialogue with its internal and external stakeholders including employees, customers, suppliers, shareholders, local communities, competitors, public authorities and trade unions. This dialogue helps the Group to better understand societal developments and the associated challenges, to develop new topics and to start reflecting on the pilot projects.

The Eurotunnel Group's aim is to be viewed as a benchmark and a model within the transport industry in the area of corporate social responsibility and intends to maintain its role as a major player in cross-Channel transport and its position as global leader in piggyback transport.

This ambition requires clearly stated commitments. The Eurotunnel Group achieves this by committing through this policy to developing a climate of trust and loyal relationships with all of its internal and external stakeholders. It is particularly committed to:

- staying loyal to its customers and partners;
- instigating, maintaining and encouraging an open dialogue with the various stakeholders;
- strengthening its community involvement;
- strictly observing the fundamental rights as defined in the major international principles: the Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work;
- reporting its economic, social and environmental results with the greatest transparency.

6.8. METHODOLOGICAL NOTE RELATING TO CORPORATE SOCIAL RESPONSIBILITY

The Eurotunnel Group's social and environmental reporting is based on information stipulated in Article 225 of French law no. 2010 788 of 12 July 2010, known as the "Grenelle 2" law, and the transparency principles of the Global Reporting Initiative (GRI).

The Group's CSR data is consolidated under the responsibility of the Group Human Resources Department.

Consolidation period for CSR reporting

The period used for annual reporting of workforce and societal data is the calendar year (1 January 2016 to 31 December 2016).

Environmental data, however, is reported on a rolling year basis (from 1 October 2015 to 30 September 2016) as data and supporting evidence for the full year is not available within a timescale compatible with the publication date of the Registration Document.

Scope of consolidation

Data is consolidated for all Group entities, with the exception of GBRf due to its sale to EQT Infrastructure II during 2016. After consulting the relevant staff representatives at Group level, the sale of the subsidiary was completed on 15 November 2016.

In order to strengthen comparability of data, the indicators have been published excluding GBRf from the scope for 2015 and 2016. Indicators including GBRf for the years 2014 and 2015, are presented separately in section 6.5 of this Registration Document.

Choice of indicators

The purpose of the indicators is to monitor the commitments made by the Group and its progress in terms of environmental and workforce performance. The indicators were chosen by the Group because they are appropriate to its activities and serve the needs of stakeholders as well as its regulatory obligations.

Workforce indicators have been chosen to:

- measure the results of the human resources policy and the Group's social commitments,
- take account of cultural differences and local disparities (different national law, varying legal obligations, etc.).

Environmental indicators have been chosen to:

- serve environmental policy and reflect progress in the Group's different activities; the indicators chosen are appropriate to the Group's activities,
- allow monitoring of the Group's performance on key environmental issues.

Internal consolidation and control

Workforce information is collected from each entity through a computerised data feedback system, which includes consistency checks. The data is checked and validated by the Group's entities and consolidated across the entire scope by the Group Human Resources Department.

Each entity's environmental information is collected through the computerised data feedback system. The data is checked and validated by each Group entity and is then consolidated by the Group Human Resources Department.

During consolidation of workforce and environmental data, consistency checks are carried out at Group level. Comparisons are made with the results from previous years and discrepancies deemed significant are analysed and examined in greater detail.

Societal information is collected, checked and validated at the level of each entity. It is then centralised by the Group Human Resources Department.

Further information and methodological limits of the indicators collected

The methodologies used for some workforce and environmental indicators may in practice be limited by:

- a lack of harmonisation in national/international definitions and legislation,
- the representativeness of the measurements taken or limited availability of external data needed to calculate the indicator,
- the qualitative and therefore subjective nature of some data,
- the practical methods used to collect and input this data.

The calculation of emissions of greenhouse gases is based on the methodology developed by the Carbon Trust. For some incoming refrigerant data, the emission factors are based on the product safety data sheets. For SF6 and Halon and the purchase of electricity in France, the emission factors are based on DEFRA.

Data relating to waste generated by operations at customers' sites, collected for the monitoring of the activities of contractors, is excluded from the scope of reporting.

The method of estimating the natural gas consumption of sites of Europorte subsidiaries which are not equipped with meters has changed. Consumption was extrapolated on the basis of a ratio of natural gas consumption / m² / day. This ratio was calculated based on data from sites equipped with meters.

Water consumption for Europorte un-metered sites was extrapolated by applying a ratio of water consumption in m³ per employee present on site. This ratio was calculated based on data from sites which are metered.

A readjustment was made in year 2016 for the 2015 water consumption at the Shakespeare Cliff site of the UK Fixed Link following receipt of invoices.

The quantities of SF6 released into the atmosphere were estimated during the current financial year for the Fixed Link scope, but will be subject to more precision in future reporting following the acquisition of a new DILLO machine which makes it possible to measure the quantities of SF6 withdrawn or added.

In the calculation of the rate of absenteeism for the four French Europorte entities, the number of scheduled hours is obtained by multiplying the number of full time equivalent staff by the number of theoretical hours.

The training budget is the sum of logistics costs (when available), external costs and the related staff costs.

Salary and employers' costs are extracted from the payroll systems by the human resources departments.

External audit

In order to ensure that it provides reliable information, each year the Eurotunnel Group requests the opinion of an independent third party regarding the quality of its workforce and environmental information collection and reporting procedures. In 2016, the audit was carried out by Mazars. The 2016 assurance report expresses reasonable assurance for three environmental indicators, ten social indicators (information marked ✓) and one societal indicator, and limited assurance for all other information presented in chapter 6 of this Registration Document.

6.9. REPORT BY THE INDEPENDENT THIRD PARTY ON THE CONSOLIDATED HUMAN RESOURCES, ENVIRONMENTAL AND SOCIAL INFORMATION INCLUDED IN THE MANAGEMENT REPORT

This is a free English translation of the independent third party's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended 31 December 2016

To the Shareholders,

In our capacity as independent third party, certified by COFRAC Inspection under number 3-1058⁽¹⁾ and member of Mazars' network, Groupe Eurotunnel S.E.'s Statutory Auditor, we hereby report to you on the consolidated human resources, environmental and social information for the year ended 31 December 2016, included in the management report (hereinafter named "CSR Information"), pursuant to article L. 225-102-1 of the French Commercial Code (Code de commerce).

⁽¹⁾ the scope is available at www.cofrac.fr

Company's responsibility

The Board of Directors is responsible for preparing a company's management report including the CSR Information required by article R. 225-105-1 of the French Commercial Code in accordance with the protocols used by the company (hereinafter the "Guidelines"), summarised in the management report and available on request from the company's head office.

Independence and quality control

Our independence is defined by regulatory texts, the French Code of ethics (Code de déontologie) of our profession and the requirements of article L. 822-11 of the French Commercial Code. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, professional guidance issued by the national auditing body (Compagnie nationale des commissaires aux comptes) and applicable legal and regulatory requirements.

Responsibility of the independent third party

On the basis of our work, our responsibility is to:

- attest that the required CSR Information is included in the management report or, in the event of non-disclosure, that an explanation is provided in accordance with the third paragraph of article R. 225-105 of the French Commercial Code (Attestation regarding the completeness of CSR Information);
- express a limited assurance conclusion that the CSR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Conclusion on the fairness of CSR Information);
- provide, at the request of the Company, a reasonable assurance conclusion as to whether the information identified by the symbol ✓ in chapter 6 of the management report was prepared, in all material respects, in accordance with the adopted Guidelines.

Our work involved 5 persons and was conducted between October 2016 and March 2017 during a 15-week intervention period.

We performed our work in accordance with the professional guidance issued by the national auditing body and with the order dated 13 May 2013 defining the conditions under which the independent third party performs its engagement and with ISAE 30,002⁽²⁾ concerning our conclusion on the fairness of CSR Information and the reasonable assurance report.

I Attestation regarding the completeness of CSR Information

On the basis of interviews with the individuals in charge of the relevant departments, we obtained an understanding of the company's sustainability strategy regarding human resources and environmental impacts of its activities and its social commitments and, where applicable, any actions or programmes arising from them.

We compared the CSR Information presented in the management report with the list provided in article R. 225-105-1 of the French Commercial Code.

For any consolidated information that is not disclosed, we verified that explanations were provided in accordance with article R. 225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, i.e., the company, its subsidiaries as defined by article L. 233-1 and the controlled entities as defined by article L. 233-3 of the French Commercial Code within the limitations set out in the methodological note, presented in chapter 6.8 of the management report.

Based on the work performed and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

II Conclusion on the fairness of CSR Information*Nature and scope of our work*

We conducted about twenty interviews with the persons responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, responsible for internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, and taking into account industry best practices where appropriate;
- verify the implementation of data-collection, compilation, processing and control process to reach completeness and consistency of the CSR Information and obtain an understanding of the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and controls based on the nature and importance of the CSR Information with respect to the characteristics of the company, the human resources and environmental challenges of its activities, its sustainability strategy and industry best practices.

⁽²⁾ ISAE 30,002 – Assurance engagements other than audits or reviews of historical financial information

Regarding the CSR Information that we considered to be the most important (detailed in Annex):

- at parent entity level, we referred to documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information in the management report;
- at the level of a representative sample of entities selected by us⁽³⁾ on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify that procedures are properly applied and we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents.

The selected sample represents 99% of the headcount and 100% of quantitative environmental data disclosed.

For the remaining consolidated CSR Information, we assessed its consistency based on our understanding of the company.

We also assessed the relevance of explanations provided for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be totally eliminated.

Conclusion

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

III Reasonable assurance report on selected CSR information

Nature and scope of procedures

Regarding information selected by the Group and identified by the symbol ✓, we conducted similar work as described in paragraph 2 above for CSR information that we consider to be most significant, but in greater depth, especially regarding the number of tests.

The selected sites contribution to Group data represents to 99% of the headcount and 100% of quantitative environmental data identified by the symbol ✓.

We consider this work allows us to express a reasonable assurance conclusion on the information selected by the company and identified by the symbol ✓.

Conclusion

In our opinion, the Information selected by the Group and identified by the symbol ✓ was prepared, in all material respects, in accordance with the Guidelines.

Paris – La Défense, 28 February 2017
Mazars SAS

Francisco Sanchez
Partner

Edwige Rey
Partner
CSR & Sustainable Development

⁽³⁾ Legal entities for the verification of human resources and health, safety information: Eurotunnel Services GIE (ESGIE), Eurotunnel Services LTD (ESL), Europorte France (Europorte France – EPF, Socorail, Europorte Proximité – EPP, Europorte SAS)

Legal entities for the verification of environmental information: France Manche SA (FM SA), The Channel Tunnel Group Limited (CTG), Europorte France

Appendix

List of CSR Information considered to be the most important:

Human resources indicators	Reasonable assurance report
Workforce and distribution by gender	X
Average age of workforce	X
Management to workforce ratio	X
Temporary staff rate	X
Number of students-apprentices and employee on work-experience	X
Number of training hours	X
Frequency rate of work-related accidents resulting in time off	X
Severity rate of work-related accidents resulting in time off	X
Absence rate	X
Training costs	X
Environmental indicators	Reasonable assurance report
Water consumption	X
Greenhouse gas emission (scope 1 and 2)	X
Waste (hazardous and non-hazardous)	X
Social indicators	Reasonable assurance report
Composite Index	X

