GROUPE KEOLIS

2021
FINANCIAL REPORT

Contents

GROUPE KEOLIS S.A.S.
Société par Actions Simplifiée au capital de 237 888 901,80 €
Siège social : 20-22 rue Le Peletier, 75009 Paris
494 321 276 RCS PARIS

Assemblée Générale Ordinaire Annuelle du 12 avril 2022

GROUPE KEOLIS S.A.S.
2021 FINANCIAL REPORT

300 PTA partners

14 countries

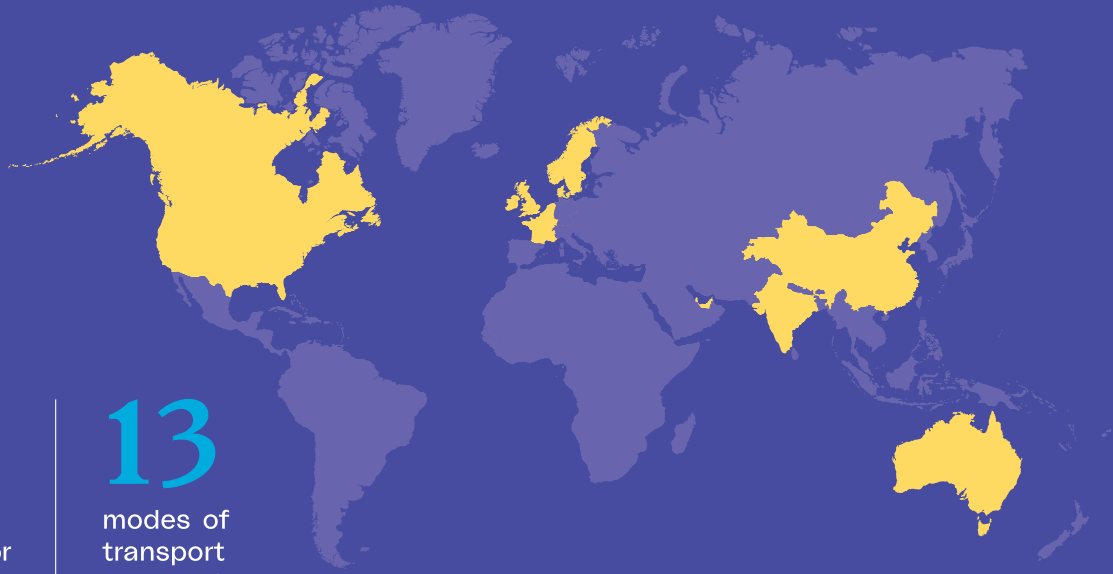
68,000 employees

With operations in 14 countries, Keolis is a global leader in the shared mobility market, facilitating the journeys of millions of people every day. As a committed partner to public transport authorities, we work with them to co-construct tailor-made, efficient and sustainable transport solutions, helping to create more attractive places to live and work and enhancing the quality of life of passengers.

68,000

employees in 14 countries

- Australia
- Belgium
- Canada
- China
- Denmark
- France
- India
- Netherlands
- Norway
- Qatar
- Sweden
- United Arab Emirates
- United Kingdom
- United States



300

we operate and maintain networks for more than 300 public transport authorities

13

modes of transport operated on an intermodal basis

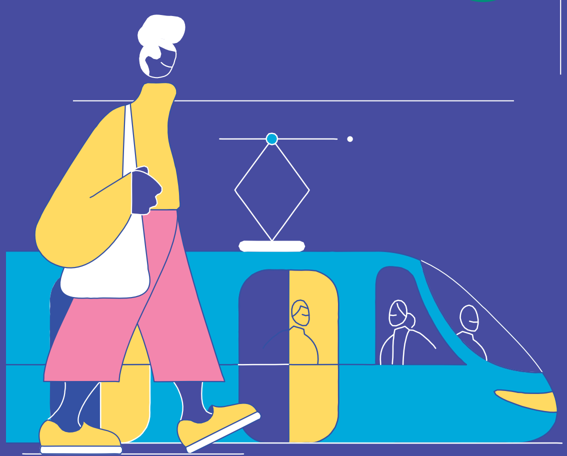
World leader in automated metros and trams

The leader in France:

in urban transport

for transport for people with reduced mobility

for train station car parks with EFFIA



4,300

vehicles running on alternative energy

and 8 regional train networks in 5 countries

33,000

bicycle rentals in France

and over 45 autonomous vehicle deployments since 2016

“There’s a growing sense of the societal value of public transport…

A strategic turning point for Keolis, 2021 was characterised by success in weathering the pandemic, winning new business with the addition of iconic networks, creating our corporate purpose and launching an ambitious transformation programme. Marie-Ange Debon, Chairwoman and Group Chief Executive Officer, reviews the milestones of the past year and those that lie ahead.

© Greg Gonzalez

Marie-Ange Debon,
Chairwoman and Group Chief Executive Officer

The health crisis continued into 2021, changing the face of the mobility sector. How has Keolis adapted to this?

M.-A. D. : The health crisis has created new expectations, particularly in terms of protecting public health. We have always placed the safety of our employees and our passengers at the heart of our priorities, and during the pandemic even more so. The crisis has also accelerated a number of trends that were already well established, like digitalisation, with major progress made in contactless payment and paperless ticketing, for example. The ecological transition is another example with a greater focus on preserving resources, air quality and CO_2 emissions.

... and it's an opportunity that Keolis is taking full advantage of."

What is Keolis doing to ensure these new expectations are met?

M.-A. D. : Public transport authorities are faced with a complex challenge. On the one hand, they are facing increasing financial constraints because of the economic crisis created by the health crisis, and on the other, they have to invest massively to achieve carbon neutrality, starting with public transport. Our role is to offer them tailor-made solutions to decarbonise their transport networks and allow them to benefit from our expertise in alternative energies. Added to this are the challenges of making local communities more accessible and relieving traffic congestion. Here too, we work with them to develop a service offer that is sufficiently appealing to drive the modal shift from private cars to public transport.

"We have the capacity to offer travel solutions that are accessible to the least privileged, environmentally friendly, and crucial to the development of the local region."

Last year, you created your corporate purpose, followed by the Keolis Way transformation programme. What is the outlook for the Keolis Group now?

M.-A. D. : Our corporate purpose is a way of articulating our contribution to society. It echoes our values – We Imagine, We Care, We Commit – and forms the basis of our Keolis Way transformation programme which embodies our vision and our commitments to our main stakeholders: the planet, our passengers, our people and our PTA partners. For each of these stakeholders, we have set ambitious objectives for the group which will be implemented and closely monitored in all our subsidiaries. Keolis Way is a very powerful transformation lever for achieving our medium-term growth strategy.

How do you view Keolis' performance in 2021?

M.-A. D. : By the end of 2021, passenger numbers were up on all the networks we operate, coming close to the levels of 2019 in a number of countries. The past year has been one of great commercial success. In France, the cities of Agen, Auch and Thionville placed their trust in us. On the international market, we won bus networks in Sydney, Australia, and Uppsala, Sweden. I would also like to highlight the reactivity of our teams in responding to government measures and regulations that were constantly being adjusted as the pandemic progressed, or to very low passenger numbers. Our teams have been remarkable and I would like to thank them for their commitment.

What is your outlook for 2022?

M.-A. D. : Our opportunities for growth are in areas where we are already firmly established, such as Sweden, Canada and Australia, but also in Africa, which is developing its public networks, and the Middle East, the kingdom of the car, which is opening up to public transport. One major focus for us is delivering on the full potential of data. It will enhance understanding of passengers and their habits, as well as the predictability of journeys and in doing so will offer improved fluidity and well-being on public transport.

Mobility, a rapidly changing market

With 2021 marking the return of passengers to public transport, the mobility market is continuing to reinvent itself to meet the needs and expectations of passengers and communities.

Encouraged by various recovery plans, the mobility market is changing to reflect three major trends: digital acceleration; the need for smoother, more flexible and safer travel; and a heightened awareness of the climate emergency.

Making passenger journeys more dematerialised and intermodal

The digitisation of payment methods is experiencing unprecedented growth. Between 2018 and 2021, paperless ticketing increased from 3% to 18% on the networks operated by Keolis - a direct consequence of users' preference for contactless transactions. More generally, we are seeing an upsurge in the digitalisation and intermodality of users' journeys, with more people choosing to combine soft mobility with public transport. This uptick in soft mobility is explained by a range of factors including the health benefits of walking and cycling[1].

MaaS and cybersecurity at the heart of support for public transport authorities

Another trend, which also responds to new passenger expectations, is the growing demand from public transport authorities for support in developing MaaS solutions (Mobility as a Service). The objective is to offer multimodal services that cover the entire needs of a passenger, from route searches to ticket payment. The growing concerns surrounding cybersecurity has also led to increased expectations in this area from local communities. Hence the importance for transport operators to guarantee greater protection of IT systems involved in running transport networks.

Recovery plans support the drive towards decarbonisation

2021 was also a year that saw the expansion of alternatives to diesel. This trend is being supported by a strong political push to decarbonise transport. The European and American economic recovery plans (Next Generation EU and Build Back Better) include investments aiming to accelerate the use of electric and alternative energy powered vehicles in public and private fleets. Specific measures to reduce use of cars by a single person in favour of public transport and alternative and shared mobility are also being encouraged. These developments are expected to gather pace in the coming months, particularly in Europe, as simplified tendering procedures are introduced by the EU Member States.

1. For 37% and 18% of respondents in a survey conducted with Harris Interactive – source: Keoscopie n° 1.

80%

80% of passengers have returned to public transport outside France compared to pre-lockdown figures

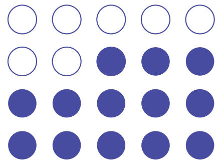
Source: 20 minutes - 18/11/2021

€807 Bn

This is the amount allocated in the framework of the European recovery plan 2021-2027 "NextGenerationEU"

Source: European Commission

Multimodality



66%

of French people prefer active mobility (cycling, walking).

Be it via buses, metros, bicycles or carpools, the health crisis has renewed interest in facilitating and fluidifying travel in its entirety. Welcome to intermodality!

The ability to choose your mode of transport at any time, adjust your route to your liking, pick your travel times outside of rush hour-these are some of the growing trends of 2021. Given the growing number of different transport modes, what passengers need now is simplicity, fluidity and coherence: journeys are being planned door-to-door, aided by accessible, easy-to-understand mobility offers that combine several transport modes. To meet this challenge, MaaS (Mobility as a Service) apps are being developed that allow every passenger to plan, book and pay for their journey, factoring in all possible transport modes. While the challenge in cities is to facilitate people's journeys, in less well-served areas, it's about offering new transport possibilities. Local authorities must take the diversity of their communities' needs and expectations into account with a view to offering a credible alternative to the private car and thereby driving the modal shift.

We create value by

1

Drawing on our expertise in network design, we build global mobility schemes that encourage connections between different modes including trains, tram and buses.

2

We assist public transport authorities in setting up multimodal information and ticketing services as part of a district-by-district approach.

3

We promote intermodal transport by encouraging the development of soft mobility such as bikeshare services or long-term bike rentals and autonomous cars.

4

We develop flexible, on-demand transport, carsharing and carpooling services, adapting them to the flows of large cities or less dense areas.

13

different transport modes managed by Keolis.

Low-carbon transition

In 2021, Keolis increased the number of road vehicles operating on alternatives to diesel and petrol by 21% compared to 2020.

Public transport authorities are increasingly concerned by the ecological transition and expect public transport operators to help them define a strategy in line with their ambitions and resources.

In the face of the climate emergency, environmental responsibility is at the heart of mobility concerns, with the large-scale development of alternatives to combustion engines and individual vehicles. Although this is not a new trend, it has accelerated rapidly and become widespread in 2021. In Europe and around the world, changing regulations, in particular the introduction of a classification of activities aimed at directing financial flows towards the "greenest" activities, has also acted as a major incitement for mobility actors to step up their efforts to achieving low-carbon goals. Amid shrinking commercial revenues and pressure on public finances, PTAs seek the expertise of actors like Keolis to support them in their strategies to cut greenhouse gas emissions, but also in obtaining financing to complete their projects.

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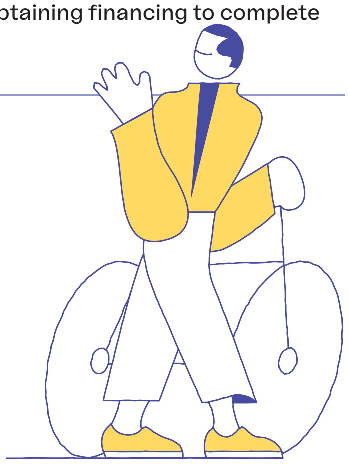
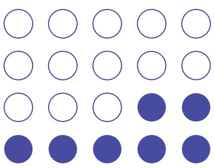


x3

By 2030, Keolis aims to triple the number of kilometres covered by alternative-energy vehicles in its bus and coach fleets.



30%

The transport sector accounts for around 30% of global greenhouse gas emissions.

We create value by

1

We offer efficient low-carbon mobility solutions that contribute to the modal shift from individual cars to shared transport.

2

Guided by a principle of energy neutrality and independence, we manage and deploy a wide range of alternative energy solutions to diesel including: electric propulsion, hydrogen, hybrid, biogas, biodiesel.

3

We support public transport authorities wishing to adopt clean modes of transport or to replace their fleets by helping them to manage and handle their projects on a technical level, as well as in obtaining financing.

4

We are transforming skills within the company with our energy transition training programme. We also train 5,000 drivers each year in eco-driving.

5

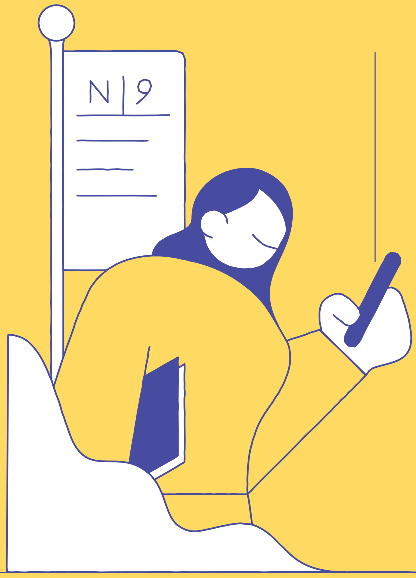
We have two Centres of Excellence specialised in the energy transition in France, and in Australia to promote our solutions and liaise with local decision-makers. Two other Centres of Excellence are being created.

6

We coordinate the actions taken by our subsidiaries to reduce the carbon footprint of our own activities.

The rise of digital technology

Contactless payment, predicting passenger loads, using data to adapt maintenance planning - innovations in digital technology are helping to reinvent shared mobility for passengers and communities in response to the health pandemic.



2.4

billion routes calculated in 2021 via the Navitia platform, developed by hove, a Keolis subsidiary.

The two years of the health crisis have played a major role in speeding up the digitalisation of mobility. Contactless payment and paperless tickets have become commonplace, as has the use of passenger load prediction tools, which help passengers in choosing to travel at less busy times. The popularity of these solutions, which facilitate social distancing, reflects passenger aspirations. As digital technology picks up pace, it is also improving the way networks are managed. Analysis of passenger information obtained from ticketing data and GPS tracks helps to understand patterns of use and adjust the transport offer accordingly. Data is also increasingly being used to anticipate equipment and infrastructure failures leading to optimised, more reliable services.

The share of single tickets bought using contactless payment across the French network, in terminals equipped with open payment.

30%

We create value by

1

We equip our staff on the ground with digital tools enabling them to take more effective action and communicate in real time to improve the quality of the service provided.

2

We measure the occupancy rates of our lines to allow passengers to adjust their travel accordingly.

3

We use digital technology as a lever for more inclusive mobility, like the Navilens solution being tested in Versailles to simplify travel for visually impaired people.

4

We use data to develop predictive maintenance, thereby maximising network efficiency and profitability and the availability of rolling stock.

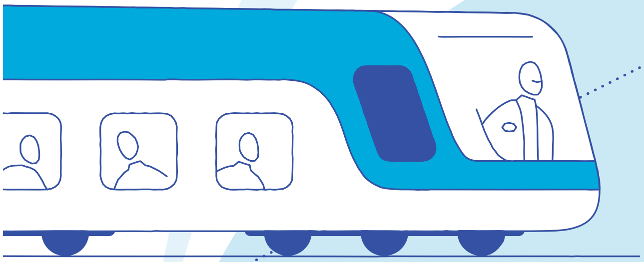
5

We are reinforcing our methods of collecting and analysing ticketing and GPS data in order to help local authorities improve the management of their networks and meet passengers' expectations.

The Keolis model

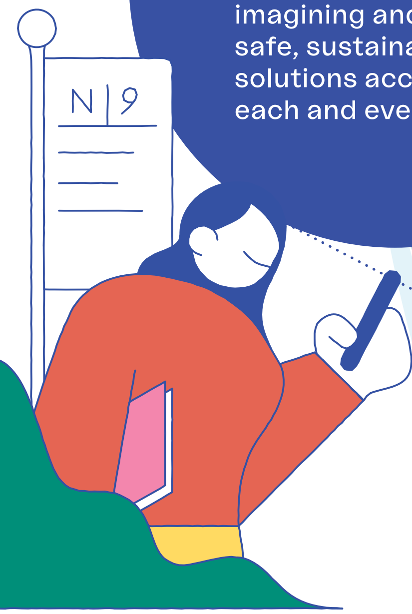
In 2021, we launched Keolis Way, our new transformation programme. It sets out a vision of mobility underpinned by our values and corporate purpose.

A vision...



Our Corporate Purpose

Enhance everyday life in cities and communities by imagining and operating safe, sustainable mobility solutions accessible to each and everyone.



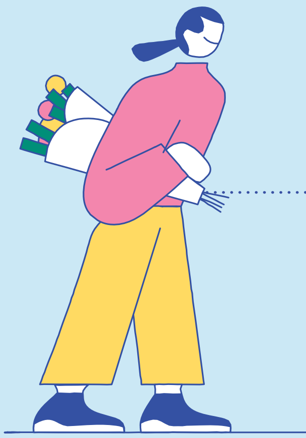
true to our values...

We imagine >>>

We invent tailor-made mobility solutions for cities and communities. We propose and co-construct appealing transport offers focused on the safety and comfort of passengers.

We care >>>

We build relationships with our partners based on dialogue and transparency, with a human resources policy founded on making all of our employees feel valued and supported.



We commit >>>

As a responsible actor in cities and communities, we are committed to delivering shared mobility services characterised by exceptional safety, quality of services, reliability, operational efficiency and sustainability.

KEOLIS WAY>>>>

reflected in our transformation programme

OUR 3 BASIC PRINCIPLES

Safety and security

Being entrusted with people's mobility means making safety a prerequisite. The safety of our passengers and staff forms the basis of our transformation programme, as well as being the Keolis Group's main priority.

Operational excellence

To meet the requirements of our PTAs and our passengers when it comes to performance and safety, we are constantly strengthening our expertise in operations and maintenance.

Economic performance

We draw on our expertise across the entire mobility value chain to support public transport authorities in their search for economic efficiency, in terms of revenue as well as costs.

OUR 4 PILLARS

Our planet

Become the leading expert in low-carbon mobility, contribute to the reduction of greenhouse gas emissions and strengthen our social responsibility.

Our passengers

"Thinking like a passenger" to win back passengers in response to the health pandemic by offering safe, integrated, multimodal and inclusive transport services.

Our PTAs

Be the partner of choice thanks to our ability to listen, discuss and co-construct services and solutions addressing PTAs' needs.

Our people

Become the "best place to work" in the mobility sector by developing employee commitment, gender diversity, training, skills and managerial culture.

OUR 3 LEVERS FOR ACTION

Innovation - Digital - Collaboration

Our value creation scheme

Our resources

Our passengers

- **Programme**
  Thinking like a passenger, an approach based on continuous improvement
- **Keoscopie**
  Our mobility and lifestyle observatory

Our PTA partners

- Member of the **United Nations Global Compact**
- **Partnership with Fondation des Femmes**
- **Constant dialogue with the PTAs** to develop public transport services

Our people

- **68,000 employees,** 64% of whom are drivers
- **9,927 recruitments** worldwide
- **Training: Keolis Institute/CFA** (training centre for apprentices)

Our planet

- **A range of multimodal mobility solutions** that are instrumental in reducing the environmental and carbon footprint of local communities
- A growing fleet of **4,300 vehicles** powered by alternative energy
- **4.3 kWh** consumed per kilometre of commercial traction
- **Founding member of the PIMMS*** initiative to facilitate access to everyday services

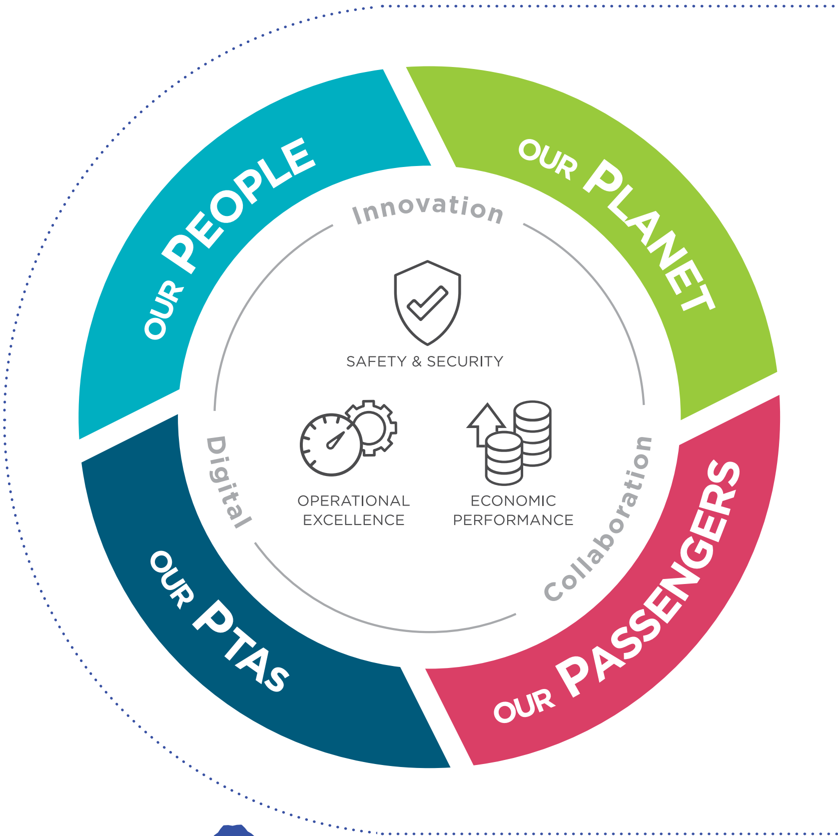
Financial capital

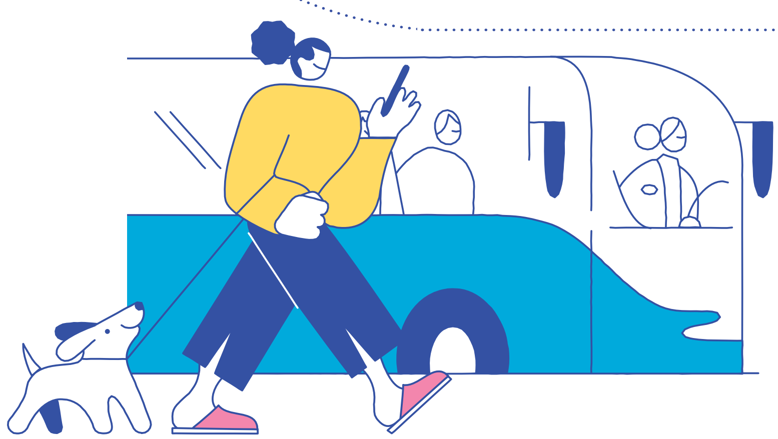
- **€6.3 billion** in turnover
- **€538.6 million** in equity
- A stable, committed shareholder base

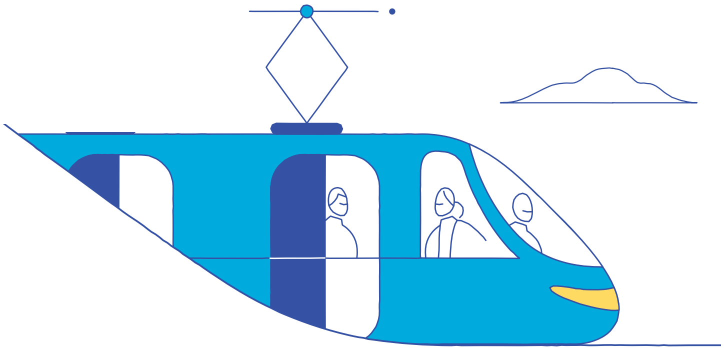
** PIMMS: Points Information Médiation Multi-Services (Multi-Services Mediation Information Points).*

Our activity

Developing, designing, financing, operating, maintaining and promoting shared and sustainable mobility services in cities and communities of all sizes.







Value created for and with our stakeholders

Our Corporate Purpose

Enhance everyday life in cities and communities by imagining and operating safe, smart and sustainable mobility solutions accessible to each and everyone

Our values

We imagine >>>

We care >>>

We commit >>>

Our passengers

- **25 subsidiaries** are involved in the Keolis Signature Service initiative to improve service quality
- **26 tools and applications** to accelerate the modal shift (France)
- **Two major areas of innovation:** understanding mobility and customer experience

Our PTA partners

- **59 projects selected** by the Coups de Cœur solidaires** for local associations since 2018
- Awareness raised among more than **95,000 pupils through speaking slots in schools**
- **€33 million engaged** with actors from the social and solidarity economy

Our people

- **64%** of employees trained over the year
- **87%** of employees work in a GEEIS*** certified entity for gender equality
- **We@Keolis:** internal network for diversity
- **300 members** of the network

Our planet

- **50.4% of KSA turnover** covered by ISO 14001 certification for environmental management
- **24.8% of kilometres** covered by commercial road vehicles powered by alternative energy

Economic performance

- **+€73 million** free cash flow
- **+€204 million** current operating income
- **€600 million** ESG indexed syndicated loan
- **300 PTAs** place their trust in us in 14 countries

*** In partnership with the SNCF Foundation.*
**** GEEIS: Gender Equality & Diversity for European & International Standard.*

The Executive Committee

The Executive Committee is composed of nine members and drives Keolis' strategic direction and governance in close consultation with the Supervisory Board. Its objectives are to ensure the group's development and to implement its strategy of continuous improvement.

Marie-Ange Debon,
Chairwoman and Group Chief Executive Officer

Christelle Villadary,
Group Chief Financial Officer

Bernard Tabary,
Chief Executive Officer International

Clément Michel,
Group Director Human Resources and Transformation

Frédéric Baverez,
Chief Executive Officer France and Chairman of EFFIA

Frédérique Raoult,
Group Director Communications

Pierre Gosset,
Group Director Industrial Division

Annelise Avril,
Group Director Marketing, Innovation and New Mobilities

Arnaud Van Troeyen,
Group Deputy Director International

The Supervisory Board

The Supervisory Board, consisting of nine members, oversees the work of the Executive Board and approves strategic decisions.

Our sector of activity is at the heart of societal and environmental issues. The health crisis, just like the fight against climate change, only serves to strengthen this position. This has resulted in three major challenges for Keolis. Firstly, adjusting our mobility offer to ensure that passengers return to our networks and, beyond that, offer ever more attractive public transport services. Secondly, developing partnerships with the public transport authorities to help them achieve their energy transition goals. And finally, harnessing the full potential of innovation to set us apart in the shared mobility sector. By leveraging our expertise and ability to adapt, Keolis will meet the new expectations of the market.

Jérôme Tolot, Chairman of the Supervisory Board

Members of the Supervisory Board

Jérôme Tolot, Chairman of the Supervisory Board

Patrick Bastien, Director of Infrastructure, Caisse de dépôt et placement du Québec (CDPQ)

Alain Krakovitch, Managing Director, Voyages SNCF

Robin Lutz, Director of Infrastructure Investments, Caisse de dépôt et placement du Québec (CDPQ)

Sylvia Metayer, Board Director

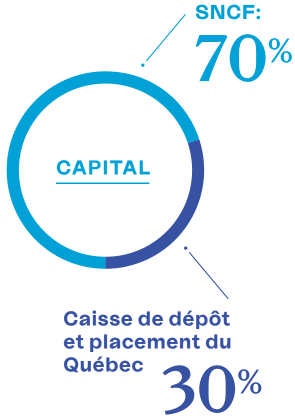
Normand Provost, Board Director (until 23 February 2022), replaced by **Robert Tessier,** Board Director

Claudia Schlossberger, Independent Board Director

Laurent Trevisani, Deputy CEO, SNCF

Nathalie Wright, IT and Digital Transformation Director, Rexel group

A solid, long-term shareholder base:



6

Supervisory Board meetings and one strategic seminar

5

specialised Supervisory Board committees:

- Auditing and Ethics
- Remuneration and HR
- Investments and Strategy
- Security and Safety
- Innovation and Sustainable Development

10

Investments and Strategy committee meetings

4

Innovation and Sustainable Development committee meetings

Our references in 2021-2022

Keolis is a global leader in shared mobility, operating and maintaining city, suburban and intercity networks on behalf of over 300 public transport authorities. We cover a dozen different transport modes and apply our multimodal expertise all over the world.

Metros

452 km of metro lines in operation and under construction

Pioneer and world leader in automated metros - 330 km

10 networks in 7 countries:
China, France, India, Qatar, the United Arab Emirates, the United Kingdom and soon in Côte d'Ivoire

Trams

World's leading tram operator
>1,000 km in operation and under construction

27 tram networks worldwide **(of which two under technical assistance and one under construction) in 9 countries:**
Australia, Canada, China, Denmark, France, Norway, Sweden, the United Arab Emirates, the United Kingdom

- **Melbourne,** the world's largest network: 250 km of double track
- **Greater Manchester,** the UK's largest network: 96 km
- **Aarhus,** the main network in Denmark

Buses and coaches

23,207 vehicles worldwide

4,300 run on alternatives to diesel and petrol

City & intercity bus and coach networks: **Australia, Belgium, Canada, Denmark, France, the Netherlands, Norway, Sweden, the United States**

BRT (Bus Rapid Transit) bus and coach services:
France, the Netherlands and the United States

Airport services:
Canada, Denmark, France and the United States

Trains

2,300 km of railway lines in operation

8 regional rail networks in service in 5 countries:
Australia, France, the Netherlands, the United Kingdom, the United States

Autonomous vehicles

Over 150,000 km covered and over 211,000 passengers transported

Over 45 deployments in France and internationally since 2016

In 2021, deployments in Canada, France and Sweden

On-demand transport

Real-time, on-demand transport services and numerous on-demand digital transport services in reel time in Australia and France

Medical transport

Leading national ambulance service with 3,200 medical vehicles 4,900 health professionals

Maritime and river transport

Services in Australia and in France for almost 40 years

Parking

N°1 for mixed contracts in France

N°1 for train station car parks in France

N°4 parking operator in Belgium

650 car parks managed in 245 towns and cities and 67,300 on-street spaces

133 park-and-ride facilities (P+R)

1,140 electric charging terminals

Bicycles

33,000 bicycles in France and the Netherlands (bikeshare services, long-term rentals, electric bikes, cargo bikes, special bikes, electric scooters, etc.)

Car-sharing

Numerous networks all over France

Transport for people with reduced mobility

French leader in PRM transport

Numerous services in the United States and all over France

Car-pooling

Numerous services in France, notably thanks to **CMABULLE** (app that pairs families for lift-sharing for the school run and out-of-office activities)

Discover all our references on www.keolis.com and in About Us

Our contribution to the UN's SDGs

Since 2020, Keolis has continued to integrate the Sustainable Development Goals (SDGs) and has defined eight strategic SDGs for which the Keolis Group's contribution is greater than or equal to 25%.

3 GOOD HEALTH AND WELL-BEING

Keolis considers its employees as its primary asset. Through our Keolis Way transformation programme and our safety policy, Keolis looks out for its employees safety and physical and mental health by promoting well-being and combating discriminations in the workplace. Our policy also covers the safety of passengers and third parties, a constant priority for all our teams worldwide.

5 GENDER EQUALITY

Keolis works relentlessly to guarantee equal opportunities for all its candidates and employees and to ensure a healthy work-life balance. Passenger security is a priority at Keolis with robust actions in place to address risks women may face on public transport.

7 AFFORDABLE AND CLEAN ENERGY

Keolis supports public transport authorities in their efforts to meet the energy transition and environmental goals, through its expertise in a broad range of alternative energies including biodiesel, bioethanol, biogas, diester, NGV, electric, LPG, hybrid.

8 DECENT WORK AND ECONOMIC GROWTH

In a labour-intensive sector where manpower cannot be relocated, Keolis has implemented a group-wide policy for employee safety, as well as an HR policy that guarantees equal opportunities and access to training, fosters social dialogue and promotes well-being.

11 SUSTAINABLE CITIES AND COMMUNITIES

Keolis is constantly working to make shared transport more attractive and inclusive in order to enhance quality of life in the communities we serve.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Keolis' environmental policy is fully committed to meeting ecological transition goals.
It covers energy and carbon efficiency, the reduction of water consumption and waste recovery, and aims to avoid all forms of pollution.

13 CLIMATE ACTION

Keolis promotes public transport and its benefits on a national and international scale, and sees shared mobility as part of the answer to the challenges of climate change, through improving energy efficiency and developing the use of low-carbon energy.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Keolis launched its compliance programme, Kompliance, in 2013. The programme sets out the right kinds of behaviour, as well as those prohibited by law and by the ethical conception of business. It helps each employee to adopt the right attitude to prevent and manage the risks they may face. The Keolis Ethic Line (KEL) professional alert system allows employees to signal their concerns.

Our financial performance

Results of Groupe Keolis SAS

With a turnover of €6.3 billion in 2021, Keolis confirms its resilience and robust fundamentals.

Turnover

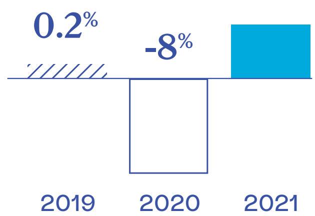
€6.3 billion in 2021

in 2020 **€6.1 billion**

in 2019 **€6.6 billion**

Organic variation in turnover

(annual variation)



+10.3% excluding the Wales & Borders perimeter effect

Net recurring profit, group share

+€20M in 2021

in 2020 **-€101M** adjusted for exceptional items

in 2019 **-€72M**

Recurring EBITDA

€690M in 2021

in 2020 **€532M**

in 2019 **€702M**

Net debt

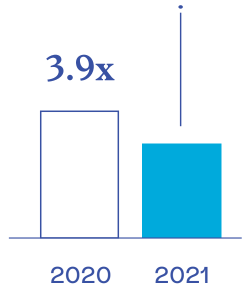
(excluding IFRS 16)

€1,030M

Leverage

Net financial debt / EBITDA*

2.9x



** Ratio corresponding to the definition of the banking covenant used in the Keolis Group's banking documentation*

Share of turnover

covered by the ISO 141001 certification in 2021:

50.4%

CSR strategy

€600M

amount of the syndicated loan indexed on sustainable development indicators

1 MANAGEMENT REPORT

1.1 MANAGEMENT REPORT FROM THE CHAIRWOMAN OF THE MANAGEMENT BOARD ON THE CONSOLIDATED AND ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Ladies and Gentlemen,

In accordance with legal, regulatory and statutory requirements, we submit for your approval the consolidated and annual financial statements for the financial year ended 31 December 2021 and report to you on the activities of our Company and its subsidiaries during the year.

Your statutory auditors will also read their reports to you.

This report reviews the various items of information as required by applicable regulations. This year it also includes a corporate governance report and the Statement of non-financial performance.

1.1.1 HIGHLIGHTS OF THE FINANCIAL YEAR

1.1.1.1 Business activity and development

France

- 2021 was notable for the consolidation of the Group's market share in France. The Group had some significant commercial wins, particularly in Île-de-France, where it won two Optile contracts in Yvelines with a total value of €680 million over the duration of the contracts, and the PAM77 service, as well as an offensive win in the call for tenders at Thionville, previously run as a local public service. These four contracts represent additional revenue of €100 million over a full year.
- Nevertheless, 2021 continued to be affected by the Covid-19 epidemic, and the ongoing health crisis impacted unfavourably on the use of public transport, particularly in the first half-year (urban transport network receipts down around -20% *vs.* 2019: -30% in the first half-year and -10% in the second half). Transport network demand improved on 2020, however, with a clear recovery in the final quarter until Omicron arrived in mid-December 2021.
- Significant contractual negotiations were conducted and are continuing in partnership with the public transport authorities to mitigate the impact of this unpredictable external event, notably on passenger revenue commitments.
- Very significant savings plans were also made to limit the impact of the crisis.

EFFIA

- The ongoing health crisis slowed the scenario of a gradual recovery in demand, particularly in station car parks, which were hit hard by the sharp decline in TGV business clients. However, the situation was gradually improving in the second half until the Omicron wave arrived.

International

- Covid-19 continued to impact international operations with demand and services falling below forecasts. Nevertheless, measures taken by governments and public transport authorities helped mitigate the effects.
- The Wales & Borders contract ended on 7 February 2021, when a five-year technical support contract was signed between KA Wales Consulting and the public transport authority.
- Keolis relinquished its German operations. This exit agreement, signed with the three public transport authorities of North Rhine, Germany, and Overijssel province, Netherlands, took effect on 31 December 2021 and is in line with the Group's decision to refocus its strategic priorities.
- The year was also marked by a healthy trend in the portfolio, with some big commercial wins (Sydney region bus contact, Dubai underground railway, Uppsala bus network, etc.) and the launch of major contracts, including operation of the Adelaide rail network, bus networks in Bergen and Ijssel-Vecht and the Dubai underground railway and tram systems.

1.1.1.2 Acquisitions and investments

The Group has not made any significant acquisitions or investments since 1 January 2021.

1.1.1.3 The Company's financial position

At 31 December 2021, the Group had net financial debt of €1,030.1 million, chiefly made up of a €900 million syndicated loan facility maturing in 2024, of which €470 million had been drawn, a €600 million term loan maturing in 2025, of which €277 million had been drawn, and other financial debt of around €261 million for its subsidiaries.

To manage liquidity risk, the Group had available confirmed credit lines in an amount of €753 million as at 31 December 2021 as well as bank overdrafts, short-term financing lines and daily liquid investments.

The Group manages its counterparty risk by only borrowing from banks falling within the "Authorised" bank category. This category is defined according to the banks' ratings and their level of participation towards the financing of the Group.

As a result of its operational, financial and investment activities, the Group is exposed to the following financial market risks:

- interest rate risk;
- foreign exchange risk;
- commodities risk.

To manage this exposure, the Group uses standard, liquid and market-available derivative financial instruments:

- forwards and futures sales and purchases;
- swaps;
- call options;
- put options in combination with call options to provide symmetric or asymmetric collar or cap spreads.

The Group's interest rate risk exposure results from its net financial debt, part of which is subject to variable interest rates. It is therefore exposed to rate rises. The objective of risk management is to protect the Group's net financial income from an increase in interest rates, while taking advantage of any decrease in rates to the greatest possible extent.

The Group also makes investments in foreign entities. To manage the foreign exchange risk engendered by these investments, the Group uses derivative financial instruments to maintain a reference exchange rate defined for the year.

The Group is exposed to the risk of the fluctuation of the price of diesel. This risk is partially covered in the concession contracts signed with public transport authorities. For the remaining exposure, the Group implements a hedging policy using derivative financial instruments whose objective is to minimise the volatility of Group income.

1.1.1.4 Main risks and uncertainties

The Group conducts its business in a constantly-evolving economic, competitive and technical environment. Identifying and anticipating risks and finding ways of controlling them lie at the heart of its concerns.

The Group's geographical footprint, its status as a market leader and key player in different modes of transport, and the nature of the passenger transportation business all entail both intrinsic and external risks for the Group:

- continuity risks arise from sudden and serious events that affect business continuity and potentially harm the image and credibility of the Group. This could be the case, for example, with a major passenger accident, a terrorist attack or a widespread data breach;
- performance risks are a threat to the Company's results. They arise from operational management issues, such as a failure to win key contracts, a lack of necessary expertise in the complexity of railway operations, difficulties in recruiting for jobs in production and non-compliance with regulatory requirements such as the prevention of corruption or influence peddling;
- transformational risks threaten the future of the Company and necessitate deep and rapid corrective action. This type of risk includes poor use of data, the arrival of new market players with a disruptive model or delays in adopting the energy transition.

2021 was again marked by new crises, whether of a health, economic or even climate-related nature.

The combination of the Covid-19 pandemic and an unstable economic environment increased a number of risks, including recruitment problems, erosion of our business model and the frequency of cyber-attacks.

1.1.1.5 The Group's financial results

The Covid-19 pandemic and measures imposed to restrict movements continued in 2021, impacting the mobility businesses in the majority of countries where Keolis is active, although most countries saw an improvement on 2020 levels in the second half of 2021, until the arrival of the Omicron variant in mid-December 2021.

Revenue

Against this backdrop, the Group's recurring revenue for 2021 amounted to €6,312.9 million, up €225.0 million, *i.e.* +3.7% compared to 2020.

There was a positive currency effect of €40.5 million, largely due to the Australian dollar and Swedish krona.

The technical effect was negative, amounting to -€13.7 million, and corresponded to the impacts of IFRIC 12.

Scope effects were a negative -€12.7 million and mainly relate to the sale of Commuter Security Group stock in March 2021 by Keolis Sverige in Sweden.

The portfolio effect of contracts won/lost was -€219.9 million, chiefly comprising -€229.6 million abroad, mainly -€359.1 million due to the exit from the Wales & Borders contract on 7 February 2021, the end of the Göteborg and Jönköping contracts in Sweden, totalling -€62.0 million, partly offset by the start of new contracts (Dubai for €48.7 million, Adelaide and Sydney region buses in Australia for €74.6 million) and the effect of the first full year's service under the California and Virginia bus contracts in the USA for €35.6 million. In France, the portfolio effect was a positive €9.1 million, despite the termination of airport operations and the loss of the Cherbourg Public Service contract for -€11.3 million and -€4.4 million respectively, thanks to the start of the Optile (Grand Paris Seine et Oise and Bord de l'Eau/T9) contracts, contributing €20.2 million.

The value of existing contracts increased by €430.8 million, thanks to the revival in demand for public transport networks and EFFIA car parks in the second half-year (before the arrival of the Omicron wave) and compensation for the loss of income by public transport authorities and governments.

Taking changes in the portfolio into account, organic change in revenue compared to 2020 amounted to €210.9 million, an improvement of 3.5%.

EBIT K

2021 was marked by recovering demand in the second half-year and continuing strict financial discipline, with savings plans to mitigate the impact of health restrictions, particularly in the first half of the year, plus a partnership approach with the public transport authorities. Consolidated recurring EBIT K amounted to €180.6 million, up €223.7 million compared to 2020.

The currency effect was a positive €3.5 million, mainly due to the Swedish krona and Australian dollar.

The technical impact was a negative -€3.0 million, mainly due to IFRIC 12 restatements in the USA for -€4.3 million and Australia for -€2.6 million.

Scope effects related to the sale of Commuter Security Group stocks in Sweden were slightly negative at -€0.1 million.

The portfolio effect of contracts won/lost was €5.9 million, comprising €6.7 million from international operations, with €7.5 million in the UK (losses on the Wales & Borders contract in 2020 before the signing of the Emergency Measures Agreement), €4.7 million in Australia (start of the KD Adelaide and Sydney region bus contracts), €3.3 million in the USA (full-year impact of California contracts and renegotiation of the Van Nuys contract upon its extension), partly offset by -€7.6 million in Sweden (end of Göteborg and Jönköping contracts).

Existing contracts increased by €217.5 million on 2020 including €109.5 million from international operations, thanks notably to strong performances in Australia, Sweden and the USA (mainly driven by Keolis Commuter Services). The improvement on 2020 in the base contracts was €77.2 million in France and €23.2 million at EFFIA, driven by the gradual revival in passenger demand beginning in H1 2021 and intensifying in the second half.

The gap between EBIT K (a Keolis Group management indicator) and recurring operating profit is mainly due to the company value-added contribution (CVAE) and costs of one-off bids, which are conventionally included in EBIT K and reported for tax accounting purposes, respectively, under net income and operating profit before investments under the equity method (and so excluded from recurring operating profit). Recurring operating profit includes some transfers of operating provisions not included in EBIT K (*e.g.* for corporate litigation, restructuring, etc.).

EBIT K 2021	- CVAE	- Cost of bids (non-recurring)	+ Prov./Rev. provisions	Recurring operating profit 2021
€180.6 million	+16.6	+1.5	+4.9	€203.6 million

Net income (Group share)

Recurring operating profit amounted to €203.6 million, up €227.1 million compared to 2020.

Net income (Group share) amounted to €19.5 million, against -€464.3 million in 2020. The transition between recurring operating profit and net income (Group share) is explained, on the one hand, by non-recurring items representing -€39.9 million, mainly the amortisation of contractual rights, the impairment of UK goodwill due to postponed calls for rail franchise tenders in the UK, provisions for restructuring, particularly in the airport sector, provisions relating to long-term management remuneration plans and additional Covid-19 costs not covered by the public transport authorities; partly offset by the reversal of provisions, in particular for onerous contracts (including Germany in connection with the disposal of the subsidiary at 31 December 2021 and the Netherlands).

Net financial income also had an impact on income, in the amount of -€66.1 million, as did tax expense, in the amount of -€44.0 million. Associates represented a negative contribution of -€11.2 million, related to the ongoing litigation with the UK Department for Transport on the South East London network. The share of income attributable to non-controlling interests amounted to -€22.9 million.

Net debt

Net financial debt was stable at €1,030.1 million at the end of 2021 compared to €1,034.4 million at the end of 2020.

The financial lease liability was €1,008 million at the end of 2021 compared to €1,511 million at the end of 2020, helped by the sale of Keolis Deutschland and the transfer of the train lease agreements to the new operator of the Wales & Border train franchise.

1.1.2 COMMENTS ON THE FINANCIAL STATEMENTS AND RESULTS

1.1.2.1 Consolidated financial statements

The consolidated financial statements are prepared in accordance with IFRS as adopted by the European Union.

Revenues from ordinary activities amounted to €6,329.2 million.

After taking into account all operating costs, operating profit after income from investments under the equity method amounted to €152.6 million.

Net income (Group share) amounted to a profit of €19.5 million for the financial year ended 31 December 2021.

1.1.2.2 Annual financial statements

Operating income amounted to -€6,544 thousand.

Net financial income amounted to -€16,030 thousand.

After posting exceptional income of -€159 thousand and a corporate income tax profit of €22,455 thousand related to gains arising from tax consolidation, the annual financial statements of GROUPE KEOLIS S.A.S. showed a loss of €278 thousand.

1.1.2.3 Subsidiaries and investments

The table attached to the balance sheet provides all the necessary information concerning the Company's subsidiaries and investments.

1.1.2.4 Notification of major holdings and takeovers

During the 2021 financial year, GROUPE KEOLIS S.A.S. did not acquire or take control of any companies.

During the same period, Keolis SA, a subsidiary of GROUPE KEOLIS S.A.S., acquired or took control of the following companies:

Establishment of companies in France

Name	Date	Percentage
KLP 60 – KLP 61 – KLP 62 – KLP 63*	10/12/2021	100%

* *Companies with no activity, created in anticipation of 2022 calls for tenders.*

Establishment of an international company

Name	Date	Percentage
KEOLIS MHI Rail Management and Operation LLC	18/04/2021	70%

Over the same period, EFFIA S.A.S. and Keomotion did not acquire, take control of or create any company.

Disposals of securities

During the 2021 financial year, Keolis SA sold all of the securities it held in the following companies:

Name	Date	Percentage
Keolis Deutschland GmbH & Co. KG	31/12/2021	100%
Keolis Deutschland Verwaltungsgesellschaft GmbH	31/12/2021	100%
RitmX	23/06/2021	4.30%

During the 2021 financial year, the Swedish subsidiary Keolis SVERIGE AB, wholly owned by Keolis SA, sold the following company:

Name	Date	Percentage
Commuter Security Group	01/03/2021	100%

Keomotion, a subsidiary of GROUPE KEOLIS S.A.S., sold the securities it held in Wheeliz:

Name	Date	Percentage
Wheeliz	09/07/2021	13.89%

1.1.2.5 Research and development activities

During the financial year, the Group incurred development expenses, mainly corresponding to personnel costs and subcontracting and service provider expenses.

1.1.2.6 Information on supplier and client payment terms

In accordance with Articles L. 441-6-1 and D. 441-4 of the French Commercial Code, an analysis by due date of the year-end balance of amounts owed to suppliers and by clients is set out below:

Invoices received and not paid at year end

(€ thousand)	0 days (indicative)	1-30 days	31–60 days	61-90 days	91 days and more	Total (1 day and more)
(A) Overdue payment brackets						
Number of invoices	2	-	-	-	-	-
Total value of invoices (incl. VAT)	114	-	-	-	-	-
Percentage of total purchases excl. VAT for the financial year	1.8%	-	-	-	-	-
Percentage of revenue excl. VAT for the financial year	-	-	-	-	-	-
(B) Invoices not included in (A) relating to disputed or non-recognised liabilities						
Number of invoices not included	-					
Value of invoices not included (excl. VAT)	-					
(C) Reference payment due date used (contractual or legal)						
Payment period used to calculate late payments	☑ Contractual due date ☐ Legal due date					

Invoices issued and not paid at year end

(€ thousand)	0 days (indicative)	1-30 days	31-60 days	61-90 days	91 days and more	Total (1 day and more)
(A) Overdue payment brackets						
Number of invoices	4	-	-	-	-	-
Total value of invoices (excl. VAT)	722	-	-	-	-	-
Percentage of total purchases excl. VAT for the financial year	-	-	-	-	-	-
Percentage of total revenue (excl. VAT) for the year	6.91%	-	-	-	-	-
(B) Invoices not included in (A) relating to disputed or non-recognised receivables						
Number of invoices not included			-			
Value of invoices not included (excl. VAT)			-			
(C) Reference payment due date used (contractual or legal)						
Payment period used to calculate late payments			☑ Contractual due date ☐ Legal due date			

1.1.2.7 Information on secondary establishments

In accordance with the requirements of Article L. 232-1 II of the French Commercial Code, we hereby confirm that the Company does not have any secondary establishments.

1.1.2.8 Information on loans granted to other companies (Article L. 511-6 3 bis of the French Monetary and Financial Code)

Article L. 511-6 of the French Monetary and Financial Code requires the disclosure of any loans granted to economically-related companies under the meaning of Article R. 511-2-1-1 of the French Monetary and Financial Code. We specify that our Company has not granted any loan within the scope of the provisions of Article L. 511-6 3 bis of the French Monetary and Financial Code.

1.1.3 NON-FINANCIAL INFORMATION AND VIGILANCE PLAN

Within the context of the transposition of the European Directive on the Statement of non-financial performance (Decree No. 2017-1265 of 9 August 2017 enacted to implement Order no. 2017-1180 of 19 July 2017), GROUPE KEOLIS S.A.S., as an unlisted company with a consolidated balance sheet total and net revenue in excess of €100 million and with an average number of permanent employees during the last financial year of more than 500, must publish its Statement of non-financial performance in its management report and on its website.

Formerly confined to the scope of Keolis SA, in a desire for continuous improvement, it was decided to extend the scope and prepare and publish this statement in the GROUPE KEOLIS S.A.S. Management report. As Groupe SNCF issues a consolidated statement non-financial performance, this publication is prepared on a voluntary basis.

The Group's vigilance plan is also appended to it, pursuant to law No. 2017-399 of 27 March 2017 on the duty of care of parent companies and contractors.

In order to facilitate the reading and understanding of this report, all the information is published in Chapter III "Statement of non-financial performance" of this document.

1.1.4 FORESEEABLE TRENDS AND FUTURE PROSPECTS

2022 is still marked by uncertainty related to the health situation for all of the Group's activities, in addition to an inflationary context (wages and energy) whose effects were still contained in 2021.

France

- 2022 will be an intense year in terms of calls for tenders, particularly in Île-de-France (Optile, Grand Paris Express and the first RATP Bus calls for tenders) and in the City Networks (Bordeaux and Dijon to retain current contracts; Perpignan, Valenciennes). 2022 will also see the completion of SYTRAL's discussions on the break-up of the Lyon network, which will affect the next call for tenders.
- Numerous energy transition projects will come to fruition (for example: electric buses in Lyon and Rennes, electric coaches in the Alpes Maritimes, hydrogen buses in Dijon, intercity NGVs, etc.).
- Passenger levels in urban areas are expected to return to pre-Covid in the 4th quarter of 2022 (excluding the impact of new variants and Omicron) with specific marketing actions to win back passengers.
- Absenteeism due to Covid-19 (contracted or contact cases) combined with increasing difficulty recruiting drivers and maintenance staff may make it harder for networks to deliver the service expected in 2022.
- Maintaining the focus on the Group's profitability thanks to significant savings and productivity plans in an inflationary context with, in particular, the risk of changing energy costs compared to contractual indices.

EFFIA

For EFFIA, the Group expects a steady improvement in the demand for car park spaces in 2022.

International

- 2022 will be an intense year for calls for tenders (Western Sydney Airport, Stockholm, Ontario, etc.).
- Demand is slower to recover in certain international countries (particularly in Australia and Canada).
- The Group is continuing to identify growth opportunities, in particular thanks to the strong desire of public transport authorities to promote green mobility in our markets, such as in the United States (KTA already has electric buses in the United States and the infrastructure law could provide an opportunity for more investment by the public transport authorities).

1.1.5 SIGNIFICANT EVENTS SINCE THE END OF THE FINANCIAL YEAR

None.

1.1.6 PRESENTATION OF THE RESOLUTIONS SUBMITTED TO THE SHAREHOLDERS' VOTE

1.1.6.1 Proposed allocation of profit

You will be asked to allocate the loss for the financial year ended 31 December 2021 as follows:

Loss for the financial year	€(277,919.71)
Allocation to the legal reserve	-
Retained earnings	€59,169,464.86
Distributable profit	€58,891,545.15
Dividends paid	€9,990,872.07
New retained earnings	€48,900,673.08

You will therefore be asked to approve a dividend payment of €0.0555 per share entitled to receive dividends.

In accordance with legal requirements, you are requested to note that the amount of the dividend distributed and that of the corresponding dividend tax credit for the previous financial years were as follows:

Financial year	Dividend	Amount of distributed income eligible for the allowance	Amount of distributed income not eligible for the allowance
2020	€0 i.e. €0 per share	-	-
2019	€0 i.e. €0 per share	-	-
2018	€30,602,671.21 i.e. €0.17 per share	-	€30,602,671.21

Non-tax deductible expenses

We advise you that there were no non-tax deductible expenses within the meaning of Articles 223 quater and 223 quinquies of the French General Tax Code during the past financial year.

1.1.6.2 Agreements covered by Article L. 227-10 of the French Commercial Code

The statutory auditors' report on agreements made during the financial year and authorised by the Supervisory Board pursuant to Article L. 227-10 of the French Commercial Code will be read.

We hope that you will approve the above proposals and consequently vote in favour of the resolutions to be submitted to you.

The Chairwoman of the Management Board

1.2 CORPORATE GOVERNANCE REPORT

Since 8 March 2021, GROUPE KEOLIS S.A.S. has had a Corporate Purpose, which it has included in its Articles of Association:

"We enhance everyday life in cities and communities by imagining and operating safe, smart and sustainable mobility solutions accessible to each and everyone."

Keolis' Corporate Purpose reflects the Group's social and environmental objectives in the public interest and for the benefit of all its stakeholders.

The various governance bodies place these new pillars at the centre of the thinking and actions of the Company and, more broadly, of the Keolis Group.

1.2.1 CAPITAL AND SHAREHOLDING STRUCTURE OF THE COMPANY

As of 31 December 2021, the share capital amounted to €237,888,901.80. It breaks down as follows:

SNCF Participations: 69.69%

CDP-IE: 30%

FCPE GROUPE KEOLIS ACTIONNARIAT: 0.20%

Treasury stock: 0.11%.

Employee shareholdings *via* FCPE GROUPE KEOLIS ACTIONNARIAT therefore represent 0.20% of the capital.

1.2.2 MANAGEMENT BOARD

1.2.2.1 Composition of the Management Board

At 31 December 2021, the Management Board was composed of a single member who is Chair of both the Management Board and the Company, as its "legal representative".

Ms Marie-Ange Debon has served as Chairwoman of the Management Board and Chairwoman of the Company since 24 August 2020.

1.2.2.2 Duties and powers of the Management Board

The Management Board, represented by its Chair, has the broadest powers to act in all circumstances in the name and on behalf of the Company, subject to decisions requiring prior authorisation of the Supervisory Board or reserved for the Annual General Meeting of Shareholders.

The Management Board informs the members of the Supervisory Board. To this end, it provides each member of the Supervisory Board with the financial information required by the Articles of Association.

In addition, at least once a quarter, the Management Board presents a report on the progress of business and the quarterly consolidated financial statements to the Supervisory Board.

Within three months of the end of each financial year, the Management Board presents the annual and consolidated financial statements to the Supervisory Board for verification and control.

1.2.3 SUPERVISORY BOARD OF GROUPE KEOLIS S.A.S.

1.2.3.1 Composition of the Board

At 31 December 2021, the Supervisory Board was composed of nine members, including five independent members. The members are appointed as follows:

- five members are appointed by SNCF Participations;
- four members appointed by CDP-IE.
- The Board strives to achieve diversity in terms of gender, expertise and experience.

At 31 December 2021, the composition of the Supervisory Board was as follows:

- Mr Jérôme Tolot, Chairman of the Supervisory Board;
- Mr Patrick Bastien, member of the Supervisory Board;
- Mr Alain Krakovitch, member of the Supervisory Board;
- Mr Robin Lutz, member of the Supervisory Board;
- Ms Sylvia Métayer, member of the Supervisory Board;
- Mr Normand Provost, member of the Supervisory Board;
- Ms Claudia Schlossberger, member of the Supervisory Board;
- Mr Laurent Trévisani, member of the Supervisory Board;
- Ms Nathalie Wright, member of the Supervisory Board.

The table below reflects the offices and positions held by each member of the Supervisory Board and the Management Board during the financial year.

Name	Functions and Offices	Companies
Ms Marie-Ange Debon	Chairwoman Chairwoman of the Management Board	GROUPE KEOLIS S.A.S.
	Chairwoman of the Board of Directors Chief Executive Officer	Keolis SA
	Independent director Chairwoman of the Audit and Finance Committee	ARKEMA
	Director Chairwoman of the Audit Committee	Technip-FMC
	Chairwoman (Appointed on 17 June 2021)	Union des Transports Publics
Mr Jérôme Tolot	Chairman and member of the Supervisory Board Member of the Investment and Strategy Committee Member of the Remuneration and Human Resources Committee	GROUPE KEOLIS S.A.S.
Mr Patrick Bastien	Member of the Supervisory Board Chairman of the Investment and Strategy Committee Member of the Remuneration and Human Resources Committee Member of the Audit and Ethics Committee Member of the Safety, Security and Prevention Committee Member of the Innovation and Sustainable Development Committee	GROUPE KEOLIS S.A.S.
	Infrastructure Director	Caisse de Dépôt et de Placement du Québec
	Director	Budapest Airport
	Member of the Supervisory Board (Appointed on 22 October 2021)	ERMEWA HOLDING
Mr Patrick Côté	Member of the Supervisory Board (Until 24 November 2021) Member of the Audit and Ethics Committee (Until 24 November 2021) Member of the Safety, Security and Prevention Committee (Until 24 November 2021)	GROUPE KEOLIS S.A.S.
Mr Robin Lutz	Member of the Supervisory Board Member of the Safety, Security and Prevention Committee (Appointed on 24 November 2021) Member of the Investment and Strategy Committee (Appointed on 24 November 2021)	GROUPE KEOLIS S.A.S.
	Infrastructure Investment Director	Caisse de dépôt et placement du Québec
	Member of the Supervisory Board (Appointed on 7 December 2021)	ATC Atlantic I BV
	Supervisory manager (Appointed on 7 December 2021)	AT Atlantic Holding LLC

Name	Functions and Offices	Companies
Mr Alain Krakovitch	Member of the Supervisory Board Member of the Audit and Ethics Committee Member of the Safety, Security and Prevention Committee Member of the Innovation and Sustainable Development Committee	GROUPE KEOLIS S.A.S.
	Director	Eurostar International Limited
	Director	TGV-INTERCITES (Voyages SNCF)
	Director	E-Voyageurs Group
	Director	THI Factory
	Chairman (Appointed on 15 September 2021)	OUIGO ESPANA
	Director	Forum Vies Mobiles
	Independent director (Until 15 April 2021)	SAPN
Ms Sylvia Métayer	Member of the Supervisory Board	GROUPE KEOLIS S.A.S.
	Director	Page Group
	Chief Executive Officer, Growth	Sodexo
	International Advisory Board (pro bono)	HEC
Mr Normand Provost	Member of the Supervisory Board Chairman of the Audit and Ethics Committee Member of the Remuneration and Human Resources Committee	GROUPE KEOLIS S.A.S.
	Director Chairman of the Investment Committee	Desjardins Sécurité Financière
	Director Chairman of the Audit and Risk Management Committee	Québecor Inc.
	Chairman of the Board of Directors	Germain Group
Ms Claudia Schlossberger	Member of the Supervisory Board Chairwoman of the Remuneration and Human Resources Committee	GROUPE KEOLIS S.A.S.
Mr Laurent Trévisani	Member of the Supervisory Board Member of the Investment and Strategy Committee	GROUPE KEOLIS S.A.S.
	Chairman	SNCF Participations
	Deputy Chief Executive Officer	Société Nationale SNCF
	Chairman of the Supervisory Board (Until 22 October 2021)	ERMEWA HOLDING
	Chairman of the Supervisory Board Chairman of the Audit and Risk Committee (Until 2 March 2021) Member of the Audit and Risk Committee Member of the Human Resources Committee	GEODIS S.A.
	Chairman of the Board of Directors	Transport et Logistique Partenaires
	Member of the Supervisory Board (until 5 August 2021)	UPPLY
Ms Nathalie Wright	Member of the Supervisory Board Chairwoman of the Innovation and Sustainable Development Committee Member of the Safety, Security and Prevention Committee	GROUPE KEOLIS S.A.S.
	Director	Quadient

The Chairman of the Supervisory Board may, if he deems it necessary, depending on the agenda, invite members of the Executive Committee or individuals from outside the Company to attend and/or participate in the meetings of the Supervisory Board without voting rights.

The statutory auditors are invited to attend Supervisory Board meetings when the annual and interim financial statements are reviewed.

1.2.3.2 Duties and powers of the Board

The Supervisory Board exercises continuous control over the management of the Management Board.

In this respect, the Board has specific powers to carry out the checks and controls that it deems appropriate and to obtain the documents that it deems necessary for the performance of its duties.

In accordance with the Company's Articles of Association, a certain number of decisions known as "Significant Decisions" must be submitted to the Supervisory Board for prior approval.

The Supervisory Board also discusses questions that any member asks to be put on the agenda under any other business, with the agreement of the Chairman of the Supervisory Board.

1.2.3.3 Operation of the Supervisory Board

The Supervisory Board meets as often as necessary and at least once a quarter.

Supervisory Board members are called to attend Supervisory Board meetings by the Chairman of the Supervisory Board. The Supervisory Board is convened at least four days before the meeting, by any means, to discuss a clearly defined agenda.

In 2021, the Supervisory Board met six times and voted on topics including the following:

- the 2020 annual and consolidated financial statements;
- the 2021 quarterly and half-yearly financial statements;
- review of the progress of business, with a focus on the various impacts of the health crisis;
- the 2022 budget;
- the 2022-2026 GPS;
- strategic review of the Group and its subsidiaries/Business Units;
- strategic decisions such as the exit from Germany, the refinancing leading to the new €600 million loan.

At each meeting, the Chairmen of the Board Committees report on the work of the Committees, which notably makes it possible to systematically address health and safety issues. Internal control, risk mapping and risk prevention are also addressed. There is at least one update on business ethics each year, including the prevention of corruption and conflicts of interest within the Group.

In addition, a strategic seminar is held each year bringing together all the members of the Supervisory Board with the members of the Executive Committee to discuss and determine the high-stakes topics that will be examined in depth during Board meetings.

In 2021, the seminar was held on 16 September.

1.2.3.4 Committees of the Supervisory Board

The Supervisory Board is supported by five internal committees that prepare the work of the Board:

- the Audit and Ethics Committee;
- the Investment and Strategy Committee;
- the Safety, Security and Prevention Committee;
- the Remuneration and Human Resources Committee;
- the Innovation and Sustainable Development Committee (the former New Mobility Committee renamed in 2021).

The Audit and Ethics Committee (AEC)

The AEC helps the Supervisory Board ensure the accuracy and true and fair nature of the consolidated financial statements, the quality of internal control and the information provided to the Company's shareholders, as well as compliance with the Group's ethics rules.

The AEC held four meetings in 2021, notably examining the following topics:

- review of the annual, half-yearly and quarterly consolidated financial statements;
- risk matrix and management;
- review of accounting and management information systems;
- review of internal control;
- mapping of the Group's major risks, follow-up of action plans;
- refinancing at the end of the year.

The Investment and Strategy Committee (ISC)

The ISC formulates proposals for the strategic direction and key elements of the Business Plan, makes recommendations on the investments in the Consolidated Annual Budget, and formulates recommendations on all transactions likely to significantly affect the Company's strategy or to change its financial structure or business scope.

The ISC held 10 meetings in 2021.

The Safety, Security and Prevention Committee (SSPC)

At its last meeting, the Risks and Safety Committee drew up its new internal regulations. At this time, it was proposed that the Committee be renamed the "Safety, Security and Prevention Committee".

The Safety, Security and Prevention Committee is responsible for reviewing any issues related to operational risks in the work of the mobility and safety services in the Company and its Subsidiaries. It examines and issues recommendations on the principles of organisation, prevention and management of operational and professional risks related to the work of the mobility services.

In 2021, the Risks and Safety Committee held four meetings, notably following up plans to improve operational health and safety at work. Committees focused on cybersecurity risks and formation and awareness-raising issues.

The Remuneration and Human Resources Committee (RHRC)

The role of the RHRC is to formulate proposals for the remuneration of members of the Executive Committee. It is kept informed of the remuneration of the Group's senior managers (Executive Leadership Team).

In addition, the RHRC is regularly informed about general HR policy, issues affecting top executives (succession plans, LTI plans, mobility, etc.), and proposed changes to the organisational structures of the Company and its subsidiaries.

The RHRC held five meetings in 2021. The main topics discussed were the following:

- consideration and proposed adjustment to the variable target-based component policy;
- review of key figures concerning gender diversity within the Group;
- review of the new talent review procedure;
- engagement survey – results of employee surveys and action plans;

The Innovation and Sustainable Development Committee (ISDC)

In July 2021, the New Mobility Committee became the Innovation and Sustainable Development Committee. The duties of the Committee are thus extended. It provides guidance to the Supervisory Board on the following topics:

- progress of the innovations developed by the Group to maintain and strengthen Keolis' competitive advantages;
- development and strengthening of the Company's environmental and societal value proposition to its clients and stakeholders, in particular through the Company's Innovation policy and marketing strategy;
- recommendations regarding the strategic orientations and specific projects initiated in terms of Sustainable Development, in particular with regard to the climate issue, and in social matters, delivering access to mobility for as many people as possible.

The ISDC held four meetings in 2021.

1.2.4 THE EXECUTIVE COMMITTEE

The Company's Chairwoman is supported by an Executive Committee, composed of nine members, including the Chairwoman.

The Executive Committee meets weekly. As a consultative and steering body, it discusses the Group's key strategic directions and all significant substantive issues. It ensures the Group's unity.

In addition to the Chairwoman, the members of the Executive Committee are as follows: Chief Financial and Legal Officer, CEO France and EFFIA, CEO International, Deputy Director International, Group Marketing, Innovation and New Mobilities Director, Group Human Resources and Transformation Director, Group Communications Director, Group Industrial Division Director.

The composition of the Executive Committee at 31 December 2021 was as follows:

Executive Committee at 31 December 2021
Ms Annelise AVRIL
Mr Frédéric BAVEREZ
Ms Marie-Ange DEBON
Mr Pierre GOSSET
Mr Clément MICHEL
Ms Frédéric RAOULT
Mr Bernard TABARY
Mr Arnaud VAN TROEYEN
Ms Christelle VILLADARY

1.2.5 AGREEMENTS COVERED BY ARTICLE L. 223-19 OF THE FRENCH COMMERCIAL CODE

During the past financial year, no agreements were entered into under Article L. 223-19 of the French Commercial Code.

1.3 STATEMENT OF NON-FINANCIAL PERFORMANCE

1.3.1 EDITORIAL BY THE CHAIRWOMAN

2021 was marked worldwide, for the second consecutive year, by the health crisis linked to Covid-19 and its economic consequences.

The mobilisation of Keolis' teams has made it possible to limit the impact of this crisis: at the end of 2021, passenger numbers on the networks we operate both in France and internationally were approaching pre-2020 levels and I am proud that, thanks to the dedication of our 68,000 employees, we have been able to maintain the confidence of our customers by demonstrating our commitment to health and safety. This context was also an opportunity for Keolis to accelerate its transformation and to intensify its positioning as a responsible company through our corporate purpose and values: "We Imagine, We Care, We Commit".

This corporate purpose and values form the basis of our new corporate project, Keolis Way, whose strategic ambitions are based on our fundamentals: operational excellence, economic performance, energy transition, multimodality and the implementation of digital solutions. Keolis Way sets out a strategy for addressing the challenges of sustainable development in all our business lines and sets goals to be achieved collectively.

As a key player in shared mobility, our commitment to the energy transition puts us at the forefront of the fight against climate change. In 2021, many contracts for buses running on alternative energy were signed in France and internationally, e.g. in the Copenhagen region, the Sydney region and Göteborg and Borås in Sweden. We further increased numbers of electric vehicles by 20% and gas-powered vehicles by 15%. Building on this momentum and in a process of continuous improvement, we have set ourselves ambitious targets, to triple the number of kilometres travelled by buses and coaches using alternative energies to diesel and petrol and to cut by 30% the carbon intensity of our vehicles by 2030.

In 2021, Keolis also took part in the COP26 in Glasgow and joined the "We Mean Business" coalition, signing a letter of commitment to the G20 leaders to keep the Paris Agreement target of 1.5°C alive and to commit companies to accelerating their collective action in this area.

Our employees are at the centre of our transformation project. Coming from different cultures and backgrounds, they are the Group's true assets, committed to their company and its public service missions. We are committeed to guaranteeing well-being, health and safety at work, offering career paths that promote development for everyone and strengthening our training policy, particularly in terms of energy transition, transport safety and business ethics. In 2021, we also trained more than a hundred apprentices in driver skills. In France and internationally, we are rolling out a roadmap to support gender equality, diversity and inclusion.

We can be proud of our work in supporting the public transport authorities every day, making a useful contribution to strengthening the attractiveness of the regions and the quality of life of our fellow citizens.

Marie-Ange Debon

Chairwoman of the Keolis Group Board of Directors

1.3.1.1 Presentation of the Group

The Keolis Group is a major player in mobility services. It operates and maintains urban, suburban and inter-urban transport networks on behalf of more than 300 contracting authorities (public transport authorities, private and public clients) whose end customer is the passenger.

The Group's shareholding structure is stable and long-term: it is 70% owned by SNCF (Société Nationale des Chemins de Fer Français) and 30% by Caisse de Dépôt et Placement du Québec (CDPQ).

An expert in multimodality, active in 14 countries with a balance between France and the international markets, Keolis offers a range of solutions: buses and coaches, underground railways, trams, trains, transport for people with reduced mobility, self-driving shuttles, river or maritime shuttles, on-demand transport, self-hire or long-term bicycle rental, car-sharing, carpooling, parking and medical transport. This multimodal offer makes Keolis a key player in the sustainable city, helping achieve the United Nations Sustainable Development Goals. The Keolis Group operates a large number of networks under the brand names of its public transport authority clients, such as TCL, TBM, ILEVIA, STAR, GINKO, DIVIA, etc.

The Group is also a major player in parking in France and Belgium through its EFFIA brand (264,000 spaces and 600 car parks in 240 towns and cities). The company is developing its expertise across the entire parking chain, from car parks in buildings or enclosures to paid on-street parking and car pounds. It provides solutions for the design and construction of new car parks as well as for rehabilitation and renovation projects and offers its clients services to make their lives easier in addition to parking.

Within Keolis SA, Cykleo, with its 140 employees in Paris and in 11 regional establishments, develops, installs and manages 24,000 bicycles, 3,000 parking spaces and 600 self-service stations every day on behalf of local authorities and companies, providing bike-related services (conventional, pedelec, cargo bikes, etc.) that improve and supplement the coverage of mobility networks, complementing more traditional transport services.

Capitalising on its mobility and customer care know-how, in 2017 Keolis extended its range of services to include medical transport. Called Keolis Santé, the Group's entity dedicated to medical transport today comprises nearly 2,400 medical vehicles (ambulances, taxis and light medical vehicles) under its JUSSIEU Secours brand, and 4,500 employees across France. The Jussieu Secours brand is thus the leading medical transport operator in France.

Despite the health and economic crisis linked to Covid-19, 2021 was marked by the consolidation of the Group's market share in France. The Group had some significant commercial wins, particularly in Île-de-France where it won two Optile contracts in Yvelines with a total value of €680 million over the duration of the contracts, and the PAM77 service, as well as an offensive win in the call for tenders at Thionville, previously run as a local public service. These four contracts represent additional revenue of €100 million over a full year.

The year was also marked by a healthy trend in the portfolio, with some big commercial wins (Sydney region bus contact, Dubai underground railway, Uppsala bus network, etc.) and the launch of major contracts, including operation of the Adelaide rail network, bus networks in Bergen and Ijssel-Vecht and the Dubai underground railway and tram systems).

At 31 December 2021, the 67,164 employees of Groupe Keolis were distributed as follows:

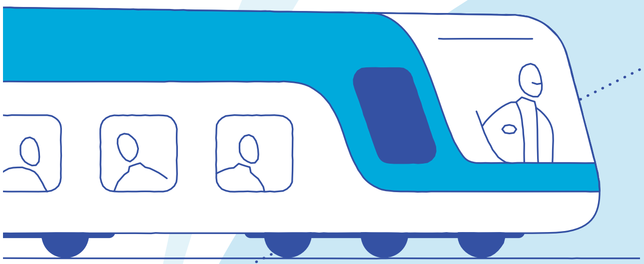
France	39,209
United States	4,881
Australia	4,695
Sweden	4,610
Belgium	2,605
Netherlands	2,207
United Kingdom	2,030
Dubai	1,768
Denmark	1,764
India	1,175
Germany*	896
Canada	786
Norway	538

* *This subsidiary left the Group on 31/12/2021.*

The Keolis model

In 2021, we launched Keolis Way, our new transformation programme. It sets out a vision of mobility underpinned by our values and corporate purpose.

A vision...



Our Corporate Purpose

Enhance everyday life in cities and communities by imagining and operating safe, sustainable mobility solutions accessible to each and everyone.

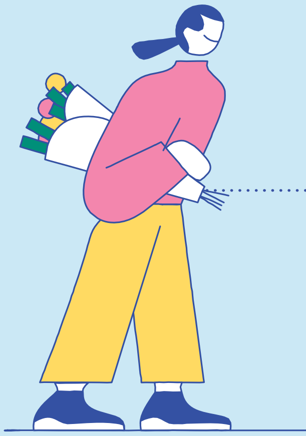
true to our values...

We imagine >>>

We invent tailor-made mobility solutions for cities and communities. We propose and co-construct appealing transport offers focused on the safety and comfort of passengers.

We care >>>

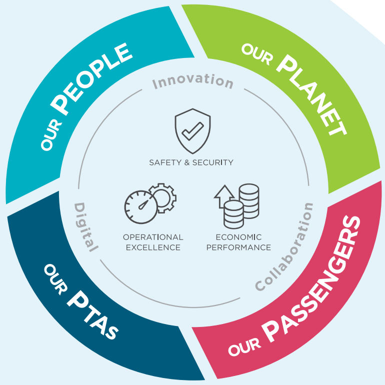
We build relationships with our partners based on dialogue and transparency, with a human resources policy founded on making all of our employees feel valued and supported.



We commit >>>

As a responsible actor in cities and communities, we are committed to delivering shared mobility services characterised by exceptional safety, quality of services, reliability, operational efficiency and sustainability.

Keolis Way>>>>



reflected in our transformation programme

OUR 3 BASIC PRINCIPLES

Safety and security

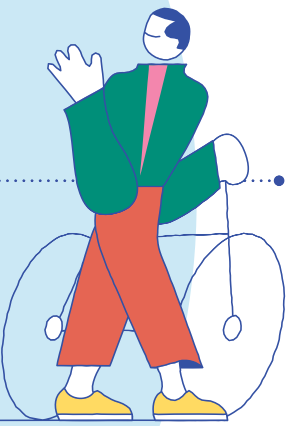
Being entrusted with people's mobility means making safety a prerequisite. The safety of our passengers and staff forms the basis of our transformation programme, as well as being the Keolis Group's main priority.

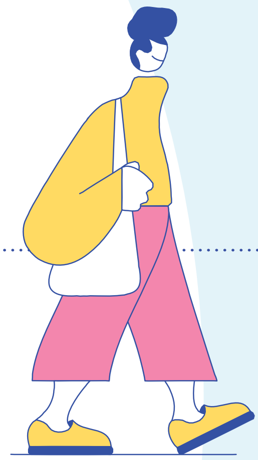
Operational excellence

To meet the requirements of our PTAs and our passengers when it comes to performance and safety, we are constantly strengthening our expertise in operations and maintenance.

Economic performance

We draw on our expertise across the entire mobility value chain to support public transport authorities in their search for economic efficiency, in terms of revenue as well as costs.





OUR 4 PILLARS

Our planet

Become the leading expert in low-carbon mobility, contribute to the reduction of greenhouse gas emissions and strengthen our social responsibility.

Our passengers

"Thinking like a passenger" to win back passengers in response to the health pandemic by offering safe, integrated, multimodal and inclusive transport services.

Our PTAs

Be the partner of choice thanks to our ability to listen, discuss and co-construct services and solutions addressing PTAs' needs.

Our people

Become the "best place to work" in the mobility sector by developing employee commitment, gender diversity, training, skills and managerial culture.

OUR 3 LEVERS FOR ACTION

Innovation - Digital - Collaboration

Our value creation scheme

Our resources

Our passengers

- **Programme**
  Thinking like a passenger, an approach based on continuous improvement
- **Keoscopie**
  Our mobility and lifestyle observatory

Our PTA partners

- Member of the **United Nations Global Compact**
- **Partnership with Fondation des Femmes**
- **Constant dialogue with the PTAs** to develop public transport services

Our people

- **68,000 employees,** 64% of whom are drivers
- **9,927 recruitments** worldwide
- **Training: Keolis Institute/CFA** (training centre for apprentices)

Our planet

- **A range of multimodal mobility solutions** that are instrumental in reducing the environmental and carbon footprint of local communities
- A growing fleet of **4,300 vehicles** powered by alternative energy
- **4.3 kWh** consumed per kilometre of commercial traction
- **Founding member of the PIMMS*** initiative to facilitate access to everyday services

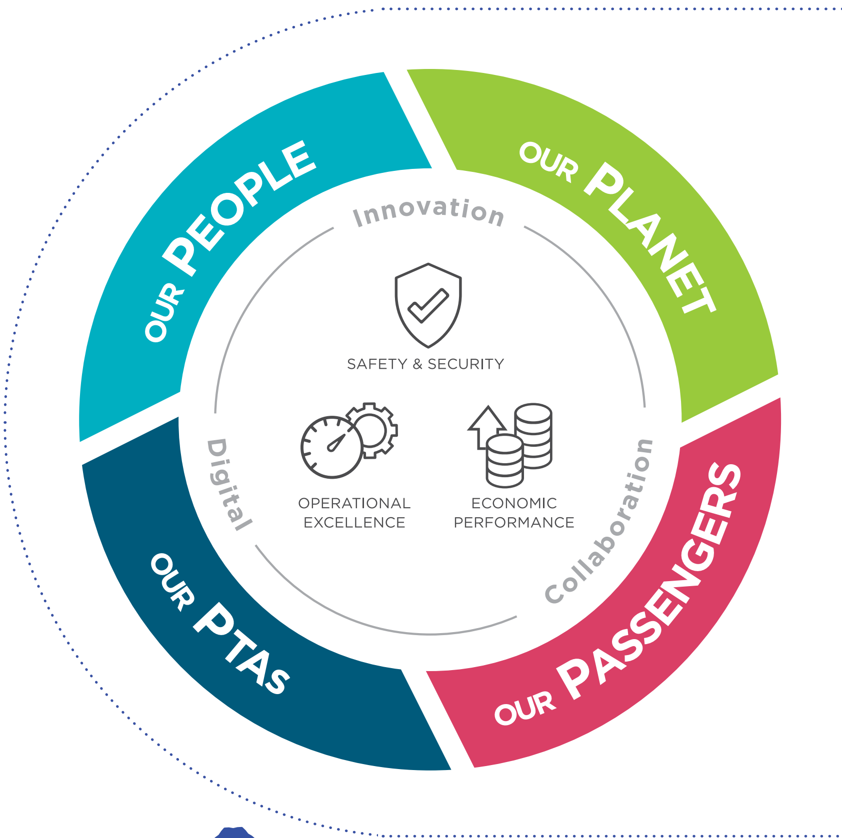
Financial capital

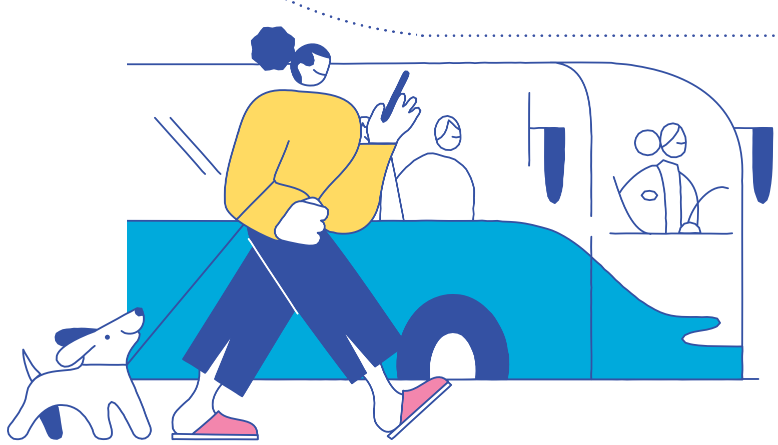
- **€6.3 billion** in turnover
- **€538.6 million** in equity
- A stable, committed shareholder base

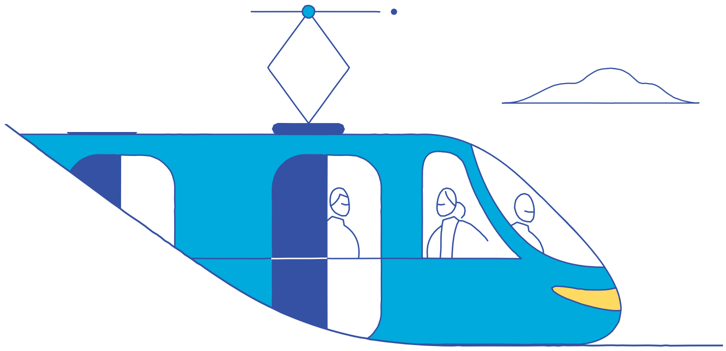
** PIMMS: Points Information Médiation Multi-Services (Multi-Services Mediation Information Points).*

Our activity

Developing, designing, financing, operating, maintaining and promoting shared and sustainable mobility services in cities and communities of all sizes.







Our Corporate Purpose

Enhance everyday life in cities and communities by imagining and operating safe, smart and sustainable mobility solutions accessible to each and everyone

Our values

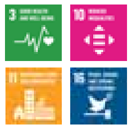
We imagine >>>

We care >>>

We commit >>>

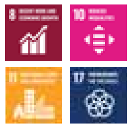
Value created for and with our stakeholders

Our passengers



- **25 subsidiaries** are involved in the Keolis Signature Service initiative to improve service quality
- **26 tools and applications** to accelerate the modal shift (France)
- **Two major areas of innovation:** understanding mobility and customer experience

Our PTA partners

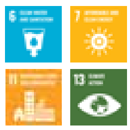


- **59 projects selected** by the Coups de Cœur solidaires** for local associations since 2018
- Awareness raised among more than **95,000 pupils through speaking slots in schools**
- **€33 million engaged** with actors from the social and solidarity economy

Our people

- **64%** of employees trained over the year
- **87%** of employees work in a GEEIS*** certified entity for gender equality
- **We@Keolis:** internal network for diversity
- **300 members** of the network

Our planet



- **50.4% of KSA turnover** covered by ISO 14001 certification for environmental management
- **24.8% of kilometres** covered by commercial road vehicles powered by alternative energy

Economic performance

- **+€73 million** free cash flow
- **+€204 million** current operating income
- **€600 million** ESG indexed syndicated loan
- **300 PTAs** place their trust in us in 14 countries

*** In partnership with the SNCF Foundation.*
**** GEEIS: Gender Equality & Diversity for European & International Standard.*

1.3.2 CSR AT THE HEART OF THE GROUP'S STRATEGY

1.3.2.1 Corporate Purpose

Keolis is well aware and convinced of the need to reinvent its business models to better take into account the environment and create value for society and the regions. In 2021 the company set out its corporate purpose: ***"We enhance everyday life in cities and communities by imagining and operating safe, smart and sustainable mobility solutions accessible to each and everyone."***

With this corporate purpose, the Group reaffirms its vision of mobility that is in the public interest for the benefit of all stakeholders. Its aim is **to have a positive impact on and for society** by contributing to the achievement of the United Nations Sustainable Development Goals (SDGs).

1.3.2.2 Keolis Way: the new corporate project

In 2021, under the impetus of the new governance, the KeoLife corporate project was revamped, becoming **Keolis Way**. Keolis Way, a roadmap shared by all entities, translates the Group's vision into reality on the basis of its values and corporate purpose.

It is built on four pillars:

1. Our Planet;
2. Our People;
3. Our Passengers;
4. Our Public Transport Authorities and partners.

The aim of Keolis Way is to strengthen a common culture and promote continuous improvement by defining performance indicators and associated objectives. Thus, Keolis entities are progressively adopting Keolis Way and adapting it to their particular contexts.

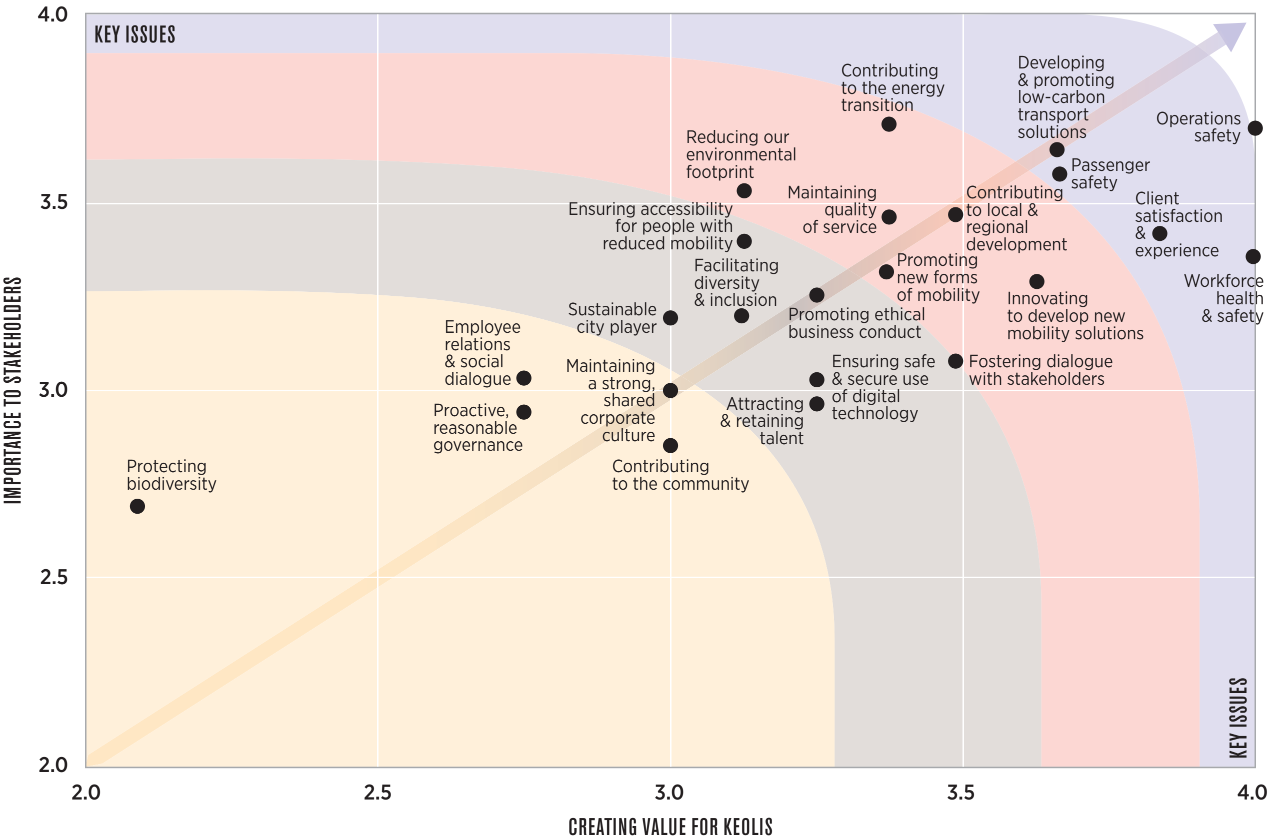
Initially based on international standard ISO 26000, Keolis's Corporate Social Responsibility (CSR) strategy has been continuously adapted over time to match the Group's ambitions and maturity, as well as social change.

The CSR approach has been integrated and merged with Keolis Way so that it can be rolled out through business lines and up to the highest level of the Company. All of Keolis's major non-financial issues have been linked to one of the Keolis Way pillars. This report is now also structured around the pillars of this structure. The "*enablers*" – innovation, digital, collaboration – are performance drivers used to manage resources and as tools for advancing all the pillars.

1.3.2.3 Materiality of the issues

At the end of 2020, at the same time as the Group was going through many internal and external changes, Keolis decided to redraw the mapping of its key stakeholders, ask them about their expectations and vision for the Group, and work with them to identify the environmental, social and governance issues most likely to impact the business in the coming years. This work led to an update of the 2018 materiality matrix with a view to developing the new CSR strategy and feeding into the roll-out of the Group's Corporate Purpose.

Based on the main methodological guidelines (GRI, AA1000, IIRC, SDG) and in line with the Group's risk analysis, the consultation enabled discussions with around thirty stakeholders (public transport authorities, financial partners, civil society experts, public authorities, transport professionals, etc.), through in-depth individual interviews and more than 200 responses to be collected to a quantitative survey sent to targeted stakeholders. This made it possible to identify and map the main CSR issues according to their importance for the Group and its stakeholders.



The results of this new matrix are mostly in line with those of the previous one. However, they highlight a number of themes where stakeholders' have increasingly high expectations:

- the development and promotion of new forms of mobility and low-carbon transport solutions: as a mobility operator providing alternatives to private cars and alternative energy vehicle fleets, Keolis needs to provide a sustainable mobility offering that both enables and makes it easy for people to switch modes of transport;
- being the partner for regional development: operating at the heart of local ecosystems, Keolis must strengthen its impact to improve the attractiveness and boost the economic development of the areas in which it operates.;
- innovation: new technologies must be explored and exploited to address all the issues identified.

All these themes are addressed in the various pillars of the Keolis Way.

1.3.2.4 Summary table of non-financial performance indicators

FUNDAMENTALS

PILLAR

KEOLIS WAY	KPI
SAFETY AND SECURITY	
Health and safety	• Frequency rate of workplace accidents • Severity rate of workplace accidents • Percentage of employees working under a safety management system certified ISO 45001 or 39001
Security	• Number of partnership agreements with internal security forces (national police, national gendarmerie and municipal police) signed and in force at 31/12/2021 • Share of revenue of subsidiaries that have implemented prevention & control actions against sexist and sexual abuse
ECONOMIC PERFORMANCE	
Business ethics	• Share of revenue covered by a compliance officer • Share of revenue covered by an ethics whistleblowing system • Share of revenue covered by a Data Protection Officer for the countries concerned by this regulation (European Economic Area)
Sustainable procurement	• Percentage of expenses covered by an assessment of the CSR performance of suppliers
OUR PLANET	
Energy and low-carbon transition	• Percentage of kilometres travelled by alternative energy commercial road vehicles • Group Traction greenhouse gas emissions (all modes) in gCO_2e/km
Ecological transition	• Share of revenue covered by ISO 14001 certification • Share of recovered waste
Societal commitment	• Average revenue of subsidiaries, as%, redistributed for sustainable regional development (BIOM assessment, France) • Number of students covered by an awareness initiative in their school • Amount of purchases from social and solidarity economy players (€M)
OUR PEOPLE	
Equality, diversity and inclusion	• Percentage of employees working in an entity that is GEEIS -certified • Percentage of women in the total workforce • Percentage of women in the total number of drivers/transport employees • Percentage of women in the total workforce who are managers • Percentage of workers declared disabled
Training and development	• Percentage of employees who received training
Social dialogue	• Conflict rate in France excluding conflicts relating to national issues
Engagement	• Rate of departures • Average seniority (years)
OUR PASSENGERS	
Client experience	• Total number of subsidiaries involved in Keolis Signature Services
Accessibility	• Number of participants in training courses on People with Reduced Mobility organised by Institut Keolis • Number of participants in accessibility events and awareness sessions

Target	2020 performance	2021 performance
-25% France in 2023 -10% International in 2023	23.11	27.46
	3.09	3.06
38% in 2025 75% in 2030	21.9%	22.4%
-	43	59
-	21%	26%
-	94% (France)/100% (International)	100%
-	60%	89%
-	62% (France)/99% (International)	74%
70% in 2024	29%	37%
x2 in 2025 vs. 2019 (19.5%) x3 in 2030 vs. 2019 (19.5%)	21.2%	24.8%
-30% in 2030 vs. 2019 (1,293)	1,262	1,147
80% in 2030	46.2%	50.4%
-	65%	61%
-	66.3	71.5
-	44,446	95,569
-	11.7	33
95% in 2025	87%	87%
24% in 2025	21.7%	22%
-	18%	19.1%
-	35.4	35.7
-	5.2%	5.1%
80% in 2025	61%	64%
-	0.12	0.37
-	8.9%	13.9%
-	8.9	8.3
-	20	25
-	556	527
-	357	315

1.3.2.5 Governance of non-financial issues

Reporting to the HR & Transformation Executive Department, the Sustainable Development and Societal Commitment Department is responsible for defining and implementing the Group's CSR strategy. CSR is represented as follows:

- On the **Executive Committee**, through the new Sustainable Development and CSR Strategy Committee, which meets at least once a year and whenever it is convened by the Executive Committee;
- On the **Supervisory Board**, through the new Innovation and Sustainable Development Committee.

The different dimensions of Corporate Social Responsibility are led by the relevant departments.

The Group also has a network of correspondents in all its French and international subsidiaries, which in 2021 promoted its work through regular thematic meetings.

In addition, Keolis draws on dialogue with its internal and external stakeholders to define the guidelines and recommendations for the entire Keolis Group (see section 1.3.3.7).

1.3.2.6 UN Sustainable Development Goals

The United Nations' 17 Sustainable Development Goals (SDGs) and their 169 targets, adopted in 2015, provide a framework and a universal action plan to transform our societies by 2030. Keolis, with its subsidiaries located all around the world, contributes to the achievement of these goals, by both its very essence and the way in which the Group views its role within society.

KEOLIS AND ITS STAKEHOLDERS

United Nations Global Compact

The Global Compact, a voluntary commitment, an international frame of reference and platform of action and discussion, is the largest global initiative in terms of Social Responsibility. It brings together businesses, organisations, United Nations agencies, the world of work and civil society around ten universally recognised principles to build more stable and inclusive societies.

Since 2004, Keolis has been a signatory of the United Nations Global Compact and is committed to respecting and promoting its ten principles. Since 2018, Keolis has been part of the "GC Advanced" club, the initiative's highest reporting level. The responses to the 21 criteria required by the Global Compact frame of reference are included in this publication, which represents our communication on progress (COP).

In 2020, Keolis refined its approach to the SDGs. The relevance of each target was rated with regard to Keolis's activity and its importance in relation to the Group's strategy. A percentage contribution by Keolis to each of the SDGs was thus calculated. Thus, the SDGs deemed as strategic for Keolis are those where its contribution is greater than or equal to 25%.

In order to enable the Group's subsidiaries to identify their contribution to the SDGs, the SDG targets linked to the CSR indicators collected are displayed in the internal reporting documents.

The actions undertaken by Keolis that contribute to these eight major SDGs are presented throughout this document.

BEST PRACTICES

Keolis Rennes takes the SDGs on board

The Keolis Rennes CSR Committee, comprising representatives from each business line, analysed all 17 SDGs and their 169 targets and talked to the Group with a view to informing the respective work and ensuring overall consistency. It subsequently ranked the SDGs relevant to Keolis Rennes on the basis of three criteria: the existence of a policy associated with the theme, whether there is at least one significant related action, and whether a performance indicator relating to the subject is monitored. Ten SDGs are material to Keolis Rennes' business, supporting the guidelines of the CSR approach in place. Seven SDGs are common to those identified as major at the Group level, reflecting their adaptation to local specificities and issues.

Keolis Rennes produces a Statement of non-financial performance on a voluntary basis every year, in which it provides information on the SDGs. The process has been reviewed by the statutory auditors, attesting to the accuracy and robustness of the methods applied.

The SDGs make it possible to communicate in a simpler way with all audiences using a universal language, by disclosing the CSR materiality analysis methodology underlying the Statement of non-financial performance.

1.3.2.7 Group CSR highlights

1998
- Founding member of the PIMMS National Union

2004
- Member of the Global Compact
- First CSR report

2010
- Establishment of a European Works Council
- SNCF solidarity favourites

2011
- First Group Stakeholders Committee

2013
- KeoLife programme, including a CSR pilar
- Partnership with FNE
- Implementation of the Konformité programme

2014
- ISO 14001 certification of the Group's environmental management system

2015
- Partner of COP21
- Partnership with BIOM Work
- First Ecovadis assessment

2016
- Keolis joins the SNCF Foundation
- GEEIS obtained
- Cap'Handéo partner

2018
- Global Compact Advanced level
- Awarded the Gold Ecovadis medal
- Signature of the Group accessibility policy
- Keolis Ethic Line alert system

2019
- Update of the purchasing policy and supplier relationship charter
- Keolis new energies Tower

2020
- Keolis is a signatory of the Alliance for the Green Recovery of the European Parliament

2021
- Announcement of the corporate purpose and new corporate project
- Arrangement of ESG-linked loan
- Launch of the We@Keolis diversity network

3 GOOD HEALTH AND WELL-BEING

3.5, 3.6, 3.9,3.d

1.3.3 KEOLIS WAY

The CSR strategy has been integrated and merged with Keolis Way to create an ambitious CSR approach that can be rolled out through all the business lines and up to the highest level of the Company. All of Keolis's principle non-financial issues have been linked to one of the Keolis Way pillars.

1.3.3.1 Fundamentals: Safety and Security

Safety

The continuous improvement of safety is a priority for the Keolis Group. All teams are constantly mobilised to ensure the safety of passengers, third parties, employees and partners. Since safety cannot be effective without a strong managerial commitment at all tiers of the organisation, developing a **safety culture** remains a key issue in translating ambitions into the behaviour and vigilance of each individual on a daily basis.

POLICY

The **Group safety policy**, covering both occupational health and safety and operational safety, was revisited in 2021 to clarify and highlight the issues, reaffirming the target of "Zero at-fault fatal accidents". It is communicated to all French and international entities and rolled out as a cornerstone of organisational principles and management practices.

Group Safety Policy

Ensuring the effective safety of passenger transport and mobility services is the top priority of the Keolis Group with the ultimate goal of "ZERO HARM" meaning at least zero fatal liable accident.

On a day-to-day basis, our actions aim to protect:

THE PASSENGERS
by the highest quality of service all along their safe journey

THE STAFF & PARTNERS
by preventive measures adapted collectively and individually for their physical, mental health and safety

THE PUBLIC
and particularly vulnerable people, near or sharing roadways or trackways and shared environments

THE ASSETS
by applying maintenance and inspection programs to ensure that they work safely over their lifetime

The safety objectives set by the Group are ensured to be reached by:

THE LEADERSHIP
and the exemplarity of the management line, engaging staff to assess and control situations and adopt appropriate behaviors demonstrating a strong safety culture.

THE MANAGEMENT
by effective systems that decline regulatory, contractual and Group requirements, continually reviewed and improved by the lessons learned and regular audits & checks.

Safety continuous improvement also really depends on our commitments developing competencies, skills and knowledge management so that everyone can act. Safety is the permanent responsibility of all and the result of our active and collective vigilance.

Marie-Ange DEBON
Chairwoman of the Keolis Group Executive Board

KEOLIS

Concrete actions have been implemented in the transport networks: field visits by managers, "five-minute updates" with teams, safety newsflashes on safety events, safety forums, interactive safety reception, communication and awareness campaigns for passengers and third parties.

The Group's management framework

Based on ISO standards, notably ISO 45001 for occupational health and safety management systems, the new safety management framework sets minimum requirements and aims to create a standardised framework for practice and organisation at every subsidiary and guarantee a solid foundation for its day-to-day management and coordination.

Safety culture: organisation and coordination of the sector

Safety is coordinated as closely as possible with Keolis mobility services and is managed by the subsidiaries, applying their safety management systems.

These aims are supported by the involvement of the local and central management hierarchies and business lines, including operations and maintenance (see section 1.3.3.2), marketing, the environment and human resources. The Group's Safety Department ensures the strategy is properly understood and taken into consideration, and positions itself as a partner in its implementation to ensure the minimum requirements are met. It provides training, tools and sharing of feedback and best practices from businesses in all countries or from other cutting-edge areas.

In 2021, as part of Keolis Way, the highlight of the event was the organisation in June of the first **Health, Safety and Security Week**, covering all areas of risk protection and prevention. In more than 90 subsidiaries, 400 events were organised over five days. They made it possible to reach out to employees, passengers and public transport authorities on the themes of operational safety, occupational health and safety, security and cybersecurity, and included a fire drill at the new gas bus depot in Drôme-Ardèche, a train to help vaccinate residents in Boston, safe access for people with reduced mobility in Belgium, a meeting of passengers in London, etc.

Occupational health and safety

TRAINING

The main focus of the 2021 actions was the training of local field managers, who followed modules such as: accident analysis training (*e.g.* in the South-West region in France), safety management, or deployment of safety culture development initiatives (in Hyderabad, India). This action will be extended to 2022 to **anchor safety in management practices**, ensuring the continuity of safety management and improving the prevention of workplace accidents.

BEST PRACTICES

ISO 45001 certification at Keolis Tours

The prevention of occupational risks (slip, trip and fall accidents, assaults, musculoskeletal disorders, electrocution, etc.) is a priority for Keolis in Tours, which operates the Fil Bleu network. The company has committed all employees to a certification process for its organisation and occupational health and safety management.

Keolis Tours is the first subsidiary of the Group in France to be ISO 45001 certified for its occupational health and safety management systems, attesting to its ability to continuously improve actions on risk reduction, prevention and protection of employees and subcontractors. For example, the analysis of workplace accidents or safety events has been strengthened by involving managers of groups of field teams, such as drivers and controllers. They were involved in helping understand the circumstances and causes and define measures to avoid new incidents: communication, training, support for movements and postures, organisation, innovative technical solutions, etc. This certification is a real opportunity, particularly in galvanising employee commitment.

The Group plans to extend ISO 45001 certification to other entities by 2025, committing to this through Keolis Way.

Indicator	Scope	2018	2019	2020	2021	Objective
Percentage of employees working under a safety management system certified according to ISO 45001 or 39001	Keolis SA	< 15%	19%	21.9%	22.4%	38% in 2025 75% in 2030

BEST PRACTICES

Development of safety culture in Hyderabad (India)

In early 2021, Keolis Hyderabad (India) launched a safety culture development programme: "*Suraksha Hamesha*" ("safety at all times"). Targeting all employees, it aims to ensure the prevention of workplace accidents by promoting safe behaviours and developing mutual vigilance.

This programme was established and implemented with the support of the *British Safety Council* (a leading international organisation in occupational health and safety) which supported the teams and trained managers and a team of internal coaches. Volunteer employees from operations, maintenance and support functions have been trained to use observation, vigilance and formulation practices to apply these techniques in their business lines. Despite the difficulties caused by COVID-19 lockdowns, more than 900 employees were trained in a first level of vigilance. Only three workplace accidents occurred in 2021, resulting in a frequency rate of only 1.3 accidents with lost time per million hours worked.

Keolis Hyderabad also renewed the ISO 45001 certification of its safety management system.

Indicator	Scope	2018	2019	2020	2021	Objective
Frequency rate of workplace accidents	GROUPE KEOLIS S.A.S.*	28.50	26.10	23.11	27.46	-25% France in 2023 -10% Int. in 2023
Severity rate of workplace accidents	GROUPE KEOLIS S.A.S.*	2.71	2.80	3.09	3.06	-

* *Excluding Keolis Santé for which information is not available.*

In addition, the digitisation of processes is continuing, in particular for the recording of incidents or accidents at work in France. It aims to better identify circumstances and causes and so make it possible to guide local prevention policies.

Lastly, the Group deploys prevention programmes as close as possible to operational teams, such as in France "*Transportez-Vous Bien*" with the insurer Klesia, or one focused on musculoskeletal disorders (TMS-PRO) with CARSAT Professionnel (Caisse d'assurance retraite et de la santé au travail). In 2021, seven subsidiaries including Lyon, Bordeaux, Rennes and Côte Basque Adour, committed to a TMS-PRO approach.

The "TVB" programme offers employees practical prevention tools such as: safety coaching, awareness-raising on lifestyle and addictions, or the reduction of accidents related to bad postures. The Group is committed to ensuring a majority of entities will roll out these programmes with partners in 2022 and by the end of 2023.

BEST PRACTICES

Chemical risk study at Cykleo

The study of the chemical risk associated with Cykleo's activity (mainly use of products in cycle and furniture maintenance) has been carried out since 2020 on SEIRICH, an INRS chemical risk assessment tool. It makes it possible to eliminate the products most harmful to health or the environment and to replace them with other, less harmful ones. The first campaign was conducted in collaboration with the Orleans Occupational Medicine services. Cykleo's priority is to promote products that are less hazardous to the health of employees and the environment, while maintaining the best technical performance. Each new product must be approved by the HSE Department before use.

11 SUSTAINABLE CITIES AND COMMUNITIES — 11.7

16 PEACE, JUSTICE AND STRONG INSTITUTIONS — 16.1

Operational safety

The COVID-19 situation has generated new risks, including for operations: heavier traffic due to more people using private vehicles, resumption of driving by some third parties after lockdowns, or the accumulation of fatigue and stress related to staff shortages. Prevention measures have been developed and rolled out more widely, such as special HGV GPS systems for bus drivers, which are particularly helpful in risky manoeuvres.

In 2021, the Group's challenge was to verify the robustness of local prevention and protection measures. The gathering of feedback has been reinforced through a system that allows subsidiaries to incorporate different recommendations.

BEST PRACTICES

The development of digital technology to analyse safety events at Keolis Canada

Keolis in Canada has extended the rollout of the Group's digital tool for recording and analysing safety events for the management of bus and coach safety. Operators can access key documents such as logging checklists, and have digital forms to record and report any risky situations. This means they can feed data directly into dashboards and trigger corrective or preventive actions.

BEST PRACTICES

Driver assistance at Keolis Lyon

Road accidents are still frequent in urban areas and often occur when a bus driver finds it hard to assess the overall situation around his vehicle. After testing driver assistance systems in 2020, Keolis Lyon continued assessing technological innovations and, more specifically, rear-view cameras. The replacement of bus mirrors with cameras that report the information on screens in the driver's field of vision significantly improves safety: wider viewing angles, reduced blind spots, quality of visibility guaranteed in all weather conditions, day and night.

As the experiment proved successful, Sytral, the Lyon Regional Mobility Authority, decided to equip a majority of vehicles with this system, with the target of equipping more than 80% of vehicles by 2026. This innovation project is supported by the MAIF Foundation, which has chosen this initiative to assess its benefits.

In order to identify, disseminate and promote innovative solutions, a multidisciplinary international road safety team (the "*Cross-Functional Team*") was set up in 2021. It brought together internal experts from many countries (Australia, Belgium, Canada, USA, France) and from different business lines: operations, insurance, maintenance, marketing, information systems, etc. Over a period of almost 12 months, they identified and established improvements that can be implemented in four safety areas: Vehicle, Environment, Competence and Organisation (VECO). The Team provided a catalogue of technical innovations, proposed a roadmap for the coming years and recommended the creation of a Group Road Safety Committee to continue the initiative over the long term.

Security

Securing spaces and preventing petty crime are essential components of **quality of service**. This is a major requirement of the public transport authorities and a legitimate expectation of passengers and employees in a sensitive context where security and protection are at the heart of societal preoccupations.

POLICY

In accordance with the **Group security policy**, all Keolis Group subsidiaries are committed to operating and developing passenger transport services in a way that is secure for people, to ensuring the protection of property, and guaranteeing service continuity. Keolis is thus committed to preventing and combatting fare evasion and all forms of petty crime and antisocial behaviour. This action is based on a global strategy:

- the development of a human presence (internal mediators or associations, ticket inspectors and security agents from specialised service providers) on the networks, through the use of duly trained staff, carrying out additional missions focussing on prevention, deterrence and crackdowns;
- the installation and roll-out of appropriate technical devices: video protection, alarms, anti-aggression windows, Lone Worker Protection (LWP), pedestrian cameras, etc.;
- operational partnerships with internal security forces, which are reflected in the organisation of joint control operations and prevention partnerships (Local Council for Security and Prevention of Petty Crime, associations, national education services, etc.).

The 2021-2024 Territorial Security and Petty Crime Prevention Strategy implemented by Keolis Lyon and Sytral, the Lyon Regional Mobility Authority, is a very successful illustration of this security policy. The strategy was awarded first prize in the Prevention of Petty Crime competition at the International Conference on Security, Democracy and Cities, in Nice, on 20 October 2021. It constitutes an ambitious partnership mechanism, which consists of 32 operational actions.

ACTION PLAN AND ACHIEVEMENTS IN THE PAST YEAR

Management of the business line

The French network security-fraud community is managed by the Anti-Fraud Security Department through bimonthly and thematic meetings. A dedicated seminar also brought together 25 participants in Dijon in October 2021. The purpose of these meetings is to distribute information on legal and technical monitoring and share best practices. At the same time, feedback and best practices were exchanged internationally through regular meetings.

In addition, as part of the Keolis Way (see section 1.3.2.2), the first **health, safety and security week**, held in June 2021, made it possible to spread the safety culture more widely, through three webinars and actions rolled out in the networks. Numerous workshops on the prevention of attacks on staff were held by subsidiaries such as Keolis Bourgogne, Keolis Montargis, Keolis Seine-Sénart, Keolis Seine-Essonne and Keolis Amey Metrolink in Manchester.

In France, the Group promotes the development of partnerships:

- institutional: national police, national gendarmerie, municipal police forces, regional public Finance Departments, judicial courts, agency for public work and professional integration;
- non-institutional: associations involved in conflict mediation, in the fight against addictions including drug addiction, or in supporting the integration of people in precarious situations.

These partnerships were consolidated, developed and formalised in France in 2021, through the signature of local agreements (national police, municipal police and national gendarmerie). Keolis Bordeaux Métropole thus increased from seven agreements signed in 2020 to 20 agreements at 31 December 2021, formalising new partnerships with local municipal police forces. This approach resulted in a 67% increase in joint operations on the network.

Indicator	Scope	2020	2021
Number of partnership agreements with internal security forces (national police, national gendarmerie and municipal police) signed and in force at 31/12/2021.	Keolis SA (France)	43	59

Prevention of harm to staff and passengers

Preventing attacks on passengers and staff is a priority for the Group. A dedicated cross-functional team, covering France and international operations, was set up in 2021 to identify and share best practices and innovations in this area.

With regard to the prevention of assaults on staff, it is structured around the analysis of acts of assault, the definition of an action plan and the organisation of support for employee victims. This comprehensive approach is implemented by managers, who use the “guide to preventing assaults on staff in contact with the public” drawn up by the Group. Among the notable actions implemented in 2021, 12 networks rolled out the trial of body cameras for ticket inspectors, based on the Group’s report setting out the framework for the use of personal protection cameras.

BEST PRACTICES

Conflict management training, EFFIA

Verbal or physical aggression is a risk identified by EFFIA, in particular for traffic wardens in the performance of their duties on the roads. For the past three years, training organisation Brink's has provided training in conflict management to the most exposed employees, both on the roads and in the parking and car pound activities. In 2021, 115 people were trained.

Prevention of sexist and sexual abuse

Keolis has made this public policy a high priority for the Group. In 2021, it resulted in an action plan structured around three major components:

- the development of awareness and training for all staff, through:
  - dedicated sessions in the **Stand Up programme** (nearly 580 people trained in France), which teaches simple but decisive actions that allow you to intervene safely when you experience or witness street harassment, created by L'Oréal Paris in partnership with the NGO Hollaback! and the Fondation des Femmes,
  - the creation of a specific e-learning module with Institut Keolis;
- the provision to subsidiaries of a preventative communication campaign for passengers, rolled out by 12 subsidiaries in 2021, including Keolis Calvados and Keolis Bourg-en-Bresse;
- the signature of a sponsorship agreement with the **Fondation des Femmes**, to commit the Group over the long term to the fight against violence against women and for gender equality.

In parallel with the Group action plan, many specific initiatives continued or were launched across all networks in 2021 in France and internationally:

- seven new networks implemented an alight on request system in 2021 (Rennes, Aix-en-Provence, Besançon, Caen, Côte Basque Adour, Le Mans and Metz), bringing the number of Keolis networks that have rolled this out it to 12 (with Amiens, Bordeaux, Lille, Lyon, Orleans);
- Lille and Lyon continued their exploratory walks, carrying out two and one in 2021 respectively;
- major prevention campaigns were launched on many networks, including Lille, Lyon, Dijon and Nancy.

	Scope	2020	2021
Share of revenue from subsidiaries that have implemented initiatives to prevent and combat sexist and sexual abuse	Keolis SA	21%	26%

Inclusion projects through community service orders

Keolis has maintained its in-depth action by contributing to the prevention of reoffending through inclusion projects that accept people sentenced to community service. 15,976 hours (9,404 hours in 2020) of community service were carried out in the six networks in Bordeaux, Lyon, Lille, Rennes, Tours and Dijon.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

9.4

1.3.3.2 Fundamentals: Operational Excellence

Keolis's ambition is to be the benchmark for service quality, value creation and contribution to the major transformation issues (energy transition, safety, innovation, gender balance, diversity, etc.) in the maintenance and operation of its passenger transport networks.

Operations

POLICY

The Group's **Operating Policy** describes all the key processes, the main missions, as well as the pillars, standards, tools and areas of performance. It is based on three fundamentals to serve our stakeholders: safety and security, operational excellence and quality of service, and resource management.

Operations in the subsidiaries rely on methods, processes, tools, technical, managerial and behavioural skills to perform various missions:

- build offers and production plans;
- deliver the service and manage service disruptions;
- manage teams;
- manage the operating budget;
- continuously improve performance.

In concrete terms, the subsidiaries undertake to implement the ten fundamental requirements of the Policy. In addition to the priority given to safety, regulatory compliance and compliance with contractual commitments, these define basic requirements for managing the skills and knowledge of operating entities, their roles, and the processes for cooperation with other functions (HSE, maintenance, marketing, HR, etc.). Budget steering and management rules are defined, all of which must be part of an active continuous improvement approach. All of the key processes are described in procedures or *ad hoc* business-line handbooks, and made available to the Group's Community of Operators on the KeoSphere internal website. The subsidiaries adapt the Operating Policy according to local specificities and contractual issues, by adapting their processes and tools.

The Group's approach **to continuous improvement of operations is "KIHO" (Keolis Industrialises and Harmonises its Operations)**. It incorporates the fundamentals of the Operating Policy and is based on specific content: management system, diagnostic and coordination tools, etc. It thus contributes to the operator training policy. The subsidiaries also have a self-diagnostic tool to measure their maturity, identify necessary corrective actions and plan their continuous improvement.

Network coordination

The Group Operations Department, within the Industrial Department, defines the operating policy and principles and coordinates the network of operators throughout the Keolis Group. It carries out support and assistance missions for subsidiaries and supports the commercial development of Keolis (calls for tenders). Lastly, it coordinates its actions with all other departments sharing common challenges, in particular the Maintenance Department and the Centres of Excellence. All Operational entities analyse and compare key indicators for the business (absenteeism and employee commitment, cost per km, fuel consumption, etc.).

ACTION PLAN AND ACHIEVEMENTS IN THE PAST YEAR

Working groups of dozens of experts from different functions and from different countries (*cross-functional team*) were brought together in 2021 to share best practices within the Group and propose numerous innovations. The digital transformation of operational roles, and the improvement of road safety (see section 1.3.3.1 on page 51), were among the areas explored. For example, the work carried out made it possible to launch a major plan to improve management efficiency and communication with drivers through the digitisation of operations. A "digital maturity" diagnostic tool has been proposed.

Operations is the area where a number of Group policies are put into practice, for example diversity policies, which also contribute to performance in other areas, such as the environment.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

9.4

BEST PRACTICES

Eco-driving measurement tool in the Touraine sector (Territoires division, France)

The Ecomobil HDM case is a tool dedicated to training, developed by a Lyon-based start-up, HDM. This tool, connected to the vehicle, records and analyses driving parameters and is accompanied by a three-hour driver training programme. It is rolled out to all Institut Keolis (IK) trainers (see section 1.3.3.5 page 74), as part of the *"Improve your driving while respecting the principles of eco-driving"* training course. The training consists of two test runs, one in a "normal" driving situation, the second applying the principles of eco-driving presented previously. The results are analysed and compared at the end of the tests.

Eco-driving training brings real added value in the development of the job of driver, with multiple effects: more efficient driving, therefore less wear and tear on equipment, lower fuel consumption, pollution and accidents thanks to better anticipation, and finally, less stress for the driver as well as for passengers, who have a smoother, more comfortable journey. Eco-driving saves 1,092 litres of fuel on an average of 20,000 km/year, which represents a reduction in greenhouse gases of around 3,353 kg of CO_2e.

BEST PRACTICES

Diversity in operational professions at Keolis Chambéry

In the context of a shortage of drivers in the sector, several external communication and promotional actions were carried out, in particular among women with the rollout of the Group's 2021 recruitment campaign targeting women, and initiatives in schools and colleges to raise awareness among young people about the proper use of public transport and help them discover our careers (see section 1.3.3.4 on pages 68 and 69). More broadly, Keolis Chambéry is also actively involved in preventing and combatting discriminatory and sexist behaviour. Several actions were carried out:

- two points of contact, one male and one female, were appointed by the SEC and Management. They received training and are now a real conduit for employees to report any information about inappropriate or sexist behaviour;
- specific training has been set up, in particular for middle management, to help them identify these behaviours, characterise them and learn how to react;
- these themes are now integrated into management practices in order to allow their appropriation and to anchor the subject into company culture;
- lastly, several actions are carried out to adapt the workstations and working conditions of all employees, such as the installation of gender separate toilet facilities in terminus buildings.

Maintenance & asset management (Asset Management)

Maintenance and asset management activities apply to all industrial assets owned by Keolis or managed by Keolis on behalf of a public transport authority. These activities are essential levers for delivering the performance expected over time by the public transport authorities in terms of safety, availability of assets for the provision of the service, compliance of assets with the level of quality required, as well as the economic performance of the transport network. These activities make it possible to optimise the performance and durability of assets, and to reduce cost of ownership over their entire life cycle.

POLICY

The **KIHM** ("**Keolis Industrialises and Harmonises its Maintenance**") policy aims to industrialise and harmonise maintenance and asset management practices within the Group, while taking into account specific local contexts and challenges. Described in the "**Keolis Group maintenance policy**", it ensures the continuous improvement of maintenance performance and operational management.

To roll out this policy, Keolis has defined asset maintenance and asset management guidelines. These describe the business processes, managerial standards and key requirements for the implementation of an efficient management system for maintenance and asset management activities that comply with the requirements of ISO 55001 (industrial equipment management system).

In addition to this framework, Keolis is also implementing a process to transform maintenance and asset management activities using digital levers. Called "Maintenance 4.0", it is structured around six areas and aims to identify, test and implement digital solutions to improve the operational and economic efficiency of the entities.

Network coordination

To manage the implementation of this approach, the Group Maintenance Department and the Centres of Excellence, whose mission is to support the Group's development, particularly during the response to calls for tenders and mobilisation stages, coordinate the maintenance and engineering business lines. This coordination is carried out through meetings of experts, webinars and peer working groups and by involving, if necessary, other Group business lines such as Safety and Environment, Purchasing and Human Resources.

ACTION PLAN AND ACHIEVEMENTS IN THE PAST YEAR

Several key actions were implemented in 2021.

The KIHM programme continued to be rolled out in many countries (France, Belgium, Sweden, United Kingdom, Canada, USA).

The "Maintenance 4.0" programme coordinated the implementation of numerous digital solutions on a large number of networks and made it possible to compare what is being done elsewhere in these areas of activity.

The Group's preparation for energy transition issues has been accelerated, focusing in particular on the impacts and changes in the maintenance professions (training, specific authorisations, technical, organisational or regulatory constraints). This coordination was carried out through expert meetings targeted by type of energy (gas, electricity and hydrogen in particular).

Under the CFT (*Cross-Functional Team*) approach, in-depth work was carried out on the themes of *Asset Management* and *Supply Chain*. This work made it possible to study benchmarks, identify key areas of action and set up a number of trials. For example, a catalogue of innovative solutions for the automatic inspection of tram rolling stock was developed and new organisations for the inventory management and supply function were tested in the Territories business unit.

12.7 16.5

1.3.3.3 Fundamentals: Economic Performance

The Keolis Group is subject to specific legal and regulatory requirements, having clients who are public authorities, but also with regard to its activity and the international nature of its development, as well as due to its links with SNCF (public group owned by the French State), its 70% shareholder. In addition, the Group's entities operate in highly competitive environments that may expose them to the risk of corruption and influence peddling.

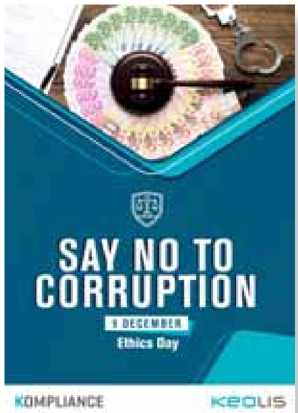
In such a context, each of the Group's entities places compliance with the principles of business ethics at the centre of its activities.

Business ethics, healthy and fair competition & prevention of corruption

POLICY

For several years now, Keolis has affirmed its commitment to fair business practices and to the rejection of all forms of corruption and influence peddling. It **operates a "zero-tolerance" approach**, which is not only an objective but an obligation for each of the Group's employees. This requirement is supported by reference documents that each employee can find on the dedicated "Kompliance" community of the Keolis internal collaborative platform:

- Guide for Ethical Business Conduct;
- the code of conduct for the prevention of corruption and influence peddling;
- the code of conduct for free and fair competition.



These reference documents, covering the entire scope of the Group, are broken down into policies and procedures, whose principles each employee is obliged to respect in his or her relations with all stakeholders.

Management

To ensure the effective rollout of its "Kompliance" programme adapted to local requirements, a **network of Compliance Officers** in France and internationally is led by the ***Group Compliance Officer***, who reports to the Group's Legal, Compliance and Insurance Department. Their role is to support management as closely as possible in its ethics approach, to propose adaptations to the programme according to local specificities, while ensuring the same high standards imposed by the Group.

In addition, a self-assessment programme for subsidiaries, updated annually, includes a chapter dedicated to compliance and enables the subsidiaries surveyed to measure their performance with regard to the Group's expectations.

Indicator	Scope			2021
Share of revenue covered by a Compliance Officer	GROUPE KEOLIS S.A.S.	France	94%	100%
		International	100%	100%

Ethics whistleblowing system

KOMPLIANCE

The Keolis Group requires all its subsidiaries to implement whistleblowing systems open to all employees, to ensure the reporting and processing of any incident or alert likely to reveal non-compliance with its legal obligations and regulatory and ethics principles.

Indicator	Scope	2018	2019	2020	2021
Share of revenue covered by an ethics whistleblowing system	GROUPE KEOLIS S.A.S.	54%	54%	60%	89%

ACTION PLAN AND ACHIEVEMENTS IN THE PAST YEAR

2021 was marked by several highlights:

Update of corruption and influence peddling risk mapping

The updating of corruption and influence peddling risk mapping by subsidiaries is an essential prerequisite for any effective compliance programme. The Group has improved the granularity of its management of the risk of corruption and influence peddling with the creation of five new mapping exercises covering French subsidiaries with revenue above €50 million. All of the Group's activities are covered by a corruption and influence peddling risk mapping.

Mandatory e-learning campaign on Prevention of corruption and influence peddling

This campaign was an opportunity to raise the awareness of the most exposed employees of the main principles of preventing corruption and influence peddling. Rolled out in France and internationally, it will be renewed every two years. In 2021, 79.63% of exposed employees took this e-learning course, *i.e.* more than 6,000 employees.

E-learning campaign on compliance with competition rules

Offered to all Group executives, this campaign reviewed the fundamentals of calls for tenders that respect the values of the Group in order to ensure transparent public procurement for the benefit of public and passenger clients.

Update of three policies: the code of conduct for the Prevention of corruption and influence peddling, the Group policy on gifts and invitations and the Group policy on the management of relationships of interest

With the creation of a policy dedicated to the management of relationships of interest, the Group intends to strengthen its transparency requirement, both with regard to its employees and all its stakeholders. These policies have been circulated to all Keolis SA employees, as well as to employees who, by virtue of their functions (buyers, subsidiary managers, tender response teams, etc.), are particularly exposed.

BEST PRACTICES

Annual declaration of the absence of conflicts of interest at Keolis Lyon

To go even further, the Purchasing teams of Keolis Lyon and Keolis SA have adopted the principle of an annual declaration of the absence of conflicts of interest. These declarations, requested at the beginning of the year, may be updated at any time by simply declaring a potential conflict of interest to the manager of the employee concerned.

Continued rollout of the Policy for the assessment and management of third parties (including suppliers, partners and clients)

Initiated in 2020, this rollout was continued throughout the year by the subsidiaries through the commitment of local management and Compliance Officers. In addition, Group projects continued to integrate the prior assessment of partners into projects submitted to the Group's various development committees.

Launch of the Kompliance newsletter

In order to share its business ethics programme as widely as possible, the Group launched the first issues of its Kompliance newsletter. This initiative is an additional means of relaying the latest ethics news and publicising the Group's ethics organisation. The second issue was an opportunity to invite the Group Executive Director France to share his vision of ethics in business.

First Keolis Ethics Day, at the initiative of the Group's Chairman

Taking advantage of international anti-corruption day on 9 December to raise awareness among all employees of the issues of ethics in business practices, the Group launched its first **Keolis Ethics Day**. On this occasion, a training and awareness programme was offered to all employees for around 10 days. *Compliance Officers* and managers shared their vision of ethics on a daily basis and various events enabled employees to familiarise themselves with expected best practices.

Personal data protection

The protection of personal data is a major issue for Keolis, with the following main objectives:

- ensure total protection and confidentiality of the personal data of employees, clients and other stakeholders;
- establish a relationship of trust with partners and suppliers that comply with the European General Data Protection Regulation (GDPR);
- achieve ever greater transparency regarding the data protection policy implemented.

POLICY

As Keolis is aware that not all countries are covered by an equivalent of the **GDPR**, in November 2019, it distributed a **Group Personal Data Protection Policy** in French and English. This Policy states:

- the Group's commitment to personal data protection;
- the general rules and principles that must be followed by all entities;
- the specific principles to be respected for entities subject to the GDPR.

It also reiterates that each of the Group's entities must comply with the relevant regulations applicable to them locally.

Since 2018, the Keolis subsidiaries operating in the European Union have implemented appropriate governance. A Data Protection Officer (DPO) has been appointed by Keolis SA since July 2018. A DPO has also been appointed in each Major City Networks and City Networks subsidiary and in the European Union subsidiaries outside France. A shared DPO was also appointed for the French interurban subsidiaries of the South West Regional Department. In the other subsidiaries in France, officers have been appointed.

ACTION PLAN AND ACHIEVEMENTS IN THE PAST YEAR

In addition to the procedures established in 2019 and 2020, many actions were undertaken during 2021, with the following in particular:

- contractual provision of Group tools to subsidiaries with regard to the GDPR;
- monitoring the compliance of personal data processing and Group tools;
- update of the Keolis SA **Information Systems (IS) user charter**, particularly with regard to new work tools;
- raising awareness among all Group employees.

Raising awareness

As part of raising employee awareness of personal data protection issues, an e-learning course for all managers has been rolled out since April 2021. This e-learning programme in French and English covers the major principles of regulation in a light-hearted manner. It was taken by 221 employees.

Privacy by design

In order to integrate the Group's cybersecurity, personal data protection, contractual framework and business ethics requirements into Keolis's IT projects from the start, an approach known as "**Compliance By Design of IT Project**s" was developed jointly by the Group's Legal, Compliance and Insurance, and Cybersecurity Departments.

It focuses on three key stages of IT projects: preparation and launch of the consultation, selection of the service provider, then negotiation and contracting.

Sharing best practices and coordinating the community

In 2021, the sharing of best practices also continued, notably *via* the "**Keolis for the Protection of Personal Data (KPDP)**" community, on the internal collaborative platform, as well as by continuing to coordinate the network of DPOs and contacts in Europe.

BEST PRACTICE IN SUBSIDIARIES

Awareness-raising within Keolis Rennes

Keolis Rennes launched its awareness campaign targeting 380 employees. This campaign consists of a cybersecurity/GDPR campaign, as well as the rollout of the Group's "Personal Data" e-learning module.

This awareness-raising campaign is based on the e-learning campaign launched by Keolis SA on 20 April for employees at Keolis Rennes, and its availability to Keolis Rennes employees during a fixed period from 29 October to 30 November 2021.

75 employees took part in awareness raising following the campaign, which ended on 30 November.

Indicator	Scope	2019	2020	2021
Share of revenue covered by a DPO for the countries concerned by this regulation	GROUPE KEOLIS S.A.S. (European Economic Area – EEA)	62% (France) 99% (EEA excluding France)	62% (France) 99% (EEA excluding France)	74%

In France, personal data correspondents are appointed in subsidiaries where DPOs are not appointed and/or where a DPO has been appointed in a pooled manner. There were 61 personal data correspondents in 2021.

8 DECENT WORK AND ECONOMIC GROWTH — 8.7, 8.8
12 RESPONSIBLE CONSUMPTION AND PRODUCTION — 12.7
17 PARTNERSHIPS FOR THE GOALS — 17.14

Sustainable procurement

Purchases by the Keolis Group amounted to more than €2 billion, from 44,000 suppliers worldwide. Keolis's sustainable purchasing approach reinforces the spread of its Corporate Social Responsibility strategy within its sphere of influence.

POLICY

The Purchasing function, as well as all of the Group's suppliers, service providers and subcontractors, play a major role in the quality and level of service offered by Keolis to its public transport authority clients and passengers. Through its new corporate project Keolis Way, the Company has chosen to place CSR at the heart of its purchasing policy. Keolis has made a commitment to gradually increase the following by 2024:

- the **weighting of CSR criteria in the supplier selection process, to reach 20% depending on the level of risk of the purchasing families concerned**;
- the amount of expenditure on suppliers whose CSR performance has been assessed: suppliers whose **CSR risk management has been assessed will account for 70% of the Group's expenses**.

Keolis Way also affects purchases through numerous objectives, such as the strict application of Keolis commitments and requirements to the supply chain (Sapin II and Duty of Care), and the strengthening of the use of social and solidarity economy structures or similar organisations across the world, or the systematisation of requirements in terms of life cycle analysis and the circular economy.

Sustainable purchasing is discussed at each of the Purchasing Management Committees, France Purchasing Committees, which bring together the purchasing managers of the Major City Networks and City Networks, and the Group Procurement Committees made up of international purchasing managers.

Risk management and supplier relations

RISK MAPPING

Appropriate prevention and mitigation actions were put in place following the completion in 2018 of a first mapping of CSR risks in purchasing (70% CSR criteria and 30% purchasing criteria), aiming to determine which are the highest-risk purchasing families. This mapping is currently being updated to include the scope of international expenses.

KEY DOCUMENTS AND PROCESSES

Each manager and employee working on behalf of Keolis or one of its subsidiaries must be aware of, respect and promote the principles of the **Purchasing function charter**. Thus, in accordance with Keolis Group's CSR commitments, all employees involved in purchasing must promote Sustainable Development with their business partners.

Through the dsitribution and signature of its **Supplier relationship charter**, Keolis formalises in particular its expectations in terms of respect and promotion of human rights in its sphere of influence and takes an active approach to the prevention of occupational and safety risks. Such distribution was included in the consultations and framework agreements managed by the Group Purchasing Department. Translated into seven languages, this Charter is available on the website www.keolis.com.

The **procedure for assessing and managing relationships with third parties** was rolled out in 2021, to strengthen the control of corruption and influence peddling risks in the Group and meet the requirements of the Sapin II law. The third parties concerned by the procurement procedure are suppliers, service providers and subcontractors. It was the subject of several dedicated presentation sessions and a webinar, in collaboration with the Legal, Compliance and Insurance Department. This procedure is accompanied by tools (standard questionnaires, risk assessment grid, etc.), some of which have been adapted for purchases. Suppliers represent the largest share of third parties to be assessed.

CONTRACTUAL CLAUSES

Specific clauses must be systematically included in the contracts put in place by the Purchasing Department. Suppliers formally undertake to comply with the standards of national and international law, as well as Keolis' commitments in terms of ethics, health and safety, corruption, data protection and the environment.

The so-called "carbon contribution" clause implemented in 2020 and inviting suppliers to participate in reforestation projects, made it possible to plant more than 15,000 trees worldwide in 2020. The inventory of tree certificates planted in 2021 is underway.

BEST PRACTICES

One bus, one tree

Keolis Belgium is committed to the Planet and sustainable mobility on a daily basis. With its partner IVECO Group, Keolis had trees planted for each bus purchased: 715 trees were planted in Pajottenland.

SUPPLIER ASSESSMENTS

Keolis ensures that its suppliers share and respect its social, environmental and ethical ambitions. Thus, the Purchasing Department is continuing the deployment of the Ecovadis **CSR performance** assessment solution for suppliers. These assessments help to integrate sustainable development issues into dialogue with suppliers.

BEST PRACTICES

Keolis Downer Victoria (Australia) assesses the CSR performance of its suppliers

As part of the implementation of its due diligence approach, Keolis Downer Victoria regularly sends CSR assessment questionnaires to its suppliers exceeding a defined purchase amount threshold, using the Avetta platform. 65% of expenses are covered by a CSR assessment. Suppliers are assessed on several criteria, including CSR, safety management systems, accident and incident management procedures, modern slavery statement, environment, health crisis management, etc.. Keolis Downer can adapt the questionnaire according to the suppliers' sector of activity and their specific issues. The Avetta assessment is integrated into the supplier selection process.

At the end of December 2021, nearly 880 suppliers had been invited to respond to a CSR assessment, including nearly 500 in France and 330 in Australia. The average performance of the suppliers who responded was **57.4/100** (the average score of suppliers assessed by Ecovadis is 43.9/100).

With a view to continuous improvement, Keolis encourages its suppliers to implement a corrective action plan when necessary. The assessment of suppliers' CSR performance is also included as early as possible in the purchasing process.

Indicator	Scope	2020	2021	2024 target
Percentage of expenses covered by an assessment of the CSR performance of suppliers	Keolis SA	29% (France)	37% (France and Australia)	70%

Sustainable Finance

In 2021, Keolis implemented its CSR commitment by setting up a syndicated loan indexed to sustainable development indicators.

Signed on 21 December 2021, with a group of 14 partner banks, this heavily oversubscribed loan corresponds to a €600 million loan with a maturity of five years which aims to refinance existing credit lines. Keolis has innovated by linking this financing to sustainable development criteria at the heart of the Group's CSR strategy. A margin adjustment mechanism has been put in place and will depend on the achievement of annual targets in terms of the environment, gender balance and health & safety:

- **environment**, with two target indicators, one indexed to revenue covered by ISO 14001 Environmental Management certification (pro rata to certified activities), and the other, from 2023, based on the Group's commitments to reduce greenhouse gas (GHG) emissions. These indicators reflect Keolis's positive contribution to current environmental issues, such as the fight against climate change, improving energy efficiency and protecting resources (water, soil, commodities, biodiversity);
- **gender equality**, with a commitment to increase the proportion of women in the Keolis workforce;
- **health/safety**, through a target to increase the proportion of employees covered by a safety management certification (ISO 45001 or 39001), leading in particular to the development of internal safety culture training or workplace accident prevention measures such as those related to musculoskeletal disorders, falls or road accidents.

The 2021 results of the various indicators according to the conditions set out in the credit agreement are as follows:

Indicator	Scope	2021
ISO 14001 certification (% of revenue by activities covered)	Keolis SA*	50.8%
Percentage of women in the overall workforce	GROUPE KEOLIS S.A.S.*	21.8%
ISO 45001 and 39001 certification (% of workforce covered)	Keolis SA*	23.0%

* *Excluding subsidiary Keolis Dubai – MHI Rail Management and Operation LLC whose operation began in 2021.*

7 AFFORDABLE AND CLEAN ENERGY | 11 SUSTAINABLE CITIES AND COMMUNITIES | 13 CLIMATE ACTION

7.2, 7.3 | 11.6 | 13.2

1.3.3.4 Pillar: our Planet

Keolis is committed to making a positive contribution to the planet's current issues, such as the fight against climate change, the reduction of atmospheric pollution, the improvement of energy efficiency and the protection of resources (water, soil, commodities, biodiversity), in order to leave a positive environmental legacy for future generations.

POLICY

Keolis's ecological and carbon transition policy is based on the significant environmental issues identified for the activities. It commits all subsidiaries to:

- meet their compliance obligations arising from national and local regulations as well as contractual or voluntary commitments to their stakeholders;
- control the environmental impacts of their activities and prevent pollution;
- adopt a continuous improvement approach for environmental performance.
- To meet these commitments, the Group has set targets for:
  - **improving energy and carbon efficiency;**
  - **increasing the rate of waste recovery;**
  - **controlling water consumption.**

This policy is applicable to all of the Group's activities (operation, maintenance, retail, administration). The Sustainable Development and Societal Commitment Department manages the entire process and ensures the distribution of tools, thus enabling the overall consistency of the approach within the Group, a smoother and faster circulation of information, the sharing of best practices between subsidiaries and the coordination of the subsidiaries' network of Environment and CSR experts in France and internationally. Regular meetings make it possible to share feedback and best practices and to ensure that the Group's strategy is properly understood and taken into account.

To assess environmental performance in a standardised way, make it known to stakeholders, and further unite and mobilise employees around current environmental issues, many subsidiaries are involved in certification or labelling procedures. Among them, we should mention **ISO 14001 certification for environmental management**, ISO 50001 certification for energy management, ISO 26000 "CSR Committment" certification and the ADEME "Objectif CO_2" label. The mastery of these standards is recognised through regular audits conducted by independent experts to ensure compliance with commitments and continuous improvement.

Energy and low-carbon transition

The energy and low-carbon transition is at the heart of Keolis's concerns. This issue is also underlined in the Group's corporate purpose: *"We enhance everyday life in cities and communities by imagining safe, smart and sustainable mobility solutions accessible to each and everyone."* In order to facilitate and encourage low-carbon mobility, the "sustainable mobility" component is supported by two objectives for 2030, included in Keolis Way:

- **30% reduction in carbon intensity** from traction (all modes in gCO_2e/km) compared to 2019;
- **multiply by 3 the number of kilometres travelled by road vehicles powered by alternative energies** to diesel and petrol (compared to 2019).

ACTION PLAN AND ACHIEVEMENTS IN THE PAST YEAR

The achievement of these objectives is accompanied by various areas of action:

- promote energy and low-carbon transition levers within the Group and with public transport authorities: development of eco-driving and eco-friendly habits (training of more than 5,000 drivers per year and operation of nearly 3,600 vehicles equipped with eco-driving assistance units), optimisation of rolling stock settings, transition to low-carbon energies, etc.;
- support and advise public transport authorities in all stages of their energy transition projects by providing them with the Group's expertise and operational experience from both a technical and economic point of view (analysis of the total cost and support in obtaining grants and financing);
- ensure active monitoring of technologies and innovations;
- facilitate cross-functional collaboration within the Group (inter-business lines and inter-countries) to accelerate the emergence of operational responses to energy transition issues, in particular by capitalising on experiences;
- train all employees in the challenges of energy transition. The Energy Transition e-learning programme was launched in 2021 with Institut Keolis (see section 1.3.3.5 on page 74).

Keolis: technical expert in alternative energy bus networks

Keolis operates networks of **vehicles powered by alternative energies** to diesel (electric, hydrogen, biogas, etc.) in France and internationally and supports the public transport authorities in meeting their energy and carbon transition needs for cities and regions. For exemple: operation of electric buses in Amiens, in the Pays Basque or at IJssel Vecht in the Netherlands, technical assistance for hydrogen buses in Pau, launch of a bioCNG station in Ardèche and operation of numerous networks of CNG buses (Lille, Bordeaux, Besançon, Nancy, Perth in Australia, Foothill and Las Vegas in the USA).

Thus in 2021, **the fleet of road vehicles using alternative energy to diesel and petrol amounts to more than 4,300 vehicles**, up by 21% compared to 2020. This trend demonstrates the acceleration of fleet renewal by the public transport authorities towards solutions to reduce greenhouse gas emissions and therefore contribute to fighting climate change.

Keolis thus supports the public transport authorities in the overall optimisation of their passenger mobility services. From design to asset management and including commissioning, operation and maintenance. The offer also answers issues regarding operational robustness, deployment of necessary infrastructure, quality of service to users and of course the overall economy of the system.

Keolis: expert in new economic models and greenhouse gas emissions assessment

In addition to the choice of technologies, the public transport authorities are facing budgetary constraints and seeking adequate financing to develop an appropriate transport offer. In this context, Keolis wanted to improve its practical and concrete knowledge of public grant schemes for public transport in order to be able to meet its internal needs and those of public transport authorities.

Since 2020, Keolis has compiled an exhaustive inventory of **grants/subsidies for the energy transition in France and Europe** and created a tool bringing together information on aid and subsidy schemes classified by type of project to be financed. A regular watch is organised to keep the list up to date and complete the information as it becomes available. This expertise is proposed and made available for internal stakeholders and also for public transport authorities.

In addition, Keolis supports its subsidiaries and clients in the assessment of carbon footprints for various energy choice scenarios.

In 2021, for example, Keolis supported the Métropole du Grand Nancy and the Provence-Alpes-Côte d'Azur region in finding and obtaining relevant subsidies for their energy choices.

In addition to this tool, Keolis has signed a partnership with a specialised firm to benefit from bonuses related to **Energy Saving Certificates**. This partnership takes the form of advice on which transactions to prioritise, practical support for the preparation of the file and finally the payment of a bonus once the transaction is completed. This partnership makes it possible to optimise the cost of investments for energy saving projects. Eligible transactions for Keolis include, for example:

- eco-driving training;
- outsourced tyre management;
- insulation of depots;
- lighting renovation, etc.

In addition, Keolis has developed **a carbon emissions monitoring and assessment tool**.

Keolis has developed expertise in carbon issues and related approaches. There are various voluntary or regulatory approaches aimed at reducing greenhouse gas emissions and therefore the impact of activities on climate change, in particular Greenhouse Gas Emission Assessments, the commitment in the French ADEME CO_2 Charter or GHG-information for transport services.

Keolis has internal expertise in Carbon Accounting as well as knowledge of technical (*e.g.* vehicle technology, etc.) and regulatory (*e.g.*, low-emission vehicle restrictions, etc.) constraints. Continuous dialogue is ensured with the various bodies (Ministry, Ademe, professional federations, etc.) and active monitoring enables Keolis to provide the most up-to-date information possible and to adapt its advice according to new regulations.

BEST PRACTICES

Keolis Lyon, first French subsidiary to obtain ISO 50001 certification – Energy management

In 2021, Keolis Lyon became the first French subsidiary of the Group to obtain ISO 50001 certification. This certification, aimed at the continuous improvement of energy performance, thus perpetuates Keolis Lyon's commitment to energy reduction, and makes it possible to raise awareness among employees, internal and external stakeholders of the company.

To obtain this certification, Keolis Lyon relied on the Group's Environmental Management System that has been in place for many years (Group ISO 14001 certificate) and on the implementation of concrete actions: transition to LED technology on several underground railway lines and in almost all bus depots, regulation of the interior temperature of trams, awareness-raising among staff on the regulation of heating, etc.

The new EMS (Energy Management System), in addition to highlighting the work of the maintenance teams that have ensured the deployment of most of the technical systems, once again anchors the company in a responsible approach, by promoting Sustainable Development.

BEST PRACTICES

Creation of the Energy Transition Centre of Excellence in Australia

Keolis Downer aims to become the largest operator of zero-emission public transport services in Australia, thus reinforcing its commitment to supporting public transport authorities and accelerating their energy transition through large-scale fleet deployments.

With the commissioning of more than 200 electric buses to be implemented in the coming years, Keolis Downer has created the Energy Transition Centre of Excellence to accelerate the energy transition and encourage the sharing of information at local and international level, to keep itself informed about technological developments and market trends, with an approach based on continuous improvement.

The creation of this centre strengthens the Group in achieving its objectives for 2030.

Indicator	Scope	2018	2019	2020	2021	Target 2030 vs. 2019
Group Commercial Traction greenhouse gas emissions (all modes) in gCO_2e/km	Keolis SA	1,285	1,293	1,262	1,147	-30%
Percentage of kilometres travelled by alternative energy commercial road vehicles	Keolis SA	19.5%	19.5%	21.2%	24.8%	x3 in 2030 vs. 2019 (19.5%)

2021 saw a resumption of activity with 1,071 million kilometres travelled by commercial vehicle fleets. 2021 reflects the acceleration of the greening of the fleets: the renewal of road vehicles is increasingly focused on alternative energies to diesel and the carbon intensity of commercial traction has been reduced by 10%, in particular thanks to including efforts made by public transport authorities to source renewable energy (*e.g.* solar farm supplying the Melbourne Yarra trams, HVO biodiesel on two networks in Denmark).

BEST PRACTICES

Keolis Amey Docklands defines its Sustainable Development strategy

In line with the strategy of its public transport authority (Transport for London TfL), Keolis Amey Docklands has defined its Climate and Sustainability strategy covering all aspects: air quality, circular economy, low-carbon transition, water conservation, climate change adaptation, biodiversity and community engagement.

For each aspect of this strategy, objectives have been set with targets to be achieved by 2025 and/or 2030. Addressing the climate emergency is a top priority that is dealt with through a roadmap to achieve net zero operational GHG emissions by 2025 and net zero scope 3 GHG emissions by 2030. The roadmap has been defined following the Science-Based Targets initiative (SBTi) principles. The first action plan will focus on reducing scope 1&2 emissions as close to zero as possible by eliminating the use of fossil fuels and using verified offsets to balance those that cannot be eliminated.

KAD will ensure that its strategy is embedded into the company culture through conducting regular training and awareness sessions with its employees, covering each of the key climate and sustainability drivers.

BEST PRACTICES

Publication of 4th annual plan on the assessment and adaptation to climate change risks of Yarra Trams (Melbourne, Australia)

The consequences of climate change, such as hotter and longer summers and more intense rainfall, impact the Melbourne tram network and pose risks to employees, passengers and infrastructure. Yarra Trams is therefore building its response to this phenomenon on the basis of scientific projections and policies implemented at various levels (international, federal).

In 2021, the risk review was refined and split between direct and indirect risks. Risk management and mitigation measures are presented in the plan, some of which support efforts to reduce greenhouse gas emissions.

Yarra Trams incorporates climate change adaptation into day-to-day operations and supplements the system with a plan dedicated to extreme weather conditions.

Promoting the energy transition of public transport

On the occasion of **COP 26 – United Nations Climate Change Conference** – in Glasgow, Keolis took part in the presentation of its sustainable mobility solutions on 4 November at the "Expertise of French companies on sustainable cities" round table and on Transport Day on 10 November.

The ***Energy Transition Week***, organised in November 2021 as part of Keolis Way, aimed to unite the entire Group around the challenges of transition. Employees, passengers, clients and the general public were familiarised with Keolis's activity and expertise in the ecological transition. Through conferences, workshops and events, various topics were discussed to become committed participants in these transformations: taking on the climate challenges, the role of Keolis in the energy transition, the contributions of the Environmental Management System, alternative energies in public transport, carbon neutrality, bicycle maintenance and trials of electric bicycles, promotion of public transport, waste sorting, digital storage, awareness of biodiversity, principles of eco-driving, etc.

In addition, after a first event in 2019, in 2021 Keolis launched the second edition of the "**Keolis New Energy Tour**": a tour of four cities across France (Bourg-en-Bresse, Cesson-Sévigné, Narbonne and Arras), to promote more low-carbon mobility in the regions and support the public transport authority in the development of more sustainable mobility. The Group's alternative energy experts presented their vision of the various alternative energies (bioCNG, electric and hydrogen) and existing rolling stock in order to accelerate thinking about the challenges of climate change at the local level.

BEST PRACTICES

The Climate Fresk at Keolis Lille Métropole

The Climate Fresk is a three-hour collaborative workshop, based on the reports of the IPCC (Intergovernmental Panel on Climate Change), which helps to understand the phenomena of climate change in order to trigger action. Anyone can also train to become a Climate Fresk host.

On the occasion of the Keolis Lille Métropole CSR ambassadors' network launch, the CSR project group took part in a first Climate Fresk workshop. This initiative has been deployed throughout the network: in November, 11 employees followed a training course to become facilitators. Several workshops were held, and 47 people had experienced the Fresk by the end of 2021. Based on this success, the Climate Fresk will be held in early 2022 with around a hundred operators, integrating directly into their continuous training courses.

Through these workshops, Keolis Lille Métropole is making its action in favour of the energy and ecological transition a contribution to the fight against climate change. In addition, this initiative, which highlights the benefits of public transport, helps to strengthen employees' pride and sense of belonging.

6 CLEAN WATER AND SANITATION	8 DECENT WORK AND ECONOMIC GROWTH	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
6.3, 6.4	8.4	11.6	12.2, 12.4, 12.5

BEST PRACTICES

Energy management thanks to an EFFIA digital platform.

With regard to its activities, the monitoring and control of electricity and energy consumption and associated emissions are EFFIA's main environmental challenge. Energy is now managed through a digital platform, Citron, which allows:

- a reduction in consumption through analysis and suggestions;
- a reduction in costs by adapting subscriptions and pricing options in electricity supply contracts according to the life of the sites.

60% of the service vehicle fleet is electric.

In addition, by anticipating the development of vehicles powered by alternative energies to diesel, it ensures to meet the growing needs of clients. EFFIA thus increased from 450 charging points in 2017 to 1,100 in 2021.

BEST PRACTICES

Cykleo's GEF emissions calculator

In the first quarter of 2021, Cykleo created a greenhouse gas emissions calculator that takes into account various emission categories: consumption of buildings, fluids (electricity, gas, water, etc.), operational travel, people, per employee (personal journeys), fixed assets and purchases, waste and effluents, subcontractors.

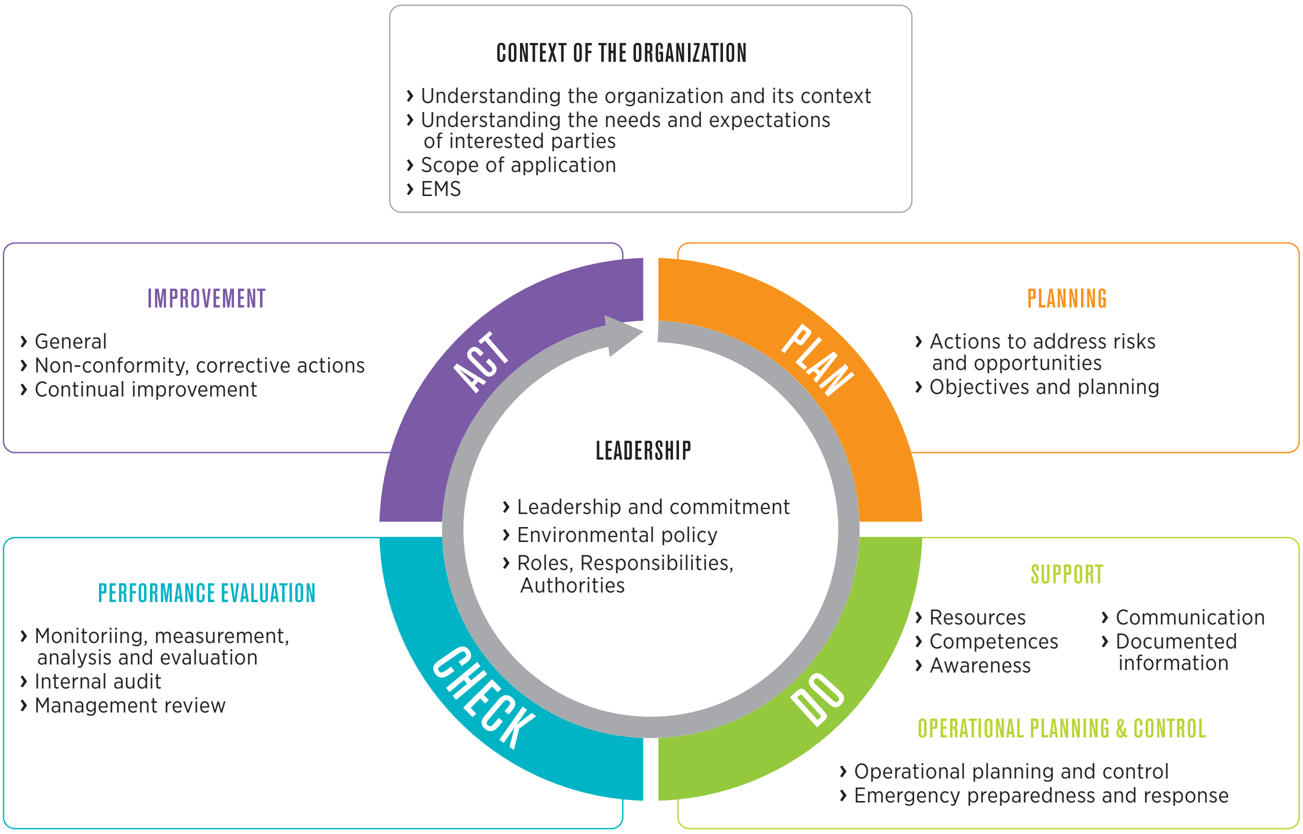
Trialled on the Grenoble and Dijon operations, this model confirmed that the two priority environmental issues are the reduction of our greenhouse gas emissions from maintenance vehicles, and the management of waste from maintenance activities, such as scrap metal, spare parts, urban furniture and rubber. Consequently, these two points are at the heart of Cykleo's three-year CSR strategy and involve a certain amount of work.

Ecological transition

Keolis acts to accelerate its own **industrial ecological transition** to meet environmental challenges by:

- deploying certified industrial processes that respect ecosystems and local residents;
- improving the energy efficiency of traction and buildings (see Energy transition on page 62);
- implementing a sustainable purchasing policy (see section 1.3.3.3 pages 60 and 61), in particular by purchasing energy from renewable sources (guarantee of origin), and by reducing and recovering waste (choosing repairable and recyclable products, reducing packaging, sorting/recovery/disposal instructions according to local contexts, provision of framework contracts to increase the rate of waste recovery and better traceability), and by participating in the local circular (and social) economy;
- strengthening the qualitative and quantitative protection of water resources: installation of rainwater harvesting systems (131 sites equipped in 2021), recycling of wastewater from vehicle washing (120 sites equipped in 2021) and reduction in the use of chemicals;
- contributing to the preservation/restoration of biodiversity (installation of beehives and nesting boxes, ecological management of green spaces, etc.).

To reinforce and have this environmental commitment recognised, the **Group has been committed since 2013 to ISO 14001 – Environmental management system certification**. ISO 14001 certification is used, in particular, to assess the Group's environmental performance in a standardised way: energy consumption, greenhouse gas emissions, protection of resources, circular economy, waste recovery, management of industrial risks (pollution).



To improve the environmental management of its activity, Keolis Group has set a target, as part of its Keolis Way corporate project, of having 80% of its revenue certified ISO 14001 by 2030 (pro rata to the certified activities).

Indicator	Scope	2018	2019	2020	2021	2030 target
Share of revenue covered through ISO 14001 certification	Keolis SA	43.6%	44.2%	46.2%	50.4%	80%

The scope of certification was extended in 2021 with the entry of two new subsidiaries (Keolis Pyrénées and Keolis Drouais). To continue this momentum, a rollout and support plan for the subsidiaries by 2030 was defined to ensure the gradual and smooth inclusion of the subsidiaries.

Indicator	Scope	2018	2019	2020	2021
Share of recovered waste	Keolis SA	64%	61%	65%	61%

KEOLIS AND ITS STAKEHOLDERS

France Nature Environnement – FNE

The French federation of environmental and nature protection associations, FNE represents a movement of nearly 6,000 associations, grouped into 46 member-organisations, present throughout France. Partners since 2013, FNE and Keolis work together on sustainable mobility issues. In particular, they discuss ways to build an educational dialogue on soft mobility as a complement to public transport. Sharing of expertise and forecasts are also carried out on the subjects of biodiversity and ecosystem preservation in industrial contexts. In 2021, Keolis supported the production of an Educational guide to sustainable mobility.

BEST PRACTICES

Giving products a second life with EFFIA Store

Launched in 2019, EFFIA Store is an internal platform accessible to all employees, giving a second life to used products and equipment. By promoting reuse, EFFIA thus makes it possible to extend the lifespan of products in a circular economy approach. Each site can make its equipment (clothing, spare parts for parking meters, toll tickets, etc.) available by publishing an advert. To date, 860 participants are registered on the platform.

4 QUALITY EDUCATION 4.4
11 SUSTAINABLE CITIES AND COMMUNITIES 11.a

BEST PRACTICES

Reconditioning of pedelec batteries at Cykleo

The reconditioning of lithium batteries for electrically-assisted bicycles is being tested with a specialised company in the Loiret region in France. In addition to the financial gain, reconditioning represents less transport for the disposal of this specific waste, as well as the reuse of equipment that contains raw materials that are otherwise difficult to treat and whose extraction has a strong environmental and social impact. Feedback on the experience will soon support the approach.

BEST PRACTICES

Cykleo donates spare parts to associations

Cykleo's various sites sometimes donate spare parts (or even complete bicycles) to local associations or artists to give them a second life: cardboard boxes, inner tubes, various metal parts. In Dijon, for example, Cykleo donated its boxes to the Les Cartonnades association, which gives a second life to boxes to recreate a whimsical mediaeval universe during creative events. Similarly, on the Rennes network, Cykleo donated bicycles to the Melib'Melesse association. Finally, in Lille, an artist has recovered inner tubes to create a monumental structure.

In the event of a change in the fleet of bicycles, public transport authority clients may decide to donate bicycles from the old fleet rather than dismantling them for parts. Some bicycles are also donated to associations, most of which repair them or recover spare parts for use on other bicycles.

Societal commitment

POLICY

By offering a wide range of shared mobility solutions, the **Group contributes by the nature of its business to the sustainability, dynamism, cohesion and resilience of the regions** where it is present: inclusion, cohesion, decongestion of city centres, strengthening of retail, leisure and tourism activities and, more generally, economic attractiveness (see section 1.3.3.6).

Key players in their employment areas (see section 1.3.3.5), Keolis's subsidiaries also contribute to regional development through positive development of internal jobs, and also external jobs through subcontracting and local purchases, for example.

However, Keolis, anchored in and committed to the regions, goes beyond its role as a mobility service operator. It acts and implements actions on all aspects of sustainable development, in particular to support education, solidarity and culture working as closely as possible with local players to **strengthen its positive impact on society**.

ACTION PLAN AND ACHIEVEMENTS FOR THE PAST YEAR

BIOM

Since 2015, **the Keolis Group has had a partnership with Biom Work**, an independent rating agency. It has developed an indicator, the% BIOM, which measures the economic impact of a company on the communities. It thus enables Keolis's subsidiaries to assess their local presence, their contribution to sustainable development in terms of employment, environmental protection, local involvement, etc. The result is expressed as a percentage of the revenue redistributed over the local area. Thus, 25 Group subsidiaries have already undergone this exercise, including five in 2021. The average reflects the general performance of the subsidiaries.

Indicator	Scope	2018	2019	2020	2021
Average% of subsidiaries' revenue redistributed for Sustainable Development in the communities (BIOM assessment)	Keolis SA (France)	66.9	66.1	66.3	71.5

Raising awareness among young people

Keolis raises awareness among its young passengers and future citizens, by organising sessions in schools, class visits to depots, or participating in awareness-raising initiatives. There are several aims to these actions:

- improving knowledge about public transport;
- increasing awareness about safety, preventing fraud and antisocial behaviour.;
- highlighting public transport as a way of reducing a local area's impact on the environment.

Making young people aware of the environmental and climate benefits of using public transport can help to encourage them to use public transport, as younger generations are increasingly attentive to these issues.

In addition, sessions in schools help to strengthen the feeling of belonging for the volunteer employees who intervene, allowing them to present their profession, their passion, to break from everyday routine and to have a framework for calmer interactions that are more favourable to dialogue with passengers.

When interventions target high school students, the presentation of Keolis professions can stimulate vocations and facilitate future recruitment, thanks to the explanations about careers and the contributions of the speakers.

In 2021, the Sustainable Development & Societal Commitment, Safety, Security, HR, Marketing and Legal Departments worked on the development of a best practice guide on sessions in schools to support their development in all subsidiaries.

BEST PRACTICES

"Passport" operation in Keolis Laval (TUL network)

As every year, Keolis Laval organises the "Passport" operation to prepare children for their future independent bus trips as they move into middle school. Thus, in June, 10 year-old students of the Eugène-Hairy school made a school trip to the bus depot. The afternoon was divided into several stages: presentation of the passenger journey (how to read a map, timetable, etc.) using video and quizzes, a visit to the workshop where children discuss safety issues and discover Keolis's jobs, then practice at a bus stop. Lastly, timed bus evacuation drills took place. The various participating schools competed against each other.

At the end of the day, each child received a pack containing the network map, a reminder of the rules to be followed when travelling by bus, a revision questionnaire to be done at home with parents, information on subscriptions and a small snack.

980 children from 40 schools were thus trained in 2021 during this "CM2 Passport" campaign, which is rerun every year.

Several actions are carried out by Keolis subsidiaries to make young people aware of the proper use of transport, such as Keolis Quimper, which produced a video on the subject in partnership with the Béliers de Kemper, the Quimper basketball club. This is also the case for Keolis Rennes, which organises school bus evacuation drills every year in partnership with the fire department, the police station, the municipal police and the government's road safety initiative.

Indicator	Scope	2018	2019	2020	2021
Number of students who benefited from an awareness-raising programme as part of school-based interventions	Keolis SA	97,501	114,278	44,446	95,569

Social and supportive economy

In 2021, Keolis Group worked to define and promote the social and solidarity economy. For this first year, the data for the United States are consolidated with the French data. In addition to reporting, the American subsidiaries have a committed approach to supporting structures called "DBE" (*Disadvantaged Business Enterprise*). These are small, for-profit companies in which socially and economically disadvantaged people hold at least 51% of the capital and also control the management and business operations. Each public service delegation contract contains an obligation to spend with these structures, which must be certified by the DOT (*Department of Transportation*) of the state concerned.

BEST PRACTICES

Keolis Transit America (USA) supports DBEs

In addition to the contractual obligation, KTA has set up a support approach for DBEs. Thus, KTA has adapted its invoicing frequency to help a DBE-certified cleaning company meet its cash flow needs, or to support a service provider in obtaining its certification.

Indicator	Scope	2019	2020	2021
Amount of purchases from social and solidarity economy players *(€M)*		16.6 (France)	11.7 (France)	33 (France and USA)

In 2021, Keolis made purchases worth more than €33 million from social and solidarity economy players, including €20 million in France and €13 million in the United States.

Furthermore, temporary employment companies under framework agreements also promote disability and access to work by offering, whenever possible, assignments to people out of work. **In 2021, 75,000 hours were worked in this way in France.**

BEST PRACTICES

Community Partnership Programme at Yarra Trams (Melbourne, Australia)

Yarra Trams' community partnership programme provides annual free advertising campaigns in the form of tram wraps to community organisations with a focus on Sustainable Development in Melbourne. In 2021, several partners featured: the Royal Botanic Gardens of Melbourne, a national charity for the protection of birds (Birdlife Australia), the independent association *Environment Victoria* to promote electricity from renewable sources, Fairtrade Australia & New Zealand for the promotion of fair trade, and YMCA ReBuilt for the reintegration of former prisoners.

BEST PRACTICES

Partnership with social integration companies

EFFIA is a partner of two integration and employment companies for people with disabilities: the mail workshop and Le Cèdre. In 2022, EFFIA will improve the inventory of social integration companies it works with.

PIMMS – Points d'Information Médiation Multi-Services (network of Multiservice Information and Mediation Offices)

Keolis has been a founding member of the PIMMS National Union since 1998, alongside nine other partners.

In partnership with the Keolis subsidiaries, the mission of the PIMMS mediators is to assist all public transport users on all networks, in PIMMS premises, or on the networks (on board or on platforms). The objectives are **prevention and mediation**, that is to say, monitoring the atmosphere on the network: guiding passengers, easing tensions, participating in the fight against fare evasion, managing or preventing conflict situations, etc. The social mediators thus facilitate the use of public transport for all. They promote proximity and contribute to social cohesion by reaching out to residents.

15 Keolis networks were PIMMS partners in France in 2021. They supported more than 250,000 people in 2021. More than 400,000 mediation actions, on board vehicles or on platforms, were recorded for Keolis, in particular in the Rennes, Dijon and Quimper PIMMS.

In 2021, despite the situation of the COVID pandemic, the PIMMS helped passengers return to travelling safely on the networks by distributing masks, reminding them of social distancing measures and ensuring they were properly applied, in Keolis offices and on public transport.

KEOLIS AND ITS STAKEHOLDERS

Network of Multiservice Information and Mediation Offices (PIMMS Médiation)

Working as an association, the national network of Multiservice Information and Mediation Offices (PIMMS) are places for local contact and social solidarity where community workers, professionals in social liaison, help people in dealing with, notably:

- *public services;*
- *carrying out administrative procedures;*
- *IT services related to administrative and social procedures.*

PIMMS also aim to create career development paths for these community workers to help them into sustainable and qualified employment.

The Keolis Group has been a founding member of the National Union of PIMMS Médiation since 1998, alongside nine other partners.

SNCF Foundation

KEOLIS AND ITS STAKEHOLDERS

The SNCF Foundation

Keolis joined the SNCF Foundation in 2016 to strengthen its local presence. The SNCF Foundation supports projects of cohesion and citizenship which allow everyone to live together in harmony. For its 2021-2025 mandate, the Foundation has redefined its mission related to "the integration of young people into society" around two areas of intervention: finding your way and taking action for the environment. It has three ambitions:

- *support and motivate young people throughout their schooling: by reducing the risk of dropping out of school, by helping to identify the qualities of young people to develop their self-confidence and potential, and by familiarising them with digital technology from middle school;*
- *help young people find their career path: through the support of projects enabling young people to think about their vocation, building their career project, in particular towards the professions of the future (environment, digital, etc.), while providing them with notions of social skills, critical thinking and civic responsibility;*
- *develop the entrepreneurial and civic spirit: by encouraging young people to get involved in supportive projects.*

The Foundation supports young people who want to take action, through concrete, useful, local projects for the revitalisation of their region. This programme is aimed at young people between the ages of 11 and 30, who are teeming with ideas for the environment but need a helping hand to structure their project.

For Keolis subsidiaries, the SNCF Foundation is a lever for supporting actions carried out by local structures or associations.

Employee commitment is also encouraged through two schemes: "Coups de Cœur solidaires" and skills-based sponsorship.

Since 2010, Keolis takes part in the annual awards programme known as "**Actions for solidarity**" (*Coups de cœur solidaires*). These awards have been organised since 2016 under the aegis of the SNCF Foundation, and enable Keolis to shine a light on the commitment of its employees to associations working to support disadvantaged or underprivileged people.

This year, despite the circumstances, 10 projects from associations represented by Keolis employees were awarded prizes by the Keolis jury.

BEST PRACTICES

Keolis Santé promotes access to care for isolated patients.

In May 2020, in the Vendée region, Keolis Santé launched the first mobile teleconsultation service in France. Thanks to an ambulance equipped with medical devices connected by satellite, a nurse-ambulance driver performs the clinical examination of patients on behalf of the doctors, who provide their consultation by videoconference from their office. This innovative service, which facilitates access to healthcare for people with disabilities or reduced mobility, also contributes to the fight against the spread of COVID-19 by avoiding unnecessary hospitalisations. This action continued in 2021.

In addition, since the start of the health crisis, Keolis Santé ambulance centres have ensured inter-regional transfers *via* medically equipped high-speed trains and planes when hospital capacity was overloaded. In two years, approximately 17,000 COVID transfer missions were carried out, including 10,000 in 2020 and 7,000 in 2021.

BEST PRACTICES

Donation of Cykleo spare parts

For each new location, Cykleo works with local associations specialising in mobility issues. For example, Cykleo has promoted refit associations such as Vélocité in Bordeaux and donated bicycles and spare parts to associations and self-repair workshops.

Cykleo also works with associations far from its sector of activity, for example by regularly donating spare parts used to design works of art such as paintings, lamps or jewellery.

3 GOOD HEALTH AND WELL-BEING 3.4
8 DECENT WORK AND ECONOMIC GROWTH 8.5

1.3.3.5 Pillar: our People

Every day, the Group strives to offer each of its 67,164 employees working conditions and an experience that promote their commitment, professionalism and fulfilment.

The Keolis Group workforce is made up of 64% drivers/transport employees, as well as 14.5% part-time employees.

Equality, diversity and inclusion

Keolis aims to be a major player in the regions, attracting and retaining a variety of profiles (women, men, young people, seniors, people with disabilities, refugees, etc.), that reflect those of our passengers, in sustainable jobs.

POLICY

As part of its Corporate Social Responsibility policy, Keolis is committed to diversity and inclusion through an ambitious **equal opportunities policy**. It comprises six commitments, aimed at combating all forms of discrimination. The Group's objective is to **give everyone the opportunity to access sustainable and local employment and develop within the company exclusively according to their skills**.

ACTION PLAN AND ACHIEVEMENTS FOR THE PAST YEAR

Promoting professional gender equality

As the foundation of the diversity and inclusion policy, gender equality is an objective to which all Group subsidiaries are committed.

This commitment is demonstrated in the first place by the generalisation of ***Gender Equality European and International Standard*** **(GEEIS)** certification. This certification is a formal recognition of Keolis's commitment to encourage fair career management, promote diversity in recruitment, guarantee fair remuneration, non-discrimination and work-life balance. The Group is extending its certifications to GEEIS Diversité, which expands the scope of company assessments to cover other criteria such as age, disability, social or ethnic origin and sexual orientation. In line with Keolis Way, each subsidiary commits to the certification of two criteria, as Belgium, India and Norway have done.

BEST PRACTICES

#AllAboard campaign in support of the LGBTQI+ community of passengers and employees

In April 2021, Yarra Trams proudly launched the #AllAboard campaign in support of the LGBTQI+ community on social networks and on the tram network. Showcasing Yarra Trams employees, passengers and local stars, the published videos encourage everyone to board the tram. "AllAboard" is intended to be the symbol of Yarra Trams' fight for diversity, both internally for employees and externally for its passengers. It is a commitment to make everyone feel welcome on board the trams.

In addition, in partnership with the Australian queer cultural association "Midsumma" as part of its festival, the rainbow tram "AllAboard" was launched, the first of its kind!

BEST PRACTICES

The Keolis Amey Docklands programme for women (United Kingdom)

The "KAD Women's Development Programme", sponsored by the executive team, aims to support the access of women to positions of responsibility and to increase the visibility of female role models internally. KAD recognises that women are under-represented in the company, particularly in management positions. The programme targets supervisors and managers who have not yet reached top management. The first group currently has seven women from different sectors. Over the years, the programme will provide mentoring, professional development training, individual career coaching sessions, cross-job observations, as well as project management opportunities.

Several indicators will be monitored to assess the success of the programme, such as the career development of participants, the proportion of women in leadership positions, and feedback from participants.

Eurobussing Brussels obtains the diversity label

Actiris, the regional employment agency in Brussels, awarded the diversity label to 10 Brussels companies. Eurobussing Brussels, the Belgian subsidiary of Keolis, is one of these winners, for its diversity plan.

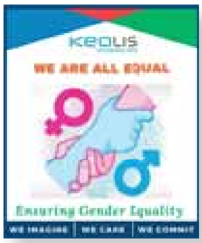
Indicator	Scope	2018	2019	2020	2021	2025 target
Percentage of employees exercising an activity that is GEEIS-certified	Keolis SA	75%	87%	87%	87%	95%
Percentage of women in the total workforce	GROUPE KEOLIS S.A.S.	20.8%	21.4%	21.7%	22.0%	24%
Percentage of women in the total workforce who are drivers/transport employees	GROUPE KEOLIS S.A.S.	17.8% (KSA)	17.6% (KSA)	18.0% (KSA)	19.1%	-
Percentage of women in the total workforce who are managers	GROUPE KEOLIS S.A.S.	33.0%	35.7%	35.4%	35.7%	-

In addition, 44% of the Group's Executive Committee were women in 2021.

Integrate profiles from diverse backgrounds

In addition to its actions in favour of gender equality, **Keolis is committed to all areas of diversity and inclusion** (ethnicity, origin, age, disability, LGBT, integration of the long-term unemployed, etc.).

An "employer brand" campaign was renewed in 2021 on social networks and in the press, at Group level and in the subsidiaries. It concerns four major professions in the operation and maintenance of transport networks: driver, mechanic, workshop manager and operations manager. These positions are open to all profiles, young or old, with or without a degree, retraining or not, and are accompanied by adapted training programmes. The campaigns generated 6.3 million views and attracted applications from more than 6,000 women and men of all ages from various industries.



Innovation: programmed recruitment

This HR innovation, inspired by digital marketing, relies on Big Data technologies to intelligently and automatically propose relevant job offers corresponding to the socio-demographic and behavioural profiles of Internet users. It thus makes it possible to target candidates who would not have thought of Keolis but who, by receiving these offers, are encouraged to apply after seeing that their skills and areas of interest correspond to the profiles sought.

TARGETING THE LONG-TERM UNEMPLOYED

Through its subsidiaries, Keolis is continuing to develop partnerships with organisations located in their regions to integrate people for whom access to employment is more difficult, for example with **École de la 2e chance**, which works to help young people without qualifications or employment into work.

BEST PRACTICES

Keolis Rennes is committed to the "Zero Long-Term Unemployment in the French Regions" project

The objective of Zero Long-Term Unemployment in the French Regions is to create a regional dynamic to provide a solution to any person residing in a given region whos is permanently deprived of employment.

Once human resources and employment needs have been identified in the region, one or more employment-oriented companies are created to make the connection between the two. As a partner company of the project, Keolis Rennes offers several activities relating to the maintenance of underground railway infrastructures, to be carried out as part of this future company.

In 2021, Keolis also joined the company collective "**Refugees Are Talents**", mobilised in favour of the social integration of refugees (French courses, culture, etc.), then in the company in the medium term.

In addition, a partnership was established in October 2020 with **Tent**, a global organisation specialising in the professional integration of refugees. After a first partnership in the Netherlands, Keolis is continuing to roll out collaborations with Tent in France (in particular in the North-East Regional Department of the Territories business unit) and internationally with the commitment of Belgium in the approach.

Finally, in 2021, Keolis also approached the start-up **Each One**, which offers cultural and language training as well as work placements to refugees.

REMOVING DISABILITY-RELATED BARRIERS TO EMPLOYMENT

Every subsidiary in France and internationally must comply with its own local legislation in terms of disability. Since 2018, Keolis has had tools to support its subsidiaries in the implementation of actions to promote the recruitment and inclusion of people with disabilities (booklet, awareness-raising films, etc.). Available in all countries, these tools are in line with the provisions of the International Labour Organization (ILO).

For the third consecutive year, Keolis held a recruitment stand at the **Hello Handicap virtual fair**. Some 30 subsidiaries published job offers, generating more than 200 applications. The conversion rate was 8.4%.

In 2021, Keolis also rolled out the *Cobra Zero serious game* in France, aimed at raising awareness of employees and managers about invisible disability, the postures to adopt and the benefits of being recognised as a disabled worker (RQTH).

4.4 8.6 10.2

Indicator	Scope	2018	2019	2020	2021
Percentage of workers declared disabled	Keolis SA (France)	4.7%	5.6%	5.2%	5.1%

BEST PRACTICES

Cykleo's sustainable partnership with the VitamineT inclusion group

In Lille, its largest self-service bike operation, Cykleo has created a long-term partnership with the VitamineT inclusion group, in which 100% of the adjustments and quality controls at the city's bike terminals are delegated to an inclusive service provider, whose staff share the Cykleo premises. In Grenoble, cleaning services (premises and street furniture – parking infrastructure) are also entrusted to a social integration company.

BEST PRACTICES

Promoting diversity in Keolis Hyderabad (India)

As part of its approach to promoting diversity, Keolis Hyderabad organised a competition in 2021 for its employees to create a poster on gender diversity at Keolis Hyderabad. The winner of the competition will have their creation displayed in Hyderabad underground railway stations.

Raising awareness and promoting inclusion both internally and with our partners

Group awarenes-raising tools are always available to French and international subsidiaries: the "Essentials" online training includes modules such as the awareness-raising e-learning module on "Living diversity together".

In addition, Keolis applies its equal opportunities commitments throughout its sphere of influence, including with its suppliers and partners, notably by including a diversity clause in the Group's framework agreements.

Lastly, an internal network of employees, "**we@keolis**", was created in March 2021 with the aim of accelerating diversity through concrete actions. It is aimed at all women and men in the Company, in France and internationally, who are committed to gender diversity.

Training and development

Training and development policies are at the heart of Keolis's HR strategy. They aim to attract, integrate and support every employee in their development throughout their career within the Group.

Training

POLICY

Keolis provides substantial training resources to support its employees in dealing with the changes underway in the mobility sector (energy transition, digital, new mobility solutions, etc.) and further its strategic development objectives. In 2021, 3.72% of payroll was invested in training, representing more than three times the French legal obligation.

Indicator	Scope	2018	2019	2020	2021	2025 target
Percentage of employees who received training	GROUPE KEOLIS S.A.S.	63% (KSA)	68% (KSA)	61% (KSA)	64%	80%

INSTITUT KEOLIS

Keolis has an internal training organisation, **Institut Keolis (IK)**, Qualiopi-certified since December 2020, composed of five regional branches close to the subsidiaries. It offers more than **350 training programmes** to all employees in France and abroad. These training courses cover all of Keolis's business lines, particularly in operations, maintenance and marketing, but also including management and personal development topics. The offer is based on a wide range of educational approaches: **30% of training sessions** use digital tools such as e-learning, virtual classes, business games or driving simulators.

In 2021, Institut Keolis focused on four main areas of training:

1. **support for local managers** during the health crisis, through short virtual classroom trainings on topics such as remote management, feedback and well-being at work;
2. raising the awareness of all our employees on the issues of **diversity**, disability, sexist and sexual abuse (see section 1.3.3.1 on pages 52 and 53);
3. professionalisation of practices in terms of **operational excellence** through the KIHO programme (Keolis Industrialises and Harmonises its Operations, see section 1.3.3.2);
4. development of skills relating to the **energy transition**.

Recruitment and training of young people

A number of mechanisms are in place to prioritise the recruitment and training of young people.

GRADUATE PROGRAMME

Also known as **"Pépinière"**, the ***Graduate Programme***, created in 2008, is intended to train future managers in operational, maintenance, marketing, mass transit and security/fare evasion roles. The courses, which last from 12 to 18 months, are divided into periods of practical training and immersion in a subsidiary in France or abroad to enable young graduates to better understand the transport professions. In 2021, Keolis hired 26 new graduates. In total, more than a hundred former graduate recruits are still working within the Group.

CFA CAMPUS MOBILITÉS KEOLIS (APPRENTICESHIP TRAINING CENTRE)

Dedicated to the driving business line, **Campus Mobilités**, created in January 2021, is open to young people between the ages of 18 and 29 who have held a B driving license for two years. Over a total period of six months (three months of theoretical and practical training, then three months in a company), apprentices benefit from a training course which leads to a Professional Title of Public Transport Driver on the Road (TP CTCR). This project addresses two issues:

- the growing shortage of drivers in the labour market, by offering a real complementary recruitment tool;
- a social issue after the COVID-19 crisis, which severely affected youth employment. The system thus offers the possibility of paid training, leading to a diploma, with the possibility of a permanent contract to strengthen the operating teams of our networks.

In 2021, Campus Mobilités welcomed more than 100 apprentices and aims to train more than twice that in 2022.

VIE AND RELATIONS WITH SCHOOLS

Each year Keolis also offers **VIE** (Volunteer for International Experience) positions that allow young Europeans under 28 years of age to take up international positions for a period of 12 to 24 months. In 2021, Keolis welcomed 22 VIEs in ten countries.

In order to facilitate the integration of young graduates into the job market, Keolis also maintains special and lasting relationships with **partner schools**: ENTPE (École de l'aménagement durable des territoires), ESTACA (École supérieure des techniques aéronautiques et de construction automobile) and the University of Cergy, which offer training specifically related to Keolis's professions and challenges.

BEST PRACTICES

EFFIA's "AMPHI" platform

EFFIA has grown very quickly over the last five years. The integration and training tools therefore had to adapt.

A digital knowledge platform, "AMPHI", was launched in 2021. It offers training and information paths by sector to train and guide employees.

It includes an "EFFIA Passport" module that helps employees, during the integration process, better understand the company and its various stakeholders as well as the internal groups at EFFIA: employees, their departments and the Group's member companies.

BEST PRACTICES

Cykleo's customised cycle maintenance training

In 2018, Cykleo developed a customised cycle maintenance training course with the Institut National du Cycle et du Motocycle (INCM) at Le Bourget. It has been improved and made significantly more versatile in its programme in 2021, in particular with modules dedicated to the specificities of pedelec maintenance. It will be further improved in 2022.

A tailor-made training course for Cykleo was also created, bringing together all topics relating to company safety and certain topics related to the environment (waste management and eco-driving), in partnership with AXE PRO Formations, a human-scale training organisation, which brought its engineering to the creation of modules. AXE PRO provides a trainer to lead the sessions, who has been in contact with the teams to soak up Cykleo's corporate culture and practices. The work, which began in 2020 and was followed by a trial session in the spring of 2021, resulted in the roll-out of the first two sessions for employees in the autumn of 2021.

In addition to a two-day training course common to all Cykleo businesses (theoretical and practical contributions, first aid and movements and postures), there is a special module adapted to safety supervisors and coordinators.

Careers

The ***Talent Review*** is one of the processes essential to career management within the Group, which makes it possible for HR and managers to discuss the future of employees on an annual basis. Depending on the aspirations of each individual, its objective is to guarantee the continuity of the Group's activities and support its development projects, by anticipating needs in terms of skills and positions as closely as possible.

ANTICIPATING SKILLS

The Group's ***Strategic Workforce Planning*** approach aims to have the right number of people with the right skills, in the right place and at the right time, and thus to anticipate and plan for its needs in terms of resources and skills – both quantitatively and qualitatively – with regard to the Company's strategy.

It also contributes to the drawing up of the HR roadmap, and in particular to the design and implementation of HR policies and action plans (recruitment, mobility, career management, training, remuneration) in response to business needs. Pilots addressing three priority areas – new skills, key expertise and professions in which there are shortages – are already underway in the operational professions (studies and methods), marketing (offer) and key skills related to future calls for tender.

5 GENDER EQUALITY 5.1, 5.2, 5.5, 5.c

10 REDUCED INEQUALITIES 10.3, 10.4

Social dialogue

The quality of employee dialogue within each entity is an essential performance driver for the Group; it is a prerequisite to successfully carrying out the mobility projects defined by public transport authorities.

POLICY

Since 2010, European and France **Group Works Councils** have been in place to ensure the best possible representation of Keolis employees operating in Europe beyond the subsidiaries that employ them. The coverage rate of employees by employee representative bodies has been stable at 98% for the past three years.

European Works Council

The **European Works Council**, which includes **17 members of eight different nationalities**, determined according to the actual workforce in the countries, meets at least twice a year. Employee representatives discuss all transnational issues concerning the Group's activities at European level (Corporate project, organisation, governance, Corporate Social Responsibility, calls for tenders, business issues, employment situation, collective programmes and monitoring of these) but also the financial statements, financial results and strategic directions. It has its own operating budget.

France Works Council

The **France Works Council** represents all employees of the Group's French subsidiaries. It also meets at least twice a year and is composed of **12 representatives**. These representatives are appointed by the Group's representative trade unions.

Among other matters this body is informed about regulatory changes impacting labour relations in France, changes in activities, organisational issues, employment trends and the economic, financial and social situation of Keolis.

Each subsidiary has representative bodies according to the national rules applicable to it. The organisation, prerogatives and obligations with respect to these bodies vary widely from one country to another. However, to foster even more constructive employee dialogue, Keolis provides the staff representatives of its entities with significant resources that go beyond those required by law.

ACTION PLAN AND ACHIEVEMENTS IN THE PAST YEAR

Lastly, Keolis ensures that all the subsidiaries have the tools they need to develop labour relations to the best of their ability.

The Group regularly works with professional bodies such as the **Fédération Nationale des Transports de Voyageurs** (FNTV), the **Union des Transports Publics et ferroviaires** (UTP), the **Fédération Nationale des Métiers du Stationnement** (FNMS) and the **Chambre Nationale des Services d'Ambulance** (CNSA) in France, or the **International Public Transport Union** (UITP) at the international level.

The Group also leads the Human Resources community of the Group's collaborative platform to develop social expertise, the sharing of experiences and the dissemination of cross-functional practices.

Indicator	Scope	2019	2020	2021
Conflict rate in France (excluding conflicts relating to national issues)	Keolis SA (France)	0.18	0.12	0.37

Engagement

The Group operates in a competitive environment, punctuated by calls for tenders and other high-stake projects such as the launch of a new network, which can be a source of pressure.

POLICY

Keolis has a strong conviction: operational performance and successful projects rely closely on strong engagement from its employees and on their well-being. These attraction and retention factors are key elements of the Group's employer brand and HR policies.

Each subsidiary therefore works to design and deploy local action plans in the key areas of concern for employees.

ACTION PLAN AND ACHIEVEMENTS IN THE PAST YEAR

Engagement survey

Keolis developed an engagement survey, which was rolled out among all Group employees in 2020. Its objective is to measure and monitor the perception of employees at each level of the company, according to four axes: commitment, employer brand, leadership and quality of life at work. Thus, **80% of employees said they were proud to work for the Company**. 2021 was devoted to the study of the results and the definition of local action plans. A new version of this engagement survey is planned for 2022.

The Keolis Group also offers a variety of measures to improve the well-being of its employees:

- the **KeoMouv'** programme: launched in 2021, it is aimed at all employees based in France. Through an app, it offers live coaching and sports courses, articles on nutrition, well-being and health, a dashboard to monitor daily physical activity, a team ranking, a chat room for team members and other features. Two campaigns of sporting and eco-responsible challenges, both collective and individual, were organised in June and November 2021 and were a great success, with more than 2,000 participants;
- the **Workplace Options psychologist platform** (WPO) is a completely confidential, free and anonymous psychosocial counselling and support service where people can receive support by telephone or face-to-face with psychologists. All employees of the French subsidiaries can take advantage of it;
- mindful of **work-life balance**, **Keolis SA** has chosen to set up a national partnership with **La Maison Bleue** to help its employees find a care solution for their children, close to home, work or on the way home.

3.8 8.5, 8.8 10.4

Childcare places are reserved within the national La Maison Bleue network for employees who are parents or future parents. The number of places reserved tripled in 2021;

- new training courses were offered to all managers in 2021 on hybrid management *via* the Institut Keolis (see section 1.3.3.5 on page 74): *"Managing my team in hybrid mode, between face-to-face and remote work" and "The art of giving feedback remotely"*;
- since 2020, the **My Keolis Services** application has simplified the daily tasks of employees in 45 French and international subsidiaries. It offers all users (administrative services, maintenance, operations, HR, schedulers, etc.) a shared universe of functionalities (planning schedules, job handovers, holiday booking, etc.). By saving time and giving them better visibility, the app contributes to a better work-life balance.

BEST PRACTICES

Relaxation workshop in Keolis Lille

A relaxation workshop was offered at the end of May 2021 at Command Posts. In a relaxation room, equipped with the PSIO device, an innovative light stimulation technology, well-being sessions of 5 to 30 minutes were offered to volunteer employees.

BEST PRACTICES

Taking mental health into account at Keolis Downer (Australia)

Several actions have been carried out in favour of mental health at Keolis Downer:

- the celebration of *RU OK Day* ("Are You Okay?") and RU OK Rail every year through events organised in depots and workplaces (and virtually this year) to raise employee awareness of mental health issues. RU OK is an Australian mental health and suicide prevention organisation;
- the promotion and use of the employee support programme;
- the creation of a group of first-aiders trained in mental health issues, available in the company as an additional point of contact for employees (possibility of contacting them in complete confidentiality).

The managerial teams also made sure to stay in contact with the teams during periods of remote working. Frequent communications were made on mental health in the internal newsletter Daily Update. Weekly COVID calls were held with the management team, open to all employees, to allow employees to ask their questions openly.

BEST PRACTICES

The Keolis Downer (Australia) reconciliation action plan

The Reconciliation Action Plan (RAP) is an essential component of Keolis Downer's diversity and inclusion strategy. It is a testament to their commitment to advance reconciliation with aboriginal and Torres Strait Islander people and communities and to build mutually beneficial partnerships.

Keolis Downer recognises the effects of colonisation on First Nations people and the resulting inequalities that remain today, and wants to promote equity and self-determination among Aborigines and Torres Strait Islanders.

The RAP aims to develop cultural skills at all levels, to develop robust guidelines and policies to overcome unconscious biases, to facilitate access to training and employment, and to engage with aboriginal and Torres Strait Islander businesses throughout the supply chain.

The reconciliation working group (RWG) met for the first time in February 2021 and will meet at least every quarter to steer the action plans of the reconciliation process.

PERFORMANCE INDICATOR AND ASSOCIATED TARGET

Indicator	Scope	2020	2021
Rate of departures	GROUPE KEOLIS S.A.S.	8.9% (France)	13.9%

Indicator	Scope	2019	2020	2021
Average length of service in years	GROUPE KEOLIS S.A.S.	9.0 (KSA)	8.9 (KSA)	8.3

11 SUSTAINABLE CITIES AND COMMUNITIES — 11.a, 11.2, 11.6

13 CLIMATE ACTION — 13.3

1.3.3.6 Pillar: our Passengers

Service offering, client experience and satisfaction

The Group works alongside its public transport authority partners and supports them in the analysis of new mobility habits, passenger behaviours and expectations, particularly during the health crisis. Keolis advises them on the design and operation of their offers, with particular attention to the passenger experience and support throughout their journey.

Keen to offer a wide range of mobility solutions adapted to the challenges of each region, Keolis goes further and works to contribute as much as possible to their dynamism, attractiveness and the quality of life of their inhabitants. Lastly, by providing services for people with reduced mobility, Keolis contributes to equal access to essential services and the need for cohesion in the regions.

POLICY

As a mobility integrator, Keolis relies on its unique programme ***Thinking Like a Passenger*** to coordinate each network as closely as possible to the needs of individuals and their expectations, and to design offers that develop opportunities to move and promote better living together.

ACTION PLAN AND ACHIEVEMENTS IN THE PAST YEAR

In 2021, the consequences of the pandemic, such as lockdowns, changes in mobility habits and behaviours, as well as new forms of working, had a significant and lasting impact on demand for public transport. However, the gradual end of lockdown measures have made it possible to return to 70% to 90% demand compared to the 2019 baseline, depending on the country, the intensity of the health crisis, the modes of transport, and government measures and recommendations.

Through the mobility observatory **Keoscopie**, Keolis continued to conduct in-depth quantitative and qualitative studies to better understand the behaviours, apprehensions and expectations of citizens nationwide in France. These survey-based studies have made it possible to develop action plans and strategies to restore passenger confidence and revive passenger numbers.

A **Reconquest Plan** has been defined, setting out five priorities, which can be adapted in each unique region to suit its transport offer, its goals and its passengers. The plan was informed by the work of an international (*Cross-Functional Team)* dedicated to restoring user confidence and boosting demand. The team was able to identify levers and replicable best practices, culminating in a set of recommendations.

As an extension of the KeoScopie studies, in 2021 Keolis launched its podcast dedicated to understanding mobility issues. The objective: to offer listeners keys to better understand their travel, particularly in light of new uses and lifestyles, different regional profiles and "post-COVID" challenges.

1. Hygiene

Keolis implemented numerous technological solutions and continued to provide enhanced communication to all passengers on health and health safety rules.

In addition, the digital distribution solutions (SMS ticket and M-ticket) rolled out in 2020 were maintained and strengthened with the introduction of open payment (validation by contactless credit card) in new networks such as in Rennes.

BEST PRACTICES

A contactless travel environment in Keolis Hyderabad (India)

Keolis Hyderabad developed contactless transport tickets after the lockdowns, in response to passenger concerns. QR code tickets or telephone subscription cards were rolled out on the Hyderabad underground railway network. To encourage passengers to use it, promotional coupons were handed out at the launch of this scheme.

2. Security

The duration of the pandemic and its consequences on the overall feeling of insecurity, as well as the change in the behaviour of certain transport users, have led to a need to increase security throughout journeys. In conjunction with the Security Department, Keolis has launched several actions to prevent and combat sexist and sexual abuse on transport (see section 1.3.3.1 on pages 52 and 53).

3. Comfort

Studies have highlighted a persistent fear of using public transport, particularly heavy modes of transport, due to the proximity to strangers in enclosed spaces. Systems are expected to enable passengers to be informed of the passenger flow, so that they can choose their time slot or mode of travel.

In addition, the threshold of passenger tolerance for the feeling of overcrowding in a vehicle, train or tram will probably not return to pre-crisis levels. Action plans have been initiated in several subsidiaries to address demand during peak hours, by encouraging some people to change their schedules.

BEST PRACTICES

Smoothing out peaks in demand by staggering school timetables in Keolis Nederland (the Netherlands)

Following the implementation of distancing measures in public transport, managing peaks in demand has become a major challenge. Keolis Nederland managed and coordinated work with all public transport operators and authorities to remedy this. Intense discussions were held with all stakeholders at all levels: ministries and student unions at national level, parents' associations at regional level, and institutions (schools, universities) at local level. All educational institutions have been encouraged to stagger the start and end times of classes.

4. Offer

Changes in passenger numbers on transport routes are continuously monitored in detail using data from ticketing and counting systems. Cross-analysis with the levels of offer have made it possible to make recommendations to the public transport authorities to adjust the services and frequencies on the routes, while maintaining an attractive regular service.

In 2021, Keolis was able to draw on new studies based on GPS tracking, such as one in Boston, to highlight the importance of the demand for travel (*via* the reconstruction of car flows) outside peak hours and thus propose that recent enhancements to the offer be maintained in the middle of the day, the week and at weekends.

MULTIMODALITY

The studies carried out show a significant modal shift from public transport to cars, as well as to walking, cycling and other active mobility. Keolis is therefore accelerating the development of global and shared mobility and promoting simple client journeys, bringing together all mobility offers in a region.

Thus, Keolis is a partner for public transport authorities throughout the chain of implementation of a self-hire bike offer, to give the bicycle its full place within a multimodal offer, and to innovate for a mode that calms the city and frees the passenger. Through its subsidiaries, Keolis operates nearly 33,000 bicycles in 44 regions in France: mechanical and electric bikes for short, medium and long-term rental, self-hire, bike parking solutions, special bikes, cargo bikes and electric scooters, House of Bikes (Maison du Vélo), etc.

To meet stakeholders' desire to promote sustainable and responsible mobility, as well as customer needs, when the layout and configuration allow, EFFIA proposes the installation of parking spaces dedicated exclusively to bikes, encouraging clients to sign up to the bike development plan.

5. Communication and client engagement

Convinced that service attitudes and human relationships are even more critical in the current context, five complementary networks committed to the **Keolis Signature Services** programme in 2021, aimed at improving the service relationship of client-facing staff. More than **10,175 employees were involved in the process** and **by the end of 2021, 4,000 had been trained** in adopting service gestures and postures which have been visible to passengers since the start of the programme.

Indicator	Scope	2019	2020	2021
Total number of subsidiaries involved in Keolis Signature Services	Keolis SA	16	20	25

10.2 11.2

BEST PRACTICE IN SUBSIDIARIESS

Explore the region by public transport

Keolis Besançon, operator of the Ginko network, created a specific guide to exploring the region in the summer of 2021. Hikes, bike rides, visits, leisure activities, etc. The guide presents all the activities easily accessible by bus and tram. It also highlights the many benefits and free offers available to annual subscribers at Ginko partners.

Several Keolis networks are rolling out similar initiatives, such as Keolis Chambéry, which launched the “Randobus” operation to promote the many walking routes in the region that can be reached through the Synchrobus network. Keolis Nancy suggested to its internet users ways to discover cool places such as parks, lakes, rivers and castles during periods of intense heat, as well as air-conditioned cultural sites that can be visited in France and are accessible thanks to the transport network.

BEST PRACTICES

Keep clients coming back

EFFIA was particularly impacted by the health crisis in 2020 and 2021: demand fell by more than 90% at the height of the crisis. Client satisfaction was therefore not measured over these two years.

Under these exceptional conditions, a satisfaction survey is conducted every six months among the 40,000 subscribers and Résaplace clients to measure their satisfaction and collect opinions on the service.

At the same time, in order to better measure the quality of service delivered, EFFIA conducts mystery shopper visits twice a year and calls on an external service provider. The results and corrective actions implemented are passed on to contracting authorities.

Accessibility

Keolis’s constant ambition is to provide **universal accessibility** with a view to establishing inclusive mobility built on the needs of each individual. The accessibility of offers and services is a societal and financial performance lever for the Group. Moreover, travel comfort at each stage of the client journey is at the heart of Keolis’s actions.

POLICY

In 2021, Keolis continued to implement its **Group Accessibility Policy** around three priorities:

- increasing the skills of client-facing employees regarding disabilities and vulnerabilities;
- communication and promotion of the Group’s commitment to universal mobility;
- implementation of products and services to support the most vulnerable clients.

ACTION PLAN AND ACHIEVEMENTS IN THE PAST YEAR

The training of client-facing staff has been a major issue for the Keolis Group for many years. Several events took place this year, with the aim of developing know-how around support.

These events, co-designed with major players in the disability sector (UNAPEI, AVH, Handéo, etc.), support the increase in internal skills in the area of vulnerabilities. The Group has:

- created a toolkit for subsidiaries to help them adjust their offering and client experience in line, in France, with the LOM law (law on mobility);
- organised an internal seminar in Lyon bringing together various business lines (operations, IT, marketing, etc.);
- organised four webex sessions on different themes, in partnership with associations and disability professionals;
- organised a training course for subsidiaries on the Easy to Read and Understand method in partnership with UNAPEI.

A communication kit was made available to French and foreign subsidiaries, enabling them to roll out the **Group campaign "Let's all travel together"** launched in December 2020 for the International Day of People with Disabilities, to highlight Keolis's commitment to inclusive mobility.

In total: 23 publications across all platforms at the Group and subsidiaries led to 482 commitments and more than 99,000 prints.

Lastly, Keolis continued to implement products and services to support the most vulnerable clients:

- renewal of **Cap'Handéo Mobility Services** certification for the Keolis PMR Rhône subsidiary and **ACCEV**® certification for the sales office of the Fil Bleu network in Tours. This label is focused on universal accessibility and the high quality in use of establishments open to the public regardless of their specificities, whether physical, sensory, psychological, cognitive, mental, cultural, social and/or age-related;
- The implementation of mobility education services, notably with the launch of the "Stan me guide" support service in Nancy. This free service enables clients with specific needs, whether or not they are TPMR Handistan users, to be supported in their journeys by receiving occasional assistance in order to gain confidence and autonomy. Passengers are trained in all stages of their journey, with help in finding their way around (getting to the stop, locating the line), searching for information (a timetable, a destination, the website, registering for a service, etc.), buying a ticket, boarding, locating the stop where they want to alight.

Like "Stan me guide", several Group subsidiaries are developing support services for vulnerable clients: "STARmeguide" in Rennes, "Twisto Assist" in Caen, "Optiguide" in Lyon, "Azalys me guide" in Blois, "Mooviguide" in Clermont Ferrand, etc. The objective: to provide them with one-off tailored assistance to better understand their journeys.

KEOLIS AND ITS STAKEHOLDERS

The Keolis Group develops all its actions with its national and regional partners in order to be as close as possible to the needs and expectations of clients in vulnerable situations: the Handéo association; the Valentin Haüy association (AVH); CRIDEV; the National Union of Associations of Parents, People with Mental Disabilities and Their Friends (UNAPEI), etc.

NUMBER OF PARTICIPANTS IN INTERNAL TRAINING AND AWARENESS-RAISING SESSIONS ON DISABILITY AND VULNERABILITIES (IK TRAINING, MARKETING TRAINING, WEBEX MARKETING)

Indicator	Scope	2018	2019	2020	2021
Number of participants in training on Persons with Reduced Mobility at Institut Keolis	Keolis SA France	623	641	556	527
Number of participants in events and accessibility awareness	Keolis SA France	NC	NC	357	315

11 SUSTAINABLE CITIES AND COMMUNITIES | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS | 17 PARTNERSHIPS FOR THE GOALS

11.a 16.7 17.17

1.3.3.7 Pillar: our Public Transport Authorities and partners

Operating on a global scale in the heart of the regions, Keolis believes that it is essential to exchange and work with the entire local, national and international ecosystem to understand local specificities and promote shared mobility.

Dialogue with stakeholders is thus a means and a tool for preventing risks, explaining constraints and identifying opportunities.

Group stakeholders

PROMOTING SUSTAINABLE MOBILITY

For many years, the Group has been working with its partners to address the issues of the mobility sector.

Keolis was one of the players interviewed for the report by Philippe Duron on the evolution of the public transport business model in France following the health crisis. Submitted to the Minister Delegate in charge of Transport in 2021, the report makes a list of recommendations to improve the sustainability of public transport in the long and medium term.

In 2021, the Group also contributed to several position papers of the UTP (Union des Transports Publics et Railway), which makes proposals to help support public transport, such as: *"Public transport is key to combating climate change and social exclusion"*, at the time of the review of the **Climate and Resilience Act** and the adoption of the **European Commission's Green Deal for Europe**.

Keolis also works with bodies such as Régions de France on the issues of employment and driver training. The shortage of drivers has been exacerbated by the health crisis (see section 1.3.3.5).

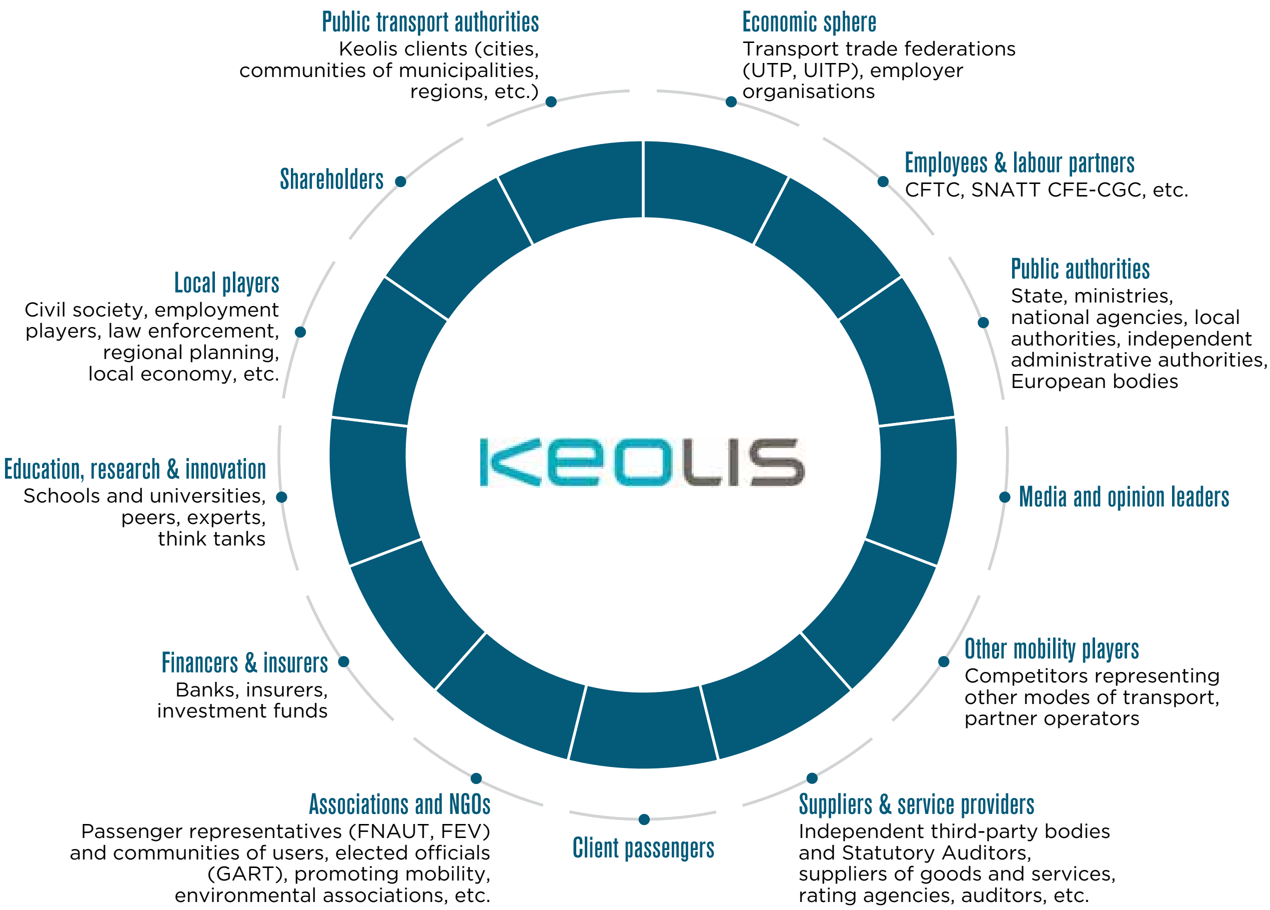
More generally, anxious to maintain dialogue despite the health constraints, Keolis received around 40 delegations from its public transport authority partners at its stand during the 28th Rencontres Nationales du Transport Public (RNTP) conference, in Toulouse. Discussions with the experts present focused on topics such as accessibility, harassment in transport, energy transition, soft mobility, and mobility in smart cities.

KEOLIS AND ITS STAKEHOLDERS

The mobility ecosystem

Keolis also works with numerous partners and structures that are experts in mobility, such as Avenir Transport, an association that aims to facilitate the understanding, by lawmakers, of all the issues related to all modes and transport infrastructures, TDIE, which aims to shed light on debates and questions about infrastructure and mobility, or Futura Mobility, a forward-looking and innovative think tank for mobility industry players.

MAPPING OF THE KEOLIS GROUP'S STAKEHOLDER TYPOLOGIES



GROUP STAKEHOLDER COMMITTEE

2021 saw the 11th meeting of the **Group's Annual Committee of External Stakeholders**. The objective of this dialogue body is to shed light in a cross-functional way on various issues related to mobility, the Group's actions, its Corporate Social Responsibility approach or specific issues raised during the meeting. Discussions are based on a process of co-construction and continuous improvement, and focus on decision-making and concrete action.

This year, discussions focused on the new Keolis Way corporate project, the sustainable development roadmap and Keolis's actions to combat sexual and sexist abuse on transport.

EFFIA is a member of the FNMS (Fédération Nationale des Métiers du Stationnement), the only association representing the parking sector and sole point of contact for public authorities on all issues related to on-street and on-site parking. For example, the FNMS has helped to establish recommendations to change the regulations regarding car parks (ERP-PS), so that it is better suited to the deployment of electric vehicle charging systems. These recommendations aim to increase the number of charging stations on the different floors of car parks, but also to reduce the administrative review periods for their rollout.

Local stakeholders

In order to identify stakeholders and their expectations, local mappings are drawn up at subsidiary level. This allows some complaints to be anticipated or certain misunderstandings to be rectified. Depending on their nature, certain projects may also be co-developed with stakeholders.

Keolis also provides its subsidiaries with tools and methods to assist them in drawing up this mapping and then initiating and engaging in dialogue with their stakeholders.

BEST PRACTICE IN SUBSIDIARIES

The neighbourhood committees of Keolis in Île-de-France

In December 2021, the Keolis teams in charge of operating the T9 Tram on behalf of Île-de-France Mobilités (IDFM) welcomed several groups of representatives of the town of Orly's neighbourhood committees to the tram service's maintenance and garage site.

These visits were an opportunity to take a behind-the-scenes look at the T9, in particular the maintenance workshop.

For Keolis and IDFM, these meetings are important: they are an opportunity to talk to the citizens of the regions served, to better understand their needs and to explain in practice how a mobility network works. They also provide a tangible demonstration of the daily commitment of all employees to guaranteeing safety and the best quality of service for all passengers in the Paris region.

1.3.4 METHODOLOGY

Background

This document has been prepared in accordance with the European Non-Financial Reporting Directive (as transposed by Decree no. 2017-1265 of 9 August 2017 implementing Order no. 2017-1180 of 19 July 2017).

SNCF, which holds a 69.69% stake in GROUPE KEOLIS S.A.S., has filed a Statement of non-financial performance that consolidates Keolis since 2020. The Keolis statement is therefore drawn up on a voluntary basis.

Scope

Within the meaning of the regulations, the entity concerned by the production of a Statement of non-financial performance is Keolis SA, as an unlisted company whose balance sheet total or net revenue exceeds €100 million and whose average number of permanent employees during the financial year is greater than 500.

However, in a desire for continuous improvement, it was decided to extend the scope from the 2021 financial year. The consolidation of non-financial information is gradually being increased to cover the same scope as the financial consolidation of GROUPE KEOLIS S.A.S. It now includes EFFIA S.A.S. and Keolis Santé. Kisio will be integrated from financial year 2022.

Technical Assistance bodies and subsidiaries in which Keolis does not have a majority stake are not included.

For social data, the scope of consolidation covers 100% of GROUPE KEOLIS S.A.S.'s workforce.

The reporting scope for environmental data and community involvement only covers the operational activities of Keolis SA, *i.e.* 95% of GROUPE KEOLIS S.A.S.'s revenue for 2021.

For other data, the scope is specified in the text.

The information provided in this chapter is subject to verification by an independent third party, attesting to the accuracy and fairness of the information published. Their report is appended to this publication.

Not having been identified as relevant to the activity of Keolis, the following topics are not addressed at Group level:

- the fight against food insecurity and food waste;
- animal welfare;
- respect for responsible, fair and sustainable food.

Identification of the main non-financial risks

The Keolis Group has analysed its main non-financial risks. To do this, it based its work on various studies, in particular:

- the Group's risk mapping prepared, analysed and updated annually by the Internal Audit Department;
- the 2021 materiality matrix (see section 1.3.2.3 for more details on the method);
- business risk mapping, such as environmental analysis for the environmental section.

Each year, the Sustainable Development and Societal Commitment Department ensures that major non-financial risks are included in the Group's risk mapping and thus benefit from the same control and internal audit measures.

The GROUPE KEOLIS S.A.S. entities that are newly included in the Statement of non-financial performance have identified those Group issues that are relevant to their activity. The correspondence by entity is presented below.

Period and estimation methods

The reporting period covers the calendar year, *i.e.* the period from 1 January to 31 December 2021. Failing that, for certain non-financial data, estimation methods may be applied (invoices with consumption statements covering different periods, for example). They are systematically communicated to the subsidiaries and are available on request through the reporting guidelines. If they are used, the adjustments made *a posteriori* with the actual data are specified in the texts.

Organisation

The Sustainable Development and Societal Commitment Department coordinates the reporting of all indicators and collects some of them directly. Guidelines, established with the central departments concerned, are updated annually and specify the definitions of the indicators collected and the methods of collection used by the subsidiaries.

1.3.5 LIST OF INDICATORS AND DEFINITIONS

This list is provided in order of appearance of the said indicators in the previous chapters of this Statement of non-financial performance.

Percentage of employees working under a safety management system certified according to ISO 45001 or 39001: Percentage of employees covered by a certified safety management system (OHSAS and ISO 45001 or 39001) in the Group's total workforce.

Frequency rate of workplace accidents: Frequency of workplace accidents declared per quarter leading to at least one day of lost time. This rate represents the average number of workplace accidents leading to lost time by a group of employees having worked one million hours over the relevant period. Note: the rate includes aggressions but does not include all disputes currently under way.

Severity rate of workplace accidents: Severity of accidents. Calculated by assessing the total number of days of lost time due to workplace accidents, excluding the day of the accident itself. This represents the number of days compensated for 1,000 hours worked, in other words the number of days lost due to temporary invalidity for 1,000 hours worked.

Number of partnership agreements with internal security forces (national police, national gendarmerie and municipal police) signed and in force at 31 December 2020.

Share of revenue of subsidiaries that have implemented actions to prevent and combat sexist and sexual abuse: The actions taken into account are alight on-request systems and prevention campaigns.

Share of revenue covered by a compliance officer: Percentage of revenue of subsidiaries that have appointed a compliance officer.

Share of revenue covered by an ethics whistleblowing system: Percentage of revenue of subsidiaries that have set up a whistleblowing system, KEL or another local tool.

Share of revenue covered by a DPO for the countries concerned by this regulation: Percentage of the revenue of subsidiaries that have appointed a Data Protection Officer among the countries concerned by this regulation (European Economic Area – EEA).

Percentage of expenses covered by an assessment of the CSR performance of suppliers: Percentage of amount before tax invoiced in euros over the year by suppliers of goods and services that have undergone a CSR assessment by EcoVadis or similar.

Greenhouse gas emissions from traction (all modes) in $kgCO_2e$/100 km: Greenhouse gas emissions from the energy consumption of all commercial traction modes, expressed in kilograms of CO_2 equivalent per 100 km.

Percentage of kilometres travelled by alternative energy commercial road vehicles: Ratio between the km travelled by alternative-energy commercial road vehicles out of the total km travelled by all commercial road vehicles.

Energy alternatives to diesel and petrol: Include all road vehicle consumption other than diesel and petrol: biodiesel, bioethanol, CNG and bio-CNG, battery-powered electric and hydrogen electric, LPG.

Share of revenue covered by ISO 14001 certification: Percentage of revenue covered by ISO 14001 Environmental Management certification. The activities covered are based on the number of employees performing the certified activities (*e.g.* maintenance, operation, administration, etc.) according to the workforce at 31 December in the year in question.

Percentage of recovered waste: Percentage of hazardous or non-hazardous waste recovered over the year in question, regardless of the type of processing. Recovery operations can be diverse: energy recovery, regeneration, recycling, etc.

Average of% of revenue of subsidiaries redistributed for sustainable regional development (BIOM assessment): Percentage of revenue of subsidiaries assessed by BIOM redistributed for sustainable regional development on average.

Number of students covered by an awareness initiative: Number of students covered by an in-school awareness initiative carried out by one or several employees from the subsidiary concerned.

Amount of purchases from social and solidarity economy organisations (in millions of euros): Revenue (excluding tax) in euros generated over the year with structures from the social and solidarity economy sector, divided between structures promoting the employment of people with disabilities, professional integration and others, expressed in euros.

Percentage of employees working in an entity certified for professional equality (GEEIS): Percentage of employees working in a subsidiary that has obtained the GEEIS label (Gender Equality European & International Standard) issued by an external organisation.

Percentage of women in the total workforce: Percentage of women in the total registered workforce of the Keolis Group.

Percentage of women in the total number of drivers/transport employees: Percentage of female driver employees in the total number of drivers/transport employees in Keolis Group.

Percentage of female managers in the total number of managers: Percentage of female managers ("cadres" in France) in the total number of managers.

Share of disabled workers (France): Percentage of disabled workers registered as of 31 December as part of the mandatory annual declaration to Agefiph (DOETH – Mandatory Employment Declaration for Disabled Workers) of the employment of disabled workers, out of the total number of employees in the Keolis Group.

Percentage of employees having received training: Percentage of employees who followed at least one training course during the year.

Conflict rate (France): Number of strike days per employee in the year, excluding stopping work for national movements.

Exit rate: Employee turnover rate, excluding the end of fixed-term contracts and transfers during the year in question. This represents: (Total exit – excluding end of fixed-term contracts and transfers)/[(headcount at the beginning of the period + headcount at the end of the period)/2]

Average seniority (years): Sum of the length of service of employees in the headcount at 31 December of the year in question divided by the registered headcount on the same date.

Number of subsidiaries involved in Keolis Signature Services: Number of subsidiaries having joined the Keolis Signature Services programme as of 31 December of the year in question.

Number of participants in training sessions on people with reduced mobility organised by Institut Keolis: Number of Keolis employees in dedicated training courses delivered by Institut Keolis.

Number of participants in accessibility events and awareness-raising sessions: Total number of participants during the year.

1.3.6 VIGILANCE PLAN

Background

As soon as law No. 2017-399 of 27 March 2017 on the duty of care of parent companies and contracting companies came into force, the Keolis Group published the reasonable vigilance measures put in place to prevent risks of serious violations of human rights and fundamental freedoms, the health and safety of people or the environment in the Keolis SA Statement of non-financial performance, which serves as a vigilance plan. Themes related to the duty of care were integrated during the first non-financial risk mapping exercises and the CSR strategy revised accordingly, in order to provide integrated duty of care risk management.

Since 2021, SNCF, the majority shareholder of the Keolis Group, has been required to draw up a vigilance plan, including Keolis within its scope. This consolidation exercise was an opportunity for Keolis to review its risk mapping and due diligence processes, detailed in this document.

As the duty of care has been included in the Keolis Group's CSR approach, the majority of the elements of the vigilance plan have been subject to control by an independent third party as part of the annual review of the Statement of non-financial performance.

Scope

Within the framework of the law on the duty of care, this plan covers the subsidiaries in which Keolis SA is the majority shareholder.

Governance

The vigilance plan is managed by the Group's Sustainable Development and Societal Commitment Department, in coordination with all central departments (HR, audit, legal, etc.).

Issues related to the duty of care are addressed through the Group's CSR bodies such as the new Sustainable Development and CSR Strategy Committee of the Executive Committee and the Innovation and Sustainable Development Committee of the Supervisory Board (see section 1.3.2.5 of the Statement of non-financial performance).

Risk mapping

Under the aegis of the SNCF group, the Sustainable Development and Societal Commitment Department organised the review of the risk mapping of serious breaches in the three areas of application of the Duty of Care law. Risk rating workshops were conducted with the various central departments, such as the Security, Safety, HR and Legal Departments, to update the risks and review their rating. The results were submitted and amended by teams from a representative sample of subsidiaries. For each risk, the probability, impact and margin for improvement were rated.

The following major risks have been identified:

	Environmental	Human rights and fundamental freedoms	Health and safety of people	Suppliers and direct sub-contractors*
Risk area	Soil and water pollution	Discrimination	Operational accident	Risk of serious harm in one of the three areas at a supplier or subcontractor
	Contribution to climate change	Lack of social protection	Major industrial accidents	
	Overconsumption of energy		Psychosocial risks	
	Overconsumption of water		Occupational risks	
			Serious malicious acts and terrorist attacks*	
			Non-adaptation to climate change	

* *Given their highly sensitive and confidential nature, the assessment and control measures relating to security risks, such as the risk of terrorism, are addressed but are not presented in this plan.*

Environmental

Risk	Example scenarios	Risk factors and causes	Potential consequences
Soil and water pollution	Release, leak or accidental spill of chemical products at maintenance sites, depots or operating networks on the ground and in water (hydrocarbons, detergents, grease, solvents, etc.)	• Daily use of certain products • Operations near non-waterproofed floors • Runoff via rainwater • Non-compliance with instructions by employees, service providers or subcontractors	• Pollution of soil, subsoil, surface water or groundwater • Biodiversity damage
Contribution to climate change	Poor management of the greenhouse gas emissions reduction trajectory	• Dependence of the carbon trajectory on many external factors (client decisions, availability of investments, etc.) • Delayed changing of vehicle fleets to alternative energies to diesel or petrol	• Overconsumption of fossil fuels resulting in greenhouse gas emissions
Overconsumption of energy	• Poor management of the greenhouse gas emissions reduction trajectory • Tank leak • Vehicle malfunction	• Dependence on oil due to Keolis's activity • Insufficient optimisation of consumption through maintenance and operating practices (eco-driving, lack of consumption monitoring, etc.)	• Overconsumption of fossil fuels resulting in greenhouse gas emissions • Resource depletion
Overconsumption of water	• Water network leaks • Frequent vehicle washing (bus, coach, tram, etc.) • Conflict of use in water-stressed areas	• Water-consuming activities (washing vehicles, watering grass strips on tram lines, etc.) • Lack of balance between quality of service and environmental pressure • Insufficient optimisation of possible water sources (rainwater, drinking water, groundwater, surface water)	• Pressure on or depletion of the resource, wasting water.

Risk management policy

The environmental analyses carried out by the ISO 14001-certified subsidiaries show three categories of major impacts for the Group: energy & carbon, waste and water consumption. Keolis's ecological and carbon transition policy is therefore defined on the basis of these material issues.

Whether they are in the process of ISO 14001 certification or not, the subsidiaries have a set of tools to set up an environmental management system adapted to their characteristics (operating methods, size of the vehicle fleets operated, characteristics of the region, etc.) in accordance with the Group's requirements: environmental analysis tool, environmental management system (EMS) model to be rolled out, self-diagnostic of EMS maturity, internal training *via* Institut Keolis on various environmental topics, Energy Action Plan, provision of a customised regulatory monitoring tool, framework agreements for the management of certain waste, coordination of the network of correspondents to share best practices etc.

The mitigation and prevention actions presented in the Our Planet pillar (see section 1.3.3.4) therefore cover these risks. The actions presented under Fundamentals: Economic Performance (see section 1.3.3.3 on pages 60 and 61) and Fundamentals: Operational Excellence (see section 1.3.3.2) also contribute to this.

Implementation and outlook

In 2021, several actions were carried out with the aim of strengthening the prevention of risks of damage to the environment, such as:

the inclusion of strong environmental commitments as part of the Keolis Way:

- 30% reduction in carbon intensity from traction all modes combined by 2030 (in kgCO_2e/100 km, compared to 2019),
- multiply the number of kilometres travelled by road vehicles powered by alternative energies to diesel and petrol by 3 by 2030 (compared to 2019);
- as part of the Group's ISO 14001 certification, a sample of subsidiaries is audited every year by Afnor to verify the compliance of their environmental management systems with the requirements of the standard. In this context, 10 French and international subsidiaries were successfully audited this year, allowing the renewal of the Group's certification;
- the launch of an energy transition e-learning course with Institut Keolis to raise awareness of the issues of climate change and stimulate the mobilisation of all Group players.

In addition, through the Statement of non-financial performance, the Sustainable Development and Societal Commitment Department monitors the environmental data of the subsidiaries throughout the Group on an annual basis. This makes it possible, in particular, to identify sources of progress, set up appropriate systems and share best practices. The detailed results as well as the roadmap are shared at least annually during the Environment Department review in the presence of the Group's Chairwoman.

In 2022, efforts will continue to extend the scope of ISO 14001 certification in order to better manage environmental risks.

Indicator	Scope	2020	2021
Traction carbon intensity (gCO_2e/100 km)	Keolis SA	126	113
Share of ISO 14001 revenue	Keolis SA	46.2%	50.4%

Human rights and fundamental freedoms

Risk	Example scenarios	Risk factors and causes	Potential consequences
Discrimination	• Discrimination in hiring or in internal career progression, due to social or geographical origin, gender, disability, etc.	• Unconscious cognitive biases • Less stringent national cultural and regulatory context • Insufficient or non-compliance with HR procedures	• Consequences on the mental health of people, • Impact on career development • Ostracism

Risk management policy

Keolis is strengthening its commitment to diversity and inclusion by integrating the fight against discrimination into its strategy using six specific criteria: gender equality, age, ethnicity, LGBTQ+,, disability, social and cultural origin. The Group's objective is to give everyone the opportunity to access sustainable and local employment and to develop within the Company exclusively according to their skills.

In this context, Keolis has extended its **Gender Equality European and International Standard (GEEIS)** certification to include other diversity criteria (not just gender equality). This certification, which can be adapted according to the regions, is a formal recognition of Keolis's commitment to encourage fair career management, promote diversity in recruitment, guarantee fair remuneration, non-discrimination and work-life balance.

In addition, Keolis provides its subsidiaries in France and abroad with adaptable operational tools to combat discrimination during all HR processes (recruitment, career development, mobility, etc.). These "Essentials" are available in French and English so that the Group's policy can be applied to everyone around the world.

Indicator	Scope	2018	2019	2020	2021	2025 target
Percentage of employees exercising a GEEIS-certified activity	Keolis SA	75%	87%	87%	87%	-
Percentage of women in the total workforce	GROUPE KEOLIS S.A.S.	20.8%	21.4%	21.7%	22.0%	24%

Implementation and outlook

Keolis applies its diversity policy to its suppliers and subcontractors to strengthen the prevention of the risk of serious harm.

In 2021, Keolis strengthened its commitments to gender equality with quantitative targets as part of the Keolis Way (24% of employees were women and 95% of employees were covered by GEEIS certification in 2025), the first stage in its transformation. Its objectives will be adapted to the other diversity criteria.

1.3.7 REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT

(Year ended on the 31st of December 2021)

This is a free translation into English of the Statutory Auditor'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.

In our capacity as Statutory Auditor of Groupe Keolis SAS (hereinafter the "entity"), and following the request made to us, we hereby provide a report on the consolidated non-financial information statement (hereinafter the "Statement"), prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for year ended on the 31st of December 2021, included in the management report on a voluntary basis pursuant to the legal and regulatory provisions of articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Conclusion

Based on the procedures performed, as described in the « Nature and scope of our work » section, and the elements that we have collected, nothing has come to our attention that causes us to believe that the consolidated non-financial information statement is not compliant with the applicable regulatory provisions and that the Information, taken as a whole, are not presented fairly in accordance with the Guidelines.

Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used framework or established practices on which to evaluate and measure the Information permits the use of different, but acceptable, measurement techniques that may affect comparability between entities and through time.

Consequently, the Information needs to be read and understood with reference to the Guidelines, significant elements of which are available upon request from the entity's headquarters.

Inherent limitations in preparing the information

The Information may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and due to the quality of the external data used. Certain Information are sensitive to the methodological choices, assumptions and/or estimates used to prepare the Information presented in the Statement.

The entity's responsibility

The Board of Directors is responsible for

- selecting or voluntarily establishing suitable criteria for preparing the Information;
- the voluntary preparation of the Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the principal nonfinancial risks, a presentation of the policies implemented considering those risks and the outcomes of those policies, including key performance indicators and if applicable the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- designing, implementing and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared in accordance with the entity's Guidelines as mentioned above.

Responsibility of the Statutory Auditor, appointed as an independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225105 I, 3 and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions (in particular the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of care law and anti-corruption and tax evasion legislation);
- the fairness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with the applicable regulations.

Regulatory provisions and professional standards applicable

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code and with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements, as well as with ISAE 3000 (Revised) – *Assurance Engagements other than Audits or Reviews of Historical Financial Information*.

Independence and quality control

Our independence is defined by the provisions of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of statutory auditors. In addition, we have implemented a system of quality control including documented policies and procedures to ensure the compliance with the ethical requirements, French professional guidance and applicable legal and regulatory requirements.

Means and resources

Our work was carried out by a team of 5 people between December 2021 and March 2022 and took a total of 4 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted 15 interviews with people responsible for preparing the Statement, representing among other the CSR, Executive Management, Compliance, Human Resources, Health and Security, Environment and Purchasing departments.

Nature and scope of our work

We planned and performed our work considering the risk of material misstatement of the Information.

We consider that the procedures we performed were based on our professional judgment and allowed us to provide a limited level of assurance conclusion:

- we obtained an understanding of all the consolidated entities' activities, the description of the social and environmental risks associated with their activities;
- we assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, objectivity and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 2251021 III, as well as information regarding compliance with human rights and anti-corruption;
- we verified that the Statement presents information set out in article L. 2251051 II where relevant to the principal risks and includes an explanation for the absence of the information required under article L. 225-102-1 III, 2;
- we verified that the Statement presents the business model and the principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships and products or services, as well as their policies, measures and the outcomes, including key performance indicators related to the principal risks;
- we referred to documentary sources and conducted interviews to:
  - assessed the process used to identify and confirm the principal risks and the consistency of the outcomes and the key performance indicators used with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in the appendix. For some risks such as safety, operation, maintenance, sustainable purchases, client experience, accessibility, dialogue with stakeholders, our work was carried at the consolidating entity level. For the other risks, work was carried out at the consolidating entity level and in a selection of entities: Keolis Sud Lorraine, Keolis Gironde, Keolis Bordeaux Métropole, Keolis Rennes, Keolis Lyon, Keolis Vélizy, Keolis Caen Mobilité, Keolis Bus verts, Keolis Autocars Planche, Keolis Amey Metrolink, Keolis Denmark, Keolis Transit America, Keolis Effia;

- we verified that the Statement covers the scope of consolidation, i.e., all the companies included in the scope of consolidation in accordance with article L. 233-16, within the limitations set out in the Statement;
- we asked what internal control and risk management procedures the entity has put in place and assessed the data collection process implemented by the entity to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in the appendix, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - substantive tests, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried in a sample of contributing entities: Keolis Sud Lorraine, Keolis Gironde, Keolis Bordeaux Métropole, Keolis Rennes, Keolis Lyon, Keolis Vélizy, Keolis Caen Mobilité, Keolis Bus verts, Keolis Autocars Planche, Keolis Amey Metrolink, Keolis Denmark, Keolis Transit America, Keolis Effia, which cover 24% of data consolidated selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The procedures performed in a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional guidance of the French Institute of Statutory Auditors (“CNCC”); a higher level of assurance would have required us to carry out more extensive procedures.

Neuilly-sur-Seine, 18 March 2022

One of the statutory auditors

PricewaterhouseCoopers Audit

Amélie Wattel
Partner

Pascal Baranger
Director at Sustainable Development Department

APPENDIX: LIST OF THE INFORMATION WE CONSIDERED MOST IMPORTANT

KEY PERFORMANCE INDICATORS AND OTHER QUANTITATIVE RESULTS

- Number of employees, number of hires including permanent contracts, commercial traction consumption (kWh/km), KSS committed subsidiaries;
- Percentage of employees working under a safety management system certified according to ISO 45001/39001, frequency rate of workplace accidents, severity rate of workplace accidents, number of partnership agreements with the internal security forces, share of revenue of subsidiaries that have implemented actions to prevent and combat sexist and sexual abuse, number of people having participated in conflict management training at EFFIA;
- Share of revenue covered by a compliance officer, an ethics whistleblowing system, a DPO, employees who have received training in the fight against corruption;
- Percentage of expenses covered by an assessment of the CSR performance of suppliers;
- % of revenue covered by ISO 14001 certification, proportion of women in the overall workforce, % of workforce covered by ISO 45001 and 39001 certification;
- Greenhouse gas emissions from traction, percentage of km travelled by alternative-energy commercial road vehicles, number of electric vehicle charging points at EFFIA;
- Share of revenue covered by ISO 14001 certification, share of recovered waste;
- Average% of subsidiaries' revenue redistributed for the sustainable development of the region, number of students whose awareness is raised, amount of purchases from social and solidarity economy players, proportion of employees exercising a GEEIS-certified activity, proportion of women (in the total workforce, managers, drivers/transport employees and Executive Committee), share of workers declared disabled;
- Percentage of employees having benefited from training, number of VIE offered;
- Conflict rate, number of KeoMouv' participants, departure rate, average length of service;
- Number of participants in accessibility awareness-raising events and IK PRM training.

QUALITATIVE INFORMATION (ACTIONS AND RESULTS)

- Group safety policy, Group management framework, health week, safety training for managers, safety culture deployment initiatives for the Keolis Tours Fil Bleu network, safety culture development in Hyderabad, chemical risk study at Cykleo, "*Transportez-vous bien*" programme with the insurer Klesia, development of digital for safety events in Canada, driving assistance at Keolis Lyon, multidisciplinary "cross-functional team" for road safety, Stand-up programme, e-learning to combat harassment, training in conflict management at EFFIA;
- KIHO group programme, KIHM policy, maintenance 4.0 programme, Ecomobil HDM case;
- Keolis ethics whistleblowing system, update of corruption risk mapping, corruption prevention e-learning, launch of the Kompliance Newsletter, Keolis Ethics Day, IS user charter;
- Data protection e-learning, compliance by design of IT projects, KPDP;
- Assessment procedure and management of relations with third parties, supplier CSR performance assessment at Keolis Victoria, ESG loan criteria sustainable finance framework agreement, eco-driving training, GEF Cykleo emission calculator, waste reuse platform, reconditioning of Cykleo pedelec batteries, donation of Cykleo spare parts, "passport" operation;
- "Zero unemployed" region, "refugees are talent", start up each one, we@keolis, key areas of Keolis Group training (commitment of local managers, diversity, operational excellence, energy transition);
- VIE, ENTPE school partnership, Cykleo customised bike maintenance training, talent review, interventions with professional branches;
- KeoMouv', Workplace Option (WPO) psychologist platform, "la maison bleue" partnership;
- Podcast understanding mobility issues, SMS ticket and M-ticket, "4,000 employees trained by the end of 2021" initiative, Randobus operation, Group "Let's all travel together" campaign, cap'handeo certification;
- Sustainable Development Goal (SDG).

2

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

2.1 CONSOLIDATED FINANCIAL STATEMENTS

2.1.1 INCOME STATEMENT

(€ million)	Note	31/12/2021	31/12/2020
Revenue		6,312.9	6,087.8
Other income from operations		16.3	23.0
Revenue from ordinary activities		**6,329.2**	**6,110.8**
Sub-contracting		(189.1)	(169.1)
Purchases consumed and external expenses		(1,828.1)	(1,886.8)
Taxes		(32.4)	(34.5)
Staff expenses, incentive schemes, profit-sharing	4.1	(3,582.9)	(3,477.0)
Other operating income		11.2	3.6
Other operating expenses		(19.8)	(10.4)
Net provisions on current assets		1.8	(4.7)
Net depreciation and other provisions charged		(492.3)	(557.3)
Income on recurring fixed asset disposals		(4.0)	(4.1)
Share of reversal of grant		10.1	6.0
Recurring operating profit		**203.6**	**(23.5)**
Other non-recurring income	4.2	83.1	120.3
Other non-recurring expense	4.2	(86.0)	(354.9)
Depreciation and provisions on contractual rights	4.2	(43.6)	(132.2)
Of which impairment of other intangible assets and badwill		*(20.0)*	*(107.8)*
Income on non-recurring fixed asset disposals		6.7	3.9
Operating profit before investments under equity method	**4.2**	**163.8**	**(386.4)**
Income from associates	4.4	(11.2)	11.2
Operating profit after investments under equity method		**152.6**	**(375.2)**
Net cost of financial debt	4.5	(19.8)	(19.8)
Other financial income	4.5	5.1	36.0
Other financial expenses	4.5	(51.3)	(102.7)
Financial income		**(66.1)**	**(86.5)**
Net income before tax		**86.5**	**(461.7)**
Taxation	4.6	(44.0)	(17.4)
Profit after tax from continuing operations		**42.5**	**(479.1)**
Income for the year from discontinued operations, net of tax		-	-
Net Income for the year		**42.5**	**(479.1)**
Income attributable to non-controlling interests		(22.9)	14.8
NET INCOME (GROUP SHARE)		**19.5**	**(464.4)**

2.1.2 STATEMENT OF COMPREHENSIVE INCOME

(€ million)	**31/12/2021**	31/12/2020
Net income	**42.5**	**(479.1)**
Actuarial gains (losses) on defined benefit pension schemes	1.4	3.5
Unrealised gains (losses) relating to the revaluation at fair value of non-consolidated investments	(1.2)	(3.1)
Tax on actuarial gains (losses) on defined benefit pension schemes	(0.4)	4.3
Share of other comprehensive income of companies accounted for by the equity method that cannot be recycled	-	3.9
Items which will not be recycled in profit/loss	**(0.3)**	**8.6**
Foreign exchange translation differences and other	5.2	(6.9)
Unrealised gains (losses)	16.9	(2.6)
Financial hedging instruments	*16.9*	*(2.6)*
Change in fair value of assets	*-*	*-*
Tax on items that may be reclassified to profit or loss	(4.8)	0.4
Share of other comprehensive income of companies accounted for by the equity method that can be recycled	2.2	(2.2)
Items which will be recycled in profit/loss	**19.5**	**(11.4)**
Expenses and income recognised directly in equity	**19.2**	**(3.0)**
COMPREHENSIVE INCOME	**61.7**	**(482.1)**
Of which attributable to equity shareholders	*36.2*	*(467.7)*
Of which share of non-controlling interests	*25.6*	*(14.4)*

2.1.3 STATEMENT OF FINANCIAL POSITION

Assets

(€ million)	Note	31/12/2021	31/12/2020
Goodwill	5.1	1,094.5	1,107.0
Other intangible assets	5.2	602.0	651.4
Right-of-use assets	5.4	995.0	1,471.7
Property, plant and equipment	5.3	818.1	889.5
Investments under the equity method	5.5	62.3	76.6
Non-current financial assets	5.6	315.3	316.0
Deferred tax asset	4.6	69.7	92.3
Non-current assets		**3,956.9**	**4,604.5**
Inventories and work in progress	5.7	182.5	148.8
Trade receivables	5.8	592.6	565.5
Other receivables	5.8	597.2	515.2
Current financial assets	5.6	6.9	12.5
Cash and cash equivalents	5.9	465.6	515.5
Current assets		**1,844.7**	**1,757.4**
TOTAL ASSETS		**5,801.6**	**6,361.9**

Liabilities

(€ million)	Note	31/12/2021	31/12/2020
Share capital	5.10	237.9	237.9
Reserves and premiums	5.10	183.0	623.4
Net income (Group share)	5.10	19.5	(464.4)
Equity attributable to Group		**440.4**	**396.9**
Reserves attributable to non-controlling interests		75.2	83.1
Profit for the year attributable to non-controlling interests		22.9	(14.8)
Equity		**538.6**	**465.3**
Non-current provisions	5.14	141.1	271.0
Lease commitments – non-current	5.4	801.9	1,266.8
Non-current financial debt	5.11	1,316.8	1,431.3
Deferred tax liability	4.6	148.5	159.4
Non-current liabilities		**2,408.3**	**3,128.5**
Current provisions	5.14	63.5	91.2
Lease commitments – current	5.4	206.4	243.7
Current financial debt	5.11	168.8	163.1
Bank borrowings	5.9	185.5	140.9
Trade payables and other liabilities	5.15	2,230.6	2,129.2
Current liabilities		**2,854.7**	**2,768.1**
TOTAL LIABILITIES		**5,801.6**	**6,361.9**

2.1.4 STATEMENT OF CHANGES IN EQUITY

	Capital	Reserves and other					
			Items which will be reclassifiable to profit or loss				
	Share capital	Reserves	Foreign exchange translation difference	Other unrecognised gains/losses, net	Other unrealised gains/ losses, net, not reclassifiable to profit or loss	Subtotal	Equity
At 31 December 2019	**237.9**	**750.2**	**(53.2)**	**(9.1)**	**17.1**	**704.9**	**942.8**
Attributable to GROUPE KEOLIS S.A.S. shareholders	237.9	671.1	(55.1)	(7.7)	18.4	626.7	864.6
Attributable to minority shareholders in subsidiaries	-	79.0	1.9	(1.4)	(1.3)	78.2	78.2
Dividends paid to GROUPE KEOLIS S.A.S. shareholders	-	(0.1)	-	-	-	(0.1)	(0.1)
Adjustment of tax loss carryforwards Belgium	-	(1.0)	-	-	-	(1.0)	(1.0)
Impact of IFRIC 23	-	1.8	-	-	-	1.8	1.8
Adjustment of Onepark shares	-	3.9	-	-	-	3.9	3.9
Other changes	-	(0.2)	-	(0.2)	(0.2)	(0.6)	(0.6)
Transactions attributable to GROUPE KEOLIS S.A.S. shareholders (A)	**-**	**4.3**	**-**	**(0.2)**	**(0.2)**	**3.9**	**3.9**
Dividends paid to minority shareholders in subsidiaries	-	(0.3)	-	-	-	(0.3)	(0.3)
Capital increase subscribed by minority shareholders	-	5.9	-	-	-	5.9	5.9
Change in shareholdings in subsidiaries without gain/loss of control of subsidiaries	-	0.1	-	-	-	0.1	0.1
Impact of IFRIC 23	-	(0.9)	-	-	-	(0.9)	(0.9)
Other changes	-	-	-	1.4	(1.7)	(0.3)	(0.3)
Transactions attributable to minority shareholders in subsidiaries (B)	**-**	**4.8**	**-**	**1.4**	**(1.7)**	**4.6**	**4.6**
Net income	-	(479.1)	-	-	-	(479.1)	(479.1)
Expenses and income recognised directly in equity	-	-	(9.1)	(2.3)	4.5	(6.9)	(6.9)
Comprehensive income (C)	**-**	**(479.1)**	**(9.1)**	**(2.3)**	**4.5**	**(486.0)**	**(486.0)**
CHANGE IN THE YEAR (A+B+C)	**-**	**(470.0)**	**(9.1)**	**1.5**	**0.2**	**(477.4)**	**(477.4)**
Attributable to GROUPE KEOLIS S.A.S. shareholders	-	(460.0)	(7.3)	(0.1)	(0.1)	(467.6)	(476.6)
Attributable to minority shareholders in subsidiaries	-	(9.9)	(1.8)	1.6	0.3	(9.8)	(9.8)
At 31 December 2020	**237.9**	**280.3**	**(62.4)**	**(7.6)**	**17.3**	**227.6**	**465.3**

	Capital	Reserves and other					
			Items which will be reclassifiable to profit or loss		Other unrealised gains/ losses, net, not reclassifiable to profit or los		
	Share capital	Reserves	Foreign exchange translation difference	Other unrecognised gains/losses, net		Subtotal	Equity
At 31 December 2020	**237.9**	**280.3**	**(62.4)**	**(7.6)**	**17.3**	**227.6**	**465.3**
Attributable to GROUPE KEOLIS S.A.S. shareholders	237.9	211.1	(62.4)	(7.8)	18.3	159.2	396.9
Attributable to minority shareholders in subsidiaries	-	69.1	0.1	0.2	(0.9)	68.4	68.3
Dividends paid to GROUPE KEOLIS S.A.S. shareholders	-	-	-	-	-	-	-
Impact of lower tax rate in France	-	-	-	-	0.2	0.2	0.2
Change of method to IAS 19 as decided by the IFRIC in 2021	-	7.1	-	-	-	7.1	7.1
Other changes	-	0.3	-	(0.4)	0.7	0.5	0.5
Transactions attributable to GROUPE KEOLIS S.A.S. shareholders (A)	**-**	**7.4**	**-**	**(0.4)**	**0.9**	**7.9**	**7.9**
Dividends paid to minority shareholders in subsidiaries	-	(0.8)	-	-	-	(0.8)	(0.8)
Change in shareholdings in subsidiaries without gain/loss of control of subsidiaries	-	(0.1)	-	-	-	(0.1)	(0.1)
Capital increase subscribed by minority shareholders	-	4.8	-	-	-	4.8	4.8
Other changes	-	0.2	-	-	-	0.2	0.2
Transactions attributable to minority shareholders in subsidiaries (B)	**-**	**4.2**	**-**	**-**	**-**	**4.2**	**4.2**
Net income	-	42.4	-	-	-	42.4	42.4
Expenses and income recognised directly in equity	-	-	7.4	12.1	(0.3)	19.2	19.2
Comprehensive income (C)	**-**	**42.4**	**7.4**	**12.1**	**(0.3)**	**61.7**	**61.7**
CHANGE IN THE YEAR (A+B+C)	**-**	**54.0**	**7.0**	**11.7**	**0.6**	**73.3**	**73.3**
Attributable to GROUPE KEOLIS S.A.S. shareholders	-	27.0	4.1	11.8	0.6	43.5	43.5
Attributable to minority shareholders in subsidiaries	-	27.1	2.9	(0.2)	-	29.9	29.9
At 31 December 2021	**237.9**	**334.4**	**(55.5)**	**4.0**	**17.9**	**300.8**	**538.6**
Attributable to GROUPE KEOLIS S.A.S. shareholders	237.9	238.1	(58.4)	4.0	18.9	202.7	440.4
Attributable to minority shareholders in subsidiaries	-	96.3	2.8	-	(0.9)	98.2	98.2

2.1.5 STATEMENT OF CASH FLOWS

Summary of BOF differences - expected values *(€ million)*	Note	31/12/2021	31/12/2020
Operating profit before investments under equity method		**163.8**	**(386.4)**
Non-cash items		474.8	866.6
EBITDA	**4.3**	**638.6**	**480.2**
Elimination of provisions on current assets		(2.4)	(0.8)
Change in working capital[(1)]		(92.8)	203.5
Tax paid		(18.1)	(30.9)
A) Net cash from operating activities		**525.1**	**652.0**
Capital expenditure		(228.4)	(242.2)
Sale of intangible assets and property, plant and equipment (sale price)		82.3	10.0
Investment grants received		27.7	45.9
Change in financial assets for concessions (IFRIC 12)		(1.8)	(22.6)
Financial investments		(2.4)	(28.5)
Proceeds from disposal of financial assets		10.0	11.6
Cash and cash equivalents from changes in reporting scope[(2)]		(80.3)	0.8
B) Net cash from investing activities		**(192.9)**	**(225.2)**
Free cash flow		**332.3**	**426.8**
Dividends paid		(1.0)	(0.2)
Net dividends received		5.6	7.9
Change in equity (other transactions with shareholders)		5.1	6.0
New borrowings	5.11	649.4	518.9
Borrowings repaid	5.11	(759.2)	(388.9)
Interest received		1.0	1.8
Interest paid		(21.3)	(21.9)
Change in other financial debts	5.11	-	(0.4)
Repayment of lease commitments	5.4	(269.5)	(293.0)
Net interest paid on lease commitments	5.4	(36.5)	(48.5)
Other		(10.6)	(7.0)
C) Net cash from financing activities		**(437.0)**	**(225.4)**
D) Foreign exchange translation differences		**10.2**	**(2.3)**
Change in cash and cash equivalents (A+B+C+D)		**(94.5)**	**199.2**
Cash and cash equivalents at beginning of period	5.9	374.6	175.4
Cash and cash equivalents at end of period	5.9	280.1	374.6
Change in cash and cash equivalents		**(94.5)**	**199.2**

(1) In 2020, the Group benefited from favourable effects on changes in Working Capital Requirements, which were partially reversed in 2021, following government measures to defer payments of social security contributions and taking into account the deferral of the repayment of advances granted by public authorities.

(2) Cash and cash equivalents from changes in scope mainly relate to the discontinuation of operations in Germany.

2.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

GROUPE KEOLIS S.A.S. and its subsidiaries ("the Group") develop transport service solutions tailored to local conditions: automatic metros, trams, trains, buses, coaches, river and sea ferries, self-hire bikes. The Keolis Group exports its multi-modal expertise to 14 countries around the world. It is also the second largest parking provider in France through its subsidiary EFFIA and offers mobility solutions and services through its subsidiary Kisio.

GROUPE KEOLIS S.A.S., the Group's holding company, is a simplified joint stock company (*société par actions simplifiée*) registered and domiciled in France, with its registered office located at 20-22, rue Le Peletier, 75320 Paris Cedex 09.

The consolidated financial statements of GROUPE KEOLIS S.A.S. at 31 December 2021 were approved by the Board of Directors on 14 February 2022 and presented to the Supervisory Board on 23 February 2022.

The Group's financial statements are fully consolidated in those of the SNCF Group.

The consolidated financial statements are prepared in euros (€), the Group's functional currency, and unless otherwise stated are presented in millions of euros (€ million). The Group has chosen not to manage rounding discrepancies; some small differences may consequently appear.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Accounting standards

The Group's consolidated financial statements at 31 December 2021 were prepared in accordance with IFRS (standards and interpretations) published by IASB as adopted by the European Union and rendered mandatory from 1 January 2021. They are available at this site:

http://ec.europa.eu/commission/index_en

In the absence of borrowing or equity instruments traded on a regulated market, the Group has chosen not to publish information on earnings per share (IAS 33), or information about operating segments (IFRS 8).

2.2 Changes in accounting principles

2.2.1 Application of standards, amendments to standards and interpretations of mandatory application at 1 January 2021

Amendments to IFRS applicable from 1 January 2021 did not have a material impact on Keolis's consolidated financial statements.

AMENDMENTS TO IFRS 9, IAS 39, IFRS 4, IFRS 7, AND IFRS 16 "INTEREST RATE BENCHMARK REFORM – PHASE 2"

These amendments supplement those published in 2019, and focus on the effects of the replacement of the old benchmark interest rate by another benchmark rate, as a result of the reform, in the financial statements.

The changes in this final phase concern:

- changes in contractual cash flows – updating the discount rate alone does not result in the derecognition or revaluation of financial instruments, but rather an update of the effective interest rate to reflect the change of the alternative benchmark rate;
- hedge accounting – a company does not have to stop hedge accounting solely because it makes the changes required by the reform, if the hedge meets other hedge accounting criteria; and
- information to be provided – the company is required to disclose information on new risks arising from the reform and on how it manages the transition to alternative benchmark rates.

Addenda to the contracts referring to the reformed rates were signed: the difference between the old and the new benchmark rates was offset by the use of adapted spreads.

The application of this amendment did not generate a significant impact on the Group's financial statements.

IFRIC DECISION ON THE METHOD FOR CALCULATING POST-EMPLOYMENT BENEFITS (IAS 19)

The final agenda decision of May 2021 relating to IAS 19 "Employee Benefits" concerns the allocation of post-employment benefits to vesting periods or periods of service, relating to certain employee defined-benefit pension plans, the vested benefits of which are subject to the beneficiary's presence on the retirement date. IFRIC specifies the calculation of the commitment concerning the vesting period, which is determined starting from the retirement date and no longer from the hiring date. In addition, when rights are capped, the duration of the vesting period is limited to the length of service required at the time of the cap. The application of this decision resulted in a non-material decrease in the provision for pensions.

IFRIC INTERPRETATION ON THE RECOGNITION OF SOFTWARE INSTALLATION COSTS UNDER SAAS

The IFRIC decision of March 2021 concerns the costs of configuration and customisation (modification or extension of the source code) of software in SAAS mode. It indicates that, since the software is not controlled by the entity, the related configuration and customisation costs do not constitute an intangible asset but constitute a service expense, unless it can be demonstrated that this work is carried out under the responsibility of a single supplier and that the configuration and customisation service is not distinct from the SAAS service within the meaning of IFRS 15. The configuration and customisation costs are then initially recognised in the balance sheet as prepaid expenses, then recognised as expenses spread over the duration of the SAAS access service.

The analysis of the assets concerned at Group level is ongoing and the impacts of the application of this IFRIC interpretation will be recognised in the first half of 2022.

2.2.2 Standards, amendments to standards and interpretations not subject to early application

The Group has not applied in advance any mandatory standards and interpretations from a financial year after 31 December 2021, whether or not adopted by the European Commission.

2.3 Use of management estimates in the application of the Group's accounting standards

In order to draw up the Group's accounts in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", management must make estimates and assumptions, notably based on ongoing action plans for certain operations, affecting the amounts stated in the financial statements. Management has to revise such estimates in the light of changes in the circumstances on which they were based or further to new information. Management also has to exercise judgement in how accounting methods are applied. As a result, future estimates may be different from those adopted at 31 December 2021.

The estimates and assumptions primarily concern the lengths of contractual relations, asset impairment tests, deferred tax assets and financial instruments, as well as provisions, (particularly provisions for pensions), litigation and losses on loss-making contracts and recognition of amounts to be received and penalties to be paid arising from contractual relationships.

As part of the preparation of the 2021 financial statements, management has made its estimates and formulated its assumptions by integrating the effects of the health crisis on the transport business, including adjustments to supply and due consideration of the compensation mechanisms proposed locally by the State or Public Transport Authorities. Likewise, the assumptions take into account the action plans established to adapt to the new conditions observed in the public transport market.

The Group continues to be particularly attentive to the effects of the COVID-19 health crisis on significant estimates and more specifically on the following topics:

- the valuation of goodwill (note 5.1) and intangible assets (note 5.2). The Group has taken into account the uncertainties relating to the COVID-19 health crisis in the assessment of the recoverable values of these assets;
- analysis of contract profitability;
- the valuation of capitalised tax losses carried forward (note 4.6), taking into account the possible impact of the COVID-19 health crisis on taxable income forecasts.

Finally, in the absence of standards or interpretations applicable to a specific transaction, Group management must use its best judgement to define and implement accounting methods that provide the most relevant and reliable information, to ensure that the financial statements:

- present a true and fair view of the Group's financial position and cash flows;
- reflect the economic reality of the transactions.

2.4 Accounting principles

2.4.1 General measurement method

The assets and liabilities in the Group's consolidated financial statements are measured and recognised according to various measurement bases authorised by IFRS, primarily the historical cost basis of accounting, with the exception of derivative financial instruments and financial assets held for trading purposes or classified as AFS (available for sale), which are measured at fair value.

2.4.2 Consolidation methods

Subsidiaries are recognised in the consolidated statements from the date on which control thereof reverted to the Group. They are derecognised from the date on which the Group ceased to control them. The income and expenses of the companies are included in the Group's income from the date that control was taken, up to the date on which the Group lost control.

FULLY-CONSOLIDATED SUBSIDIARIES

All the Group's subsidiaries are companies it controls directly or indirectly. The Group's consolidated financial statements include the assets, liabilities, income and expenses of these companies.

Control exists when GROUPE KEOLIS S.A.S. has power over the entity, is exposed or has rights to variable returns, and has the ability to affect those returns. In ascertaining whether there is control, account is taken of the established rules of governance and the rights held by the other shareholders in order to ensure that they are merely protective in nature. Potential voting rights, whether immediately exercisable or convertible, including those held by another entity, are also analysed to determine those conferring substantive rights in the assessment of power, in accordance with IFRS 10 "Consolidated Financial Statements".

ASSOCIATES AND JOINT VENTURES CONSOLIDATED UNDER THE EQUITY METHOD

Entities in which the Group exerts significant influence without exercising control are associates. Significant influence is presumed when the Group holds upwards of 20% of the voting rights.

Under the equity method, investments in associates or joint ventures are capitalised in the consolidated balance sheet at their cost of acquisition. The Group's share of income of associates or joint ventures is recognised in profit or loss, whereas its share of post-acquisition changes in reserves is recognised in reserves. Post-acquisition changes are recognised as adjustments to the value of the investment. The Group's share of an associate's or a joint venture's losses is recognised up to the limit of the carrying amount of the investment as well as any possible long-term share therein. Provisions are not made for additional losses, unless the Group is legally or implicitly required to support the said associate or joint venture.

NON-CONTROLLING INTERESTS

A non-controlling interest is the percentage stake in a subsidiary which is not directly or indirectly attributable to the parent company. Non-controlling interests are recognised at fair value on the takeover date.

CLOSING TIMING DIFFERENCES AT THE END OF THE YEAR

For companies whose financial year does not end on 31 December, interim financial statements as at 31 December are established.

TRANSACTIONS ELIMINATED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Transactions between consolidated companies which have an impact on their balance sheet or income statement are eliminated. Losses on transactions between consolidated companies that are indicative of value impairment are not eliminated. IAS 12 "Income Taxes" applies to temporary differences resulting from the elimination of profits and losses on intra-group transactions.

2.4.3 Translation of transactions and financial statements of foreign companies

TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN COMPANIES

The financial statements of consolidated foreign subsidiaries, whose functional currency is different from the euro, are translated on the following bases:

- assets and liabilities are translated at the official exchange rates in force at the end of the financial year;
- income and expenses are translated at the average rate for the period, unless exchange rates fluctuate significantly;

- goodwill and fair value adjustments recognised on the acquisition of companies whose functional currency is not the euro are considered to be the assets and liabilities of such companies: they are therefore expressed in the companies' own functional currency and translated at the closing rate for each period;
- the resulting foreign exchange translation differences are recognised in consolidated equity under the item "foreign exchange translation reserves".

TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS

The functional currency of Group companies is their local currency. Transactions denominated in a foreign currency are translated by the subsidiaries into their functional currency at the rate of exchange prevailing at the transaction date.

Monetary assets and liabilities denominated in a foreign currency are translated into euros at the last official year-end exchange rate. The corresponding exchange differences are recognised in net financial income.

2.4.4 Business combinations

The Group has applied IFRS 3 (revised) since 1 January 2010.

A business combination is understood to take place when control is obtained. Upon acquisition of control, the acquirer recognises the fair value of the acquired assets and liabilities of the acquired entity and also assesses the goodwill or profit stemming from them.

Non-controlling interests are recognised according to the following options for each combination:

- either based on their share in the fair value of the assets and liabilities acquired (the so-called partial goodwill method); or
- at the fair value of the shareholding (the so-called complete goodwill method).

Acquisition costs are recognised in the expenses of the financial year.

For a takeover in several stages, the investment held prior to the establishment of control is revalued at its fair value on the date of takeover and any profit or loss arising therefrom is recognised under operating profit after gains or losses from disposals.

Commitments linked to earn-out clauses are measured at their fair value on the acquisition date.

Cash earn-out adjustments during the 12 months following the date of acquisition must be analysed in order to determine:

- if the adjustment is linked to new factors occurring since the acquisition of control: matching entry in the income statement;
- if the adjustment is the result of new information collected enabling fine-tuning of the valuation on the takeover date: matching entry in goodwill.

A subsequent change in the debt corresponding to the earn-out beyond the allocation period is recognised in income for the year.

After the acquisition of control, purchases/disposals without loss of control are treated as transactions among shareholders and therefore directly through equity.

2.4.5 Goodwill

Goodwill on acquisition represents the excess of the cost of an acquisition over the share acquired by the Group of the fair value of the acquired assets and liabilities of the acquired entity on the date of acquisition.

The goodwill recognised for an associate is included in the value of the capital holding in it under "Investments under the equity method", in the statement of financial position.

Corrections or adjustments may be made to the fair value of assets, liabilities and contingent liabilities acquired in the 12 months following the acquisition, when new information arises affecting facts and circumstances which were in evidence at this date of acquisition. Goodwill is then corrected with retroactive effect. Beyond that date, any change in assets acquired and liabilities assumed is recognised in the income statement.

If the information stems from events occurring after the date of acquisition, the changes are recognised in income for the year.

As goodwill cannot be amortised, it undergoes impairment tests every year or at more frequent intervals when events or changes in circumstances indicate a possible loss in value (see 2.4.10).

Goodwill is allocated to cash-generating units or groups thereof which are likely to benefit from synergies resulting from aggregation as described in note 2.4.10.

Badwill (negative goodwill) is recognised in the income statement.

2.4.6 Concession assets

PRESENTATION OF THE IFRIC 12 INTERPRETATION

An agreement falls under the scope of application of the IFRIC 12 interpretation when the assets used to carry out the public service are controlled by the grantor. Control is presumed when the two conditions below are met:

- the grantor controls or regulates the public service, *i.e.* it controls or regulates the services that must be rendered, through the infrastructure covered by the concession and determines to whom and at what price the service shall be rendered; and
- the grantor controls the infrastructure on termination of the contract, *i.e.* the right to regain possession of the infrastructure at the end of the contract.

In its public transport activities, the Group is notably the holder of outsourced public service contracts.

In France, the Group operates outsourced public service contracts, mainly in the form of operate and maintain (O&M) contracts whereby the operator is responsible for operating and maintaining facilities owned and funded by local and regional authorities – Public Transport Authorities (PTA).

Pursuant to the interpretation of IFRIC 12, in this case, the operator cannot include the infrastructure controlled by the grantor in its balance sheet as property, plant and equipment; instead, they are recognised as an intangible asset ("intangible asset model") and/or as a financial asset ("financial asset model"):

- the "financial asset model" applies where the operator obtains an unconditional right to receive cash or another financial asset, either directly or indirectly through guarantees given by the grantor on the amount of cash payments from the public service. The remuneration is independent of the extent to which the public uses the infrastructure;
- the "intangible asset model" applies where the operator receives a right to charge users for the public service and thus bears a financial risk.

Where the service is provided using infrastructure rented from a third party and controlled by the grantor, the Group recognised payments of fixed and variable fees and rents in the IFRIC 12 asset valuation.

FINANCIAL ASSET MODEL

In service concessions, the operator receives an unconditional right if the grantor gives it a contractual guarantee to pay:

- amounts specified or determined in the contract; or
- the shortfall, if any – between the amount received from users of the public service and specified or determinable amounts in the contract.

Financial assets resulting from the application of the interpretation of IFRIC 12 are recorded in the consolidated statement of financial position under the heading "Non-current financial assets" described in Appendix 5.6. They are recognised at amortised cost and repaid.

When the service is provided through the use of infrastructure leased to third parties and controlled by the grantor, the counterpart of the financial asset is a concession financial liability.

The financial income, calculated on the basis of the effective rate of interest, the equivalent of the project's internal rate of return, is recognised as revenue from ordinary activities.

Under the financial asset model, revenue from ordinary activities is only recognised in revenue when the Group can be considered as a main player.

INTANGIBLE ASSET MODEL

The intangible asset model applies where the operator is paid by users or does not receive any contractual guarantee from the grantor on the amount to be collected. The intangible asset corresponds to the right granted by the grantor to the operator to charge users for the public service.

Intangible assets resulting from the application of the IFRIC 12 interpretation are recognised in the statement of financial position under the heading "Other intangible fixed assets", which are discussed in note 5.2. These assets are amortised on a straight-line basis over the term of the contract.

When the service is provided through the use of infrastructure leased to third parties and controlled by the grantor, the counterpart of the intangible asset is an operating liability.

As part of the intangible asset model, revenue from ordinary activities includes:

- revenue generated as and when assets or infrastructure under construction are completed;
- remuneration relating to the provision of services.

MIXED OR BIFURCATION MODEL

Application of the financial asset model or the intangible asset model is based on the existence of guarantees of payment given by the grantor.

However, certain contracts may include a payment commitment from the grantor which partially covers the investment, with the balance covered through fees charged to users.

In this case, the amount guaranteed by the grantor is recognised as a financial asset and the balance as an intangible asset.

2.4.7 Intangible assets excluding goodwill

Intangible assets are shown in the statement of financial position at their acquisition cost less accumulated amortisation and impairment.

Intangible assets mainly consist of patents, licences, trademarks, rights under contracts, authorisations, pension plan assets, software and service concession intangible assets as defined by IFRIC 12.

In the event of a successful bid, the Group capitalises mobilisation costs, which meet capitalisation criteria, from the point at which it is almost certain that the contract will be awarded. The corresponding contract asset is amortised over the life of the contract.

When the Group completes an acquisition, the contractual relationship between the acquired company and its client (PTA) is assessed at fair value and recognised separately from the goodwill as a contractual right satisfying the qualifying criteria of IAS 38 and IFRS 3 revised.

Where their useful life is defined, intangible assets are amortised on a straight-line basis over periods corresponding to their expected useful life. The amortisation method and useful lives are revised at least each financial year or when necessary. The estimated useful lives are as follows:

- trademarks: between five and fifteen years;
- contractual rights (excluding emphyteutic leases): two to twenty years, corresponding to their estimated useful life, allowing for a contract renewal rate if the Group has a high renewal rate in the Cash Generating Unit (CGU) concerned;
- software: one to five years;
- service concession assets amortised over the term of the contract (see 2.4.6);
- contract assets, amortised over the life of the contract.

When their useful life is indefinite, intangible assets are not amortised and are subject to an impairment test (see 2.4.10). Notably, authorisations held for an unlimited period cannot be amortised.

2.4.8 Property, plant and equipment

Expenditure on property, plant and equipment by the Group is recognised as an asset at its acquisition cost where it satisfies the following criteria:

- it is likely that the future economic benefits relating to the asset will fall to the Group;
- the cost of the asset can be reliably measured.

Property, plant and equipment are shown in the statement of financial position at their acquisition cost less accumulated depreciation and impairment. The cost includes the asset's purchase or production cost and all the costs directly incurred in making it usable.

Items of property, plant and equipment cease to be recognised as assets when they are derecognised (through disposal or discontinuation), or when no future economic benefit is expected from their use or disposal. Any gain or loss arising from the derecognition of an asset from the statement of financial position (the difference between the net income from disposal and the asset's carrying amount) is recognised in the income statement in the financial year when it is discontinued.

Given the nature of the Group's business, the activities of the different subsidiaries do not include holding investment property assets.

SUBSEQUENT EXPENDITURE

Subsequent expenditure incurred in replacing property, plant or equipment is recognised under PPE only if it satisfies the foregoing general criteria and can be qualified as a component.

Otherwise, this expenditure is recognised in the income statement as incurred.

Through its public passenger transport activity, the Group incurs multiyear expenditure on major maintenance and servicing operations on its light rail (underground railway, tramway) and passenger rail rolling stock. These are recognised as assets in the form of a maintenance component, which is subsequently depreciated. Furthermore, expenditure which relates to refurbishments or leads to an increase in productive capacity and modifications bringing new functionality or that extend lifespans are contributions that can be qualified as operator assets.

DEPRECIATION

The residual values and useful lives of the assets are reviewed and, where applicable, adjusted, annually or whenever lasting changes arise in operating conditions.

To date, the residual values at the end of the useful life are regarded as immaterial.

Land is not depreciated. Other property, plant and equipment items are depreciated using the straight-line method. The estimated useful lives are as follows:

Buildings	15 to 20 years
Equipment and tooling	5 to 10 years
Furniture and office equipment	5 to 10 years
Vehicle equipment:	
Cars	5 years
Coaches and buses	10 to 15 years
Rolling stock	15 to 30 years

GOVERNMENT INVESTMENT GRANTS

Government grants wholly or partly covering the cost of investing in an asset are recognised as "Trade payables and other liabilities" and systematically written down in the income statement over the useful lives of the assets concerned.

2.4.9 Right-of-use assets

The existence of a lease in a contract is based primarily on the control exercised by the lessee over the right to use an identified asset for a specified period of time. Eligible contracts are then presented in the balance sheet by the recognition of:

- an asset corresponding to the right to use the leased asset during the term of the contract;
- a liability corresponding to the present value of the remaining payments due to the lessor.

VALUATION OF RIGHT-OF-USE ASSETS

At the effective date of a lease, the right-of-use asset is measured at cost and includes:

- the initial amount of the lease commitment plus, if applicable, any prepayments made to the lessor, net of any lease incentives received from the lessor;
- the initial direct costs incurred by the lessee for the conclusion of the contract;
- the estimated costs of maintaining and dismantling the leased asset in accordance with the terms of the contract.

The right-of-use asset is depreciated over the lease term or over the useful life of the underlying asset when the contract provides for a purchase option that the lessee is reasonably certain to exercise.

VALUATION OF THE LEASE COMMITMENT

At the inception of the contract, the lease commitment is recognised in an amount equal to the present value of the lease payments over the term of the contract. The amounts taken into account in the valuation of lease commitments are:

- fixed rents (including rents that are fixed in substance, *i.e.* even if they contain variability in form, they are in substance unavoidable);
- variable rents based on a rate or index using the rate or index at the effective date of the contract;
- payments to be made by the lessee under a residual value guarantee;
- the penalties to be paid in the event of the exercise of an option to terminate or not renew the contract, if the duration of the contract was determined on the assumption that the lessee would exercise it.

Certain events may lead to a revaluation of the values recorded in the balance sheet. Notably, these involve the following situations:

- revision of the rental period, the rent or the scope of the leased assets;
- revaluation of residual value guarantees;
- revision of the rates or indices on which rents are based.

The discount rate used to measure the lease commitment is the rate implicit in the contract when it is readily determinable or, failing that, the lessee's marginal borrowing rate at the inception of the contract. This rate corresponds to the interest rate that the lessee would obtain at the inception of the lease agreement, in order to borrow over a similar term, with a similar guarantee and economic environment, the funds necessary to acquire an asset with a value equivalent to the right-of-use asset.

The lease term corresponds to the negotiated contractual term. Renewal or termination assumptions are only taken into account if a particular context allows the Group to be reasonably certain:

- that it can exercise a renewal option, for example, when the leased asset is considered "strategic" or when it has been the subject of "significant" investments while the remaining lease term is significantly short;
- that it will not have to exercise the termination option provided for contractually, for example in the event of early termination of the Public Service Delegation contract.

2.4.10 Impairment of capitalised assets and non-financial assets

The Group performs systematic impairment tests annually (or more frequently where value impairment is indicated) of goodwill and other intangible assets that have indefinite useful lives, and therefore cannot be depreciated.

For property, plant and equipment, and intangible assets with finite useful lives, which are therefore depreciated or amortised, an impairment test is only conducted where impairment is indicated.

Cash Generating Units (CGUs) are the smallest group of assets generating cash flows largely independently of other asset groups. Such units or groups of units correspond to activities in France and, internationally, mainly by country.

For testing purposes, the assets are aggregated within CGUs in accordance with IAS 36 "Impairment of Assets".

These tests compare the net carrying amount of assets with their recoverable amount, which is the higher of the fair value less the potential sales costs or the value in use of the asset. In the absence of any fair value observable on an organised market, the recoverable value of the CGUs is determined on the basis of their value in use.

The carrying amount of each asset group tested is compared with its value in use defined as the sum of the net cash flows arising from the latest forecasts for each of the CGUs, drawn up according to the main assumptions and procedures set out below:

- medium-term plans and budgets over a five-year period, drawn up by management on the basis of growth and profitability assumptions taking into account past performance, foreseeable developments in the economic environment and the expected development of markets. The best estimate of the consequences of the health crisis was also taken into account;
- extrapolation of the net cash flow of the last year or the average of cash flows over the five previous years by applying the growth assumptions stated in note 5.1;
- discounted future value of the cash flows arising from these plans at a rate determined using the Group's weighted average cost of capital (WACC).

Value impairment is recognised in the income statement, under other non-recurring expenses, if the carrying amount of a cash-generating unit or group of such units is greater than its recoverable amount. The impairment is allocated first to the goodwill apportioned to the CGU or CGU group tested, then to the other assets of the CGU or CGU group in proportion to their carrying amount.

This allocation must not result in the carrying amount of an individual asset being lower than its fair value, value in use or zero.

Potential impairment losses allocated to acquisition goodwill cannot be reversed, unlike the impairment losses of other property, plant and equipment and intangible assets.

In the event of an impairment loss being reversed, the asset's carrying amount is capped at the carrying amount, net of any depreciation or amortisation without taking into account any value impairment recognised in prior periods. When an impairment loss or a reversal of an impairment loss has been recognised, the depreciation expense is adjusted for future periods so that the adjusted carrying amount of the asset, less its residual value, if any, is spread systematically over the remaining useful life.

2.4.11 Financial assets

Purchases and sales of financial assets are recognised at their transaction date, the date on which the Group is committed to the purchase or sale of the asset. On initial recognition, financial assets are recognised in the statement of financial position at fair value plus the transaction costs directly attributable to the acquisition or issue of the asset (except for the category of financial assets measured at fair value, for which transaction costs are recognised directly in the income statement).

Financial assets are derecognised from the statement of financial position to the extent that entitlements to future cash flows have expired or have been transferred to a third party, and the Group has transferred virtually all the risks and benefits or the control of such assets. Financial assets, the maturity (or intended holding period) of which exceeds one year, are recognised under "Non-current financial assets".

In applying the standard IFRS 9, the Group determines the classification of financial assets, on the date of initial recognition, into one of the accounting categories provided for, according to the management model applied for these assets and the characteristics of the contractual cash flows ("basic loan" criteria).

EQUITY INSTRUMENTS

An equity instrument under the terms of IAS 32 offers its holder a residual right to the assets of an entity after deduction of the liabilities, without the issuer of the instrument being obliged:

- to give them cash or any other financial asset; or
- to exchange financial instruments under terms which would be potentially unfavourable to them.

Equity instruments within the Keolis Group relate to non-consolidated investments. The Keolis Group has irrevocably selected the classification of its equity assets, either in the category of securities whose fair value varies in equity in "Items which will not be recycled in profit/loss" with no option to recycle in profit/loss (this is the case for strategic investments in entities created under public/private partnerships, and historic investments on the date of the first application), or in the category of securities whose corresponding variations in fair value pass in the income statement.

DEBT INSTRUMENTS

Debt instruments are defined by standard IAS 32 as being financial instruments that do not fall under the definition of equity instruments mentioned above.

The Group analyses the cash flows generated by the instrument and management's intentions with regard to these investments, in order to determine the classification of the financial instruments according to the following three categories:

- debt instrument valued at "hold to collect" amortised cost: this means debt instruments whose cash flows represent interest or repayment of capital on specific dates (compliance with "basic loan" criteria), and that the management intends to retain to maturity;
- debt instruments valued at the Fair Value through Equity ("Other Items in Comprehensive Income") recycled in profit/loss at the time of the "hold to collect and sell" sale: these are debt instruments whose cash flows represent interest or repayment of capital on specific dates (compliance with "basic loan" criteria), and that the management intends sell in the medium term;

- debt instruments valued at Fair Value through "hold to sell" income: these are:
  - either debt instruments whose cash flows represent interest or repayment of capital on specific dates (compliance with "basic loan" criteria), and which management intends to sell in the short term, or
  - debt instruments where it cannot be contractually asserted that the cash flows represent interest or repayment of capital on specific dates.

In the case of instruments with a debt component and an equity component, IFRS 9 does not authorise their separation: an analysis of the instrument will lead to its being classified in one of the two categories. For example, loans convertible into shares are classified in the category of debt instruments for which changes in fair value take place through the income statement.

IMPAIRMENT OF FINANCIAL ASSETS

When financial assets are first recognised, the Group considers the potential expected credit losses not only on the basis of an objective indication but also with regard to statistics arising from its past experience.

Accordingly, the initial value of a financial asset depends on the level of credit risk at its initial recognition.

Subsequently, a loss of value is recognised on an asset or a group of financial assets not measured at fair value, in the case of a significant increase of credit risk or where there is an objective indication of impairment arising from one or more events that have occurred since the initial recognition of the asset, and where such an impairing event has an impact on the estimated future cash flows from the financial asset or group of financial assets, and if its carrying amount is higher than its estimated recoverable value.

The measurement of trade receivables is described in note 2.4.13.

2.4.12 Inventories

Inventories consist mainly of consumables and miscellaneous goods or supplies used for the maintenance and upkeep of vehicles or intended for resale.

These inventories are valued at purchase cost. Impairment is recognised to reduce the purchase cost (determined using the weighted average cost (WAC) method or the First-In, First-Out (FIFO) method) to the net realisable value if lower. Pursuant to IAS 2, the net realisable value is the estimated sale price in the normal course of business, less the estimated costs for completion and execution of the sale.

2.4.13 Trade and other receivables

Trade receivables and receivables from other debtors are initially recognised at their fair value which, in most cases, is their nominal value, given the generally short payment times. The carrying amount is subsequently measured where required at the amortised cost using the effective interest rate method, less any impairment allowances.

When the trade receivable is first recognised, the Group considers the potential expected credit losses not only on the basis of an objective indication but also with regard to statistics from its past experience.

In view of the low credit risk borne by its clients (mainly public authorities), the Keolis Group applies the simplified method for trade receivables and states that the expected credit loss on recognition of the receivable is negligible.

If there is subsequently an objective indication of impairment or a risk that the Group may be unable to collect all the contractual amounts (principal plus interest) on the date set in the contractual payment schedule, an impairment loss is recognised in the income statement. This allowance is equal to the difference between the carrying amount and the estimated recoverable future cash flows, discounted at the original effective rate of interest.

2.4.14 Cash and cash equivalents

This item includes cash, sight deposits and other short-term deposits as well as other easily convertible liquid instruments with a negligible risk of a change in value, maturing less than three months from the date of acquisition.

2.4.15 Income tax

GROUPE KEOLIS S.A.S., the parent company of the tax group, has opted for the tax consolidation system in France.

Other tax consolidation regimes also exist abroad. The effect of these regimes is recognised in the income statement. Most of the French companies subject to corporate income tax and in which GROUPE KEOLIS S.A.S. holds an equity interest of at least 95% are included in the tax consolidation group.

The income tax expense or income includes the current tax expense or income and the deferred tax expense or income. Tax is recognised in income for the year unless it relates to items that are directly recognised under equity, in which case, the tax is recognised under equity.

Current tax is the estimated amount of tax due on the taxable profit for the period. It also includes adjustments to the amount of tax payable in respect of previous periods.

Deferred tax is calculated for each individual entity using the balance sheet approach, based on the temporary differences between the carrying amount of the assets and liabilities and their taxation base, including assets of which the Group has possession under finance lease agreements.

Measurement of deferred tax assets and liabilities depends on whether the Group expects to recover or to pay the carrying amount of the assets and liabilities, under the variable carry-forward method, using the rates of taxation that were adopted or virtually adopted at the reporting date. A deferred tax asset is only recognised or maintained as an asset to the extent that the Group is likely to benefit from future taxable profits to which the related deductible temporary difference may be charged.

The deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset in each taxable entity when the latter recovers the asset and settles the liability on the same due date, subject to the following conditions being met:

- legally enforceable right to offset;
- intention to settle;
- schedule of payments.

Deferred tax liabilities are recognised for all taxable temporary differences, with the exception of certain differences between the values of the Group's proportionate interests in the net assets of subsidiaries, joint ventures and associates and their tax values. This exception applies especially to the income of subsidiaries yet to be distributed, should distribution thereof to shareholders lead to taxation; if the Group has decided not to distribute profits retained by the subsidiary in the foreseeable future, no deferred tax liabilities are recognised.

2.4.16 Financial debt and long-term borrowings

All borrowings are initially recognised at fair value, less the related borrowing costs. Thereafter, they are recognised at amortised cost, using the effective interest rate method, with the difference between the cost and the repayment value recognised in the income statement over the term of the borrowings.

The effective interest rate is the rate used to obtain the original carrying amount of a loan by discounting the future cash inflows or outflows over the loan's term. The original carrying amount of the loan includes the transaction costs of the operation and any issuance premiums.

When a debt is reimbursed in advance, any non-amortised costs are recognised as expenses.

In the event that a loan is renegotiated, section 1 of IFRS 9 stipulates that the original interest rate is maintained, and an immediate impact is recognised in the income statement amounting to the difference between the expected contractual flows prior to the amendment, and the expected contractual flows after the amendment.

2.4.17 Derivative financial instruments

The Group uses derivative financial instruments to manage exposure to financial market risks resulting from its operational, financial and investment activities:

- interest rate risk;
- foreign exchange risk;
- commodities risk.

Derivative financial instruments are measured and recognised at fair value in the balance sheet on the date they are established, and then at the end of each reporting period.

Fair value is measured by using standard valuation methods and is based on the mid-market conditions commonly used in the markets. The market data used is level 2 within the meaning of IFRS 13.

The treatment of the gains and losses under the fair value revaluation depends on whether or not the derivative instrument is considered a hedging instrument and the nature of the hedged item.

Certain derivative financial instruments are eligible for one of the three hedge accounting categories defined in IFRS 9:

- fair value hedge;
- cash flow hedge;
- net investment hedge.

They are recognised in accordance with hedge accounting rules.

The criteria to apply hedge accounting are mainly:

- general hedging documentation that describes the Group's exposure to the various financial risks and its hedging strategy;
- a hedging relationship clearly established on the date on which each derivative financial instrument is established;
- the effectiveness of the hedging relationship, demonstrated on a forward-looking basis at inception and at each reporting date through effectiveness testing.

Interest rate, foreign exchange and commodity derivative financial instruments are entered into with leading bank counterparties in accordance with the Group's counterparty risk management policy. Consequently, the counterparty risk can be regarded as negligible.

Derivative financial instruments qualifying for hedge accounting are currently accounted for as cash flow hedges. The derivative financial instruments that are not eligible are recognised under trading.

Changes in the intrinsic value of derivative financial instruments treated as cash flow hedges are wholly recognised in equity (reclassifiable reserves). The initial time value (premium) is treated as a cost of the hedging with subsequent changes in value recognised in OCI.

Applying IFRS 9, the contango/backwardation component, corresponding to the difference in price between the swap futures (or the exercise price for the options) and the spot price, may be recognised either as a cost of hedging or in financial income: at 31 December 2021 the contango/backwardation component for all transactions was treated as a cost of hedging.

The change in the fair value of derivatives not qualifying for hedge accounting (for example, the asymmetrical collars) was recognised in financial income.

As part of the application of the phase 1 amendment to IFRS 9/IAS 39 relating to the reform of benchmark rates, which was published in September 2019 and adopted by the European Union on 15 January 2020, the hedging relationships of interest rate instruments were not called into question at 31 December 2020.

Hedging relationships are exposed to the following reference rates:

- EUR: Euribor 1m;
- EUR: Euribor 3m;
- USD: Libor 1m;
- USD: Libor 3m.

The vast majority of the underlying financing concerned is syndicated and bilateral financing held by the holding company GROUPE KEOLIS S.A.S. (for which 81% of the interest rate hedging instruments are backed) and by Keolis SA (9%). To this must be added the financing held by the subsidiary Keolis America Inc. (10%).

All interest rate hedging instruments are covered by the exemption provided for in the amendment since all these transactions are:

- qualified as Cash Flow Hedges;
- based on finance contracts that are still outstanding and whose renewal is deemed highly probable;
- despite the change in index, the underlying debt instruments will not be redeemed;
- the change in index on the hedged item will not be a trigger for the disappearance of the hedged item triggering reclassification through P&L;
- none of our finance or hedging contracts were subject to an index change at 31 December 2021.

The nominal amount of the debt hedged by interest rate derivatives (eligible or not for hedge accounting) according to the type of index was as follows:

- Euribor 1m: €458 million;
- Euribor 3m: €88 million;
- USD Libor 1m: €27 million;
- USD Libor 3m: €35 million.

INTEREST RATE RISKS RELATING TO VARIABLE-RATE BORROWINGS

The exposure of the Group to interest rate risk stems from its financial debt. The Group covers this risk by using derivative financial instruments.

The risk management objective is to protect the Group's financial income from an increase in interest rates, while taking advantage of a decrease in rates to the greatest extent possible.

The interest rate hedging policy implemented consists in favouring fixed rate derivative financial instruments. The management horizon adopted is usually a rolling five years, but it can be greater if the need to hedge requires it.

The derivative financial instruments used by the Group are standard, liquid and market-available:

- swaps;
- cap calls;
- cap puts to unwind an existing cap or to execute a cap spread;
- floor puts if tied with cap calls to create a symmetrical or asymmetrical collar;
- floor calls, notably to buy back floors that constitute asymmetrical collars;
- swaption calls;
- swaption puts if tied with calls to constitute swaption collars.

SENSITIVITY ANALYSIS

The sensitivity of income to a risk in changes in interest rates is linked:

- to the net debt at variable interest rates after taking into account fair value hedges;
- to liabilities for fair value options;
- to derivative financial instruments not qualifying as hedges in the sense of the standard IFRS 9.

The sensitivity of reclassifiable reserves (equity) to a risk in changes in interest rates is linked to derivatives qualifying as cash flow hedges.

FOREIGN EXCHANGE RISK

The Group has put in place intra-group loans denominated in foreign currency and recognised in current accounts. In order to cover the resulting foreign exchange risk, the Group uses derivative financial instruments which allow it to fix the exchange rate of these intra-group loans.

The Group also makes net investments in the capital of its foreign subsidiaries in local currency. To cover the foreign exchange risks generated by these investments, the Group uses derivative financial instruments in limited amounts. Management's objective is to protect the balance sheet values of these investments in local currency. The foreign exchange hedging policy implemented to achieve this objective consists of maintaining a reference exchange rate defined for the year.

Lastly, the Group carries out asset purchases denominated in foreign currencies. In order to hedge against any changes in exchange rates between the signature of the asset purchase agreement and the actual date of delivery, the Group uses derivatives that enable it to freeze or limit the risk of exchange rate changes.

The derivative financial instruments used by the Group are standard, liquid and market-available:

- forward and futures sales and purchases;
- foreign exchange swaps;
- call options;
- put options in combination with call options to provide symmetric or asymmetric collars.

The derivative financial instruments mainly hedge transactions in the following currencies: AED, CAD, DKK, GBP, NOK, SEK, SGD, USD.

All of the foreign exchange hedging derivatives held at 31 December 2021 mature in 2022.

COMMODITY PRICE RISKS

Due to their transportation activities as operators of light vehicle fleets (coaches and buses), GROUPE KEOLIS S.A.S. subsidiaries must make substantial and regular purchases of diesel. The Group is consequently exposed to a risk of diesel price fluctuations, a risk which is partially hedged in the concession contracts signed with public authorities. For the remaining exposure, the Group implements a hedging policy using derivative financial instruments whose objective is to minimise the volatility of Group income.

For this purpose, the Group uses standard, liquid and market-available derivative financial instruments, namely:

- swaps;
- cap calls;
- cap puts to unwind an existing cap or to realise a cap spread;
- floor puts if tied with cap calls to create symmetrical or asymmetrical collars;
- floor calls, in particular to buy back floors that constitute asymmetrical collars.

Derivative financial instruments eligible for hedge accounting are recognised under cash flow hedges within the meaning of IFRS 9. The derivative financial instruments that are not eligible are recognised under trading.

At 31 December 2021, the maturities of commodity derivative financial instruments cover the period from January 2022 to June 2024.

2.4.18 Provisions

PROVISIONS FOR PENSION AND POST-EMPLOYMENT COMMITMENTS (IAS 19 REVISED)

The Group offers its employees various benefits while they employed or after their employment. These benefits result from the legislation applicable in certain countries and from contractual arrangements concluded by the Group with its employees, and are either part of defined contribution plans or of defined benefit plans.

(a) Defined contribution plans

Defined contribution plans are characterised by payments to organisations that discharge the employer from any subsequent obligation, with the organisations taking responsibility for paying employees the amounts they are due. Hence, once the contributions are paid, no liability is reported in the Group's financial statements.

(b) Defined benefit plans

Defined benefit plans refer to plans providing post-employment benefits other than defined contribution plans. The Group has a duty to accrue provisions for the benefits to be paid to serving members of its staff, and to pay the benefits of former members of its staff. In substance, the actuarial and investment risks lie with the Group.

These plans mainly concern the following:

- pension commitments: pension annuity plans, retirement gratuities, other retirement commitments and additional pension benefits;
- other long-term benefits: long-service awards.

Description of commitments under defined benefit plans

Apart from ordinary, statutory schemes, the Group provides, according to country and local legislation, retirement gratuity schemes (France), defined benefit pension schemes (United Kingdom and Canada) and pensioners' health benefit schemes (Canada and USA).

In France, retirement gratuities paid to the employee on leaving employment are determined according to the national collective labour agreement or the company agreement applying in the business. The following are the two main collective labour agreements applied within the Group:

- *Convention collective des transports publics urbains* (CCN_3099) – the national collective labour agreement for urban public transport;
- *Convention collective des transports routiers* (CCN_3085) – the national road-haulage collective labour agreement.

These schemes are partly financed by insurance policies.

The valuation is carried out over the actual duration of the public service transportation and parking delegation contracts assuming the transfer of employees to the new concessionaire, with the exception of GROUPE KEOLIS S.A.S., Keolis SA, subsidiaries of the Keolis Santé Group, and subsidiaries of the EFFIA Group, for which the valuation is carried out up to the retirement age.

For the retirement obligations in respect of the British Train Operating Companies (TOCs), a local position has been taken with regard to IAS 19R:

- an asset representing the pension rights is taken into account at the start of the franchise;
- liabilities are calculated for the length of the current contract. These two items will have zero value at the end of the contract.

This treatment is renewed as part of a renewal of the British franchise.

In the United Kingdom there is a defined benefits pension scheme specific to the rail industry: the Railways Pension Scheme (RPS). This scheme is financed by a trust. The amount of the commitment which the company is responsible for is calculated according to the length of the franchise. It is presented in the balance sheet as a net amount resulting from the partial offsetting of pension assets and liabilities.

Annual actuarial evaluations of the commitments of the defined benefit schemes are carried out at the end of each year, mainly by independent actuaries.

Commitments for pensions, additional pension benefits and retirement gratuities are measured using a method that takes account of the projected final end-of-career salaries (termed the Projected Unit Credit Method) on an individual basis, which is based on assumptions of discounting rates and expected long-term yields from the funds invested for each country, and on assumptions regarding life expectancy, staff turnover, trends in pay, annuity revaluations and the discounted value of payable sums. The specific assumptions for each plan take local economic and demographic factors into account.

The value entered in the statement of financial position under provisions for "pensions and other employment benefits" is the difference between the discounted value of the future obligations and the fair value of the pension plan assets intended to cover them. Where the result of this calculation is a net commitment, an obligation is recognised as a liability in the statement of financial position.

The provision assessed for post-employment benefits under capped plans is recognised over the minimum period of service required to vest the maximum benefit, starting from the theoretical date on which this maximum is reached.

When bids are won in France or abroad, the asset representing pension rights and all other employee benefits recognised at the start of the contract is determined on the basis of the amount of pension liabilities and other employee benefits due over the estimated life of the contract.

Actuarial gains/losses relating to post-employment benefits resulting from experience and changes in actuarial assumptions are recognised directly in equity in the year in which they are incurred and are offset against the increase or decrease of the obligation. They are set out in the statement of comprehensive income.

In the income statement, the cost of service earned during the financial year is included in operating profit.

The interest cost in respect of the discounting of pensions and similar obligations, and the income relating to the expected yields from the pension plan assets, are recognised under financial income and expense.

In France long service awards are valued on the same basis as pension commitments, with the exception of the recognition of actuarial gains and losses. Actuarial gains and losses are recognised in the income statement.

OTHER TYPES OF PROVISIONS

Provisions are recognised where, at the end of the reporting period:

- there is a present legal or implicit obligation towards third parties arising from a past event;
- it is likely that the settlement of the obligation will result in an outflow of resources representing economic benefits to the entity; and
- a reliable estimate can be made of the amount.

As a result of its activity, the Group is generally subject to a contractual obligation to carry out major multiyear maintenance and servicing operations on facilities managed under a public service agreement. The resulting maintenance and repair costs are analysed pursuant to IAS 37 on provisions and, where necessary, provisions are made for major maintenance and servicing and also for lossmaking contracts where the unavoidable costs incurred to meet the contractual obligation are greater than the economic benefits of the contract.

Where restructuring operations take place, an obligation arises as soon as the restructuring operation is announced and a detailed formal plan has been drawn up or its implementation has begun prior to the reporting date.

Provisions due in more than one year are discounted whenever the impact is material.

2.4.19 Payment in shares and similar payments

The Group has no share option plans or share purchase warrants for the benefit of its members of staff.

2.4.20 Trade payables and other accounts payable

Trade payables and other accounts payable are measured at their fair value at initial recognition, which in most cases is their nominal value, and thereafter at amortised cost. Short-term payables are recognised at their nominal amount unless discounting at the market rate would have a material impact.

In the event of long payment periods, trade payables are discounted.

Other payables include deferred revenues, corresponding to income received for services not yet provided, and investment grants not yet recognised in the income statement.

2.4.21 Revenue and other business income

Revenue and other business-related income are measured at the fair value of the amount received or accrued in consideration.

They are measured net of discounts and commercial benefits given, where the service has been provided. No income is recognised where there exists significant uncertainty as to the recoverability of the consideration receivable or the costs incurred or to be incurred in relation to the service, and where the Group remains involved in managing the income.

The revenue of urban passenger transport companies is recognised in accordance with the conditions of the contract signed with the Public Transport Authorities and takes into account all addenda and acquired rights (indexation clauses, mechanism for reviewing passenger revenue targets, etc.).

The same applies for revenue from intercity passenger transport companies, and other activities not under contract, recognised according to the services provided.

Revenue includes fees from value added services arising from the Group's knowhow. The activities concerned, excluding transport, relate mainly to the management of car parks, airports and bicycles.

Other business-related income covers fees for services consisting mainly of revenues classified by the Group as incidental, as well as the remuneration of concession financial assets.

2.4.22 Other operating expenses

Since they are a recurrent feature of the business, losses or gains on sales of transport equipment are recognised on a separate line and included in recurring operating profit.

2.4.23 Recurring operating profit

Recurring operating profit corresponds to all the expenses and income arising from the Group's recurring operating activities before financing activities, the earnings of associates, activities discontinued or being sold, and taxation.

2.4.24 Operating profit

Operating profit includes recurring operating profit and all transactions not directly related to the normal conduct of business, but that cannot be directly included in any other item in the income statement.

Income and expenses, and net depreciation, amortisation and provisions on non-recurring items include all non-recurring transactions for which the cost is significant: this includes the external costs of forward-looking calls for tenders, restructuring costs, capital gains and losses excluding transport equipment, the amortisation and impairment of contractual rights, impairment of goodwill, COVID-19 costs not covered by the public transport authorities, long-term management incentive plans and start-up costs in a given country or region, as well as other items that are non-recurring by nature.

The effects of changes in scope recognised directly in income include:

- direct acquisition costs in the case of a takeover;
- effects of revaluations, at fair value on the acquisition date, of non-controlling interests previously acquired in the case of an acquisition in stages;
- subsequent earn-outs;
- income from divestments of holdings which lead to a change in the method of consolidation as well as, where applicable, the revaluation effects of non-controlling interests.

2.4.25 EBITDA calculation

EBITDA is calculated based on operating profit, plus or minus the profit or loss on asset disposals, the amounts representing depreciation and amortisation, increases and reversals of provisions and the share of subsidy income.

Recurring EBITDA corresponds to EBITDA less material non-recurring items.

2.4.26 Financial income

Financial expenses include interest on borrowings and financial debt calculated using the effective interest rate method, the cost of early loan repayments or of cancelling credit lines, the financial interest not directly attributable to the operating margin and the financial cost of discounting non-current liabilities.

Financial income includes income from deposits of cash or cash equivalents and dividends received from non-consolidated companies.

Other financial income and expense include net foreign exchange gains and losses, bank commissions on credit transactions recognised as an expense and their rebilling as income, income from the sale of financial assets, changes in the fair value of derivative financial instruments when they are to be recognised in the income statement and are recognised respectively as financial income or expenses on transactions, with the exception of changes in the fair value of hedging derivatives which are recorded on the same line as the transaction included in operating profit. Therefore, any change in the fair value of derivatives, when they are not eligible for hedge accounting, and the change in value of the ineffective portion for cash flow hedging are recognised in financial income.

All interest on borrowings is recognised as a financial expense as and when incurred.

3 HIGHLIGHTS OF THE 2021 FINANCIAL YEAR

In 2021, the year remained affected by the COVID-19 epidemic with the continuing health crisis negatively impacting the use of the transport network, particularly during the first half of the year (revenues from urban networks were down by approximately 20% over the year compared to 2019: -30% in the first half and -10% in the second). However, network passenger numbers improved compared to 2020, with a marked recovery in the last quarter until the arrival of the Omicron variant in mid-December 2021.

The adaptation of contractual clauses made necessary by the exceptional economic situation led to negotiations on new contractual provisions, which were initiated in 2020 with the public transport authorities, and almost all of which were finalised by the end of 2021.

The financial statements, and notably the valuation of revenue, were prepared on the basis of our best estimates of the outcome of these negotiations.

In addition, the effects of the health crisis on 2021 and subsequent years were included in the estimates used in the impairment tests on the Group's assets.

Termination of the Wales & Borders contract

On 7 February 2021, the Government of Wales decided to take over the operations of the Transport for Wales network (initial contract signed in 2018 for a period of 15 years; €362 million in revenue in 2020), to take into account the effects of COVID-19 on the balance of the contract. At the same time, a technical assistance partnership with KA Wales Consulting was signed to support Transport for Wales in the development of its mobility offers.

This transaction is presented under changes in scope.

Disposal of rail operations in Germany

Keolis, three Public Transport Authorities in North Rhineland (1) in Germany and the province of Overijssel in the Netherlands (2) entered into an agreement on 15 December 2021 to make certain contractual adjustments, as well as to authorise the sale by Keolis of its German railway business to a new shareholder, TEAM Treuhand GmbH (Noerr Group).

The sale took effect on 31 December 2021 as part of a three-party transaction that required the recapitalisation of Keolis Deutschland by Keolis SA pursuant to the assumptions of losses at completion provisioned in the accounts of Keolis up to the sale, which were partially paid up.

As a result of this transaction, there are no residual Keolis commitments in relation to the operations of Keolis Deutschland as of 31 December 2021.

This transaction is presented under changes in scope.

France

- Significant commercial growth was recorded by the Group, notably in Île-de-France where it won two Optile contracts in Yvelines for a total cumulative amount of €680 million over the term of the contracts, as well as winning a forward-looking bid for PAM 77, and for the Thionville urban network.
- Keolis also renewed its contract for the operation of PAM 75, the transport service for people with reduced mobility in Paris.
- In 2021, the year was also marked by the start of the bus contract in Argenteuil – Boucles de Seine.

EFFIA

- The ongoing health crisis slowed down the scenario of a gradual recovery in passenger numbers, notably in station car parks, which were severely impacted by the sharp drop in the number of business customers using high-speed trains (TGVs). However, the situation began to improve in the second half of the year until the arrival of the Omicron variant.
- At the commercial level, EFFIA won the contract to manage the Rouen University Hospital car park.

International

- As in France, the COVID crisis continued to impact international operations, notably on contracts exposed to revenue risk. Nevertheless, the agreements negotiated with the Public Transport Authorities, as well as the implementation of action and restructuring plans, made it possible to significantly limit the unfavourable impacts thereof (mainly in the Netherlands, Sweden and North America).
- There was also dynamic portfolio activity, with high-profile commercial growth (Sydney region bus contract, Dubai underground railway, Uppsala bus network, etc.) and the start of major contracts (notably the operation of the Adelaide rail network, and the bus networks in Bergen, Ijssel-Vecht and Dubai).

Change in the syndicated loan

On 21 December 2021, the Group set up a term loan of €600 million indexed to Environmental, Social and Governance (ESG) criteria and with a maturity of five years.

This operation is part of the Group's CSR strategy. It aims to refinance existing credit lines, increase the average maturity of debt and maintain robust liquidity.

4 NOTES TO THE CONSOLIDATED INCOME STATEMENT

4.1 Staff expenses

(€ million)	31/12/2021	31/12/2020
Wages and social charges	(3,213.7)	(3,152.4)
Taxes on remuneration	(79.0)	(72.0)
Other staff expenses*	(290.2)	(252.5)
TOTAL	**(3,582.9)**	**(3,477.0)**

Other staff expenses include incentive schemes and profit sharing.

(number of people)	31/12/2021	31/12/2020
Managers	3,869	4,145
Supervisory and technical staff	11,366	10,423
Clerical and manual employees, drivers	52,518	54,265
TOTAL	**67,753**	**68,833**

4.2 Operating profit

(€ million)	31/12/2021	31/12/2020
Recurring operating profit	203.6	(23.5)
Costs of forward-looking bids*	(1.5)	-
Profit/(loss) on non-recurring fixed asset disposals	6.7	3.9
Amortisation of contractual rights and others	(43.6)	(132.2)
of which impairment of goodwill(1)	*(20.0)*	*(107.8)*
Other non-recurring items*	(1.4)	(234.6)
of which reorganisation expenses	*(11.1)*	*(42.9)*
of which provisions for contract losses(2)	*29.5*	*(123.9)*
of which end of Wales & Borders contract	*8.8*	*(25.7)*
of which COVID-19 costs not covered by the PTAs	*(8.1)*	*(3.7)*
of which impact relocation of the Le Peletier site	*(2.8)*	-
of which end of the IRP Auto – Effia regime	*(2.2)*	-
of which impairment of contractual rights(3)	-	*(22.5)*
of which taxi business discontinued in the USA	-	*(3.7)*
of which discontinuation of Driverlite and VTC Le Cab activities	-	*(2.7)*
of which other	*(15.7)*	*(9.5)*
Total non-recurring items	(39.9)	(362.9)
OPERATING PROFIT BEFORE INVESTMENTS UNDER EQUITY METHOD	**163.8**	**(386.4)**

** They correspond to the total amount of other non-recurring income and expenses as presented in the income statement*

(1) At 31 December 2021, goodwill impairment corresponds to the impairment of Keolis UK goodwill for -€20.0 million. At 31 December 2020, goodwill impairment corresponded to the impairment of goodwill of Keolis UK for -€85.3 million, of Canada for -€16.9 million and of Belgium for -€5.5 million.

(2) Provisions for losses on contracts mainly comprise the reversal of provisions for losses on contracts in Germany for €26.7 million and the Netherlands for €5.1 million. In 2020, the provision for losses on contracts in Germany was €108.3 million

(3) In 2020, certain contractual rights (mainly Australia and France) were impaired following the loss of contracts for an amount of €17 million.

4.3 EBITDA calculation

(€ million)	31/12/2021	31/12/2020
Operating profit	**163.8**	**(386.4)**
Net depreciation and other provisions charged	492.3	557.3
Depreciation and provisions on non-recurring items	(4.7)	315.1
of which amortisation and impairment of contractual rights and trademarks, net	*43.6*	*135.1*
of which contract losses Germany	*(26.7)*	*108.3*
of which end of Wales & Borders contract	*(6.4)*	*22.3*
of which restructuring costs for Keolis Mobility Airport	*(14.2)*	*28.9*
of which discontinuation of VTC Le Cab activities	*-*	*2.7*
of which allocations and reversals for other provisions	*(0.9)*	*17.9*
Share of reversal of investment grant	(10.1)	(6.0)
Profit/(loss) on non-recurring fixed asset disposals	(6.7)	(3.9)
Profit/(loss) on fixed asset disposals	4.0	4.1
EBITDA	**638.6**	**480.2**
Non-recurring income and expense(1)	51.3	51.6
RECURRING EBITDA	**689.9**	**531.9**

(1) Non-recurring income and expenses include major restructuring expenses and other significant non-recurring items.

4.4 Share of net income of equity-accounted investments

(€ million)	31/12/2021	31/12/2020
Govia (UK)	(16.7)	13.1
First/Keolis Transpennine (UK)	0.3	2.0
Other associates (France)*	0.2	(13.7)
Other associates (International excluding UK)	5.0	9.8
TOTAL ASSOCIATES AND JOINT VENTURES	**(11.2)**	**11.2**

* *At 31 December 2020, the line "Other associates (France)" mainly comprised the impairment of One Park for -€12 million.*

4.5 Financial income

(€ million)	31/12/2021	31/12/2020
Net cost of financial debt	(19.8)	(19.8)
of which cost of gross financial debt	*(21.4)*	*(22.0)*
of which income from cash and cash equivalents	*1.6*	*2.2*
Other financial income	5.1	36.0
of which revaluation of securities	*5.7*	*-*
Other financial charges	(15.8)	(54.3)
of which foreign exchange impact	*(0.2)*	*(1.3)*
of which revaluation of securities	*(6.0)*	*(0.4)*
IFRS 16 "Financial expenses"	(35.5)	(48.4)
FINANCIAL INCOME	**(66.1)**	**(86.5)**

4.6 Tax

The tax charge breaks down as follows:

(€ million)	31/12/2021	31/12/2020
Current tax expense	**(43.1)**	**(37.2)**
Tax payable for the period	(42.7)	(41.1)
Adjustment recognised during the period in respect of prior years' current tax payable	(0.4)	3.9
Deferred tax income	**(0.9)**	**19.8**
Deferred tax for the period	(0.9)	27.2
Impairment loss on deferred tax asset	-	(7.4)
TAX EXPENSE FOR THE FINANCIAL YEAR	**(44.0)**	**(17.4)**

In 2021, the Group decided to present a reconciliation of its effective rate on the basis of a 28.41% rate (in 2020, the Group had elected to present a reconciliation of its effective rate on the basis of a 32.02% rate).

The reconciliation between the legal rate of taxation in France and the effective rate is as follows:

	31/12/2021		31/12/2020	
	In%	*In €M*	*In%*	*In €M*
Net income for the year	-	42.5	-	(479.1)
Neutralisation of the share of net income from associates	-	11.2	-	(11.2)
Neutralisation of corporation tax	-	44.0	-	17.4
Income before tax and before share of net income from associates	**-**	**97.7**	**-**	**(472.8)**
Theoretical tax using the legal rate of French taxation	**28.41%**	**(27.7)**	**32.02%**	**151.4**
French/foreign taxation rate differences	-3.38%	3.3	-5.06%	(23.9)
Effect of reduced rates and changes in tax rates	-2.50%	2.4	-0.94%	(4.5)
Adjustment in respect of tax for prior financial years	0.41%	(0.4)	0.82%	3.9
Other permanent differences	2.65%	(2.6)	-3.91%	(18.5)
Tax credit	-1.09%	1.1	0.21%	1.0
Effect of direct taxation (CVAE)	12.17%	(11.9)	-4.17%	(19.7)
Unrecognised deferred tax assets	8.46%	(8.3)	-22.65%	(107.1)
EFFECTIVE RATE OF TAXATION	**45.08%**	**(44.0)**	**-3.69%**	**(17.4)**

Unrecognised deferred tax assets in 2021 mainly concern North America, Belgium, Norway and the Netherlands.

Deferred tax included in non-current assets and liabilities breaks down as follows:

(€ million)	31/12/2021	31/12/2020
Deferred tax assets	**69.7**	**92.3**
Less than one year	22.0	19.0
More than one year	47.7	73.3
Deferred tax liabilities	**(148.5)**	**(159.4)**
Less than one year	(24.7)	(18.2)
More than one year	(123.8)	(141.2)

Unused losses amounted to €363.9 million at 31 December 2021 of which €328.2 million was not recognised, taking into account assumptions on the usability of these losses within the available time limits, which would represent a deferred tax asset of €85 million. The recognition of tax loss carryforwards is consistent with the budgets used for impairment tests.

At the end of each financial year, the Group assesses, for each tax entity, the probability that the entity will have taxable profits against which to offset its deferred tax assets or to use available unrecognised tax credits. In making this assessment, the Group takes account of, among other factors, past and present taxable profit, and the companies' prospects for making future taxable profits.

The change in the net deferred taxes recorded in the statement of financial position breaks down as follows:

(€ million)	Deferred tax assets	Deferred tax liabilities
Opening balance on 1 January 2021	**92.3**	**(159.4)**
Recognised in equity	(2.2)	(3.0)
Recognised in profit for the year	1.0	(1.8)
Effect of changes in scope of consolidation	(3.3)	0.1
Foreign exchange translation differences and other changes	(18.2)	15.5
CLOSING BALANCE ON 31 DECEMBER 2021	**69.7**	**(148.5)**

(€ million)	Deferred tax assets	Deferred tax liabilities
Opening balance on 1 January 2020	**46.0**	**(101.6)**
Recognised in equity	1.7	3.0
Recognised in profit for the year	45.8	(25.9)
Effect of changes in scope of consolidation	(1.7)	(33.9)
Foreign exchange translation differences and other changes	0.5	(1.0)
CLOSING BALANCE ON 31 DECEMBER 2020	**92.3**	**(159.4)**

Net deferred taxes by type are as follows:

(€ million)	31/12/2021	31/12/2020
Goodwill	(117.5)	(132.3)
Employee benefits	25.2	31.7
Tax losses	8.6	12.6
Other	4.9	20.9
CLOSING BALANCE ON 31 DECEMBER	**(78.8)**	**(67.0)**

5 NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

5.1 Goodwill

Changes in carrying amount

(€ million)	France	Continental Europe	Australia	UK	North America	Total
At 1 January 2021	804.5	166.1	32.3	91.8	12.3	1,107.0
Acquisitions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Impairment loss for the period*	-	-	-	(20.0)	-	(20.0)
Foreign exchange translation differences and other	-	(0.1)	0.6	6.0	1.1	7.6
AT 31 DECEMBER 2021	**804.5**	**166.0**	**32.9**	**77.8**	**13.4**	**1,094.5**
Of which gross value	*804.5*	*171.5*	*33.1*	*189.5*	*52.3*	*1,250.9*
Of which accumulated amortisation and impairment losses	-	*(5.5)*	*(0.2)*	*(111.7)*	*(38.9)*	*(156.3)*

* *The impairment loss of €20 million is related to the difficulties in developing rail activities in the UK.*

(€ million)	France	Continental Europe	Australia	UK	North America	Total
At 1 January 2020	804.5	269.4	32.1	187.2	31.6	1,324.7
Acquisitions(1)	-	(98.0)	-	-	-	(98.0)
Disposals	-	-	-	-	-	-
Impairment loss for the period(2)	-	(5.5)	-	(85.3)	(16.9)	(107.8)
Foreign exchange translation differences and other	-	0.2	0.2	(10.0)	(2.3)	(11.9)
AT 31 DECEMBER 2020	**804.5**	**166.1**	**32.3**	**91.8**	**12.3**	**1,107.0**
Of which gross value	*804.5*	*173.6*	*32.5*	*177.1*	*48.1*	*1,235.9*
Of which accumulated amortisation and impairment charges	-	*(7.6)*	*(0.2)*	*(85.3)*	*(35.8)*	*(128.9)*

(1) The change in acquisitions in Continental Europe concerns the recognition of goodwill related to the parking subsidiaries in Belgium, and the finalisation of the goodwill allocation exercise.

(2) Impairment losses relate to the effects of the health crisis on tourism activities in Belgium, intercity activities in Canada and rail activities in the UK.

Impairment testing

The main assumptions made for impairment tests are as follows:

CASH FLOW

Cash flows stem from the main 5-year strategic plan approved by the management bodies. Beyond this period, flows are extrapolated by applying a long-term growth rate which is close to the long-term inflation expected by the Group, within the limit of the duration of the contract or to perpetuity. The discounting of flows is carried out using rates which are suited to the nature of the activities (see paragraph below).

DISCOUNT RATE

The discount rate used is based on the average cost of capital reflecting current market assessments of the time value of money and the risks specific to the tested asset.

The average weighted cost of capital was determined by a combination of two methods: the "Capital Asset Pricing Model" (CAPM) method and the average weighted cost of capital method for comparable listed companies. Taking into account these factors, the costs of capital used to discount future cash flows were as follows:

	WACC	
	31/12/2021	**31/12/2020**
GROUPE KEOLIS	**5.76%**	**5.76%**
United Kingdom	6.20%	6.30%
Sweden	5.40%	5.40%
Canada	6.00%	6.10%
Denmark	5.40%	5.40%
Netherlands	5.40%	5.40%
Belgium	6.00%	6.00%
Australia	6.30%	6.20%
Norway	5.40%	5.40%
United States	6.00%	5.90%
Germany	N/A	5.40%
France	5.90%	5.90%

These discount rates are rates after tax applied to cash flows after tax. Use thereof results in recoverable amounts identical to those obtained by using pre-tax rates applied to non-taxed cash flows, in accordance with IAS 36.

LONG-TERM GROWTH RATES

The growth rates applied to the main cash-generating units or groups thereof are as follows:

	Perpetual growth rates	
	31/12/2021	**31/12/2020**
GROUPE KEOLIS	**1.60%**	**1.64%**
United Kingdom	1.60%	2.00%
Sweden	1.60%	1.60%
Canada	1.60%	1.60%
Denmark	1.60%	1.60%
Netherlands	1.60%	1.60%
Belgium	1.60%	1.60%
Australia	1.60%	1.60%
Norway	1.60%	1.60%
United States	1.60%	1.60%
Germany	N/A	1.60%
France	1.60%	1.60%

SENSITIVITY OF RECOVERABLE AMOUNTS

Sensitivity tests on groups of cash-generating units were carried out by varying the long-term growth rates or the WACC (weighted average cost of capital).

A 0.5-point fall in the perpetual growth rate results in a positive margin between the value in use and the carrying amount for all of the cash generating units with the exception of the "United Kingdom" CGU, for which an impairment was recognised for the period.

A 0.5-point increase in the discount rate results in a positive margin between the value in use and the carrying amount for all of the cash generating units with the exception of the "United Kingdom" CGU, for which an impairment of €20 million was recognised for the period. A 0.5-point increase in the WACC and a 0.5-point increase in the perpetual growth rate would lead to an additional impairment of around €4 million.

5.2 Other intangible assets

(€ million)	Authorisations, Patents and Software	Trademarks	Contractual rights	Concession assets	Contract assets*	Other	Total
At 1 January 2021	126.1	53.0	304.5	109.1	27.0	31.7	651.4
Acquisitions	24.0	-	-	-	3.3	15.2	42.5
Assets disposed of and scrapped	(6.4)	-	-	-	-	0.2	(6.2)
Net depreciation, amortisation and impairment	(33.3)	-	(24.1)	(23.6)	(3.0)	(6.7)	(90.7)
Changes in scope	(2.6)	-	-	-	(0.4)	0.4	(2.6)
Foreign exchange translation differences and other	5.4	-	0.5	5.8	(10.1)	6.0	7.6
AT 31 DECEMBER 2021	**113.3**	**53.0**	**280.8**	**91.3**	**16.7**	**46.9**	**602.0**
Of which gross value	*251.4*	*66.1*	*690.1*	*171.4*	*37.9*	*112.9*	*1,329.7*
Of which cumulative depreciation, amortisation and impairment losses	*(138.1)*	*(13.1)*	*(409.2)*	*(80.1)*	*(21.2)*	*(66.0)*	*(727.7)*

(€ million)	Authorisations, Patents and Software	Trademarks	Contractual rights	Concession assets	Contract assets*	Other	Total
At 1 January 2020	128.4	53.0	220.1	111.6	27.9	49.9	590.9
Acquisitions	24.6	-	-	-	0.2	20.2	45.1
Assets disposed of and scrapped	(5.4)	-	-	-	-	(0.6)	(6.0)
Net depreciation, amortisation and impairment	(36.6)	-	(48.5)	(20.1)	(3.6)	(20.8)	(129.6)
Changes in scope	(0.1)	-	133.2	-	-	4.2	137.3
Foreign exchange translation differences and other	15.2	(0,0)	(0.3)	17.6	2.5	(21.1)	13.8
AT 31 DECEMBER 2020	**126.1**	**53.0**	**304.5**	**109.1**	**27.0**	**31.7**	**651.4**
Of which gross value	*254.0*	*69.0*	*685.0*	*177.3*	*49.0*	*100.2*	*1,334.4*
Of which cumulative depreciation, amortisation and impairment losses	*(127.8)*	*(16.0)*	*(380.5)*	*(68.2)*	*(22.0)*	*(68.5)*	*(683.1)*

* *See note 2.4.7 for the definition of contract assets.*

5.3 Property, plant and equipment

(€ million)	Land & Developments	Buildings	Equipment and tooling	Transport equipment	PPE under construction	Other	Total
At 1 January 2021	47.4	299.3	79.0	306.5	49.9	107.5	889.5
Acquisitions	4.3	15.6	15.0	88.4	25.5	16.5	165.4
Assets disposed of and scrapped	(0.1)	(2.5)	(1.1)	(20.1)	(0.3)	(40.7)	(64.7)
Net depreciation and amortisation	(2.8)	(33.0)	(20.2)	(81.3)	-	(21.7)	(159.0)
Changes in scope	(1.0)	(5.2)	(0.7)	(4.1)	-	(4.7)	(15.7)
Foreign exchange translation differences and other changes	9.0	6.9	2.4	17.0	(37.4)	4.7	2.7
AT 31 DECEMBER 2021	**56.8**	**281.0**	**74.3**	**306.4**	**37.8**	**61.7**	**818.1**
Of which gross value	*71.1*	*610.3*	*235.4*	*986.1*	*37.8*	*232.1*	*2,172.8*
Of which cumulative depreciation, amortisation and impairment losses	*(14.3)*	*(329.4)*	*(161.1)*	*(679.7)*	-	*(170.3)*	*(1,354.7)*

(€ million)	Land & Developments	Buildings	Equipment and tooling	Transport equipment	PPE under construction	Other	Total
At 1 January 2020	42.9	305.6	78.7	371.2	33.6	121.6	953.7
Acquisitions	6.5	24.9	22.8	43.3	35.2	68.0	200.7
Assets disposed of and scrapped	(1.0)	(0.8)	(0.6)	(10.0)	(0.3)	(0.9)	(13.6)
Net depreciation and amortisation	(1.5)	(31.1)	(24.1)	(106.0)	-	(78.5)	(241.3)
Changes in scope	-	0.2	(0.2)	(0.7)	(0.1)	(0.3)	(1.1)
Foreign exchange translation differences and other changes	0.4	0.4	2.5	8.6	(18.5)	(2.4)	(8.9)
AT 31 DECEMBER 2020	**47.4**	**299.3**	**79.0**	**306.5**	**49.9**	**107.5**	**889.5**
Of which gross value	*61.2*	*612.7*	*238.1*	*1,015.0*	*49.9*	*335.2*	*2,312.1*
Of which cumulative depreciation, amortisation and impairment losses	*(13.8)*	*(313.4)*	*(159.1)*	*(708.5)*	-	*(227.7)*	*(1,422.5)*

5.4 Right-of-use assets

Assets

(€ million)	Land and buildings	Railway transport equipment	Road transport equipment	Other equipment	Total
At 1 January 2021	463.1	443.4	549.8	15.4	1,471.7
New contracts	77.1	8.3	191.1	2.4	278.9
Assets disposed of and scrapped	-	(0.1)	(1.9)	-	(2.0)
Net depreciation, amortisation and impairment	(78.5)	(40.4)	(153.6)	(3.6)	(276.1)
Changes in scope*	(136.0)	(353.5)	(18.0)	(3.6)	(511.1)
Foreign exchange translation differences and other	23.0	(7.0)	17.1	0.5	33.6
AT 31 DECEMBER 2021	**348.8**	**50.6**	**584.6**	**11.1**	**995.0**
Of which gross value	*533.2*	*64.5*	*1,086.9*	*17.4*	*1,702.0*
Of which cumulative depreciation, amortisation and impairment losses	*(184.5)*	*(13.9)*	*(502.3)*	*(6.3)*	*(706.9)*

* *Mainly concerns the impact of the disposal of operations in Germany for €264 million and the discontinuation of the Wales & Borders contracts for €223 million.*

Liabilities

(€ million)	IFRS 16 Lease liabilities > 1 year	IFRS 16 Lease liabilities < 1 year	Total
At 1 January 2021	1,266.8	243.7	1,510.6
New liabilities	269.5	9.3	278.8
Repayments of lease obligations	(0.1)	(269.4)	(269.5)
Changes in scope*	(520.1)	(25.5)	(545.5)
Accrued interest on lease obligations	-	(1.8)	(1.8)
Foreign exchange translation differences and other	(214.3)	249.9	35.6
AT 31 DECEMBER 2021	**801.9**	**206.4**	**1,008.2**

* *The "Change in scope" line mainly concerns the impact of the disposal of operations in Germany for €298 million and the discontinuation of the Wales & Borders contracts for €223 million.*

Assets

(€ million)	Land and buildings	Railway transport equipment	Road transport equipment	Other equipment	Total
At 1 January 2020	514.5	495.1	536.2	16.0	1,561.9
New contracts	27.1	10.2	192.0	4.5	233.9
Assets disposed of and scrapped	-	(0.3)	(0.3)	-	(0.6)
Net depreciation, amortisation and impairment	(88.8)	(66.5)	(156.0)	(5.2)	(316.6)
Changes in scope	(7.8)	-	(23.9)	-	(31.7)
Foreign exchange translation differences and other	18.1	5.0	1.7	0.1	24.9
AT 31 DECEMBER 2020	**463.1**	**443.4**	**549.8**	**15.4**	**1,471.7**
Of which gross value	*620.6*	*593.5*	*1,004.1*	*22.1*	*2,240.4*
Of which cumulative depreciation, amortisation and impairment losses	*(157.6)*	*(150.1)*	*(454.3)*	*(6.7)*	*(768.7)*

Liabilities

(€ million)	IFRS 16 Lease liabilities > 1 year	IFRS 16 Lease liabilities < 1 year	Total
At 1 January 2020	1,325.0	265.9	1,590.9
New liabilities	225.3	8.6	233.8
Repayments of lease obligations	-	(293.0)	(293.0)
Changes in scope	(36.0)	(8.8)	(44.8)
Foreign exchange translation differences and other	(247.5)	271.1	23.6
AT 31 DECEMBER 2020	**1,266.8**	**243.7**	**1,510.6**

5.5 Investments under the equity method

The Group holds several investments in joint ventures and associates notably in the United Kingdom, consolidated under the equity method.

The changes in the value of these investments during the financial year result from the items below:

(€ million)	31/12/2021	31/12/2020
Value at 1 January	**76.6**	**72.4**
Net profit attributable to the Group	*(11.2)*	*11.2*
Impairment	-	-
Profit/(loss) from investments under equity method	(11.2)	11.2
Changes in fair value impacting equity	-	3.9
Foreign exchange translation difference	2.5	(2.4)
Dividends paid	(5.2)	(7.6)
Changes in consolidation scope & other	(0.4)	(0.8)
Value at 31 December	**62.3**	**76.6**

The financial items relating to significant joint ventures are presented below at 100% of their values.

	31/12/2021						31/12/2020					
(€ million)	Govia & subsi-diaries*	First/ Keolis Trans-pennine	SAEMES	Onepark	Other	Total asso-ciates	Govia & subsi-diaries	First/ Keolis Trans-pennine	SAEMES	Onepark	Other	Total asso-ciates
Non-current assets	93.1	-	235.6	-	N/A	N/A	402.4	-	247.3	-	N/A	N/A
Net WCR	(30.8)	-	(124.6)	-	N/A	N/A	(149.9)	-	(140.0)	-	N/A	N/A
Current assets	884.6	1.1	24.4	-	N/A	N/A	965.1	2.0	17.5	-	N/A	N/A
Total assets	**977.8**	**1.1**	**260.0**	**-**			**1,367.5**	**2.0**	**264.8**	**-**		
Equity	60.6	-	73.9	-	N/A	N/A	114.3	-	73.1	-	N/A	N/A
of which net profit	*(47.7)*	*0.6*	*0.7*	*-*	*N/A*	*N/A*	*37.3*	*4.4*	*(3.9)*	*(33.3)*	*N/A*	*N/A*
Current liabilities	915.5	1.1	149.0	-	N/A	N/A	1,115.1	2.0	157.5	-	N/A	N/A
Non-current liabilities	1.7	-	37.1	-	N/A	N/A	138.1	-	34.3	-	N/A	N/A
Total liabilities	**977.8**	**1.1**	**260.0**	**-**	**N/A**	**N/A**	**1,367.5**	**2.0**	**264.8**	**-**	**N/A**	**N/A**
Net assets	**60.6**	**-**	**73.9**	**-**	**N/A**	**N/A**	**114.3**	**-**	**73.1**	**-**	**N/A**	**N/A**
Reconciliation of financial data with value of investments under the equity method:												
Group share of net assets	**21.2**	**-**	**24.6**	**-**	**16.5**	**62.3**	**40.0**	**-**	**24.3**	**-**	**12.2**	**76.6**
Net book value of investments	**21.2**	**-**	**24.6**	**-**	**16.5**	**62.3**	**40.0**	**-**	**24.3**	**-**	**12.2**	**76.6**

* *The closing date for the annual financial statements of Govia and its subsidiaries was 30 June 2021. The data presented correspond to the financial statements at 30 June 2021.*

With regard to Govia's activities in the UK, operating companies are required under contract to retain a level of liquidity such that the public service can be guaranteed in the event of the operator's insolvency. This requires the operator to maintain a Liquidity Maintenance Ratio. The required amount is equal to a certain number of weeks of direct costs relating to the activity and must be maintained until the end of the franchise. This requirement means that the majority of the cash held by Govia under operating companies cannot be qualified as transferable to the Go Ahead group, the majority shareholder in Govia. Consequently, the net cash position at end of the year is presented in net working capital requirements.

However, the net assets held by the Keolis Group in the UK in Govia, amounting to €21.2 million at 31 December 2021, are fully available.

5.6 Current and non-current financial assets

At 31 December 2021 (€ million)	Equity instruments measured at		Debt instruments measured at				
	"fair value" through profit/loss	"fair value" through other comprehensive income not reclassifiable	amortised cost through profit/loss	"fair value" through profit/loss	Derivative assets	Financial assets for concessions	Total
Gross value	21.7	17.4	78.8	-	3.3	249.4	370.6
Impairment	-	-	(42.3)	-	-	(6.2)	(48.5)
Net value	**21.7**	**17.4**	**36.5**	**-**	**3.3**	**243.2**	**322.2**
Due in less than one year	-	-	3.6	-	3.3	-	6.9
Due in more than one year	21.7	17.4	32.9	-	-	243.2	315.3

At 31 December 2020 (€ million)	Equity instruments measured at		Debt instruments measured at				
	"fair value" through profit/loss	"fair value" through other comprehensive income not reclassifiable	amortised cost through profit/loss	"fair value" through profit/loss	Derivative assets	Financial assets for concessions	Total
Gross value	28.1	13.1	83.0	-	1.6	251.1	376.9
Impairment	-	-	(42.5)	-	-	(6.1)	(48.6)
Net value	**28.1**	**13.1**	**40.6**	**-**	**1.6**	**244.9**	**328.3**
Due in less than one year	-	-	10.9	-	1.6	-	12.5
Due in more than one year	28.1	13.1	29.7	-	-	244.9	316.0

At 31 December 2021, equity instruments measured at fair value through profit or loss mainly comprise Via Transportation, Navya and Blue Technologies Limited securities.

The Navya shares were valued on the basis of the stock market price on 31 December 2021 (€2.06 per share vs €3.89 on 31 December 2020).

5.7 Inventories

(€ million)	31/12/2021	31/12/2020
Gross inventories*	184.4	150.4
Impairment	(1.9)	(1.6)
NET INVENTORIES	**182.5**	**148.8**

* *The increase in inventories is mainly due to the Dubai contract for €46.7 million. They mainly consist of inventories of products required for major overhaul operations on rolling stock and infrastructure maintenance operations.*

5.8 Trade and other receivables

(€ million)	31/12/2021	31/12/2020
Trade receivables	581.1	555.9
Advances and down payments on orders	21.5	28.0
Impairment of accounts receivable	(10.0)	(18.4)
Trade receivables	592.6	565.5
Receivables from staff and welfare agencies	10.6	15.6
Central government and local authorities	252.9	199.0
Prepaid expenses	47.6	56.9
Other*	287.0	244.8
Impairment of other debtors	(0.9)	(1.1)
Other receivables	597.2	515.2
TOTAL	**1,189.8**	**1,080.7**

* *Other receivables for 2021 include €84 million representing the Australian Department of Transport's guarantee on extra holiday rights; these rights appear under liabilities as payables to staff. These same receivables totalled €78 million in 2020.*

5.9 Cash and cash equivalents

Analysis by type

(€ million)	31/12/2021	31/12/2020
Cash	463.0	514.2
Short-term investments	2.5	1.3
Total recognised as assets	**465.6**	**515.5**
*Including cash to be kept available locally**	-	*40.5*
Bank overdrafts and current account liabilities	**(185.5)**	**(140.9)**
NET CASH AND CASH EQUIVALENTS	**280.1**	**374.6**

* *In the United Kingdom, the operating companies are required by contract to maintain a certain level of liquidity such that the public service can be guaranteed in the event of the operator's insolvency. This requires the operator to meet a "Liquidity Maintenance Ratio" or "Financial Ratio". The required amount is equal to a certain number of weeks of direct costs relating to the activity, or an amount sufficient to meet the "Financial Ratio", and must be maintained until the end of the franchise.*

Cash equivalents include highly liquid short-term investments that are easily convertible into a known amount of cash and present no significant risk of loss of value.

The Group considers that its undertakings for collective investment in transferable securities classified by the French Financial Markets Authority (Autorité des Marchés Financiers) as "euro money" meet the criteria enabling it to be classified as cash equivalents.

No transaction of this type had been conducted at 31 December 2021.

5.10 Equity

Share capital and share premium

At 31 December 2021, the share capital amounted to €237.9 million, comprising 180,218,865 ordinary shares with a nominal value of one euro and thirty-two cents each, fully paid up.

The share premium amounted to €273.2 million.

The Group's borrowing contracts do not include any mandatory gearing ratio clauses.

Treasury shares

At the end of the period, all of GROUPE KEOLIS S.A.S.'s treasury shares, totalling €2.3 million, were cancelled.

Distributable reserves and earnings

At 31 December 2021, GROUPE KEOLIS S.A.S. had 2021 accounting income of -€0.3 million and retained earnings of €59 million prior to the allocation of 2021 income. Distributable profit at 31 December 2021 was therefore €59 million.

Reserves attributable to non-controlling interests

The main reserves attributable to non-controlling interests come from the following subsidiaries: Keolis Downer, KDR Gold Coast Pty Ltd, KDR Victoria Pty Ltd, Australian Transit Enterprises Pty Ltd and Keolis Commuter Services LLC.

Foreign exchange translation reserve

The main exchange rates against the euro used for the 2021 and 2020 financial years were as follows:

	2021		2020	
(for €1)	Average rate	Closing rate	Average rate	Closing rate
Pound Sterling	0.859604	0.840280	0.889704	0.899030
Australian Dollar	1.574942	1.561500	1.654919	1.589600
Danish Crown	7.437028	7.436400	7.454214	7.440900
Swedish Crown	10.146463	10.250300	10.484753	10.034300
Norwegian Crown	10.163331	9.988800	10.722785	10.470300
US Dollar	1.182740	1.132600	1.142196	1.227100
Canadian Dollar	1.482569	1.439300	1.529993	1.563300
Indian Rupee	87.439160	84.229200	84.639155	89.660500

5.11 Financial debt and long-term borrowings

Financial debt breakdown by type

In 2021, three lines of financing were put in place:

- at KSA level:
  - a fixed-rate loan of €30 million, half of the nominal amount of which is amortisable, set up on 27 January 2021 for a period of five years,
  - a loan amortisable at a variable rate of €20 million, set up on 8 January 2021 for a period of three years;
- at GKSAS level: a variable-rate term loan of €600 million, set up and drawn down for €277 million on 21 December 2021 for a period of five years.

	At 31 December 2021		
(€ million)	**Amounts in the statement of financial position**	**Maturity**	**Interest rates**
Derivatives	5.7	2022	-
Loans	54.5	2022	Fixed rates
Loans	106.5	2022	Variable rates
Sub-total, less than one year	**166.7**		
Employee profit sharing	0.7	2023-2025	Fixed rates
Loans	101.8	2023-2033	Fixed rates
Loans	1,081.5	2023-2034	Variable rates
Sub-total, more than one year	**1,184.0**		
TOTAL (EXCLUDING FINANCIAL LIABILITIES FOR CONCESSIONS)	**1,350.7**		

	At 31 December 2020		
(€ million)	Amounts in the statement of financial position	Maturity	Interest rates
Derivatives	11.1	2021	-
Loans	12.8	2021	Fixed rates
Loans	137.9	2021	Variable rates
Sub-total, less than one year	**161.8**		
Employee profit sharing	0.7	2022-2024	Fixed rates
Loans	103.2	2022-2032	Fixed rates
Loans	1,185.9	2022-2033	Variable rates
Sub-total, more than one year	**1,289.8**		
TOTAL	**1,451.5**		

At 31 December 2021, the amount drawn under the syndicated loan arranged on 12 July 2013 and amended on 11 June 2015, 29 February 2016, 27 July 2018, 17 June 2019 and 6 July 2020 stood at €470 million. The loan runs until July 2025 and the undrawn balance amounted to €430 million.

On 21 December 2021, a variable-rate term loan of €600 million was set up and €277 million was drawn down for a period of five years. This credit line is available to GROUPE KEOLIS S.A.S. subject to compliance with financial ratios.

This new financing made it possible to restructure the Group's debt by repaying €226 million of debt held by GKSAS with an average maturity of October 2022 and €48 million of debt held by a Group subsidiary with an initial maturity of January 2024. This transaction not only enabled the Group to increase its liquidity reserves by nearly €300 million, but also to extend the average maturity of its debt by one and a half years.

Breakdown of financial debt and lease obligations by maturity

(€ million)	2022	2023	2024	2025	2026	2027 to 2032	> 2032	Total
Lease obligations	206.3	184.5	131.0	102.5	85.8	202.5	95.6	1,008.2
Financial debt excluding financial liabilities for concessions	166.7	188.1	42.5	551.4	302.6	98.5	0.7	1,350.7

Mandatory financial ratios

In the documentation for the syndicated loan, one financial ratio is to be complied with on a half-yearly basis, the "Leverage Ratio". At 31 December 2021, this ratio was complied with.

The Leverage Ratio corresponds to the ratio between the adjusted net debt and the adjusted recurring EBITDA.

The financial aggregates used to calculate the financial ratio comply precisely with the definitions contained in the documentations of the Syndicated Loan and the new term loan.

The Group's contracts, and those of its subsidiaries, also include cross acceleration clauses. If the Group or, under certain conditions, its largest subsidiaries do not comply with their commitments, lending institutions may claim default and early reimbursement of a major portion of the Group's debt.

In view of the distribution of this financing among various subsidiaries and the quality of the Group's liquidity resources, the existence of these clauses does not create a material risk to the Group's financial situation.

The Group monitors the financial ratios for the financing of the Group and its subsidiaries, in order to anticipate any unfavourable changes in these ratios.

Statement of changes in financial debt and lease obligations

(€ million)	31/12/2020	Increase	Decrease	Changes in scope	Foreign exchange impact	Other	31/12/2021
Lease obligations	243.7	39.7	(300.7)	(26.4)	1.7	248.3	206.3
Derivatives	11.1	-	-	-	0.1	(5.5)	5.7
Financial liabilities for concessions	1.3	0.6	(2.1)	-	-	2.4	2.1
Loans	150.7	87.6	(138.1)	-	0.9	59.9	161.0
Sub-total, less than one year	**406.8**	**127.9**	**(440.9)**	**(26.4)**	**2.7**	**305.0**	**375.1**
Lease obligations	1,266.8	269.5	(0.1)	(520.1)	14.2	(228.5)	801.9
Employee profit sharing	0.7	-	-	-	-	-	0.7
Derivatives	-	-	-	-	-	-	-
Financial liabilities for concessions	141.5	8.8	(10.6)	-	1.0	(7.9)	132.8
Loans	1,289.1	563.0	(622.2)	(0.4)	13.2	(59.4)	1,183.3
Sub-total, more than one year	**2,698.1**	**841.4**	**(632.9)**	**(520.5)**	**28.3**	**(295.8)**	**2,118.7**
TOTAL	**3,104.9**	**969.3**	**(1,073.8)**	**(546.8)**	**31.0**	**9.2**	**2,493.8**

5.12 Assets and liabilities by category

The following table shows the balance sheet carrying amount and fair value by accounting category of assets and liabilities defined in accordance with the IFRS 9 standard:

31/12/2021				Financial instruments				Fair value			
Balance sheet item and instrument class *(€ million)*	**Non-current**	**Current**	**Net book value of class in statement of financial position**	**At fair value through equity**	**Loans, receivables, debt at amortised cost**	**At fair value through profit/loss**	**Qualified as hedging**	**Level 1**	**Level 2**	**Level 3**	**Net financial debt**
Debt instruments	32.9	3.6	36.5	-	36.5	-	-	-	36.5	-	36.5
Financial assets for concessions	243.2	-	243.2	-	243.2	-	-	-	243.2	-	-
Sub-total of loans and receivables	**276.1**	**3.6**	**279.7**	**-**	**279.7**	**-**	**-**	**-**	**279.7**	**-**	**36.5**
Equity instruments	39.0	-	39.0	17.4	-	21.6	-	8.0	-	31.0	-
Positive fair value of hedging instruments	-	2.6	2.6	-	-	-	2.6	-	2.6	-	2.6
Positive fair value of trading derivatives	-	0.7	0.7	-	-	0.7	-	-	0.7	-	0.7
Cash and cash equivalents	-	465.6	465.6	-	-	465.6	-	-	465.6	-	465.6
TOTAL CURRENT AND NON-CURRENT FINANCIAL ASSETS	**315.3**	**472.4**	**787.5**	**17.4**	**279.7**	**487.8**	**2.6**	**8.0**	**748.6**	**30.9**	**505.3**
Bond borrowings	2.5	-	2.5	-	-	2.5	-	-	2.5	-	2.5
Bank borrowings	1,180.7	161.0	1,341.8	-	1,341.8	-	-	-	1,341.8	-	1,341.8
Sub-total of borrowings	**1,183.3**	**161.0**	**1,344.3**	**-**	**1,341.8**	**2.5**	**-**	**-**	**1,344.3**	**-**	**1,344.3**
of which:							-				
• *measured at amortised cost*	*1,178.6*	*163.1*	*1,341.8*	-	*1,341.8*	-	-	-	*1,341.8*	-	*1,341.8*
• *measured according to the "fair value" option*	*2.5*	-	*2.5*	-	-	*2.5*	-	-	*2.5*	-	*2.5*
Negative fair value of hedging instruments	-	2.7	2.7	-	-	-	2.7	-	2.7	-	2.7
Negative fair value of trading derivatives	-	3.0	3.0	-	-	3.0	-	-	3.0	-	3.0
Financial debt and long-term borrowings	1,183.3	166.7	1,350.0	-	1,341.8	5.5	2.7	-	1,350.0	-	1,350.0
Bank loans and overdrafts	-	185.4	185.4	-	185.4	-	-	-	185.4	-	185.4
TOTAL CURRENT AND NON-CURRENT FINANCIAL LIABILITIES	**1,183.3**	**352.1**	**1,535.4**	**-**	**1,527.2**	**5.5**	**2.7**	**-**	**1,535.4**	**-**	**1,535.4**
Group net financial debt	1,150.4	(120.3)	1,030.1	-	1,490.7	(460.7)	0.1	-	1,030.1	-	1,030.1

31/12/2020				Financial instruments				Fair value			
Balance sheet item and instrument class *(€ million)*	**Non-current**	**Current**	**Net book value of class in statement of financial position**	**At fair value through equity**	**Loans, receivables, debt at amortised cost**	**At fair value through profit/loss**	**Qualified as hedging**	**Level 1**	**Level 2**	**Level 3**	**Net financial debt**
Debt instruments	29.7	10.9	40.5	-	40.5	0.1	-		40.5	-	40.5
Financial assets for concessions	244.9	-	244.9	-	244.9	-	-	-	244.9	-	-
Sub-total of loans and receivables	**274.6**	**10.9**	**285.5**	**-**	**285.4**	**0.1**	**-**	**-**	**285.5**	**-**	**40.5**
Equity instruments	41.2	-	41.2	13.1	-	28.0	-	15.1	0.9	25.2	-
Positive fair value of hedging instruments	-	0.1	0.1	-	-	-	0.1	-	0.1	-	0.1
Positive fair value of trading derivatives	-	1.5	1.5	-	-	1.5	-	-	1.5	-	1.5
Cash and cash equivalents	-	515.5	515.5	-	-	515.5	-	-	515.5	-	515.5
TOTAL CURRENT AND NON-CURRENT FINANCIAL ASSETS	**316.0**	**528.0**	**843.8**	**13.1**	**285.4**	**545.1**	**0.1**	**15.1**	**803.4**	**25.2**	**557.6**
Bank borrowings	1,286.6	150.7	1,437.2	-	1,437.2	-	-	-	1,437.2	-	1,437.2
Sub-total of borrowings	**1,289.1**	**150.7**	**1,439.7**	**-**	**1,437.2**	**2.5**	**-**	**-**	**1,439.7**	**-**	**1,439.7**
of which:							-				-
• *measured at amortised cost*	*1,286.6*	*150.7*	*1,437.2*	-	*1,437.2*	-	-	-	*1,437.2*	-	*1,437.2*
• *measured according to the "fair value" option*	*2.5*	-	*2.5*	-	-	*2.5*	-	-	*2.5*	-	*2.5*
Negative fair value of hedging instruments	-	10.8	10.8	-	-	-	10.8	-	10.8	-	10.8
Negative fair value of trading derivatives	-	0.3	0.3	-	-	0.3	-	-	0.3	-	0.3
Financial debt and long-term borrowings	**1,289.1**	**161.8**	**1,450.8**	**-**	**1,437.2**	**2.8**	**10.8**	**-**	**1,450.8**	**-**	**1,450.8**
Bank loans and overdrafts	-	140.9	140.9	-	140.9	-	-		140.9	-	140.9
TOTAL CURRENT AND NON-CURRENT FINANCIAL LIABILITIES	**1,289.1**	**302.7**	**1,591.8**	**-**	**1,578.1**	**2.8**	**10.8**	**-**	**1,591.8**	**-**	**1,591.8**
Group net financial debt	**1,259.4**	**(225.3)**	**1,034.1**	**-**	**1,537.6**	**(514.2)**	**10.7**	**-**	**1,034.2**	**-**	**1,034.1**

5.13 Risk management and financial derivatives

The Group uses derivative financial instruments to manage exposure to financial market risks resulting from its operational, financial and investment activities:

- interest rate risk;
- foreign exchange risk;
- commodities risk.

At 31 December 2021, the Group held derivative financial instruments:

- eligible for hedge accounting and recognised as cash flow hedges (CFH);
- non-eligible for hedge accounting and recognised under trading.

Fair value is measured by using standard valuation methods and is based on the mid-market conditions commonly used in the markets. The market data used is level 2 within the meaning of IFRS 13.

The impacts on performance and the financial position of derivative financial instruments are presented in the table below:

Underlying asset	Hedge accounting	Fair value (excl. premiums) at 31/12/2020	Changes in equity (reclassifiable reserves)		Latent financial income/ (expense)	Financial income generated	Fair value (excl. premiums) at 31/12/2021	Premium to be amortised at 31/12/2021
			Changes	Reclassified	Changes	Changes		
Interest rates	Cash flow	(10.7)	3.8	6.3	0.2		(0.4)	(1.5)
Interest rates	Trading	(0.2)	-	-	(2.4)		(2.6)	-
Total interest rates		**(10.9)**	**3.8**	**6.3**	**(2.1)**		**(2.9)**	**(1.5)**
FX	Cash flow	-	0.3	-	-		0.3	-
FX	Trading	1.4	-	-	(1.2)		0.3	-
Total currency		**1.4**	**0.3**	**-**	**(1.2)**		**0.5**	**-**
Commodities	Cash flow	(1.9)	11.6	(5.1)	0.1		4.6	-
Commodities	Trading	(7.4)	-	-	7.3		(0.1)	-
Total commodities		**(9.4)**	**11.6**	**(5.1)**	**7.4**		**4.5**	**-**
TOTAL		**(18.9)**	**15.7**	**1.2**	**4.1**		**2.1**	**(1.5)**

Interest rate and foreign exchange derivatives are recorded in the statement of financial position at fair value in the following amounts:

	31/12/2021			31/12/2020		
(€ million)	Non-current	Current	Total	Non-current	Current	Total
Derivative assets	-	-	-	-	-	-
Cash flow hedges	-	2.6	2.6	-	0.1	0.1
Fair value hedges	-	-	-	-	-	-
Transaction hedges	-	0.7	0.7	-	1.5	1.5
Net foreign investment hedges	-	-	-	-	-	-
TOTAL DERIVATIVE INSTRUMENTS ASSETS	**-**	**3.3**	**3.3**	**-**	**1.6**	**1.6**
Derivative liabilities	-	-	-	-	-	-
Cash flow hedges	-	2.7	2.7	-	10.8	10.8
Fair value hedges	-	-	-	-	-	-
Transaction hedges	-	3.0	3.0	-	0.3	0.3
Net foreign investment hedges	-	-	-	-	-	-
TOTAL DERIVATIVE INSTRUMENTS LIABILITIES	**-**	**5.7**	**5.7**	**-**	**11.1**	**11.1**

The following table presents, by type of risk, the economic connection between derivatives and the items hedged:

2021	FV of derivatives	Change in FV of derivatives	Change in FV of hedged item	Inefficiency of hedging
GKSAS	-	-	-	-
CFH	-	-	-	-
Interest rates	(0.4)	10.4	(10.3)	0.1
FX	0.3	0.3	(0.3)	-
Commodities	4.6	6.5	(6.5)	-
Trading	**-**	**-**	**-**	**-**
Interest rates	(2.6)	(2.4)	-	-
FX	0.3	(1.2)	-	-
Commodities	(0.1)	7.3	-	-

2020	FV of derivatives	Change in FV of derivatives	Change in FV of hedged item	Inefficiency of hedging
GKSAS	-	-	-	-
CFH	-	-	-	-
Interest rates	(10.7)	(1.6)	1.5	(0.1)
FX	-	-	-	-
Commodities	(1.9)	(1.4)	1.4	-
Trading	**-**	**-**	**-**	**-**
Interest rates	(0.2)	0.3	-	-
FX	1.4	0.9	-	-
Commodities	(7.4)	(7.4)	-	-

The impact on reclassifiable equity (other comprehensive income) is as follows:

	Equity as items which may be reclassified
At 1 January 2020	**(15.6)**
Recycled in Profit & Loss	**23.5**
Change in effective value on cash flow hedge instruments	**(22.3)**
Interest rate hedging	(4.6)
Foreign exchange hedging	-
Including future transactions hedged	-
Price risk hedging	(17.7)
Change in cost of hedging	**(0.1)**
Interest rate hedging	(0.1)
Foreign exchange hedging	-
Price risk hedging	-
Exchange difference	**(0.1)**
At 31 December 2020	**(14.5)**
At 1 January 2020	**(14.5)**
Recycled in Profit & Loss	**1.2**
Change in effective value on cash flow hedge instruments	**15.7**
Interest rate hedging	3.8
Foreign exchange hedging	0.3
Including future transactions hedged	-
Price risk hedging	11.6
Change in cost of hedging	**-**
Interest rate hedging	-
Foreign exchange hedging	-
Price risk hedging	-
Exchange difference	**(0.1)**
At 31 December 2021	**2.3**

Breaking of hedging relationships

A hedging relationship is broken from the moment that the conditions ensuring its effectiveness are no longer fulfilled under the IFRS 9 standard, or when the related derivative instrument reaches its settlement date, is cancelled or sold, or when the item hedged is cancelled or sold. In addition, the Group may at any time decide to terminate a hedging relationship. In this case, the hedging relationship no longer applies.

2021	Balance of hedging reserves on maintained hedging relationships	Balance of hedging reserves on terminated hedging relationships	Hedging reserves reclassified as the hedged element has impacted profit	Hedging reserves reclassified as the hedged element is no longer realisable
GKSAS	-	-	-	-
CFH	-	-	-	-
Interest rates	(2.2)	-	3.7	2.6
FX	0.3	-	-	-
Commodities	4.4	-	(5.1)	-

2020	Balance of hedging reserves on maintained hedging relationships	Balance of hedging reserves on terminated hedging relationships	Hedging reserves reclassified as the hedged element has impacted profit	Hedging reserves reclassified as the hedged element is no longer realisable
GKSAS	-	-	-	-
CFH	-	-	-	-
Interest rates	(12.2)	-	3.5	1.5
FX	-	-	-	2.3
Commodities	(2.1)	-	11.1	12.2

Disqualified interest rate hedging instruments mainly result from the repayment of certain financing lines with which derivative instruments were associated.

Management of interest rate risk

The exposure of the Group to interest rate risk stems from its financial debt. The Group hedges the risk of interest rate increases by using derivative financial instruments. The exposed debt at 31 December 2021 was 72% hedged.

Derivative financial instruments eligible for hedge accounting are recognised under cash flow hedges. The derivative financial instruments that are not eligible are recognised under trading.

The market environment of negative interest rates has created an asymmetric position between the floored debt and certain hedging derivative instruments. This asymmetry, which creates inefficiency under application of IFRS 9, led to these instruments being reclassified as trading.

The breakdown of the Group's net debt is as follows:

(€ million)	31/12/2021	31/12/2020
Financial debt and long-term borrowings restated for financial liabilities for concessions*	**1,350.7**	**1,451.5**
Cash and cash equivalents	**(280.1)**	**(374.6)**
Accrued interest receivable	(1.3)	(1.7)
Loans and receivables	(30.8)	(28.5)
Deposits and guarantees	(4.3)	(10.4)
Derivative assets	(3.3)	(1.6)
Employee profit sharing	(0.7)	(0.7)
Net financial debt	**1,030.1**	**1,034.1**

* *Including employee profit-sharing.*

Net financial debt is an internal Keolis indicator. It does not include the lease obligations created by the application of IFRS 16 (including finance lease liabilities which were entirely reclassified as lease obligations, applying IFRS 16) and commitments to purchase non-controlling interests. It also excludes financial liabilities for concessions.

The Group is exposed to interest rate variability on the variable rate portion of its net financial debt.

The interest rate breakdown of financial debt and borrowings before and after derivative instruments (hedging and trading) is as follows:

	Initial debt structure		Structure after hedging	
(€ million)	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Fixed rates	157.0	116.7	765.3	682.2
Variable rates	1,193.7	1,334.8	585.4	769.3
TOTAL BORROWINGS AND DEBT	**1,350.7**	**1,451.5**	**1,350.7**	**1,451.5**

Analysis of sensitivity

At 31 December 2021, on the basis of a constant net debt, an immediate variation of 50 basis points in interest rates at the end of the year would have changed the annual borrowing cost as follows:

(€ million)	+50 bp Income	+50 bp Reclassifiable reserves	-50 bp Income	-50 bp Reclassifiable reserves
Variable rate financial instruments (after taking into account fair value hedges)	(25.2)	-	11.1	-
Liabilities for fair value options	-	-	-	-
Derivatives not qualifying as hedges	1.6	-	(1.7)	-
Derivatives qualifying as cash flow hedges	-	4.2	-	(3.3)
ANALYSIS OF SENSITIVITY	**(23.6)**	**4.2**	**9.4**	**(3.3)**

On the basis of the debt structure at 31 December 2021, a variation in the interest rate curve of +/-50 basis points on the average residual maturity of the debt (approximately three years) would have affected the cost of financial borrowings as follows:

(€ million)	+50 bp Income	+50 bp Reclassifiable reserves	-50 bp Income	-50 bp Reclassifiable reserves
Variable financial instruments (after taking into account fair value hedges)	(1.6)	-	(0.1)	-
Liabilities for fair value options	-	-	-	-
Derivatives not qualifying as hedges	0.3	-	(0.3)	-
Derivatives qualifying as cash flow hedges	-	1.0	-	(0.8)
ANALYSIS OF SENSITIVITY	**(1.2)**	**1.0**	**(0.4)**	**(0.8)**

Derivative financial instruments are recorded in the statement of financial position at their fair value in the following amounts:

	Fair value in the balance sheet as at 31/12/2021					Fair value in the balance sheet as at 31/12/2020				
(€ million)	Cash flow hedge	Fair value hedge	Trading	Hedging of a net investment in a foreign operation	TOTAL	Cash flow hedge	Fair value hedge	Trading	Hedging of a net investment in a foreign operation	TOTAL
Fixed-rate receiver swaps	-	-	-	-	-	-	-	-	-	-
Fixed-rate payer swaps	-	-	-	-	-	-	-	-	-	-
Interest rate options	2.4	-	-	-	2.4	0.1	-	-	-	0.1
Derivative assets	**2.4**	**-**	**-**	**-**	**2.4**	**0.1**	**-**	**-**	**-**	**0.1**
Fixed-rate receiver swaps	-	-	-	-	-	-	-	-	-	-
Fixed-rate payer swaps	2.7	-	2.6	-	5.3	10.7	-	0.2	-	10.9
Interest rate options	-	-	-	-	-	0.1	-	-	-	0.1
Derivative liabilities	**2.8**	**-**	**2.6**	**-**	**5.3**	**10.8**	**-**	**0.2**	**-**	**11.0**
INTEREST RATE NET POSITION	**(0.4)**	**-**	**(2.6)**	**-**	**(2.9)**	**(10.7)**	**-**	**(0.2)**	**-**	**(10.9)**

The nominal amounts of derivative financial instruments are detailed below:

	31/12/2021		31/12/2020	
(€ million)	Net long-term debt	Net short-term debt	Net long-term debt	Net short-term debt
Fixed-rate receiver swaps	-	-	-	-
Fixed-rate payer swaps	217.9	-	225.9	39.4
Index swaps	-	-	-	-
Interest rate options	390.4	-	162.6	140.0

All of the interest rate hedging instruments held at 31 December 2021 mature between 2022 and 2029. For synthetic hedges made up of several instruments, we only consider the nominal hedged.

Foreign exchange risk management

The Group has put in place intra-group loans denominated in foreign currency and recognised in current accounts. In order to hedge the resulting foreign exchange risk, the Group uses derivative financial instruments which allow it to fix the exchange rate of these intra-group loans, hedging 100% of the nominal amounts exposed.

The Group also makes investments in foreign entities. To cover the foreign exchange risk engendered by these investments, the Group uses derivative financial instruments for limited amounts, with the management objective being to maintain the reference exchange rate defined for the year.

Lastly, the Group carries out asset purchases denominated in foreign currencies. In order to hedge against any changes in exchange rates between the signature of the asset purchase agreement and the actual date of delivery, the Group uses derivatives that enable it to freeze or limit the risk of exchange rate variances.

A portion of the derivative financial instruments held by the Group is eligible for net investment hedge accounting within the meaning of IFRS 9, while another portion is eligible for cash flow hedge accounting within the meaning of IFRS 9, and a final portion is recognised as a transaction. At 31 December 2021, there were no derivative hedging instruments qualified as net investments.

Derivative financial instruments are recognised in the statement of financial position at their fair value in the following amounts:

	Fair value in the balance sheet as at 31/12/2021					Fair value in the balance sheet as at 31/12/2020				
(€ million)	Cash flow hedge	Fair value hedge	Trading	Hedging of a net investment in a foreign operation	TOTAL	Cash flow hedge	Fair value hedge	Trading	Hedging of a net investment in a foreign operation	TOTAL
Currency swaps	-	-	0.7	-	0.7	-	-	1.5	-	1.5
Forward purchase of currencies	0.1	-	-	-	0.1	-	-	-	-	-
Currency options	0.1	-	-	-	0.1	-	-	-	-	-
Derivative assets	**0.2**	**-**	**0.7**	**-**	**0.9**	**-**	**-**	**1.5**	**-**	**1.5**
Currency swaps	-	-	0.4	-	0.4	-	-	0.1	-	0.1
Forward purchase of currencies	-	-	-	-	-	-	-	-	-	-
Currency options	(0.1)	-	-	-	(0.1)	-	-	-	-	-
Derivative liabilities	**(0.1)**	**-**	**0.4**	**-**	**0.3**	**-**	**-**	**0.1**	**-**	**0.1**
NET POSITION – CURRENCIES	**0.3**	**-**	**0.3**	**-**	**0.5**	**-**	**-**	**1.4**	**-**	**1.4**

The derivative financial instruments mainly hedge transactions in the following currencies: AED, CAD, DKK, GBP, NOK, SEK, USD.

All of the foreign exchange hedging derivatives held at 31 December 2021 mature in 2022.

Management of risk of fluctuations in commodity prices

As part of its operational activities, the Group is exposed to a risk of fluctuation in the price of certain commodities, in particular diesel. The Group covers this risk by using derivative financial instruments. In 2021, Keolis hedged 69% of budgeted exposed diesel volumes.

Derivative financial instruments eligible for hedge accounting are recognised under cash flow hedges within the meaning of IFRS 9. The derivative financial instruments that are not eligible are recognised under trading.

Derivative financial instruments are recorded in the statement of financial position at their fair value in the following amounts:

(€ million)	Fair value in the balance sheet as at 31/12/2021				Fair value in the balance sheet as at 31/12/2020			
	Cash flow hedge	Fair value hedge	Trading	TOTAL	Cash flow hedge	Fair value hedge	Trading	TOTAL
Swaps on petroleum products	3.9	-	-	3.9	0.6	-	-	0.6
Swaptions on petroleum products	-	-	-	-	-	-	-	-
Forward purchase of electricity	-	-	-	-	-	-	-	-
Collars – assets	1.1	-	-	1.1	-	-	-	-
Derivatives on commodities assets	5.0	-	-	5.0	0.6	-	-	0.6
Swaps on petroleum products	0.1	-	0.1	0.2	2.6	-	7.4	10.0
Collars – liabilities	0.3	-	-	0.3	-	-	-	-
Forward purchase of electricity	-	-	-	-	-	-	-	-
Derivatives on commodities liabilities	0.4	-	0.1	0.5	2.6	-	7.4	10.0
NET POSITION ON COMMODITIES	**4.6**	**-**	**(0.1)**	**4.5**	**(1.9)**	**-**	**(7.4)**	**(9.4)**

At 31 December 2021, commodity price derivatives represented a volume of 53,155 tonnes (compared with 104,331 tonnes at 31 December 2020):

This significant decrease is due to the derivatives of the entity Keolis Amey Operations, which were unwound as part of the implementation of the new partnership model with Transport for Wales on 7 February 2021.

Counterparty risk

The transactions generating a potential counterparty risk for the Group were as follows:

- cash deposits;
- derivative financial instruments;
- trade receivables.

In 2013, the Group established and implemented a counterparty risk procedure for bank counterparties relating to its investments and derivative financial instruments. This procedure is based on the principles set out below:

- definition of three categories within which the Group's bank counterparties are divided:
  - Authorised Banks,
  - Banks under supervision,
  - Unauthorised Banks;

These categories are defined on the basis of bank-specific criteria (rating) or GROUPE KEOLIS S.A.S.-specific criteria (Group financing);

- cash investments and derivative financial instruments are only undertaken with counterparties that belong to the "Authorised Banks" category,
- the portfolio of cash investments complies with weighting restrictions,
- the "fair value at risk" (fair value in favour of the Group) of the portfolio of derivative financial instruments is monitored regularly so as to spread the risk over various counterparties,
- the banks and categories are monitored regularly.

If a bank that is a Group counterparty is removed from the "Authorised Bank" category, the portfolio of derivative financial instruments is restructured so as to comply once again with the category criteria.

At 31 December 2021:

- all the investments made and all the derivative financial instruments held by the Group were established with bank counterparties in the "Authorised Banks" category;
- the analysis of fair values at risk indicates that there is no major counterparty risk to report.

Finally, the credit and debit valuation adjustment calculations for the counterparty risk, as required by IFRS 13, indicate that the counterparty risk related to the valuation of the Group's portfolios of derivative financial instruments is negligible.

Liquidity risk

At 31 December 2021, the available syndicated credit line of €900 million was drawn down in the amount of €470 million. The undrawn balance amounted to €430 million. This credit line is available to GROUPE KEOLIS S.A.S. and Keolis SA.

The amount drawn down for the new term loan set up on 21 December 2021 was €277 million and the undrawn balance was €323 million. This credit line is available to GROUPE KEOLIS S.A.S.

The following table shows the reimbursement schedule for the syndicated credit facility and the acquisition financing credit lines, and the profile of the corresponding forecasted interest expenses after taking into account interest rate hedging.

AT 31 DECEMBER 2021

(€ million)	<= 1 year	2 years	3 to 5 years	> 5 years
Financial debt	17.4	157.9	826.1	2.5
Debt expense	(0.9)	(0.7)	(0.9)	-
of which interest rate hedges	*(0.3)*	*(0.2)*	*(0.2)*	-

The forecasted interest expenses on the debt are calculated on the gross debt on the basis of the interest rate on 31 December 2021, to which is added the Group's interest margin.

The Group ensures that it has sufficient resources to meet its financial obligations. To do so, each year the Group prepares a table of projected cash flows several years into the future to identify financing requirements and their seasonality. On this basis, the Group closed its 2021 financial statements without any identified cash risk for 2022.

5.14 Provisions

ANALYSIS BY TYPE

	31/12/2021			31/12/2020		
(€ million)	More than one year	Less than one year	Total	More than one year	Less than one year	Total
Pensions	57.3	11.9	69.2	68.1	10.7	78.8
Other employee benefits	27.0	2.2	29.2	27.7	1.7	29.4
Employment and tax risks	22.6	36.3	58.9	40.9	41.9	82.8
Losses on contract termination and loss-making contracts	15.4	0.9	16.4	115.5	18.7	134.2
Major repairs and refurbishment	7.1	5.1	12.2	9.4	5.3	14.7
Other	11.7	7.1	18.7	9.5	12.8	22.4
TOTAL	**141.1**	**63.5**	**204.6**	**271.0**	**91.2**	**362.2**

CHANGES DURING THE FINANCIAL YEAR

(€ million)	01/01/2021	Charge	Reversals	Newly consolidated companies	Other changes*	31/12/2021
Pensions	78.8	9.2	(8.1)	-	(10.6)	69.2
Other employee benefits	29.4	0.9	(1.1)	-	-	29.2
Employment and tax risks	82.8	26.1	(48.5)	-	(1.5)	58.9
Losses on contract termination and loss-making contracts	134.2	4.4	(42.0)	(83.5)	3.3	16.4
Major repairs and refurbishment	14.7	1.0	(0.4)	-	(3.1)	12.2
Other	22.4	15.3	(15.3)	(1.1)	(2.5)	18.7
TOTAL	**362.2**	**56.8**	**(115.3)**	**(84.6)**	**(14.5)**	**204.6**

* *The impact of other changes on pensions, amounting to -€10 million, corresponds to the application of the IFRIC's change in accounting method – see 2.2.1.*

At 31 December 2021, reversals of provisions, amounting to €115.3 million, broke down into reversals used for an amount of €84.7 million. Reversals of provisions not used amounted to €30.6 million, of which €6.7 million related to the reversal of the provision for losses on contracts in Germany and €5.8 million of reversals following the discontinuation of the Wales & Borders contract.

Pensions and similar benefits

The commitments recognised in the statement of financial position break down as follows:

(€ million)	31/12/2021	31/12/2020
Commitments recorded in the statement of financial position:		
Pensions and other post-employment benefits	69.2	78.8
Other employee benefits	29.2	29.4
TOTAL	**98.4**	**108.2**
Of which:		
• Non-current	84.3	95.7
• Current	14.1	12.5

Pensions and other post-employment benefits

ACTUARIAL ASSUMPTIONS

The following are the main actuarial assumptions adopted in evaluating pension commitments under the defined benefit schemes:

	31/12/2021	31/12/2020
(%)	France	France
Discount rate	0.56	0.21
Rate of salary increase *(table range by category for France)*	4.06	4.13
Expected rate of return on assets	0.56	0.21

The plan assets break down as follows:

	31/12/2021	31/12/2020
(€ million)	France	France
Equities	-	-
Bonds	0.2	0.2
Real estate	-	-
Other (notably cash equivalents)	-	-

The sensitivity to discount rates is as follows, in relation to the assumptions adopted:

(€ million)	Net commitment 31/12/2021	Service cost 2022	Financial cost 2022
Discount rate of -0.25%	71.0	6.4	0.2
Discount rate (basic assumption)	69.2	6.2	0.4
Discount rate of +0.25%	68.0	6.0	0.5

Commitments recorded in the statement of financial position

The commitments recognised in the statement of financial position break down as follows:

(€ million)	31/12/2021	31/12/2020
Present value of non-financed liabilities	68.0	77.2
Present value of financed liabilities	1.5	1.9
PRESENT VALUE OF TOTAL LIABILITIES	**69.5**	**79.1**
Fair value of pension scheme assets	(0.3)	(0.3)
PRESENT VALUE OF NET LIABILITIES RECOGNISED	**69.2**	**78.8**

Analysis of changes in liabilities and assets

The net present value of the liabilities comprises:

(€ million)	31/12/2021	31/12/2020
NET PRESENT VALUE OF LIABILITIES AT 1 JANUARY	**79.2**	**85.0**
Service cost	6.6	6.8
Financial cost (including Franchise Adjustment)	0.1	0.4
Benefits paid	(8.0)	(7.7)
Employee contributions	-	-
Changes in pension schemes	2.2	-
Actuarial gains and losses	(1.8)	(2.0)
Foreign exchange translation differences and change in methods*	(9.6)	0.3
Effect of changes in consolidation scope	0.5	(1.1)
Effect of reductions and pension scheme settlements	0.2	(2.5)
NET PRESENT VALUE OF LIABILITIES AT 31 DECEMBER	**69.4**	**79.2**

* *The line "Foreign exchange translation differences and change in methods" includes -€10 million related to the change in the IFRIC accounting method. See 2.2.1.*

The fair value of the assets comprises:

(€ million)	31/12/2021	31/12/2020
FAIR VALUE OF PENSION PLAN ASSETS AT 1 JANUARY	**0.4**	**0.6**
Expected return on assets	-	-
Actuarial gains/(losses) on pension fund returns	(0.1)	-
Employer contributions	-	-
Employee contributions	-	-
Benefits paid	-	-
Foreign exchange translation difference	-	-
Effect of changes in consolidation scope	-	-
Effect of reductions and pension scheme settlements	-	(0.2)
FAIR VALUE OF PENSION PLAN ASSETS AT 31 DECEMBER	**0.3**	**0.4**

Actuarial gains and losses relating to changes in assumptions and experience gains and losses are as follows:

(€ million)	**31/12/2021**	31/12/2020
Impact of changes in assumptions	(2.0)	(0.9)
Losses/(gains) in the light of experience	(2.6)	(1.0)
Amendment of time-frame	2.8	-
Actuarial (gains)/losses for the year	**(1.8)**	**(2.0)**

Obligations and assets by geographical area break down as follows:

	31/12/2021	
(€ million)	**France**	**Total**
Present value of obligations	69.5	69.5
Fair value of pension scheme assets	(0.3)	(0.3)
NET PRESENT VALUE OF OBLIGATIONS	**69.2**	**69.2**

Benefit cost for the financial year

The cost of benefits recognised in the income statement breaks down as follows:

(€ million)	**31/12/2021**	31/12/2020
Service cost	6.6	6.8
Interest cost	0.1	0.4
Expected return on assets	-	-
Changes in pension schemes	2.2	-
Effect of reductions and pension scheme settlements	0.2	(2.3)
TOTAL EXPENSE RECOGNISED IN THE INCOME STATEMENT	**9.1**	**4.9**

The service cost is recognised in staff expenses.

The interest cost on liabilities and the expected return on the pension scheme assets are recognised as financial expenses and financial income respectively.

Change in net obligation recognised in liabilities in the statement of financial position

(€ million)	**31/12/2021**	31/12/2020
OPENING PROVISION AT 1 JANUARY	**78.8**	**84.4**
Newly consolidated companies	0.5	(0.9)
Benefit cost for the financial year	9.1	4.9
Used (Benefits/Contributions paid)	(8.0)	(7.6)
Provision charged to/(reversed from) equity	(1.8)	(2.0)
Foreign exchange translation differences and other changes*	(9.4)	-
CLOSING PROVISION AT 31 DECEMBER	**69.2**	**78.8**

* *The "Other changes" line includes -€10 million related to the change in the IFRIC accounting method. See 2.2.1.*

The cumulative changes in charges/(reversals) recognised directly in equity are as follows:

(€ million)	31/12/2021	31/12/2020
CUMULATIVE OPENING BALANCE OF CHARGES/(REVERSALS)	**(28.9)**	**(26.6)**
Actuarial (gains)/losses for the year	(1.8)	(2.0)
Franchise Adjustment incl. foreign exchange translation differences	0.2	-
CUMULATIVE CLOSING BALANCE OF CHARGES/(REVERSALS)	**(30.5)**	**(28.6)**

Changes for the current financial year and for the three previous ones:

(€ million)	31/12/2021	31/12/2020	31/12/2019	31/12/2018
Present value of liabilities	69.4	79.2	85.0	153.8
Fair value of pension scheme assets	(0.3)	(0.4)	(0.6)	(6.2)
Franchise Adjustment and Asset Ceiling (Canada)	-	-	-	-
Surplus (deficit) of the pension scheme	**69.1**	**78.8**	**84.4**	**147.6**
Adjustments related to experience	(2.6)	(1.0)	(5.3)	2.1
Amendment of time-frame	2.8	-	(78.6)	N/A

Other employee benefits

DESCRIPTION OF COMMITMENTS AND ACTUARIAL ASSUMPTIONS

Other employee benefits consist of long-service awards to employees working in France and healthcare expenses of employees in the United States who have taken early retirement. These schemes are not funded by external assets (*e.g.* insurance policies). The obligations arising from defined benefit schemes are measured using the same methods and assumptions as for the pension schemes.

The actuarial gains and losses arising from both experience and due to changes in actuarial assumptions are immediately recognised in the income statement for the financial year.

ANALYSIS OF CHANGES IN OBLIGATIONS

(€ million)	01/01/2021	Charge	Reversals	Other	31/12/2021
France: long service awards	15.6	2.0	(1.0)	(1.4)	15.1
USA: healthcare expenses of retired employees	13.8	0.3	-	(0.1)	14.1
TOTAL	**29.4**	**2.3**	**(1.0)**	**(1.5)**	**29.2**

5.15 Trade and other liabilities

(€ million)	31/12/2021	31/12/2020
Customers: advances and deposits received	101.9	81.4
Trade payables	693.1	725.6
Payables to PPE suppliers	96.8	60.7
Payables to staff	581.8	560.8
Central government and local authorities	163.5	89.4
Deferred income*	324.7	381.4
Other	268.8	229.8
TOTAL	**2,230.7**	**2,129.2**

* *Including €106.5 million in financial liabilities for concessions in 2021, compared to €123.8 million in 2020.*

6 OFF-STATEMENT OF FINANCIAL POSITION COMMITMENTS AND CONTRACTUAL OBLIGATIONS

(€ million)	31/12/2021	31/12/2020
Unused credit lines	784.3	695.2
Guarantees received as collateral	14.8	598.6
TOTAL COMMITMENTS AND GUARANTEES RECEIVED	**799.2**	**1,293.8**
Guarantees to purchase	1.7	3.2
Guarantees given for operating commitments	1,527.3	1,881.9
Securities provided	51.7	46.3
TOTAL COMMITMENTS AND GUARANTEES GIVEN	**1,580.8**	**1,931.4**

Path rights (*i.e.* rail access rights) are included in the line "Guarantees given for operating commitments", in the amount of €1.7 million at 31 December 2021 compared to €627.5 million at 31 December 2020.

The decrease in guarantees received and given as operating guarantees is mainly due to the discontinuation of railway activities in Germany and the end of the Wales & Borders contract.

7 LITIGATION AND CONTINGENT LIABILITIES

The estimates and underlying assumptions relating to current disputes are continuously re-examined. In particular, current disputes and litigation, especially with tax administrations or relating to appeals on tenders or on warranty claims, were examined by the management with its advisers and lawyers for the purpose of assessing the risk they entail to the measurement of assets or liabilities.

The impact of changes in accounting estimates is recognised during the period of the change where they only affect that period, or during the period of the change and subsequent periods where the latter are also affected by the change.

Risks are measured at fair value and, when an outflow of resources is considered probable, a provision is made in the accounts (see 5.14).

The Optile transport group, of which Keolis is a member, is concerned by the decision of the Council of State relating to the recovery of subsidies granted by the Regional Council of Île-de-France on the grounds that it benefited from State aid unlawfully. As the system was deemed compatible with the internal market, but not notified to the Commission, by a ruling dated 18 March 2020, the Council of State asked the Île-de-France region to "take the necessary measures to ensure the payment, by each company having conducted an activity on a market open to competition and having benefited from the aid scheme unlawfully implemented, of the amounts corresponding to the interest… that the company would have paid if it had had to borrow…".

On 8 July 2021, the Île-de-France Region sent a letter to the subsidiaries of the Keolis Group to carry out the execution of the decision of the Council of State of 18 March 2020 in which it appears that the amount of interest to be recovered could prove not to be significant in the context of this litigation. On 4 January 2022, Keolis sent a response to the Region in coordination with the Optile union. In view of these developments, Keolis did not provision this risk at 31 December 2021.

At the end of September 2021, the Department of Transport (DfT) decided not to extend the South East London national rail contract operated by LSER due to a discussion regarding the calculation of profit-sharing payments and the treatment of certain overpayments made by DfT to LSER. Under the Railways Act 1993, the DfT has the power to impose financial penalties on LSER in relation to this dispute. Go Ahead Group, majority shareholder of LSER with a 65% stake, based on independent legal advice, included a provision of £30 million in its financial statements for the year ended 3 July 2021, which is the current best estimate of the penalty. Keolis included 35% of this penalty, equivalent to €12 million, in the share of the income of equity-accounted companies recognised in 2021 income.

8 RELATED-PARTY TRANSACTIONS

GROUPE KEOLIS S.A.S. is majority-owned by SNCF, a national public company (French *société anonyme*) whose capital is wholly owned by the French State.

8.1 Transactions with SNCF

GROUPE KEOLIS S.A.S. is 69.69%-owned by SNCF and 30.00%-owned by Caisse des Dépôts et Placements du Québec. Transactions mainly correspond to general management services.

Transactions with the SNCF and its subsidiaries mainly concern car park rentals, and either permanent or occasional passenger transport services.

8.2 Transactions with joint ventures and associates

Transactions with joint ventures and associates are carried out under normal market conditions.

8.3 Remuneration of the Group's key executives

The key managers in the Group are defined as being the company executive officers of GROUPE KEOLIS S.A.S. and the members of the Executive Committee. The remuneration and other short-term benefits of these key managers amounted to €4 million in 2021 compared to €5.1 million in 2020.

The following director's fees were paid to independent directors: €0.3 million in 2021, compared to €0.4 million in 2020.

There are no outstanding advances or credit facilities extended to members of the Group's management or executive bodies.

9 POST-BALANCE SHEET EVENTS

Nil.

10 SCOPE OF CONSOLIDATION

10.1 Subsidiaries

Name	Method of consolidation	% of shareholding	Country
A85 Assistances	Fully consolidated (FC)	100.00	FRANCE
ADN	Fully consolidated (FC)	100.00	FRANCE
Aerobag	Fully consolidated (FC)	100.00	FRANCE
Aerolis	Fully consolidated (FC)	100.00	FRANCE
Aéroport Angers Marcé	Fully consolidated (FC)	100.00	FRANCE
Airelle	Fully consolidated (FC)	100.00	FRANCE
Ambulance Angers	Fully consolidated (FC)	100.00	FRANCE
Ambulance Anjou Touraine	Fully consolidated (FC)	100.00	FRANCE
Ambulance Aux 2 B	Fully consolidated (FC)	100.00	FRANCE
Ambulance Douillard	Fully consolidated (FC)	100.00	FRANCE
Ambulance Florentaise	Fully consolidated (FC)	100.00	FRANCE
Ambulance Graton	Fully consolidated (FC)	100.00	FRANCE
Ambulance Platinium	Fully consolidated (FC)	100.00	FRANCE
Ambulance Saint Jean Bastiste Canejan	Fully consolidated (FC)	100.00	FRANCE
Ambulance Saint Jean Bastiste Langon	Fully consolidated (FC)	100.00	FRANCE
Ambulance Saint Jean Bastiste Libourne	Fully consolidated (FC)	100.00	FRANCE
Ambulance Taxi Laporte	Fully consolidated (FC)	100.00	FRANCE
Ambulances 24/24	Fully consolidated (FC)	100.00	FRANCE
Ambulances Alienor d'Aquitaine	Fully consolidated (FC)	100.00	FRANCE
Ambulances Blanc	Fully consolidated (FC)	100.00	FRANCE
Ambulances Chaperon	Fully consolidated (FC)	100.00	FRANCE
Ambulances Chesnaysiennes Sanitran	Fully consolidated (FC)	100.00	FRANCE
Ambulances de la Côte d'Argent	Fully consolidated (FC)	100.00	FRANCE
Ambulances de la Vallée	Fully consolidated (FC)	100.00	FRANCE
Ambulances de l'Etoile	Fully consolidated (FC)	100.00	FRANCE
Ambulances Gaillacoises AAAT	Fully consolidated (FC)	100.00	FRANCE
Ambulances Hervé	Fully consolidated (FC)	100.00	FRANCE
Ambulances Loire et Sillon	Fully consolidated (FC)	100.00	FRANCE
Ambulances Secours Rapides du Bassin	Fully consolidated (FC)	100.00	FRANCE
Ambulances Sud Loire	Fully consolidated (FC)	100.00	FRANCE
Ambulances Sud Nantes	Fully consolidated (FC)	100.00	FRANCE
Ambulances Talençaises	Fully consolidated (FC)	100.00	FRANCE
Arnaud	Fully consolidated (FC)	100.00	FRANCE
ASC Groupe	Fully consolidated (FC)	100.00	FRANCE

* *Including entries into the scope in 2021 (see below).*

Name	Method of consolidation	% of shareholding	Country
Autocars Delion S.A.S.	Fully consolidated (FC)	100.00	FRANCE
Autocars Eschenlauer	Fully consolidated (FC)	100.00	FRANCE
Autocars et Transports Grindler	Fully consolidated (FC)	100.00	FRANCE
Autocars Striebig	Fully consolidated (FC)	100.00	FRANCE
Autocars Trans-Azur	Fully consolidated (FC)	100.00	FRANCE
Cars de Bordeaux	Fully consolidated (FC)	100.00	FRANCE
Castel Ambulances	Fully consolidated (FC)	100.00	FRANCE
Compagnie du Blanc Argent	Fully consolidated (FC)	99.43	FRANCE
Cykleo	Fully consolidated (FC)	100.00	FRANCE
DM Finance	Fully consolidated (FC)	85.00	FRANCE
EFFIA (holding company)	Fully consolidated (FC)	100.00	FRANCE
EFFIA ASNIÈRES SUR SEINE	Fully consolidated (FC)	100.00	FRANCE
EFFIA Cannes	Fully consolidated (FC)	100.00	FRANCE
EFFIA CERGY PONTOISE	Fully consolidated (FC)	100.00	FRANCE
EFFIA CHARENTON	Fully consolidated (FC)	100.00	FRANCE
EFFIA Concessions	Fully consolidated (FC)	100.00	FRANCE
EFFIA Le Havre	Fully consolidated (FC)	100.00	FRANCE
EFFIA Limoges	Fully consolidated (FC)	100.00	FRANCE
EFFIA Park	Fully consolidated (FC)	100.00	FRANCE
EFFIA Rouen Gare	Fully consolidated (FC)	100.00	FRANCE
EFFIA Stationnement Cassis	Fully consolidated (FC)	100.00	FRANCE
EFFIA Stationnement Chambéry	Fully consolidated (FC)	100.00	FRANCE
EFFIA Stationnement et Mobilité	Fully consolidated (FC)	100.00	FRANCE
EFFIA Stationnement Eze	Fully consolidated (FC)	100.00	FRANCE
EFFIA Stationnement Grenoble	Fully consolidated (FC)	100.00	FRANCE
EFFIA Stationnement Lille	Fully consolidated (FC)	100.00	FRANCE
EFFIA Stationnement Lyon	Fully consolidated (FC)	100.00	FRANCE
EFFIA Stationnement Marseille	Fully consolidated (FC)	100.00	FRANCE
EFFIA Stationnement Nice Mozart	Fully consolidated (FC)	100.00	FRANCE
EFFIA Stationnement Saint-Maur-des-Fossés	Fully consolidated (FC)	100.00	FRANCE
EFFIA Stationnement Saint-Étienne	Fully consolidated (FC)	100.00	FRANCE
EFFIA Stationnement Vincennes	Fully consolidated (FC)	100.00	FRANCE
EGS Lyon	Fully consolidated (FC)	100.00	FRANCE
Enlèvement et Gardiennage Services	Fully consolidated (FC)	100.00	FRANCE
Enlèvement et Gardiennage Services Lille	Fully consolidated (FC)	100.00	FRANCE
Enlèvement et Gardiennage Services Marseille	Fully consolidated (FC)	100.00	FRANCE
Enlèvement et Gardiennage Services Montpellier	Fully consolidated (FC)	100.00	FRANCE
Financière Franck Salat	Fully consolidated (FC)	100.00	FRANCE
GEP Vidal	Fully consolidated (FC)	100.00	FRANCE
GR4 Crolles	Fully consolidated (FC)	55.81	FRANCE
GROUPE KEOLIS S.A.S.	Fully consolidated (FC)	100.00	FRANCE
Guillou Aillerie	Fully consolidated (FC)	100.00	FRANCE

* *Including entries into the scope in 2021 (see below).*

Name	Method of consolidation	% of shareholding	Country
Holding Rochette Participations Montverdun	Fully consolidated (FC)	100.00	FRANCE
Holding Striebig	Fully consolidated (FC)	100.00	FRANCE
Institut Keolis	Fully consolidated (FC)	100.00	FRANCE
Inter Ambulances	Fully consolidated (FC)	100.00	FRANCE
Jade Ambulance Service	Fully consolidated (FC)	100.00	FRANCE
Jussieu Secours	Fully consolidated (FC)	56.56	FRANCE
Keolis	Fully consolidated (FC)	100.00	FRANCE
Keolis Agde	Fully consolidated (FC)	100.00	FRANCE
Keolis Agen	Fully consolidated (FC)	100.00	FRANCE
Keolis Aile	Fully consolidated (FC)	100.00	FRANCE
Keolis Aile Foncière	Fully consolidated (FC)	100.00	FRANCE
Keolis Alès	Fully consolidated (FC)	100.00	FRANCE
Keolis Alpes Maritimes	Fully consolidated (FC)	100.00	FRANCE
Keolis Amiens	Fully consolidated (FC)	100.00	FRANCE
Keolis Angers	Fully consolidated (FC)	100.00	FRANCE
Keolis Argenteuil Boucle de Seine*	Fully consolidated (FC)	100.00	FRANCE
Keolis Armor	Fully consolidated (FC)	100.00	FRANCE
Keolis Arras	Fully consolidated (FC)	100.00	FRANCE
Keolis Artois	Fully consolidated (FC)	100.00	FRANCE
Keolis Atlantique	Fully consolidated (FC)	100.00	FRANCE
Keolis Auch	Fully consolidated (FC)	100.00	FRANCE
Keolis Aude	Fully consolidated (FC)	100.00	FRANCE
Keolis Autocars Planche	Fully consolidated (FC)	100.00	FRANCE
Keolis Baie des Anges	Fully consolidated (FC)	100.00	FRANCE
Keolis Bassin d'Arcachon	Fully consolidated (FC)	100.00	FRANCE
Keolis Bassin de Pompey	Fully consolidated (FC)	100.00	FRANCE
Keolis Bassin de Thau	Fully consolidated (FC)	100.00	FRANCE
Keolis Beaune	Fully consolidated (FC)	100.00	FRANCE
Keolis Besançon Mobilités	Fully consolidated (FC)	100.00	FRANCE
Keolis Blois	Fully consolidated (FC)	100.00	FRANCE
Keolis Blois Mobilités	Fully consolidated (FC)	100.00	FRANCE
Keolis Bordeaux	Fully consolidated (FC)	99.99	FRANCE
Keolis Bordeaux Métropole	Fully consolidated (FC)	100.00	FRANCE
Keolis Boulogne sur Mer	Fully consolidated (FC)	100.00	FRANCE
Keolis Bourgogne	Fully consolidated (FC)	99.50	FRANCE
Keolis Brest	Fully consolidated (FC)	100.00	FRANCE
Keolis Bus Verts	Fully consolidated (FC)	100.00	FRANCE
Keolis Caen	Fully consolidated (FC)	100.00	FRANCE
Keolis Caen Mobilités	Fully consolidated (FC)	100.00	FRANCE
Keolis Calvados	Fully consolidated (FC)	100.00	FRANCE
Keolis Camargue	Fully consolidated (FC)	100.00	FRANCE
Keolis Centre	Fully consolidated (FC)	100.00	FRANCE

* *Including entries into the scope in 2021 (see below).*

Name	Method of consolidation	% of shareholding	Country
Keolis Châlons-en-Champagne	Fully consolidated (FC)	99.24	FRANCE
Keolis Chambéry	Fully consolidated (FC)	100.00	FRANCE
Keolis Charente Maritime	Fully consolidated (FC)	99.98	FRANCE
Keolis Château Thierry	Fully consolidated (FC)	100.00	FRANCE
Keolis Châteauroux	Fully consolidated (FC)	100.00	FRANCE
Keolis Châtellerault	Fully consolidated (FC)	100.00	FRANCE
Keolis Chaumont	Fully consolidated (FC)	100.00	FRANCE
Keolis Chauny-Tergnier	Fully consolidated (FC)	100.00	FRANCE
Keolis Chauny-Tergnier – La Fère Scolaire	Fully consolidated (FC)	100.00	FRANCE
Keolis Cherbourg	Fully consolidated (FC)	100.00	FRANCE
Keolis CIF	Fully consolidated (FC)	99.99	FRANCE
Keolis Conseil et Projets	Fully consolidated (FC)	100.00	FRANCE
Keolis Contrôle et Humanisation	Fully consolidated (FC)	100.00	FRANCE
Keolis Côte Basque – Adour	Fully consolidated (FC)	100.00	FRANCE
Keolis Côte d'Azur	Fully consolidated (FC)	100.00	FRANCE
Keolis Côte d'Opale	Fully consolidated (FC)	100.00	FRANCE
Keolis Creil	Fully consolidated (FC)	100.00	FRANCE
Keolis Dijon	Fully consolidated (FC)	100.00	FRANCE
Keolis Dijon Mobilités	Fully consolidated (FC)	100.00	FRANCE
Keolis Dole	Fully consolidated (FC)	100.00	FRANCE
Keolis Dourlens	Fully consolidated (FC)	100.00	FRANCE
Keolis Drôme Ardèche	Fully consolidated (FC)	100.00	FRANCE
Keolis Drouais	Fully consolidated (FC)	100.00	FRANCE
Keolis en Cévennes	Fully consolidated (FC)	99.19	FRANCE
Keolis Epinal	Fully consolidated (FC)	100.00	FRANCE
Keolis Eure et Loir	Fully consolidated (FC)	100.00	FRANCE
Keolis Flandre Maritime	Fully consolidated (FC)	100.00	FRANCE
Keolis Fouache	Fully consolidated (FC)	100.00	FRANCE
Keolis Garonne	Fully consolidated (FC)	100.00	FRANCE
Keolis Gascogne	Fully consolidated (FC)	100.00	FRANCE
Keolis Gironde	Fully consolidated (FC)	100.00	FRANCE
Keolis Grand Bassin de Bourg-en-Bresse	Fully consolidated (FC)	100.00	FRANCE
Keolis Grand Nancy	Fully consolidated (FC)	100.00	FRANCE
Keolis Haguenau*	Fully consolidated (FC)	100.00	FRANCE
Keolis Haut-Bugey	Fully consolidated (FC)	100.00	FRANCE
Keolis Languedoc	Fully consolidated (FC)	100.00	FRANCE
Keolis Laval	Fully consolidated (FC)	100.00	FRANCE
Keolis Laval Mobilités	Fully consolidated (FC)	100.00	FRANCE
Keolis Lille	Fully consolidated (FC)	100.00	FRANCE
Keolis Lille Métropole	Fully consolidated (FC)	100.00	FRANCE
Keolis Littoral	Fully consolidated (FC)	100.00	FRANCE
Keolis Lorient	Fully consolidated (FC)	100.00	FRANCE

* *Including entries into the scope in 2021 (see below).*

Name	Method of consolidation	% of shareholding	Country
Keolis Lyon	Fully consolidated (FC)	100.00	FRANCE
Keolis Manche	Fully consolidated (FC)	100.00	FRANCE
Keolis Maritime Brest	Fully consolidated (FC)	100.00	FRANCE
Keolis Marmande	Fully consolidated (FC)	100.00	FRANCE
Keolis Marne*	Fully consolidated (FC)	100.00	FRANCE
Keolis Méditerranée	Fully consolidated (FC)	100.00	FRANCE
Keolis Menton Riviera	Fully consolidated (FC)	100.00	FRANCE
Keolis Métropole Orléans	Fully consolidated (FC)	100.00	FRANCE
Keolis Mobilité Paris	Fully consolidated (FC)	100.00	FRANCE
Keolis Mobilité Roissy	Fully consolidated (FC)	100.00	FRANCE
Keolis Mobilité Val-de-Marne	Fully consolidated (FC)	100.00	FRANCE
Keolis Mobilités Seine-et-Marne*	Fully consolidated (FC)	100.00	FRANCE
Keolis Montargis	Fully consolidated (FC)	100.00	FRANCE
Keolis Montluçon	Fully consolidated (FC)	100.00	FRANCE
Keolis Montluçon Mobilités*	Fully consolidated (FC)	100.00	FRANCE
Keolis Morlaix	Fully consolidated (FC)	96.00	FRANCE
Keolis Moulins	Fully consolidated (FC)	100.00	FRANCE
Keolis Narbonne	Fully consolidated (FC)	100.00	FRANCE
Keolis Nevers	Fully consolidated (FC)	100.00	FRANCE
Keolis Nîmes	Fully consolidated (FC)	100.00	FRANCE
Keolis Nord	Fully consolidated (FC)	99.99	FRANCE
Keolis Normandie Seine	Fully consolidated (FC)	100.00	FRANCE
Keolis Obernai	Fully consolidated (FC)	100.00	FRANCE
Keolis Oise	Fully consolidated (FC)	100.00	FRANCE
Keolis Oise 2*	Fully consolidated (FC)	100.00	FRANCE
Keolis Orléans	Fully consolidated (FC)	100.00	FRANCE
Keolis Orly Airport	Fully consolidated (FC)	100.00	FRANCE
Keolis Orly Rungis	Fully consolidated (FC)	100.00	FRANCE
Keolis Ouest Val-de-Marne	Fully consolidated (FC)	100.00	FRANCE
Keolis Oyonnax	Fully consolidated (FC)	100.00	FRANCE
Keolis Pays d’Aix	Fully consolidated (FC)	100.00	FRANCE
Keolis Pays de Montbéliard	Fully consolidated (FC)	100.00	FRANCE
Keolis Pays des Volcans	Fully consolidated (FC)	100.00	FRANCE
Keolis Pays Dolois	Fully consolidated (FC)	100.00	FRANCE
Keolis Pays du Forez	Fully consolidated (FC)	100.00	FRANCE
Keolis Pays Nancéien	Fully consolidated (FC)	100.00	FRANCE
Keolis Pays Normands	Fully consolidated (FC)	100.00	FRANCE
Keolis PMR Rhône	Fully consolidated (FC)	100.00	FRANCE
Keolis Porte de l’Isère	Fully consolidated (FC)	100.00	FRANCE
Keolis Porte des Alpes	Fully consolidated (FC)	100.00	FRANCE
Keolis Pyrénées	Fully consolidated (FC)	97.11	FRANCE
Keolis Quimper	Fully consolidated (FC)	100.00	FRANCE

* *Including entries into the scope in 2021 (see below).*

Name	Method of consolidation	% of shareholding	Country
Keolis Rennes	Fully consolidated (FC)	100.00	FRANCE
Keolis Réseau Départemental Sud Oise	Fully consolidated (FC)	100.00	FRANCE
Keolis Riom	Fully consolidated (FC)	100.00	FRANCE
Keolis Roissy Services Aéroportuaires	Fully consolidated (FC)	100.00	FRANCE
Keolis Saint Malo	Fully consolidated (FC)	100.00	FRANCE
Keolis Saintes	Fully consolidated (FC)	100.00	FRANCE
Keolis Saintes Mobilités	Fully consolidated (FC)	100.00	FRANCE
Keolis Salon-de-Provence	Fully consolidated (FC)	100.00	FRANCE
Keolis Santé	Fully consolidated (FC)	100.00	FRANCE
Keolis Seine Essonne	Fully consolidated (FC)	100.00	FRANCE
Keolis Seine Maritime	Fully consolidated (FC)	100.00	FRANCE
Keolis Seine Oise Est*	Fully consolidated (FC)	100.00	FRANCE
Keolis Seine Sénart	Fully consolidated (FC)	100.00	FRANCE
Keolis Seine Val-de-Marne	Fully consolidated (FC)	100.00	FRANCE
Keolis Solutions	Fully consolidated (FC)	100.00	FRANCE
Keolis Somme	Fully consolidated (FC)	100.00	FRANCE
Keolis Sophia Antipolis	Fully consolidated (FC)	100.00	FRANCE
Keolis Sud Allier	Fully consolidated (FC)	100.00	FRANCE
Keolis Sud Lorraine	Fully consolidated (FC)	100.00	FRANCE
Keolis Tarbes Lourdes Pyrénées	Fully consolidated (FC)	100.00	FRANCE
Keolis Territoires Nancéiens	Fully consolidated (FC)	100.00	FRANCE
Keolis Thionville-Fensch*	Fully consolidated (FC)	100.00	FRANCE
Keolis Touraine	Fully consolidated (FC)	100.00	FRANCE
Keolis Tours	Fully consolidated (FC)	100.00	FRANCE
Keolis Tours Access	Fully consolidated (FC)	100.00	FRANCE
Keolis Travel Services	Fully consolidated (FC)	100.00	FRANCE
Keolis Trois Frontières	Fully consolidated (FC)	100.00	FRANCE
Keolis Urbest	Fully consolidated (FC)	100.00	FRANCE
Keolis Val d'Oise	Fully consolidated (FC)	100.00	FRANCE
Keolis Val de Saône	Fully consolidated (FC)	100.00	FRANCE
Keolis Val Hainaut	Fully consolidated (FC)	96.32	FRANCE
Keolis Vélizy	Fully consolidated (FC)	100.00	FRANCE
Keolis Versailles	Fully consolidated (FC)	100.00	FRANCE
Keolis Vesoul	Fully consolidated (FC)	100.00	FRANCE
Keolis Vichy	Fully consolidated (FC)	100.00	FRANCE
Keolis Villefranche-sur-Saône	Fully consolidated (FC)	100.00	FRANCE
Keolis Voyages	Fully consolidated (FC)	100.00	FRANCE
Keolis Westeel	Fully consolidated (FC)	100.00	FRANCE
Keolis Yvelines	Fully consolidated (FC)	100.00	FRANCE
KeoMotion	Fully consolidated (FC)	100.00	FRANCE
Kisio Digital	Fully consolidated (FC)	100.00	FRANCE
Kisio Services & Consulting	Fully consolidated (FC)	100.00	FRANCE

* *Including entries into the scope in 2021 (see below).*

Name	Method of consolidation	% of shareholding	Country
KO Haguenau	Fully consolidated (FC)	100.00	FRANCE
KO Nevers	Fully consolidated (FC)	100.00	FRANCE
KORRIVA	Fully consolidated (FC)	100.00	FRANCE
L2O	Fully consolidated (FC)	100.00	FRANCE
Les Blayaises	Fully consolidated (FC)	100.00	FRANCE
Les Cars du Bassin de Thau	Fully consolidated (FC)	100.00	FRANCE
Les Coccinelles	Fully consolidated (FC)	100.00	FRANCE
Les Courriers Catalans	Fully consolidated (FC)	100.00	FRANCE
Les Courriers Du Midi	Fully consolidated (FC)	100.00	FRANCE
Les Kangourous 2	Fully consolidated (FC)	100.00	FRANCE
Logistique Ambulance	Fully consolidated (FC)	100.00	FRANCE
Loisirs et Voyages	Fully consolidated (FC)	100.00	FRANCE
Mazamet Ambulances	Fully consolidated (FC)	100.00	FRANCE
Monamiligo	Fully consolidated (FC)	100.00	FRANCE
Monts Jura Autocars	Fully consolidated (FC)	100.00	FRANCE
Ormont Transports	Fully consolidated (FC)	100.00	FRANCE
Orset Investissement	Fully consolidated (FC)	100.00	FRANCE
Ouest Ambulances	Fully consolidated (FC)	85.00	FRANCE
Pacific Car	Fully consolidated (FC)	100.00	FRANCE
Pessac Ambulances	Fully consolidated (FC)	100.00	FRANCE
Phocéens Cars	Fully consolidated (FC)	100.00	FRANCE
STEFIM	Fully consolidated (FC)	100.00	FRANCE
Santa Azur	Fully consolidated (FC)	100.00	FRANCE
SAP Cariane Provence	Fully consolidated (FC)	100.00	FRANCE
SATRVAM	Fully consolidated (FC)	100.00	FRANCE
SCAC	Fully consolidated (FC)	100.00	FRANCE
Société Bordelaise d’Exploitation de Services	Fully consolidated (FC)	100.00	FRANCE
Société d’Exploitation de l’Aéroport Dole Jura	Fully consolidated (FC)	51.00	FRANCE
Société du Parc Lyon-Diderot	Fully consolidated (FC)	50.00	FRANCE
Société Nantaise de Fourrière Automobile	Fully consolidated (FC)	100.00	FRANCE
Sodetrav	Fully consolidated (FC)	100.00	FRANCE
Société Rennaise Transports et Services	Fully consolidated (FC)	100.00	FRANCE
Société Transports Robert	Fully consolidated (FC)	100.00	FRANCE
Strasbourgeoise d’Enlèvement et de Gardiennage	Fully consolidated (FC)	100.00	FRANCE
TPR	Fully consolidated (FC)	100.00	FRANCE
Transports de la Brière	Fully consolidated (FC)	95.00	FRANCE
Transports Evrard	Fully consolidated (FC)	100.00	FRANCE
Train Bleu St Marcellin	Fully consolidated (FC)	100.00	FRANCE
TRAM	Fully consolidated (FC)	100.00	FRANCE
Transbusevry	Fully consolidated (FC)	55.62	FRANCE
Transkeo T11	Fully consolidated (FC)	51.00	FRANCE
Transkeo T13	Fully consolidated (FC)	100.00	FRANCE

* *Including entries into the scope in 2021 (see below).*

Name	Method of consolidation	% of shareholding	Country
Transport Daniel MEYER	Fully consolidated (FC)	100.00	FRANCE
Urgence 33	Fully consolidated (FC)	100.00	FRANCE
Voyages Autocars Services	Fully consolidated (FC)	100.00	FRANCE
Voyages Chargelègue	Fully consolidated (FC)	100.00	FRANCE
Voyages Monnet	Fully consolidated (FC)	100.00	FRANCE
Schloemer Verkehrsbetrieb GmbH	Fully consolidated (FC)	100.00	GERMANY
Striebig Deutschland	Fully consolidated (FC)	100.00	GERMANY
Striebig GmbH	Fully consolidated (FC)	100.00	GERMANY
Australian Transit Enterprises Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
Hornibrook Bus Lines Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
Hornibrook Transit Management Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
KD Hunter Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
KD Northern Beaches Pty Ltd*	Fully consolidated (FC)	51.00	AUSTRALIA
KDR Gold Coast Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
KDR Victoria Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
Keolis Australia Pty	Fully consolidated (FC)	100.00	AUSTRALIA
Keolis Downer	Fully consolidated (FC)	51.00	AUSTRALIA
Keolis Downer Adelaide	Fully consolidated (FC)	51.00	AUSTRALIA
Keolis Downer Bus and Coachlines Property Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
Keolis Downer Bus and Coachlines Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
Keolis Downer South Australia	Fully consolidated (FC)	51.00	AUSTRALIA
Link S.A. Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
Path Transit Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
South West Transit Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
Southlink Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
Alfa Park	Fully consolidated (FC)	88.80	BELGIUM
Autobus Dony	Fully consolidated (FC)	100.00	BELGIUM
Autobus Dujardin	Fully consolidated (FC)	100.00	BELGIUM
Autobus Lienard	Fully consolidated (FC)	100.00	BELGIUM
Cardona-Deltenre	Fully consolidated (FC)	100.00	BELGIUM
Cars Gembloutois	Fully consolidated (FC)	100.00	BELGIUM
CINTRA	Fully consolidated (FC)	100.00	BELGIUM
CINTRAL	Fully consolidated (FC)	100.00	BELGIUM
Compagnie des Autobus Liégeois	Fully consolidated (FC)	100.00	BELGIUM
De Turck BVBA	Fully consolidated (FC)	100.00	BELGIUM
EFFIA Belgium	Fully consolidated (FC)	100.00	BELGIUM
Eltebe	Fully consolidated (FC)	100.00	BELGIUM
Eurobus Holding	Fully consolidated (FC)	100.00	BELGIUM
Eurobussing Brussels	Fully consolidated (FC)	100.00	BELGIUM
Eurobussing Wallonie	Fully consolidated (FC)	100.00	BELGIUM
Flanders Bus	Fully consolidated (FC)	100.00	BELGIUM
Garage du Perron	Fully consolidated (FC)	100.00	BELGIUM

* *Including entries into the scope in 2021 (see below).*

Name	Method of consolidation	% of shareholding	Country
Gino Tours	Fully consolidated (FC)	100.00	BELGIUM
Heyerick	Fully consolidated (FC)	100.00	BELGIUM
Immo Cammerpoorte SA	Fully consolidated (FC)	100.00	BELGIUM
Keolis Vlaanderen	Fully consolidated (FC)	100.00	BELGIUM
Keolis Belgium	Fully consolidated (FC)	100.00	BELGIUM
Modern Toerisme NV	Fully consolidated (FC)	100.00	BELGIUM
NV Autobusbedrijf Bronckaers	Fully consolidated (FC)	100.00	BELGIUM
NV Autobussen De Reys	Fully consolidated (FC)	100.00	BELGIUM
Nice Traveling SPRL	Fully consolidated (FC)	100.00	BELGIUM
NV Aotocars De Boeck	Fully consolidated (FC)	100.00	BELGIUM
Parkeren Roeselare	Fully consolidated (FC)	100.00	BELGIUM
Parking Cathedrale SA	Fully consolidated (FC)	100.00	BELGIUM
Parking de l'Esplanade SA	Fully consolidated (FC)	100.00	BELGIUM
Parking Ladeuze NV	Fully consolidated (FC)	100.00	BELGIUM
Picavet	Fully consolidated (FC)	100.00	BELGIUM
Reniers & C°	Fully consolidated (FC)	100.00	BELGIUM
SADAR	Fully consolidated (FC)	100.00	BELGIUM
Satracom	Fully consolidated (FC)	100.00	BELGIUM
Sophibus	Fully consolidated (FC)	100.00	BELGIUM
SPRL Taxis Melkior	Fully consolidated (FC)	100.00	BELGIUM
SPRL Voyages F. Lenoir	Fully consolidated (FC)	100.00	BELGIUM
STACA (KBO)	Fully consolidated (FC)	100.00	BELGIUM
STEMI	Fully consolidated (FC)	100.00	BELGIUM
TCM Cars	Fully consolidated (FC)	100.00	BELGIUM
Transports Penning	Fully consolidated (FC)	100.00	BELGIUM
Trimi	Fully consolidated (FC)	100.00	BELGIUM
Van Rompaye NV	Fully consolidated (FC)	100.00	BELGIUM
Voyages Nicolay	Fully consolidated (FC)	100.00	BELGIUM
Keolis Canada Inc.	Fully consolidated (FC)	100.00	CANADA
Keolis Grand River LP	Fully consolidated (FC)	100.00	CANADA
Keolis China	Fully consolidated (FC)	100.00	CHINA
Keolis Shanghai	Fully consolidated (FC)	100.00	CHINA
Keolis Wuhan	Fully consolidated (FC)	100.00	CHINA
Keolis Danmark	Fully consolidated (FC)	100.00	DENMARK
Établissement Abu Dhabi	Fully consolidated (FC)	100.00	UNITED ARAB EMIRATES
Keolis – MHI Rail Management and Operation LLC*	Fully consolidated (FC)	70.00	UNITED ARAB EMIRATES
Keolis Middle East DMCC	Fully consolidated (FC)	100.00	UNITED ARAB EMIRATES
Keolis España	Fully consolidated (FC)	100.00	SPAIN
Keolis America Inc.	Fully consolidated (FC)	100.00	UNITED STATES
Keolis Commuter Services LLC	Fully consolidated (FC)	60.00	UNITED STATES
Keolis Rail Service America	Fully consolidated (FC)	100.00	UNITED STATES
Keolis Rail Service Virginia	Fully consolidated (FC)	100.00	UNITED STATES

* *Including entries into the scope in 2021 (see below).*

Name	Method of consolidation	% of shareholding	Country
Keolis Transit America	Fully consolidated (FC)	100.00	UNITED STATES
KA Wales Consulting Limited*	Fully consolidated (FC)	64.00	UNITED KINGDOM
Keolis Amey Operations/Gweithrediadau Keolis Amey Limited – the Operating Entity	Fully consolidated (FC)	64.00	UNITED KINGDOM
Keolis Amey Wales Cymru Limited – the Operating Delivery Partner	Fully consolidated (FC)	60.00	UNITED KINGDOM
Keolis UK	Fully consolidated (FC)	100.00	UNITED KINGDOM
Keolis-Amey Docklands Ltd	Fully consolidated (FC)	70.00	UNITED KINGDOM
KeolisAmey Metrolink	Fully consolidated (FC)	60.00	UNITED KINGDOM
Nottingham Trams Ltd	Fully consolidated (FC)	80.00	UNITED KINGDOM
Keolis Hyderabad Mass Rapid Transit System Private Limited	Fully consolidated (FC)	100.00	INDIA
Kilux	Fully consolidated (FC)	100.00	LUXEMBOURG
Keolis Norge AS	Fully consolidated (FC)	100.00	NORWAY
Keolis Mobilities BV	Fully consolidated (FC)	100.00	NETHERLANDS
Keolis Nederland BV (ex-Syntus)	Fully consolidated (FC)	100.00	NETHERLANDS
Keolis Asia Pte. Ltd.	Fully consolidated (FC)	100.00	SINGAPORE
Keolis Nordic	Fully consolidated (FC)	100.00	SWEDEN
Keolis Spår AB	Fully consolidated (FC)	100.00	SWEDEN
Keolis Sverige	Fully consolidated (FC)	100.00	SWEDEN

* *Including entries into the scope in 2021 (see below).*

Companies included in the scope of consolidation in 2021

Name	Method of consolidation	% of shareholding	Country
Keolis Argenteuil Boucle de Seine	Fully consolidated (FC)	100.00	FRANCE
Keolis Haguenau	Fully consolidated (FC)	100.00	FRANCE
Keolis Marne	Fully consolidated (FC)	100.00	FRANCE
Keolis Mobilités Seine et Marne	Fully consolidated (FC)	100.00	FRANCE
Keolis Montluçon Mobilités	Fully consolidated (FC)	100.00	FRANCE
Keolis Oise 2	Fully consolidated (FC)	100.00	FRANCE
Keolis Seine Oise Est	Fully consolidated (FC)	100.00	FRANCE
Keolis Thionville-Fensch	Fully consolidated (FC)	100.00	FRANCE
Keolis Voyages	Fully consolidated (FC)	100.00	FRANCE
KD Northern Beaches Pty Ltd	Fully consolidated (FC)	51.00	AUSTRALIA
Keolis Shanghai	Fully consolidated (FC)	100.00	CHINA
Keolis – MHI Rail Management and Operation LLC	Fully consolidated (FC)	70.00	UNITED ARAB EMIRATES
KA Wales Consulting Limited	Fully consolidated (FC)	64.00	UNITED KINGDOM

Companies removed from the scope of consolidation in 2021

Name	Method of consolidation (before removal)	% of shareholding (before removal)	Country
Ambulance Agréée Baril	Fully consolidated (FC)	100.00	FRANCE
Ambulance Bretagne	Fully consolidated (FC)	100.00	FRANCE
Ambulances de la Pointe	Fully consolidated (FC)	85.00	FRANCE
Ambulances de l'Iroise	Fully consolidated (FC)	85.00	FRANCE
Ambulances des Trois Moutiers	Fully consolidated (FC)	100.00	FRANCE
Ambulances Garnachoise	Fully consolidated (FC)	100.00	FRANCE
Ambulances Larreche	Fully consolidated (FC)	100.00	FRANCE
Ambulances Moreau	Fully consolidated (FC)	100.00	FRANCE
Appel Sud 79	Fully consolidated (FC)	100.00	FRANCE
Augeron	Fully consolidated (FC)	100.00	FRANCE
Brest Ambulances	Fully consolidated (FC)	85.00	FRANCE
Castel Funéraire	Fully consolidated (FC)	100.00	FRANCE
CTHK	Fully consolidated (FC)	100.00	FRANCE
Holding CFK	Fully consolidated (FC)	100.00	FRANCE
Interhone	Fully consolidated (FC)	100.00	FRANCE
Keolis Aile Sud	Fully consolidated (FC)	100.00	FRANCE
Keolis Ille-et-Vilaine	Fully consolidated (FC)	100.00	FRANCE
Keolis Narbonne Mobilités	Fully consolidated (FC)	100.00	FRANCE
Keolis Val de Maine	Fully consolidated (FC)	100.00	FRANCE
SCAC Bagnis	Fully consolidated (FC)	100.00	FRANCE
SEA Albert-Picardie	Fully consolidated (FC)	50.96	FRANCE
Centre Ambulancier 16	Fully consolidated (FC)	100.00	FRANCE
Keolis Deutschland GmbH & Co. KG	Fully consolidated (FC)	100.00	GERMANY
Keolis Deutschland Verwaltung	Fully consolidated (FC)	100.00	GERMANY
Joye	Fully consolidated (FC)	100.00	BELGIUM
Open Tours – Les Voyages Belges NV	Fully consolidated (FC)	100.00	BELGIUM
Voyages Doppagne	Fully consolidated (FC)	100.00	BELGIUM
CSG Commuter Security	Fully consolidated (FC)	100.00	SWEDEN

10.2 Joint ventures and associates

Name	Method of consolidation	% of shareholding	Country
Albatrans	Equity method (EM)	36.20	FRANCE
CTCOP	Equity method (EM)	50.00	FRANCE
EFFIA SEM Roubaix	Equity method (EM)	50.00	FRANCE
Hello Paris	Equity method (EM)	50.00	FRANCE
Hello Paris Participations	Equity method (EM)	50.00	FRANCE
Hello Paris Services	Equity method (EM)	50.00	FRANCE
NAVLY	Equity method (EM)	50.00	FRANCE
Onepark	Equity method (EM)	35.94	FRANCE
Orgebus	Equity method (EM)	50.00	FRANCE
Park Grenoble Alpes Metropole	Equity method (EM)	49.99	FRANCE
RDK France	Equity method (EM)	50.00	FRANCE
SAEMES	Equity method (EM)	33.27	FRANCE
Scodec	Equity method (EM)	35.00	FRANCE
Sirius Plateforme Santé	Equity method (EM)	26.14	FRANCE
TICE	Equity method (EM)	19.00	FRANCE
Trans Pistes	Equity method (EM)	40.00	FRANCE
Transports de l'agglomération de Metz Métropole	Equity method (EM)	25.00	FRANCE
Galiliège	Equity method (EM)	21.76	BELGIUM
Parkeren Assen	Equity method (EM)	44.40	BELGIUM
Shanghai Keolis Public Transport Operation Management Co.	Equity method (EM)	49.00	CHINA
First/Keolis Holdings Limited	Equity method (EM)	45.00	UNITED KINGDOM
First/Keolis Transpennine	Equity method (EM)	45.00	UNITED KINGDOM
First/Keolis Transpennine Holding Ltd	Equity method (EM)	45.00	UNITED KINGDOM
Govia	Equity method (EM)	35.00	UNITED KINGDOM
Govia Thameslink Railway Limited	Equity method (EM)	35.00	UNITED KINGDOM
London Midland	Equity method (EM)	35.00	UNITED KINGDOM
London & South Eastern Railway – LSER	Equity method (EM)	35.00	UNITED KINGDOM
New Southern Railway	Equity method (EM)	35.00	UNITED KINGDOM
Southern Railway Ltd	Equity method (EM)	35.00	UNITED KINGDOM
Thameslink Rail Limited	Equity method (EM)	35.00	UNITED KINGDOM
RDK LLC (Qatar)	Equity method (EM)	50.00	QATAR
RKH Qitarat LLC	Equity method (EM)	32.50	QATAR

Companies removed from the scope of consolidation in 2021

Name	Method of consolidation (before removal)	% of shareholding (before removal)	Country
Netlog	Equity method (EM)	33.00	GERMANY
Wuhan Tianhe airport transport center Operation and Management Co. Ltd	Equity method (EM)	40.00	CHINA

2.3 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended 31 December 2021

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of GROUPE KEOLIS SAS for the year ended December 31, 2021.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of 31 December 2021 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code and the French Code of Ethics for statutory auditors, for the period from January 1, 2021 to the date of our report.

Justification of Assessments

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the following assessments that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

Accounting estimates

- The group performs impairment tests on goodwill and on assets having an indefinite useful life. It also assesses whether there is an indication of impairment of long-lived assets, based on the methods described in notes 2.3, 2.4.10 and 5.1 to the financial statements. We have examined the processes underlying these impairment tests as well as the cash flow forecasts, and the assumptions used and have verified that the appendices to the consolidated financial statements give an appropriate information;
- Notes 2.3, 2.4.18 and 7 specify the methods used for identifying the risks associated with litigation with potential impact on the profitability of contracts. Our work consisted in examining the procedures in place to allow for identification, evaluation, and assessments of estimates;
- Notes 2.3, 2.4.21 and 3 specify the procedures used to determine the Revenue in the exceptional economic context, which allowed for an adjustment of contractual clauses. Our work consisted in examining the procedures in place to allow for the inventory of concerned contracts, for their valuation and for their accounting treatment, and in assessing the estimated revenue.

As part of our assessments, we have ensured the reasonableness of these estimates.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Specific verifications

As required by law we have also verified in accordance with professional standards applicable in France the information pertaining to the Group presented in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations

The consolidated financial statements were approved by the Chairman of the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Neuilly-sur-Seine and Paris-La-Défense, March 8, 2022

The Statutory Auditors

PricewaterhouseCoopers Audit	ERNST & YOUNG Audit	
A. Wattel		
Amélie Wattel	Jérôme Guirauden	Marie Le Treut

3

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

3.1 FINANCIAL STATEMENTS AT 31 DECEMBER 2021

3.1.1 BALANCE SHEET

	2021 financial year			2020 financial year
Balance sheet assets *(€ thousand)*	**Gross**	**Depr.**	**Net**	**Net**
Uncalled subscribed capital (I)	-	-	-	-
Preliminary expenses	-	-	-	-
Development costs	-	-	-	-
Concessions, patents and related rights	-	-	-	-
Goodwill	-	-	-	-
Other intangible assets	-	-	-	-
Advances and down payments for intangible assets	-	-	-	-
Total intangible assets	**-**	**-**	**-**	**-**
Land	-	-	-	-
Buildings	-	-	-	-
Technical installations, equipment	-	-	-	-
Other property, plant and equipment	-	-	-	-
PPE under construction	-	-	-	-
Advances and down payments	-	-	-	-
Total property, plant and equipment	**-**	**-**	**-**	**-**
Shareholdings under the equity method	-	-	-	-
Other shareholdings	1,842,993	74,186	1,768,806	1,768,806
Receivables from shareholdings	-	-	-	651
Other long-term investments	-	-	-	-
Loans	9,624	9,624	-	-
Other financial assets	1	-	1	1
Total financial assets	**1,852,817**	**83,810**	**1,768,807**	**1,769,458**
Total Fixed Assets (II)	**1,852,817**	**83,810**	**1,768,807**	**1,769,458**
Raw materials, supplies	-	-	-	-
Production in progress (goods)	-	-	-	-
Production in progress (services)	-	-	-	-
Semi-finished and finished goods	-	-	-	-
Goods	-	-	-	-
Total Inventory	**-**	**-**	**-**	**-**
Advances and down payments on orders	-	-	-	-
Trade receivables and related accounts	4,803	12	4,791	4,983
Other receivables	58,467	-	58,467	52,091
Subscribed called non paid-up capital	-	-	-	-
Total receivables	**63,270**	**12**	**63,258**	**57,074**
Marketable securities	-	-	-	-
of which treasury shares:	-	-	-	-
Cash	588	-	588	178
Total cash	**588**	**-**	**588**	**178**
Prepaid expenses	1	-	1	45
Total Current Assets (III)	**63,859**	**12**	**63,847**	**57,298**
Debt issue costs to be spread (IV)	-	-	-	-
Bond redemption premium (V)	-	-	-	-
Foreign exchange translation difference, assets (VI)	-	-	-	-
TOTAL ASSETS (I TO VI)	**1,916,477**	**83,822**	**1,832,654**	**1,826,756**

Balance sheet liabilities *(€ thousand)*	2021 financial year	2020 financial year
Share capital or individual capital (of which paid: 237,889)	237,889	237,889
Additional paid-in capital	273,246	273,246
Purchase accounting asset revaluations	-	-
Legal reserve	11,150	11,150
Statutory or contractual reserves	-	-
Regulated reserves	-	-
Other reserves	2,387	2,387
Retained earnings	59,169	88,966
NET PROFIT/(LOSS) FOR THE FINANCIAL YEAR	**(278)**	**(29,797)**
Investment grants	-	-
Regulated provisions	652	509
Total equity (I)	**584,215**	**584,349**
Income from issues of equity investments	-	-
Conditional advances	-	-
Grantor rights	-	-
Total other equity (II)	**-**	**-**
Provisions for contingencies	-	-
Provisions for charges	19,022	13,453
Total provisions for contingencies and charges (III)	**19,022**	**13,453**
Financial debt	**-**	**-**
Convertible bond issues	-	-
Other bond issues	-	-
Bank borrowings	788,100	898,194
Miscellaneous financial debts and long-term borrowings	377,363	217,436
Customer advances and down payments	-	-
Trade liabilities	**-**	**-**
Trade payables and related accounts	3,057	3,190
Tax and social security debts	2,235	1,915
Other liabilities	**-**	**-**
Liabilities on fixed assets and related accounts	-	-
Other liabilities	58,664	108,217
Accruals	**-**	**-**
Deferred income	-	-
Total debt (IV)	**1,229,418**	**1,228,953**
Foreign exchange translation difference, Liabilities (V)	-	-
TOTAL LIABILITIES (I TO V)	**1,832,654**	**1,826,756**

3.1.2 INCOME STATEMENT

	2021 financial year			
(€ thousand)	France	Exports	Total	2020 financial year
Sales of merchandise	-	-	-	-
Sales of goods	-	-	-	-
Sales of services	10,448	-	10,448	10,549
Net revenue	**10,448**	**-**	**10,448**	**10,549**
Production held as inventory			-	-
Capitalised production			-	-
Operating grants			-	-
Reversals of depreciation and provisions, expense transfers			13,453	9,424
Other income			76	-
Total operating revenue (I)			**23,977**	**19,974**
Stock purchases (including customs duties)			-	-
Change in inventory of goods			-	-
Purchases of raw materials and other supplies (including customs duties)			-	-
Change in inventory of goods (raw materials and supplies)			-	-
Other purchases and operating expenses			6,412	8,300
Taxes and similar payments			108	292
Wages and salaries			3,437	3,578
Welfare contributions			1,211	960
Operating allowances:			-	-
On fixed assets: allocations to depreciation and amortisation			-	-
On fixed assets: allocations to provisions			-	-
On current assets: allocations to provisions			12	-
For risks and charges: allocation to provisions			19,021	13,453
Other expenses			320	360
Total operating expenses (II)			**30,520**	**26,943**
OPERATING PROFIT/LOSS			**(6,544)**	**(6,969)**
Profit allocated or loss transferred (III)			**-**	**-**
Loss suffered or profit transferred (IV)			**-**	**-**
Financial income from shareholdings			777	2,147
Other marketable and receivables from capitalised assets			-	-
Other interest and similar income			123	52
Reversal of provisions charged and expense transfers			-	-
Foreign exchange gains			-	-
Net gains on sales of marketable securities			-	-
Total financial income (V)			**899**	**2,199**
Depreciation, amortisation and provisions			775	28,526
Interest and similar expenses			16,155	13,894
Foreign exchange losses			-	-
Net expenses on sales of marketable securities			16,930	42,420
Total financial expenses (VI)			**16,930**	**42,420**
FINANCIAL INCOME			**(16,030)**	**(40,221)**
CURRENT PROFIT BEFORE TAX (I-II+III-IV+V-VI)			**(22,574)**	**(47,190)**

(€ thousand)	**2021 financial year**	2020 financial year
Exceptional gains on operations	-	8
Exceptional gains on equity transactions	-	-
Reversal of provisions charged and expense transfers	-	266
Total exceptional income (VII)	**-**	**274**
Exceptional losses on operations	15	-
Exceptional losses on equity transactions	-	-
Exceptional depreciation, amortisation and provisions	144	144
Total exceptional expenses (VIII)	**159**	**144**
EXCEPTIONAL INCOME (VII -VIII)	**(159)**	**131**
Employee profit-sharing (IX)	-	-
Income tax (X)	(22,455)	(17,263)
Total income (I + III + V + VII)	**24,876**	**22,447**
Total expenses (II + IV + VI + VIII + IX + X)	**25,154**	**52,244**
PROFIT OR LOSS (TOTAL INCOME – TOTAL EXPENSES)	**(278)**	**(29,797)**

3.2 APPENDIX

1 SIGNIFICANT EVENTS OF THE FINANCIAL YEAR

The following events occurred during the year:

Syndicated Loan

At 31 December 2021, the available syndicated credit line of €900,000 thousand was drawn down in the amount of €470,000 thousand. The undrawn balance amounted to €430,000 thousand. This credit line is available to GROUPE KEOLIS S.A.S. and Keolis SA.

New term credit line

On 21 December 2021, the Group set up a term loan of €600,000 thousand indexed to ESG indicators and with a maturity of five years.

This operation is part of the Group's CSR strategy. It aims to refinance existing credit lines, increase the average maturity and maintain robust liquidity.

At 31 December, an amount of €323,000 thousand remained available to be drawn down in 2022 under this term loan.

2 ACCOUNTING PRINCIPLES, RULES AND METHOD

These annual financial statements are prepared in accordance with the rules laid down by the general chart of accounts in accordance

with regulation ANC 2014-03 dated 5 June 2014, amended by regulation ANC 2015-06 and 2016-07 dated 4 November 2016 of the French Accounting Standards Authority ("Autorité des Normes Comptables"), and principles generally accepted in the profession.

General conventions were applied in compliance with the prudence principle, in accordance with the basic assumptions of:

- continuity of operations;
- consistency of accounting methods from one financial year to another;
- independence of financial years.

The underlying method used to value the items in the accounts is the historical cost method.

In preparing the financial statements, the adjustments to the general accounting plan PGC (Articles 111-1 and 831-1/1) were not used.

The main accounting policies used are described below.

2.1 Fixed assets

2.1.1 Financial assets

Equity investments

Equity investments are recorded at acquisition cost. If this value is greater than the asset value an impairment is recognised for the difference. For each investment, the value in use is determined on the basis of the most appropriate valuation method according to the characteristics of the investment securities (DCF, multiples, revalued net position). Where the subsidiary has negative equity, we impair the entire investment.

Other financial assets

Other financial assets are recorded on the balance sheet at their acquisition cost. Where relevant, an impairment is recorded when their value in use falls below their acquisition cost.

2.2 Information on receivables and payables

Receivables are recorded at their nominal value.

Where applicable, an impairment is recognised whenever there is a risk of non-recovery.

Receivables and payables in foreign currencies are converted at the last exchange rate at the end of the financial year, with the difference resulting from this discounting appearing under "Foreign exchange translation differences". Unrealised foreign exchange losses are subject to a provision for risks; unrealised foreign exchange gains are not recognised in accounting income.

2.3 Cash and cash equivalents

Cash and cash equivalents in foreign currencies are converted at the last exchange rate of the financial year, with the difference resulting from this conversion being recognised in the profit or loss for the financial year, foreign exchange losses or foreign exchange gains.

2.4 Provisions for contingencies and charges

A provision for contingencies and charges is recorded when the company has a legal or implicit obligation to a third party arising from a past event, whose amount can be reliably estimated and where it is probable that its settlement will cause an outflow of resources without compensation of at least an equivalent amount.

2.5 Employee benefits

Employee benefits relate to payments due on retirement and long service awards.

Pursuant to the ANC recommendations 2013-02 and 2013-03, these defined-benefit obligations are measured annually using the projected unit credit method.

The main actuarial assumptions used for the assessment of employee benefits are:

Tax depreciation period	Coefficient
Discount rate	0.56%
Long-term expected inflation rate	1.80%
Rate of increase of payrolls used to calculate payments due on retirement	4.71%
Average turnover rate	1.69%
Type of retirement	At the initiative of the employee
Mortality table	INSEE TD/TV 2015 -2017

2.6 Tax status

The Company's income is consolidated under a Group tax regime. The parent company of the tax group is GROUPE KEOLIS S.A.S. The agreement requires the Company to calculate the tax expense as if it were taxed separately.

The savings achieved by the group tax regime on tax losses carried forward are included by the parent company in its income statement. However, they are reallocated to the subsidiary as and when its future profits are earned.

3 NOTES TO THE BALANCE SHEET ASSETS

3.1 Table of financial assets

(€ thousand)	Gross value at 31/12/2020	Acquisitions and transfers	Disposals and transfers	Gross value at 31/12/2021	Provisions	Net value at 31/12/2021
Other shareholdings	1,842,993	-	-	1,842,993	74,186	1,768,806
Receivables from shareholdings	651	-	(651)	-	-	-
Other long-term shareholdings	-	-	-	-	-	-
Loans and other financial assets	8,850	775	-	9,625	9,624	1
TOTAL	**1,852,494**	**775**	**(651)**	**1,852,617**	**83,810**	**1,768,807**

3.2 Receivables

3.2.1 Receivables maturity schedule

(€ thousand)	Gross value	Due in less than one year	Due in more than one year
Fixed assets	**9,625**	**1,290**	**8,335**
Receivables from shareholdings	-	-	-
Loans	9,624	1,289	8,335
Other financial assets	1	1	-
Total current assets	**63,271**	**63,271**	-
Trade receivables	4,789	4,789	-
Doubtful receivables	14	14	-
Personnel and related accounts	-	-	-
Social entities	-	-	-
State: miscellaneous taxes and duties	34,769	34,769	-
Group and associates	23,698	23,698	-
Sundry debtors	-	-	-
Prepaid expenses	1	1	-
TOTAL	**72,896**	**64,561**	**8,335**

3.2.2 Trade receivables and related accounts

Receivables (€ thousand)	Gross value	Alloc. to Prov.	Net 31/12/2021	Net 31/12/2020
Trade receivables and related accounts	4,803	12	4,791	4,983
Other receivables	58,467	-	58,467	52,091
TOTAL	**63,270**	**12**	**63,258**	**57,074**

Of which Group receivables:

Group receivables (€ thousand)	31/12/2021	31/12/2020
Consolidated affiliate client companies France	736	1,196
Parent client companies and Miscellaneous	-	-
Consolidated affiliate client companies	-	-
Client invoices to issue Group	4,067	3,781
Other Group receivables	23,698	16,371
TOTAL	**28,501**	**21,348**

3.3 Provisions for impairment

Impairment of assets was recorded for an amount of €775 thousand at 31 December 2021, compared to €28,526 thousand at 31 December 2020. They mainly concern equity investments and loans.

(€ thousand)	At 31/12/2020	Charge	Reversals	At 31/12/2021
Provisions on equity shareholdings[(1)]	74,186	-	-	74,186
Provisions on other financial assets[(2)]	8,850	775	-	9,624
Total 1	**83,036**	**775**	-	**83,810**
Doubtful receivables	-	12	-	12
Other receivables	-	-	-	-
Total 2	-	**12**	-	**12**
TOTAL	**83,036**	**787**	-	**83,822**

(1) KEOMOTION, wholly-owned by GROUPE KEOLIS S.A.S., had a negative net position at 31/12/2021. In accordance with the Group method specified under 2.1.1, the value of its shares in GROUPE KEOLIS S.A.S. was fully impaired in 2019.

ONEPARK, 36%-owned by GROUPE KEOLIS S.A.S., had a negative net position at 31/12/2021. The value of its shares in GROUPE KEOLIS S.A.S. is fully impaired.

(2) ONEPARK, the loans held have been fully impaired. An additional provision was recorded in 2021 related to accrued interest for the financial year.

3.4 Breakdown of accrued income

	31/12/2021	31/12/2020
(€ thousand)	**Amount**	Amount
Receivables from shareholdings	**-**	**651**
Accrued interest not yet due on receivables from shareholdings	-	651
Other financial assets	**1,289**	**515**
Accrued interest not yet due on participating loans	1,289	515
Trade receivables and related accounts	**4,067**	**3,781**
Group clients – Invoice to issue	4,067	3,781
Other receivables	**-**	**869**
Trade payables – discounts and rebates granted by the company and credit notes not received	-	869
TOTAL	**5,357**	**5,816**

3.5 Breakdown of deferred income and expenses

	Amount		Changes	
(€ thousand)	**31/12/2021**	31/12/2020	Amount	as a%
Deferred Income – Suppliers outside Group	1	45	(44)	-98%
TOTAL	**1**	**45**	**(44)**	**-98%**

4 NOTES TO THE BALANCE SHEET LIABILITIES

4.1 Equity

Situation at the beginning of the financial year *(€)*		Balance at 1/1/2021
Equity before distributions of prior year retained profits		584,349,452
Distributions of prior year retained profits		-
EQUITY AFTER DISTRIBUTIONS OF PRIOR YEAR RETAINED PROFITS		**584,349,452**
Change during the financial year	**Negative**	**Positive**
Changes in capital		-
Distributions of prior year retained profits		-
Equity after distributions of prior year retained profits		-
Changes in share premium		-
Changes in reserves		-
Changes in investment subsidies		-
Changes in regulated provisions		143,654
Other changes		-
Profit for the financial year	277,920	-
Balance	**277,920**	**143,654**
SITUATION AT THE END OF THE FINANCIAL YEAR		**BALANCE AT 31/12/2021**
Equity before appropriation		584,215,186

Share capital

The Company's share capital amounts to €237,888,901.80, comprising 180,218,865 shares.

GROUPE KEOLIS S.A.S. holds 0.14% of its own capital, *i.e.* 253,152 shares (with a par value of €1.32 each). These shares do not carry voting rights.

Allocation of income from the previous financial year

The Annual General Meeting of 5 May 2021 allocated the income from the 2020 financial year, amounting to -€29,796,733, as follows:

Allocations *(€)*	2021
Legal reserve	-
Other reserves	-
Dividends paid	-
Other transfers	-
Retained earnings	(29,796,733)

Regulated provisions and investment subsidies

Regulated provisions include €652 thousand relating to special depreciation and amortisation allowances, of which €144 thousand was allocated (and €0 reversed) over the financial year.

4.2 Provisions

4.2.1 Provisions for charges

(€ thousand)	At 31/12/2020	Charge	Reversals	At 31/12/2021
Provisions for pensions and similar commitments	1	2	-	2
Tax provisions	13,453	19,019	13,453	19,019
TOTAL	**13,453**	**19,021**	**13,453**	**19,022**

4.3 Liabilities and accruals maturity schedule

Liabilities and accruals *(€ thousand)*	Gross amount end of fin. yr.	Less than 1 year	1 to 5 years	Over 5 years
Convertible bond issues	-	-	-	-
Other bond issues	-	-	-	-
Bank borrowings:				
• up to 1 year at the outset	1,099	1,099	-	-
• over 1 year at the outset	787,000	-	787,000	-
Miscellaneous financial debts and long-term borrowings	377,363	160,363	217,000	-
Trade payables	3,057	3,057	-	-
Personnel and related accounts	839	839	-	-
Social security and other social entities	461	461	-	-
State and other public authorities:				
• Income tax	-	-	-	-
• Value added tax	802	802	-	-
• Guaranteed bonds	-	-	-	-
• Other taxes and related accounts	133	133	-	-
Liabilities on fixed assets and related accounts	-	-	-	-
Group and associates	58,494	58,494	-	-
Other liabilities	170	170	-	-
Payables on securities borrowed provided as collateral	-	-	-	-
Deferred income	-	-	-	-
TOTAL	**1,229,418**	**225,417**	**1,004,000**	**-**
Loans taken out during the financial year	635,000	-	-	-
Loans repaid during the financial year	584,410	-	-	-

4.4 Trade payables and related accounts

(€ thousand)	At 31/12/2021	At 31/12/2020
Group suppliers	44	47
Suppliers – France	-	-
Foreign Suppliers	-	-
Notes payable other than Group	-	-
Notes payable Group	-	-
Suppliers, invoices not yet received	-	103
NET CARRYING AMOUNT	**44**	**150**

4.5 Breakdown of accrued liabilities

Accrued liabilities *(€ thousand)*	At 31/12/2021	At 31/12/2020
Bank borrowings	**449**	**814**
Accrued interest not yet due on bank borrowings	449	814
Financial debt and long-term borrowings	**363**	**436**
Accrued interest not yet due on loans	363	436
Trade payables and related accounts	**2,943**	**3,144**
Suppliers outside Group – Invoices not received	2,899	3,040
Group suppliers – Invoices not received	44	103
Other liabilities	**-**	**898**
Group clients – Credit notes to be issued	-	898
Tax and social security debts	**1,184**	**850**
Staff	819	562
Social entities	318	216
Other taxes	47	72
Accrued interest on overdraft	**650**	**925**
Accrued interest not yet due on Bank	650	925
TOTAL	**5,589**	**7,066**

5 NOTES TO THE INCOME STATEMENT

5.1 Breakdown of revenue

The Company generates all of its revenue in France.

(€ thousand)	2021 financial year			2020 financial year
	France	Exports	Total	
Sales of merchandise	-	-	-	-
Sales of good	-	-	-	-
Sales of services	10,448	-	10,448	10,549
NET REVENUE	**10,448**	-	**10,448**	**10,549**

5.2 Breakdown of other operating income and expenses

Other income *(€ thousand)*	At 31/12/2021	At 31/12/2020
Sales price of transport equipment	-	-
Settlement differences	-	-
Adjustment account	76	-
TOTAL	**76**	-

Other expenses *(€ thousand)*	At 31/12/2021	At 31/12/2020
Fees for concessions, patents, etc.	-	-
Attendance fees	315	360
Losses on irrecoverable receivables	5	-
Settlement differences	-	-
Other	-	-
TOTAL	**320**	**360**

5.3 Financial income and expenses

Type of expense *(€ thousand)*	Amount	Allocated to account
Interest on borrowings	11,188	661160
Interest on Group borrowings	1,199	661171/661172
Impairment of Accrued interest not yet due One Park	775	686620
Other financial expenses	3,767	668000
TOTAL	**16,930**	**-**

Type of income *(€ thousand)*	Amount	Allocated to account
Interest on One Park loans	777	761700
Other financial income	123	768020
TOTAL	**899**	**-**

5.4 Exceptional income and expenses

Type of expense *(€ thousand)*	Amount	Allocated to account
Penalties and fines	11	671200
Adjustment of social security contributions	4	671800
TOTAL	**15**	**-**

Type of income *(€ thousand)*	Amount	Allocated to account
Nil	-	-
TOTAL	**-**	**-**

5.5 Income tax

5.4.1 Breakdown of tax between profit from ordinary activities and exceptional items

Distribution *(€ thousand)*	Profit before tax	Tax rate	Tax due	Net profit after tax
Current income	(22,574)		-	(22,574)
Exceptional income	(159)		-	(159)
Tax integration	-		(22,455)	22,455
Exceptional contribution	-		-	-
ACCOUNTING INCOME	**(22,733)**		**(22,455)**	**(278)**

6 OTHER INFORMATION

6.1 Transactions with related parties

No disclosures are made concerning related party transactions insofar as these transactions were undertaken according to normal market conditions.

6.2 Financial commitments

GROUPE KEOLIS S.A.S. uses derivative financial instruments to manage its exposure to financial risks resulting from its financial and investing activities:

- interest rate risk;
- foreign exchange risk;

At the end of the financial year, unrealised gains are not recognised in the financial statements. Unrealised losses are recognised except when they relate to instruments classified as hedging instruments and falling under one of the following two cases:

- to hedge underlying items in the balance sheet which have not been revalued;
- to hedge future cash flows expected in a future financial year, under the principle of matching the accounting impact in the same financial year.

When they are settled, gains collected and losses disbursed are reported in the income statement at the same time as the income and expenses on the hedged item.

Interest rate and foreign exchange derivative financial instruments are traded with leading banking counterparties, in accordance with GROUPE KEOLIS S.A.S.'s counterparty risk management policy. Consequently, the counterparty risk may be considered negligible.

6.2.1 Interest rate risks relating to variable-rate borrowings

The GROUPE KEOLIS S.A.S. interest rate risk exposure results from its financial debt.

The GROUPE KEOLIS S.A.S. financial debt mainly relates to its confirmed syndicated loan agreement dated 12 July 2013 and signed with a syndicate of 13 banks for a nominal amount of €800,000 thousand, maturing on 12 July 2018. This line was amended on 11 June 2015 to increase its nominal amount to €900,000 thousand, and extend its maturity until 11 June 2020, then again on 27 July 2018 to adjust the Covenants to the application of IFRS 16 from 1 January 2019 and to extend the maturity date to 27 July 2023 and 17 June 2019 to further extend the maturity date to 27 July 2024. Lastly, on 6 July 2020, a new addendum to the syndicated loan agreement was signed, extending its maturity to 27 July 2025.

On 21 December 2021, a variable-rate term loan of €600,000 thousand was set up and drawn down for €277,000 thousand, for a period of five years. This line is available for GROUPE KEOLIS S.A.S. subject to compliance with financial ratios, said ratios being identical to those of the RCFA.

This new financing made it possible to restructure the Group's debt through the repayment of €226,000 thousand in debt held by GROUPE KEOLIS S.A.S. with an average maturity of October 2022 and a debt of €48,000 thousand carried by a Group subsidiary with a maturity initially set at January 2024. This transaction not only enabled the Group to increase its liquidity reserves by nearly €300,000 thousand, but also to extend the average maturity of its debt by one and a half years.

To cover the interest rate risk, GROUPE KEOLIS S.A.S. uses standard, liquid and market-available derivative financial instruments:

- swaps;
- cap calls;
- floor puts are associated with cap calls to create a symmetrical or asymmetrical collar;
- cap puts to unwind an existing cap or to realise a cap spread;
- floor calls, notably to buy back floors that constitute asymmetrical collars.

The distribution of GROUPE KEOLIS S.A.S. debt between fixed and variable rates, without taking into account the derivatives portfolio is as follows:

(€ thousand)	At 31 December 2021	At 31 December 2020
Financial debt and long-term borrowings	**1,164,812**	**1,114,699**
Variable rates	1,124,798	1,073,400
Fixed rates	40,014	41,300
Cash and cash equivalents	**(60)**	**-**
Cash and cash equivalents at variable rates	-	-
Cash and cash equivalents at fixed rates	(60)	-
Other	**(9,624)**	**(9,501)**
Accrued interest receivable	(1,289)	(1,165)
Loans and receivables	-	-
Deposits, guarantees and participating loans	(8,335)	(8,335)
Derivative assets	-	-
Accrued interest payable	-	-
Net financial debt	**1,155,128**	**1,124,199**

GROUPE KEOLIS S.A.S. is subject to the variability of interest rates on the portion of its net financial debt at variable rates. At 31 December 2021, an immediate increase of 50 basis points in market interest rates, based on constant net financial debt, would increase the annual cost of debt by €2,100 thousand and, at the same time, would leave the financial income from cash and cash equivalents and the financial income from variable-rate receivables virtually unchanged.

Taking into account the impact of interest rate hedges, an immediate increase of 50 basis points in market interest rates, based on constant net financial debt, would reduce the net cost of debt by €1,100 thousand.

Equally, an immediate decrease of 50 basis points in market interest rates, based on constant net financial debt, and taking into account the impact of interest rate hedges, would increase the annual net cost of debt by €800 thousand.

At 31 December 2021, the first available, confirmed and undrawn syndicated credit facility amounted to €430,000 thousand. This credit line is available to GROUPE KEOLIS S.A.S. and Keolis SA.

The amount drawn down for the new term loan set up on 21 December 2021 was €277,000 thousand and the undrawn balance was €323,000 thousand. This credit line is available to GROUPE KEOLIS S.A.S.

6.2.2 Foreign exchange risk

GROUPE KEOLIS S.A.S., in view of its status as the parent company of the Group, carries out net investments in foreign currencies in the capital of its foreign subsidiaries. To cover the foreign exchange risk generated by these investments, GROUPE KEOLIS S.A.S. uses derivative financial instruments for limited amounts. The management objective is to preserve the reference exchange rate defined for the year.

The instruments used by the Group are standard, liquid and market-available:

- forward and futures sales and purchases;
- foreign exchange swaps;
- call options;
- put options in combination with call options to provide symmetric or asymmetric collars.

At 31 December 2021, GROUPE KEOLIS S.A.S. had no open foreign exchange positions.

6.3 Pension and long service award commitments

6.3.1 Retirement benefits

Retirement gratuity liabilities at 31 December 2021 amounted to €203 thousand.

No provisions were set aside for this amount in the annual financial statements, which appears under financial commitments.

6.3.2 Long-service awards

The provisions made in the annual financial statements in relation to long service awards amounted to €2 thousand at 31 December 2021.

6.4 Remuneration allocated to the administrative, management or supervisory bodies

The remuneration allocated to the management bodies is not reported, as this would indirectly reveal individual remuneration.

Attendance fees paid to Board members amounted to €315 thousand.

6.5 Average workforce

The average workforce is equal to the arithmetic mean of the workforce at the end of each quarter of the calendar year:

- the workforce employed on a part-time basis is therefore not taken into account in proportion to its presence;
- the workforce does not take into account staff made available (temporary staff and staff on secondment or loan).

Headcount	Employees
Managers	7
TOTAL	**7**

6.6 Information on the personal training account (CPF)

Since 1 January 2020, the personal training account (CPF) has replaced the individual right to training (DIF) while also including the hours acquired at 31 December 2014. It is financed by the payment of the single contribution to the approved joint collection bodies, which thus assume its management instead of the company.

6.7 Identity of the consolidating company

The Company belongs a group whose consolidating company is SNCF PARTICIPATIONS, registered and domiciled in France, under SIRET number 572 150 977 01839, whose registered office is located at 9 rue Jean-Philippe Rameau – 93212 LA PLAINE ST DENIS CEDEX.

The Company's accounts are fully consolidated within the consolidated financial statements of SNCF PARTICIPATIONS.

6.8 Information on subsidiaries and equity investments

Companies concerned *(€ thousand)*	Amount of share capital	Capital held	Net Value	Equity including income	Net income
Keolis SA	399,794	100%	1,144,212	225,059	(62,470)
EFFIA S.A.S.	3,136	100%	276,431	77,120	614
KEOMOTION	54,510	100%	-	(62,454)	(13,199)
KLP 15	10	100%	10	10	-
Onepark*	49	36%	-	(9,941)	(4,853)

* *2020 data.*

7 SIGNIFICANT EVENTS SINCE THE END OF THE FINANCIAL YEAR

On 7 January 2022, the Group carried out a second drawdown of €323,000 thousand of the remaining balance of the five-year term loan set up on 21 December 2021. Thus, the total amount drawn down amounts to €600,000 thousand. This new drawdown made it possible to reduce the amount drawn in respect of the Syndicated Loan. As at that date, €140,000 thousand of the latter had been drawn down, providing the Group with an available and undrawn liquidity reserve of €760,000 thousand.

3.3 STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended 31 December 2021

To the Shareholders,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Groupe Keolis SAS for the year ended December 31, 2021.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2021 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code and the French Code of Ethics for statutory auditors, for the period from January 1, 2021 to the date of our report.

Justification of Assessments

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the following assessments that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

Accounting estimates

Financial investments are booked at their acquisition cost and depreciated based on their value in use in accordance with the procedures described in notes 2.1.1, 3.1 and 3.3 of the appendix. Our work consisted in assessing the assumptions on which estimates are based - in particular the cash flow forecasts established by the Company -, in reviewing the computations carried out by the Company and in reviewing the approval process of these estimates by management. We also assessed the reasonableness of these estimates.

These assessments were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents provided to the Shareholders with respect to the financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents provided to the Shareholders with respect to the financial position and the financial statements.

We attest the fair presentation and the consistency with the financial statements of the information relating to the payment terms required by Article D.441-6 of the French Commercial Code (code de commerce).

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Neuilly-sur-Seine and Paris-La-Défense, March 8, 2022

The Statutory Auditors

PricewaterhouseCoopers Audit

A. Wattel

Amélie Wattel

ERNST & YOUNG Audit

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