# GROUPE KEOLIS

## 2022
## FINANCIAL REPORT

# Contents




GROUPE KEOLIS S.A.S.
Simplified joint stock company (*société par actions simplifiées*)
with share capital of €237,888,901.80
Registered office: 34, avenue Léonard-de-Vinci, 92400 Courbevoie
494 321 276 RCS NANTERRE

Ordinary Annual General Meeting of 14 April 2023

# GROUPE KEOLIS S.A.S.

## 2022 FINANCIAL REPORT

**300** PTA partners

**13** countries

**68,000** employees

# Keolis, a world leader in shared mobility

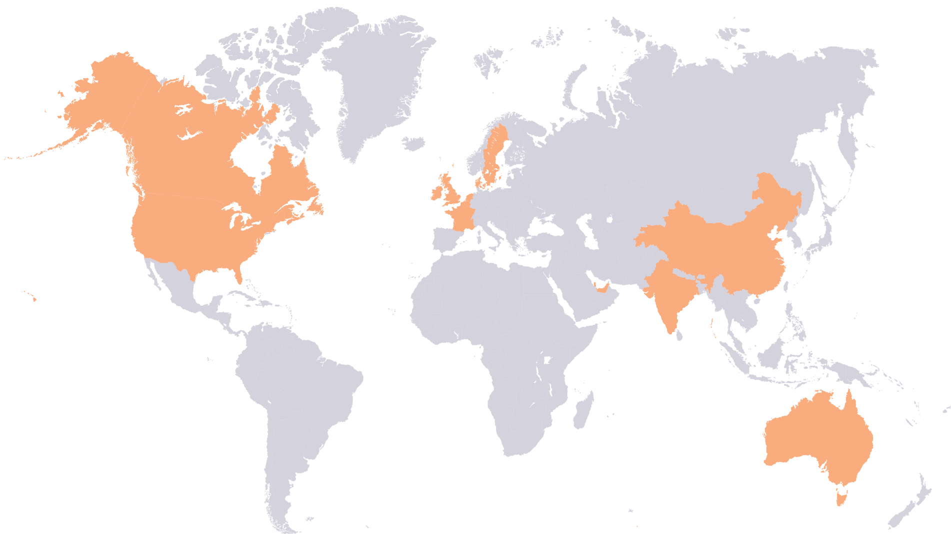
With operations in 13 countries, Keolis is a global leader in the shared mobility market, facilitating the journeys of millions of people every day. As a committed partner to public transport authorities, we work with them to co-construct tailor-made, efficient and sustainable transport solutions, helping to create more attractive places to live and work and enhancing the passenger experience.

**68,000**
**employees in 13 countries**

**300**
public transport authorities have placed their trust in Keolis

**13**
modes of transport operated on an intermodal basis

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



## World leader

in automated metros and trams

## The leader in France

in urban transport

in transport for people with reduced mobility

in train station car parks with EFFIA

**23,000**
buses and coaches worldwide

**4,500**
vehicles running on alternatives to diesel and petrol

**37,500**
rental bicycles in France and the Netherlands

**7**
regional train networks in 5 countries

# "A good year for Keolis thanks to the professionalism of our teams worldwide"

**Against a backdrop of skill shortages and spiralling energy costs, Keolis saw an uptick in ridership and achieved significant contract wins in 2022. Keolis Chief Executive Officer Marie-Ange Debon looks back at the year's highlights.**

**Marie-Ange Debon,**
Chairwoman and Group Chief Executive Officer

## What's your general take on 2022 for the Group?

It was a good year for Keolis. We rose to the challenges caused by the combined geopolitical and energy crises and I'd like to thank our 68,000 employees around the world for their contribution to our strong performance. As the pandemic finally relented, we consolidated our positions over the year, with ridership recovering in most but not all countries.

## What were the year's standout contract wins?

We sustained our business momentum, capitalising on our expertise in heavy transport modes. We strengthened our international portfolio with significant contract wins, including networks in Gothenburg in Sweden and Odense in Denmark. We successfully negotiated extensions on key contracts like the GTR/Thameslink in the United Kingdom and Skyport in Canada. In France, several clients renewed

## “We have extensive experience coupled with an in-depth understanding of changing transport needs in the communities we serve.”

their trust in us for their urban networks, notably Bordeaux and Dijon. We won new contracts in Valenciennes and Perpignan, and recent developments in the Paris region offer major growth potential.

### Keolis has undisputed expertise in multimodal transport, providing an increasingly seamless passenger experience. What developments did 2022 bring?

In addition to our extensive experience, we have acquired an in-depth understanding of changing transport needs from our Keoscopie observatory, which provides insights on current lifestyles to help develop next-generation mobility solutions, and from input from Hove, a newly created entity pooling all our digital expertise. Tasked with gathering, analysing and converting mobility data into innovative digital solutions, Hove’s Patterns platform, for example, tracks mobility patterns across a given area. We also pushed ahead with the widespread rollout of open payment systems which are now available in Lyon and Besançon.

Wherever we operate, our goal is to provide people-friendly mobility services that allow everyone to travel easily and seamlessly throughout their area. Our extensive know-how and experience in multimodal and heavy transport modes enabled us to open Line B of the Rennes metro in France and to successfully operate the Doha automated metro throughout the FIFA World Cup in Qatar and the automated metro in Dubai for the 2022 Universal Exhibition.

### What’s the outlook for 2023?

There are several challenges ahead in 2023. Overall demand for mobility remains high but those who aspire to greater mobility don’t always opt for public transport. Yet public transport can help consumers save money, cut carbon emissions and bridge the geographic divide by linking up services. We’re pursuing ambitious low-carbon targets by devising more environmentally-friendly transport solutions with our partners. Another major challenge ahead is to strengthen our workforce. In 2022 we hired 50% more drivers than the previous year. Our priorities are to become the best place to work in the transport sector, to recruit more women and, working hand-in-hand with our partners, to enhance quality of life and the economies in the communities we serve.

I have no doubt in our capacity to meet future challenges head-on, thanks to our industry expertise and ability to reinvent our business.

# An **international** player with **multimodal** expertise

**The Keolis Way corporate programme was implemented by around 90% of our subsidiaries in 2022 – a level of engagement on a par with the challenges faced by our rapidly evolving industry. Driven by its values and corporate purpose, Keolis is demonstrating its business model's strengths and establishing itself as the leader in shared mobility.**

## Vision

### Our Corporate Purpose

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

## 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.

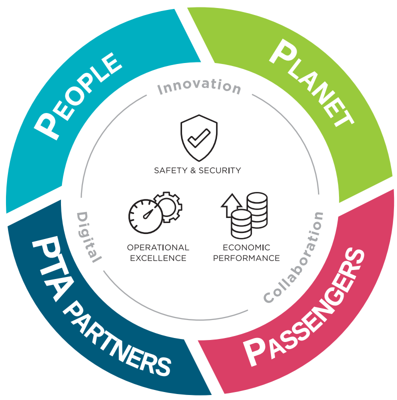
### We care >>>

We build relationships with our partners based on open and constructive dialogue, with a human resources policy anchored in 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.

## Approach




Keolis way>>>>

# Strengths and initiatives

**Structured around four pillars – people, passengers, PTA partners and the planet, the Keolis Way programme aims to deliver results in three key areas for the Group's business: safety & security, operational excellence and economic performance. Underpinned by its commitment to innovation, collaboration and digital transformation, this continuous improvement process drives the success of the Keolis business model.**

**#People**

## The GEEIS Diversity certification

awarded by Bureau Veritas reflects Keolis' commitment to promoting gender equality and diversity and our efforts to do so across our global footprint. Keolis is the first public transport operator to receive the certification.

**#Passengers**

## With Unik,

the Group's accessibility programme, Keolis is stepping up its actions in favour of inclusive mobility to ensure all passengers, whatever their additional needs or vulnerabilities, enjoy the same kind of positive experience.

**#Planet**

## The Bus Energies Centre of Excellence

is dedicated to supporting PTAs and Keolis subsidiaries in their energy transition projects. Drawing on a network of correspondents based in France and around the world, as well as on the creation of local units, the Centre brings together all the Group's expertise in alternative energy buses.

**#PTApartners**

## Keoscopie,

the Group's mobility trends observatory, provides invaluable insight into evolving transport behaviour. By monitoring and anticipating changing lifestyles and practices in partnership with passengers and local authorities, this innovative, forward-looking resource has helped improve the appeal of public transport by steering the development of new people-friendly solutions and services.

**#Innovation**

## Lab Hoppen network

In partnership with public transport authorities, innovation labs have been set up in each major region of the world. Supported by the Group's Innovation and Industrialisation department, they apply continuous open-innovation methods to develop tailored solutions to meet the mobility needs of citizens and communities.

**#OperationalExcellence**

## The KIHM programme

is being implemented by many Keolis subsidiaries to improve network maintenance. An acronym for "Keolis Industrialises and Harmonises Maintenance", KIHM is based on practices developed jointly with operating teams. It notably reduces breakdowns thanks to preventive maintenance measures.

**#Safety**

## To ensure the safety

of passengers, staff and members of the public, Keolis is strengthening employee awareness, deploying dedicated tools and pursuing close ties with other safety and prevention stakeholders. Tackling gender-based violence and sexual harassment on public transport is a top priority. Group initiatives include employee training, "exploratory walks", on-demand stops, prevention campaigns, emergency phones and support for women's rights organisations like Fondation des Femmes.

**#EconomicPerformance**

## Sustainable and socially responsible purchasing

Keolis' purchasing policy is built on four key principles: regional sourcing and supporting the solidarity economy, protecting the security and working conditions of suppliers, reducing the environmental impacts of purchasing decisions and ensuring ethical and anti-corruption behaviour. It is one of the major drivers of the Group's global CSR commitments.

# Value creation model

## Resources

### People

- **67,600 employees,** 64% of whom are drivers
- **13,700 permanent new hires** worldwide
- **Training: Keolis Institute/CFA (apprentice training centre)**

### Passengers

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

### PTA partners

- Member of **the United Nations Global Compact**
- **Partnership with Fondation des Femmes**
- **Constant dialogue with PTAs** to develop public transport services
- **Founding member of the PIMMS*** initiative to facilitate access to essential public services

### Planet

- **A portfolio of multimodal solutions** that are instrumental in reducing the environmental footprint of transport
- A growing fleet of more than **4,500 vehicles** powered by alternative energies
- **4.5 kWh** per km for commercial vehicles

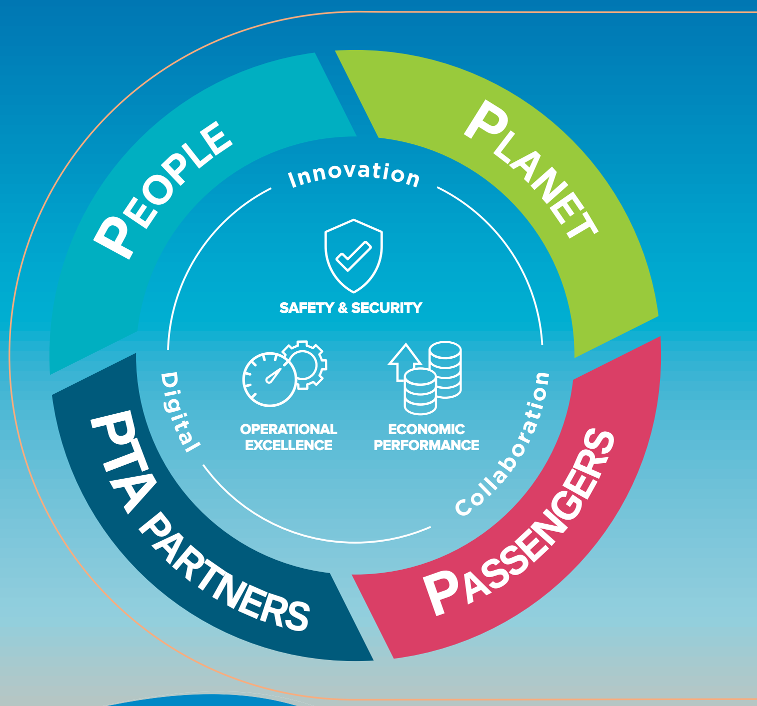
## Key financial data

- **€6.7 billion** in revenue
- A stable, committed shareholder base
- Strong performance, with a net debt/EBITDA covenant at 2.7x

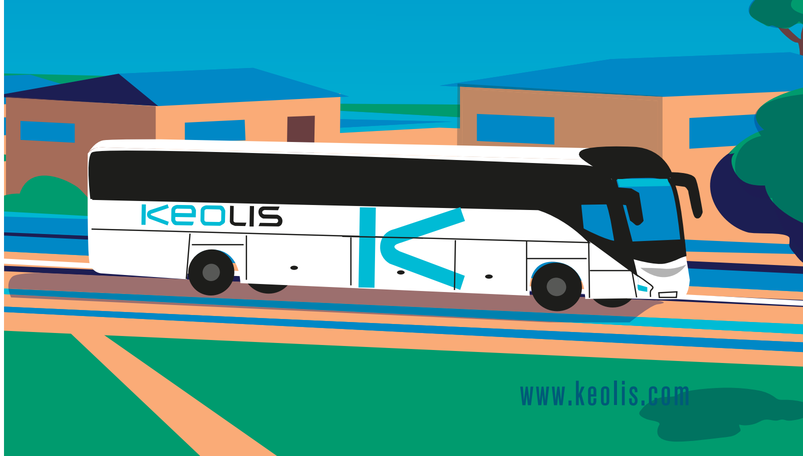
** PIMMS: shared multi-service information offices*

## Keolis business model

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




**Keolis works with public transport authorities (PTAs) through outsourced public service contracts, public procurement contracts and technical assistance contracts. These arrangements define the scope and terms of collaboration between Keolis and the PTAs. In a partnership approach, Keolis shares its expertise in order to constantly improve the performance and quality of mobility services and assets.**



## Corporate purpose

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

## Core values

We imagine >>>

We care >>>

We commit >>>

# Value created for and with the Group's stakeholders

### People

- **64%** of employees received training over the year
- **90%** of employees work in a GEEIS** certified entity for gender equality
- **We@Keolis: 300** members of our internal network for diversity

### Passengers

- **30 subsidiaries** have rolled out the Keolis Signature Service initiative to improve service quality
- **2 major areas of innovation:** understanding mobility and customer experience

### PTA partners

- **59 projects initiated** by local nonprofits selected for support from Coups de Coeur solidaires*** since 2018
- **More than 120,000 school children** reached through safety awareness initiatives
- **€52 million invested** in the social and solidarity economy

### Planet

- **59% of the Group's revenue from its transport business** covered by ISO 14001 certification for environmental management
- **27.3% of kilometers covered** by alternative energy-powered commercial road vehicles
- **65%** of revenue generated by French subsidiaries assessed by BIOM**** is redistributed to support local sustainable development

# Economic performance

- **+€94 million** in free cash flow
- **+€209 million** in operational profitability
- **€1,600 million** ESG indexed loan
- **300 PTAs** place their trust in us in 13 countries

*** GEEIS: Gender Equality & Diversity for European & International Standard.*

**** In partnership with the SNCF Foundation.*

***** Independent agency that measures companies' contribution to sustainable development.*

# Contribution to the
# UN's SDGs

**Since 2020, Keolis has continued to integrate the Sustainable Development Goals (SDGs) and has defined eight SDGs as key areas where Keolis can make the most positive contribution.**

**Keolis considers its employees as its primary asset.** Through the Keolis Way transformation programme and Group-wide safety policy, Keolis looks out for its employees safety and physical and mental health by promoting wellbeing and combating discrimination in the workplace. This policy also covers the safety of passengers and third parties, a constant priority for all Keolis teams worldwide.

**Keolis works relentlessly to guarantee equal opportunities for all its employees and job candidates** 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.

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

**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 wellbeing.

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

**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.

**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, in parallel with initiatives including improving energy efficiency and developing the use of low-carbon energy.

**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.

# Financial performance

**With revenues of €6.7 billion in 2022, Keolis confirms its robust fundamentals and resilience.**

**Revenues**

# €6.7Bn

in 2022

**€6.3Bn**
in 2021

**€6.1Bn**
in 2020

**Recurring EBIT**

## €209M

in 2022

**€204M**
in 2021

**-€23.5M**
in 2020

**Net profit, group share**

## +€48M

in 2022

**+€20M**
in 2021

**-€101M**
in 2020*

**adjusted for exceptional items*

**Net debt**
(excluding IFRS 16)

## €974M

**Share of revenues**
covered by the ISO 14001 certification in 2022

## 59%

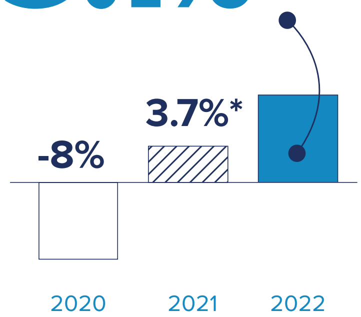
**CSR strategy**

## €1,600M

amount of committed credit facilities indexed to ESG indicators

**Organic variation in revenues**
(annual variation)

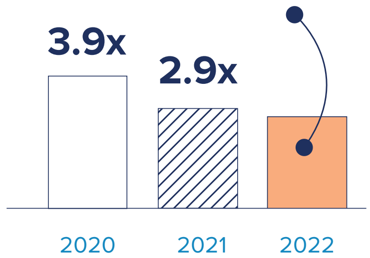
## 9.1%




**+10.3% excluding the Wales & Borders scope effect*

**Leverage**
Net financial debt / EBITDA*

## 2.7x




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


# The Executive Committee

**The members of the Executive Committee are responsible for driving 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.**

## MEMBERS OF THE EXECUTIVE COMMITTEE

1. **Annelise Avril,** Group Director Marketing, Innovation and New Mobilities
2. **Pierre Gosset,** Group Director Industrial Division
3. **Clément Michel,** Group Director Human Resources and Transformation
4. **Sophie Durand,** Group Director Communications
5. **Christelle Villadary,** Chief Financial and Legal Officer
6. **Marie-Ange Debon,** Chairwoman and Group Chief Executive Officer
7. **Arnaud Van Troeyen,** Group Deputy Director International
8. **Bernard Tabary †,** Chief Executive Officer International
9. **Frédéric Baverez,** Chief Executive Officer France and Chairman of EFFIA

**† Bernard Tabary tribute**

Keolis is deeply saddened by the death of Bernard Tabary, Chief Executive Officer International, on 19 March 2023.

The Supervisory Board, management team and staff will remember him as a leader who was greatly appreciated and valued by all. His expertise and commitment to public transport, which he embodied with unparalleled energy and warmth, will leave a profound mark on the company's history.

# The Supervisory Board

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

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)

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

**Alain Krakovitch,**
Managing Director, TGV-INTERCITÉS

**Sylvia Metayer,**
Board Director, former Senior Executive at Sodexo

**Robert Tessier,**
Board Director

**Laurent Trevisani,**
Deputy CEO Financial Strategy, SNCF Group

**Nathalie Wright,**
IT and Digital Transformation Director, Rexel Group

**"Our industry has a pivotal role to play in the energy, climate and socio-economic issues facing communities today. At a time when demand for transport is rising and energy and labour markets are under pressure, Keolis is determined to provide effective support to its public transport authority partners. With this in mind, the Supervisory Board is focusing – together with the Executive Board – on five key objectives: growing the appeal of transport sector jobs, increasing the number of women in our teams, ramping up the co-construction of low-carbon mobility solutions with our PTA partners, innovating to enhance the user experience on our networks and boosting the development of multimodal solutions to better serve communities, notably thanks to our digital expertise."**

# **Accelerating** the transition to **low-carbon mobility**

**In response to the climate crisis, industries around the world are now engaged in a race towards decarbonisation. With the transport sector accounting for around 20% of global $CO_2$ emissions*, public transport authorities are working hand-in-hand with researchers, manufacturers and operators to tackle the climate emergency and meet their ambitious carbon reduction targets. Responsible consumption, alternative fuels, energy-efficient technologies: welcome to the era of low-carbon mobility!**

**400M**

**kilometres travelled on alternative fuels, equivalent to over one third of total operated kilometres and of which 45% using electric vehicles.**

**85%**

**increase in electric buses since 2019.**

**Aurélien Bigo,**
energy transition specialist focused on the transportation sector, Energy and Prosperity Chair

"Transport today is primarily powered by liquid fossil fuels. To accelerate the energy transition, we need to look beyond the opportunities offered by technology. Alone, they won't be enough to offset the increase in traffic caused by the rebound effect and overconsumption. What's needed is a much broader cultural and behavioural transformation by simultaneously activating five different carbon reduction levers: vehicle energy efficiency, energy decarbonisation, transport demand moderation, modal shift and vehicle load optimisation – via carpooling, for example. The last three levers offer significant added benefits because they also reduce urban congestion, sedentary behaviour and accidents. Our collective challenge today is to combine technology with restraint to encourage new consumer practices and develop solutions that promote active mobility and shared, low-carbon transport options."

## What Keolis is doing

**"Faced with the climate emergency, Keolis is firmly committed to helping its PTA partners accelerate the energy transition. Accordingly, the level of emissions associated with powering our vehicles has become a key factor in our management decisions. To reduce our energy use, we're taking action on several fronts at the same time, including training drivers in eco-driving techniques, limiting heating and air conditioning, and using regenerative braking in our metro networks. We're also helping our PTA partners decarbonise their fleets, through new tenders and during existing contracts, thanks to the alternative energies expertise housed in our centres of excellence. And, of course, we're relentlessly pursuing our day-to-day objective – enhancing the appeal of our mobility solutions to curb the use of private cars."**

**Antonia Höög,**
Sustainable Development and Engagement Director

* Source: Key Climate Figures – France, Europe and World – December 2022, French Ministry of Ecological Transition and Territorial Cohesion (in French only)

**Joëlle Touré,**
General Delegate,
Futura-Mobility Think Tank

"At Futura-Mobility, we believe that technological innovation only makes sense if it benefits people, the planet or the community – or ideally, all three. Tomorrow's mobility solutions will need to address all these challenges between now and 2050. They'll have to be better for the environment and biodiversity and more seamless to ease congestion in our cities. And they'll need to be more people-friendly, meaning they enhance safety, comfort, inclusion, accessibility and convenience to meet the diverse needs of both passengers and transport workers. We regularly communicate about the innovative services and solutions deployed by our community of mobility professionals. NaviLens, the app being tested by Keolis to help guide the visually impaired, is a good example. By raising awareness about these solutions, we hope to drive a change in attitudes so that accessibility is taken into account right from the project design phase. It's important to remember that we all have additional needs at some point in our lives, whether because of age, a disability or simply because we're carrying heavy bags! For us, accessibility is about making transport people-friendly for everyone."

## What Keolis is doing

"Our approach is centred on understanding each individual and their needs, thanks to unique tools and resources like Keoscopie, our mobility trends observatory, and Patterns, which uses GPS data to analyse movement in a specific area. By paying close attention to passenger expectations and drawing on insights provided by PTAs and partner organisations, we're able to offer mobility solutions that are increasingly accessible, inclusive and people-friendly. In 2022, we launched vehicle crowding prediction systems to enable passengers to make informed decisions based on real-time predictive data. We also integrated personalised criteria into our journey planners, like walking speed and luggage, so that the proposed itineraries meet passengers' needs as effectively as possible. Emergency phones have also been trialled on our networks to allow passengers to travel more safely and stress-free. At Keolis, "Mobility as a Service" is not just about digital innovation. We're firmly committed to promoting intermodal travel and adapting our transport solutions to real-world needs to ensure a seamless and positive passenger experience from start to finish."

**Annelise Avril,**
Group Director
Marketing, Innovation
& New Mobilities

# Developing **people-friendly mobility solutions** for everyone

After two years of Covid-related reticence, passengers are flocking back to public transport. This positive trend comes with new expectations in terms of comfort and convenience. Today, passengers want to be able to check vehicle crowding levels in advance, choose from various proposed itineraries and move easily from one mode of transport to another. The key challenge for stakeholders in the shared, sustainable mobility ecosystem is to make services more people-friendly and more accessible – thereby enhancing their user appeal.

**3.2Bn**

**journeys in 2022 on Keolis networks, up 27% versus 2021.**

**Over 50%**

**of citizens think more frequent public transport should be a priority for improving their mobility.**

Source: Keoscopie studies in 2022.

# Having a **positive impact** on all **communities**

**18%**

**more trips made by bicycle in the world's major cities by 2030, 15% more trips on foot and 6% more by public transport.**

Source: Kantar, Mobility Futures Report, 2021.

While the "15-minute city" concept and micro-mobility solutions continue to gain traction, the private car remains the main mode of transport for many people for their daily journeys. Faced with soaring energy bills and climate change, public transport authorities are eager to rechannel investments and revamp mobility plans by tapping into alternative energy sources, new technology and data-driven solutions. These are effective levers for providing tailor-made, high-performance mobility options that have a positive impact – including convincing people to leave their cars behind.

**Public transport accounts for**

**31%**

**of transport used by GenZ, compared with 25% for GenX and beyond.**

Source: Kantar, New Generations' View of the Future of Mobility in a (post) Covid World, 2021.

**François Rebsamen,**
President of Dijon Métropole urban community

"When Dijon Métropole selected Keolis Dijon Mobilités in 2017 to operate all its mobility services, covering public transport, bike share schemes, car parks, street parking and car pounds, it was a first in France. We crafted a new vision drawing on the complementary features of the various transport options available, with the focus on stepping up the shift towards more sustainable mobility. Our strategy at the Dijon Métropole urban community is geared to investing in an extension of the tram network, as well as active transport modes like cycling and walking, road space reallocation and the acquisition of low-emission vehicles. This includes plans to replace our entire bus fleet with hydrogen-powered vehicles by 2030 – another first-of-a-kind project in France, which we'll be delivering with the support of Keolis Dijon Mobilités as part of the 'end-to-end mobility' contract we renewed with them in January this year."

## What Keolis is doing

"Mobility is an integral part of the quality of life and appeal of a region. Keolis supports more than 300 public transport authorities around the world with bespoke multimodal value propositions, from demand-responsive transport and extra services for major events to night and 24/7 services, asset obsolescence management and much more. Drawing on our wide-ranging expertise, we meet the specific needs and demands of all cities and regions with a positive impact. This is reflected in the satisfaction rates we've achieved in Hyderabad (93%) and Dubai (95%) — two highly demanding metro operating contracts. This culture of partnership extends to all our stakeholders. Keolis is certified to the ISO 44000 collaborative partnership standard in London and Manchester. We have the know-how to launch a new network like Doha or operate a decades-old system like Boston and our innovative Patterns digital services tool helps refine transport services by analysing local mobility data. These are just some of the assets and levers we use to serve all our passengers for a better travel experience."

**Bernard Tabary,**
Chief Executive Officer International

Interview retained in honour of Bernard Tabary, who passed away suddenly on 19 March 2023.

# More **inclusive career paths** to **develop local employment**

While demand for transport is on the rise, staff shortages are affecting the industry in many parts of the world, particularly for driver positions. This challenging situation reflects a wave of post-pandemic departures, as well as an ageing workforce and changing expectations about working hours. In response, operators are making every effort to improve the image of transport-related jobs, speeding up recruitment processes and developing new training programmes.

**Avrile Foras,**
Deputy HR Director,
Keolis Lyon

"In a tight local labour market, we're taking action on several levels to attract more people to our industry. For a start, we've revamped the recruitment process to be more responsive. Initial contact is made by phone within 48 hours, followed by an interview within a week. If the interview's a success, training begins no more than three weeks later, whereas before candidates had to wait for up to three months. We're also strengthening ties with local employment organisations. For example, we've signed a charter issued by the MMIE – the local job centre for the Greater Lyon area – that compels companies to support the integration of people with low job prospects. We use alternative recruitment methods, without CVs, focusing on motivation and aptitude rather than experience. To address the gender imbalance in transport jobs, we take part in initiatives to enhance the image of technical disciplines and organise employment events specifically for women. And to help local transport authority SYTRAL Mobilités meet its objectives in areas including automating metro line b, developing new tram lines and the energy transition, we're implementing a skills development programme based on anticipated future needs."

## What Keolis is doing

**"We're taking proactive steps in partnership with other industry professionals in each geographic area to change people's perceptions of transport-sector jobs. Within Keolis, this means sharing best practices and pursuing a range of initiatives, including a referral recruitment programme, reaching out to new categories of job seekers and training more staff to drive vehicles and operate equipment. We're also developing resources at our driver training centres and our Tech Academy for maintenance staff. And because it's both a moral imperative and effective recruitment incentive, we're also working to achieve a better gender balance, greater diversity and more inclusion. These three aspects were the focus of our disruptive 2022 recruitment campaign, and are now an integral part of our performance and variable compensation system. Improving the skills of our workforce is another strategic pillar. We've expanded our training portfolio to include an energy transition course with modules for all staff, from management to operational teams. In addition, our fully revamped leadership training programme is ready to be rolled out in a pilot phase at around 15 subsidiaries in 2023."**

**Clément Michel,**
Group Director Human Resources and Transformation

**4th**

**in the 2022 Statista and Capital rankings of the top employers in France (passenger transport category).**

# Main references 2022-2023

**Keolis is a global leader in shared mobility, operating and maintaining urban, suburban and intercity networks for more than 300 public transport authorities worldwide. The Group's multimodal expertise spans a dozen different modes of transport.**

## METRO

**Pioneer and global leader in automated metros –** 330 km

**9 networks in 6 countries:** China, France, India, Qatar, the United Arab Emirates and the United Kingdom

**452 km** of metro lines in operation or under construction

**1 network under construction** in Ivory Coast

## TRAM

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

**26 tram networks worldwide** (including 1 under construction and 2 for which Keolis provides technical assistance)
**in 9 countries:**
- Australia
- Canada
- China
- Denmark
- France
- Qatar
- Sweden
- United Arab Emirates
- United Kingdom

**Melbourne,** the world's largest network with 250 km of double track

**Greater Manchester,** the UK's largest network with 96 km of track

**Aarhus,** Denmark's first light rail network

## BUS AND COACH

**23,000 vehicles** worldwide

**4,500** run on alternatives to diesel or petrol

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

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

**Airport shuttles:** Canada, Denmark, France, the United States

## TRAIN

**2,300 km of railway lines** in operation

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

### AUTONOMOUS VEHICLE

**171,000 km covered**

**38,700 hours of operation**

**216,000 passengers transported**

**Since 2016, 50 deployments** in Canada, France and Sweden

### ON-DEMAND TRANSPORT

**Real-time on-demand transport services** in Australia and France

### TRANSPORT FOR PEOPLE WITH REDUCED MOBILITY

**France's leading provider of accessible transport**

Numerous services in the United States and across France

### SEA AND RIVER SHUTTLES

Services in Australia and France for almost 40 years

### PARKING

**No. 1 for combined car park and on-street parking contracts** in France

**No. 1 for train station car parks** in France

**No. 4 parking operator** in Belgium

**690 car parks** and **75,200 on-street parking spaces** in **246 cities** in France and Belgium

**164 park-and-ride facilities** (P+R) in France and Belgium

**1,059 electric charging stations** in France and Belgium

### BICYCLES

**37,500 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

### MEDICAL TRANSPORT

Leading nationwide ambulance provider in France with **4,200 medical vehicles** and **4,900 healthcare professionals**

### CAR-POOLING

**Numerous services** in France

**Discover all of the Group's references on www.keolis.com and in About Us**

# 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 2022

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 2022 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 ACTIVITY

### 1.1.1.1 Business activity and development

#### France

- 2022 was notable for the reinforcement of the Group's market share in France. Significant commercial gains were recorded, notably those of Valenciennes and Perpignan for a total cumulative amount of more than €700 million over the duration of the contracts, the gain of three Optile and PAM91 contracts in Île-de-France, as well as winning the offensive call for tenders for Mont-Saint-Michel. In addition, Keolis successfully renewed the Bordeaux and Dijon contracts, as well as several networks in Île-de-France *via* the Optile contracts. In total, contracts won in 2022 represented more than €700 million in revenue on a full-year basis and the positive balance between offensive contracts won and defensive contracts lost resulted in net growth of €110 million on a full-year basis.
- The ridership of transport networks was up compared to 2021 in Major City Networks and City Networks (+18% in City Networks) but still down in total compared to 2019 (94% of pre-Covid levels in City Networks) with a marked improvement at the end of the year.
- France did not experience any restrictions related to the Covid-19 epidemic in 2022, however there was an impact related to the development of remote working in the largest cities.
- Persistent recruitment difficulties had a significant impact on operations in several urban networks and in the majority of intercity subsidiaries, which have temporarily implemented Reduced level of Services to ensure the best possible service for our passenger customers. Sanitary transportation was also severely affected, with a direct impact on the level of activity and revenue.
- The return to sustained inflation in 2022 had a negative impact on contracts subject to the indexation delay and for the non-indexed portion of activity. Keolis has nevertheless managed to limit its negative effects thanks to various government subsidies and by controlling its costs.

#### EFFIA

- The 2022 EFFIA parking lot ridership almost returned to its 2019 levels on a like-for-like basis (96% cumulative).
- On the commercial front, the main contracts renewed were Lille-5 Parcs, Grand Dijon and Bordeaux; the main contracts won were Bourg-la-Reine and Versailles Château.

#### International

- The post-Covid-19 recovery in international ridership is more gradual than in France. In the second half of 2022, the ridership rates compared to 2019 were between 70% and 80% for most contracts, continuously improving at the end of 2022, with peaks above 100% during exceptional events such as the Football World Cup. China is an exception with the recent end of its zero Covid policy and the significant increase in cases related to the end of restrictions.
- Most countries are experiencing recruitment difficulties, which has a negative impact on operations.
- The last support measures put in place by governments and public transport authorities as a result of Covid-19 ended this year, with some additional aid, notably in the Netherlands and Canada.
- Depending on the contracts, inflation is sometimes covered by the indices or covered by the delegating authority, sometimes partially covered due to a time lag in indexation, as in Belgium where the many successive salary increases have not yet been fully offset.
- On a commercial standpoint, Keolis won several contracts in Sweden in the cities of Göteborg and Lund, renewed the Skyport contract in Montreal in Canada and extended the GTR contract in England for three years.
- The Norwegian subsidiary was sold on 30 October 2022. No contractual commitment remains following the sale.
- In the Netherlands, the two-year IJssel-Vecht emergency concession expired on 14 December 2022.

### 1.1.1.2 Acquisitions and equity investments

The Group made a small acquisition in 2022, the company Transports Pagès based in Thuir (Pyrénées Orientales).

### 1.1.1.3 The Company's financial position

At 31 December 2022, the Group had a net financial debt of €974 million, primarily made up of a €900 million syndicated loan facility maturing in 2027, of which €230 million had been drawn, a €600 million term loan maturing in 2026, a €100 million private placement in *Schuldschein* form maturing in 2027 and 2029, and other financial debt of around €198 million for its subsidiaries.

To manage liquidity risk, the Group had available confirmed credit lines in an amount of €670 million as at 31 December 2022 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:

- forward 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 the management is to protect the Group's 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 know-how 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.

In 2022, the year was mainly marked by a very strong inflationary surge which had the effect of generating new risks, notably in relation to the supply of energy (price and volume of gas and electricity).

Some of the risks already existing in 2022 have worsened: such as the frequency of cyber-attacks/cyber-fraud, and difficulties in recruiting and retaining resources.

### 1.1.1.5 The Group's financial results

The recovery in ridership continued in 2022 without returning to full pre-Covid 2019 levels. Sustained inflation, fuelled by the disruption of supply chains following Covid and the war in Ukraine, has emerged, propelling energy prices to record levels. At the same time, the transport sector is facing a shortage of drivers.

#### Revenue

In this context, the Group's consolidated recurring revenue for 2022 amounted to €6,714.5 million, a gross increase of +€402 million or +6.4%, and an organic increase (*i.e.* excluding currency, scope and technical effects) of +€573 million, *i.e.* +9.1% compared to 2021.

The currency effect was favourable at +€104 million, notably on the US and Australian dollar.

The scope effect was unfavourable, in the amount of -€283 million, and was mainly due to the full year effect of the disposal of activities in Germany at the end of 2021, the exit of Wales & Borders in Wales in February 2021, and the disposal of activities in Norway at the end of October 2022.

Organic growth was driven by the portfolio effect of contracts won/lost for +€236 million with the full-year effects of Adelaide and bus contracts in the Sydney region in Australia in the amount of +€76 million (started respectively in February and November 2021), in Dubai for +€72 million (started in September 2021), Optile gains in Île-de-France for +€66 million, in Perpignan for +€14 million (started in September 2022), in Cherbourg for -€5 million (ended July 2021), and in Sweden for +€17.4 million (end of Jönköping in June 2021, start of operations in the Uppsala region in June 2022 and in Göteborg in December 2021).

Organic growth was also driven by existing contracts for +€337 million. Indexation made a positive contribution for +€261 million, notably in France and Sweden. Despite the operational disruptions related to the lack of drivers, both regular and occasional revenues and tourism revenues were up compared to 2021. EFFIA, in particular, experienced a rapid recovery in revenues from its parking activities.

## EBIT K

The Group's consolidated recurring EBIT K for 2022 was +€190.5 million, a gross change of +€9.4 million, *i.e.* +5.2%, and an organic change of -€10.2 million, *i.e.* -5.6% compared to 2021.

The currency effect was unfavourable at -€2.3 million, mainly due to the Swedish krona.

The scope effect was favourable at +€21 million and was mainly due to the disposal of non-profitable activities in Germany at the end of 2021 and in Norway at the end of October 2022, partially offset by the exit of Wales & Borders in Wales in February 2021.

The portfolio effect of contracts won/lost amounted to -€11.7 million, of which -€3.7 million in France and -€8.7 million internationally.

Existing contracts improved by +€1.5 million compared to 2021, including +€10 million related to the rapid recovery of EFFIA's parking activities. In France, transport contracts fell by -€1.8 million, affected by the shortage of drivers, which caused service disruptions and penalties, as well as by soaring energy costs. These unfavourable effects are partially offset by the increase in regular and occasional revenues, government aid (resilience plan), and cost control. Internationally, the decrease was -€2.2 million with a weaker performance in Australia at -€10.7 million (increase in operating costs in a context of a shortage of drivers, decrease in revenue), in Belgium at -€7 million (mainly indexation delays), and in North America at -€6.1 million (reduced services for transit activities in the United States and fewer subsidies in Canada); there was an increase in development costs in new territories amounting to -€3.4 million, partially offset by strong performances in Sweden at +€15 million (favourable net indexation effect and decrease in investments) and the Netherlands +€9.3 million (resumption of ridership and government support). Holding costs increased by -€3.8 million compared to 2021, mainly due to IT costs.

The difference between EBIT K (a Keolis Group management indicator) and recurring operating profit was mainly due to the French CVAE tax (company value-added contribution) and the non-recurring costs of calls for tenders, integrated by convention into EBIT K and reported for tax accounting purposes, respectively, under net income and operating profit before investments under the equity method (and therefore 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 2022 | - CVAE | - Cost of bids (non-recurring) | + Prov./Rev. Provisions | Recurring operating profit 2022 |
|---|---|---|---|---|
| €190.5 million | +€16.9 million | +€3.7 million | -€2.5 million | €208.6 million |

## Net income (Group share)

At the end of 2022, recurring operating profit amounted to +€208.6 million, up +€5 million compared to 2021.

Net income (Group share) amounted to +€48.0 million in 2022, compared to +€19.6 million in 2021, *i.e.* an increase of +€28.4 million.

The transition between recurring operating profit and net income (Group share) was due, on the one hand, to non-recurring items for -€56.7 million, mainly including the amortisation of contractual rights, provisions relating to long-term remuneration plans, provisions for onerous contracts, and provisions for restructuring.

Financial income also had an impact on net income, in the amount of -€59 million, as did tax expenses (including the CVAE), in the amount of -€44.8 million. Associates represented a positive contribution of +€16.2 million, of which +€8.6 million related to the end of the dispute with the Department for Transport regarding the London & South Eastern Railway contract, and +€7.9 million related to Govia Thameslink Railway. The share of income attributable to non-controlling interests amounted to €16.3 million.

## Net debt

Net financial debt was stable at €974 million at the end of 2022 compared to €1,030 million at the end of 2021, down €56 million.

Financial lease debt amounted to €1,036 million at the end of 2022 compared to €1,008 million at the end of 2021, an increase of €28 million.

On 22 July 2022, the Group implemented an amendment to the €900 million revolving syndicated loan in order to (i) extend its maturity until July 2027, with two extension options of one year each and (ii) integrate ESG indicators in line with the Group's ESG strategy. On 7 December 2022, the Group signed a private placement under German law (*Schuldscheindarlehen*), indexed to ESG indicators, for a total amount of €100 million. This transaction includes two tranches in euro at variable rates, with maturities of five and seven years.

These new transactions aim to refinance existing credit lines, increase the average maturity of the debt, maintain robust liquidity and strengthen Keolis's ESG strategy.

# 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 €6,753.8 million.

After taking into account all operating costs, operating profit after investments under the equity method amounted to €168.1 million.

Net income (Group share) amounted to a profit of €48.0 million for the financial year ended 31 December 2022.

## 1.1.2.2 Annual financial statements

Operating income amounted to €1.3 million.

Financial income amounted to €5.0 million.

After recognising income on corporate tax of €18.6 million related to the tax consolidation, the annual financial statements of GROUPE KEOLIS S.A.S. show a profit of €24.8 million.

## 1.1.2.3 Subsidiaries and equity investments

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

## 1.1.2.4 Notification of major holdings and takeovers

During the 2022 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:

### Incorporation of companies

| Name | Date | Percentage |
|---|---|---|
| Keolis Côte d'Ivoire | 22/06/2022 | 100% KSA |
| Keolis Val d'Essonne 2 Vallées | 31/03/2022 | 100% KSA |
| Keolis Val d'Yerres Val de Seine | 31/03/2022 | 100% KSA |
| Keolis Vélizy Val de Bièvre | 31/03/2022 | 100% KSA |
| Keolis Dijon Multimodalité | 14/12/2022 | 70% KSA (20% EFFIA Stationnement, 10% Cykleo) |
| KLP 63 – KLP 64 – KLP 65 – KLP 66 – KLP 67 – KLP 68 – KLP 69 – KLP 70 – KLP 71 – KLP 72* | 13/12/2022 | 100% KSA |

* *Companies with no activity, created in anticipation of 2023 calls for tenders.*

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

| Name | Date | Percentage |
|---|---|---|
| KLP 30, KLP 31, KLP 32* | Ongoing | 100% EFFIA Stationnement |

* *Companies with no activity, created in anticipation of 2023 calls for tenders.*

Keomotion, a subsidiary of GROUPE KEOLIS S.A.S., has not acquired, taken control or set up any company.

### Acquisition of companies

| Name | Date | Percentage |
|---|---|---|
| Transports Pagès | 30/06/2022 | 100% KSA |

### Disposals of securities

During the 2022 financial year, the Swedish subsidiary Keolis Nordic AG, wholly owned by Keolis SA, sold the following company:

| Name | Date | Percentage |
|---|---|---|
| Keolis Norge | 31/10/2022 | 100% |

## 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) | -121 | - | - | - | - | - |
| Percentage of total purchases excl. VAT for the financial year | -1.9% | - | - | - | - | - |
| 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 | - | | | | | |
| Total 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<br>☐ 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. tax) | 375 | 20 | - | - | 20 | - |
| Percentage of total purchases excl. VAT for the financial year | - | - | - | - | - | - |
| Percentage of revenue excl. VAT for the financial year | 3.88% | 0.21% | - | - | 0.21% | - |
| **(B) Invoices not included in (A) relating to disputed or non-recognised receivables** | | | | | | |
| Number of invoices not included | - | | | | | |
| Total 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<br>☐ 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, on average, over 500 permanent employees in consolidated subsidiaries during the last financial year, must publish its Statement of non-financial performance in its management report and on its website.

In accordance with the commitments made in 2022, the Statement of non-financial performance includes 100% of the GROUPE KEOLIS S.A.S. scope. SNCF, which holds 69.69% of Groupe Keolis S.A.S., has prepared a Statement of non-financial performance since the 2020 financial year consolidating Keolis. The Keolis statement is therefore drawn up on a voluntary basis. The vigilance plan was also expanded, with a focus on certain foreign subsidiaries. The Group's vigilance plan is appended to the Statement of non-financial performance.

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

In 2023, the year should be marked by the continuation of complicated macroeconomic conditions related to the Ukraine crisis in Europe as well as sustained global inflation. Lastly, the impact of difficulties in recruiting and retaining employees around the world is expected to continue in 2023.

### France

- 2023 will be a very intense year for defensive calls for tenders for contracts expiring at the end of 2024, notably for urban projects with the renewal of Lyon (whose allotment has been decided), as well as the networks of Amiens, Bayonne-Biarritz, Besançon, Caen, Chambéry and Orléans. On the offensive side, in Île-de-France, Keolis will aim to continue to position itself on the last contracts of the Optile network's call for tenders, on the Paris and inner suburbs bus networks, on Grand Paris Express, and on trams-trains.
- Numerous energy transition projects will take place, notably with the financing of the infrastructure necessary for the deployment of green energies such as electricity and NGV (mainly the development of depots for electric recharging or NGV supply), and the operation of electric bus lines (in Lyon, Rennes, on the Alpes-Maritimes network, etc.).
- The impact of the increase in energy prices (notably electricity) will be considerable on our Major City Networks, with negotiations to come with the public transport authorities to limit the effects not covered by the contractual mechanisms.
- The increasing difficulty of recruiting drivers or maintainers could complicate the networks' capacity to deliver the service expected in 2023.

### EFFIA

- For EFFIA, as in 2022, the Group expects a continuous improvement in parking lot ridership in 2023, with a return to pre-Covid normative levels.
- Changes in terms of mobility (notably related to remote working) will continue to impact the results of parking lots in railway stations, with a significant slowdown in business or commercial customers over weeks including public holidays and pre/post-holiday weeks, a reduction in average parking times in Parisian railway stations, but record numbers of ridership at several regional TGV stations.

### International

- 2023 will be a very intense year in terms of calls for tenders. Regarding defensive tenders, the Group will aim to continue to defend the networks operated in the United States and will continue its development strategy in the main countries where Keolis is present.
- The continuous improvement in ridership on international networks will make it possible to offset the end of government and public transport authority support in Sweden and Canada. Support in the Netherlands is expected to continue but at a much lower level than in 2022.
- Inflation will continue to impact the cost base on our contracts in 2023. Nevertheless, the majority of our international contracts will be less exposed than our French contracts to the increase in energy costs, except in Belgium and Canada.
- The gradual decarbonisation of our operations will continue, with the gradual electrification of fleets in Belgium, Denmark and Australia.
- The difficulty in recruiting drivers or maintainers could continue to complicate the networks' capacity to deliver the service expected in 2023. The success of our employee recruitment and retention campaigns will be key.

## 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 income

You will be asked to allocate the profit for the financial year ended 31 December 2022 as follows:

| | |
|---|---|
| Profit for the year | €24,795,752.07 |
| Allocation to the legal reserve | €1,239,787.60 |
| Retained earnings | €48,900,673.08 |
| Distributable profit | €72,456,637.55 |
| Dividends paid | €25,000,000.00 |
| New retained earnings | €47,456,637.55 |

You will therefore be asked to approve a dividend payment of €0.1389 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 |
|---|---|---|---|
| 2021 | €9,990,872.07 i.e. €0.0555 per share | - | - |
| 2020 | €0 i.e. €0 per share | - | - |
| 2019 | €0 i.e. €0 per share | - | - |

#### 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.

## 1.1.7 COMPANY MANAGEMENT AND CONTROL

### 1.1.7.1 Expiry and renewal of the terms of office of the members of the Supervisory Board

At its meeting of 18 May 2022, the Supervisory Board duly noted the expiry of the terms of office of Mr Laurent Trévisani, Ms Nathalie Wright, Mr Patrick Bastien and Mr Robin Lutz, as well as of their reappointment as members of the Supervisory Board for a term of three years, from 18 April 2022.

The Supervisory Board thanked Ms Claudia Schlossberger for serving as a member of the Supervisory Board and for performing her duties as the Chairwoman of the Remuneration and Human Resources Committee, which ended on 18 April 2022.

### 1.1.7.2 Appointment of new members of the Supervisory Board

At its meeting of 23 February 2022, the Supervisory Board duly noted the appointment of Mr Robert Tessier as a member of the Supervisory Board as of 23 February 2022 to replace Mr Normand Provost, and for the remainder of his term of office, *i.e.* until 30 June 2024.

At its meeting of 29 September 2022, the Supervisory Board duly noted the appointment of Ms Anne Le Guennec as a member of the Supervisory Board for a term of three years from 29 September 2022.

## 1.1.8 RATIFICATION OF THE TRANSFER OF REGISTERED OFFICE

Concomitant with the transfer of the Company's offices to Courbevoie, the Chairwoman of the Management Board, by a decision dated 14 October 2022, decided to transfer the registered office of GROUPE KEOLIS S.A.S. from 20-22, rue Le-Peletier, 75009 Paris, to 34, avenue Léonard-de-Vinci, 92400 Courbevoie, as of 17 October 2022, subject to ratification by the next Annual General Meeting of the shareholders.

At the Ordinary Annual General Meeting of 14 April 2023, the ratification of this decision will be submitted to a shareholder vote.

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 2022, 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: 0.17%;

Treasury stock: 0.14%;

Employee shareholdings *via* FCPE GROUPE KEOLIS ACTIONNARIAT therefore represent 0.17% of the capital.

## 1.2.2 THE MANAGEMENT BOARD

### 1.2.2.1 Composition of the Management Board

At 31 December 2022, 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 Executive President (CEO) 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 2022, 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 are appointed by CDP-IE.

The Board strives to achieve diversity in terms of gender, know-how and experience.

At 31 December 2022, 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;
- Ms Anne Le Guennec, member of the Supervisory Board;
- Mr Robin Lutz, member of the Supervisory Board;
- Ms Sylvia Métayer, member of the Supervisory Board;
- Mr Robert Tessier, 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<br>Chairwoman of the Management Board | GROUPE KEOLIS S.A.S. |
| | Chairwoman of the Management Board<br>Chief Executive Officer | Keolis SA |
| | Independent director<br>Chairwoman of the Audit and Finance Committee | ARKEMA |
| | Director<br>Chairwoman of the Audit Committee | Technip Energies |
| | Chairwoman | Union des Transports Publics |
| **Mr Jérôme Tolot** | Chairman and member of the Supervisory Board<br>Member of the Investment and Strategy Committee<br>Member of the Remuneration and Human Resources Committee | GROUPE KEOLIS S.A.S. |
| **Mr Patrick Bastien** | Member of the Supervisory Board<br>Chairman of the Investment and Strategy Committee<br>Member of the Remuneration and Human Resources Committee<br>Member of the Safety, Security and Prevention Committee<br>Member of the Innovation and Sustainable Development Committee<br>Member of the Audit and Ethics Committee<br>(until 23 February 2022) | GROUPE KEOLIS S.A.S. |
| | Operational Partner | Caisse de dépôt et de placement du Québec |
| | Member of the Supervisory Board | ERMEWA HOLDING |
| | Member of the Supervisory Board | AKIEM |
| | Board member | DP World International Investment B.V. |
| | Board member | DP World Australia |
| **Mr Robin Lutz** | Member of the Supervisory Board<br>Member of the Safety, Security and Prevention Committee<br>Member of the Investment and Strategy Committee<br>Member of the Audit and Ethics Committee | GROUPE KEOLIS S.A.S. |
| | Infrastructure Investments Director | Caisse de dépôt et placement du Québec |
| | Supervisory Board member | ATC Atlantic I B.V. |
| | Supervisory manager | AT Atlantic Holding LLC |

| Name | Functions and Offices | Companies |
|---|---|---|
| **Mr Alain Krakovitch** | Member of the Supervisory Board<br>Member of the Audit and Ethics Committee<br>Member of the Safety, Security and Prevention Committee<br>Member of the Innovation and Sustainable Development Committee | GROUPE KEOLIS S.A.S. |
| | Chairman<br>Director | Eurostar Group |
| | Director | TGV-INTERCITÉS (Voyages SNCF) |
| | Director | E-Voyageurs Group |
| | Chairman | OUIGO ESPANA |
| | Director | Forum Vies Mobiles |
| **Ms Anne Le Guennec** | Member of the Supervisory Board (since 29 September 2022)<br>Member of the Remuneration and Human Resources Committee (since 23 November 2022) | GROUPE KEOLIS S.A.S. |
| | Chief Executive Officer – Waste Recycling and Recovery | Veolia |
| **Ms Sylvia Métayer** | Member of the Supervisory Board<br>Chairwoman of the Audit and Ethics Committee<br>Member of the Remuneration and Human Resources Committee (until 23 November 2022) | GROUPE KEOLIS S.A.S. |
| | Director<br>Member of the Audit Committee<br>Member of the Remuneration Committee | Page Groupe PLC |
| | Director<br>Chairwoman of the Remuneration, Appointments and Governance Committee | Groupe Aéroport de Paris |
| | Chairwoman of the Audit Committee | AnimalCare Group, Plc |
| | Chief Executive Officer, Growth | Sodexo (until May 2022) |
| | International Advisory Board (pro bono) | HEC |
| | Member of the Board of the FTCC mission | Ministry of the Economy and Finance |
| | Member of the Supervisory Board | La Gouvernance au Féminin |
| **Ms Claudia Schlossberger** | Member of the Supervisory Board (until 18 April 2022)<br>Chairwoman of the Remuneration and Human Resources Committee (until 18 April 2022) | GROUPE KEOLIS S.A.S. |
| **Mr Robert Tessier** | Member of the Supervisory Board (appointed on 23 February 2022)<br>Chairman of the Remuneration and Human Resources Committee (since 23 November 2022) | GROUPE KEOLIS S.A.S. |
| **Mr Laurent Trévisani** | Member of the Supervisory Board<br>Member of the Investment and Strategy Committee<br>Member of the Audit and Ethics Committee | GROUPE KEOLIS S.A.S. |
| | Chairman | SNCF Participations |
| | Deputy Chief Executive Officer | Société Nationale SNCF |
| | Chairman of the Supervisory Board<br>Member of the Human Resources Committee | GEODIS S.A. |
| | Chairman of the Management Board | Transport et Logistique Partenaires |
| **Ms Nathalie Wright** | Member of the Supervisory Board<br>Chairwoman of the Innovation and Sustainable Development Committee<br>Member of the Safety, Security and Prevention Committee | GROUPE KEOLIS S.A.S. |
| | Chief Digital & Sustainability Officer | Rexel Group |
| | Director | Quadient |
| | Director | Amundi (since February 2023) |

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 2022, the Supervisory Board met five times and voted on topics including the following:

- the 2021 annual and consolidated financial statements;
- the 2022 quarterly and half-yearly financial statements;
- review of the progress of business, with a focus on the various impacts of the health crisis;
- the 2023 budget;
- the 2023-2027 GPS;
- strategic review of the Group and its subsidiaries/Business Units;
- strategic decisions such as the Group's refinancing projects.

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 2022, the seminar was held on 29 September 2022.

## 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 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 2022, notably examining the following topics:

- review of the annual, half-yearly and quarterly consolidated financial statements;
- review of internal control;
- review of fraud reporting in 2021;
- 2022 roadmap of the "Internal Audit, Control and Risk Management" function;
- 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 12 meetings in 2022.

### The Safety, Security and Prevention Committee (SSPC)

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 2022, 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:

- preparation of a Group Health and Safety diagnostic;
- safety management review;
- cybersecurity management review.

### 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 2022. The main topics discussed were the following:

- diagnosis on the Group's recruitment and strategic workforce planning;
- 2021 Economic Performance report;
- engagement survey – results of employee surveys and action plans;
- review of major risks;
- roll-out of the diversity strategy.

### The Innovation and Sustainable Development Committee (ISDC)

The Committee 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 five meetings in 2022. The main topics discussed were the following:

- CSR: CSR review and guidelines for 2022;
- review of the 2022 innovation portfolio;
- autonomous mobility.

## 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, BU Director France and EFFIA, BU Director 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 2022 was as follows:

| Executive Committee at 31 December 2022 |
|---|
| Ms Annelise Avril |
| Mr Frédéric Baverez |
| Ms Marie-Ange Debon |
| Mr Pierre Gosset |
| Mr Clément Michel |
| Ms Sophie Durand |
| Mr Bernard Tabary |
| Mr Arnaud Van Troeyen |
| Ms Christelle Villadary |

## 1.2.5 AGREEMENTS COVERED BY ARTICLE L. 227-10 OF THE FRENCH COMMERCIAL CODE

During the past financial year, no agreements were entered into under Article L. 227-10 of the French Commercial Code.

# 1.3 STATEMENT OF NON-FINANCIAL PERFORMANCE

# Value creation model

## Resources

### People

- **67,600 employees,** 64% of whom are drivers
- **13,700 permanent new hires** worldwide
- **Training: Keolis Institute/CFA (apprentice training centre)**

### Passengers

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

### PTA partners

- Member of **the United Nations Global Compact**
- **Partnership with Fondation des Femmes**
- **Constant dialogue with PTAs** to develop public transport services
- **Founding member of the PIMMS*** initiative to facilitate access to essential public services

### Planet

- **A portfolio of multimodal solutions** that are instrumental in reducing the environmental footprint of transport
- A growing fleet of more than **4,500 vehicles** powered by alternative energies
- **4.5 kWh** per km for commercial vehicles

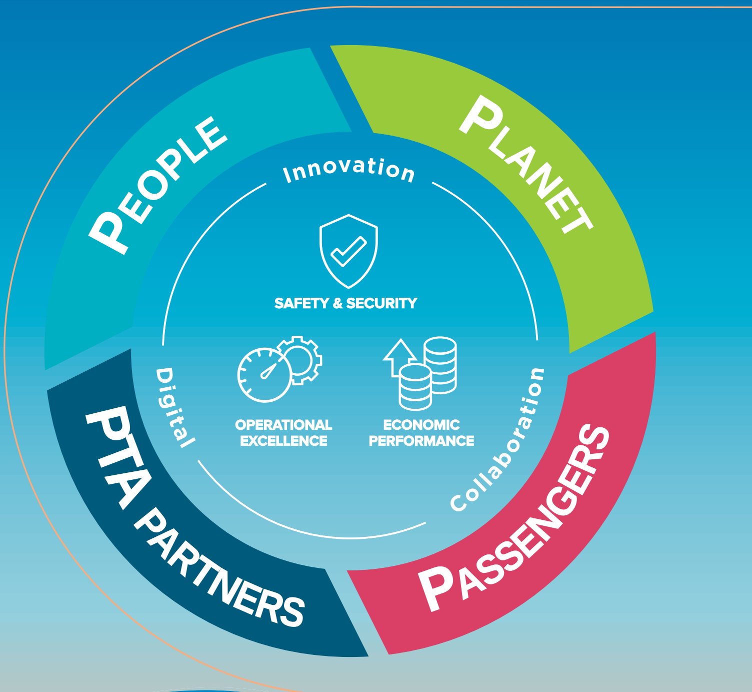
## Key financial data

- **€6.7 billion** in revenue
- A stable, committed shareholder base
- Strong performance, with a net debt/EBITDA covenant at 2.7x

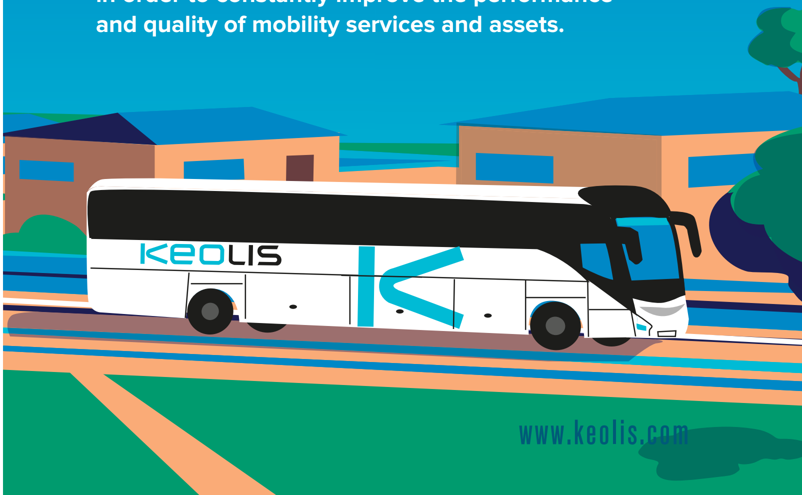
** PIMMS: shared multi-service information offices*

## Keolis business model

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




**Keolis works with public transport authorities (PTAs) through outsourced public service contracts, public procurement contracts and technical assistance contracts. These arrangements define the scope and terms of collaboration between Keolis and the PTAs. In a partnership approach, Keolis shares its expertise in order to constantly improve the performance and quality of mobility services and assets.**



## Corporate purpose

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

## Core values

We imagine >>>

We care >>>

We commit >>>

# Value created for and with the Group's stakeholders

### People

- **64%** of employees received training over the year
- **90%** of employees work in a GEEIS** certified entity for gender equality
- **We@Keolis: 300** members of our internal network for diversity

### Passengers

- **30 subsidiaries** have rolled out the Keolis Signature Service initiative to improve service quality
- **2 major areas of innovation:** understanding mobility and customer experience

### PTA partners

- **59 projects initiated** by local nonprofits selected for support from Coups de Coeur solidaires*** since 2018
- **More than 120,000 school children** reached through safety awareness initiatives
- **€52 million invested** in the social and solidarity economy

### Planet

- **59% of the Group's revenue from its transport business** covered by ISO 14001 certification for environmental management
- **27.3% of kilometres covered** by alternative energy-powered commercial road vehicles
- **65%** of revenue generated by French subsidiaries assessed by BIOM**** is redistributed to support local sustainable development

# Economic performance

- **+€94 million** in free cash flow
- **+€209 million** in operational profitability
- **€1,600 million** ESG indexed loan
- **300 PTAs** place their trust in us in 13 countries

*** GEEIS: Gender Equality & Diversity for European & International Standard.*
**** In partnership with the SNCF Foundation.*
***** Independent agency that measures companies' contribution to sustainable development.*

## 1.3.2 THE GROUP'S CSR STRATEGY

### 1.3.2.1 Corporate Purpose

Aware and convinced of the need to reinvent its models to better take into account the environment and create value for society and the regions, Keolis explained its corporate purpose in 2021: ***"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 Keolis corporate project

Environmental and social emergencies, changes in lifestyles and mobility expectations, digitalisation, new health security requirements... the world is changing. Keolis seized this opportunity to transform itself by launching its corporate project in mid-2021.

The Keolis Way objectives are to:

- strengthen a shared culture and working methods;
- improve performance for the benefit of passengers, employees and all stakeholders.

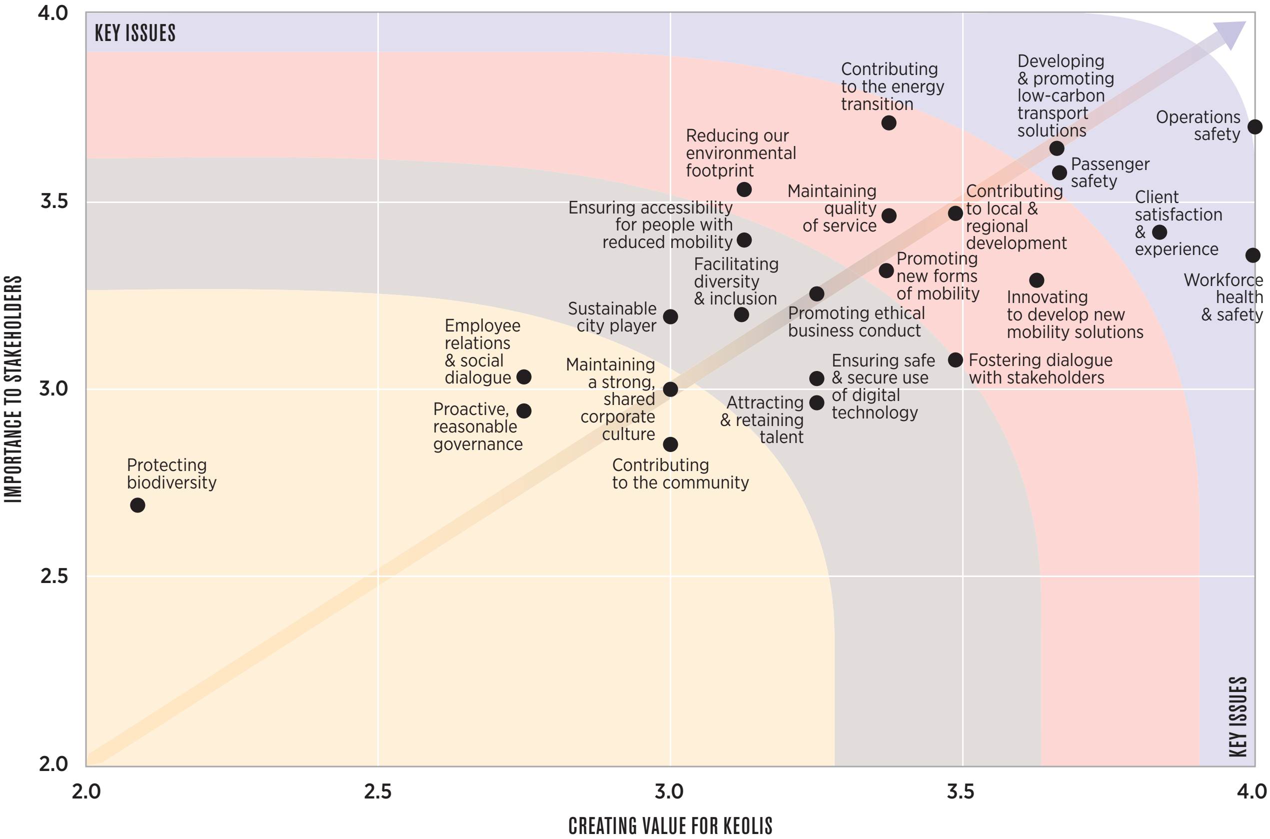
Keolis Way offers a roadmap framework to all Group entities, regardless of their location, size or mode of operation. It sets the financial, operational and CSR goals and objectives to be achieved by 2025 at the Group level. Its composition is as follows:


2022 was the year of the operational roll-out of Keolis Way. By the end of the year, 90% of the Keolis entities had adopted the structure and objectives of Keolis Way, defining their own project adapted to local specificities and contexts. The progress of each of the Group performance indicators is monitored by the business lines concerned and by the Executive Committee.

## 1.3.2.3 Materiality of the issues

Keolis has defined the mapping of its main stakeholders, by interviewing them in order to know their expectations and their vision for the Group, and to identify with them the environmental, social and governance issues most likely to impact the business over the years to come. This work helped to build 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 matrix highlight issues where stakeholders' expectations are increasing:

- 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;
- to be a partner in the development of the regions: 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

| Pillar | Keolis Way | KPI |
|---|---|---|
| FUNDAMENTALS | **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 according to ISO 45001 or 39001 |
| | Security | • Number of partnership agreements with internal security forces |
| | | • 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 |
| | Sustainable procurement | • Percentage of expenses covered by an assessment of the CSR performance of suppliers |
| PILLAR | **OUR PLANET** | |
| | Energy and low-carbon transition | • Percentage of kilometres travelled by alternative energy commercial road vehicles |
| | | • Traction greenhouse gas emissions (all modes) in $kgCO_2e$/100km |
| | Ecological transition | • Share of revenue covered through ISO 14001 certification |
| | | • Share of recovered waste |
| | Societal commitment | • Average % of subsidiaries' revenue redistributed for Sustainable Development in the regions (BIOM assessment conducted in 2022) |
| | | • Number of students who benefited from an awareness-raising programme as part of school-based interventions |
| | | • 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 workers declared disabled |
| | Training/ 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 | • Number of participants in the 8 IK PMR training courses |
| | | • Number of participants in the 22 accessibility and awareness-raising events |
| | Accessibility | • Total number of subsidiaries involved in Keolis Signature Services |

| Objective | 2021 performance | 2022 performance | Scopes covered |
|---|---|---|---|
| | | | |
| -25% Fr in 2023<br>& -10% Int in 2023 | 27.46 | 24.42 | Keolis Group,<br>excluding Keolis Santé |
| - | 3.06 | 3.61 | |
| 38% in 2025<br>75% in 2030 | 22.4% | 24.7% | Group transport activities |
| - | 68 | 83 | Transport activities in France |
| - | 26% | 40% | Group transport activities |
| | | | |
| - | 100% | 100% | The Keolis Group |
| - | 89% | 89% | The Keolis Group |
| - | 74% | 86% | Keolis Group in Europe |
| 70% in 2025 | 37% | 44% | Group transport activities |
| | | | |
| x2 in 2025 vs. 2019 (19.5%)<br>x3 in 2030 vs. 2019 | 24.4% | 27.3% | Group transport activities |
| -30% in 2030 vs. 2019 (129) | 115 | 119 | |
| 80% in 2030 | 50.4% | 58.6% | |
| - | 62% | 62% | |
| - | 71.5% | 64.9% | Transport activities in France |
| - | 95,569 | 121,520 | Group transport activities |
| - | 36.1 | 51.5 | Transport activities in France |
| | | | |
| 95% in 2025 | 87% | 90% | Group transport activities |
| 24% in 2025 | 22.0% | 21.8% | The Keolis Group |
| - | 19.1% | 19.0% | |
| - | 5.1% | 5.2% | Transport activities in France |
| 80% in 2025 | 64% | 64% | The Keolis Group |
| - | 0.37 | 0.56 | Transport activities in France |
| - | 13.9% | 16.7% | The Keolis Group |
| - | 8.3 | 8.8 | |
| | | | |
| - | 527 | 487 | Transport activities in France |
| - | 315 | 459 | Group transport activities |
| - | 25 | 30 | |

## 1.3.2.5 Governance of non-financial issues

Reporting to the HR & Transformation Executive Department and alongside the Corporate Project, Security and Managerial Support Department, the Sustainable Development and Commitment Department is responsible for defining and deploying the Group's CSR strategy. The CSR roadmap is monitored at several bodies:

- at the **Executive Committee**, at least once per quarter and according to the internal and external priorities of the Keolis Group;
- at 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 2022 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.

## 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).*

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 steers its CSR strategy through the SDGs

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 any 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 pillar
- 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

### 2022
- Keolis Bordeaux becomes the first "Company With a Mission" in the public transport sector
- Continued development of the financing strategy, incorporating ESG criteria
- Keolis, signatory of the Ecowattt Charter

3 BONNE SANTÉ ET BIEN-ÊTRE

3.5, 3.6, 3.9,3.d

# 1.3.3 KEOLIS WAY

## 1.3.3.1 Fundamentals: Health & Safety

The continuous improvement of safety is one of the fundamentals of our corporate project. All teams are constantly mobilised to ensure the safety of passengers, third parties, employees and partners. As security cannot be effective without a strong managerial commitment at all levels of the organisation, the development of a corporate culture that promotes the safety of our operations and our employees remains a key issue on a daily basis.

### The Group's vision

The Group safety policy includes all aspects and players in health and safety at Keolis, specifying the vision, responsibilities and commitments in this area for the entire Group. It is communicated to all French and international entities and rolled out as a cornerstone of organisational principles and management practices.



### Managerial practices

Keolis's vision in terms of health and safety is fully in line with its corporate culture and purpose. In concrete terms, health and safety issues are translated into proactive, simple and concrete managerial practices and rituals at all levels of the organisation: monthly reviews by the ELT (Executive Leadership Team) for the Group's safety briefings in the field.

At subsidiaries, the IMPACT Sécurité programme (Managerial Involvement for Continuous Improvement and Transformation) was developed to anchor concrete rituals and guarantee a common base of managerial practices in terms of health and safety. More specifically, the IMPACT Sécurité programme consists of:

- **five rituals:**
  - field visits: site visits (depot, workshop, line, etc.) meetings with staff are planned and monitored by the entity's management and implemented by all managers (at least one round per month per manager),
  - 5 minute review: safety communication reviews (5 to 10 minutes) are organised at a set frequency (daily or weekly) among managers and their teams,
  - HPI session: the HPI (High Potential Incident) flashes shared by the Group are reviewed on a quarterly basis by the entity manager in order to identify valid learning for the entity requiring specific actions. In addition, all high potential incidents within the scope of the entity are reported, analysed and shared with the rest of the Group,
  - structured problem solving: a problem reporting mechanism is set up for all staff (meetings, registers, digital application, etc.). All action points reported are recorded in a database reviewed monthly by the entity manager,
  - Safety Committee: a Safety Committee, chaired by the entity manager, in the presence of his or her Management Committee, is organised at least quarterly in order to analyse the entity's safety performance and highlight the progress of the action plan;
- **four practices:**
  - identification and control of risks that kill: annual workshops, involving representatives of all the business lines of the entity are organised in order to map the risks that kill and identify measures to control them,
  - safety and prevention on-boarding: an on-boarding process enables new hires, subcontractors and visitors to be introduced to safety and presents the entity's most critical risks, as well as ways to protect themselves against them,
  - skills and authorisations management: for each role in the organisation, the required skills are identified. Each employee has their skills and authorisations assessed annually. Personalised support is offered for employees experiencing difficulties (*e.g.* drivers with multiple accidents),
  - emergency and crisis preparedness: emergency and crisis scenarios are listed, and emergency plans are drawn up accordingly and are the subject of communications, exercises and training for all personnel concerned.

The objective is to create a shared culture at the Group ensuring two elements that go hand in hand: operational excellence, on the one hand, and the health and safety of Keolis stakeholders (staff, passengers, partners, and third parties) on the other.

As part of this approach, health and safety issues were fully integrated into the "leadership" training that will be provided to the Group's managers during 2023. This training programme anchors health and safety as a managerial imperative at Keolis.

## Managing our risks

Since risk management cannot be dissociated from the level of involvement of the teams, essential measures were co-constructed with the operational entities to control each of the critical risks (occupational health and safety, technical safety, property safety). Beyond the elaboration of standards, this approach aims to involve all business lines in the ongoing cultural transformation.

## Action plan

The main focus of 2022 was the harmonisation of Keolis practices in terms of health and safety at work. This approach is based on the Group's security management guidelines, which ensure the formalisation of minimum requirements, aim to establish a harmonised framework for the practices and organisation of each subsidiary, and look to guarantee a solid foundation for the management of its daily activities. Based on the ISO 45001 and 39001 standards, these guidelines aim to extend the level of coverage of these certifications.

**BEST PRACTICES**

### ISO 45001 certification in Dubai

With five new ISO certifications obtained in less than a year, Keolis-MHI, the JV that operates the Dubai underground railway, confirmed its know-how in risk management (Quality, Health and Safety, Environment) and consolidated the bond of trust with the public transport authorities and network passengers. These certifications recognise the quality of the working framework put in place to comply in structural fields: Quality (ISO 9001:2015), Environment (ISO 14001:2015), Occupational Health & Safety (ISO 45001:2018), Energy (ISO 50001:2018) and Risk Management (ISO 31000:2018)

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 | 2022 | Objective |
|---|---|---|---|---|---|---|---|
| Percentage of employees working under a safety management system certified according to ISO 45001 or 39001 | Group transport activities | < 15% | 19% | 21.9% | 22.4% | 24.7% | 38% in 2025<br>75% in 2030 |

## Management of the business line

Health and safety experts and ambassadors at Keolis provide their support and know-how to the entire hierarchical line for the deployment of managerial practices.

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 business areas.

It leads and coordinates exchanges at the business line through various channels. Thus, a Group newsletter dedicated to Health and Safety at Keolis, intended for top managers and the business line, and fed by the latter, was launched in 2022. This new communication channel aims to strengthen the sharing dynamics within the sector and to involve all Keolis employees. Two seminars on health and safety issues, bringing together the entire Group business line, were held in Tours and Paris to anchor the sharing rituals within the community and with the Group's other business lines.

## Learning and improvement

With a view to continuous improvement and collective learning, a process for analysing the systemic causes of High Potential Incidents has been rolled out across all Group subsidiaries.

This approach encourages the entire Group to question the quality and effectiveness of its rituals, its practices, and its risk management processes, and therefore of the management system.

Initiated for High Potential Incidents related to the health and safety of staff, passengers and third parties, this continuous learning approach is intended to be developed across all business lines in order to make Keolis a learning company.

**BEST PRACTICES**

### Deployment of the Restorative Just Culture thanks to the Next Platform approach in London

Keolis Amey has deployed an innovative approach that aims to change the way health and safety is perceived. This approach introduces new processes, builds trust and commitment and establishes a "Restorative Just Culture".

The "Restorative Just Culture" focuses on the "why" of an accident and not the "who", in order to improve safety and operational excellence. The approach ensures that the needs of the relevant stakeholders are covered in the response made.

The Restorative Just Culture approach introduced four new processes to help the Docklands Light Rail network become a learning organisation and engage its staff:

1. Critical reviews (to replace traditional security surveys);
2. Normal Work Environment Studies (a way to better understand the working reality of employees);
3. QHSE Innovation Lab (a method for generating innovative ideas to improve safety);
4. Controls and Critical Risks (increased focus on high-impact risks and controls to reduce them).

This programme is divided into three overlapping phases in order to be implemented in the organisation's divisions: change the conversation, change the approach, change the outcome.

In 2022, the Keolis Group's performance on the key performance indicators related to accidentology was as follows:

| Indicator | Scope | 2018 | 2019 | 2020 | 2021 | 2022 | Objective |
|---|---|---|---|---|---|---|---|
| Frequency rate of workplace accidents | Keolis Group, excluding Keolis Santé* | 28.50 | 26.10 | 23.11 | 27.46 | 24.42 | -25% France in 2023<br>-10% Int. in 2023 |
| Severity rate of workplace accidents | | 2.71 | 2.80 | 3.09 | 3.06 | 3.61 | - |

* *Excluding Keolis Santé.*

In addition, the digitalisation 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.

11.7 16.1

## Security

Securing spaces and preventing petty crime **in transport** are essential components of **quality of service**. This is a clear expectation of all stakeholders (public transport authorities, client passengers, employees, etc.) in a context where the demand for safety and protection is at the heart of societal concerns.

### 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 fraud and all forms of delinquency and disturbance of the peace, based on the following strategy:

- the development of a human presence (mediators, ticket inspectors and security agents) 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, 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.).

**BEST PRACTICES**

**Keolis in Manchester, partner of a co-constructed safety policy**

The “travelsafe” 2022-2024 programme, in which the Manchester Metrolink network is a stakeholder, is a very successful illustration of this safety policy. This partnership strategy promotes a safe and secure transport network in Greater Manchester Articulated around the following three major objectives:

- Improve the perception of safety and security in public transport;
- address and prevent crime and anti-social behaviour;
- encourage ethical travel behaviour.

### ACTION PLAN AND ACHIEVEMENTS FOR THE PAST YEAR

#### Management of the business line

The French network security-fraud community is managed by the Antifraud Security Department through bimonthly and thematic meetings, complemented by annual seminars. 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, the second **health, safety and security week**, organised in June 2022, made it possible to disseminate the safety culture more widely, through a round table dedicated to the prevention of attacks on staff and numerous actions deployed in the networks. For example, Keolis Denmark signed an agreement with the municipality and the police to strengthen the feeling of safety of client passengers, and Keolis Dijon Mobilités organised an awareness-raising workshop on the prevention of attacks on staff in contact with the public.

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 interest 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 2022, through the signature of local agreements (national police, municipal police and national gendarmerie).

| Indicator | Scope | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| Number of partnership agreements of Keolis networks with local internal security forces (national police, national gendarmerie and municipal police) signed and in force at 31/12/2022. | Transport activities in France | 43 | 68 | 83 |

### Prevention of harm to staff and passengers

Preventing attacks on passengers and staff is a priority for the Group.

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 for the prevention of assaults on staff in contact with the public" drawn up by the Group, an international version of which was disseminated in 2022. Among the notable actions implemented in 2022, 12 networks rolled out the trial of pedestrian cameras for controllers, in line with the Group's recommendations.

**BEST PRACTICES**

#### Development of safety videos for drivers

In order to help managers develop a culture of reducing the risk of driver assault, the Institut Keolis and the Safety and Operations Departments teamed up to design seven short video sequences, played by trainers, staging typical situations of tension or conflict between drivers and passengers or third parties, likely to degenerate into aggression. Based on a typical situation, such as an altercation with another road user, the objective is to identify the recommended professional actions, and the recommended commercial attitude, to recall the procedures in force and to disseminate advice.

### The fight against sexist harassment and sexual violence

Keolis has made this public policy a high priority for the Group. It is reflected in an action plan structured around three major components:

- the development of awareness and training for all staff, through:
  - dedicated sessions of the **Stand Up programme**, a programme that offers simple but decisive actions to intervene safely when you are a victim of, or witness, street harassment, created by L'Oréal Paris, the NGO "Hollaback!", and the Fondation des Femmes,
  - a specific e-learning module with Institut Keolis;
- the provision to the subsidiaries of a preventive communication campaign for passengers, also rolled out on the technical assistance networks of Compagnie des Transports Strasbourgeois and of the SPL (local public company) for the operation of public transport and mobility services in the Greater Pau region in March 2022;
- sponsorship of **Fondation des Femmes**, to commit the Group over the long term to the fight against violence against women and to gender equality.


In parallel with the Group action plan, many specific initiatives continued or were launched across all networks in 2022:

- 12 of the Group's largest networks in France offer on-demand descent services;
- following on from 2021, Keolis Lyon organised a new women's exploratory walk in 2022;
- a system for reporting security incidents, including sexist and sexual incidents, was created in Bordeaux in 2022, based on the model of the existing one in Lyon;
- testing of the *"Demandez Angela"* scheme was launched in Bordeaux, as well as in Lille and Besançon. This system allows a person who does not feel safe or feels harassed to find refuge with partner establishments, using the code name "Angela".

| | Scope | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| Share of Group revenue covered by a system to prevent & combat sexist and sexual abuse | Group transport activities | 21% | 26% | 40% |

### Inclusion projects through community service orders

Keolis has maintained its in-depth action by contributing to the prevention of re-offending through inclusion projects that welcome people sentenced to community service. In 2022, community service hours were performed in six networks in Lyon, Lille, Rennes, Tours, Dijon and Vesoul, *i.e.* one more than in 2021.

9.4

## 1.3.3.2 Fundamentals: Operational Excellence

**Keolis's ambition is to be the benchmark** in terms of the quality of service of its passenger transport networks. Our teams strive for operational excellence in operations and maintenance.

### Operations

#### POLICY

The Group's **Operating Policy** describes all the key processes, the main missions, as well as the pillars, guidelines, tools and areas of performance linked to operations.

Operations in the subsidiaries rely on methods, processes, tools, and technical, managerial and behavioural skills to perform various missions that are essential in terms of quality of service, notably:

- 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 Operating Policy. In addition to the priority given by the operating teams to safety, regulatory compliance and compliance with contractual commitments, they define basic requirements for managing the skills and knowledge of operating entities, their roles, the processes for cooperation with other functions (HSE, maintenance, marketing, HR, etc.), as well as the oversight and budgetary management rules. All of the key processes are described in guidelines or business-line handbooks, and made available to the Group's Community of Operators on the KeoSphere intranet.

The Group approach of **continuous improvement of operations, "KIHO" (Keolis Industrialises and Harmonises its Operations**), is based on the fundamentals of the Operating Policy. Specific content has been defined to facilitate its deployment: management system, diagnostic and coordination tools, etc. This content enables the subsidiaries to measure their maturity, to identify the necessary corrective actions, to plan their continuous improvement and to specify their operator training plan. All Operational entities analyse and compare key indicators for the business (absenteeism and employee commitment, cost per km, fuel consumption, etc.) and have access to the performance of other comparable networks.

##### Network coordination

The Group Operations Department, within the Industrial Department, beyond defining the operating policy and principles, 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, the Human Resources Department and the Centres of Excellence.

#### ACTION PLAN AND ACHIEVEMENTS FOR THE PAST YEAR

In 2022, the Operations Department provided its subsidiaries with an operational maturity self-assessment tool, integrated into the KIHO approach, based on the ten fundamental requirements of the Operating Policy. Co-designed with pilot subsidiaries, this tool applies to all modes and regions in which the Group operates. A digital tool facilitates the sharing of best practices among subsidiaries. This self-assessment of the maturity of operating practices must be carried out at least once a year per network in order to make progress and improvement plans more objective and complete.

9 INDUSTRIE, INNOVATION ET INFRASTRUCTURE

9.4

BEST PRACTICES

### Real-time measurement tool at Keolis Tours

Keolis Tours has developed a real-time tool for measuring its quality of service: bus punctuality and regularity of trams/high-level bus services (HLBS). Modelled on the basis of contractual commitments, these indicators make it possible to measure performance at any time and from any IT workstation in the Company. Regulators can thus better "feel" the ground, act accordingly and also improve day after day. The other benefit is being able to observe any recurring difficulties and thus look for the root causes of certain drifts in punctuality/regularity. This is done through a process of continuous improvement and largely involving all the teams concerned.

BEST PRACTICES

### Eco-driving training for bus and coach drivers

An eco-driving training module is made available to Keolis employees, in particular bus and coach drivers. Eco-driving is a key tool for reducing energy consumption, and therefore GHG emissions.

The module provides training in general principles (respect for engine speed, use of vehicle inertia, anticipation, acceleration management) and allows direct understanding through a practical application that compares two similar journeys with and without eco-driving. It also makes trainees aware of the benefits of eco-driving (ecological and economic benefits, driving comfort). An equivalent module is available on the simulator.

## Maintenance & Asset Management

Maintenance and asset management activities concern all assets managed by Keolis, either as owners or on behalf of a public transport authority. These activities contribute to the operational excellence and the performance expected over time by our clients, the public transport authorities and client passengers, 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. Moreover, they 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**") approach 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, and makes it possible to share the Group's best practices.

As part of the roll-out of this approach, Keolis has defined its 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 is in line with the requirements of ISO 55001 (industrial equipment management system). Keolis has also set up a support programme to drive change in its maintenance entities, based on a clearly established and shared roadmap.

In addition to these guidelines and their deployment, Keolis implements 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 in terms of maintenance and asset management.

#### Network coordination

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 FOR THE PAST YEAR

Several key actions were implemented in 2022.

The KIHM change support programme continued to be rolled out broadly in accordance with the developed roadmap (France, Belgium, Sweden, United Kingdom, Canada, USA). Its deployment was also initiated in Dubai.

The "Maintenance 4.0" programme continued to coordinate the deployment of numerous digital maintenance solutions on a large number of networks. It also steered the acceleration of the deployment of the Stratio tool at subsidiaries with Bus & Coaches activities, with nearly 1,700 vehicles equipped with the solution by the end of 2022. This solution is a vehicle monitoring and remote diagnosis tool. It makes it possible to retrieve information from vehicles in real time, which makes it possible to optimise maintenance and operating activities (eco-driving module).

As an extension of the actions launched in 2021, the Group's adaptation to the challenges of the energy transition has been greatly strengthened, with a particular focus on the impacts and changes in the maintenance businesses (training, specific authorisations, and technical, organisational or regulatory constraints). This coordination was carried out through expert meetings targeted by type of energy (gas, electricity and hydrogen in particular).

As part of the Keolis Way corporate project, the Maintenance Department built and deployed a maturity self-assessment tool in terms of Maintenance and Asset Management. This tool, co-constructed with the Group's subsidiaries, covers all modes and all regions. It will enable all entities to assess their level of maturity according to the Maintenance & Asset Management guidelines. The analysis of the results will help to plan the continuous improvement to be implemented in each entity and to build the associated action plan. The purpose of sharing the results of these self-assessments at the Group is also to improve exchanges and sharing among all Group entities.

**BEST PRACTICES**

### Keolis Bordeaux Métropole

In 2021, the availability of the tram fleet in Bordeaux was below the target set for the maintenance teams. This decrease in availability had an impact on the quality of service offered to client passengers.

Looking to rectify and improve the availability of rolling stock and as part of a process of continuous improvement, Keolis Bordeaux Métropole reworked its maintenance management system. Several substantive actions were carried out: new managerial practices have left more room for the sharing of responsibilities and innovations led by staff; the employability of maintenance technicians has increased; working conditions, and management and coordination practices have evolved.

In 2022, the availability results returned to the target set (99.8%) and a precise roadmap was built to continue to change the organisation of rolling stock maintenance in order to deliver the commitments made in the framework of the renewal of our contract.

**BEST PRACTICES – INTERNATIONAL**

### Smart Station in Dubai

In 2022, Keolis MHI launched a showcase initiative around the underground railway station of the future. It aims to present various solutions available thanks to new technologies, such as Artificial Intelligence, the Internet of Things or robotic technologies, including solutions that directly contribute to the efficiency of maintenance. Examples of the solutions presented are: the direct air quality control system, the maintenance of underground railways by a specialised robot, the printing of parts with a 3D printer.

12 CONSOMMATION ET PRODUCTION RESPONSABLES — 12.7
16 PAIX, JUSTICE ET INSTITUTIONS EFFICACES — 16.5

## 1.3.3.3 Fundamentals: Economic Performance

### 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 roll-out 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 | | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| Share of revenue covered by a compliance officer | The Keolis Group | France | 94% | 100% | 100% |
| | | International | 100% | 100% | 100% |

**Ethics whistleblowing system**

KOMPLIANCE

The Keolis Group implements 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 | 2022 |
|---|---|---|---|---|---|---|
| Share of revenue covered by an ethics whistleblowing system | The Keolis Group | 54% | 54% | 60% | 89% | 89% |

#### ACTION PLAN AND ACHIEVEMENTS FOR THE PAST YEAR

2022 was marked by several highlights:

**Use of an SNCF digital application to facilitate the updating 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. In 2021, 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. In 2022, the Group took over the digital application used by SNCF to facilitate the work of updating the corruption and influence peddling risk mapping planned for 2023. The compliance officers were trained in this new tool in the last quarter of 2022.

**BEST PRACTICES**

**Use of an automated form for the declaration of gifts and invitations**

To facilitate the declaration of gifts and invitations, as provided for by the Group's Gifts and Invitations procedure, the Group Finance and Legal Executive Department uses an automated form that is easy to complete by the employee concerned and which automatically feeds into a file in the form of a record.

#### Review of the Group's whistleblowing and sponsorship procedures

In October 2022, the Keolis Group whistleblowing procedure, Keolis Ethic Line (KEL), was updated to incorporate the new provisions of the law of 21 March 2022 aiming to improve the protection of whistleblowers, as well as the provisions of the law of 27 March 2017 on the duty of care of parent companies and ordering companies.

In addition to the traditional channels for reporting malfunctions, it is thus possible to exercise the right to alert by reporting, on a secure platform, any conduct or situation that would be contrary to the Group's code of conduct for the prevention of corruption and influence peddling or any serious infringement or risk of serious infringement of human rights and fundamental freedoms, the health and safety of people, as well as the environment, in connection with the activities of the Group or its stakeholders, who now also have access to the system.

The Sponsoring and Charitable Actions procedure was reviewed at the end of 2022 to strengthen the controls and the chain of approval, notably according to the amount of a transaction.

## 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 not all countries where the Group operates are covered by standards equivalent to the **GDPR**, in November 2019, Keolis defined and disseminated 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 FOR THE PAST YEAR

In addition to the procedures already in place, many actions were undertaken during 2022, 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;
- providing directors and managers with a Group toolkit on the Europe scope to help them bring their entities into GDPR compliance;
- raising awareness among all Group employees.

#### Awareness

As part of raising employee awareness of personal data protection issues, an e-learning course for all managers was rolled out in 2021. This e-learning programme in French and English covers the major principles of regulation in a light-hearted manner. In order to raise awareness among as many people as possible, this e-learning programme has been made mandatory for each new employee since September 2022, as well as for employees already in place. Regarding the latter, a communication note was issued in November 2022 recalling its mandatory nature. Specific awareness-raising activities were carried out, notably on the France scope (for example: video protection/video surveillance, HR, Operations, etc.), regular information on the subject was provided in an internal GDPR/Cyber risks newsletter, and an "ethics day" was organised.

#### Tools available to managers

In order to help directors and managers better understand and apply the various principles and rules of the Group's Konformité programme, the Group's Legal, Compliance and Insurance Department provided two toolkits on "Prevention of corruption and influence peddling" and "Protection of personal data (EU scope)". The purpose of the latter is to:

- recall the rules and principles that all Group Entities must comply with in terms of personal data protection in Europe;
- serve as a support by grouping the various tools and procedures available to the Group in a single document;
- develop the right reflexes to ensure compliance with the Group's fundamentals.

These two toolkits were communicated to all the directors of the Keolis Group entities in November 2022.

#### 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 Projects**" 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. The Privacy by Design approach continued in 2022.

#### Sharing best practices and coordinating the community

In 2022, 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 PRACTICES**

### Awareness-raising within Keolis Rennes

Following its awareness-raising campaign launched in 2021 targeting 259 employees, Keolis Rennes launched a second, more targeted awareness-raising campaign on 8 November 2022, targeting 185 employees. This campaign includes a personal data protection and cybersecurity component.

Raising awareness of personal data protection, as for the 2021 campaign, was based on the Keolis Group e-learning programme.

At the end of this campaign, which ended on 31 December 2022, awareness-raising benefited 67 employees in 2022, *i.e.* awareness-raising for a total of 142 employees in two years, 75 employees having been trained in 2021.

In order to complete this awareness-raising and to take effective action on data protection, 32 Keolis Rennes employees followed the ANSSI MOOC focused on data security. All participants obtained the certificate of achievement with an average score of 92%.

| Indicator | Scope | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| Share of revenue covered by a DPO for the countries concerned by this regulation | Keolis Group in Europe | 62% (France) 99% (EEA excluding France) | 62% (France) 99% (EEA excluding France) | 74% | 86% |

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.

## Sustainable procurement

The Keolis Group's purchases account for more than €2.2 billion in annual expenditure, from several tens of thousands of suppliers around the world. Keolis's sustainable purchasing approach makes it possible to implement 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 client passengers. Through its corporate project Keolis Way, the Company has chosen to place CSR at the heart of its purchasing policy. Keolis has made two commitments to be achieved by 2025:

- supplier assessment: the amount of expenditure from suppliers whose risk control and CSR performance has been assessed by a third party must reach **70% of the Group's expenditure** (detailed below);
- selection of suppliers: during consultations, according to the level of operational and financial risks of the purchasing families concerned, **20% of the score awarded** to applicants must be **dedicated to CSR criteria**.

In order to achieve these objectives, in addition to the application of Keolis commitments and requirements to the supply chain (Sapin II and Vigilance), Keolis is gradually deploying a **Keolis standard of CSR requirements by purchasing family**. Notably, it makes it possible to increase the use of employees with disabilities or who are part of professional integration programmes, to promote the use of products that are respectful of people and the environment, and to systematise the life cycle analyses of equipment or vehicles purchased and to develop the circular economy.

In addition, in order to reduce the carbon footprint of its supply chain, Keolis works hand in hand with the suppliers that emit the most GHG (greenhouse gases) on plans to reduce their emissions.

### GOVERNANCE

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. The subject is also presented at supply chain meetings in France. In addition, as responsible purchasing is becoming an increasingly central issue in the expectations of the public transport authorities, a dedicated working group was set up to bring together the Group's sustainable purchasing performance manager, the buyers and the CSR managers of the subsidiaries concerned.

#### Risk management and supplier relations

**RISK MAPPING**

Following the first mapping of CSR risks in purchasing, carried out in 2018, a new and more precise analysis, based on the Group's expenditure data by purchasing category, was carried out in 2022 for the various procurement categories (70% of the criteria used for this analysis made it possible to identify the purchasing families presenting a risk in terms of the environment, social & human rights and ethics). This made it possible to more clearly identify the purchasing families presenting a high risk in terms of the environment, social & human rights and ethics, and on which risk mitigation actions must be strengthened.

### KEY DOCUMENTS AND PROCESSES

Each manager and employee working in purchasing 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 distribution 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 (see chapter in the Kompliance programme). 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 "biodiversity contribution" clause set up in 2020 and inviting suppliers to participate in reforestation projects according to the revenue they make from the Group, has made it possible to plant more than 35,500 trees worldwide since 2020.*

### SUPPLIER ASSESSMENTS

Keolis ensures that its suppliers share and respect its social, environmental and ethical ambitions by continuing to deploy **third-party assessments of suppliers' CSR performance**, notably *via* the EcoVadis solution. These assessments encourage suppliers to manage their CSR risks and integrate Sustainable Development issues into dialogue with suppliers.

Currently, 86% of the suppliers included in the Keolis EcoVadis network have a CSR risk management level of more than three out of five. As these assessments encourage companies to improve their performance and Keolis encourages its suppliers to implement a corrective action plan, 68% see their score improve when they are reassessed.

**BEST PRACTICES**

#### Keolis joins the "For a committed digital" initiative

Digital technology is now identified as a growing source of greenhouse gas emissions and pollution. IT equipment can be replaced while all or part of it is reusable or at least recyclable. Most of the components of IT equipment can be reintegrated into new equipment and thus give it a new lease of life. In order to limit the impact of the end-of-life of its IT equipment, Keolis set up an initiative at all its French subsidiaries to recover unused equipment. To ensure that this approach also has a societal impact, the organisation "*Pour Un Numérique Engagé*" makes it possible to participate in the solidarity economy by employing people with disabilities and supporting an association with a positive impact.

| Indicator | Scope | 2020 | 2021 | 2022 | 2025 target |
|---|---|---|---|---|---|
| Percentage of expenses covered by a third-party assessment of the CSR performance of suppliers* | Group transport activities | 29% (France) | 37% (France and Australia) | 44% (all countries combined), of which 55% in France | 70% |

* *This is the statement at 31 December 2022 of amounts purchased from referenced suppliers, based on extracts from invoices.*

In 2022, a significant amount of supplier data analysis was carried out, notably in countries outside France, in order to calculate the indicator for the entire Group. Major suppliers, particularly in risky purchasing families, have finalised the assessment of their CSR performance.


7.2, 7.3 | 11.6 | 13.2

## 1.3.3.4 Pillar: our Planet

### Energy & ecological transition

Keolis is committed to the ecological transition, the fight against climate change, the reduction of atmospheric pollution, the improvement of energy efficiency and the protection of resources (water, soil, commodities, biodiversity), as well as to anticipating the impacts of climate change in order to leave the most positive environmental legacy possible for future generations.

#### POLICY

**Keolis' ecological, energy and carbon transition policy** is defined on the basis of the significant environmental issues identified for its activities and is fully integrated into the Keolis Way. 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 its energy efficiency and reducing its GHG emissions;**
- **increasing the rate of waste recovery;**
- **controlling water consumption.**

The Sustainable Development and 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** 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.

These challenges are also highlighted in the Group's corporate purpose and three objectives have been set for 2030:

- **reduce greenhouse gas (GHG) emissions: by reducing traction carbon intensity by 30%** (all modes combined in $gCO_2e$/100 km) compared to 2019;
- **reduce air pollution: by doubling by 2025 and tripling by 2030 the kilometres operated by alternative energy road vehicles replacing** diesel and gasoline compared to 2019;
- **control its environmental impact**: by rolling out ISO 14001 certification for 80% of its revenue by 2030.

### ACTION PLAN AND ACHIEVEMENTS FOR THE PAST YEAR

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

- energy transition:
  - promote the energy transition and low-carbon levers at the Group and among the Public Transport Authorities (PTAs): development of eco-driving and eco-friendly behaviours, 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 know-how and operational experience from both a technical and economic point of view (analysis of the total cost and support in obtaining grants and financing);
  - raise the awareness of all employees in the challenges of the energy transition;
- deploy certified industrial processes that respect ecosystems and local residents;
- deploy a sustainable purchasing policy, notably by purchasing energy from renewable sources (guarantee of origin), by reducing and recovering waste, or by participating in the local circular (and social) economy;
- strengthen the qualitative and quantitative protection of water resources: installation of rainwater harvesting systems (134 sites equipped in 2022), recycling of wastewater from vehicle washing (133 sites equipped in 2022) and reduction in the use of chemicals;
- contribute to the preservation/restoration of biodiversity (installation of beehives and nesting boxes, ecological management of green spaces, etc.).

#### Keolis: experience and technical know-how at the service of our clients

Keolis supports the PTAs to meet their energy and carbon transition needs and operates various modes of transport (train, underground railway, tram, bus, coach, PMR, trolleys) through its networks and notably its fleets of **alternative energy vehicles** replacing diesel (electric, hydrogen, biogas, biodiesel, etc.). Examples include: operation of more than 20 underground railway/tram networks worldwide, operation of electric high-level bus services (HLBS) in Amiens and Bayonne (France) and Odense (Denmark), operation of biodiesel buses in Hinnerup (Denmark) and in Sweden, technical assistance for hydrogen buses in Pau, and operation of numerous NGV bus networks (Lille, Bordeaux, Besançon, Nancy (France), Perth (Australia), Foothill and Las Vegas (USA)).

Thus in 2022, **the fleet of road vehicles using alternative energy to diesel and petrol amounts to more than 4,500 vehicles**, up by 4% compared to 2021. This trend demonstrates the acceleration of fleet renewal by the public transport authorities towards solutions to reduce greenhouse gas emissions.

In line with the actions carried out in recent years and in response to the strained energy situation in 2022 and in the coming years, notably in Europe, Keolis has launched two flagship measures to prepare and anticipate the adaptation of our subsidiaries to this new context:

**EcoWatt Charter:** Led by RTE and ADEME, EcoWatt is a citizen scheme that enables French people, businesses and local authorities to adopt responsible energy consumption and thus contribute to ensuring the due supply of electricity to all. By signing the EcoWatt Charter, Keolis has committed to participating in the deployment of best practices in terms of electricity consumption in various ways: as an employer through awareness-raising actions for our employees/partners/suppliers; as a relay of the EcoWatt signal to our client passengers; as a responsible consumer through actions to moderate or delay our electricity consumption.

**Sobriety Plan:** a toolbox has been developed to enable each subsidiary to address this subject according to its level of maturity and available resources and thus facilitate the implementation of their Sobriety and Efficiency action plans. The analysis focuses on actions to be implemented in the short and medium term while prioritising actions that can be easily deployed and whose costs are minimal.

**BEST PRACTICES**

**Keolis Denmark is testing the use of solar panels on bus roofs:**

In order to meet the strong expectations of measures to reduce the greenhouse gas emissions of its activities, Keolis Denmark has chosen to equip its fleet of thermal vehicles with solar panels installed on the roofs. In addition to lowering emissions, it also reduces fuel consumption and optimises battery and generator life.

| Indicator | Scope | 2018 | 2019 | 2020 | 2021 | 2022 | Target 2030 vs. 2019 |
|---|---|---|---|---|---|---|---|
| Group Commercial Traction greenhouse gas emissions (all modes) in $gCO_2e/km$ | Group transport activities | 1,285 | 1,293 | 1,262 | 1,152 | 1,191 | -30% |
| Percentage of kilometres travelled by alternative energy commercial road vehicles | | 19.5% | 19.5% | 21.2% | 24.4% | 27.3% | multiplied by 3 |

The increase in commercial traction greenhouse gas emissions in 2022 compared to 2021 is explained by the integration of new networks, some of which have provided a transport capacity proportionally greater than the increase in $CO_2$eq emissions.

### Keolis committed to the deployment of the ISO 14001 environmental management system

To reinforce and have its 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, industrial risk management (pollution).

| Indicator | Scope | 2018 | 2019 | 2020 | 2021 | 2022 | 2030 target |
|---|---|---|---|---|---|---|---|
| Share of revenue covered through ISO 14001 certification | Group transport activities | 43.6% | 44.2% | 46.2% | 50.4% | 58.6% | 80% |

The scope of coverage was extended in 2022 with the certification of all the activities of Keolis Lyon and Keolis MHI Dubai, notably. To continue this momentum, a roll-out and support plan for the subsidiaries by 2030 was defined to ensure the gradual and smooth inclusion of the subsidiaries.

**BEST PRACTICES**

#### Keolis Caen recovers its waste

Following the opening of the tram network in Caen in 2019, Keolis Caen saw its waste recovery rate drop. A significant amount of sand is used in the operation of the tram (the sand makes it possible to increase the adhesion of the tram wheels on the tracks). In order to remedy this, a recovery solution was identified with a service provider. After recovering the sand spread on the tracks, it is stored in the depot before being recovered by a service provider who will recycle it for construction activities (noise barrier). In 2022, several dozen tonnes were recovered.

**BEST PRACTICES**

#### Recycling of washing water by Keolis Sweden

Keolis Sweden is implementing several initiatives to reduce the environmental impact of its activities. For example, bus washing water recycling systems have been deployed to achieve a rate of 80% of reusable water. The washing products are all Nordic Ecolabeling certified (biodegradability and non-toxic criteria for the environment, packaging design). The energy purchased is also certified «*Bra Miljöval*» (Good choice for the environment in Swedish), which ensures that renewable energy production facilities have a low impact on the environment.

| Indicator | Scope | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|
| Share of recovered waste | Group transport activities | 64% | 61% | 65% | 62% | 62% |

## 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.

As major players in their employment areas, Keolis's subsidiaries also contribute to the development of each region through the creation of direct and indirect jobs.

| Indicator | Scope | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| Number of hires on open-ended contracts with | The Keolis Group | 7,117 Group transport activities | 9,927 | 13,677 |

#### CSR commitment of the Keolis networks

In order to consolidate and strengthen their commitments in the regions in which they are located, several Keolis networks have committed to CSR labelling processes based on the international CSR standard ISO 26000.

In addition, Keolis was the first operator to obtain, for one of its subsidiaries, Keolis Bordeaux Métropole Mobilités, which became the delegatee of the Bordeaux mobility network as of 1 January 2023, the status of "Company with a mission". This status makes it possible to organise the Company's actions around CSR objectives and the interests of its stakeholders and with a revised governance in this respect.

The objectives selected were:

- act for the energy transition and the reduction of the carbon footprint;
- support employee development by promoting integration and social innovation;
- develop all forms of mobility and ensure that of the most vulnerable groups;
- forge partnerships in the regions.

Keolis Bordeaux Métropole, which operated the Bordeaux network until 31 December 2022, had already been CSR-certified for several years.

Other Keolis subsidiaries have also seen their CSR excellence recognised through ISO 26000-based certifications. This is the case, for example, with Cykleo (Committed CSR) or Keolis Languedoc-Grands Causses (Lucie Label).

#### BIOM

Since 2015, **the Keolis Group has had a partnership with Biom Work**, an independent rating agency. It assesses the impact of a company on the region: local presence, 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, 10 Group subsidiaries have undergone this exercise in 2022. The average reflects the general performance of the subsidiaries and illustrates Keolis's contribution to the regions, to the creation of local jobs and to the attractiveness of the regions.

| Indicator | Scope | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|
| Average % of subsidiaries' revenue redistributed for Sustainable Development in the regions (BIOM assessment conducted in 2022) | Transport activities in France | 66.9 | 66.1 | 66.3 | 71.5 | 64.9 |

6 EAU PROPRE ET ASSAINISSEMENT — 6.3, 6.4
8 TRAVAIL DÉCENT ET CROISSANCE ÉCONOMIQUE — 8.4
11 VILLES ET COMMUNAUTÉS DURABLES — 11.6
12 CONSOMMATION ET PRODUCTION RESPONSABLES — 12.2, 12.4, 12.5

### 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;
- raising awareness about safety, fraud prevention 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 calm interactions that are more favourable to dialogue with passengers.

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

**BEST PRACTICES**

#### Raising awareness among secondary school students about wearing seat belts in buses

Keolis Littoral carried out an awareness-raising action in partnership with the Nouvelle-Aquitaine Region to raise awareness among secondary school students about the importance of wearing seat belts on school buses. For this, a bus that lies on its side and can reproduce the situations of an accident as closely as possible was used. This event was also an opportunity to raise students' awareness of the problems that a bus driver may encounter (for example: safety rules, blind spots). In total, 250 school children were involved in this action.

| Indicator | Scope | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| Number of students who benefited from an awareness-raising programme as part of school-based interventions | International transport activities | 114,278 | 44,446 | 95,569 | 121,520 |

### Social and Solidarity Economy

In 2022, Keolis made purchases amounting to €51.5 million from Social and Solidarity Economy (SSE) players in France.

In addition, temporary employment companies under framework contracts also promote Disability and Inclusion by offering, as far as possible, assignments to people excluded from employment; during 2022, Keolis developed a partnership with a dedicated network of agencies.

**BEST PRACTICES**

#### Keolis develops its inclusive purchasing

To further contribute to the employment of people who are far removed from it, Keolis continues to develop its partnerships with organisations in the disability (French STPA) and integration through economic activity (French SIAE) sectors. All reports, greetings cards and Pulse magazines are now printed by an adapted company and all the French subsidiaries can call upon a framework agreement with an adapted company for the collection and treatment of office waste.

| Indicator | Scope | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| Amount of purchases from Social and Solidarity Economy players (€M) | Group transport activities | 29.5 | 32.2 | 36.1 | 51.5 |
| Of which inclusive purchases (disability and integration through economic activity sector) (€M) | | 14.7 | 14 | 17.6 | 17.9 |

### 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 ten other partners. The PIMMS National Union is an association whose missions are to facilitate the population's access to public services and social rights and to create jobs and professionalisation paths towards sustainable and qualified employment.

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.

**In 2022, 16 Keolis networks were PIMMS partners in France**. They supported more than 209,000 people during the year. More than 400,000 mediation actions, on board vehicles or on platforms, were recorded for Keolis, in particular in the Rennes, Dijon, Cenon and Caen PIMMS.

**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 ten 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 people 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. In 2022, two projects led by associations operating in regions where Keolis is active internationally were supported by the SNCF Foundation. One in the city of Dakar in Senegal and the second in the city of Melbourne in Australia.*

**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 isolated people, 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 2022.

3 BONNE SANTÉ ET BIEN-ÊTRE
8 TRAVAIL DÉCENT ET CROISSANCE ÉCONOMIQUE

3.4 8.5

## 1.3.3.5 Pillar: our People

### Employee engagement

The Group operates in a competitive environment, punctuated by calls for tenders, mobilisations and launches of new networks, which require strong employee involvement and commitment.

#### POLICY

Keolis has a strong conviction: the performance and success of projects are closely linked to employee engagement.

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

#### ACTION PLAN AND ACHIEVEMENTS FOR THE PAST YEAR

**Engagement survey**

Keolis has developed a Group engagement barometer, which was rolled out in 2020 among all employees in all countries. It makes it possible to measure and monitor employee perception at each level of the Company on an annual basis, according to five axes: commitment, employer brand, leadership, quality of life at work and corporate project. The results of these surveys are accessible to managers, for their teams and reporting lines. They can thus, based on a comprehensive collection of their employees' perceptions, define and implement appropriate action plans aimed at strengthening the commitment of the teams, with the support of Management and Human Resources teams.

**BEST PRACTICES**

**Keolis Chambéry**

In order to strengthen communication among management and all employees, the teams have set up rituals to ensure regular moments of discussion as part of the *"Tous Synchro"* corporate project: *"Kfé du mardi", "Lun'Directeur",* and the *"Tous Synchro"* forums (workshops led by the services on various subjects with regular participation by external speakers).

**BEST PRACTICES**

**Keolis UK is committed to the well-being of its employees at work**

In October 2022, the **Keolis teams in London** prepared a "Danceathon" project to reduce stress and anxiety called "Step Together". The aim is to encourage passengers and employees to take a break from their workday and to load up with endorphins by performing salsa or sambas.

**Keolis in Manchester**, as part of its ongoing commitment to prioritise the mental health and well-being of its employees, signed a partnership with the University of Salford to ensure free and confidential access to interviews with mental health professionals for all its employees.

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

- the **KeoMouv'** programme, launched in 2021, 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, etc. Several events were offered to employees in 2022. For example, a race to raise funds for Pink October. Nearly 2,500 employees took part in this race, covering **143,257 km**;
- 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. 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 from 2020 to 2022;
- since 2020, the **My Keolis Services** application has simplified the administrative 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**

**"We Care: Health is wealth" – Keolis HYDERABAD**

In July 2022, the Human Resources team organised a "WE CARE" event dedicated to the health and well-being of employees. On this occasion, employees were able to have their eyesight and general health checked, or simply to have a consultation with a doctor free of charge.

185 employees were able to benefit from this scheme.

**BEST PRACTICES**

**Kisio app dedicated to CSR, open to all Company employees, in partnership with CitizenWave**

In order to create cohesion among all employees around its CSR approach, Kisio Services & Consulting has partnered with CitizenWave to offer employees a dedicated application. It is designed to initiate, energise and support everyone's commitment to Sustainable Development. This application makes it possible to stay informed (CSR news, awareness-raising courses and reference documents and actions carried out by Kisio) and to be a player in the CSR approach by publishing its opinions, ideas and best practices related to Sustainable Development. This application is accessible in SAS mode and on mobile phones.

#### PERFORMANCE INDICATOR AND ASSOCIATED TARGET

| Indicator | Scope | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| Rate of departures | The Keolis Group | 8.9% (France) | 13.9% | 16.7% |

| Indicator | Scope | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| Average length of service in years | The Keolis Group | 9.0 Group transport activities | 8.9 Group transport activities | 8.3 | 8.8 |

## 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 supports its employees in view of the changes in the mobility sector (energy and digital transition, new forms of mobility, etc.) in line with its strategic development objectives. In 2022, 3.53% of payroll was invested in training, representing more than three times the French legal obligation.

| Indicator | Scope | 2018 | 2019 | 2020 | 2021 | 2022 | 2025 target |
|---|---|---|---|---|---|---|---|
| Percentage of employees who received training | The Keolis Group | 63% Group transport activities | 68% Group transport activities | 61% Group transport activities | 64% | 64% | 80% |

#### INSTITUT KEOLIS

In France, 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 2022, Institut Keolis focused on four main areas of training:

1. raising awareness among all staff of the issues of **diversity**, disability and sexist and sexual abuse;
2. the professionalisation of practices in terms of **operational excellence** through the KIHM (Keolis Industrialises and Harmonises its Maintenance) and KIHO (Keolis Industrialises and Harmonises its Operations) programmes (150 employees trained in at least one of the two programmes in 2022);
3. skills development on the **energy transition** for directors, managers, maintainers and drivers with a curriculum of more than 30 training programmes (more than 1,300 people trained in 2022);
4. the reinforcement of a training course for the Group's top managers: new on-boarding programme, coaching in public speaking in English, digital training in partnership with MIT (Massachusetts Institute of Technology).

4.4 8.6 10.2

#### RECRUITMENT AND TRAINING OF YOUNG PEOPLE

As Keolis attaches particular importance to the recruitment and training of young people, several measures are in place.

#### GRADUATE PROGRAMME

Also known as **«Pépinière»**, the **Graduate Programme**, created in 2008, aims to train future managers in operations, maintenance, marketing and mass transit (*i.e.* transport systems with very high ridership in large cities). The courses, which last from 12 to 18 months, are divided into periods of practical training and immersion in France or abroad to enable young graduates to better understand the transport professions. In 2022, 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 licence for two years. Over a total period of six months, addressing theoretical and practical training, then an internship in a company, apprentices benefit from a training course which leads to a Professional Diploma 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 societal issue, to facilitate access to employment *via* paid training that provides a diploma, with an open-ended contract.

In 2022, the Campus Mobilités welcomed 191 apprentices.

#### 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 2022, Keolis welcomed 19 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 related to Keolis's professions and challenges.

### 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 purpose of the Group's **Strategic Workforce Planning** approach is to have the right number of people, with the right skills, in the right place and at anticipate and plan for needs regarding resources and skills – in terms of quantity and quality – in view of the Company's strategy.

It also contributes to the construction of the HR roadmap, and notably the design and implementation of policies and HR action plans (recruitment, mobility, career management, training, remuneration) in response to business needs. Pilots addressing three priority areas – new skills, key know-how 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.

**BEST PRACTICES**

**Manager training on the reduction of accidents and absenteeism (EFFIA)**

As part of the prevention of absenteeism and workplace accidents, a dedicated training course was set up and rolled out at EFFIA in 2022, for all managers. The main topics discussed were as follows:

- fundamentals adapted to the Company: definition, types of absences, key indicators;
- regulatory environment;
- causes of absenteeism;
- means of action (manager kit): daily managerial actions, re-on-boarding interviews, medical check-up;
- methodology for conducting the re-on-boarding interview (in-depth theory and practice).

In 2022, nearly 150 EFFIA managers benefited from this training. Modules will continue to be implemented in 2023 to finalise this first upgrade phase, as well as to train new managers.


## Equality, diversity and inclusion

Keolis is a major player in the regions, and aims to attract and retain a variety of profiles (women, men, young people, seniors, people with disabilities, refugees, etc.), in the image of society and its citizens, 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 combatting all forms of discrimination. The Group's objective is to **give everyone the opportunity to access sustainable and local employment and to develop within the Company 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' commitment to encouraging fair career management, promoting diversity in recruitment, guaranteeing fair pay, ensuring non-discrimination and promoting work-life balance. In 2022, the Group extended its certifications to GEEIS Diversity, which has become its standard. This certification extends the assessment of companies to other criteria such as age, disability, social or ethnic origin, sexual orientation.

**BEST PRACTICES**

#### The Keolis Amey Docklands programme for women (United Kingdom)

The "Women in KAD Development Programme" initiative aims to support, through a dedicated professional development programme, the access of women to positions of responsibility and to increase the visibility of female role models internally. The first cohort currently has ten women from the Company's different business lines.

The 12-month programme includes mentoring, individual career coaching sessions, as well as the opportunity to work on cross-functional projects aimed at improving the Company.

Several indicators will be monitored to assess the success of the programme, such as commitment to the programme and the achievement of career objectives and participant satisfaction.

It is planned that this system will be renewed in 2023, with new employees.

**BEST PRACTICES**

#### KBM commits against homophobia

Since May 2022, a train of the Bordeaux tram has taken the colours of the pride flag on the occasion of the international day against homophobia, transphobia and biphobia.

In addition to the rainbow colours on tram lines, **Keolis Bordeaux Métropole** installed posters of the SOS homophobia campaign "be and love" inside all trains.

**RECRUITMENT BEST PRACTICES**

#### Keolis Île-de-France

Keolis Argenteuil Boucles de Seine, accompanied by local partners, organised several recruitment sessions entirely dedicated to female candidates.

During the October session, around ten candidates took part in collective information meetings, theoretical and practical tests, and individual motivation interviews.

**BEST PRACTICES**

#### Keolis Downer – Yarra Trams

In order to increase the number of women candidates for tram driver positions by 30%, the HR teams have created, for the first time, permanent part-time tram driver positions offering greater flexibility and work/life balance. Thanks to this change in HR practice, the attractiveness of this position for women has greatly increased.

Following the recruitment campaign specifically conducted for these new contracts, 1,811 applications were received, of which two-thirds of the candidates were women.

| Indicator | Scope | 2018 | 2019 | 2020 | 2021 | 2022 | 2025 target |
|---|---|---|---|---|---|---|---|
| Percentage of employees exercising a GEEIS-certified activity | Group transport activities | 75% | 87% | 87% | 87% | 90% | 95% |
| Percentage of women in the total workforce | The Keolis Group | 20.8% | 21.4% | 21.7% | 22.0% | 21.8% | 24% |
| Percentage of women in the total workforce who are drivers/transport employees | The Keolis Group | 17.8% Group transport activities | 17.6% Group transport activities | 18.0% Group transport activities | 19.1% | 19.0% | - |
| Percentage of women in the total workforce who are managers | The Keolis Group | 33.0% | 35.7% | 35.4% | 35.7% | 36.4% | - |

5 ÉGALITÉ ENTRE LES SEXES — 5.1, 5.2, 5.5, 5.c
10 INÉGALITÉS RÉDUITES — 10.3, 10.4

### 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 – #DiversityDrivesUsForward – was launched in June 2022 on social networks and in the press, and at Group level and in the subsidiaries. It highlights Keolis's vision of diversity and inclusion and targets all business lines. Adopted by numerous French and international subsidiaries, this campaign illustrates Keolis's desire to welcome all talent.

**BEST PRACTICES**

### Diversity & Inclusion Index

In 2022, Keolis took the opportunity to participate in the Diversity and Inclusion Index experiment launched by Élisabeth Moreno, former Delegate Minister to the Prime Minister in charge of Gender Equality, Diversity and Equal opportunities.

This experiment, unprecedented in France, made it possible to present, to voluntary organisations (including L'Oréal, BNP Paribas, Adecco, etc.) a survey aimed at measuring the diversity related to social, geographical or cultural origins within their organisations.

In a French context where ethnic statistics are prohibited, this questionnaire was developed to comply with the recommendations of the French Data Protection Commission (CNIL) and the legal requirements set by the General Data Protection Regulation (GDPR) while strictly respecting the rules of voluntary service, anonymity and data confidentiality.

Four voluntary subsidiaries took part in this questionnaire: KSA, Keolis Pyrénées, Keolis Littoral, EFFIA.


**BEST PRACTICES**

### An innovative way of recruiting

The Group's Diversity & Inclusion commitments are supported by innovative recruitment actions. For example, the job dating carried out by the Keolis Lyon subsidiary: #jenesuispasunCV.

Carried out in conjunction with specialised partners, this approach makes it possible to recruit by freeing the process from traditional tools, such as the CV, in order to attract talent from all backgrounds and with diversified career paths.


#### TARGETING THE LONG-TERM UNEMPLOYED

Through its subsidiaries, Keolis continues to develop partnerships with organisations located in its regions to integrate people for whom access to employment is more difficult, for example with **École de la 2e chance**, which works to integrate young people without qualifications or employment, or with associations for integration through sport such as **APELS (*Association Pour l'Éducation Par le Sport*)**.

#### 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 fourth consecutive year, Keolis held a recruitment stand at the **Hello Handicap virtual fair**. In 2022, 73 subsidiaries published job offers, generating nearly 300 applications (vs 200 in 2021). 353 jobs were published and 54 interviews were carried out.

| Indicator | Scope | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|
| Percentage of workers declared disabled | Transport activities in France | 4.7% | 5.6% | 5.2% | 5.1% | 5.2% |

3.8 | 8.5, 8.8 | 10.4

#### Raising awareness and promoting inclusion both internally and with our partners

Group awareness-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, the internal network of employees "**we@keolis**", created in March 2021, continued its expansion in 2022. This network aims to accelerate 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.

In 2022, more than 400 employees, women and men, joined the network and eight events were organised on the theme of diversity (inspiring career paths, sharing of best practices, etc.).

## Social dialogue

The quality of social 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.

#### European Works Council

The **European Works Council**, which includes **19 members of seven 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 (such as the corporate project, the organisation, governance, Corporate Social Responsibility, calls for tenders, business issues, the employment situation, collective programmes, and monitoring of these issues) but also the financial statements, budgetary 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.

#### Local organisation

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. To foster even more constructive social dialogue, Keolis provides the staff representatives of its entities with significant resources that go beyond those required by law and regulations.

### ACTION PLAN AND ACHIEVEMENTS FOR 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 know-how, the sharing of experiences and the dissemination of cross-functional practices.

| Indicator | Scope | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| Conflict rate in France (excluding conflicts relating to national issues) | Transport activities in France | 0.18 | 0.12 | 0.37 | 0.56 |

**BEST PRACTICES**

**Employee consultation on Cykleo's CSR progress**

Since 2020, SEC representatives have been informed of Cykleo's progress on CSR. They are also involved in updating the Group's single occupational risk assessment document. To do this, workshops are organised to closely match the reality on the ground on the assessment of the risks related to Cykleo's activities.

As part of the Engagé-RSE label received by Cykleo in 2022, elected representatives were also interviewed by an independent auditor so that they could express their opinion on CSR governance at Cykleo.

11.a, 11.2, 11.6 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 following 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 FOR THE PAST YEAR

In 2022, the consequences of the pandemic (lockdown, mobility habits and behaviours, new forms of work) continued to have an impact on ridership. It varies between 70 and 110% depending on the country compared to the pre-Covid baseline of 2019. In France, for example, the average is around 90%.

A clear improvement was noted compared to 2021 (around 20% increase in ridership) thanks to the various actions that are part of the Group's Reconquête Voyageurs (passenger recovery) plan. Structured around five areas (Hygiene, Safety, Comfort, Offering and Client Engagement), this plan has made it possible to develop numerous projects across the Group or at the subsidiaries. Particularly significant actions have been taken to make public transport more attractive, several of which are listed below.

**1. Growth of services**

In 2022, some urban areas underwent major changes to their transport offer to make their network more attractive: introduction of new heavy-duty modes (underground railway-tram) and/or a complete overhaul of the bus network with improved services:

- new underground railway Line b in Rennes: launched in September 2022, it includes 15 stations over 13 km and the creation of three park-and-ride facilities; it carried 80,000 passengers/day after the first month of the launch;
- overhaul of the bus network in Orléans, with part of the fleet made up of electric buses (around fifty vehicles), and extension of Résa TAO, the dynamic on-demand transport service to supplement or replace regular route services;
- since 6 July 2022, Keolis has been operating the T13 tram-train line between Saint-Germain-en-Laye and Saint-Cyr-l'École in the Yvelines department in around 30 minutes (12 stations over a 19 km line).

**2. Improved passenger information: on-board users**

Keolis innovates and improves the entire passenger information chain, a lever for client comfort and reassurance. In 2022, Keolis rolled out projects in several networks aimed at informing clients of the number of on-board users in the following service on their underground railway, tram, bus, etc. This information is available on the platform and/or on the digital passenger information apps, and allows clients to make the best choice in terms of routes and mode of transport, or even to shift schedules, thus contributing to the spreading of peak hours. Thus, information on on-board users on buses and trams is available on the passenger apps in Orléans and Besançon.

In Lyon, an experiment is being carried out at the Sans Soucis underground railway station (Line D) on the number of on-board users in the approaching service. The latter is indicated by coloured indicator lights above each door.

**3. Investment in soft and shared mobility**

The year was rich for alternative mobility: many larger and/or diversified bicycle fleets (self-service bikes and hired bikes) (Agen, Montluçon, Quimper, Riom, Metz), launches of bicycle boarding services on coaches (Arras, Menton, Lyon), an experiment with a bicycle and bicycle parking offer for employees in Nancy, and the organisation of numerous *«Défi sans ma voiture»* ("Without my car challenge") initiatives (Dijon, Tours, Lyon, Chambéry, etc.) which provide support for modal change.

A self-service car-sharing service was launched in Caen and carpooling has been developed in several regions: five new carpooling lines in Alès (10 in total), two new lines in Bourg-en-Bresse.

To promote the complementarity between public transport, walking and cycling, notable initiatives on guidance plans and signage have been implemented: intermodal and Rose des Modes plans in Lyon, signage campaign for pedestrian connections in Bordeaux, and "nudges" in Dijon.

In Rennes, Keolis offers two carpooling services:

- Covoit'STAR: the real-time app for *à la carte* carpooling (through reservations);
- Star't, the regular carpooling line: a solution for free carpooling and without a reservation between specific stops in the municipalities of Le Rheu, Pacé, Saint-Grégoire and Cesson-Sévigné. Star't is a carpooling line that operates from Monday to Friday from 7 a.m. to 8 p.m. with guaranteed departures. It already has 3,800 registered members, with an average waiting time of nine minutes.

**4. Developing client knowledge and winning over clients**

In addition to the post-Covid mobility monitoring survey programme, the Keoscopie programme focused on French youth (overview of 18-30 year-olds) through a sociological study on their aspirations, lifestyles and expectations, and the associated consequences on mobility.

Keolis also launched a major study to better know and understand the uses, expectations, motivations and obstacles of non-subscribers to public transport. This study should make it possible to enhance conquest and loyalty commercial actions in order to engage an increasing number of citizens in virtuous and shared mobility.

In 2022, Keolis undertook a comprehensive modernisation programme for client engagement tools and materials called Passenger Booster, and now provides more than 80 employees at the networks with a digital platform listing all public transport communication and promotion actions.

**BEST PRACTICES**

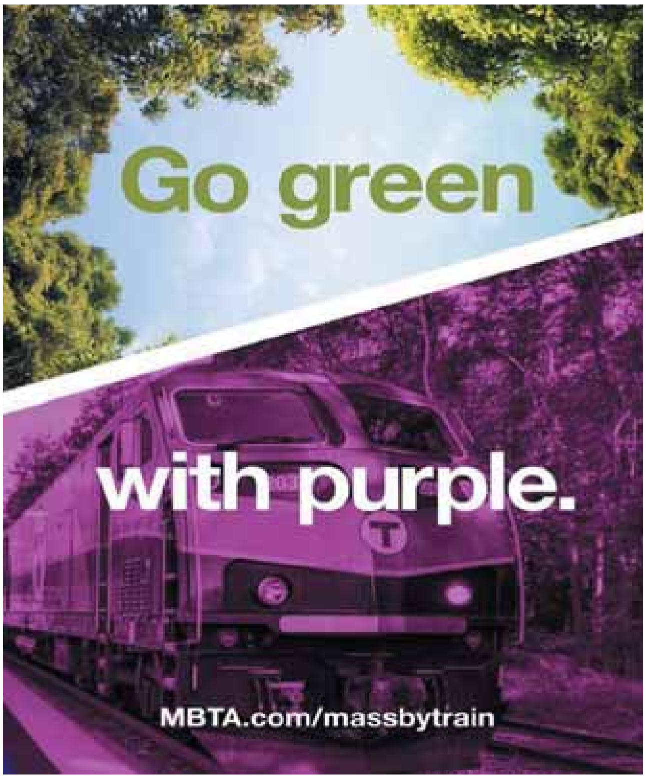
### GOING GREEN – Keolis Commuter Services à Boston

In this post-pandemic period, passengers have new travel needs and habits. In April 2022, Keolis Commuter Service took the opportunity to launch a marketing campaign to highlight the environmental benefits of the use of public transport compared to the private car.

This campaign aims to inform passengers of the significant impact of their use of transport on the reduction of carbon emissions and the duration of their journey.

The campaign included radio ads, billboards, social media posts, station signage, on-screen advertising and a dedicated page on the website.

This campaign aimed to encourage users to choose the suburban train and to bring back passengers after the pandemic while promoting virtuous mobility for the planet, in particular by highlighting the difference in GHG emissions between trains and cars.




**BEST PRACTICES**

### Launch of Hove, Keolis's digital solutions manufacturer

In March 2022, Keolis launched a new entity: Hove. A wholly-owned subsidiary of the Group, Hove specialises in the design and deployment of digital tools, including Navitia (passenger information platform) and Patterns (travel analysis platform).

The purpose of "Patterns" is to improve understanding of mobility within a region, to guide the transport offer, to measure its performance and to facilitate passenger travel.

Based on the use of daily GPS data, Patterns makes it possible to:

- track all movements in a region;
- identify the modes of transport used (walking, cycling, car, public transport);
- continuously map the evolution of mobility and modal segments;
- ensure the dynamic monitoring of the carbon footprint of mobility.

#### 5. Client culture development

The **Keolis Signature Service** programme (France and international) aims to improve the quality of service of staff in contact with clients. It has been rolled out in 30 subsidiaries, including five this year (Dubai, Shanghai, Lille, Perpignan and Chambéry).

At the end of 2022, this programme, which consisted in having staff in contact adopt service behaviours and attitudes that were visible to client passengers, had already involved more than 15,000 employees.

Keolis continues to demonstrate its impact on passengers with various indicators:

- a decrease in complaints: following employee training on the Hyderabad underground railway network, a 60% decrease in client complaints related to the attitudes of employees was recorded;
- increase in the network's recommendation rate: following the training of employees on the Adelaide rail network, an 11-point increase in the Net Promoter Score (44 to 55) with greater proactivity observed among employees.

10.2 11.2

This year, the KSS programme won the 1st prize (gold trophy) of the CX Awards organised in France by Relation Client and *relationclientmag.fr* in the Internal Transformation category. This award recognises Keolis's ability to continuously develop its client culture and to demonstrate that it is doing so.

Two subsidiaries have been certified (Keolis Sud Lorraine and Keolis Sodetrav) and nine were in the process of doing so at the end of 2022: Keolis 3 Frontières, Keolis Quimper, Keolis Thionville-Fensch, Keolis Côte d'Opale, Keolis Chaumont, Keolis Arras, Keolis Châlons en Champagne, Keolis Mont-Saint-Michel and Keolis Touraine.


At the same time, other French networks have chosen to commit to a new certification, "**Pacte Voyageurs**", overseen by Kisio in partnership with AFNOR for certification audits.

The objective for Keolis is to improve all of its subsidiaries in terms of service quality and have said service recognised by obtaining a Label based on three levels (Common Practice, Proactive Approach, Excellence), with client-oriented practices.

This approach makes it possible to harmonise the practices of all subsidiaries and increase the quality of service provided to clients.

### Keolis CX awards

Aware of the importance of the client passenger experience, the Keolis Group launched a new cross-functional marketing campaign in 2022: the Keolis CX awards.

It aims to reward and promote the best client experience initiatives.

After reviewing more than 40 applications received from subsidiaries around the world, five projects were highlighted:

- category 1. People at the service of clients: Keolis Downer – Roaming Staff deployment, Library & Keolis Signature Service training;
- category 2. Digital services for clients: Keolis Nancy – Réseau Stan: launch of the virtual agency;
- category 3. Satisfaction of and listening to the client for a successful client experience: Keolis Rennes – La Fabrique STAR, citizen consultation platform;
- category 4. Communication campaign and/or system serving clients and citizens: Keolis Commuter Services – Our Passenger and Planet: Going green;
- category 5. We@Keolis Special Award: Keolis Amey Metrolink – Safer streets initiative.

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):

| Indicator | Scope | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| Total number of subsidiaries involved in Keolis Signature Services | Group transport activities | 16 | 19 | 25 | 30 |

## Accessibility

**Universal accessibility** is a major priority for the Keolis Group, with teams working on a daily basis to ensure inclusive mobility that takes into account everyone's needs. The accessibility of offers and services is a key lever for improving the appeal of public transport and increasing the potential for modal shift. Thus, travel comfort at each stage of the client journey is at the heart of Keolis's actions.

### POLICY

In 2022, the Keolis Group implemented a structured "UniK" approach as part of its new Group Accessibility Policy.

UniK aims to meet the specific needs of each passenger by taking into account their potential vulnerabilities, whether visible or not, whether permanent or temporary.

In order to simplify and facilitate the mobility experience at all stages of a trip, it guides the design, deployment, coordination and promotion of increasingly inclusive and better adapted mobility services.

To implement an effective accessibility policy and contribute to a more supportive and inclusive society, Keolis has made several commitments in its new Accessibility Policy, among them:

- promote an Accessibility culture in all networks, whether specialised or regular, by developing the skills of all employees in the areas of inclusive mobility and caring service relationships;
- coordinate and co-construct mobility offers and services with our local and national partners: associations, institutions;
- innovate to offer new accessible services to passengers;
- develop the skills of all employees in the areas of inclusive mobility and thoughtful service relationships;
- support and advise PTAs by providing them with the Group's know-how and expertise in inclusive mobility;
- lead a community of experts on disability and vulnerability issues.

### ACTION PLAN AND PROJECTS OVER THE PAST YEAR

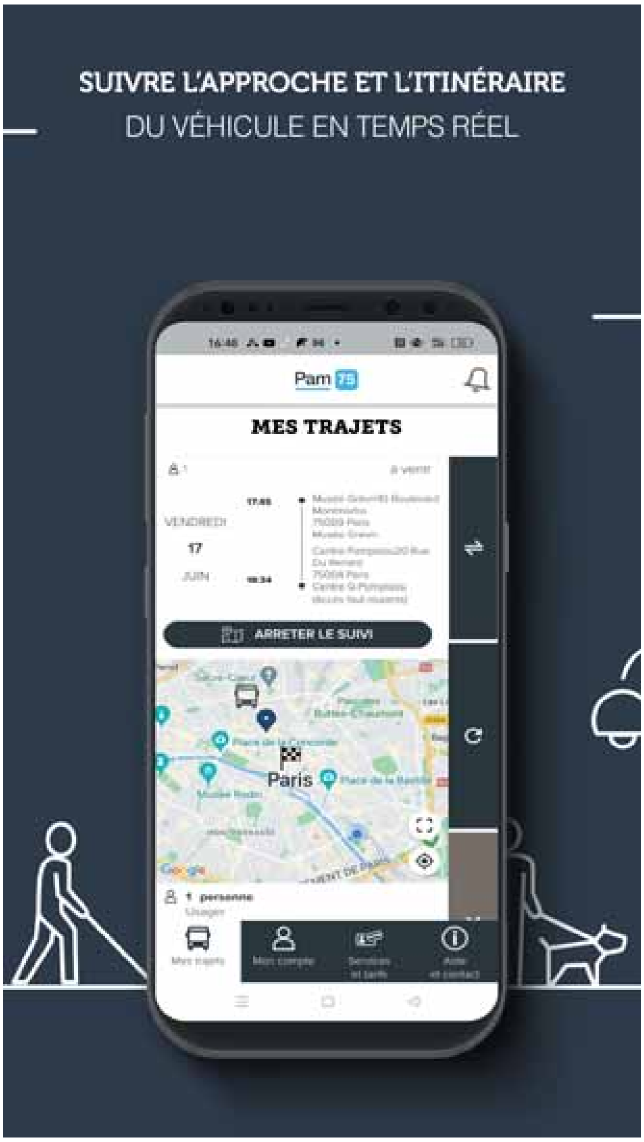
Developing an accessibility culture across the Group is a major challenge for Keolis. Several actions took place this year to strengthen it, notably:

- the launch of a structured approach called "UniK" in support of the Group's Accessibility and Client Promises Policy, together with the creation of a visual identity;
- continued training and awareness-raising actions for employees in charge of Accessibility at the operational entities through specific business line webinars: review of various disabilities, presentation of new legislation/regulations impacting services, exchange of best practices, benchmarks. In addition, a new e-learning module was launched for all employees, "Duly welcoming and supporting vulnerable groups" (available in French and English). In October 2022, the Group's PMR training programme was rewarded at the Palmes de la Relation Client ceremony. Keolis was elected winner of the Citizen Experience Award;


- creation of a new Group brochure on accessibility – *"Towards universal mobility – Accessibility for all"* – available in French and English. It highlights the Group's main principles, convictions and references in terms of accessibility and inclusive mobility. Thanks to the help of Association Valentin Haüy (AVH), the PDF versions were designed and tagged to be accessible to people with visual impairments, notably those who use speech synthesisers.


Keolis continued its close partnerships with structures and associations to develop accessible services and offers:

- in 2022, the drafting of a framework contract with the Handéo association to perpetuate the Cap'Handéo Services de Mobilité certification was initiated;
- a webinar dedicated to the S3A approach (acronym for Welcome, Support and Accessibility in French) was held in partnership with UNAPEI (French National Union of Associations of Parents, People with Mental Disabilities and Their Friends). Joint discussions were organised with associations, including AVH, at the round table on 5 October, the "National Day of the Blind and Partially Sighted: Perspectives and Innovations for Accessibility" organised by Kellogg France, as well as during the Smart City award ceremony for the PAM 75 mobile app.




Keolis also continued its innovation strategy aimed at testing new systems to improve universal accessibility and the client passenger experience:

- the FACIL'iti solution, installed on the TCL website in Lyon, was tested over several months in 2022. FACIL'iti is a digital accessibility solution that makes it possible to adapt the display of a website according to different types of weaknesses (visual fatigue, colour blindness, imprecise gestures, etc.) and thus improve browsing comfort;
- after the Versailles and Bordeaux bus networks, the Navilens QR code guidance solution is being tested on the Yarra Trams network in Melbourne, Australia, in partnership with the Guide Dogs Victoria association.

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 | 2022 |
|---|---|---|---|---|---|---|
| Number of participants in the 9 IK PMR training courses | Transport activities in France | 623 | 641 | 556 | 527 | 487 |
| Number of participants in events and accessibility awareness | Group transport activities | NC | NC | 357 | 315 | 459 |

| Indicator | Scope | 2021 | 2022 |
|---|---|---|---|
| Number of subsidiaries with telephone accessibility services (Elioz, Acceo, Roger Voice) | Transport activities in France | 12 | 21 |

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 systematically exchanges and works with the entire local, national and international ecosystem to understand the local specificities of each region and to 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.

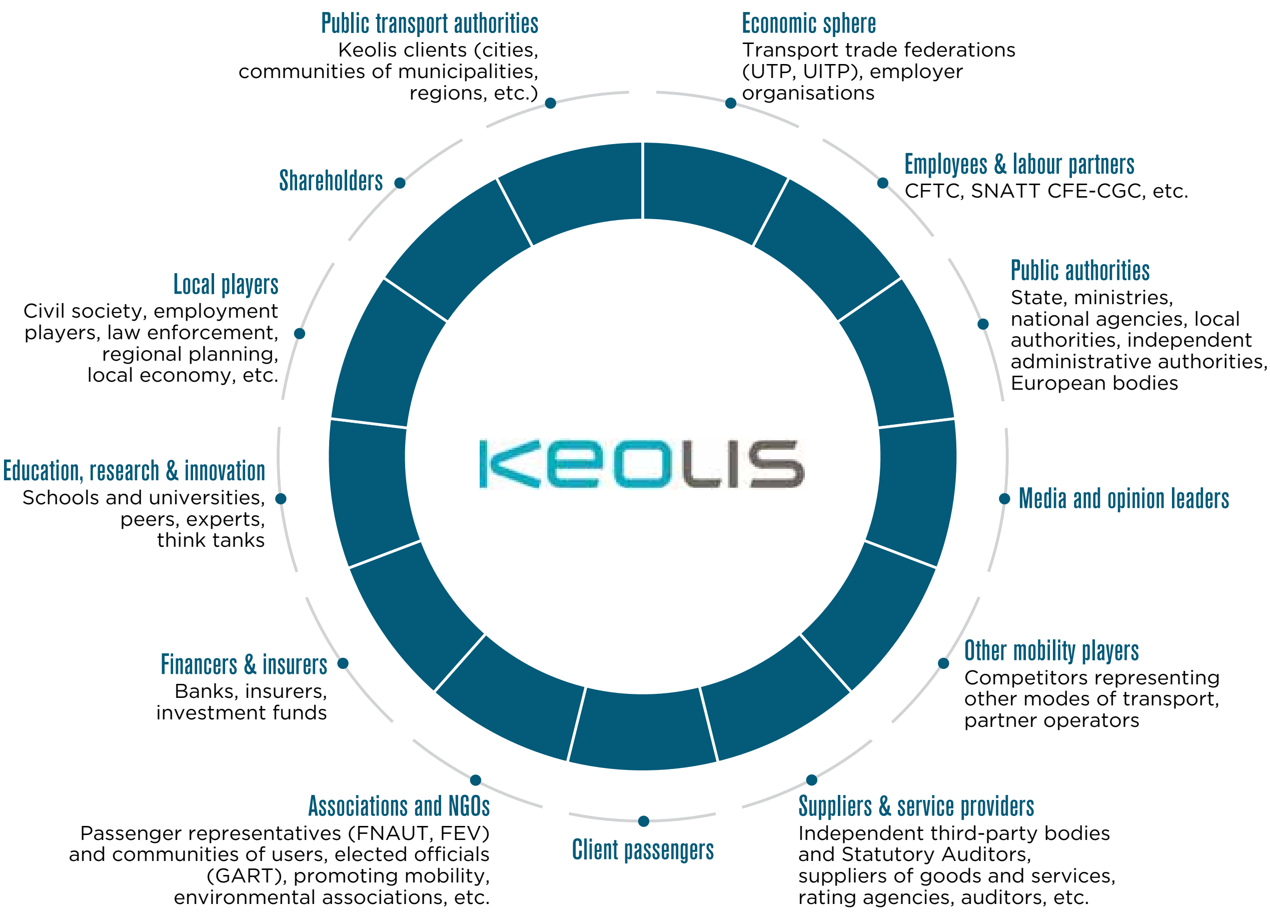
For example, as part of the presidential and legislative elections in 2022 in France, Keolis, which is a member of the National Union of Industrial and Commercial Public Services, participated in the drafting of a white paper. This document details 20 levers that public authorities could rely on to meet the new expectations of citizens and presents the changes facing public industrial and commercial services (*Services Publics Industriels et Commerciaux* – SPIC) (*e.g.* new mobility needs, new forms of poverty and social exclusion, individualisation of lifestyles, ageing of the population). The major role played by SPICs in the ecological transition is also presented.

In 2022, throughout the year, Keolis actively participated in the work of the UTP (*Union des Transports Publics et Ferroviaires*) commissions to show the extent to which public transport is an investment in the future, in several areas: the ecological transition (*e.g.* strong lever to achieve the national and European carbon neutrality target by 2050), economic (*e.g.* urban public transport and rail transport operators provide 260,000 local and non-offshorable jobs) and labour (*e.g.* providing better access to employment for the population through mobility solutions).

At the same time, Keolis continued its discussions with the members of the Transport Commission of the *Régions de France* association on the difficulties of recruiting drivers and the identification of solutions to reduce this phenomenon.

Keolis also works with partners and structures that are experts in mobility, such as Avenir Transport, an association that aims to make it easier for members of parliament to understand the issues related to the various modes of transport and transport infrastructures, TDIE, a think tank specialising in transport, which aims to shed light on the debates and questions concerning infrastructures and mobility, and Futura Mobility, a forward-looking and innovative think tank for mobility manufacturers.

**MAPPING OF THE KEOLIS GROUP'S STAKEHOLDER TYPOLOGIES**




## GROUP STAKEHOLDER COMMITTEE

2022 saw the 12th 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 Keolis commercial news, a presentation of the initiatives carried out by the Group on the themes of accessibility in transport and the development of the use of bicycles. For the first time, the invited stakeholders were also asked to give their opinions on the Group's strategic issues in the coming years for a mobility player, as well as the form that the dialogue between Keolis and its stakeholders should take.

### Local stakeholders

In order to identify stakeholders and their expectations, local mappings are drawn up at subsidiary level. Thus, certain claims may be anticipated. Keolis also provides its subsidiaries with tools and methods, in particular its materiality matrix, to assist them in drawing up this mapping and then initiating and engaging in dialogue with their stakeholders.

## 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 targeting the same scope as the financial consolidation of GROUPE KEOLIS S.A.S. It therefore includes EFFIA S.A.S., Cykleo, Keolis Santé and, for the first time in 2022, Kisio and Hove.

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 2022.

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 a core 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;
- business risk mapping, such as environmental analysis for the environmental section.

Each year, the Sustainable Development and 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 2022. 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: this rate includes assaults; it does not take into account all ongoing dispute procedures.

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 of the Keolis networks with internal security forces (national police, national gendarmerie and municipal police) signed and in force at 31 December 2022.

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. The expenses covered by this indicator are purchases by the Keolis Group in the "management" sense and not in the "accounting" sense. This is the statement at 31 December 2022 of amounts purchased from referenced suppliers, based on extracts from invoices:

- the portion of the amount invoiced in euros over the year to suppliers of goods and services that have undergone an EcoVadis CSR assessment;
- the years reported relate to the year N-1 of the SNFP, due to the verifications necessary to categorise the various expenses.

% of bus and coach vehicles using alternative energies to petrol and diesel: ratio of the number of road vehicles (excluding service vehicles) powered by alternative energies over the total number of road vehicles (excluding service vehicles).

Greenhouse gas emissions from commercial traction (all modes) in kg$CO_2$e/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.

Number of open-ended hires: Number of employees hired on open-ended contracts during the year.

Average of % of revenue of subsidiaries redistributed for sustainable regional development (BIOM assessment): Percentage of revenue of subsidiaries assessed by BIOM in 2022 redistributed for sustainable regional development on average.

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

Amount of purchases from Social and Solidarity Economy players *(€M)*:

- revenue (excl. tax) in euros generated over the year from structures from the Social and Solidarity Economy sector (so-called solidarity purchasing) including inclusion structures (Disability and Professional Integration) and statutory structures (cooperatives, SCOP, associations);
- including the amount paid specifically to inclusion structures divided between structures (so-called inclusive purchasing) 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.

Number of subsidiaries with a telephone accessibility service: Number of subsidiaries that have rolled out one of the following services: Elioz, Acceo, Roger Voice.

## 1.3.6 THE GROUP'S WORKFORCE

At 31 December 2022, the 67,566 employees of the Keolis Groupe were distributed as follows:

| | |
|---|---|
| France | 39,920 |
| United States | 5,212 |
| Australia | 5,985 |
| Sweden | 5,012 |
| Belgium | 2,592 |
| Netherlands | 1,466 |
| United Kingdom | 2,079 |
| United Arab Emirates | 1,774 |
| Denmark | 1,504 |
| India | 1,254 |
| Canada | 768 |

(Keolis' employees in China and Qatar are not shown in this table, as Keolis is a minority shareholder.)

# 1.3.7 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 violations of human rights and fundamental freedoms, the health and safety of people or the environment in the Groupe Keolis S.A.S. Statement of non-financial performance, which serves as a vigilance plan. During the first non-financial risk mapping exercises, issues related to the duty of care were integrated and the CSR strategy was reviewed accordingly, in order to have an integrated risk management and vigilance plan.

Over the last two years, SNCF, the majority shareholder of the Keolis Group, has been required to draw up a vigilance plan, including Keolis within its scope. As part of this consolidation exercise, Keolis is reviewing 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 Commitment Department, in coordination with all the Group's functional departments (HR, audit, legal, etc.).

The topics related to the duty of care are part of the scope of the Group's bodies such as the Executive Committee and the Innovation and Sustainable Development Committee of the Supervisory Board.

## Risk mapping

Under the aegis of the SNCF Group, in 2022, the Sustainable Development and Commitment Department organised an update of the risk mapping of serious breaches in the three areas of application of the Duty of Care law. Interviews to update the 2021 ratings of vigilance risks were conducted with each of the departments concerned (*e.g.* Security, Safety, HR, Environment), as well as the monitoring of the evolution of action plans related to the minimisation of risks. For each risk, the probability, impact and margin for improvement were rated.

The following major risks are monitored by Keolis:

- **environmental:**
  - soil and water pollution,
  - air pollution,
  - contribution to climate change,
  - overconsumption of energy,
  - overconsumption of water;
- **human rights and fundamental freedoms:**
  - discrimination,
  - lack of social protection;
- **health and safety of people:**
  - operational accident,
  - major industrial accidents,
  - psychosocial risks,
  - occupational risks,
  - serious malicious acts and terrorist attacks[1],
  - non-adaptation to climate change;
- **tier 1 suppliers and subcontractors:**
  - risk of serious harm in one of the three areas at a supplier or subcontractor.

(1) *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<br>• Operations near non-waterproofed floors<br>• Runoff via rainwater<br>• Non-compliance with instructions by employees, service providers or subcontractors<br>• Ageing of equipment | • Pollution of soil, subsoil, surface water or groundwater<br>• Biodiversity damage |
| Air pollution | • Emissions of atmospheric pollutants (particles, VOCs, NOx) during the maintenance and operation of vehicles and infrastructures | • Emissions related to the daily activity of transport networks<br>• Fleet of energy-consuming vehicles that emit a large amount of air pollution | • Impact on the health of local residents<br>• Biodiversity damage |
| Contribution to climate change | • Poor management of the greenhouse gas emissions reduction trajectory | • Dependence of the carbon trajectory on many external factors (PTA client decisions, availability of investments, etc.)<br>• 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<br>• Tank leak<br>• Vehicle malfunction | • Dependence on oil due to Keolis's activity<br>• 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<br>• Resource depletion |
| Overconsumption of water | • Water network leaks<br>• Frequent vehicle washing (bus, coach, tram, etc.)<br>• Conflict of use in water-stressed areas | • Water-consuming activities (washing vehicles, watering grass strips on tram lines, etc.)<br>• Lack of balance between quality of service and environmental pressure<br>• 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 tools for the deployment of energy saving and efficiency actions, provision of a customised regulatory monitoring tool, framework agreements for the management of certain types of waste, coordination of the network of correspondents to share best practices, etc.

The mitigation and prevention actions presented in the Our Planet pillar cover these risks. The actions presented in the Purchasing section of the Economic Performance Fundamental and in the Operational Excellence Fundamental also contribute thereto.

## Implementation and outlook

In 2022, Keolis carried out significant work with the aim of reinforcing the prevention of risks of damage to the environment. This work is in line with the projects launched in 2021 as part of the Keolis Way:

- expanded involvement in the calculation of greenhouse gas (GHG) emissions;
- calculation of Scope 3 of GHG emissions (so-called indirect emissions);
- continued ISO 14001 Group certification, with a sample of subsidiaries audited by AFNOR to verify the compliance of their environmental management systems with the standard's requirements. In 2022, six French and international subsidiaries were successfully audited, allowing the renewal of the Group's certification;
- development of a sobriety and energy efficiency toolbox, made available to Keolis subsidiaries.

In addition, through the Statement of non-financial performance, the Sustainable Development and 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 2023, particular emphasis will be placed on the deployment of energy efficiency measures in the Keolis networks. The scope of the Group's activities covered by the ISO 14001 standard will also continue to be increased. The aim remains to improve Keolis' control of environmental risks.

**MONITORING OF ENVIRONMENTAL PERFORMANCE INDICATORS**

| Indicator | Scope | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| Carbon intensity ($gCO_2e$/100 km) | Group transport activities | 126 | 113 | 119 |
| Share of ISO 14001 revenue | Group transport activities | 46.2% | 50.4% | 58.6% |
| Percentage of kilometres travelled by alternative energy commercial road vehicles | Group transport activities | 21.2% | 24.8% | 27.3% |

## 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<br>• Less stringent national cultural and regulatory context<br>• Insufficient or non-compliance with HR procedures | • Consequences for the mental health of people<br>• Impact on career development<br>• Ostracism |
| Lack of social protection | • Seriously injured employee who is unable to work and has no resources if there is no health system and/or support from the employer<br>• Employee not reporting an accident or illness because they are unable to take care of themselves in the absence of coverage<br>• Countries with little or no maternity leave | • Less stringent national regulatory context<br>• No Group standard | • Serious harm to the health of an employee or subcontractor<br>• Precariousness |

### Risk management policy

Keolis is committed to diversity and inclusion through a dedicated equal opportunities policy. It comprises six commitments, aimed at combatting all forms of discrimination. 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.

Keolis uses the **Gender Equality European and International Standard (GEEIS) certification process, an internationally recognised label**. This certification is a formal recognition of Keolis' commitment to encouraging fair career management, promoting diversity in recruitment, guaranteeing fair pay, ensuring non-discrimination and promoting 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.

### Implementation and outlook

In 2022, several actions were carried out with the aim of strengthening the prevention of the risks of serious violations of human rights and fundamental freedoms:

- conducting GEEIS audits at the subsidiaries to assess diversity policies;
- recruitment campaigns under the theme of diversity.

#### MONITORING OF PERFORMANCE INDICATORS RELATING TO HUMAN RIGHTS & FUNDAMENTAL FREEDOMS

| Indicator | Scope | 2018 | 2019 | 2020 | 2021 | 2022 | Objective |
|---|---|---|---|---|---|---|---|
| Percentage of employees exercising a GEEIS-certified activity | Group transport activities | 75% | 87% | 87% | 87% | 90% | 95% in 2025 |
| Percentage of women in the total workforce | The Keolis Group | 20.8% | 21.4% | 21.7% | 22% | 21.8% | 24% in 2025 |

## Health and safety of people

| Risk | Example scenarios | Risk factors and causes | Potential consequences |
|---|---|---|---|
| Operational accident | • Urban bus accident<br>• Coach accident on a road or motorway: crash, leaving the road or falling into a ravine or river<br>• Underground railway or tram accident: fire in a tunnel<br>• Railway accident: train derailment or collision | • Technical failure<br>• Deteriorated traffic conditions, exogenous to the activity<br>• Degraded working conditions due, for example, to a labour shortage<br>• Human error or insufficient training in operations, maintenance, driving<br>• Non-appropriate supplier selection criteria | • Injury or death of passengers, third parties or employees<br>• Accident affecting the region |
| Industrial accidents | • Explosion at a Keolis site classified as an installation classified for environmental protection (ICPE)<br>• Fire in a car park or storage area | • Commissioning of alternative energy vehicle fleets and associated infrastructure<br>• Insufficient or inadequate training<br>• Non-compliance with security instructions by service providers or subcontractors | • Environmental pollution<br>• Injury to employee(s) or partner(s) |
| Psychosocial risks | • Management of teams with a serious impact on mental health (harassment, etc.)<br>• Major accident impacting mental health<br>• Verbal or physical assault on employees in contact with clients | • Lack of team management training<br>• Marked peak in activity<br>• Difficulties in recruiting for jobs under pressure | • Workplace accidents<br>• Overworking |
| Occupational risks | • Electric shock, road risk, fall, etc.<br>• Handling of hazardous products (solvents, diesel, etc.) | • Employee exposure to hazardous substances<br>• Work at height, heavy load handling, etc.<br>• Insufficient personal protective equipment<br>• Poor application of safety procedures and lack of training | • Workplace accidents<br>• Musculoskeletal disorders<br>• Occupational illnesses<br>• Death |
| Non-adaptation to climate change | • Extreme climate event impacting operations: flooding of an underground railway in operation, hot weather, cold waves, etc. | • Climate change<br>• Lack of adjustment of vehicles, infrastructure and transport systems to extreme climate events | • Situation or accident resulting in illness, injury or death of an employee, passenger or partner |

## Risk management policy

Ensuring the safety of its employees and client passengers is the Group's priority. Safety is listed as the first fundamental of the Keolis Way. Keolis has a "zero fatal accidents" vision for all of its activities worldwide. The Group's safety policy covers both occupational health and safety and operational safety.

The safety management guidelines are based on the identification of risks. It formalises minimum requirements, and aims to establish a harmonised framework for the practices of each subsidiary and to guarantee a solid foundation for day-to-day management. It aims to enable the implementation of prevention measures, their deployment and their monitoring in line with both the Group's standards and requirements and the contexts of each entity.

In addition, each subsidiary must identify its occupational risks that could impact the physical or mental health of employees, partners and subcontractors. In France, the Single Risk Assessment and Prevention Document summarises measures to prevent occupational risks. Internationally, the "risk register" has the same purpose.

The risks presented above are addressed through these systems. The mitigation and prevention actions presented in the Safety and Security Fundamental cover these risks. The actions presented in the Operational Excellence and Ethics Fundamentals, as well as in the Planet pillar and the Our People pillar also contribute to the prevention and mitigation of these risks.

## Implementation and outlook

In 2022, Keolis continued its mobilisation to develop a common framework for a management and safety culture through, for example, the development of "safety rituals" integrated into managerial practices (for example: field visits by managers, "5-minute security" reviews with teams, sharing of experience on High Potential Incidents). High Potential Incidents are events that have or could have had major consequences for Keolis (*e.g.* death, interruption or disruption of services, major equipment accident, reputational impact).

In 2022, the first climate change adaptation plan was structured at the Group level. This was notably the case during workshops on the rating of risks related to global warming and the identification of preventive measures, in which the QHSE representatives of the networks took part. This mobilisation will continue in 2023 with the creation of a Group mapping of climate change risks.

Lastly, the Safety and Human Resources Departments carry out monthly safety reports for the entire Group. The results are notably shared during the Safety, Security and Prevention Committee meetings.

## Monitoring of performance indicators relating to personal health & safety

| Indicator | Scope | 2020 | 2021 | 2022 | Keolis Way objective |
|---|---|---|---|---|---|
| Frequency rate of workplace accidents | Group transport activities | 23.11 | 27.46 | 24.42 | -25% in France and -10% internationally, in 2023 |
| Severity rate of workplace accidents | | 3.09 | 3.06 | 3.61 | - |
| Percentage of employees working under a safety management system certified according to ISO 45001 or 39001 | | 21.9% | 22.4% | 24.7% | 38% in 2025<br>75% in 2030 |

## Tier 1 suppliers and subcontractors

| Risk | Example scenarios | Risk factors and causes | Potential consequences |
|---|---|---|---|
| Serious harm to a supplier or subcontractor | • A Group supplier is found liable in a case involving serious harm to the environment, safety, or human rights and fundamental freedoms<br>• A service provider does not allow its employees to benefit from an Employee Representative Body, to take their annual leave, or does not provide sufficient personal protective equipment<br>• A major diesel leak is observed at the maintenance site of a transport subcontractor | • Less stringent or no national regulations<br>• Unfavourable cultural context<br>• Lack of visibility on control based on purchasing models (purchases made locally without the intervention of a buyer)<br>• Some purchasing families are particularly exposed to risk (tyres, energy, works, etc.)<br>• Non-compliance with the Group's requirements<br>• Default of a supplier or subcontractor | • Major environmental pollution<br>• Injury to the physical or mental integrity of suppliers, subcontractors or employees on their own supply chain |

### Risk management policy

Reinforced by the entry into force of the law on the duty of care, Keolis's CSR policy applies to its activities and purchases, which account for more than €2.2 billion in expenses from more than 25,000 suppliers in the 13 countries in which the Group operates.

Purchasing risks are monitored based on an anchored and shared mapping. Six families out of eleven are monitored more closely, as they are considered to be the most sensitive. Appropriate actions were carried out accordingly, depending on the means of control.

The mitigation and prevention actions presented in the Sustainable Purchasing section of the Ethics Fundamental cover these risks. The actions presented in the Business Ethics section also contribute to these efforts.

### Implementation and outlook

In 2022, several actions were carried out with the aim of improving the prevention of the risk of serious harm by a Keolis supplier or subcontractor, such as:

- purchasing guidelines based on CSR criteria are being developed and will continue to be developed, by major purchasing family;
- an online tool for monitoring suppliers on social security contributions, corporate identity and undeclared work was rolled out in France and internationally.

A flagship measure of the relationship between Keolis and its suppliers/subcontractors, the CSR performance of the latter continues to be assessed by a third party, with the share of expenses covered increasing from 2021 to 2022, increasing from 37% to 42%. With a view to continuous improvement, Keolis encourages its suppliers to implement a corrective action plan when necessary.

**MONITORING OF THE PERFORMANCE INDICATOR RELATING TO TIER 1 SUPPLIERS AND SUBCONTRACTORS**

| Indicator | Scope | 2020 | 2021 | 2022 | Keolis Way objective |
|---|---|---|---|---|---|
| Percentage of expenses covered by a third-party assessment of the CSR performance of suppliers | Group transport activities | 29% | 37% (France and Australia) | 44% (worldwide) of which 55% France | 70% in 2025 |

In 2022, a significant amount of supplier data analysis was carried out, notably in countries outside France, in order to calculate the indicator for the entire Group. Major suppliers, particularly in risky purchasing families, have finalised the assessment of their CSR performance.

In 2023, the emphasis will be on conducting social audits of suppliers, in order to verify practices in terms of respect for human rights and labour law.

## Internal control systems

The Keolis Group's risk mapping is updated at least annually by the Internal Audit and Control Department, which consults all departments, ensuring that the main non-financial risks, and vigilance, are included.

In addition to the monitoring systems specific to each theme and carried out by the corresponding business lines, the Group's Audit and Internal Control Department has an internal control self-assessment tool: the "10 Essentials", which has been gradually rolled out since 2020. In 2022, the "10 Essentials" fully replaced the historical tool used by Keolis, the Book of Internal Control.

Launched in 2020, the "10 Essentials" are internal control guidelines designed to ensure that the Group complies with regulations and that operational risks are covered by appropriate controls. The risks of serious harm to the environment, personal health and safety, as well as social issues are also covered therein. The "10 Essentials" consist of 10 areas (security, cybersecurity, contractual commitments, prevention of corruption and competition law, safety and crisis management, the environment, segregation of duties, personal data, accounting controls, human resources) and 72 control points (37 of which require supporting documentation). The "10 Essentials" are managed in a dedicated tool.

Since 2020, a total of 126 French subsidiaries have self-assessed themselves using the "10 Essentials" system. In 2022, the system will be rolled out in the remaining active French subsidiaries.

The guidelines continued to be rolled out internationally by being adapted to the various local regulations. It increased from three international subsidiaries covered in 2021 and a total of 18 in 2022. All the geographical areas in which Keolis operates are concerned (North America, Europe, the Middle East, Australia, India).

The results of the internal control campaigns are presented to the Executive Committee, the Audit and Ethics Committee, the various departments concerned, the focal points in each of the 10 areas and the Internal Control Department of SNCF.

## Whistleblowing system

As of 2018, all the Keolis Group subsidiaries have implemented 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.

The Keolis Group has a professional whistleblowing system, the "Keolis Ethic Line" (KEL), which was designed to include the areas covered by the law on the duty of care.

All French subsidiaries were instructed to consult the employee representative bodies in order to integrate the code of conduct into the internal regulations and to adhere to the KEL system.

Through dedicated whistleblowing guidelines, the Group also required international subsidiaries to have a whistleblowing system.

In 2022, the KEL system enabled the reporting of two compliant alerts that were received and processed, except for one for which the investigation is still ongoing. They relate to cases of:

- discrimination;
- fraud.

**MONITORING OF THE PERFORMANCE INDICATOR RELATING TO THE DEPLOYMENT OF THE WHISTLEBLOWING SYSTEM**

| Indicator | Scope | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|
| % of revenue covered by an ethics whistleblowing system | The Keolis Group | 54% | 54% | 60% | 89% | 89% |

# Group Tax Policy

## Background

As a company present in various countries outside France, the Keolis Group recognises the key role of taxation in the budget and development of the countries in which it operates. Keolis supports the project on Base Erosion and Profit Shifting (BEPS – the OECD set of recommendations to combat tax evasion) and is convinced that increased tax transparency contributes to reducing unfair tax competition and, as a result, benefits its business.

Keolis applies the following guiding principles:

- act as a responsible tax citizen, in compliance with applicable tax laws and regulations;
- encourage ethical and transparent business practices;
- encourage an open and trust-based dialogue among tax policy-makers and companies;
- commit to providing transparent and accessible information to tax administrations in order to facilitate their understanding of its tax strategy.

## Keolis' commitments

The Group's tax policy includes four key commitments shared with SNCF:

### 1. COMPLIANCE – PAYING THE RIGHT AMOUNT AT THE RIGHT TIME

Keolis undertakes to comply with applicable tax laws and regulations wherever the Group operates. For Keolis, compliance means paying the right amount of tax in the right place at the right time. This involves disclosing all relevant facts to the tax authorities, and possibly requesting any reductions and incentives that may be applicable.

### 2. RESPONSIBILITY IN THE ORGANISATION OF THE TAX STRATEGY

In structuring its commercial activities, Keolis takes into account, among other things, the tax laws of the countries in which it operates, with a view to sustainably maximising value for its partners or employees.

Any structure that is put in place will have commercial and economic substance and will take into account the potential impact on the Group's reputation and integrity. Keolis will not implement artificial arrangements purely for tax purposes.

For cross-border transactions, Keolis applies the OECD standards and ensures that the transfer pricing policies implemented within the Group comply with the arm's length principle.

### 3. EFFECTIVE TAX RISK MANAGEMENT

Given the scope of its activities and the volume of its tax obligations, the Group may be exposed to risks relating to the interpretation of national or international tax provisions.

Keolis acts actively to identify, assess, monitor and manage these risks in order to ensure that its actions remain compliant. Where there is significant uncertainty or complexity, external advice may be sought, particularly with regard to the Group's international tax obligations.

### 4. CONSTRUCTIVE RELATIONS WITH TAX AUTHORITIES

Keolis does not take tax positions likely to compromise its reputation and probity in the eyes of the public, the tax authorities or the public transport authorities. Keolis always responds openly and honestly to any request for information from the competent authorities.

Each year, the SNCF Group, of which Keolis is a subsidiary, files a "Country by Country Report" (CbCR), in accordance with international recommendations and French tax law, including Keolis in its scope.

### 5. REGISTERED OFFICE SUPPORT FOR SUBSIDIARIES

The Group's Tax Department supports its various subsidiaries in order to ensure their tax compliance, according to the various local contexts, by:

- participating in periodic meetings with accounting managers;
- responding to specific questions from subsidiaries either in writing or orally (as would a tax consultancy).

Lastly, each subsidiary has tax officers.

## 1.3.8 REPORT BY THE INDEPENDENT THIRD PARTY

**(For the year ended 31 December 2022)**

*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 auditors of Groupe Keolis S.A.S. (hereafter "the entity") and in response to your request, we have performed work designed to provide a reasoned opinion expressing a moderate level of assurance on the historical information (observed or extrapolated) of the consolidated Statement of non-financial performance, prepared in accordance with the entity's procedures (hereafter the "Guidelines") for the year ended 31 December 2022, (hereafter respectively the "Information" and the "Statement"), presented in the management report and prepared on a voluntary basis in accordance with the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

### Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" section, and on the information we obtained, nothing has come to our attention that would lead us to believe that the consolidated Statement of non-financial performance is not in compliance with the applicable regulatory requirements and that the Information, taken as a whole, is presented, accurately, in accordance with the Guidelines.

### Comments

Without calling into question the conclusion expressed above and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comment:

No key performance indicators are presented for policies relating to operations, maintenance and dialogue with stakeholders.

### Preparation of the Statement of non-financial performance

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

Management is responsible for:

- selecting or establishing suitable criteria to prepare the Information;
- preparing, on a voluntary basis, the Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the principal non-financial 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);
- preparing the Statement in accordance with the entity's Guidelines as mentioned above; as well as
- implementing such internal control as it deems necessary to enable it to produce Information that is free from material misstatement, whether due to fraud or error.

The Statement was prepared by the Management Board.

## Responsibility of the Statutory Auditor

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 accuracy of the historical information (observed or extrapolated) provided pursuant to Article R. 225105 I-3 and II of the French Commercial Code, namely the results of the policies, including key performance indicators, and the measures relating to the main risks.

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 (notably with regard to the information provided for by Article 8 of regulation (EU) 2020/852 (green taxonomy), where applicable, the vigilance plan and the plan to fight corruption and tax evasion);
- 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

Our work described below was performed in accordance with the provisions of Articles A. 2251 *et seq.* of the French Commercial Code, the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this type of engagement, notably the technical opinion of the CNCC, Intervention of the Statutory Auditor – Intervention of the ITO – Statement of non-financial performance in lieu of a verification programme, and the international standard 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 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 six people between September 2022 and March 2023 and took a total of four weeks.

We were assisted in our work by our specialists in Sustainable Development and Corporate Social Responsibility. We conducted 19 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 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 covers each category of social and environmental information provided for in Article L. 2251021 III;
- we verified that the Statement presents the information set out in Article R. 225-105 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:
  - assess 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 certain risks (safety, dialogue with stakeholders, client experience, employee commitment and sustainable purchasing), our work was carried out at the level of the consolidating entity; for other risks, work was carried out at the level of the consolidating entity and in a selection of entities, namely Rennes, Bordeaux Métropole, Métropole Orléans, Courriers Île-de-France, Porte du Dauphiné, Épinal, Littoral, Touraine, Cykleo, Sverige, Rail Service Virginia, Amey Docklands, MHI Dubai;
- 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 out with a selection of contributing entities, namely Rennes, Bordeaux Métropole, Métropole Orléans, Courriers Île-de-France, Porte du Dauphiné, Épinal, Littoral, Touraine, Cykleo, Sverige, Rail Service Virginia, Amey Docklands, MHI Dubai, and covers between 20% and 21% of the consolidated data 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, 30 March 2023

**One of the statutory auditors**

**PricewaterhouseCoopers Audit**

Amélie Wattel
Partner

Aurélie Castellino-Cornetto
Sustainable Development Director

# APPENDIX: LIST OF THE INFORMATION WE CONSIDERED MOST IMPORTANT

## KEY PERFORMANCE INDICATORS AND OTHER QUANTITATIVE RESULTS

- Health and safety: number and proportion of employees working under a safety management system certified according to ISO 45001 or 39001, frequency rate of workplace accidents, severity rate;
- Security: subsidiaries that have rolled out the campaign, number of partnership agreements with the internal security forces signed and in force, share of Group revenue covered by a system to prevent & combat sexist and sexual attacks;
- Operation and maintenance: networks affected by general interest works, fundamental requirements, vehicles equipped with the Stratio tool;
- Ethics and GDPR: number of DPOs, employees whose awareness was raised, employees who followed the MOOC, average score, share of revenue covered by DPO, by a compliance officer, by a whistleblowing system;
- Purchases: € of expenditure, number of suppliers, suppliers included in the EcoVadis network with a score higher than 45/100, share of improvement when reassessed, share of expenditure covered by a third-party assessment of suppliers' CSR performance;
- Transition: number of sites equipped with rainwater collection and vehicle wash water collection systems, vehicle fleet and its evolution, commercial traction greenhouse gas emissions, proportion of kilometres travelled by alternative energy commercial road vehicles, % of employees covered by the ISO 14001 standard compared to the revenue of subsidiaries, share of recovered waste (consumption);
- Societal: PIMMS partner networks, people supported and mediation actions, number of hires on open-ended contracts, number of students who benefited from awareness-raising initiatives, % of subsidiaries' revenue redistributed on average for the Sustainable Development of the region, purchases from Social and Solidarity Economy actors (€M) including inclusive purchases;
- Diversity and inclusion: Hello Handicap offers and interviews, proportion of employees with a GEEIS certification for professional equality, proportion of women in the total workforce (including drivers/transport employees, managers), proportion of workers declared disabled;
- Training: payroll trained, training programmes including energy transition, number of apprentices and VIE, number of EFFIA managers trained, proportion of employees trained;
- Social dialogue: conflict rate, coverage rate of employees by IRP and Cykleo data (employees, establishments, bicycles, parking spaces, self-service stations);
- Engagement: departure rate and average length of service;
- Client experience: subsidiaries committed to KSS, ridership data, number of electric vehicles, T13 stations, carpooling lines, Star's subscribers, net promoter score;
- Accessibility: number of commitments, levers, jobs, training participants, subsidiaries with an accessibility telephone service.

# QUALITATIVE INFORMATION (ACTIONS AND RESULTS)

- Health and Safety: IMPACT sst programme, deployment of the Restorative Just Culture;
- Security: Keolis Amey best practice, Travelsafe strategy, women sponsorship;
- Operations: self-assessment tool, real-time measurement tool at Keolis Tours, training in eco-driving of buses and coaches;
- Maintenance: KIHM change support programme, roll-out initiated through Keolis MHI Dubai, Stratio tool, Keolis Dubai Smart Station best practice;
- Ethics: new SNCF application tool, automated best practice form for declaring gifts and invitations, professional whistleblowing procedure;
- GDPR: provision of a Group toolkit to directors and managers, awareness-raising e-learning made mandatory, awareness-raising at Keolis Rennes and MOOC participation;
- Purchasing and ecological transition: suppliers with the highest GHG emissions, 2022 risk mapping analysis, “For a committed digital” initiative, Lyon and Dubai ISO 14001 certification;
- Societal: Languedoc-Grands Causses (Lucie Label), two projects supported by the SNCF Foundation;
- Diversity & Inclusion: extension of certifications to GEEIS Diversity, Diversity Drives Us, “Diversité & Inclusion” Index, Yarra Trams best practice;
- Training and development: Institut Keolis Qualiopi certified, KIHO training, Energy Transition training, EFFIA best practice training for managers on accidents and absenteeism;
- Engagement: barometer, Danceathon by Amey Docklands, Keo’ Mouv app, Maison Bleue, We Care health is wealth;
- Client experience: new underground railway Line B in Rennes, passenger booster, Keolis CX awards;
- Accessibility: citizen experience award 2022 – 3$^{rd}$ place, Cap-Handéo, guidance solution by QR codes Tram Australia;
- PD Dialogue: 12$^{th}$ annual external stakeholders’ committee.

# 2

# CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2022

# 2.1 CONSOLIDATED FINANCIAL STATEMENTS

## 2.1.1 INCOME STATEMENT

| (€ million) | Note | 31/12/2022 | 31/12/2021 |
|---|---|---|---|
| Revenue | | 6,714.5 | 6,312.9 |
| Other income from operations | | 39.3 | 16.3 |
| **Revenue from ordinary activities** | | **6,753.8** | **6,329.2** |
| Sub-contracting | | (238.1) | (189.1) |
| Purchases consumed and external expenses | | (1,961.3) | (1,828.1) |
| Taxes | | (34.2) | (32.4) |
| Staff expenses, incentive schemes, profit sharing | 4.1 | (3,861.3) | (3,582.9) |
| Other operating income | | 5.1 | 11.2 |
| Other operating expenses | | (17.9) | (19.8) |
| Net provisions on current assets | | 0.6 | 1.8 |
| Net depreciation and other provisions charged | | (444.8) | (492.3) |
| Income on recurring fixed asset disposals | | (5.2) | (4.0) |
| Share of reversal of grant | | 11.9 | 10.1 |
| **Recurring operating profit** | | **208.6** | **203.6** |
| Other non-recurring income | 4.2 | 21.4 | 83.1 |
| Other non-recurring expenses | 4.2 | (55.0) | (86.0) |
| Depreciation and provisions on contractual rights and other | 4.2 | (24.2) | (43.6) |
| *Of which impairment of other intangible assets and badwill* | | - | *(20.0)* |
| Profit or loss on non-recurring fixed asset disposals | | 1.2 | 6.7 |
| **Operating profit before investments under the equity method** | **4.2** | **151.9** | **163.8** |
| Income from associates | 4.4 | 16.2 | (11.2) |
| **Operating profit after investments under the equity method** | | **168.1** | **152.6** |
| Net cost of financial debt | 4.5 | (17.4) | (19.8) |
| Other financial income | 4.5 | 13.1 | 5.1 |
| Other financial charges | 4.5 | (54.7) | (51.3) |
| **Financial income** | | **(59.0)** | **(66.1)** |
| **Net income before tax** | | **109.1** | **86.5** |
| Taxation | 4.6 | (44.8) | (44.0) |
| **Net income for the year** | | **64.3** | **42.5** |
| Income for the year from discontinued operations, net of tax | | - | - |
| **Consolidated net income for the year** | | **64.3** | **42.5** |
| Income attributable to non-controlling interests | | (16.3) | (22.9) |
| **NET INCOME (GROUP SHARE)** | | **48.0** | **19.5** |

## 2.1.2 STATEMENT OF COMPREHENSIVE INCOME

| *(€ million)* | **31/12/2022** | 31/12/2021 |
|---|---|---|
| **Net income** | **64.3** | **42.5** |
| Actuarial gains and losses on defined benefit pension schemes | 11.9 | 1.4 |
| Unrealised gains (losses) relating to the revaluation at fair value of non-consolidated investments | (1.3) | (1.2) |
| Tax on actuarial gains and losses on defined benefit pension schemes | (3.1) | (0.4) |
| Share of other comprehensive income of companies accounted for by the equity method that cannot be recycled | - | - |
| **Items which will not be reclassifiable to profit or loss** | **7.6** | **(0.3)** |
| Foreign exchange translation differences and other | (21.7) | 5.2 |
| Tax on foreign exchange translation differences | 0.6 | - |
| Unrealised gains (losses) | 44.1 | 16.9 |
| *Financial hedging instruments* | *44.1* | *16.9* |
| *Change in fair value of assets* | - | - |
| Tax on items that may be reclassified to profit or loss | (10.9) | (4.8) |
| Share of other comprehensive income of companies accounted for by the equity method that can be recycled | (1.2) | 2.2 |
| **Items which will be reclassifiable to profit or loss** | **10.9** | **19.5** |
| **Expenses and income recognised directly in equity** | **18.4** | **19.2** |
| **COMPREHENSIVE INCOME** | **82.7** | **61.7** |
| *Of which Group share* | *64.8* | *36.2* |
| *Of which share of non-controlling interests* | *18.0* | *25.6* |

## 2.1.3 STATEMENT OF FINANCIAL POSITION

### Assets

| *(€ million)* | Note | 31/12/2022 | 31/12/2021 |
|---|---|---|---|
| Goodwill | 5.1 | 1,097.4 | 1,094.5 |
| Other intangible assets | 5.2 | 569.1 | 602.0 |
| Right-of-use assets | 5.4 | 1,035.7 | 995.0 |
| Property, plant and equipment | 5.3 | 776.7 | 818.1 |
| Investments under the equity method | 5.5 | 69.6 | 62.3 |
| Non-current financial assets | 5.6 | 211.4 | 315.3 |
| Deferred tax asset | 4.6 | 58.8 | 69.7 |
| **Non-current assets** | | **3,818.7** | **3,956.9** |
| Inventories and work in progress | 5.7 | 190.8 | 182.5 |
| Trade receivables | 5.8 | 713.8 | 592.6 |
| Other receivables | 5.8 | 600.6 | 597.2 |
| Current financial assets | 5.6 | 65.4 | 6.9 |
| Cash and cash equivalents | 5.9 | 475.6 | 465.6 |
| **Current assets** | | **2,046.2** | **1,844.7** |
| **TOTAL ASSETS** | | **5,864.9** | **5,801.6** |

### Liabilities

| *(€ million)* | Note | 31/12/2022 | 31/12/2021 |
|---|---|---|---|
| Share capital | 5.10 | 237.9 | 237.9 |
| Reserves and premiums | 5.10 | 205.1 | 183.0 |
| Net income (Group share) | 5.10 | 48.0 | 19.5 |
| **Equity Group share** | | **491.0** | **440.4** |
| Reserves attributable to non-controlling interests | | 64.8 | 75.2 |
| Profit for the year attributable to non-controlling interests | | 16.3 | 22.9 |
| **Equity** | | **572.1** | **538.6** |
| Non-current provisions for contingencies and charges | 5.14 | 135.6 | 141.1 |
| Lease commitments – non-current | 5.4 | 827.2 | 801.9 |
| Non-current financial debt | 5.11 | 1,287.9 | 1,316.8 |
| Deferred tax liability | 4.6 | 149.4 | 148.5 |
| **Non-current liabilities** | | **2,400.0** | **2,408.3** |
| Current provisions for contingencies and charges | 5.14 | 63.1 | 63.5 |
| Lease commitments – current | 5.4 | 209.2 | 206.4 |
| Current financial debt | 5.11 | 140.6 | 168.8 |
| Bank borrowings | 5.9 | 168.8 | 185.5 |
| Trade payables and other liabilities | 5.15 | 2,310.9 | 2,230.6 |
| **Current liabilities** | | **2,892.7** | **2,854.7** |
| **TOTAL LIABILITIES** | | **5,864.9** | **5,801.6** |

## 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 Unrealised gains/losses, net | Other unrealised gains/losses, net, not reclassifiable to profit or loss | Sub-total | 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** |

| | Capital | Reserves and other | | | | | |
|---|---|---|---|---|---|---|---|
| | | | Items which will be reclassifiable to profit or loss | | | | |
| | Share capital | Reserves | Foreign exchange translation difference | Other Unrealised gains/losses, net | Other unrealised gains/losses, net, not reclassifiable to profit or loss | Sub-total | Equity |
| **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 |
| | | | | | | | |
| Dividends paid to GROUPE KEOLIS S.A.S. SHAREHOLDERS | - | (10.0) | - | - | - | (10.0) | (10.0) |
| Impact of lower tax rate in France | | - | - | - | (0.2) | (0.2) | (0.2) |
| IFRIC impact on the capitalisation of SaaS software configuration costs | | (3.0) | - | - | - | (3.0) | (3.0) |
| Other changes | | (1.9) | - | - | 0.9 | (1.0) | (1.0) |
| **Transactions attributable to GROUPE KEOLIS S.A.S. SHAREHOLDERS (A)** | **-** | **(14.9)** | **-** | **-** | **0.7** | **(14.2)** | **(14.3)** |
| Dividends paid to minority shareholders in subsidiaries | - | (18.3) | - | - | - | (18.3) | (18.3) |
| Change in shareholdings in subsidiaries without gain/loss of control of subsidiaries | - | (0.2) | - | - | - | (0.2) | (0.2) |
| Repayment of capital paid to minority shareholders | | (16.7) | - | - | - | (16.7) | (16.7) |
| Other changes | | 0.2 | - | - | - | 0.2 | 0.2 |
| **Transactions attributable to minority shareholders in subsidiaries (B)** | **-** | **(35.0)** | **-** | **-** | **-** | **(35.0)** | **(35.0)** |
| Net income | - | 64.3 | - | - | - | 64.3 | 64.3 |
| Expenses and income recognised directly in equity | - | - | (22.3) | 33.2 | 7.6 | 18.4 | 18.4 |
| **Comprehensive income (C)** | **-** | **64.3** | **(22.3)** | **33.2** | **7.6** | **82.7** | **82.7** |
| **CHANGE IN THE YEAR (A + B + C)** | **-** | **14.3** | **(22.3)** | **33.2** | **8.3** | **33.5** | **33.5** |
| Attributable to GROUPE KEOLIS S.A.S. SHAREHOLDERS | - | 33.1 | (23.9) | 33.2 | 8.3 | 50.6 | 50.6 |
| Attributable to minority shareholders in subsidiaries | - | (18.7) | 1.6 | - | - | (17.0) | (17.0) |
| **At 31 December 2022** | **237.9** | **348.8** | **(77.9)** | **37.2** | **26.3** | **334.4** | **572.1** |
| Attributable to GROUPE KEOLIS S.A.S. SHAREHOLDERS | 237.9 | 271.2 | (82.3) | 37.2 | 27.2 | 253.3 | 491.0 |
| Attributable to minority shareholders in subsidiaries | - | 77.6 | 4.4 | - | (0.9) | 81.1 | 81.1 |

## 2.1.5 STATEMENT OF CASH FLOWS

| *(€ million)* | Note | 31/12/2022 | 31/12/2021 |
|---|---|---|---|
| **Operating profit before investments under the equity method** | | **151.9** | **163.8** |
| Non-cash items | | 462.6 | 474.8 |
| **EBITDA** | **4.3** | **614.5** | **638.6** |
| Elimination of provisions on current assets | | (0.6) | (2.4) |
| Change in working capital | | (107.1) | (92.8) |
| Tax paid | | (31.2) | (18.1) |
| **A) Net cash from operating activities** | | **475.6** | **525.1** |
| Capital expenditure | | (182.7) | (228.4) |
| Sale of intangible assets and property, plant and equipment (sale price) | | 51.6 | 82.3 |
| Investment grants received | | 25.8 | 27.7 |
| Change in financial assets for concessions (IFRIC 12) | | 10.1 | (1.8) |
| Financial investments | | (13.8) | (2.4) |
| Proceeds from disposal of financial assets | | (1.9) | 10.0 |
| Cash and cash equivalents from changes in reporting scope* | | (9.2) | (80.3) |
| **B) Net cash from investing activities** | | **(120.0)** | **(192.9)** |
| **Free cash flow** | | **355.7** | **332.3** |
| Dividends paid | | (27.7) | (1.0) |
| Dividends received | | 8.9 | 5.6 |
| Change in equity (Other transactions with shareholders) | | (16.6) | 5.1 |
| New borrowings | 5.11 | 675.0 | 649.4 |
| Borrowings repaid | 5.11 | (662.7) | (759.2) |
| Interest received | | 1.9 | 1.0 |
| Interest paid | | (18.7) | (21.3) |
| Change in other financial debts | 5.11 | - | - |
| Repayment of lease commitments | 5.4 | (247.6) | (269.5) |
| Net interest paid on lease commitments | 5.4 | (23.3) | (36.5) |
| Other | | (6.1) | (10.6) |
| **C) Net cash from financing activities** | | **(316.8)** | **(437.0)** |
| **D) Foreign exchange translation differences** | | **(12.2)** | **10.2** |
| **Change in cash and cash equivalents (A + B + C + D)** | | **26.6** | **(94.5)** |
| Cash and cash equivalents at beginning of period | 5.9 | 280.1 | 374.6 |
| Cash and cash equivalents at end of period | 5.9 | 306.8 | 280.1 |
| **Change in cash and cash equivalents** | | **26.6** | **(94.5)** |

* *Cash and cash equivalents from changes in scope mainly relate to the discontinuation of operations in Germany in 2021.*

# 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 maritime shuttles, self-hire bikes, etc. The Keolis Group exports its multi-modal know-how to 13 countries around the world. It is also the second largest parking provider in France through its subsidiary EFFIA, the leader in ambulance transport in France through its subsidiary Keolis Santé, and offers mobility solutions and services through its subsidiary Kisio.

GROUPE KEOLIS S.A.S., the Group's parent company, is a simplified joint stock company (*société par actions simplifiée*) registered and domiciled in France, with its registered office located at 34, Avenue Léonard-de-Vinci 92400 Courbevoie.

The consolidated financial statements of GROUPE KEOLIS S.A.S. at 31 December 2022 were approved by the Management Board on 13 February 2023 and presented to the Supervisory Board on 23 February 2023.

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 (€M). The Group has chosen not to manage rounding discrepancies; some small differences may consequently appear.

# 2 ACCOUNTING STANDARDS

## 2.1 Accounting standards

The Group's consolidated financial statements at 31 December 2022 were prepared in accordance with IFRS (standards and interpretations) published by IASB as adopted by the European Union and rendered mandatory from 1 January 2022. These are available on the website: *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 2022

#### ANNUAL IFRS IMPROVEMENTS (2018-2020)

These annual improvements concern the following three standards:

- IFRS 1 "First-Time Adoption of IFRS Standards": the IASB proposes a change in the measurement of translation adjustments of subsidiaries adopting IFRS for the first time;
- IFRS 9 "Financial Instruments": the IASB proposes to include fees in the assessment of the substantiability of the amendment or exchange of any contract;
- Lastly, the IASB proposes to delete, in IFRS 16 "Leases", one of the examples dealing with payments for leasehold improvements made by the lessor to clarify the presentation.

The Group did not identify any significant impact related to the application of these amendments as of 31 December 2022.

#### IFRIC INTERPRETATION RELATING TO THE RECOGNITION OF COSTS OF CONFIGURING OR CUSTOMISING A SUPPLIER'S APPLICATION SOFTWARE IN A SOFTWARE AS A SERVICE (SAAS) ARRANGEMENT

In accordance with the IFRIC decision published in April 2021 on the recognition of configuration costs for adaptation or customisation related to SaaS (Software as a Service) contracts, the Group changed the method of recognising significant project costs.

When they do not meet the recognition criteria set out by the IFRIC (if the company does not control their code, for example by holding the intellectual property, or if it is not involved in developing an interface), these costs are expensed.

If they cannot be distinguished from the software service itself, the expense relating to these related developments is spread over the term of the service contract.

The retrospective application of the change in method led to the reclassification of the costs of integrating SaaS solutions capitalised as of 31 December 2021, in consideration of consolidated reserves in the amount of €3.0 million net of deferred tax. The impact on income is negligible (€0.3 million).

#### OTHER AMENDMENTS OF MANDATORY APPLICATION TO 1 JANUARY 2022

Amendments to IAS 16 "Property, Plant and Equipment": income prior to intended use (income generated during its transfer to the site or during its rehabilitation) must be recognised in the income statement.

Amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets": the amendments clarify the definition of the costs of fulfilling a contract in the context of the assessment of the loss-making nature of a contract: performance of a contract is not limited to marginal costs but also includes other costs directly related to the contract such as amortisation/depreciation or production overheads.

Amendments to IFRS 3 "Business Combinations": the reference to the conceptual framework was updated to reflect its revised version in 2018. It is also explicitly stated that an acquirer cannot recognise any assets acquired in a business combination.

### 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 2022, 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 2022.

The estimates and assumptions primarily concern the lengths of contractual relations, asset impairment tests, deferred tax assets and financial instruments, as well as provisions, notably provisions for pensions, litigation and losses on loss-making contracts and recognition of accrued income and penalties to be paid arising from contractual relationships.

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 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 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 financial income.

### 2.4.4 Business combinations

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 relates 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 recognises 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 interest rate, 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 section 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), adjusted to each CGU.

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 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.

The Group's equity instruments relate to non-consolidated investments. The 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 reclassifiable to profit or loss" with no option to recycle in profit or 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 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 comprehensive income") reclassifiable to profit or 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 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 interest rate.

### 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 may be considered 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 2022 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.

The application of the amendment to IFRS 9/IAS 39 and IFRS 7 relating to the reform of benchmark rates approved in 2021 (phase 2) continued in 2022. It did not call into question the hedging relationships for interest rate instruments at 31 December 2022.

Hedging relationships are exposed to the following reference rates:

- EUR: Euribor 1 month;
- EUR: Euribor 3 months;
- EUR: Euribor 6 months;
- USD: Libor 1 month;
- USD: Libor 3 months;
- USD: SOFR.

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 88% of the interest rate hedging instruments are backed) and by Keolis SA (5%). To this must be added the financing held by the subsidiary Keolis America Inc. (7%).

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;
- a single financing contract was subject to a change in index at 31 December 2022, when its extension was negotiated. No hedging is concerned.

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: €457 million;
- Euribor 3m: €255 million;
- Euribor 6m: €99 million;
- USD Libor 1m: €28 million;
- USD Libor 3m: €38 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 realise 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 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, AUD, CAD, DKK, GBP, SEK, SGD, USD.

All of the foreign exchange hedging derivatives held at 31 December 2022 mature in 2023.

### 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, notably to buy back floors that constitute asymmetrical collars.

Commodity 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 2022, the maturities of commodity derivative financial instruments cover the period from January 2023 to December 2025.

## 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 benefits, 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 benefits 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 benefit plan specific to rail activities: 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 into account 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 and 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.

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 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.

In accordance with IFRS 15 "Revenue from Contracts with Customers", the revenue of urban passenger transport companies is recognised in accordance with the terms of the contract signed with the public transport authorities and takes into account all amendments 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 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.

### 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, discontinued operations or operations 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, 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, 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 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 includes 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 2022 FINANCIAL YEAR

In 2022, the level of ridership on the transport networks continued to increase compared to previous years, without, however, returning to the same level as in 2019, before the Covid-19 epidemic (between 70% and over 100%, depending on the contracts and the countries).

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 2022.

The increase in energy costs, in particular the cost of electricity in France, was partially offset thanks to government aid.

In addition, the effects of the health crisis on 2022 and subsequent years were included in the estimates used in the impairment tests on the Group's assets.

## End of the IJssel-Vecht contract (Netherlands)

On 14 December 2022, the two-year emergency concession operated by Keolis in the Netherlands on the basis of the IJssel-Vecht contract came to an end.

As a result, almost all of the rolling stock and infrastructure required for operations were transferred back to the public transport authorities or to the new operator.

No indication of impairment was identified on the residual assets.

## Disposal of activities in Norway

Keolis sold its subsidiary Keolis Norge AS to the investment company DSD and the owner of the bus company Tide AS in order to transfer the Norwegian contract portfolio of Keolis Norge AS for buses and urban passenger rail. With the disposal of Keolis Norge, Keolis transferred operational responsibility for the bus contract for Bergen city centre, with 138 buses, and the operation of Bybanen in Bergen with 28 urban railcars. Keolis was present in Norway from the opening of the first Bybanen line in 2010. The disposal took effect on 30 October 2022.

As a result of this transaction, there are no residual Keolis commitments in relation to the operations of Keolis Norge as of 30 October 2022.

This transaction is presented under changes in scope.

## France

2022 was marked by the following commercial successes:

- renewal of contracts in Bordeaux, Dijon, Bourgoin-Jallieu, Sète, TAD Rouen, Navettes Maritimes de Penn Ar Bed and offensive gains in Perpignan, Valenciennes, Foix, Senlis and Mont-Saint-Michel;
- Optile contracts won in Île-de-France: at the end of 2022, 26 Optile contracts out of 37 were awarded by IDFM: Keolis won eight of them;
- the acquisition of Transports Pagès, an intercity company located near Perpignan, effective on 30 June.

The ridership of transport networks was up compared to 2021 in Major City Networks and City Networks (+18% in City Networks) but still down in total compared to 2019 (94% of pre-Covid levels in City Networks) with a marked improvement at the end of the year. In an unfavourable context, including recruitment difficulties, the effects of inflation and commodity prices, and indexations, the resilience plan announced by the government and the hedging policy made it possible, over 2022, to limit the net impact for the Group.

The year was also marked by the vote of SYTRAL Mobilités on 10 March in favour of the allotment of the Lyon network into a "heavy transport" contract and a "bus and trolleybus" contract with the takeover of marketing and customer relations activities by a Local Public Company, with an additional extension of the current PSC until 31 December 2024.

## EFFIA

- After the health crisis, the gradual recovery in ridership continued in 2022. For the scope already operated in 2019, revenues were down -4% compared to 2019 in cumulative terms.
- At the commercial level, EFFIA won numerous contracts, including one relating to the management of the Bourg-la-Reine parking lot, and renewed those in Bordeaux and Lille as well the subcontracting of Greater Dijon.

## International

- Post-health crisis, 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 related to ridership, which remains below the pre-crisis period (in the Netherlands mainly).
- The Dubai contract delivers a high level of operational performance but within a very strict contractual framework that impacts financial performance.
- Sweden recorded a good performance level, with the start of contracts won in 2021 and the gains of the Göteborg and Lund contracts.
- In England, the GTR contract was extended for three years.

## Change in the Group's long-term debt

On 22 July 2022, the Group implemented an amendment to the €900 million revolving syndicated loan in order to (i) extend its maturity until July 2027, with two extension options of one year each and (ii) integrate ESG indicators in line with the Group's ESG strategy.

On 7 December 2022, the Group signed a private placement under German law (*Schuldscheindarlehen*), indexed to ESG indicators, for a total amount of €100 million. This transaction includes two tranches in euro at variable rates, with maturities of five and seven years.

On 30 September 2022, a Group subsidiary renewed, for three years, an external variable rate financing line of USD 40 million which matured in January 2023.

These new transactions aim to refinance existing credit lines, increase the average maturity of the debt, maintain robust liquidity and strengthen Keolis's ESG strategy.

# 4 NOTES TO THE CONSOLIDATED INCOME STATEMENT

## 4.1 Staff expenses

| (€ million) | 31/12/2022 | 31/12/2021 |
|---|---|---|
| Wages and social charges | (3,457.9) | (3,213.7) |
| Taxes on remuneration | (83.4) | (79.0) |
| Other staff expenses* | (320.0) | (290.2) |
| **TOTAL** | **(3,861.3)** | **(3,582.9)** |

* *Other staff expenses include incentive schemes and profit sharing.*

| (number of people) | 31/12/2022 | 31/12/2021 |
|---|---|---|
| Managers | 4,276 | 3,869 |
| Supervisory and technical staff | 12,033 | 11,366 |
| Clerical and manual employees, drivers | 51,379 | 52,518 |
| **TOTAL** | **67,689** | **67,753** |

## 4.2 Operating profit

| (€ million) | 31/12/2022 | 31/12/2021 |
|---|---|---|
| Recurring operating profit | 208.6 | 203.6 |
| Costs of forward-looking bids* | (3.7) | (1.5) |
| Profit/(loss) on non-recurring fixed asset disposals | 1.2 | 6.7 |
| Amortisation of contractual rights and others | (24.2) | (43.6) |
| *Of which impairment of goodwill(1)* | - | *(20.0)* |
| Other non-recurring items* | (29.9) | (1.4) |
| *Of which reorganisation expenses* | *(4.9)* | *(11.1)* |
| *Of which provisions for losses on contracts(2)* | *(7.7)* | *29.5* |
| *Of which end of Wales & Borders contract* | - | *8.8* |
| *Of which COVID-19 costs not covered by the PTAs* | - | *(8.1)* |
| *Of which the impact of relocation of the Le Peletier site* | *(1.8)* | *(2.8)* |
| *Of which losses related to the exit of the IJssel-Vecht contract (Netherlands)* | *(3.4)* | - |
| *Of which end of the IRP Auto – EFFIA regime* | - | *(2.2)* |
| *Of which losses over previous financial years on the Dubai contract* | *(5.6)* | |
| *Of which other* | *(6.6)* | *(15.7)* |
| Total non-recurring items | (56.7) | (39.9) |
| **OPERATING PROFIT BEFORE INVESTMENTS UNDER THE EQUITY METHOD** | **151.9** | **163.8** |

* *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.*

(2) *At 31 December 2022, provisions for losses on contracts mainly consisted of a new provision for Autocars Striebig and Eschenlauer for -€7.3 million, an additional -€3 million provision for Almere (the Netherlands) and the reversal of the provision for IJssel-Vecht (Netherlands) for +€2.2 million. In 2021, the provision for losses on contracts mainly related to the reversal in Germany for €26.7 million*

## 4.3 EBITDA calculation

| *(€ million)* | **31/12/2022** | 31/12/2021 |
|---|---|---|
| **Operating profit** | **151.9** | **163.8** |
| Net depreciation and other provisions | 444.8 | 492.3 |
| Depreciation and provisions on non-recurring items | 25.7 | (4.7) |
| *Of which amortisation and impairment of contractual rights and trademarks, net* | *24.2* | *43.6* |
| *Of which losses on the Autocars Striebig and Eschenlauer contracts* | *7.3* | *-* |
| *Of which losses on contracts Germany* | *-* | *(26.7)* |
| *Of which end of Wales & Borders contract* | *-* | *(6.4)* |
| *Of which restructuring costs for Keolis Mobility Airport* | *(2.6)* | *(14.2)* |
| *Of which reversal of the TMT/Voxtur provision* | *(2.9)* | *-* |
| *Of which allocations and reversals for other provisions* | *(0.3)* | *(0.9)* |
| Share of reversal of investment grant | (11.9) | (10.1) |
| Profit/(loss) on non-recurring fixed asset disposals | (1.2) | (6.7) |
| Income on recurring fixed asset disposals | 5.2 | 4.0 |
| **EBITDA** | **614.6** | **638.6** |
| **Non-recurring income and expense*** | **32.2** | **51.3** |
| **RECURRING EBITDA** | **646.8** | **689.9** |

* *Non-recurring income and expenses include major restructuring expenses and other significant non-recurring items.*

## 4.4 Share of net income of investments under the equity method

| *(€ million)* | **31/12/2022** | 31/12/2021 |
|---|---|---|
| Govia (UK) | 15.0 | (16.7) |
| First/Keolis Transpennine (UK) | - | 0.3 |
| Other associates (France) | 0.6 | 0.2 |
| Other associates (International excluding UK) | 0.6 | 5.0 |
| **TOTAL ASSOCIATES AND JOINT VENTURES** | **16.2** | **(11.2)** |

## 4.5 Financial income

| *(€ million)* | 31/12/2022 | 31/12/2021 |
|---|---|---|
| Net cost of financial debt | (17.4) | (19.8) |
| *Of which cost of gross financial debt* | *(20.3)* | *(21.4)* |
| *Of which income from cash and cash equivalents* | *2.9* | *1.6* |
| Other financial income | 13.1 | 5.1 |
| *Of which foreign exchange impact* | *0.9* | *-* |
| *Of which revaluation of securities* | *1.2* | *5.7* |
| Other financial charges | (30.8) | (15.8) |
| *Of which foreign exchange impact* | *-* | *(0.2)* |
| *Of which revaluation of securities* | *(6.7)* | *(6.0)* |
| IFRS 16 “Financial Expenses” | (23.8) | (35.5) |
| **FINANCIAL INCOME** | **(59.0)** | **(66.1)** |

## 4.6 Tax

The tax charge breaks down as follows:

| *(€ million)* | 31/12/2022 | 31/12/2021 |
|---|---|---|
| **Current tax expense** | **(45.3)** | **(43.1)** |
| Tax payable for the period | (43.3) | (42.7) |
| Adjustment recognised during the period in respect of prior years’ current tax payable | (1.9) | (0.4) |
| **Deferred tax income** | **0.5** | **(0.9)** |
| Deferred tax for the period | 0.5 | (0.9) |
| Impairment loss on deferred tax asset | - | - |
| **TAX EXPENSE FOR THE FINANCIAL YEAR** | **(44.8)** | **(44.0)** |

In 2022, the Group decided to present a reconciliation of its effective rate on the basis of a 25.82% rate (in 2021, the Group had elected to present a reconciliation of its effective rate on the basis of a 28.41% rate).

The reconciliation between the legal rate of taxation in France and the effective rate is as follows:

| | 31/12/2022 | | 31/12/2021 | |
|---|---|---|---|---|
| | *in %* | *in €M* | *in %* | *in €M* |
| Net income for the year | - | 64.3 | - | 42.5 |
| Neutralisation of the share of net income from associates | - | (16.2) | - | 11.2 |
| Neutralisation of corporation tax | - | 44.8 | - | 44.0 |
| **Income before tax and before share of net income from associates** | - | **92.9** | - | **97.7** |
| **Theoretical tax using the legal rate of French taxation** | **25.82%** | **(24.0)** | **28.41%** | **(27.7)** |
| French/foreign taxation rate differences | 0.31% | (0.3) | (3.38%) | 3.3 |
| Effect of reduced rates and changes in tax rates | 3.10% | 2.9 | (2.50%) | 2.4 |
| Adjustment in respect of tax for prior financial years | 2.08% | (1.9) | 0.41% | (0.4) |
| Other permanent differences | (1.51%) | 1.4 | 2.65% | (2.6) |
| Tax credit | (1.16%) | 1.1 | (1.09%) | 1.1 |
| Effect of direct taxation (CVAE) | 13.48% | (12.5) | 12.17% | (11.9) |
| Unrecognised deferred tax assets | 12.29% | (11.4) | 8.46% | (8.3) |
| **EFFECTIVE RATE OF TAXATION** | **48.21%** | **(44.8)** | **45.08%** | **(44.0)** |

Unrecognised deferred tax assets in 2022 mainly concern North America, Belgium, Canada and the Netherlands.

Deferred tax included in non-current assets and liabilities breaks down as follows:

| *(€ million)* | 31/12/2022 | 31/12/2021 |
|---|---|---|
| **Deferred tax assets** | **58.8** | **69.7** |
| Less than one year | 21.2 | 22.0 |
| More than one year | 37.6 | 47.7 |
| **Deferred tax liabilities** | **(149.4)** | **(148.5)** |
| Less than one year | (27.2) | (24.7) |
| More than one year | (122.2) | (123.8) |

Stock of losses carried forward to €431.9 million at 31 December 2022 of which €400.5 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 €105.9 million. The recognition of tax loss carry forwards 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 2022 | 69.7 | (148.5) |
| Recognised in equity | 0.4 | (14.4) |
| Recognised in profit for the year | 1.3 | (0.7) |
| Effect of changes in consolidation scope | (1.8) | 2.0 |
| Foreign exchange translation differences and other changes | (10.7) | 12.2 |
| **CLOSING BALANCE ON 31 DECEMBER 2022** | **58.8** | **(149.4)** |

| *(€ 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 consolidation scope | (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)** |

Net deferred taxes by type are as follows:

| *(€ million)* | 31/12/2022 | 31/12/2021 |
|---|---|---|
| Goodwill | (107.0) | (117.5) |
| Employee benefits | 20.3 | 25.2 |
| Tax losses | 7.6 | 8.6 |
| Other | (11.6) | 4.9 |
| **CLOSING BALANCE ON 31 DECEMBER** | **(90.6)** | **(78.8)** |

# 5 NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 5.1 Goodwill

### Changes in carrying amount by geographical area

| (€ million) | France | Continental Europe | Australia | United Kingdom | North America | Total |
|---|---|---|---|---|---|---|
| At 1 January 2022 | 804.5 | 166.0 | 32.9 | 77.8 | 13.4 | 1,094.5 |
| Acquisitions | 4.0 | 2.8 | - | - | - | 6.8 |
| Disposals | - | - | - | - | - | - |
| Impairment loss for the period | - | - | - | - | - | - |
| Foreign exchange translation differences and other | - | (0.4) | (0.2) | (4.1) | 0.7 | (4.0) |
| **AT 31 DECEMBER 2022** | **808.6** | **168.3** | **32.7** | **73.7** | **14.1** | **1,097.4** |
| *Of which gross value* | *808.6* | *173.9* | *32.9* | *179.5* | *53.9* | *1,248.8* |
| *Of which accumulated amortisation and impairment charges* | - | *(5.5)* | *(0.2)* | *(105.8)* | *(39.8)* | *(151.4)* |

| (€ million) | France | Continental Europe | Australia | United Kingdom | 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(1) | - | - | - | (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 charges* | - | *(5.5)* | *(0.2)* | *(111.7)* | *(38.9)* | *(156.3)* |

*(1) The impairment loss of €20 million is related to the difficulties in developing 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 | |
|---|---|---|
| | **31/12/2022** | 31/12/2021 |
| **The Keolis Group** | **6.80%** | **5.76%** |
| United Kingdom | 7.40% | 6.20% |
| Sweden | 6.20% | 5.40% |
| Canada | 7.90% | 6.00% |
| Denmark | 6.30% | 5.40% |
| Netherlands | 6.30% | 5.40% |
| Belgium | 7.10% | 6.00% |
| Australia | 7.40% | 6.30% |
| Norway | N/A | 5.40% |
| United States | 7.90% | 6.00% |
| France | 6.80% | 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 | |
|---|---|---|
| | **31/12/2022** | 31/12/2021 |
| **The Keolis Group** | **2.30%** | **1.60%** |
| United Kingdom | 2.30% | 1.60% |
| Sweden | 2.30% | 1.60% |
| Canada | 2.30% | 1.60% |
| Denmark | 2.30% | 1.60% |
| Netherlands | 2.30% | 1.60% |
| Belgium | 2.30% | 1.60% |
| Australia | 2.30% | 1.60% |
| Norway | 2.30% | 1.60% |
| United States | 2.30% | 1.60% |
| France | 2.30% | 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 decrease in the perpetual growth rate results in a positive margin between the value in use and the carrying amount for all cash-generating units.

## 5.2 Other intangible assets

| *(€ million)* | Authorisations, Patents and Software | Trademarks | Contractual rights | Concession assets | Contract assets* | Other | **Total** |
|---|---|---|---|---|---|---|---|
| At 1 January 2022 | 113.3 | 53.0 | 280.8 | 91.3 | 16.7 | 46.9 | 602.0 |
| Acquisitions | 17.7 | - | - | - | 1.1 | 10.1 | 28.8 |
| Assets disposed of and scrapped | (2.4) | - | - | - | - | (1.4) | (3.8) |
| Net depreciation, amortisation and impairment | (32.1) | - | (24.2) | (21.2) | (4.0) | (4.6) | (86.1) |
| Changes in scope | - | - | - | - | (1.1) | 9.1 | 8.0 |
| Foreign exchange translation differences and other | 5.3 | - | (0.1) | 23.9 | - | (8.9) | 20.2 |
| **AT 31 DECEMBER 2022** | **101.7** | **53.0** | **256.6** | **94.0** | **12.6** | **51.2** | **569.1** |
| *Of which gross value* | *265.0* | *65.9* | *687.4* | *190.4* | *37.3* | *112.6* | *1,358.6* |
| *Of which cumulative depreciation, amortisation and impairment losses* | *(163.4)* | *(12.9)* | *(430.8)* | *(96.4)* | *(24.7)* | *(61.4)* | *(789.5)* |

| *(€ 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)* |

* *See note 2.4.7 for the definition of contract assets.*

## 5.3 Property, plant and equipment

| *(€ million)* | Land & Development | Buildings | Equipment and tooling | Transport equipment | PPE under construction | Other | **Total** |
|---|---|---|---|---|---|---|---|
| **At 1 January 2022** | **56.8** | **281.0** | **74.3** | **306.4** | **37.8** | **61.7** | **818.1** |
| Acquisitions | 2.5 | 24.2 | 12.0 | 47.4 | 48.9 | 26.3 | 161.3 |
| Assets disposed of and scrapped | (7.6) | (19.0) | (1.3) | (24.4) | (0.3) | (0.9) | (53.6) |
| Net depreciation and amortisation | (3.5) | (29.4) | (22.7) | (76.2) | - | (22.3) | (154.0) |
| Changes in scope | - | 0.2 | 5.6 | - | (6.0) | (2.0) | (2.2) |
| Foreign exchange translation differences and other changes | 0.8 | 1.4 | 1.0 | 12.2 | (11.7) | 3.3 | 7.1 |
| **AT 31 DECEMBER 2022** | **49.1** | **258.4** | **69.0** | **265.4** | **68.8** | **66.1** | **776.7** |
| *Of which gross value* | *65.4* | *599.7* | *246.9* | *954.4* | *68.8* | *219.4* | *2,154.7* |
| *Of which cumulative depreciation, amortisation and impairment losses* | *(16.4)* | *(341.3)* | *(177.9)* | *(689.0)* | - | *(153.3)* | *(1,378.0)* |

| *(€ million)* | Land & Development | 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)* |

## 5.4 Right-of-use assets

### Assets

| *(€ million)* | Land and buildings | Railway transport equipment | Road transport equipment | Other equipment | Total |
|---|---|---|---|---|---|
| At 1 January 2022 | 348.8 | 50.6 | 584.6 | 11.1 | 995.0 |
| New contracts | 52.8 | - | 197.9 | 2.7 | 253.5 |
| Assets disposed of and scrapped | - | - | (0.2) | 0.4 | 0.1 |
| Net depreciation, amortisation and impairment | (78.5) | (4.6) | (139.5) | (3.7) | (226.4) |
| Changes in scope | (20.9) | - | (44.9) | (0.9) | (66.7) |
| Foreign exchange translation differences and other* | 83.1 | - | (3.2) | 0.2 | 80.1 |
| **AT 31 DECEMBER 2022** | **385.3** | **46.0** | **594.6** | **9.8** | **1,035.7** |
| *Of which gross value* | *572.0* | *64.5* | *1,164.0* | *18.3* | *1,818.8* |
| *Of which cumulative depreciation, amortisation and impairment losses* | *(186.7)* | *(18.5)* | *(569.4)* | *(8.5)* | *(783.0)* |

* *The other changes correspond to the effect of the extension of existing contracts (including €54 million for Keolis Sverige).*

### Liabilities

| *(€ million)* | IFRS 16 Lease liabilities > 1 year | IFRS 16 Lease liabilities < 1 year | Total |
|---|---|---|---|
| At 1 January 2022 | 801.9 | 206.4 | 1,008.2 |
| New liabilities | 250.7 | 2.8 | 253.5 |
| Repayments of lease obligations | - | (247.6) | (247.6) |
| Changes in scope | (63.6) | (6.3) | (69.9) |
| Accrued interest on lease obligations | - | 0.6 | 0.6 |
| Foreign exchange translation differences and other* | (161.8) | 253.3 | 91.5 |
| **AT 31 DECEMBER 2022** | **827.2** | **209.2** | **1,036.4** |

* *The other changes correspond to the effect of the extension of existing contracts (including €54 million for Keolis Sverige).*

### 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 “Changes 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.*

## 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)* | 31/12/2022 | 31/12/2021 |
|---|---|---|
| **Value at 1 January** | **62.3** | **76.6** |
| *Net income attributable to the Group* | *16.2* | *(11.2)* |
| *Impairment* | - | - |
| Profit/(loss) from investments under the equity method | 16.2 | (11.2) |
| Changes in fair value impacting equity | - | - |
| Foreign exchange translation difference | (1.4) | 2.5 |
| Dividends paid | (8.8) | (5.2) |
| Changes in consolidation scope & other | 1.3 | (0.4) |
| **Value at 31 December** | **69.6** | **62.3** |

The financial items relating to significant joint ventures are presented below at 100% of their values.

| | 31/12/2022 | | | | 31/12/2021 | | | | |
|---|---|---|---|---|---|---|---|---|---|
| *(€ million)* | Govia & its subsidiaries* | SAEMES | Other | Total associates | Govia & its subsidiaries | First/Keolis Transpennine | SAEMES | Other | Total associates |
| Non-current assets | 737.2 | 249.0 | N/A | N/A | 93.1 | - | 235.6 | N/A | N/A |
| Net WCR | (649.0) | (140.4) | N/A | N/A | (30.8) | - | (124.6) | N/A | N/A |
| Current assets | 459.3 | 44.4 | N/A | N/A | 884.6 | 1.1 | 24.4 | N/A | N/A |
| **Total assets** | **1,196.5** | **293.4** | | | **977.8** | **1.1** | **260.0** | | |
| Equity | 87.1 | 74.5 | N/A | N/A | 60.6 | - | 73.9 | N/A | N/A |
| *Of which net income* | *42.8* | *0.4* | *N/A* | *N/A* | *(47.7)* | *0.6* | *0.7* | *N/A* | *N/A* |
| Current liabilities | 1,108.3 | 184.7 | N/A | N/A | 915.5 | 1.1 | 149.0 | N/A | N/A |
| Non-current liabilities | 1.1 | 34.1 | N/A | N/A | 1.7 | - | 37.1 | N/A | N/A |
| **Total liabilities** | **1,196.5** | **293.4** | **N/A** | **N/A** | **977.8** | **1.1** | **260.0** | **N/A** | **N/A** |
| **Net assets** | **87.1** | **74.5** | **N/A** | **N/A** | **60.6** | **-** | **73.9** | **N/A** | **N/A** |
| *Reconciliation of financial data with value of investments under the equity method:* | | | | | | | | | |
| **Group share of net assets** | **30.5** | **24.8** | **14.3** | **69.6** | **21.2** | **-** | **24.6** | **16.5** | **62.3** |
| **Net carrying amount of investments under the equity method** | **30.5** | **24.8** | **14.3** | **69.6** | **21.2** | **-** | **24.6** | **16.5** | **62.3** |

* *"Govia & its subsidiaries" data correspond to the unaudited financial statements for the year ended 30 June 2022.*

In the context of Govia's activities in England, contractual constraints require operating companies to maintain a certain level of cash. At 31 December 2022, this constraint led to classifying 100% of the cash held by Govia at the level of its operating company GTR as cash and cash equivalents that cannot be transferred to the Go Ahead group, Govia's majority shareholder. Consequently, the net cash position at end of the year is presented in net working capital requirements.

In addition, according to the new National Rail Contract (NRC), the distribution of dividends is only permitted under certain conditions and only with the approval of the DfT.

Thus, at 31 December 2022, the fraction of the net assets subject to these restrictions held by Groupe Keolis in England through Govia amounted to €24.0 million in respect of the GTR franchise out of a total of €30.5 million.

## 5.6 Current and non-current financial assets

| At 31 December 2022 (€ million) | Equity instruments measured at | | Debt instruments measured at | | | | |
|---|---|---|---|---|---|---|---|
| | "fair value" through profit or loss | "fair value" through "OCI" not recyclable in P&L | amortised cost through profit or loss | "fair value" through profit or loss | Derivative assets | Financial assets for concessions | Total |
| Gross value | 21.2 | 10.9 | 79.0 | - | 61.6 | 152.6 | 325.3 |
| Impairment | - | - | (42.3) | - | - | (6.3) | (48.6) |
| **Net value** | **21.2** | **10.9** | **36.7** | **-** | **61.6** | **146.3** | **276.8** |
| *Due in less than one year* | - | - | 3.9 | - | 61.6 | - | 65.4 |
| *Due in more than one year* | 21.2 | 10.9 | 32.8 | - | - | 146.3 | 211.4 |

| At 31 December 2021 (€ million) | Equity instruments measured at | | Debt instruments measured at | | | | |
|---|---|---|---|---|---|---|---|
| | "fair value" through profit or loss | "fair value" through "OCI" not recyclable in P&L | amortised cost through profit or loss | "fair value" through profit or loss | Derivative assets | Financial assets for concessions | Total |
| Gross value | 21.7 | 17.4 | 78.8 | - | 3.3 | 249.4 | 332.0 |
| 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 2022, equity instruments measured at fair value through profit or loss mainly comprise *via* Transportation and Blue Technologies Limited securities.

Navya shares were set to zero on 31 December 2022, taking into account the receivership announced on 31 January 2023.

The decrease in concession financial assets mainly corresponds to the end of the IJssel-Vecht contract (Netherlands) for -€122.7 million.

## 5.7 Inventories

| *(€ million)* | **31/12/2022** | 31/12/2021 |
|---|---|---|
| Gross inventories | 192.7 | 184.4 |
| Impairment | (1.9) | (1.9) |
| **NET INVENTORIES** | **190.8** | **182.5** |

## 5.8 Trade and other receivables

| *(€ million)* | **31/12/2022** | 31/12/2021 |
|---|---|---|
| Trade receivables | 696.3 | 581.1 |
| Advances and down payments on orders | 26.7 | 21.5 |
| Impairment of accounts receivable | (9.2) | (10.0) |
| **Trade receivables** | **713.8** | **592.6** |
| Receivables from staff and welfare agencies | 16.4 | 10.6 |
| Central government and local authorities | 258.6 | 252.9 |
| Prepaid expenses | 39.1 | 47.6 |
| Other* | 287.5 | 287.0 |
| Impairment of other debtors | (1.0) | (0.9) |
| **Other receivables** | **600.6** | **597.2** |
| **TOTAL** | **1,314.4** | **1,189.8** |

* *Other receivables for 2022 include €81 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 €84 million in 2021.*

## 5.9 Cash and cash equivalents

### Analysis by type

| *(€ million)* | 31/12/2022 | 31/12/2021 |
|---|---|---|
| Cash and cash equivalents | 473.2 | 463.0 |
| Short-term investments | 2.4 | 2.5 |
| **Total recognised as assets** | **475.6** | **465.6** |
| **Bank overdrafts and current account liabilities** | **(168.8)** | **(185.5)** |
| **NET CASH AND CASH EQUIVALENTS** | **306.7** | **280.1** |

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 2022.

## 5.10 Equity

### Share capital and share premium

At 31 December 2022, 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 €2.4 million, were cancelled.

### Distributable reserves and earnings

At 31 December 2022, GROUPE KEOLIS S.A.S. had 2022 accounting income of +€24.8 million and retained earnings of €48.9 million prior to the allocation of 2022 income. Distributable profit at 31 December 2022 was therefore €73.7 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 2022 and 2021 financial years were as follows:

| | 2022 | | 2021 | |
|---|---|---|---|---|
| *(for €1)* | Average rate | Closing rate | Average rate | Closing rate |
| Pound Sterling | 0.852761 | 0.886930 | 0.859604 | 0.840280 |
| Australian Dollar | 1.516692 | 1.569300 | 1.574942 | 1.561500 |
| Danish Krone | 7.439564 | 7.436500 | 7.437028 | 7.436400 |
| Swedish Kronor | 10.629575 | 11.121800 | 10.146463 | 10.250300 |
| Norwegian Krone | 10.102606 | 10.513800 | 10.163331 | 9.988800 |
| US Dollar | 1.053049 | 1.066600 | 1.182740 | 1.132600 |
| Canadian Dollar | 1.369491 | 1.444000 | 1.482569 | 1.439300 |
| Indian Rupee | 82.686386 | 88.171000 | 87.439160 | 84.229200 |

## 5.11 Financial debt and long-term borrowings

### Financial debt breakdown by type

In 2022, four lines of financing were set up or amended:

- at the level of GROUPE KEOLIS S.A.S.:
  - a €600 million floating rate term loan, of which €277 million was set up and drawn down on 21 December 2021 for a period of five years, with an additional drawdown of €323 million in January 2022 to reach the maximum amount of €600 million. This credit line is available to GROUPE KEOLIS S.A.S. subject to compliance with financial ratios,
  - the amendment of the revolving syndicated loan for a two-year extension until July 2027,
  - a new private placement under German law (*Schuldscheindarlehen*) at a variable rate for an amount of €100 million in two tranches, for terms of five and seven years;
- at the level of the Keolis SA subsidiaries: a variable rate loan of USD 40 million, renewed on 30 September 2022 for a period of three years.

These transactions not only enabled the Group to increase its liquidity reserves by nearly €400 million, but also to extend the average maturity of its debt.

| | At 31 December 2022 | | |
|---|---|---|---|
| *(€ million)* | Amounts in the statement of financial position | Maturity | Interest rates |
| Derivatives | 10.7 | 2023 | - |
| Loans | 73.7 | 2023 | Fixed rates |
| Loans | 54.1 | 2023 | Variable rates |
| **Sub-total, less than one year** | **138.4** | | |
| Employee profit sharing | 0.7 | 2024-2026 | Fixed rates |
| Loans | 65.3 | 2024-2034 | Fixed rates |
| Loans | 1,175.8 | 2024-2035 | Variable rates |
| **Sub-total, more than one year** | **1,241.8** | | |
| **TOTAL (EXCLUDING FINANCIAL LIABILITIES FOR CONCESSIONS)** | **1,380.2** | | |

| | 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 2022, 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, 6 July 2020 and 22 July 2022 stood at €230 million. The loan runs until July 2027 and the undrawn balance amounted to €670 million.

### Breakdown of financial debt and lease obligations by maturity

| *(€ million)* | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 to 2033 | > 2033 | Total |
|---|---|---|---|---|---|---|---|---|
| Lease obligations | 209.2 | 181.9 | 139.1 | 115.4 | 85.9 | 210.4 | 94.4 | 1,036.4 |
| Financial debt excluding financial liabilities for concessions | 138.4 | 35.7 | 115.1 | 632.3 | 408.0 | 50.7 | 0.1 | 1,380.2 |

### Mandatory financial ratios

In the documentation for the syndicated loan and the term loan, one financial ratio is to be complied with on a half-yearly basis, the "Leverage Ratio". At 31 December 2022, 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)* | 31/12/2021 | Increase | Decrease | Changes in scope | Foreign exchange impact | Other* | 31/12/2022 |
|---|---|---|---|---|---|---|---|
| Lease obligations | 206.3 | 23.4 | (267.5) | (6.3) | (3.2) | 256.5 | 209.2 |
| Derivatives | 5.7 | - | - | - | - | 5.0 | 10.7 |
| Financial liabilities for concessions | 2.1 | - | - | - | - | - | 2.1 |
| Loans | 161.0 | 4.5 | (137.5) | 0.1 | (0.9) | 100.5 | 127.7 |
| **Sub-total, less than one year** | **375.1** | **27.9** | **(405.0)** | **(6.3)** | **(4.0)** | **362.0** | **349.8** |
| Lease obligations | 801.9 | 250.7 | - | (63.6) | (8.9) | (153.0) | 827.2 |
| Employee profit sharing | 0.7 | - | - | - | - | - | 0.7 |
| Derivatives | - | - | - | - | - | - | - |
| Financial liabilities for concessions | 132.8 | 32.2 | (121.6) | - | 0.7 | 2.0 | 46.1 |
| Loans | 1,183.3 | 673.2 | (526.3) | (0.4) | 7.3 | (96.1) | 1,241.0 |
| **Sub-total, more than one year** | **2,118.7** | **956.1** | **(647.9)** | **(64.0)** | **(0.8)** | **(247.0)** | **2,115.0** |
| **TOTAL** | **2,493.8** | **983.9** | **(1,052.9)** | **(70.3)** | **(4.8)** | **115.0** | **2,464.8** |

* *The other changes correspond to the effect of the extension of existing contracts (including €54 million for Keolis Sverige).*

## 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 IFRS 9:

| 31/12/2022 | | | | Financial instruments | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Balance sheet item and instrument class *(€ million)* | Non-current | Current | Net carrying amount of class in balance sheet | At fair value through equity | Loans, receivables, debt at amortised cost | At fair value through profit or loss | Qualified as hedging | Level 1 | Level 2 | Level 3 | Net financial debt |
| Debt instruments | 32.8 | 3.9 | 36.7 | - | 36.7 | - | - | - | 36.7 | - | 36.7 |
| Financial assets for concessions | 146.3 | - | 146.3 | - | 146.3 | - | - | - | 146.3 | - | |
| **Sub-total of loans and receivables** | **179.2** | **3.9** | **183.0** | **-** | **183.0** | **-** | **-** | **-** | **183.0** | **-** | **36.7** |
| Equity instruments | 32.1 | - | 32.1 | 10.9 | - | 21.2 | - | - | - | 32.1 | |
| Positive fair value of hedging instruments* | - | 60.1 | 60.1 | - | - | - | 60.1 | - | 60.1 | - | 60.1 |
| Positive fair value of trading derivatives | - | 1.4 | 1.4 | - | - | 1.4 | - | - | 1.4 | - | 1.4 |
| Cash and cash equivalents | | 475.6 | 475.6 | - | - | 475.6 | - | - | 475.6 | - | 475.5 |
| **TOTAL CURRENT AND NON-CURRENT FINANCIAL ASSETS** | **211.3** | **541.0** | **752.3** | **10.9** | **183.0** | **498.2** | **60.1** | **-** | **720.2** | **32.1** | **573.8** |
| Bond borrowings | 2.6 | - | 2.6 | - | - | 2.6 | - | - | 2.6 | - | 2.6 |
| Bank borrowings | 1,238.5 | 127.7 | 1,366.2 | - | 1,366.2 | - | - | - | 1,366.2 | - | 1,366.2 |
| **Sub-total of borrowings** | **1,241.0** | **127.7** | **1,368.8** | **-** | **1,366.2** | **2.6** | **-** | **-** | **1,368.8** | **-** | **1,368.8** |
| Of which: | | | | | | | - | | | | |
| • *measured at amortised cost* | *1,238.5* | *127.7* | *1,366.2* | - | *1,366.2* | - | - | - | *1,366.2* | - | *1,366.2* |
| • *measured according to the "fair value" option* | *2.6* | - | *2.6* | - | - | *2.6* | - | - | *2.6* | - | *2.6* |
| Negative fair value of hedging instruments* | - | 7.8 | 7.8 | - | - | - | 7.8 | - | 7.8 | - | 7.8 |
| Negative fair value of trading derivatives | - | 2.9 | 2.9 | - | - | 2.9 | - | - | 2.9 | - | 2.9 |
| **Financial debt and long-term borrowings** | **1,241.0** | **138.4** | **1,379.5** | **-** | **1,366.2** | **5.4** | **7.8** | **-** | **1,379.5** | **-** | **1,379.5** |
| Bank loans and overdrafts | - | 168.8 | 168.8 | - | 168.8 | - | - | - | 168.8 | - | 168.8 |
| **TOTAL CURRENT AND NON-CURRENT FINANCIAL LIABILITIES** | **1,241.0** | **307.3** | **1,548.3** | **-** | **1,535.0** | **5.4** | **7.8** | **-** | **1,548.3** | **-** | **1,548.3** |
| **Group net financial debt** | **1,208.2** | **(233.7)** | **974.5** | **-** | **1,498.3** | **(471.6)** | **(52.3)** | **-** | **974.5** | **-** | **974.5** |

* *Excludes the fair value of commodities as these items are presented in 5.13 - Management of commodity price risk.*

| 31/12/2021 | | | | Financial instruments | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance sheet item and instrument class** *(€ million)* | **Non-current** | **Current** | **Net carrying amount of class in balance sheet** | **At fair value through equity** | **Loans, receivables, debt at amortised cost** | **At fair value through profit or 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* | *1,180.7* | *161.0* | *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** |

* *Excludes the fair value of commodities as these items are presented in 5.13 - Management of commodity price risk.*

## 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 2022, the Group held derivative financial instruments:

- eligible for hedge accounting and recognised as cash flow hedges (CFH);
- or 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 *(€ million)* | Hedge accounting | Fair value (excl. premiums) at 31/12/2021 | Changes in equity (reclassifiable reserves) | | Latent financial income | Financial income generated | Premiums payable | Fair value (excl. premiums) at 31/12/2022 | Premium to be amortised at 31/12/2022 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Changes | Reclassified | Changes | Changes | Changes | | |
| Interest rates | Cash flow | (0.4) | 45.7 | 1.8 | 0.2 | - | 4.3 | 51.7 | (5.7) |
| Interest rates | Trading | (2.6) | - | - | 2.6 | - | - | - | - |
| **Total interest rates** | | **(2.9)** | **45.7** | **1.8** | **2.7** | **-** | **4.3** | **51.7** | **(5.7)** |
| FX | Cash flow | 0.3 | 0.7 | (0.4) | - | - | - | 0.6 | - |
| FX | Trading | 0.3 | - | - | (1.5) | - | - | (1.3) | - |
| **Total FX** | | **0.5** | **0.7** | **(0.4)** | **(1.6)** | **-** | **-** | **(0.7)** | **-** |
| Commodities | Cash flow | 4.6 | 24.9 | (28.7) | 0.2 | - | - | 1.0 | - |
| Commodities | Trading | (0.1) | - | - | (0.2) | - | - | (0.3) | - |
| **Total commodities** | | **4.5** | **24.9** | **(28.7)** | **-** | **-** | **-** | **0.7** | **-** |
| **TOTAL** | | **2.1** | **71.3** | **(27.2)** | **1.2** | **-** | **4.3** | **51.7** | **(5.7)** |

Interest rate and foreign exchange derivatives are recorded in the statement of financial position at fair value in the following amounts:

| | 31/12/2022 | | | 31/12/2021 | | |
|---|---|---|---|---|---|---|
| *(€ million)* | Non-current | Current | Total | Non-current | Current | Total |
| Derivative assets | | | | | | |
| Cash flow hedges | - | 60.1 | 60.1 | - | 2.6 | 2.6 |
| Fair value hedges | - | - | - | - | - | - |
| Transaction hedges | - | 1.4 | 1.4 | - | 0.7 | 0.7 |
| Net foreign investment hedges | - | - | - | - | - | - |
| **TOTAL DERIVATIVE INSTRUMENTS ASSETS** | **-** | **61.6** | **61.6** | **-** | **3.3** | **3.3** |
| Derivative liabilities | | | | | | |
| Cash flow hedges | - | 7.8 | 7.8 | - | 2.7 | 2.7 |
| Fair value hedges | - | - | - | - | - | - |
| Transaction hedges | - | 2.9 | 2.9 | - | 3.0 | 3.0 |
| Net foreign investment hedges | - | - | - | - | - | - |
| **TOTAL DERIVATIVE INSTRUMENTS LIABILITIES** | **-** | **10.7** | **10.7** | **-** | **5.7** | **5.7** |

The following table presents, by type of risk, the economic connection between derivatives and the items hedged:

| 2022 | FV of derivatives | Change in FV of derivatives | Change in FV of hedged item | Inefficiency of hedging |
|---|---|---|---|---|
| GKSAS | | | | |
| **CFH** | | | | |
| Interest rates | 51.7 | 52.1 | (52.0) | - |
| FX | 0.6 | 0.3 | (0.3) | - |
| Commodities | 1.0 | (3.6) | 3.6 | - |
| **Trading** | | | | |
| Interest rates | - | 2.6 | - | - |
| FX | (1.3) | (1.5) | - | - |
| Commodities | (0.3) | (0.2) | - | - |

| 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 | - | - |

The impact on reclassifiable equity (other comprehensive income) is as follows:

| *(€ million)* | Equity as items which may be reclassified |
|---|---|
| **Start of the period at 1 January 2021** | **(14.5)** |
| **Reclassifiable to profit or 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)** |
| **End of the period at 31 December 2021** | **2.3** |
| **Start of the period at 1 January 2022** | **2.3** |
| **Reclassifiable to profit or loss** | **(27.2)** |
| **Change in effective value on cash flow hedge instruments** | **71.3** |
| Interest rate hedging | 45.6 |
| Foreign exchange hedging | 0.7 |
| *Including future transactions hedged* | - |
| Price risk hedging | 24.9 |
| **Change in cost of hedging** | **-** |
| Interest rate hedging | - |
| Foreign exchange hedging | - |
| Price risk hedging | - |
| **Exchange difference** | **0.1** |
| **End of the period at 31 December 2022** | **46.5** |

## Breaking of hedging relationships

A hedging relationship is broken from the moment that the conditions ensuring its effectiveness are no longer fulfilled under IFRS 9, 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.

| 2022 | 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 conso** | | | | |
| **CFH** | | | | |
| Interest rates | 45.3 | - | 1.8 | - |
| FX | 0.6 | - | (0.4) | - |
| Commodities | 0.7 | - | (28.7) | - |

| 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 conso | | | | |
| **CFH** | | | | |
| Interest rates | (2.2) | - | 3.7 | 2.6 |
| FX | 0.3 | - | - | - |
| Commodities | 4.4 | - | (5.1) | - |

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 2022 was 100% hedged in economic terms.

Commodity 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 breakdown of the Group's net debt is as follows:

| *(€ million)* | **31/12/2022** | 31/12/2021 |
|---|---|---|
| **Financial debt and long-term borrowings restated for financial liabilities for concessions*** | **1,380.2** | **1,350.7** |
| **Cash and cash equivalents** | **(306.7)** | **(280.1)** |
| Accrued interest receivable | (3.4) | (1.3) |
| Loans and receivables | (29.5) | (30.8) |
| Deposits and guarantees | (3.7) | (4.3) |
| Derivative assets | (61.6) | (3.3) |
| Employee profit sharing | (0.7) | (0.7) |
| **Net financial debt** | **974.5** | **1,030.1** |

* *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 borrowings and financial debt before and after derivative instruments (hedging and trading) is as follows:

| | Initial debt structure | | Structure after hedging | |
|---|---|---|---|---|
| *(€ million)* | **31/12/2022** | 31/12/2021 | **31/12/2022** | 31/12/2021 |
| Fixed rates | 139.7 | 157.0 | 1,015.7 | 825.2 |
| Variable rates | 1,240.5 | 1,193.7 | 364.5 | 525.5 |
| **TOTAL BORROWINGS AND DEBT** | **1,380.2** | **1,350.7** | **1,380.2** | **1,350.7** |

### Analysis of sensitivity

At 31 December 2022, 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 P&L | +50 bp Reclassifiable reserves | -50 bp P&L | -50 bp Reclassifiable reserves |
|---|---|---|---|---|
| Variable financial instruments (after taking into account fair value hedges) | (4.5) | - | 4.5 | - |
| Liabilities for fair value options | - | - | - | - |
| Derivatives not qualifying as hedges | - | - | - | - |
| Derivatives qualifying as cash flow hedges | - | 3.2 | - | (3.2) |
| **ANALYSIS OF SENSITIVITY** | **(4.5)** | **3.2** | **4.5** | **(3.2)** |

On the basis of the debt structure at 31 December 2022, a variation in the interest rate curve of +/-50 basis points over five years would affect the cost of financial borrowings as follows:

| *(€ million)* | +50 bp P&L | +50 bp Reclassifiable reserves | -50 bp P&L | -50 bp Reclassifiable reserves |
|---|---|---|---|---|
| Variable financial instruments (after taking into account fair value hedges) | (22.4) | - | 22.4 | - |
| Liabilities for fair value options | - | - | - | - |
| Derivatives not qualifying as hedges | - | - | - | - |
| Derivatives qualifying as cash flow hedges | 0.1 | 13.2 | (0.1) | (13.3) |
| **ANALYSIS OF SENSITIVITY** | **(22.4)** | **13.2** | **22.4** | **(13.3)** |

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 31/12/2022 | | | | | Fair value in the balance sheet as at 31/12/2021 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 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 | 21.7 | - | - | - | 21.7 | - | - | - | - | - |
| Interest rate options | 37.8 | - | - | - | 37.8 | 2.4 | - | - | - | 2.4 |
| **Derivative assets** | **59.5** | **-** | **-** | **-** | **59.5** | **2.4** | **-** | **-** | **-** | **2.4** |
| Fixed-rate receiver swaps | - | - | - | - | - | - | - | - | - | - |
| Fixed-rate payer swaps | - | - | - | - | - | 2.7 | - | 2.6 | - | 5.3 |
| Interest rate options | 7.8 | - | - | - | 7.8 | - | - | - | - | - |
| **Derivative liabilities** | **7.8** | **-** | **-** | **-** | **7.8** | **2.8** | **-** | **2.6** | **-** | **5.3** |
| **INTEREST RATE NET POSITION** | **51.7** | **-** | **-** | **-** | **51.7** | **(0.4)** | **-** | **(2.6)** | **-** | **(2.9)** |

The nominal amounts of derivative financial instruments are detailed below:

| (€ million) | 31/12/2022 | | 31/12/2021 | |
|---|---|---|---|---|
| | Net long-term debt | Net short-term debt | Net long-term debt | Net short-term debt |
| Fixed-rate receiver swaps | - | - | - | - |
| Fixed-rate payer swaps | 273.8 | 34.7 | 217.9 | - |
| Index swaps | - | - | - | - |
| Interest rate options | 418.8 | 148.8 | 390.4 | - |

All of the interest rate hedging instruments held at 31 December 2022 mature between 2023 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 changes.

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 2022, 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 31/12/2022 | | | | | Fair value in the balance sheet as at 31/12/2021 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| *(€ 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 | 0.1 | - | 1.0 | - | 1.1 | - | - | 0.7 | - | 0.7 |
| Forward purchase of currencies | 0.5 | - | 0.5 | - | 0.9 | 0.1 | - | - | - | 0.1 |
| Currency options | - | - | - | - | - | 0.1 | - | - | - | 0.1 |
| **Derivative assets** | **0.6** | **-** | **1.4** | **-** | **2.0** | **0.2** | **-** | **0.7** | **-** | **0.9** |
| Currency swaps | - | - | 2.7 | - | 2.7 | - | - | 0.4 | - | 0.4 |
| Forward purchase of currencies | - | - | - | - | - | - | - | - | - | - |
| Currency options | - | - | - | - | - | (0.1) | - | - | - | (0.1) |
| **Derivative liabilities** | **-** | **-** | **2.7** | **-** | **2.7** | **(0.1)** | **-** | **0.4** | **-** | **0.3** |
| **NET POSITION ON CURRENCIES** | **0.6** | **-** | **(1.3)** | **-** | **(0.7)** | **0.3** | **-** | **0.3** | **-** | **0.5** |

The derivative financial instruments mainly hedge transactions in the following currencies: AED, AUD, CAD, DKK, GBP, SEK, USD.

All of the foreign exchange hedging derivatives held at 31 December 2022 mature in 2023.

### 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 economic terms, in 2022, Keolis hedged 82% of budgeted exposed diesel volumes.

Commodity 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:

| | Fair value in the balance sheet as at 31/12/2022 | | | | Fair value in the balance sheet as at 31/12/2021 | | | |
|---|---|---|---|---|---|---|---|---|
| *(€ million)* | **Cash flow hedge** | **Fair value hedge** | **Trading** | **TOTAL** | Cash flow hedge | Fair value hedge | Trading | TOTAL |
| Swaps on petroleum products | 3.5 | - | - | 3.5 | 3.9 | - | - | 3.9 |
| Swaptions on petroleum products | - | - | - | - | - | - | - | - |
| Forward purchase of electricity | - | - | - | - | - | - | - | - |
| Collars – assets | 0.9 | - | - | 0.9 | 1.1 | - | - | 1.1 |
| **Derivatives on commodities assets** | **4.4** | **-** | **-** | **4.4** | **5.0** | **-** | **-** | **5.0** |
| Swaps on petroleum products | 2.8 | - | 0.3 | 3.1 | 0.1 | - | 0.1 | 0.2 |
| Collars – liabilities | 0.7 | - | - | 0.7 | 0.3 | - | - | 0.3 |
| Forward purchase of electricity | - | - | - | - | - | - | - | - |
| **Derivatives on commodities liabilities** | **3.5** | **-** | **0.3** | **3.7** | **0.4** | **-** | **0.1** | **0.5** |
| **NET POSITION ON COMMODITIES** | **1.0** | **-** | **(0.3)** | **0.7** | **4.6** | **-** | **(0.1)** | **4.5** |

At 31 December 2022, commodity derivative financial instruments represented a volume of 59,788 tonnes (compared with 53,155 tonnes at 31 December 2021):

## Counterparty risk

The transactions generating a potential counterparty risk for the Group were mainly as follows:

- cash investments;
- 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 2022:

- 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 2022, the available renewable syndicated credit line of €900 million was drawn down in the amount of €230 million. The undrawn balance amounted to €670 million. This credit line is available to GROUPE KEOLIS S.A.S. and Keolis SA.

The following table shows the reimbursement schedule for the syndicated credit line 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 2022**

| *(€ million)* | <=1 year | 2 years | 3 to 5 years | > 5 years |
|---|---|---|---|---|
| Financial debt | 13.6 | 23.6 | 1,058.2 | 29.0 |
| Debt expense | (9.5) | (8.5) | (16.1) | (0.6) |
| *Of which interest rate hedges* | *(2.7)* | *(2.5)* | *(3.8)* | *(0.6)* |

The forecasted interest expenses on the debt are calculated on the gross debt on the basis of the interest rate on 31 December 2022, 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 2022 financial statements without any identified cash risk for 2023.

## 5.14 Provisions

**ANALYSIS BY TYPE**

| | 31/12/2022 | | | 31/12/2021 | | |
|---|---|---|---|---|---|---|
| *(€ million)* | More than one year | Less than one year | Total | More than one year | Less than one year | Total |
| Pensions | 50.2 | 13.6 | 63.8 | 57.3 | 11.9 | 69.2 |
| Other employee benefits | 18.6 | 1.8 | 20.4 | 27.0 | 2.2 | 29.2 |
| Employment and tax risks | 23.5 | 31.1 | 54.7 | 22.6 | 36.3 | 58.9 |
| Losses on contract | 18.0 | 1.8 | 19.9 | 15.4 | 0.9 | 16.4 |
| Major repairs and refurbishment | 5.3 | 7.3 | 12.6 | 7.1 | 5.1 | 12.2 |
| Other | 19.9 | 7.5 | 27.4 | 11.7 | 7.1 | 18.7 |
| **TOTAL** | **135.6** | **63.1** | **198.8** | **141.1** | **63.5** | **204.6** |

**CHANGES DURING THE FINANCIAL YEAR**

| *(€ million)* | 01/01/2022 | Charge | Reversals | Changes in scope | Other changes | 31/12/2022 |
|---|---|---|---|---|---|---|
| Pensions | 69.2 | 6.7 | (7.8) | - | (4.3) | 63.8 |
| Other employee benefits | 29.2 | - | (8.9) | - | 0.1 | 20.4 |
| Employment and tax risks | 58.9 | 14.9 | (16.1) | (0.1) | (2.9) | 54.7 |
| Losses on contract termination and loss-making contracts | 16.4 | 12.7 | (9.3) | - | 0.2 | 19.9 |
| Major repairs and refurbishment | 12.2 | 3.1 | (0.2) | - | (2.4) | 12.6 |
| Other | 18.7 | 20.1 | (14.2) | 0.3 | 2.5 | 27.4 |
| **TOTAL** | **204.6** | **57.4** | **(56.6)** | **0.2** | **(6.7)** | **198.8** |

At 31 December 2022, reversals of provisions, amounting to €56.6 million, broke down into reversals used for an amount of €41.8 million. Reversals of provisions without use amounted to €14.8 million.

### Pensions and similar benefits

The commitments recognised in the statement of financial position break down as follows:

| *(€ million)* | 31/12/2022 | 31/12/2021 |
|---|---|---|
| ***Commitments recorded in the statement of financial position:*** | | |
| Pensions and other post-employment benefits | 63.8 | 69.2 |
| Other employee benefits | 20.4 | 29.2 |
| **TOTAL** | **84.2** | **98.4** |
| *Of which:* | | |
| • *Non-current* | *68.7* | *84.3* |
| • *Current* | *15.4* | *14.1* |

### 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:

| | 31/12/2022 | 31/12/2021 |
|---|---|---|
| *(%)* | France | France |
| Discount rate | 3.28 | 0.56 |
| Rate of increase in salaries | 4.44 | 4.06 |
| Expected rate of return on assets | 3.28 | 0.56 |

The plan assets break down as follows:

| | 31/12/2022 | 31/12/2021 |
|---|---|---|
| *(€ million)* | France | France |
| Equities | - | - |
| Bonds | 0.1 | 0.2 |
| Real estate | - | - |
| Other | - | - |

The sensitivity to discount rates is as follows, in relation to the assumptions adopted:

| *(€ million)* | Commitment at 31/12/2022 | Service cost 2023 | Financial cost 2023 |
|---|---|---|---|
| Discount rate of -0.5% | 66.2 | 5.3 | 1.7 |
| Discount rate (basic assumption) | 63.8 | 5.0 | 1.9 |
| Discount rate of +0.5% | 61.7 | 4.7 | 2.1 |

### Commitments recorded in the statement of financial position

The commitments recognised in the statement of financial position break down as follows:

| *(€ million)* | **31/12/2022** | 31/12/2021 |
|---|---|---|
| Present value of non-financed liabilities | 62.6 | 68 |
| Present value of financed liabilities | 1.3 | 1.5 |
| **PRESENT VALUE OF TOTAL LIABILITIES** | **63.9** | **69.5** |
| Fair value of pension plan assets | (0.2) | (0.3) |
| **PRESENT VALUE OF NET LIABILITIES RECOGNISED** | **63.8** | **69.2** |

### Analysis of changes in hedging liabilities and assets

The net present value of the liabilities comprises:

| *(€ million)* | **31/12/2022** | 31/12/2021 |
|---|---|---|
| **NET PRESENT VALUE OF LIABILITIES AT 1 JANUARY** | **69.4** | **79.2** |
| Service cost | 6.2 | 6.6 |
| Financial cost (including Franchise Adjustment) | 0.4 | 0.1 |
| Benefits paid | (7.8) | (8.0) |
| Employee contributions | - | - |
| Changes in pension schemes | 0.1 | 2.2 |
| Actuarial gains and losses | (11.9) | (1.8) |
| Foreign exchange translation differences and change in methods* | - | (9.6) |
| Effect of changes in consolidation scope | 7.7 | 0.5 |
| Effect of reductions and pension scheme settlements | - | 0.2 |
| **NET PRESENT VALUE OF LIABILITIES AT END OF PERIOD** | **63.9** | **69.4** |

* *At 31 December 2021, the line "Foreign exchange translation differences and change in methods" includes -€10 million related to the change in the IFRIC accounting method.*

The fair value of the assets comprises:

| *(€ million)* | **31/12/2022** | 31/12/2021 |
|---|---|---|
| **FAIR VALUE OF PENSION PLAN ASSETS AT 1 JANUARY** | **0.3** | **0.4** |
| Expected return on assets | - | - |
| Actuarial gains and losses on pension fund returns | - | (0.1) |
| Employer contributions | - | - |
| Employee contributions | - | - |
| Benefits paid | (0.2) | - |
| Foreign exchange translation difference | - | - |
| Effect of changes in consolidation scope | - | - |
| Effect of reductions and pension scheme settlements | - | - |
| **FAIR VALUE OF PENSION PLAN ASSETS AT END OF PERIOD** | **0.2** | **0.3** |

Actuarial gains and losses relating to changes in assumptions and experience gains and losses are as follows:

| *(€ million)* | **31/12/2022** | 31/12/2021 |
|---|---|---|
| Impact of changes in assumptions | (12.5) | (2.0) |
| Losses/(gains) in the light of experience | (1.0) | (2.6) |
| Amendment of time-frame | 1.7 | 2.8 |
| **Actuarial gains and losses for the year** | **(11.9)** | **(1.8)** |

Obligations and assets by geographical area break down as follows:

| | **At 31/12/2022** | |
|---|---|---|
| *(€ million)* | **France** | **Total** |
| Present value of obligations | 63.9 | 63.9 |
| Fair value of pension plan assets | (0.2) | (0.2) |
| **NET PRESENT VALUE OF OBLIGATIONS** | **63.8** | **63.8** |

## Benefit cost for the financial year

The cost of benefits recognised in the income statement breaks down as follows:

| *(€ million)* | **31/12/2022** | 31/12/2021 |
|---|---|---|
| Service cost | 6.2 | 6.6 |
| Interest cost | 0.4 | 0.1 |
| Expected return on assets | - | - |
| Changes in pension schemes | 0.1 | 2.2 |
| Effect of reductions and pension scheme settlements | - | 0.2 |
| **TOTAL EXPENSE RECOGNISED IN THE INCOME STATEMENT** | **6.7** | **9.1** |

The service cost is recognised in staff expenses.

The interest cost on liabilities and the expected return on the pension plan assets are recognised as financial expenses and financial income respectively.

## Change in net obligation recognised in liabilities in the statement of financial position

| *(€ million)* | **31/12/2022** | 31/12/2021 |
|---|---|---|
| **OPENING PROVISION AT 1 JANUARY** | **69.2** | **78.8** |
| Entry into the scope of consolidation | 7.7 | 0.5 |
| Benefit cost for the financial year | 6.7 | 9.1 |
| Used (Benefits/Contributions paid) | (7.6) | (8.0) |
| Provision charged to/(reversed from) equity | (11.9) | (1.8) |
| Foreign exchange translation differences and other changes* | - | (9.4) |
| **CLOSING PROVISION AT 31 DECEMBER** | **63.8** | **69.2** |

* *At 31 December 2021, the "Other changes" line includes -€10 million related to the change in the IFRIC accounting method.*

The cumulative changes in charges/(reversals) recognised directly in equity are as follows:

| *(€ million)* | 31/12/2022 | 31/12/2021 |
|---|---|---|
| **CUMULATIVE OPENING BALANCE OF CHARGES/(REVERSALS)** | **(27.9)** | **(26.3)** |
| Actuarial gains and losses for the year | (11.9) | (1.8) |
| Franchise Adjustment incl. foreign exchange translation differences | - | 0.2 |
| **CUMULATIVE CLOSING BALANCE OF CHARGES/(REVERSALS)** | **(39.8)** | **(27.9)** |

Changes for the current financial year and for the three previous ones:

| *(€ million)* | 31/12/2022 | 31/12/2021 | 31/12/2020 | 31/12/2019 |
|---|---|---|---|---|
| Present value of the defined benefit liabilities | 64.1 | 69.4 | 79.2 | 85.0 |
| Fair value of pension plan assets | (0.2) | (0.3) | (0.4) | (0.6) |
| **Surplus (deficit) of the pension scheme** | **63.9** | **69.1** | **78.8** | **84.4** |
| Adjustments related to experience | (1.0) | (2.6) | (1.0) | (5.3) |
| Amendment of time-frame | 1.7 | 2.8 | - | (78.6) |

### 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)* | 01/01/2022 | Charge | Reversals | Changes in scope | Other | 31/12/2022 |
|---|---|---|---|---|---|---|
| France – long service awards | 15.1 | 2.0 | (0.8) | 0.4 | (9.3) | 7.5 |
| USA – healthcare expenses of retired employees | 14.1 | (0.8) | - | - | (0.3) | 12.9 |
| **TOTAL** | **29.2** | **1.1** | **(0.8)** | **0.4** | **(9.6)** | **20.4** |

## 5.15 Trade and other liabilities

| *(€ million)* | 31/12/2022 | 31/12/2021 |
|---|---|---|
| Customers: advances and deposits received | 75.9 | 101.9 |
| Trade payables | 775.4 | 693.1 |
| Payables to PPE suppliers | 101.3 | 96.8 |
| Payables to staff | 596.5 | 581.8 |
| Central government and local authorities | 185.9 | 163.5 |
| Deferred income* | 327.0 | 324.7 |
| Other | 249.0 | 268.8 |
| **TOTAL** | **2,310.9** | **2,230.6** |

* *Including €108.2 million in financial liabilities for concessions in 2022, compared to €106.5 million in 2021.*

## 6 OFF-STATEMENT OF FINANCIAL POSITION COMMITMENTS AND CONTRACTUAL OBLIGATIONS

| *(€ million)* | 31/12/2022 | 31/12/2021 |
|---|---|---|
| Unused credit lines | 709.7 | 784.3 |
| Guarantees received as collateral | 15.0 | 14.8 |
| **TOTAL COMMITMENTS AND GUARANTEES RECEIVED** | **724.6** | **799.2** |
| Guarantees to purchase | 2.6 | 1.7 |
| Guarantees given for operating commitments | 1,262.5 | 1,527.3 |
| Securities provided | 51.7 | 51.7 |
| **TOTAL COMMITMENTS AND GUARANTEES GIVEN** | **1,316.9** | **1,580.8** |

Path rights (*i.e.* rail access rights) are included in the line “Guarantees given for operating commitments”, in the amount of €1.2 million at 31 December 2022 compared to €1.7 million at 31 December 2021.

## 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, on the execution of contracts 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, and in the absence of feedback, Keolis did not provision this risk at 31 December 2022.

The companies Govia Thameslink Railway Limited (GTR) and London South Eastern Railway (LSER) and their parent company Govia Limited (Govia), 35%-owned by Keolis UK, were involved in three class actions for abuse of dominant position, including two relating to the provision of pricing information in border areas (LSER and GTR) (“Actions 1 and 3”) and information on pricing practices (GTR) (“Action 2”).

The parent companies of LSER (Govia Limited (Govia), The Go-Ahead Group Limited (Go-Ahead) and Keolis UK are parties to the claims and it is alleged that they are jointly and severally liable with LSER and GTR for their shares in the subsidiaries.

Actions 1 and 2 were certified by the Competition Court (TASC) on 19 October 2021 and 25 July 2022 respectively. This means that the appeals were deemed admissible.

On 24 November 2021, Action 2 was filed, alleging that GTR is abusing a dominant position through its pricing practices on the main line to Brighton.

Procedures on the fund are still in their early stages following their certification. They will now be the subject of adversarial discussions and hearings before the TASC.

The latter indicated that Action 2 would be the subject of a trial in two phases, the first taking place at the end of 2023, and that the Ministry of Transport (DfT) was entitled to intervene; in accordance with its wishes, Actions 1 and 3, including whether they will be heard jointly, and whether the DfT could be authorised to intervene, will be determined at a joint TASC hearing with GTR and LSER scheduled for 22 March 2023.

There is no legal precedent for this type of class action, or how it would be valued if it were deemed valid, so no provision has been made in relation to these class actions.

Consequently, Keolis UK cannot make a reliable estimate of the contingent liability or cash flow impact with respect to these shares at the time of publication of this report.

# 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, and under normal market conditions.

## 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 executives in the Group are defined as being the Company corporate officers of GROUPE KEOLIS S.A.S. and the members of the Executive Committee. The remuneration and other short-term benefits of these key executives amounted to €4.3 million in 2022 compared to €4 million in 2021.

The following director's fees were paid to independent directors: €0.35 million in 2022, compared to €0.31 million in 2021.

There are no outstanding advances or credit facilities extended to members of the Group's management or executive bodies.

# 9 POST-BALANCE SHEET EVENTS

None.

# 10 SCOPE OF CONSOLIDATION

## 10.1 Subsidiaries

| Name | Method of consolidation | % of shareholding | Country |
|---|---|---|---|
| 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 Platinium | Fully consolidated (FC) | 100.00 | FRANCE |
| Ambulances Blanc | Fully consolidated (FC) | 100.00 | FRANCE |
| Ambulances Gaillacoises AAAT | Fully consolidated (FC) | 100.00 | FRANCE |
| ASC Groupe | Fully consolidated (FC) | 100.00 | FRANCE |
| 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 |
| Cars Verts Voyages* | Fully consolidated (FC) | 100.00 | FRANCE |
| Compagnie du Blanc Argent | Fully consolidated (FC) | 99.43 | FRANCE |
| Cykleo | Fully consolidated (FC) | 100.00 | FRANCE |
| EFFIA (holding company) | Fully consolidated (FC) | 100.00 | FRANCE |
| EFFIA Asnières-sur-Seine | Fully consolidated (FC) | 100.00 | FRANCE |
| EFFIA Bourg-la-Reine* | 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 CHU Rouen | 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 Lille | Fully consolidated (FC) | 100.00 | FRANCE |
| EFFIA Stationnement Lyon | Fully consolidated (FC) | 100.00 | FRANCE |

* *Including entries into the scope in 2022 (see below).*

| Name | Method of consolidation | % of shareholding | Country |
|---|---|---|---|
| EFFIA Stationnement Marseille | Fully consolidated (FC) | 100.00 | FRANCE |
| EFFIA Stationnement Nice Mozart | 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 |
| EFFIA Yerres* | 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 |
| GEP Vidal | Fully consolidated (FC) | 100.00 | FRANCE |
| GR4 Crolles | Fully consolidated (FC) | 48.00 | FRANCE |
| Groupe Keolis SAS | Fully consolidated (FC) | 100.00 | FRANCE |
| Holding Rochette Participations Montverdun | Fully consolidated (FC) | 100.00 | FRANCE |
| Holding Striebig | Fully consolidated (FC) | 100.00 | FRANCE |
| Hove | Fully consolidated (FC) | 100.00 | FRANCE |
| Institut Keolis | Fully consolidated (FC) | 100.00 | FRANCE |
| Jussieu Secours France | 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 Boucles 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 |

* *Including entries into the scope in 2022 (see below).*

| Name | Method of consolidation | % of shareholding | Country |
|---|---|---|---|
| Keolis Besançon Mobilités | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Blois | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Bordeaux | Fully consolidated (FC) | 99.99 | FRANCE |
| Keolis Bordeaux Métropole | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Bordeaux Métropole Mobilité* | 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 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 Châlons-en-Champagne | Fully consolidated (FC) | 99.24 | FRANCE |
| Keolis Chambéry | Fully consolidated (FC) | 100.00 | 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'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 Dijon Multimodalité* | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Dole | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Drouais | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis en Cévennes | Fully consolidated (FC) | 99.19 | FRANCE |
| Keolis Épinal | 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 |

* *Including entries into the scope in 2022 (see below).*

| Name | Method of consolidation | % of shareholding | Country |
|---|---|---|---|
| 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 Hainaut Valenciennois* | 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 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 |
| 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 Essonne* | 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 Mont-Saint-Michel* | 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 |

* *Including entries into the scope in 2022 (see below).*

| Name | Method of consolidation | % of shareholding | Country |
|---|---|---|---|
| Keolis Orly Rungis | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Ouest Val-de-Marne | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Pays d'Aix | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Pays d'Artois | 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 Perpignan Méditerranée* | 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 Portes du Dauphiné | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Portes et Val de Brie* | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Pyrénées | Fully consolidated (FC) | 97.11 | FRANCE |
| Keolis Quimper | Fully consolidated (FC) | 100.00 | FRANCE |
| 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 Saintes | 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 Santé Nord Finistère | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Santé Nord Gironde | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Santé Nord Loire | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Santé Nouvelle Aquitaine Nord | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Santé Nouvelle Aquitaine Sud | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Santé Pays de Retz | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Santé Sud Loire Vendée | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Santé Yvelines | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Seine Essonne | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Seine et Oise Est | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Seine Maritime | 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 |

* *Including entries into the scope in 2022 (see below).*

| Name | Method of consolidation | % of shareholding | Country |
|---|---|---|---|
| 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 de Saône | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Val d'Essonne 2 Vallées* | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Val d'Oise | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Val d'Yerres Val de Seine* | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Val Hainaut | Fully consolidated (FC) | 96.32 | FRANCE |
| Keolis Vélizy | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Vélizy Vallée de la Bièvre* | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Versailles | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Vesoul | 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 Services & Consulting | Fully consolidated (FC) | 100.00 | FRANCE |
| KO Haguenau | Fully consolidated (FC) | 100.00 | FRANCE |
| KO Porte de l'Isère | Fully consolidated (FC) | 100.00 | FRANCE |
| KORRIVA | Fully consolidated (FC) | 100.00 | FRANCE |
| L2O | 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 |
| 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 |

* *Including entries into the scope in 2022 (see below).*

| Name | Method of consolidation | % of shareholding | Country |
|---|---|---|---|
| Orset Investissement | Fully consolidated (FC) | 100.00 | FRANCE |
| Pacific Car | Fully consolidated (FC) | 100.00 | FRANCE |
| Phocéens Cars | Fully consolidated (FC) | 100.00 | FRANCE |
| SAP Cariane Provence | Fully consolidated (FC) | 100.00 | FRANCE |
| SATRVAM | Fully consolidated (FC) | 100.00 | FRANCE |
| Société Bordelaise d'Exploitation de Services | Fully consolidated (FC) | 100.00 | FRANCE |
| Société du Parc Lyon-Diderot | Fully consolidated (FC) | 50.00 | FRANCE |
| Société Nantaise de Fourrière Automobile | 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 |
| Sodetrav | Fully consolidated (FC) | 100.00 | FRANCE |
| STEFIM | 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 |
| 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 |
| Transport Daniel MEYER | Fully consolidated (FC) | 100.00 | FRANCE |
| Transports de la Brière | Fully consolidated (FC) | 95.00 | FRANCE |
| Transports Evrard | Fully consolidated (FC) | 100.00 | FRANCE |
| Transports Pagès* | Fully consolidated (FC) | 100.00 | FRANCE |
| Voyages Autocars Services | Fully consolidated (FC) | 100.00 | FRANCE |
| Voyages Chargelègue | 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 |

* *Including entries into the scope in 2022 (see below).*

| Name | Method of consolidation | % of shareholding | Country |
|---|---|---|---|
| Link SA 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 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 |
| 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 |
| 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 Belgium | Fully consolidated (FC) | 100.00 | BELGIUM |
| Keolis Vlaanderen | Fully consolidated (FC) | 100.00 | BELGIUM |
| Modern Toerisme NV | 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 |
| NV Autobusbedrijf Bronckaers | Fully consolidated (FC) | 100.00 | BELGIUM |
| NV Autobussen De Reys | 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 |

* *Including entries into the scope in 2022 (see below).*

| Name | Method of consolidation | % of shareholding | Country |
|---|---|---|---|
| STACA (KBO) | Fully consolidated (FC) | 100.00 | BELGIUM |
| T.C.M. 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 |
| 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 Côte d'Ivoire* | Fully consolidated (FC) | 100.00 | CÔTE D'IVOIRE |
| Keolis Denmark | 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 |
| Keolis Transit America | Fully consolidated (FC) | 100.00 | UNITED STATES |
| Keolis Amey Consulting Ltd | 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 |
| Keolis Ré* | Fully consolidated (FC) | 100.00 | LUXEMBOURG |
| Kilux | Fully consolidated (FC) | 100.00 | LUXEMBOURG |
| 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 |
| Terminal G* | Fully consolidated (FC) | 100.00 | SWEDEN |

* *Including entries into the scope in 2022 (see below).*

### Companies included in the scope of consolidation in 2022

| Name | Method of consolidation | % of shareholding | Country |
|---|---|---|---|
| Cars Verts Voyages | Fully consolidated (FC) | 100.00 | FRANCE |
| EFFIA Bourg-la-Reine | Fully consolidated (FC) | 100.00 | FRANCE |
| EFFIA Yerres | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Bordeaux Métropole Mobilité | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Dijon Multimodalité | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Mobilité Essonne | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Mont-Saint-Michel | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Hainaut Valenciennois | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Perpignan Méditerranée | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Porte de l'Isère | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Portes et Val de Brie | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Val d'Essonne 2 Vallées | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Val d'Yerres Val de Seine | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Vélizy Vallée de la Bièvre | Fully consolidated (FC) | 100.00 | FRANCE |
| Transports Pagès | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Côte d'Ivoire | Fully consolidated (FC) | 100.00 | CÔTE D'IVOIRE |
| Keolis Ré | Fully consolidated (FC) | 100.00 | LUXEMBOURG |
| Terminal G | Fully consolidated (FC) | 100.00 | SWEDEN |

### Companies removed from the scope of consolidation in 2022

| Name | Method of consolidation (before removal) | % of shareholding (before removal) | Country |
|---|---|---|---|
| A85 Assistances | Fully consolidated (FC) | 100.00 | FRANCE |
| ADN | Fully consolidated (FC) | 100.00 | FRANCE |
| Ambulance Angers | Fully consolidated (FC) | 100.00 | FRANCE |
| Ambulance Anjou Touraine | Fully consolidated (FC) | 100.00 | FRANCE |
| Ambulance Douillard | Fully consolidated (FC) | 100.00 | FRANCE |
| Ambulance Florentaise | 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 Alienor d'Aquitaine | 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 |

| Name | Method of consolidation (before removal) | % of shareholding (before removal) | Country |
|---|---|---|---|
| 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 |
| DM Finance | Fully consolidated (FC) | 100.00 | FRANCE |
| EFFIA Stationnement Grenoble | Fully consolidated (FC) | 100.00 | FRANCE |
| Financière Franck Salat | Fully consolidated (FC) | 100.00 | FRANCE |
| Guillou Aillerie | Fully consolidated (FC) | 100.00 | FRANCE |
| Inter Ambulances | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Blois Mobilités | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Brest | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Centre | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Charente Maritime | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Côte d’Azur | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Laval Mobilités | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Oyonnax | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Pays de Montbéliard | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Saint Malo | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Saintes Mobilités | Fully consolidated (FC) | 100.00 | FRANCE |
| Keolis Vichy | Fully consolidated (FC) | 100.00 | FRANCE |
| KO Nevers | Fully consolidated (FC) | 100.00 | FRANCE |
| Les Blayaises | Fully consolidated (FC) | 100.00 | FRANCE |
| Loisirs et Voyages | Fully consolidated (FC) | 100.00 | FRANCE |
| Pessac Ambulances | Fully consolidated (FC) | 100.00 | FRANCE |
| Santa Azur | Fully consolidated (FC) | 100.00 | FRANCE |
| SCAC | Fully consolidated (FC) | 100.00 | FRANCE |
| Société d’Exploitation de l’Aéroport Dole Jura | Fully consolidated (FC) | 100.00 | FRANCE |
| STEMI | Fully consolidated (FC) | 100.00 | FRANCE |
| Train Bleu St Marcellin | Fully consolidated (FC) | 100.00 | FRANCE |
| Urgence 33 | Fully consolidated (FC) | 100.00 | FRANCE |
| Voyages MONNET | Fully consolidated (FC) | 100.00 | FRANCE |
| Autobus Dujardin | Fully consolidated (FC) | 100.00 | BELGIUM |
| Eltebe | Fully consolidated (FC) | 100.00 | BELGIUM |
| Voyages Nicolay | Fully consolidated (FC) | 100.00 | BELGIUM |
| Keolis Norge AS | Fully consolidated (FC) | 100.00 | NORWAY |

## 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) | 15.30 | 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) | 30.50 | QATAR |

# 2.3 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED 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 2022)**

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 31 December 2022.

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 at 31 December 2022 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 1 January 2022 to the date of our report.

## Justification of Assessments

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 bring to your attention the following assessments which, in our professional opinion, were the most significant for the audit of the consolidated financial statements for the year.

**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, 2.4.5, 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, 5.14 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 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 assessments were made in the context of the audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on these consolidated financial statements taken in isolation.

## 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 Chairwoman of the Management Board.

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 Chairwoman of the Management Board.

## 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 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, 7 March 2023

The statutory auditors

| PricewaterhouseCoopers Audit | ERNST & YOUNG Audit | |
|---|---|---|
| Amélie Wattel | Jérôme Guirauden | Marie Le Treut |

# 3

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2022

# 3.1 FINANCIAL STATEMENTS AT 31 DECEMBER 2022

## 3.1.1 BALANCE SHEET

| | 2022 financial year | | | 2021 financial year |
|---|---|---|---|---|
| **Balance sheet assets** *(€ thousand)* | **Gross** | **Amort., depr. and prov.** | **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 | - | - | - | - |
| Other long-term shareholdings | - | - | - | - |
| Loans | 10,495 | 10,495 | - | - |
| Other financial assets | 1 | - | 1 | 1 |
| **Total financial assets** | **1,853,488** | **84,681** | **1,768,807** | **1,768,807** |
| **Total fixed assets (II)** | **1,853,488** | **84,681** | **1,768,807** | **1,768,807** |
| 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 | 4,525 | - | 4,525 | 4,791 |
| Other receivables | 225,187 | - | 225,187 | 58,467 |
| Subscribed called non paid-up capital | - | - | - | - |
| **Total receivables** | **229,712** | **-** | **229,712** | **63,258** |
| Marketable securities | - | - | - | - |
| *Of which treasury shares* | - | - | - | - |
| Cash | 322 | - | 322 | 588 |
| **Total cash** | **322** | **-** | **322** | **588** |
| Prepaid expenses | 9 | - | 9 | 1 |
| **Total current assets (III)** | **230,043** | **-** | **230,043** | **63,847** |
| Debt issue costs to be spread (IV) | - | | - | - |
| Bond redemption premium (V) | - | | - | - |
| Foreign exchange translation difference, assets (VI) | - | | - | - |
| **TOTAL ASSETS (I TO VI)** | **2,083,531** | **84,681** | **1,998,850** | **1,832,654** |

| Balance sheet liabilities *(€ thousand)* | 2022 financial year | 2021 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 (of which equivalence difference: -) | - | - |
| Legal reserve | 11,150 | 11,150 |
| Statutory or contractual reserves | - | - |
| Regulated reserves (including reserve for the purchase of original works by artists: -) | - | - |
| Other reserves (including reserve for the purchase of original works by artists: -) | 2,387 | 2,387 |
| Retained earnings | 48,901 | 59,169 |
| **NET INCOME FOR THE FINANCIAL YEAR** | **24,796** | **(278)** |
| Investment grants | - | - |
| Regulated provisions | 718 | 652 |
| **Total equity (I)** | **599,086** | **584,215** |
| Income from issues of equity investments | - | - |
| Conditional advances | - | - |
| Grantor rights | - | - |
| **Total other equity (II)** | **-** | **-** |
| Provisions for contingencies | - | - |
| Provisions for charges | 16,358 | 19,022 |
| **Total provisions for contingencies and charges (III)** | **16,358** | **19,022** |
| **Financial debt** | | |
| Convertible bond issues | - | - |
| Other bond issues | - | - |
| Bank borrowings | 972,170 | 788,100 |
| Miscellaneous financial debt (including participating loans) | 377,510 | 377,363 |
| Customer advances and down payments | - | - |
| **Trade liabilities** | | |
| Trade payables | 2,924 | 3,057 |
| Tax and social security debts | 2,667 | 2,235 |
| **Other liabilities** | | |
| Liabilities on fixed assets and related accounts | - | - |
| Other liabilities | 28,135 | 58,664 |
| **Accruals** | | |
| Deferred income | - | - |
| **Total debt (IV)** | **1,383,406** | **1,229,418** |
| Foreign exchange translation difference, liabilities (V) | - | - |
| **TOTAL LIABILITIES (I TO V)** | **1,998,850** | **1,832,654** |

## 3.1.2 INCOME STATEMENT

| Income statement *(€ thousand)* | 2022 financial year | | | 2021 financial year |
|---|---|---|---|---|
| | France | Exports | Total | |
| Sales of merchandise | - | - | - | - |
| Sales of goods | - | - | - | - |
| Sales of services | 9,621 | 53 | 9,675 | 10,448 |
| **Net revenue** | **9,621** | **53** | **9,675** | **10,448** |
| Production held as inventory | | | - | - |
| Capitalised production | | | - | - |
| Operating grants | | | - | - |
| Reversals of depreciation and provisions, expense transfers | | | 19,031 | 13,453 |
| Other income | | | 0 | 76 |
| **Total operating revenue (I)** | | | **28,706** | **23,977** |
| 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 | | | 6,396 | 6,412 |
| Taxes and similar payments | | | 218 | 108 |
| Wages and salaries | | | 2,884 | 3,437 |
| Welfare contributions | | | 1,099 | 1,211 |
| 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: allocations to provisions | | | 16,356 | 19,021 |
| Other expenses | | | 422 | 320 |
| **Total operating expenses (II)** | | | **27,375** | **30,520** |
| **OPERATING PROFIT/(LOSS)** | | | **1,331** | **(6,544)** |
| **Profit allocated or loss transferred (III)** | | | **-** | **-** |
| **Loss suffered or profit transferred (IV)** | | | **-** | **-** |
| Financial income from shareholdings | | | 21,687 | 777 |
| Other marketables and receivables from capitalised assets | | | - | - |
| Other interest and similar income | | | 20 | 123 |
| Reversal of provisions charged and expense transfers | | | - | - |
| Foreign exchange gains | | | 4 | - |
| Net gains on sales of marketable securities | | | - | - |
| **Total financial income (V)** | | | **21,711** | **899** |
| Depreciation, amortisation and provisions | | | 871 | 775 |
| Interest and similar expenses | | | 15,862 | 16,155 |
| Foreign exchange losses | | | - | - |
| Net expenses on sales of marketable securities | | | - | - |
| **Total financial expenses (VI)** | | | **16,733** | **16,930** |
| **FINANCIAL INCOME** | | | **4,978** | **(16,030)** |
| **CURRENT PROFIT BEFORE TAX (I - II + III - IV + V - VI)** | | | **6,309** | **(22,574)** |

| Income statement *(€ thousand)* | 2022 financial year | 2021 financial year |
|---|---|---|
| Exceptional gains on operations | - | - |
| Exceptional gains on equity transactions | - | - |
| Reversal of provisions charged and expense transfers | - | - |
| **Total exceptional income (VII)** | **-** | **-** |
| Exceptional losses on management operations | 10 | 15 |
| Exceptional losses on equity transactions | - | - |
| Exceptional depreciation, amortisation and provisions | 66 | 144 |
| **Total exceptional expenses (VIII)** | **75** | **159** |
| **EXCEPTIONAL INCOME (VII - VIII)** | **(75)** | **(159)** |
| Employee profit sharing (IX) | - | - |
| Income tax (X) | (18,562) | (22,455) |
| **Total income (I + III + V + VII)** | **50,417** | **24,876** |
| **Total expenses (II + IV + VI + VIII + IX + X)** | **25,621** | **25,154** |
| **PROFIT OR LOSS (TOTAL INCOME – TOTAL EXPENSES)** | **24,796** | **(278)** |

# 3.2 APPENDIX

# 1 SIGNIFICANT EVENTS OF THE FINANCIAL YEAR

The following events occurred during the year:

**Amendments to the Revolving Syndicated Loan and the Syndicated Term Loan**

On 22 July 2022, the Group implemented an amendment to the €900 million revolving syndicated loan in order to (i) extend its maturity until July 2027, with two extension options of one year each and (ii) integrate ESG indicators in line with the Group's ESG strategy.

At 31 December 2022, the available syndicated credit line of €900 million was drawn down in the amount of €230 million. The undrawn balance amounted to €670 million. This credit line is available to GROUPE KEOLIS S.A.S. and Keolis SA.

**New private placement**

On 7 December 2022, the Group signed a private placement under German law (*Schuldscheindarlehen*), indexed to ESG indicators, for a total amount of €100 million. This transaction includes two tranches in euro at variable rates, with maturities of five and seven years.

# 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, in 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 | 3.28% |
| Long-term expected inflation rate | 2.20% |
| Rate of increase of payrolls used to calculate payments due on retirement | 5.01% |
| Average turnover rate | 1.79% |
| Type of retirement | At the initiative of the employee |
| Mortality table | INSEE TD/TV 2016-2018 |

## 2.6 Tax status

The Company's results are consolidated under a Group tax regime. The parent company of the tax group is GROUPE KEOLIS S.A.S. The agreement provides that the Company calculates 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 31/12/2021 | Acquisitions and transfers | Disposals and transfers | Net value at 31/12/2022 | Provisions | Net value at 31/12/2022 |
|---|---|---|---|---|---|---|
| Other shareholdings | 1,842,993 | - | - | 1,842,993 | 74,186 | 1,768,806 |
| Receivables from shareholdings | - | - | - | - | - | - |
| Other long-term shareholdings | - | - | - | - | - | - |
| Loans and other financial assets | 9,625 | 871 | - | 10,496 | 10,495 | 1 |
| **TOTAL** | **1,852,617** | **871** | **-** | **1,853,488** | **84,681** | **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:** | **10,496** | **2,161** | **8,335** |
| Receivables from shareholdings | - | - | - |
| Loans | 10,495 | 2,160 | 8,335 |
| Other financial assets | 1 | 1 | - |
| **Current assets:** | **229,690** | **229,690** | - |
| Trade receivables | 4,525 | 4,525 | - |
| Doubtful receivables | - | - | - |
| Personnel and related accounts | - | - | - |
| Social entities | 25 | 25 | - |
| State: miscellaneous taxes and duties | 6,330 | 6,330 | - |
| Group and associates | 218,465 | 218,465 | - |
| Sundry debtors | 335 | 335 | - |
| Prepaid expenses | 9 | 9 | - |
| **TOTAL** | **240,186** | **231,851** | **8,335** |

### 3.2.2 Trade receivables and related accounts

| Receivables *(€ thousand)* | Gross value | Depr. Prov. | Net 31/12/2022 | Net 31/12/2021 |
|---|---|---|---|---|
| Trade receivables and related accounts | 4,525 | - | 4,525 | 4,791 |
| Other receivables | 225,187 | - | 225,187 | 58,467 |
| **TOTAL** | **229,712** | **-** | **229,712** | **63,258** |

Of which Group receivables:

| Group receivables *(€ thousand)* | 31/12/2022 | 31/12/2021 |
|---|---|---|
| Consolidated affiliate client companies France | 395 | 736 |
| Parent client companies and miscellaneous | - | - |
| Consolidated affiliate client companies | - | - |
| Client invoices to issue Group | 4,130 | 4,067 |
| Other Group receivables | 218,303 | 23,698 |
| **TOTAL** | **222,828** | **28,501** |

## 3.3 Provisions for impairment

Impairment of assets was recorded for an amount of €871 thousand at 31 December 2022, compared to €774 thousand at 31 December 2021. They mainly concern equity investments and loans.

| Provisions *(€ thousand)* | At 31/12/2021 | Charge | Reversals | At 31/12/2022 |
|---|---|---|---|---|
| Provisions on equity investments[(1)] | 74,186 | - | - | 74,186 |
| Provisions on other financial assets[(2)] | 9,624 | 871 | - | 10,495 |
| **Total 1** | **83,810** | **871** | - | **84,681** |
| Doubtful receivables | 12 | - | 12 | - |
| Other receivables | - | - | - | - |
| **Total 2** | **12** | **-** | **12** | **-** |
| **TOTAL** | **83,822** | **871** | **12** | **84,681** |

*(1) KEOMOTION, wholly-owned by GROUPE KEOLIS S.A.S., had a negative net position at 31/12/2022. In accordance with the Group method specified under 2.2.3, 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 31/12/2022. 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 2022 related to accrued interest for the financial year.*

## 3.4 Breakdown of accrued income

| | 31/12/2022 | 31/12/2021 |
|---|---|---|
| Denomination *(€ thousand)* | Amount | Amount |
| **Receivables from shareholdings** | **-** | **-** |
| Accrued interest not yet due on receivables related to equity investments | - | - |
| **Other financial assets** | **2,160** | **1,289** |
| Accrued interest not yet due on participating loans | 2,160 | 1,289 |
| **Trade receivables and related accounts** | **4,130** | **4,067** |
| Group clients – Invoice to issue | 4,130 | 4,067 |
| **Fixed asset** | **335** | **-** |
| Trade payables – discounts and rebates granted by the Company and credit notes not received | 335 | - |
| **TOTAL** | **6,625** | **5,357** |

## 3.5 Breakdown of deferred income and expenses

| | Amount | | Changes | |
|---|---|---|---|---|
| Denomination *(€ thousand)* | 31/12/2022 | 31/12/2021 | Amount | as a % |
| Deferred income – Suppliers outside Group | 9 | 1 | 8 | 8% |
| **TOTAL** | **9** | **1** | **8** | **8%** |

# 4 NOTES TO THE BALANCE SHEET LIABILITIES

## 4.1 Equity

| Situation at the beginning of the financial year *(€)* | | Balance at 01/01/2022 |
|---|---|---|
| Equity before distributions of prior year retained profits | | 584,215,186 |
| Distributions of prior year retained profits | | - |
| **EQUITY AFTER DISTRIBUTIONS OF PRIOR YEAR RETAINED PROFITS** | | **584,215,186** |
| **Change during the financial year** | **Negative** | **Positive** |
| Changes in capital | - | - |
| Distributions of prior year retained profits | 9,990,872 | - |
| Equity after distributions of prior year retained profits | - | - |
| Changes in share premium | - | - |
| Changes in reserves | - | - |
| Changes in investment subsidies | - | - |
| Changes in regulated provisions | - | 65,730 |
| Other changes | - | - |
| Profit for the financial year | - | 24,795,752 |
| **Balance** | **9,990,872** | **24,861,482** |
| **SITUATION AT THE END OF THE FINANCIAL YEAR** | | **BALANCE AT 31/12/2022** |
| Equity before appropriation | | 599,085,796 |

### 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 12 April 2022 allocated income for the 2021 financial year, amounting to €(277,920) as follows:

| Allocations *(€)* | 2022 |
|---|---|
| Legal reserve | - |
| Other reserves | - |
| Dividends paid | - |
| Other transfers | - |
| Retained earnings | (277,920) |

### Regulated provisions and investment subsidies

Regulated provisions include €718 thousand relating to special depreciation and amortisation allowances, of which €66 thousand was allocated over the financial year.

## 4.2 Provisions

### 4.2.1 Provisions for charges

| Provisions *(€ thousand)* | At 31/12/2021 | Charge | Reversals | At 31/12/2022 |
|---|---|---|---|---|
| Provisions for pensions and similar commitments | 2 | 1 | - | 3 |
| Tax provisions | 19,019 | 16,356 | 19,019 | 16,356 |
| **TOTAL** | **19,021** | **16,357** | **19,019** | **16,359** |

## 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 | 2,170 | 2,170 | - | - |
| • over 1 year at the outset | 970,000 | 40,000 | 901,000 | 29,000 |
| Miscellaneous financial debts | 377,510 | 510 | 377,000 | - |
| Trade payables | 2,924 | 2,924 | - | - |
| Personnel and related accounts | 1,154 | 1,154 | - | - |
| Social security and other social entities | 590 | 590 | - | - |
| State and other public authorities: | | | | |
| • income tax | - | - | - | - |
| • value added tax | 810 | 810 | - | - |
| • guaranteed bonds | - | - | - | - |
| • other taxes and related accounts | 114 | 114 | - | - |
| Liabilities on fixed assets and related accounts | - | - | - | - |
| Group and associates | 27,589 | 27,589 | - | - |
| Other liabilities | 546 | 546 | - | - |
| Payables on securities borrowed provided as collateral | - | - | - | - |
| Deferred income | - | - | - | - |
| **TOTAL** | **1,383,406** | **76,406** | **1,278,000** | **-** |
| Loans taken out during the financial year | 663,000 | | | |
| Loans repaid during the financial year | 480,000 | | | |

## 4.4 Trade payables and related accounts

| Denomination *(€ thousand)* | At 31/12/2022 | At 31/12/2021 |
|---|---|---|
| Group suppliers | 49 | 44 |
| Suppliers – France | - | - |
| Foreign suppliers | - | - |
| Notes payable other than Group | - | - |
| Notes payable Group | - | - |
| Suppliers, invoices not yet received | 34 | - |
| **NET CARRYING AMOUNT** | **83** | **44** |

## 4.5 Breakdown of accrued liabilities

| Accrued liabilities *(€ thousand)* | At 31/12/2022 | At 31/12/2021 |
|---|---|---|
| **Bank borrowings** | **2,060** | **449** |
| Accrued interest not yet due on bank borrowings | 2,060 | 449 |
| **Loans and financial debt** | **510** | **363** |
| Accrued interest not yet due on borrowings | 510 | 363 |
| **Trade payables** | **2,803** | **2,943** |
| Suppliers – Invoices not received Excl. Group | 2,769 | 2,899 |
| Group suppliers – Invoices not received | 34 | 44 |
| **Other liabilities** | **319** | **-** |
| Group clients – Credit notes to be issued | 319 | - |
| **Tax and social security debts** | **1,546** | **1,184** |
| Staff | 1,104 | 819 |
| Social entities | 437 | 318 |
| Other taxes | 5 | 47 |
| **Accrued interest on overdraft** | **110** | **650** |
| Accrued interest not yet due on banks | 110 | 650 |
| **TOTAL** | **7,347** | **5,589** |

# 5 NOTES TO THE INCOME STATEMENT

## 5.1 Breakdown of revenue

The Company generates most of its revenue in France. The revenue generated outside France amounted to €53 thousand.

| Denomination *(€ thousand)* | 2022 financial year | | | 2021 financial year |
|---|---|---|---|---|
| | France | Exports | Total | |
| Sales of merchandise | - | - | - | - |
| Sales of goods | - | - | - | - |
| Sales of services | 9,621 | 53 | 9,674 | 10,448 |
| **TOTAL** | **9,621** | **53** | **9,674** | **10,448** |

## 5.2 Breakdown of other operating income and expenses

| Other income *(€ thousand)* | At 31/12/2022 | At 31/12/2021 |
|---|---|---|
| Sales price of transport equipment | - | - |
| Settlement differences | - | - |
| Other | - | 76 |
| **TOTAL** | **-** | **76** |

| Other expenses *(€ thousand)* | At 31/12/2022 | At 31/12/2021 |
|---|---|---|
| Fees for concessions, patents, etc. | - | - |
| Attendance fees | 410 | 315 |
| Losses on irrecoverable receivables | 12 | 5 |
| Settlement differences | - | - |
| Other | - | - |
| **TOTAL** | **422** | **320** |

## 5.3 Financial income and expenses

| Type of expense *(€ thousand)* | Amount | Allocated to account |
|---|---|---|
| Interest on borrowings | 11,415 | 661160 |
| Interest on Group borrowings | 2,041 | 661171/661172 |
| CF IS – Interest on arrears | 21 | 661520 |
| Impairment of accrued interest not yet due OnePark | 871 | 686620 |
| Other financial charges | 2,385 | 668000 |
| **TOTAL** | **16,733** | |

| Type of income *(€ thousand)* | Amount | Allocated to account |
|---|---|---|
| Interest on C/C Keolis SA | 814 | 761200 |
| Interest on OnePark loans | 873 | 761700 |
| Foreign exchange gain | 4 | 766000 |
| Other financial income | 20 | 768020 |
| **TOTAL** | **1,711** | |

## 5.4 Exceptional income and expenses

| Type of expense *(€ thousand)* | Amount | Allocated to account |
|---|---|---|
| Penalties and fines | 10 | 671200 |
| **TOTAL** | **10** | |

| Type of income *(€ thousand)* | Amount | Allocated to account |
|---|---|---|
| None | - | - |
| **TOTAL** | **-** | |

## 5.5 Income tax

### 5.5.1 Breakdown of tax between profit from ordinary activities and exceptional items

| Distribution *(€ thousand)* | Income before tax | Tax rate | Tax due | Net income after tax |
|---|---|---|---|---|
| Current income | 6,309 | - | - | 6,309 |
| Exceptional income | (75) | - | - | (75) |
| Tax integration | - | - | (18,562) | 18,562 |
| Exceptional contribution | - | - | - | - |
| **ACCOUNTING INCOME** | **6,234** | **-** | **(18,562)** | **24,796** |

# 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 derivatives are traded with first class banking counterparties in accordance with GROUPE KEOLIS S.A.S.' counterparty risk management policy. Consequently, the counterparty risk can 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.

GROUPE KEOLIS S.A.S.'s financial debt comes mainly from its confirmed syndicated credit lines. The first is a revolving syndicated loan signed with a syndicate of 13 banks on 12 July 2013, for a nominal amount of €800 million and maturing on 12 July 2018. This line was amended on 11 June 2015 to increase its nominal amount to €900 million, 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, on 17 June 2019 to further extend the maturity date to 27 July 2024, and on 6 July 2020 to further extend the maturity date to 27 July 2025. Finally, on 22 July 2022, a new amendment to the syndicated loan agreement was signed in order to extend the maturity until July 2027, with two extension options of one year each and to integrate ESG indicators in line with the Group's ESG strategy.

The second is a €600 million floating rate term loan, of which €277 million was set up and drawn down on 21 December 2021 for a period of five years, with an additional drawdown of €323 million in January 2022 to reach the maximum amount of €600 million. This credit line is available to GROUPE KEOLIS S.A.S. subject to compliance with financial ratios.

These new transactions aim to refinance existing credit lines, increase the average maturity of the debt, maintain robust liquidity and strengthen Keolis' ESG strategy.

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:

| Denomination *(€ thousand)* | At 31 December 2022 | At 31 December 2021 |
|---|---|---|
| **Borrowings and financial debt** | **1,349,584** | **1,164,812** |
| Variable rates | 1,309,570 | 1,124,798 |
| Fixed rates | 40,014 | 40,014 |
| **Cash and cash equivalents** | **(212)** | **(60)** |
| Cash and cash equivalents at variable rates | - | - |
| Cash and cash equivalents at fixed rates | (212) | (60) |
| **Other** | **10,495** | **9,624** |
| Accrued interest receivable | (2,160) | (1,289) |
| Loans and receivables | - | - |
| Deposits, guarantees and participating loans | (8,335) | (8,335) |
| Derivative assets | - | - |
| Accrued interest payable | - | - |
| **Net financial debt** | **1,338,877** | **1,155,128** |

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 2022, 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 €5.6 million and, at the same time, would increase the financial income from cash and cash equivalents and the financial income from variable-rate receivables by €1 million.

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 increase the net cost of debt by €1.8 million.

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 reduce the annual net cost of debt by €1.8 million.

At 31 December 2022, the €900 million renewable, confirmed and undrawn syndicated credit line amounted to €670 million. This credit line is available to GROUPE KEOLIS S.A.S. and Keolis SA.

At 31 December 2022, the amount drawn down for the new term loan set up on 21 December 2021 was €600 million. 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 GROUPE KEOLIS S.A.S. 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 2022, GROUPE KEOLIS S.A.S. had no open foreign exchange positions.

### 6.2.3 Summary of hedging

| | Notional | | Fair value | |
|---|---|---|---|---|
| Denomination *(€ thousand)* | 31/12/2022 | 31/12/2021 | 31/12/2022 | 31/12/2021 |
| Swap | 244,000 | 145,000 | 18,000 | (4,400) |
| Option | 525,000 | 350,000 | 25,300 | 1,900 |
| **TOTAL** | **769,000** | **495,000** | **43,300** | **(2,500)** |

## 6.3 Pension and long-service award commitments

### 6.3.1 Retirement benefits

Retirement benefit liabilities at 31 December 2022 amounted to €245 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 €1 thousand at 31 December 2022.

## 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 €410 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 | Salaried staff |
|---|---|
| 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 to 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 Saint-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 | VNC | Equity including income | Net income |
|---|---|---|---|---|---|
| Keolis SA | 399,794 | 100% | 1,144,212 | 342,130 | 137,292 |
| EFFIA SAS | 3,136 | 100% | 276,431 | 78,073 | 20,721 |
| KEOMOTION | 54,510 | 100% | - | (75,594) | (13,347) |
| KLP 15 | 10 | 100% | 10 | 10 | - |
| OnePark* | 49 | 36% | - | (11,637) | (1,697) |

* *2021 data.*

## 7 SIGNIFICANT EVENTS SINCE THE END OF THE FINANCIAL YEAR

None.

# 3.3 STATUTORY AUDITORS' REPORT ON THE 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 2022)**

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 31 December 2022.

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 of 31 December 2022 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 1 January 2022 to the date of our report.

## Justification of Assessments

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 judgement, were of most significance in our audit of the annual 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 data and assumptions on which these estimates are based, in particular the cash flow forecasts drawn up by the Company's Operational Departments, and in reviewing the calculations made by the Company. We also assessed the reasonableness of these estimates.

These assessments were made in the context of the audit of the annual financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on these annual financial statements taken in isolation.

## 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 Management Board 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*).

## 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 rules and 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 Management Board.

## 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 annual 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, 7 March 2023

The statutory auditors

**PricewaterhouseCoopers Audit**

Amélie Wattel

**ERNST & YOUNG Audit**

Jérôme Guirauden

Marie Le Treut

**Photo Credit**
© Teodor Axlund ; © David Cousin-Marsy ; © Antoine Doyen ; © Régis Guichenducq ;
© Franck Juery ; © Jack Varlet ; © PIMMS Médiation ; © Keolis ; © Keolis Lyon.
Illustration: © Giordano Poloni / colagene.paris.

Designed & published by LABRADOR +33 (0)1 53 06 30 80

34 avenue Leonard de Vinci
92400 Courbevoie – France
T. +33(0)1 71 32 90 00

www.keolis.com