

31 December 2022

# SNCF GROUP ANNUAL FINANCIAL REPORT



<https://www.sncf.com>

GRUPE  **SNCF**

- EDITORIAL FROM  
THE SNCF GROUP CHAIRMAN  
AND CEO
- STATEMENT OF THE PERSONS  
RESPONSIBLE FOR THE SNCF  
GROUP ANNUAL FINANCIAL  
REPORT

# EDITORIAL



JEAN-PIERRE FARANDOU  
SNCF GROUP CHAIRMAN AND CEO

« What were the key lessons of 2022? First and foremost, SNCF Group's strong operating results were good news for everyone in France, since today's investments will help reduce tomorrow's CO<sub>2</sub> emissions.

Passenger numbers were up, testifying to the popularity of both high-speed and regional trains, after two years of disruption from Covid.

Freight transport and logistics are doing well. Geodis confirmed its excellent showing and is pursuing its acquisition strategy in a fiercely competitive global market.

Fret SNCF reported a positive margin for the second year in a row—proof that freight operations can be successful in France. Increased use of public transport boosted results at Keolis, which won new business from customers such as the cities of Bordeaux and Dijon.

SNCF Group's total revenue exceeded €40bn for the first time, with €2.4bn in net profit despite tough macroeconomic conditions. Our positive free cash flow was the first step towards getting back to a sound, sustainable footing, in line with our commitments under the rail reform package that took effect in 2020. We achieved this encouraging result through the outstanding engagement of everyone at SNCF—in passenger transport, logistics, freight and infrastructure management—and I want to offer them my sincere thanks and gratitude.

We will use 100% of this profit to build our future by financing growth, investing in the national rail network, and paying down our debt. It's worth noting that 95% of our investments are in France, even though 40% of our revenue comes from international markets.

In 2022 SNCF also continued to invest in the communities we serve, recruiting 14,300 new permanent employees in France and taking bold measures to boost rail workers' purchasing power.

The year ahead will bring uncertainties linked to the international geopolitical scene and the world economy.

We will continue to monitor these developments and adapt our operations to a fast-moving environment as we "work towards a dynamic, caring and sustainable society". That is our purpose. Now an integral part of our articles, it reflects our commitment to serving the country, strengthening the central role of rail, and accelerating the decarbonization of mobility ».

# STATEMENT OF THE PERSONS RESPONSIBLE FOR THE SNCF GROUP ANNUAL FINANCIAL REPORT

LA PLAINE SAINT-DENIS, 23 FEBRUARY 2023,

We attest that, to the best of our knowledge, the consolidated financial statements have been prepared in accordance with the applicable accounting principles and give a true and fair view of the assets and liabilities and the financial position of the issuer as at 31 December 2022 and of the results of its operations for the year then ended, and that the accompanying management report fairly presents the changes in operations, results and financial position of the issuer and a description of its main risks and uncertainties.

**JEAN-PIERRE FARANDOU**  
SNCF GROUP CHAIRMAN AND CEO

**LAURENT TRÉVISANI**  
DEPUTY CHIEF EXECUTIVE OFFICER  
FINANCE STRATEGY



# SNCF GROUP

|                                                                                 |                 |
|---------------------------------------------------------------------------------|-----------------|
| <b>01 – MANAGEMENT REPORT</b>                                                   | <b>PAGE 001</b> |
| <b>02 – REPORT ON CORPORATE GOVERNANCE</b>                                      | <b>PAGE 189</b> |
| <b>03 – SNCF GROUP ANNUAL CONSOLIDATED FINANCIAL STATEMENTS</b>                 | <b>PAGE 200</b> |
| <b>04 – STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS</b> | <b>PAGE 285</b> |



31 DECEMBER 2022

01 –

# SNCF GROUP MANAGEMENT REPORT

|                                                                    |           |                                                                                                            |            |
|--------------------------------------------------------------------|-----------|------------------------------------------------------------------------------------------------------------|------------|
| <b>THE SNCF GROUP IN 2022</b>                                      | <b>3</b>  | 6. IMPROVE THE ADAPTATION AND RESILIENCE OF ACTIVITIES TO CLIMATE CHANGE                                   | 110        |
| 1. SNCF GROUP PROFILE                                              | 3         | 7. ACT FOR SOCIAL COHESION AND THE ECOLOGICAL AND SOLIDARITY ECONOMY IN THE REGIONS.                       | 114        |
| 2. MAJOR ACHIEVEMENTS BY ACTIVITIES IN 2022                        | 11        | 8. MAKE EMPLOYEES THE MAIN ACTORS AND BENEFICIARIES OF THE ECOLOGICAL AND SOCIAL TRANSITION                | 121        |
| 3. MAJOR EVENTS OF 2022 - FINANCIAL INFORMATION                    | 13        | 9. ANNUAL REPORT ON THE CARBON PATHWAY OF SNCF ACTIVITIES IN FRANCE                                        | 134        |
| 4. SNCF GROUP KEY FIGURES                                          | 14        | 10. REPORTING FRAMEWORK                                                                                    | 141        |
| 5. SUBSEQUENT EVENTS                                               | 15        | <b>SNCF GROUP VIGILANCE PLAN</b>                                                                           | <b>159</b> |
| <b>GROUP ACTIVITIES AND FINANCIAL RESULTS</b>                      | <b>16</b> | 1. INTRODUCTION                                                                                            | 159        |
| 1. ANALYSIS OF GROUP RESULTS                                       | 16        | 2. VIGILANCE PLAN GOVERNANCE AND MANAGEMENT                                                                | 160        |
| 2. ACTIVITY RESULTS                                                | 19        | 3. RISK MAPPING & TAILORED INITIATIVES TO MITIGATE RISKS OR PREVENT SERIOUS HARM                           | 161        |
| 3. INVESTMENTS AND NET DEBT                                        | 30        | 4. REGULAR ASSESSMENTS OF THE SITUATION OF SUBSIDIARIES, SUBCONTRACTORS AND SUPPLIERS WITH REGARD TO RISKS | 178        |
| 4. ACQUISITIONS OF EQUITY INVESTMENTS                              | 31        | 5. INCIDENT REPORTING COLLECTION AND ALERT MECHANISM                                                       | 180        |
| 5. FINANCIAL RELATIONS WITH THE FRENCH STATE AND LOCAL AUTHORITIES | 31        | 6. MONITORING OF THE MEASURES IMPLEMENTED AND ASSESSMENT OF THEIR EFFECTIVENESS                            | 182        |
| 6. EMPLOYEE MATTERS                                                | 31        | <b>INTERNAL CONTROL RELATING TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION</b> | <b>186</b> |
| <b>RISK MANAGEMENT AND CONTROL SYSTEMS</b>                         | <b>33</b> | 1. DEFINITION, OBJECTIVES AND SCOPE                                                                        | 186        |
| 1. SNCF GROUP RISK MANAGEMENT                                      | 33        | 2. STEERING PROCESS FOR THE ACCOUNTING AND FINANCIAL ORGANISATION                                          | 186        |
| 2. INTERNAL CONTROL                                                | 38        | 3. REPORTING OF FINANCIAL AND ACCOUNTING INFORMATION                                                       | 188        |
| 3. THE GROUP INTERNAL AUDIT DEPARTMENT                             | 38        |                                                                                                            |            |
| 4. INSURANCE                                                       | 39        |                                                                                                            |            |
| 5. INSTITUTIONAL CONTROLS                                          | 39        |                                                                                                            |            |
| <b>NON-FINANCIAL PERFORMANCE STATEMENT</b>                         | <b>40</b> |                                                                                                            |            |
| 1. INTRODUCTION                                                    | 40        |                                                                                                            |            |
| 2. CSR GOVERNANCE                                                  | 43        |                                                                                                            |            |
| 3. MATERIALITY OF CSR ISSUES                                       | 57        |                                                                                                            |            |
| 4. DEVELOP THE SHARE OF RAIL AND SUSTAINABLE MOBILITY              | 77        |                                                                                                            |            |
| 5. REDUCE THE ENVIRONMENTAL FOOTPRINT OF OUR ACTIVITIES            | 92        |                                                                                                            |            |

# THE SNCF GROUP IN 2022

## 1. SNCF GROUP PROFILE

### 1.1 PURPOSE

Together we can rise to the challenge of ecological transition if, at the same time, we make the necessary economic and social transitions. In this context, the role of businesses is changing and in particular their responsibilities are being extended to all impacts of their activities on society, regions and the environment. This major change in how the economy is perceived in society is reflected and promoted in the PACTE Law (Action Plan for Business Growth and Transformation), which enables businesses to adopt a purpose, record it in their Articles of Association and thus give long-term commitments to their main stakeholders.

Fully aware of this major development in the role and responsibilities of businesses in society, the SNCF Group created its "Tous SNCF" strategic project based on the belief that only global performance is sustainable. This means making CSR central to its strategy and opening up fully to the company's stakeholders. The work on the corporate project was completed with the adoption on 16 December 2021 by the Board of Directors of a new purpose for the Group as a whole and its recording in the company's Articles of Association, marking a new phase in the governance and management of its activities.

#### The SNCF Group's new purpose

"The role of the SNCF Group is to contribute to the vitality of society and its regions. We offer transport services that are vital to economic growth and social cohesion, vital to the development of regions and the daily well-being of their inhabitants and vital to ensuring the ecological transition.

The public service role that SNCF adopted upon its creation in 1938 carries on to this day in the commitment of the company's employees to serving the common good. While guaranteeing safety, we design and implement for our customers, with professionalism and a sense of togetherness, innovative mobility and logistics solutions for

the 21<sup>st</sup> century that are key to developing low-carbon transport.

Our aim is to optimise the cost and overall impact of transport for customers, taxpayers and citizens based on the performance and integration of all our business lines in the rail industry. Our infrastructures and services, which will stand the test of time, represent shared resources used to overcome social, ecological and economic challenges, and therefore act for a changing, united and sustainable society".

To embody this purpose, the SNCF Group undertakes 8 commitments which, like a strategic compass, determine a framework common for all Group entities to enable them to guide their strategic choices:

- 1- Keep pace with new lifestyles and changing consumption and production patterns by making it easier to combine transport modes.
- 2- Work hard every day to improve service quality fundamentals and bring all our customers, suppliers and partners into the process.
- 3- Invest in the jobs and skills of the future, making it easier for people to join the workforce, gain social mobility, and change careers.
- 4- Make our operations economically sustainable, to benefit the rail system and its overall performance.
- 5- Contribute to the economic and social vitality of local communities through our industrial decisions and choice of suppliers.
- 6- Strengthen our role as a catalyst for the ecological transition, to decarbonise the transport industry and support environmental health.
- 7- Earn greater trust from our employees, our customers and our partners by putting being safe and feeling safe at the heart of our decision-making.
- 8- Ensure that our stakeholders, both internal and external, stay actively engaged as our business changes at local, regional and national level.

# STRENGTHS

Present in virtually all transport market segments, the SNCF Group combines experience and innovation capacity. Drawing on its rail core business, expertise, ecological assets and ability to reinvent in a radically changing context, the SNCF Group acts in the general interest, serving customers and contributing to the vitality of regions and proposes the best low-carbon transport solutions in its business sector.

## THE GROUP'S MAIN BUSINESS LINES



- Activities**
- Passenger Transport:**
    - > High-speed trains in France and Europe: inOui, TGV France-Europe, Eurostar, Thalys
    - > Regional passenger transport (TER)
    - > Île-de-France transport (Transilien)
    - > Low-cost high-speed trains (Ouigo, Izy)
    - > Medium- and long-distance trains in France (Intercités)
    - > Sales (SNCF Connect)
  - Keolis:**
    - > Shared mobility in urban and periurban areas (underground trains, trams, buses, coaches, trains, shuttles, river and sea transport, bicycles, car-sharing, car-pooling, autonomous vehicles, etc.)
  - Rail Logistics Europe (RLE):**
    - > Rail, combined transport, rail motorways, rail freight forwarding, Fret SNCF, Captrain, Naviland Cargo, VILIA, Forwardis
  - Geodis:**
    - > Supply chain optimization, freight forwarding, contractual logistics, distribution & express, road transport
  - SNCF Réseau:**
    - > Management of the access to the French national rail network and traffic
    - > Infrastructure maintenance and renewal
    - > Creation of new lines
  - SNCF Gares & Connexions:**
    - > Operation, renovation and economic development of French train stations
    - > Management of exchange flows and hubs
  - SNCF Immobilier:**
    - > Real estate and land management and monetisation
    - > Management and development of residential assets

- Business model**
- Passenger Transport:**
    - > Sale of tickets to private or business passengers (individuals and groups)
    - > Competitive market (Open Free Service or Public Service Delegation), in France and abroad
  - Keolis:**
    - > Public service delegation from transport and passenger organising authorities
  - Rail Logistics Europe (RLE):**
    - > Sale of services to shippers, rail or road carriers, logistics operators and freight-forwarders
    - > Competitive market
  - Geodis:**
    - > Sale of services to shippers (companies from all business sectors)
    - > Competitive market
  - SNCF Réseau:**
    - > Infrastructure fees paid by rail companies using the network
  - SNCF Gares & Connexions:**
    - > Fees from rail companies and businesses
  - SNCF Immobilier:**
    - > Sales, monetisation and rents

### SUPPORT FUNCTIONS

#### CONSULTING & ENGINEERING

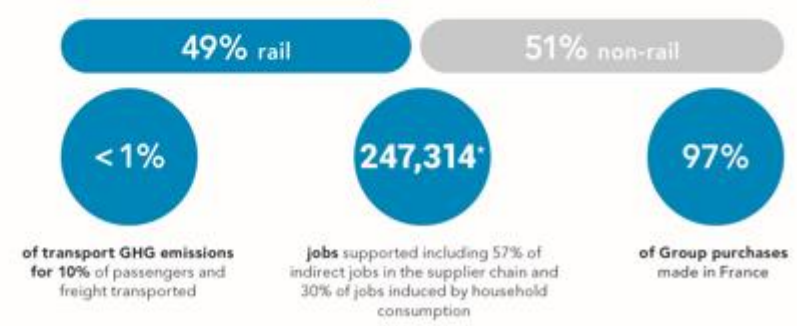


- Activities**
- > Design of major infrastructure and public space projects: SYSTRA, AREP
  - > SNCF International
  - > SNCF Consulting

- Business model**
- > Sale of services to customers (States, foreign railways, urban communities, etc.)
  - > Competitive market

A group driving public policy, delivering low-carbon solutions, committed to a green and human recovery and promoting the development of regions, national industry and employment.

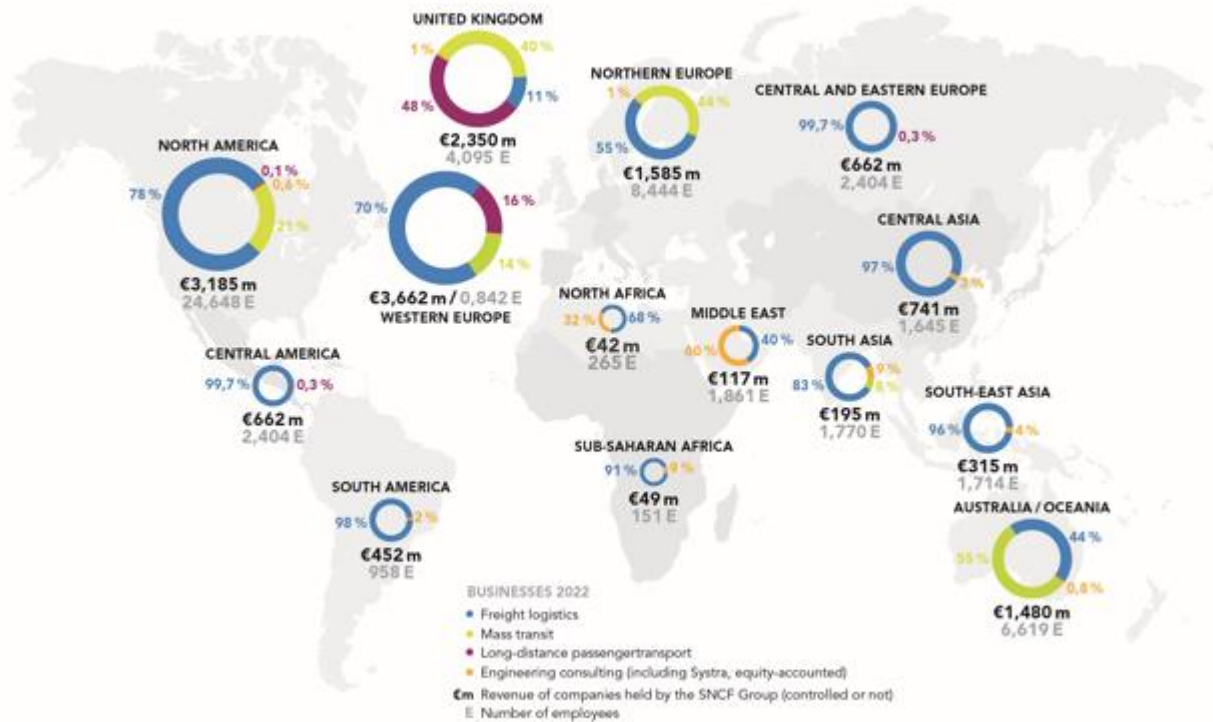
Breakdown of Group revenue of €41.4 billion in 2022



\* Survey carried out in 2022 based on SNCF expenses in 2021 and according to the Local Footprint® method.



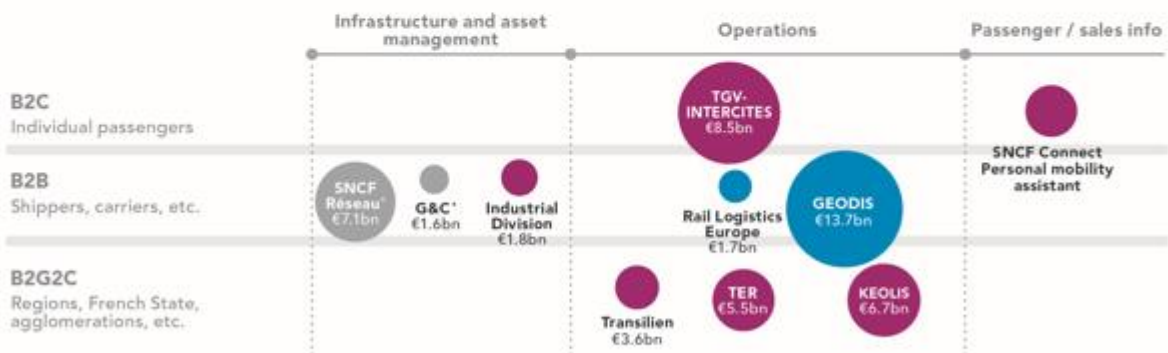
## FOCUS ON SNCF COVERAGE WORLDWIDE: A CONSTANTLY DEVELOPING BUSINESS INTERNATIONALLY



**No. 1**  
WORLDWIDE  
in automatic underground trains and trams

**No. 6**  
WORLDWIDE  
in logistics

## A GROUP PRESENT ACROSS THE ENTIRE MOBILITY VALUE CHAIN



- Asset infrastructure managers
- Freight
- Passengers

2022 revenue at activity level and not as a Group contribution.

\* The Organising Authorities co-finance investments in the network and stations, but SNCF Réseau and SNCF Gares & Connexions commercial agreements are signed with rail companies

# SNCF GROUP BUSINESS MODEL

### OUR RESOURCES

**HUMAN**

- 276,271 employees, including 24.4% internationally
- 150 professions with diversified expertise
- Less than 0.56% in compensation gap between men and women in rail activities

**PRODUCTION**

**Infrastructure:**

- 28,000 km of track, including 2,700 at high speed
- 3,000 stations

**Property:**

- 2<sup>nd</sup> largest property owner in France: 8.2 M m2 of industrial and tertiary buildings, including technical centres

**Logistics:**

- 9.9 M m2 of Geodis storage warehouses
- 3,545 own-fleet trucks

**FINANCIAL**

- Group EBITDA at €6.6bn, up 35% vs 2021 EBITDA / revenue at 16% vs 12.5% in 2021
- Positive free cash flow of €1.3bn in line with the Group's commitment under the rail reform in 2018

**DIGITAL**

- Over 150,000 queries per month on the API Open Data
- SNCF CONNECT: No 1 e-commerce site in France
- 20,000 km of fibre optics

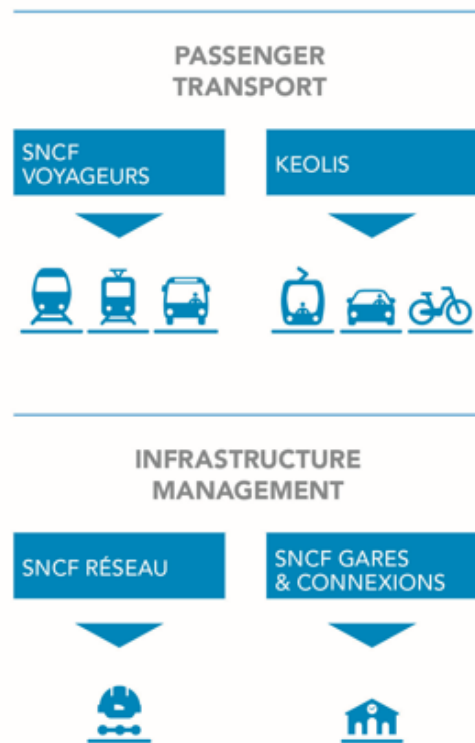
**ENERGY**

- 17.8 TWh in consumed energy, including 10.3 TWh for rail electrical traction
- 12 PPA contracts for photovoltaic power



## AMBITION FOR 2030

Be in 2030 the public utility company recognised as the European champion of sustainable mobility, for both passengers and freight, with a rail core business and a leading market, France.



## 2030 MAIN COMMITMENTS

- Reduce GHG emissions (scopes 1 & 2) in France, compared to 2015:
  - 30% for Transport sector activities
  - 50% for Building sector activities



## PURPOSE

Act for a changing, united and sustainable society



- Pathway towards zero non-recovered waste for the rail core business
- €100 million in direct solidarity purchases from the sheltered and adapted work sector and integration by economic activity

## OUR VALUE CREATION

### FOR PASSENGERS AND SHIPPERS

Propose reliable, efficient and attractive services to improve train mobility conditions and possibilities.

#### Passengers

- 15 M daily passengers in France and abroad
- 87.1% punctuality
- 71% satisfied customers across all brands
- Wide price range, Avantages rail card prices, price rise lower than inflation, no increase for OUIGO

#### Shippers

- 170,000 shippers served worldwide
- Growth of FRET SNCF
- +19% in Geodis revenue compared to 2021 and +68% compared to 2019

#### Facilitate access to transport for all regions

- 70% of French people live less than 5 kilometres from a train station and 90% live less than 10 kilometres

### FOR EMPLOYEES

Ensure employability, skills enhancement, career development and mobility within the company

- 14,305 permanent hires in France
- 8% of total payroll invested in rail activity training
- 27% of executives from supervisors collegial body
- PRISME safety development programme
- Employee engagement measures
- Employee and work-study student housing offers

#### Guarantee health and well-being for employees at work

- PRISME safety development programme
- 65% of rail sector employees state they are committed

### FOR REGIONS

Support the cohesion and economic development of regions

- Thanks to €12bn in purchases in France, support for + 247,000 jobs in France and value creation of €15bn in 2021

Invest in the renovation of infrastructures and the modernisation of rolling stock

- €5.6bn for the rail network with daily renewal work on the primary network
- €2.8bn in investments for rolling stock and operating facilities at SNCF Voyageurs
- €1bn for the modernisation and maintenance of stations and their accessibility

### FOR SOCIETY AND THE PLANET

Contribute to climate change mitigation

- 100% decarbonisation of Group transport and building activities in 2050 under the Paris Agreement
- Less than 1% of transport GHG emissions for 10% of passengers and freight transported
- 6 times less energy consumed per tonne transported by rail than by road
- Strong ambition to develop the rail modal share in the next decade to help decarbonise the transport sector

Demonstrate conservation in the use of resources and promote the circular economy

- 100% of abandoned track recovered; 97.7% recycled as steel and 2.3% reused



## 1.2 AN AMBITION: BE THE WORLD CHAMPION OF SUSTAINABLE MOBILITY BY 2030 IN DRAWING ON 4 CORE STRENGTHS

In the medium and long-term, the crises will not undermine the fundamentals of the mobility market which is set to expand. The SNCF Group supports this approach with its corporate project "Tous SNCF", which has set a clear goal: **become a world-class leader of sustainable mobility for passengers and freight by 2030.**

To achieve our goal, the Group is committed to its four customer-centric thrusts: people, ecological transition, the regions and digital innovation.

### 1.2.1 People

SNCF wishes to put people at the centre of its operations and focus to become one of the most attractive Groups in France. The company's ambitious transformations (particularly the opening up of the domestic passenger rail market) requires it to strengthen social dialogue and support its changes while attracting and retaining employees.

The people aspect is also reflected in the solidarity within the Group in terms of jobs. As a labour-intensive company, its employees' skills are the Group's main asset. One of SNCF's strengths therefore lies in the ability to change jobs, change activities and develop its own expertise by maintaining the links between each company and activity.

These issues underline the need for strategic workforce planning in all regions across the entire Group and the development of mobilities between entities. This should ensure long-term and fulfilling positions for each employee within the company.

### 1.2.2 Ecological transition

SNCF is proactive and exemplary in its environmental policy, and considers ecological transition as:

- an imperative, which must be met at all levels of the company;
- an opportunity: as a low-carbon means of transport, rail is an adapted response in the fight against climate change, which sets itself apart from other competitors.

SNCF has adopted a plan to extensively reduce its carbon footprint: -30% in 2030 in its rail activities and 50% in real estate. It focuses on all levers: decarbonisation of traction energy, business actions, purchasing policy, etc.

### 1.2.3 Regions

SNCF wishes to expand its coverage in the regions and become a leader in sustainable mobility. Today, the regions are hubs of creativity, innovation and economic, industrial, non-profit and social initiatives. This regional vitality is an asset to which the Group contributes through its diversified offer of minor historical routes, mass transit and high-speed lines. Through its ability to cover the whole of France, the central positioning of its stations and its local mobility solutions, SNCF thus remains a key player contributing to the economic, environmental, social and cultural development of the regions.

### 1.2.4 Innovation and digital technology

Innovation, and in particular digital technology, are at the heart of SNCF's customer services, production processes and business lines to ensure the Group's competitiveness in the face of future challenges. SNCF is seeking to become one of the digital leaders in Europe. This is reflected in:

- the Group's positioning in MaaS (mobility as a service) to meet its customers' need for an individualised, efficient

and integrated end-to-end offering. Based on current technologies, SNCF has undeniable assets to reach this target that is coveted by numerous players;

- •the increase in the digitalisation of track slot management for greater robustness and flexibility while maintaining complete neutrality;
- •increased data enhancement in all areas, particularly asset management and maintenance (real estate, rolling stock, etc.), where this enhancement contributes to developing predictive models to ensure maintenance before breakdowns or emergencies.

## 1.3 AN AMBITIOUS STRATEGIC PLAN RENEWED IN 2021

### A bolstered strategy adopted by the Group in July 2021

The major COVID health crisis, which continued to have significant impacts until early 2022, heightened interest in rail transport in France and Europe considering the ecological pressure and opportunities:

- it has boosted growth in the demand for medium- and long-term passenger public transport;
- it has also revealed the strategic nature in France and Europe of the freight transport and logistics sector, which is steadily growing in a competitive market. This reflects the desire of industrial and economic players to boost the resilience of logistics chains.

Faced with this crisis, the Group confirmed the orientations of the strategic plan approved by the Board of Directors in July 2021:

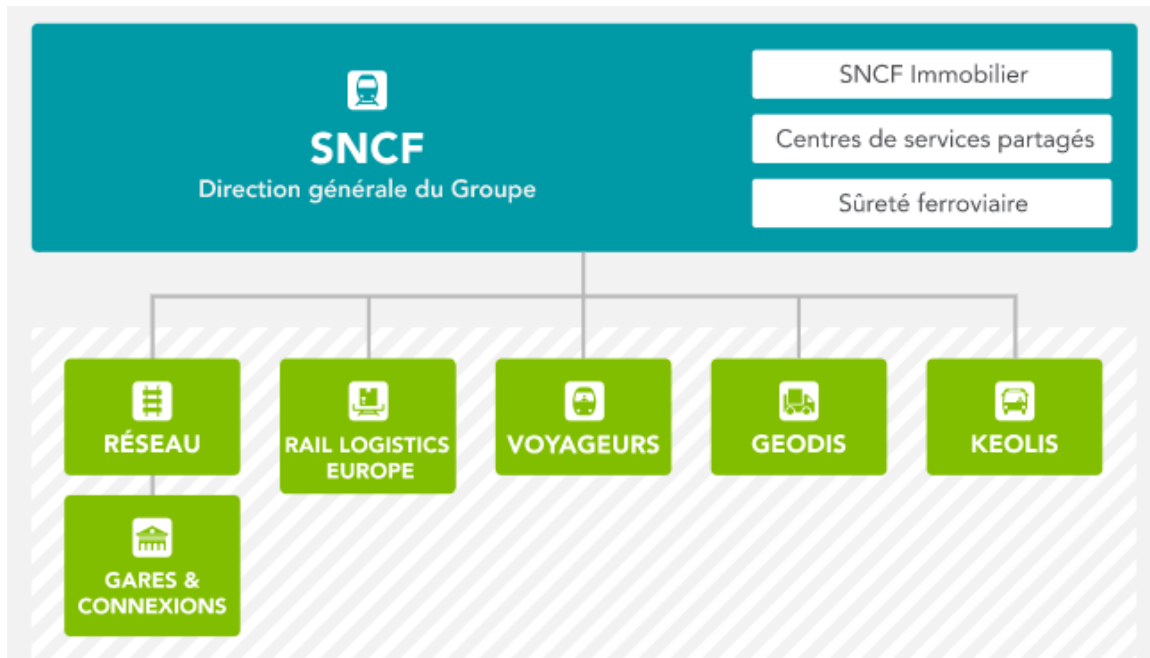
- Reassertion of the strategic positioning:
    - Be a champion of sustainable mobility in 2030;
    - With a focus on the core rail business;
    - By relying on two strategic assets, Keolis and Geodis, which are the Group's growth engines. The crisis revealed the importance of this type of asset which help diversify risks and opportunities due to the complementary nature of their markets, customers, geographical exposure and sensitivity to economic cycles.
  - Retention of the objective to remain the leading and majority operator with regard to the opening of domestic passenger rail activities to competition. To achieve this, the Group must focus on filling the gap in competitiveness, which separates the historical operator from new entrants and which necessarily implies an ongoing "transformation" of the former UPG (SNCF Group historical rail activities);
  - Confirmation of the importance of the thrusts, mainly People and Digital for the future transformation, in particular from a social perspective;
  - Recap of the Group's assets and opportunities illustrated by our strong regional presence and greater environmental focus in a growing mobility market.
- The Group has therefore rolled out an ambitious strategy that is fully in line with these orientations and takes into account the most recent COVID impacts from a strategic, social and financial perspective.

The Group has even gone beyond these commitments with the aim of boosting profitability and returning to a balanced financial structure with long-term debt reduction.

## 1.4 A GLOBAL MOBILITY PUBLIC GROUP WHOSE CORE BUSINESS IS THE RAIL SECTOR IN FRANCE

The SNCF Group, wholly-owned by the French State and deeply rooted in the French rail system where it has a systemic role.

### 1.4.1 A unified group comprising public limited companies since 2020 (implementation of the 2018 rail reform)



To address its challenges, SNCF is made up of a parent company and SNCF Réseau, SNCF Gares & Connexions, Rail Logistics Europe, SNCF Voyageurs, Geodis and Keolis:

– SNCF SA, a fully state-owned limited company and Group parent entity, ensures the Group’s long-term strategic and financial management. It ensures the Group’s unity, integration and solidarity and drives its transformation. It is responsible for:

- Managing the long term: definition of the Group’s strategy, consistency of business strategies, cash allocation, portfolio management and definition of partnerships or alliances, debt management, steering of certain major transversal or industrial policies, management of research and innovation.
- Securing the short term, particularly compliance with the strategic trajectory defined with the shareholder: set-up of transversal performance plans and monitoring of financial and production/service quality macro indicators for the business.

– SNCF Voyageurs, owned by the parent entity, comprises all the Group’s rail companies dedicated to transporting passengers in France and abroad;

– SNCF Réseau, owned by the parent entity, is responsible for the engineering, physical and commercial operation and maintenance of the French rail network. As infrastructure manager, SNCF Réseau is the hub for the French rail system, which acts as an optimal and impartial scheduler for the network’s various users and interfaces (rail companies, regions, ports, etc.). SNCF Réseau therefore has two primary functions: infrastructure fee pricing and track slot allocation. Its independence is now secured with the set-up of a “wall” with the rest of the Group for these two functions;

– SNCF Gares & Connexions, subsidiary of SNCF Réseau, manages and operates French train stations. It guarantees train station access and services for transport operators;

– Rail Logistics Europe (RLE) oversees rail freight and logistics activities. With expertise in many areas, RLE offers its customers tailored door-to-door solutions for any type of freight in Europe and worldwide through Fret SNCF, VIIA, Captrain, Naviland cargo and Forwardis;

– the Geodis group specialises in freight logistics transport in France and operates in 170 countries across the world;

– a 70% SNCF subsidiary, Keolis is a major player in urban and peri-urban shared mobility. World leader in automatic underground trains and trams, Keolis also operates bus, coach, train, on-demand transport, autonomous shuttle, bicycle, etc. networks on behalf of 300 Mobility Organising Authorities in 15 countries.

### 1.4.2 Strengthened governance normalises the Group economically and financially

The transformation from an EPIC to a public limited company (SA) led to a change in governance: governing bodies with greater involvement in the Group’s affairs, directors with various complementary and diverse backgrounds, industrial and financial management based on the company’s corporate interest.

This change helps to normalise the Group economically and financially and heightens the responsibility of its companies.

Financially speaking, the companies are now governed by the same legal rules as all commercial companies, particularly in terms of their balance sheet. They are required to manage their results and debt. This economic and financial normalisation is virtuous: it is associated with a healthy governance and promotes the Group’s transformation to deal with the opening-up to competition.



The end of recruitment of personnel with railway worker status and the opening-up to competition are other items which tend to reinforce this “normalisation” of the companies in their operating and financial requirements.

### 1.4.3 SNCF has a solidarity role benefiting the entire French rail system

In 2018, the rail reform provided for the assumption of €35 billion of SNCF Réseau's debt by the State. The 2020 Finance Law ratified the assumption of a first tranche of debt amounting to €25 billion on 1 January 2020. The assumption of the second tranche took place in early 2022.

Debt reduction remains a priority to create leeway and enable SNCF Réseau to modernise and renew the rail network to reduce its average age and promote the modal transition from air and road transport.

The sustainability and renewal of the SNCF Réseau's economic model is a major challenge for Group stability. Two vital financial solidarity mechanisms were therefore secured:

- Tax consolidation: this legal mechanism enables a parent company, the head of the tax consolidation, to collect the corporate income tax of its subsidiaries. The difference between income tax collected from the subsidiaries and income tax payable to the French State, arising from the consolidation of profits and losses between subsidiaries, fuels the parent company's resources;
- The French State support fund: given the financial pressure on the SNCF Réseau economic model during the COVID health crisis, a support fund was set up by the French State. This fund provides SNCF Réseau with a yearly investment grant to finance renewal operations. This fund is financed by the parent company's own resources, mainly dividends waived by the French State, all or part of the tax consolidation profit and, where applicable, its cash flow. Under the rail recovery plan, SNCF SA benefited from a recapitalisation of €4.05 billion in 2020 that was paid to the support fund. Payments are made to SNCF Réseau over 2021-2023 to secure its investments.

## 1.5 A RESPONSIBLE GROUP

The world is developing in a context where interconnected segments are faced with four crises:

- A climate crisis requiring radical individual and collective behavioural changes, both individually and collectively;
- A regional crisis: all regions do not have the same level of development or inclusion in the globalisation of trade. This creates imbalances in terms of growth, tax resources and therefore public service coverage;
- A labour crisis, as a result of the regional crisis, generated by job access difficulties and income disparities making it hard for households to change their lifestyles and, in particular, become more environmentally friendly;
- A health crisis of historic proportions that has caused a global crisis since 2020 that had impacts until early 2022, the consequences of which could still continue, leading to profound economic, social and cultural changes.

The Group's commitments are detailed in the non-financial performance statement (see section 5).

### 1.5.1 A reasserted social commitment

The new SNCF Group has multiple social responsibilities:

- As an employer, the Group has a workforce of 276,000 employees worldwide (including close to 210,000 in France). It must provide each employee with the means to

develop professionally, a protective social framework and a reassuring environment. As part of the employer's promise, the Group must rise to the challenge of making its brand appealing to attract and retain sought-after key talents;

- As a purchaser, the Group is a major player in the rail sector and the national and European economy;
- As a mobile solutions provider, the Group is central to the life of many French people and citizens in other countries. The operational and commercial performance determines their quality of life and their ability to find employment, get to their workplace daily and access their rights. The continuous improvement of our fundamentals is not only a question of competitiveness: it is also a question of social justice and regional equity;
- As a public company, SNCF is at the service of the nation. It aims to be a useful group in the daily life of every French person.

Since 2003, SNCF has adhered to the 10 principles of the United Nations Global Compact on human rights, anti-corruption, labour rights and environmental protection. It releases an annual publication on its progress in this area.

### 1.5.2 The fight against climate change at the heart of our commitment

Whereas the transport sector accounts for 30% of the country's greenhouse gas (GHG) emissions, rail only accounts for 0.6% yet represents 10% of people and goods transported. To boost this performance even further and promote the modal transition to collective transport, the SNCF Group is committed to an ambitious CO<sub>2e</sub> emission reduction plan.

As mentioned above, the Group aims to reduce transport and building CO<sub>2e</sub> emissions by 30% and 50%, respectively, by 2030 compared to 2015. These goals are consistent with France's national low carbon strategy and the Paris Agreement objectives.

SNCF has implemented three main decarbonisation levers to meet these commitments:

- Energy conservation
- Energy efficiency
- Changing energy fluids and using technological developments.

- Eco-design and circular economy

SNCF has embarked on a path towards zero non-recovered waste by 2035 for products central to rail activity (infrastructure, rolling stock and waste in stations and on trains).

The circular economy is a major focus of the SNCF Group's sustainable development strategy. Since 2013, the SNCF Group has been developing a policy aimed at limiting the consumption of resources, reducing waste in all its operating processes, and recovering products at the end of their life cycle (ballast, sleepers, rails, switches and crossings, overhead lines).

SNCF recycles more than 92% of its trains on average and 55,000 tonnes of materials are recycled each year on average.

- The environmental management system

For many years, SNCF has adopted an ISO 14001 certified environmental approach for its industrial sites and set up adapted Environmental Management Systems (EMS) in all its operational units.

- Control of air emissions

SNCF rolled out a programme to monitor air quality in underground rail enclosures and search for improvement

solutions. Several particle reduction technologies have been tested since 2020 and other new technologies will be tested by 2023.

- Preservation of biodiversity

With 30,000 km of track and 100,000 hectares of rights-of-way, SNCF constantly interacts with nature. It works to reconcile industrial practices and biodiversity, and therefore joined Act4Nature (first French event uniting 65 companies which pledge to protect biodiversity) in 2018.

- Ongoing commitments under Act4Nature International

Since 2005, SNCF has rolled out a rational action plan for the management of plant life, based on the continuous improvement of weeding techniques (GPS equipped weeder trains) and alternative solutions in very specific areas.

### 1.5.3 SNCF, a natural partner committed to developing regions

The Group's relationship with the regions is natural and long-standing: transport has always contributed to opening up and developing regions, agglomerations and city centres. This is promoted by the Group's 11 regional coordinators whose role is to strengthen local ties with regional players.

Regions are currently undergoing major changes: metropolitanisation and globalisation, regional de-industrialisation, population ageing, their desire to reduce their energy footprint, etc.

All the Group's business lines contribute to the response: support the development of mass transit by reinvigorating minor historical regional routes, boost the capacities of major stations while maintaining a maximum of stations open in acceptable conditions, assist all regions in developing mobility services tailored to their demographic, environmental and financial challenges.

The Group has therefore adopted a new regional approach with its organising authority customers to accompany them in optimising the use of their transport infrastructures and solutions. Under this strategy, SNCF will mobilise all the Group's entities to provide general mobility solutions adapted to the specificities of each region.

## 2. MAJOR ACHIEVEMENTS BY ACTIVITIES IN 2022

### Solid financial performance in 2022

With the Covid-19 crisis years now behind it, **SNCF Group reported record revenue of €41.4bn (with nearly 40% generated outside France), up +19% over 2021 and +18% over 2019. Growth was driven by strong performances in logistics and freight transport and by a powerful rebound in passenger rail traffic.**

**EBITDA stood at €6.6bn**, up €2.4bn over 2021 and €1.0bn over 2019. The Group's EBITDA/revenue ratio rebounded to 16%, versus 12.5% in 2021 and 16.1% in 2019.

**In 2022, the Group continued efforts to improve its performance and productivity** through cost-cutting at all levels—structural, industrial and projects. **This effort generated significant competitiveness gains of €830m in 2022, exceeding the original target of over €650m.**

**This performance resulted in positive free cash flow of €1.3bn** (up from -€0.7 in 2021 and -€2.3bn in 2019), **thanks to good business volumes and support from**

**the French State. Net profit came to €2.4bn**, up from €0.9bn in 2021 and -€0.8bn in 2019.

These results are critical to laying the groundwork for SNCF Group's future. In line with its commitment to the French State under the rail reform package, **all of its profit will be channelled into the rail system.** SNCF's strong performance in 2022 will also enable it to resist inflationary pressures in 2023 and invest in continued growth at Geodis and Keolis.

**The Group has reduced its debt, which now stands at €24.4bn, down €11.9 from year-end 2021 (and down nearly €36bn from year-end 2019).** This is partly the result of the French State's assumption of a second tranche of SNCF Réseau debt totalling €10bn, effective 1 January 2022. Other factors include robust commercial initiatives, rigorous management, and sale of Akiem, a locomotive leasing business. This disposal reduced the Group's debt by €0.8bn.

**Thanks to these encouraging results, the Group is on track to meet its commitments under the rail reform of 2018:**

- Positive free cash flow by 2022 (+€1.3bn in 2022).
- FFO1-to-net-debt ratio > 10% by 2022 (22.8% in 2022).
- Net indebtedness/EBITDA < 6x no later than 2023 (3.7x in 2022).

**Rating agencies have taken note of the Group's performance.** Fitch Ratings raised SNCF's rating from A+ to AA- in 2022, based on the rebound in passenger traffic, especially for high-speed rail; the very strong performance of the Group's logistics business; its efforts to cut costs and blunt the impact of inflation; and its declining debt levels, thanks to its disposal strategy and support from the French State.

This position testifies to SNCF Group's resilience in an uncertain environment, at a time when many other transport specialists facing the same challenges have seen their ratings downgraded since 2020.

Despite unfavourable macroeconomic conditions, SNCF Group successfully increased liquidity and kept cash between €7bn and €9.7bn throughout 2022, with a liquidity ratio between 2.15x and 2.6x.

This protected SNCF from liquidity risk in a volatile, uncertain market, and buoyed its strategy of investment and external growth. In addition, exposure to interest rate risk is under control, largely because of the structure of Group debt, 90% of which is in fixed-rate instruments, with long-term maturities averaging around 12 years. New financing needs have been adjusted, and in Q1 2022 the Group adopted an interest-rate pre-hedging strategy that saved €50m in financial expense

**s over the course of the year.**  
**In all, SNCF has issued €8.1bn in green bonds since 2016—the equivalent of avoiding over 35m tons of CO2e over 40 years.**

In line with commitments made in 2021 and approved by the Board of Directors, **SNCF Group has continued its 100% sustainable finance strategy, which calls for converting all of its financial products—debt, investments and more—to meet responsible investment criteria by 2025.** At year-end 2022, the Group was already a year ahead of its 2023 commitments and had exceeded them on some criteria.

<sup>1</sup> FFO = EBITDA – cost of EFN – corporate profits tax

## Massive investment programme continues

Investments came to **€9.9bn in 2022**, with over one-third financed by the SNCF Group and 95% made in France. In line with its strategy, the Group prioritized investments that advance the green transition, focusing largely on core projects to regenerate and modernize the rail network and stations.

- **€5.6bn was invested in the rail network, with, in particular, engineering works to regenerate the primary commuter network (meeting the target of €2.8bn for upgrades).**
- **€1bn funded structural updates and station maintenance and accessibility.**
- **€2.8bn went into rolling stock and operating facilities for SNCF Voyageurs**, which took delivery of 116 new trainsets in 2022. NB: TER and Transilien trains are financed by France's regions, which act as their own transport organizing authorities.
- **€0.2bn was invested in fixed facilities and electric or biofuel buses and coaches for Keolis.**
- **€0.3bn funded infrastructure and rolling stock for SNCF logistics operations.** Purchases included natural gas-powered semi-trailers (NGVs) for Geodis, electric locomotives for Captrain, and wagons for the Lorry Rail rail motorway (VIIA).

**Non-financial performance. In 2022 the Group stepped up deployment of its CSR roadmap, in keeping with its aim to become the world leader in sustainable mobility**

In 2022, SNCF Group reached a major milestone when it **made its corporate purpose an integral part of its articles: “Working towards a dynamic, caring, sustainable society”** confirms the Group's role as a responsible corporate citizen and reaffirms the key role of environmental and social concerns in its management and governance. The first critical decisions have been made, including **introducing an internal carbon price to assign a value to each ton of CO<sub>2</sub>e avoided and prioritizing investment projects that advance the green transition.**

**SNCF Group's environmental strategy is built on three priorities:**

### **1. Consume less energy and cut greenhouse gas emissions**

– The Group continued to **expand its use of renewable energies.** This included SNCF Voyageurs' signature of a record 25-year contract to buy renewable electricity for traction (four solar power facilities).

**By 2030, France's 3,000 railway stations will be supplied with solar power**, and as of 2024, stations will get 15% of the energy they consume from photovoltaic panels in their car parks. **The Group has rolled out an energy efficiency plan designed to reduce consumption 10% by 2024.** This calls for energy rehabilitation programmes and new practices such as green driving and parking techniques, reduced heating, and managed lighting. **In 2022 SNCF commercial buildings and Technicentres consumed nearly 15% less energy than in 2021.**

– **Decarbonization of rolling stock and vehicle fleets has accelerated, with SNCF Voyageurs and Alstom unveiling France's first electric/thermal/battery-powered hybrid train.** Equipped with a system that recovers and reuses braking energy, this pioneering unit runs on 20% less energy than standard rolling stock.

In addition, 12 hydrogen-powered TER trainsets have been ordered from Alstom.

- **Keolis continues to electrify** its fleet of buses and coaches in Europe and Australia.
- **Geodis is working on multiple fronts to decarbonize every mode of freight transport.** By 2024, 420 biogas-powered or electric vehicles will be delivered for use in large French cities, and Geodis will work with Renault Trucks to develop a 16-tonne electric truck for urban logistics. Over longer distances, road-rail solutions are being pursued. For its air and sea transport customers, **Geodis offers the Sustainable Fuel programme, which uses renewably-sourced alternative fuels that can cut greenhouse gas emissions by as much as 90%.**

### **2. Expand responsible procurement and advance the circular economy**

– **SNCF pursued its responsible procurement strategy by applying CSR criteria in every tender review process.** In 2022, contracts for 52% of our spending assigned a weighting of at least 20% to CSR criteria. Starting in 2023, SNCF is encouraging its suppliers to decarbonize their own offers by setting a price on carbon in financial ratings for tendered engineering works. **Full year, SNCF Group procurement totalled €17.2bn in 2022. Of that total, €13bn went to suppliers in France, supporting nearly 250,000 indirect jobs in French communities.**

– **The Group is also accelerating progress towards the circular economy. For example, 100% of rails removed in engineering works were recycled or reused—a total 155,000 tons salvaged, eliminating 90% of the greenhouse gas emissions required to make new rails.** Meanwhile, nearly 1,200 railway coaches and locomotives were reclaimed, yielding 60,000 tons of steel, 7,000 tons of copper and 2,000 tons of aluminium.

### **3. Preserving biodiversity**

– Since the end of 2021, SNCF has voluntarily discontinued use of glyphosate, replacing it with alternative methods of plant control. In addition, the Group has continued its involvement in the Act4nature environmental alliance.

**SNCF's CSR efforts and strategy have been recognized by Moody's ESG (formerly Vigeo Eiris),** which upgraded the Group's extra-financial rating to 77/100 in 2022 (up 3 points from 2021). This performance puts **SNCF Group among the world's top-rated companies**, all business sectors combined. **EcoVadis rated SNCF 79/100, up 2 points from 2021**, placing the Group in the top 1% of companies in rail transport.

### **Strengthening employee relations**

**In 2022 SNCF hired over 14,300 new permanent employees in France**, including both white- and blue-collar staff. Recruitment focused primarily on technical jobs in civil, electrical and mechanical engineering, and on IT expertise to develop the full range of skills required for transport services. This brought the Group's workforce in France to 210,000 at the end of 2022, **strengthening its position as a leading French employer.**

**SNCF remains highly committed to its employees.**

– **The Group has taken bold steps to improve the purchasing power of its rail employees**, continuing to invest in improving workplace conditions and quality of life, and in boosting the disposable income of its workforce, particularly at the lowest pay levels. **In all, SNCF will have increased the salaries of rail workers by an average of nearly +6% in 2022 and an additional +6%**



**in 2023, offsetting the effects of inflation.** Starting in 2023, additional payroll costs will be on the order of €1bn.

– The Group has **created a €400 Sustainable Mobility Pass and is covering 75% of employees' public transport costs** to help decarbonize their travel between home and work.

– Amid increased competition in both the rail and labour markets, SNCF wants all of its employee to thrive in their daily work environment. The **SNCF&moi** initiative, launched in 2021, furthers this goal by **strengthening existing employee programmes and developing new ones to enhance job satisfaction and engagement for everyone at SNCF. In 2022 the programme asked for employee input** on important subjects such as compensation, quality of life at the workplace, and work-life balance. SNCF&moi is an integral part of Tous SNCF ("All SNCF"), a Group programme promoting employee satisfaction and engagement. **SNCF&moi also has a "citizen employee" component, enabling SNCF employees to share their skills with non-profits working with the SNCF Foundation.** In 2022, it had **7,000 participants**, up +13% from the year before.

### 3. MAJOR EVENTS OF 2022 - FINANCIAL INFORMATION

#### 3.1 COVID-19 HEALTH CRISIS

The COVID-19 health crisis has had a less severe impact on SNCF Group operations since the beginning of 2022.

The Passengers business line reported a gradual upturn in activity, mainly driven by leisure travellers.

SNCF nevertheless continued to roll out its savings plan and maintained its efforts to adapt to the new economic context and further the growth of its activities.

#### 3.2 PARTIAL ASSUMPTION OF SNCF RÉSEAU'S DEBT BY THE FRENCH STATE

On 1 January 2022, the French State assumed €10 billion of the debt carried by SNCF Réseau (nominal value on redemption), in line with the provisions of the initial 2022 Finance Law.

The terms of this debt transfer are identical to those implemented for the initial €25 billion debt transfer performed on 1 January 2020.

The financial grant totalled €2.2 billion as at 01/01/2022.

This debt transfer reduced net debt by €10 billion and annual financial expenses by around €275 million.

#### 3.3 CONTINUATION OF THE RAIL RECOVERY PLAN

The roll-out of the rail recovery plan initiated by the French State in 2020 continued in 2022. A total of €1,761 million has been paid by the State to SNCF Réseau in 2022 through the support fund. This follows the €1,645 million paid in 2021.

#### 3.4 CREATION OF EUROSTAR GROUP

The Boards of Directors of SNCF SA (25 January 2022), SNCF Voyageurs (1 February 2022) and SVD (3 February 2022) validated the final phase of the Greenspeed project, duly confirming the merger of Eurostar and Thalys.

In April 2022, this merger resulted in the creation of a Belgian holding company, Eurostar Group, following the transfer of all Eurostar and Thalys securities. Post-merger, the SNCF Group continues to control Eurostar and Thalys through Eurostar Group, which is 55.75% owned.

Non-controlling interests retain a put option over all their shares.

#### 3.5 SALE OF THE AKIEM SUBSIDIARY

The sale of the Akiem group and its subsidiaries was signed on 9 December 2022 with the *Caisse de dépôt et placement du Québec* (CDPQ). 50% owned since 30 June 2016, Akiem was equity accounted in the consolidated financial statements and transferred to "Assets held for sale" as of 30 June 2022. The disposal gain recognised in "Net proceeds from asset disposals" is €557 million. This transaction enabled the Group to reduce its debt by €0.8 billion.

#### 3.6 ACQUISITIONS IN 2022 BY THE GEODIS SUBSIDIARY

##### Acquisition of the American group Need It Now Delivers

Geodis acquired all the shares of the American group Need It Now Delivers on 11 October 2022 through its subsidiary Geodis America. This acquisition allowed Geodis to expand its presence in the United States in the areas of contract logistics and last-mile delivery. Need It Now Delivers operates a domestic trucking network with more than 65 sites and 300 distributions points and employs around 2,000 people. Since its acquisition, the company has generated revenue of €171 million and net income, attributable to equity holders of the parent of €9 million.

##### Acquisition of the Singaporean group Keppel Logistics

On 1 July 2022, Geodis acquired the entire share capital of the Singaporean group Keppel Logistics. This deal will boost contractual logistics activities and e-commerce services in Asia-Pacific. Since its acquisition, the company has generated revenue of €34 million and a net loss, attributable to equity holders of the parent of -€4 million.

#### 3.7 CONFLICT IN UKRAINE

The conflict that broke out following the invasion of Ukraine by the Russian Federation on 24 February 2022 had no direct impact on the Group as it has no activities in the warring nations or countries subject to economic sanctions. However, the Group suffered the repercussions of rising inflation, and in particular the resulting higher prices for electricity, diesel and raw materials. This changing economic context, which has a limited impact on the Group's 2022 financial statements given the hedging mechanisms in place, was taken into account in impairment tests performed at 31 December 2022.

## 4. SNCF GROUP KEY FIGURES

### 4.1 KEY FINANCIAL PERFORMANCE INDICATORS

| In € millions                                                           | 31/12/2022 | 31/12/2021 |
|-------------------------------------------------------------------------|------------|------------|
| Revenue                                                                 | 41,449     | 34,752     |
| EBITDA                                                                  | 6,615      | 4,343      |
| Net profit/loss attributable to equity holders of the parent            | 2,425      | 890        |
| Recurring Net Income - attributable to equity holders of the parent (1) | 2,078      | -185       |
| Net investments (2)                                                     | 3,495      | 3,435      |
| Investments                                                             |            |            |
| Investments from all funding sources (3)                                | 9,936      | 10,293     |
| Free Cash Flow (4)                                                      | 1,304      | -689       |
| Net debt / EBITDA                                                       | 3.7        | 8.4        |
| % FFO (5) / Net debt                                                    | 22.8%      | 8.9%       |
| Workforce                                                               | 276,271    | 270,296    |

| In € millions        | 31/12/2022 | 31/12/2021 |
|----------------------|------------|------------|
| SNCF Group net debt  | 24,439     | 36,296     |
| of which SNCF Réseau | 18,998     | 29,333     |

(1) The definition of recurring net profit/loss is presented in the Group activities and financial results chapter of this report.

(2) Net investments are calculated as follows:

| In € millions                                                         | 31/12/2022 | 31/12/2021 |
|-----------------------------------------------------------------------|------------|------------|
| By aggregating the following line items from the cash flow statement: |            |            |
| - Acquisitions of intangible assets and property, plant and equipment | 7,687      | 8,223      |
| - Capitalised interest                                                | 230        | 228        |
| - Investment grants received                                          | -4,518     | -4,866     |
| - New concession financial assets                                     | 1,805      | 1,853      |
| - Cash inflows from concession financial assets                       | -1,709     | -2,003     |
| Total net investments                                                 | 3,495      | 3,435      |

(3) Investments from all funding sources are calculated as follows:

| In € millions                                                               | 31/12/2022 | 31/12/2021 |
|-----------------------------------------------------------------------------|------------|------------|
| By aggregating the following line items from the cash flow statement:       |            |            |
| - Acquisitions of intangible assets and property, plant and equipment       | 7,687      | 8,223      |
| - Capitalised interest                                                      | 230        | 228        |
| - New concession financial assets                                           | 1,805      | 1,853      |
| less change in working capital requirement relating to Investing activities | -214       | 11         |
| Total Investments from all funding sources                                  | 9,936      | 10,293     |

(4) Free Cash Flow is calculated as follows:

| In € millions                                                                                                                           | 31/12/2022 | 31/12/2021 |
|-----------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| By aggregating the following line items from the cash flow statement:                                                                   |            |            |
| - Cash from operations after cost of net debt and taxes                                                                                 | 5,883      | 3,129      |
| - Acquisitions of intangible assets and property, plant and equipment                                                                   | -7,687     | -8,223     |
| - Capitalised interest                                                                                                                  | -230       | -228       |
| - Investment grants received                                                                                                            | 4,518      | 4,866      |
| - Repayments of lease liabilities                                                                                                       | -1,031     | -965       |
| - Repayments of IFRS 16 lease receivables                                                                                               | 0          | 0          |
| - Proceeds from disposals of intangible assets and property, plant and equipment                                                        | 246        | 367        |
| - New concession financial assets                                                                                                       | -1,805     | -1,853     |
| - Cash inflows from concession financial assets                                                                                         | 1,709      | 2,003      |
| - Impact of change in working capital requirement                                                                                       | -230       | 102        |
| change in working capital requirement relating to income taxes, included in the cash flow statement line item "Taxes (paid)/collected"  | -95        | 98         |
| accrued interest on IFRS 16 lease liabilities, included in the cash flow statement line item "Interest paid on lease liabilities"       | 3          | -0         |
| dividends received from entities accounted for by the equity method, included in the cash flow statement line item "Dividends received" | 22         | 15         |
| Total free cash flow                                                                                                                    | 1,304      | -689       |

(5) Funds From Operations (FFO) is calculated as follows:

| In € millions                   | 31/12/2022 | 31/12/2021 |
|---------------------------------|------------|------------|
| - EBITDA                        | 6,615      | 4,343      |
| - Net borrowing and other costs | -734       | -966       |
| - Income tax expense            | -314       | -158       |
| Total FFO                       | 5,567      | 3,219      |

### 4.2 MAIN NON-FINANCIAL KEY PERFORMANCE INDICATORS

| France Group excluding Geodis non-financial indicators                                                                     | 31/12/2022 | 31/12/2021 |
|----------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Total energy consumption (in GWh)                                                                                          | 17,846     | 16,428     |
| Greenhouse gas emissions (kt of CO <sub>2</sub> e) related to scope 1, 2 and 3 energy consumption (excluding refrigerants) | 3,260      | 2,961      |
| Percentage of women in the workforce                                                                                       | 26.0       | 25.9       |
| Number of permanent hires in France                                                                                        | 14,305     | 11,622     |
| Number of work-study contracts in France - excluding Geodis in 2022                                                        | 4,890      | 8,139      |
| % of employees having received at least one training course in France                                                      | 76.7       | 69.0       |



## 5. SUBSEQUENT EVENTS

The main subsequent events are as follows:

### 5.1 IN-DEPTH INVESTIGATION OPENED BY THE EUROPEAN COMMISSION INTO FRENCH SUPPORT MEASURES FOR FRET SNCF

On 18 January 2023, the European Commission opened an in-depth investigation to assess whether certain French support measures in favour of Fret SNCF are in line with EU State aid rules, i.e. whether these measures were those that a prudent investor would have taken under the same market conditions. The measures concern:

– cash advances from the beginning of 2007 to 1 January 2020, the date of the conversion of the freight business to a commercial company for an estimated amount of between €4 and €4.3 billion

– cancelling the intra-group borrowings of the Fret SNCF activity, at the time of its conversion to a commercial company, for the value of €5.3 billion, including the advances mentioned above

– injecting €170 million of share capital at the time of the conversion to a commercial company

It is recalled that the opening of this investigation does not pre-empt its outcome. At the date of the Group's financial statements, and in the absence of information on the outcome of the investigation or its possible consequences, no accounting impact has been identified. It should also be noted that the intra-group debt of €5.3 billion mentioned above, which was cancelled when Fret SNCF SAS was created, was financed by SNCF SA and is therefore included in SNCF consolidated financial debt.

# GROUP ACTIVITIES AND FINANCIAL RESULTS

## 1. ANALYSIS OF GROUP RESULTS

### 1.1 GROUP RESULTS

| In € millions                                                                                            | 2022          | 2021          | Change<br>2022 vs. 2021 |
|----------------------------------------------------------------------------------------------------------|---------------|---------------|-------------------------|
| <b>Revenue</b>                                                                                           | <b>41,449</b> | <b>34,752</b> | <b>6,697</b>            |
| Infrastructure fees                                                                                      | -778          | -603          | -175                    |
| Purchases and external charges other than infrastructure fees                                            | -17,218       | -14,112       | -3,106                  |
| Taxes and duties other than income tax                                                                   | -1,274        | -1,201        | -73                     |
| Employee benefit expense                                                                                 | -15,724       | -14,620       | -1,104                  |
| Other income and expenses                                                                                | 159           | 126           | 33                      |
| <b>EBITDA</b>                                                                                            | <b>6,615</b>  | <b>4,343</b>  | <b>2,272</b>            |
| Depreciation and amortisation                                                                            | -4,169        | -3,822        | -347                    |
| Net movement in provisions                                                                               | 45            | 92            | -47                     |
| <b>Current operating profit/loss</b>                                                                     | <b>2,491</b>  | <b>613</b>    | <b>1,878</b>            |
| Net proceeds from asset disposals                                                                        | 787           | 1,254         | -467                    |
| Impairment losses                                                                                        | -0            | -51           | 51                      |
| <b>Operating profit/loss</b>                                                                             | <b>3,277</b>  | <b>1,815</b>  | <b>1,462</b>            |
| Share of net profit/loss of companies consolidated under the equity method                               | 41            | 7             | 34                      |
| <b>Operating profit/loss after share of net profit of companies consolidated under the equity method</b> | <b>3,318</b>  | <b>1,822</b>  | <b>1,496</b>            |
| Net finance costs of employee benefits                                                                   | 245           | 69            | 176                     |
| Net borrowing and other costs                                                                            | -734          | -966          | 232                     |
| <b>Net finance costs</b>                                                                                 | <b>-489</b>   | <b>-897</b>   | <b>408</b>              |
| <b>Net profit/loss before tax</b>                                                                        | <b>2,830</b>  | <b>925</b>    | <b>1,905</b>            |
| Income tax expense                                                                                       | -314          | -158          | -156                    |
| <b>Net profit/loss from ordinary activities</b>                                                          | <b>2,516</b>  | <b>767</b>    | <b>1,749</b>            |
| Net profit/loss from transferred operations                                                              | -             | -             | -                       |
| <b>Net profit/loss for the year</b>                                                                      | <b>2,516</b>  | <b>767</b>    | <b>1,749</b>            |
| <b>Net profit/loss attributable to equity holders of the parent</b>                                      | <b>2,425</b>  | <b>890</b>    | <b>1,534</b>            |
| Net profit/loss for the year attributable to non-controlling interests (minority interests)              | 91            | -124          | 215                     |
| <b>Recurring net profit/loss - attributable to equity holders of the parent (1)</b>                      | <b>2,078</b>  | <b>-185</b>   | <b>2,263</b>            |
| EBITDA / Revenue                                                                                         | 16.0%         | 12.5%         |                         |
| Current operating profit or loss / revenue                                                               | 6.0%          | 1.8%          |                         |

(1) The Group discloses, both internally and externally, recurring net profit attributable to equity holders of the parent determined on the basis of net profit attributable to equity holders of the parent restated for:

- impairment losses;
- transactions generating an impact on profit or loss that is individually greater than €50 million in absolute value, generally included in and/or allocated between "Fair value remeasurement of previously-held equity interest" and "Net proceeds from asset disposals";
- the Group's share in these various items recorded in companies accounted for under the equity method and

included in "Share of net profit/(loss) of companies consolidated under the equity method";

- specific transactions involving financial instruments (restructuring, renegotiation or other) with an impact of more than €50 million in absolute value on net borrowing costs;

- change in deferred tax assets recognised for SNCF tax consolidation entities in "Income tax expense";

- share of minority interests regarding these various items and included in "Net profit/(loss) attributable to non-controlling interests (minority interests)".

The indicator better reflects the net profit or loss attributable to equity holders of the parent relating to the

Group's recurring performance. It was calculated as follows at the year-end:

| In € millions                                                                   | Notes (*) | 31/12/2022   | 31/12/2021  |
|---------------------------------------------------------------------------------|-----------|--------------|-------------|
| <b>Net profit/loss attributable to equity holders of the parent</b>             |           | <b>2,425</b> | <b>890</b>  |
| Impairment losses                                                               |           | 0            | 51          |
| Included in "Net proceeds from asset disposals"                                 | 1.3.4     | -557         | -1,125      |
| Included in "Income tax expense"                                                | 1.3.6     | 216          | 0           |
| Included in "Net profit/loss attributable to non-controlling interests"         |           | -5           | -2          |
| <b>Recurring net profit/loss - attributable to equity holders of the parent</b> |           | <b>2,078</b> | <b>-185</b> |

(\*) references to the notes to the Group management report

## 1.2 COMPARABILITY OF THE FINANCIAL STATEMENTS

The comparability of the 2022 results with those of 2021 was impacted by the following changes in scope and exchange rates:

| In € millions                            |                                             | Impacts on changes in revenue |
|------------------------------------------|---------------------------------------------|-------------------------------|
| <b>SNCF Réseau</b>                       | <b>Change in 2021 scope <sup>(1)</sup></b>  |                               |
|                                          | Acquisition of Leyfa Measurement (France)   | 0                             |
| <b>SNCF Gares &amp; Connexions</b>       | <b>Change in 2022 scope</b>                 |                               |
|                                          | Takeover of Lagardère & Connexions (France) | 29                            |
| <b>TGV - Intercités</b>                  | <b>Change in 2022 scope</b>                 |                               |
|                                          | Sale of Rail Europe group                   | -0                            |
|                                          | <b>Exchange rate fluctuations</b>           | 16                            |
| <b>Keolis</b>                            | <b>Changes in 2021 scope <sup>(1)</sup></b> |                               |
|                                          | Sale of CSG Commuter Security (Sweden)      | -3                            |
|                                          | Sale of the rail business in Germany        | -219                          |
|                                          | <b>Changes in 2022 scope</b>                |                               |
|                                          | Acquisition of Terminal G (Sweden)          | 2                             |
|                                          | Acquisition of Transports Pagès (France)    | 3                             |
|                                          | Sale of the rail business in Norway         | -8                            |
|                                          | <b>Exchange rate fluctuations</b>           | 105                           |
| <b>Geodis</b>                            | <b>Changes in 2021 scope <sup>(1)</sup></b> |                               |
|                                          | Acquisition of Pekaes (Poland)              | 28                            |
|                                          | Acquisition of Gandon Transport (France)    | 22                            |
|                                          | Sale of STSI (France)                       | -15                           |
|                                          | Acquisition of Transports Perrier (France)  | 31                            |
|                                          | <b>Changes in 2022 scope</b>                |                               |
|                                          | Acquisition of Keppel Logistics (Singapore) | 34                            |
| Acquisition of Need It Now Delivers (US) | 171                                         |                               |
|                                          | <b>Exchange rate fluctuations</b>           | 449                           |
| <b>Rail Logistics Europe</b>             | <b>Change in 2022 scope</b>                 |                               |
|                                          | Acquisition of Takargo (Portugal)           | 12                            |
|                                          | <b>Exchange rate fluctuations</b>           | 0                             |
| <b>Freight &amp; Logistics - Other</b>   | <b>Change in 2021 scope <sup>(1)</sup></b>  |                               |
|                                          | Sale of the Ermewa subsidiary               | -439                          |
| <b>Internal transactions</b>             |                                             | 68                            |
| <b>Total</b>                             |                                             | <b>287</b>                    |

(1) Transactions carried out in 2021 that had an impact on 2021 / 2022 revenue trends

## 1.3 2022 RESULTS

### 1.3.1 Revenue

The SNCF Group's consolidated revenue amounted to €41,449 million at the end of December 2022, an increase of €6,697 million (+19.3%) compared to 2021, due to:

- changes in scope for -€283 million;
- the effect of exchange rate fluctuations for +€570 million;
- organic growth of +€6,409 million (+18.8%) for the Group; changes in the business lines were as follows (data at business line level):

**2022 organic growth in revenue at business line level**

|                         |                 |        |
|-------------------------|-----------------|--------|
| SNCF Réseau             | +€503 million   | +7.6%  |
| SNCF Gares & Connexions | +€59 million    | +3.8%  |
| Transilien              | +€206 million   | +6.1%  |
| TER                     | +€310 million   | +6.0%  |
| TGV - Intercités        | +€3,124 million | +58.2% |
| Industrial Division     | +€157 million   | +9.3%  |
| Passengers - other      | +€65 million    | +12.1% |
| Keolis                  | +€521 million   | +8.6%  |
| Geodis                  | +2,096 million  | +19.2% |
| Rail Logistics Europe   | +€103 million   | +6.5%  |
| SNCF Immobilier         | +€129 million   | +19.8% |
| Corporate               | +€57 million    | +5.5%  |

**1.3.2 EBITDA**

At €6,615 million in 2022, EBITDA increased by €2,272 million compared to 2021, and the EBITDA-to-revenue ratio rose from 12.5% to 16.0% between 2021 and 2022.

| In € millions                                                                                                            | 2022    | 2021    | Change<br>2022 vs. 2021 |       | Change at constant<br>scope and exchange<br>rates |       |
|--------------------------------------------------------------------------------------------------------------------------|---------|---------|-------------------------|-------|---------------------------------------------------|-------|
| Revenue                                                                                                                  | 41,449  | 34,752  | 6,697                   | 19.3% | 6,409                                             | 18.8% |
| Employee benefit expense                                                                                                 | -15,724 | -14,620 | -1,104                  | 7.6%  | -936                                              | 6.4%  |
| Purchases and external charges (other than infrastructure fees, traction energy and fuel), and other income and expenses | -15,478 | -12,969 | -2,509                  | 19.3% | -2,196                                            | 16.9% |
| Infrastructure fees                                                                                                      | -778    | -603    | -175                    | 29.0% | -257                                              | 42.6% |
| Traction energy and fuel                                                                                                 | -1,581  | -1,017  | -564                    | 55.4% | -563                                              | 55.4% |
| Taxes and duties other than income tax                                                                                   | -1,274  | -1,201  | -73                     | 6.0%  | -67                                               | 5.5%  |
| EBITDA                                                                                                                   | 6,615   | 4,343   | 2,272                   | 52.3% | 2,391                                             | 55.0% |
| EBITDA to revenue ratio                                                                                                  | 16.0%   | 12.5%   |                         |       |                                                   |       |

**1.3.3 Current operating profit/loss**

Current operating profit was €2,491 million, up €1,878 million compared to 2021.

The revenue to current operating profit conversion rate thus rose from 1.8% to 6.0%.

EBITDA growth of €2,272 million is offset by:

- a €347 million increase in depreciation and amortisation;
- an unfavourable trend in provision movements: net reversal of €45 million in 2022, compared to a net reversal of €92 million in 2021.

**1.3.4 Operating profit/loss**

Operating profit rose by €1,462 million; growth in current operating profit was mitigated by a decrease of €467 million in net proceeds from asset disposals. In 2021, net proceeds from asset disposals included +€1,125 million from the sale of the subsidiary Ermewa. In 2022, it includes +€557 million from the sale of the subsidiary Akiem.

**1.3.5 Net finance costs**

The €408 million improvement in net finance costs between 2021 and 2022 was primarily due to the impact on the cost of debt of the partial transfer to the French State of SNCF Réseau's debt (see note 3.2 of the section, SNCF Group in 2022).

**1.3.6 Income tax expense**

The income tax expense increased by €156 million due to:

- a deferred tax expense of €217 million;

– a current tax expense excluding the tax expense on rail company profits (*Taxe sur les Résultats des Entreprises Ferroviaires* - TREF) up €39 million.

A TREF expense of €97 million was recorded in 2021 compared to income of €9 million in 2022, due to the adjustment of the 2021 expense. The SNCF Group is no longer liable to this tax from 2022.

**1.3.7 Net profit/loss attributable to equity holders of the parent**

As a result of all of these changes, net profit attributable to equity holders of the parent was €2,425 million, compared with €890 million in 2021, after recognition of net profit loss attributable to non-controlling interests (minority interests) of €91 million.

**1.4 CHALLENGES AND OUTLOOK****Geopolitics and the deteriorating macroeconomic environment present risks for 2023.**

Recent publications by economic forecasting institutes agree with the latest central scenario from the Bank of France. In 2023 inflation is expected to remain high, at 5%, and continue at 2% in 2024. GDP growth for 2023 should be low, at around 0.7%, going hand in hand with sluggish household consumption.

The Group will pay special attention to the rising cost of planned investments, reduction in its hedging of energy risk, and the impact that slower growth may have on demand. It will continue to invest in the future while preserving a balanced financial structure. Investments for 2023 are expected to total €10.8bn, with €6bn going to the

rail network, €1bn to stations and €3.8 to transport activities, including over 100 new trains. Half of these investments will be financed by SNCF.

## 2. ACTIVITY RESULTS

The contributions to revenue, EBITDA, net investments, and investments from all funding sources of the Group's components break down as follows (unless otherwise indicated, the financial data per activity shown in the table below and the tables on the following pages are presented as a Group contribution):

| In € millions                               | SNCF Réseau  | SNCF Gares & Connexions | Transilien   | TER          | TGV - Intercités | Industrial Division | Passengers - other | Keolis       |
|---------------------------------------------|--------------|-------------------------|--------------|--------------|------------------|---------------------|--------------------|--------------|
| a) External revenue                         | 2,711        | 299                     | 3,235        | 5,124        | 8,131            | 85                  | 7                  | 6,568        |
| b) Intra-group revenue                      | 4,397        | 1,335                   | 360          | 355          | 377              | 1,764               | 598                | 147          |
| <b>a+b Revenue</b>                          | <b>7,108</b> | <b>1,633</b>            | <b>3,594</b> | <b>5,479</b> | <b>8,508</b>     | <b>1,848</b>        | <b>606</b>         | <b>6,715</b> |
| c) External EBITDA                          | 1,821        | 335                     | 340          | 347          | 1,419            | 153                 | 10                 | 574          |
| d) Elimination of internal transactions (1) | 103          | 12                      | 31           | 39           | 48               | 27                  | 5                  | 17           |
| <b>c+d EBITDA</b>                           | <b>1,924</b> | <b>348</b>              | <b>371</b>   | <b>386</b>   | <b>1,467</b>     | <b>180</b>          | <b>15</b>          | <b>590</b>   |
| Net investments (2)                         | 2,062        | 371                     | -73          | -103         | 568              | 143                 | 17                 | 147          |
| Investments from all funding sources (2)    | 5,561        | 965                     | 1,092        | 921          | 661              | 144                 | 20                 | 208          |

(1) In particular, neutralisation of the IFRS16 restatement of internal leases.

(2) See definition in Note 4.1 - SNCF Group in 2022.

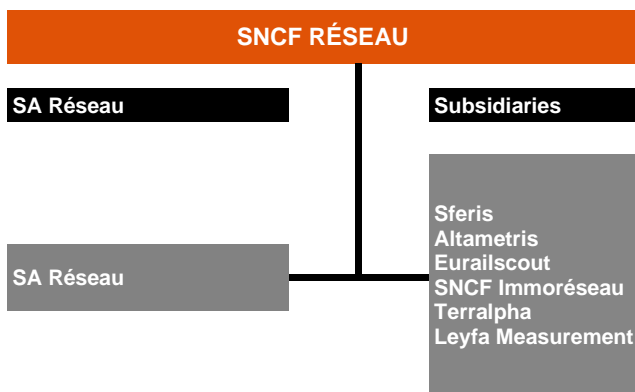
| In € millions                               | Geodis        | Rail Logistics Europe | Logistics other | SNCF Immobilier | Corporate    | Inter-segment eliminations | Total         |
|---------------------------------------------|---------------|-----------------------|-----------------|-----------------|--------------|----------------------------|---------------|
| a) External revenue                         | 13,606        | 1,626                 | -               | 44              | 13           |                            | 41,449        |
| b) Intra-group revenue                      | 116           | 83                    | -               | 735             | 1,071        | -11,338                    | -             |
| <b>a+b Revenue</b>                          | <b>13,723</b> | <b>1,709</b>          | <b>-</b>        | <b>779</b>      | <b>1,085</b> | <b>-11,338</b>             | <b>41,449</b> |
| c) External EBITDA                          | 1,157         | 201                   | 5               | 202             | 50           |                            | 6,615         |
| d) Elimination of internal transactions (1) | 6             | 6                     | -               | 2               | 16           | -313                       | -             |
| <b>c+d EBITDA</b>                           | <b>1,163</b>  | <b>208</b>            | <b>5</b>        | <b>204</b>      | <b>67</b>    | <b>-313</b>                | <b>6,615</b>  |
| Net investments (2)                         | 199           | 84                    | -               | 30              | 52           |                            | 3,495         |
| Investments from all funding sources (2)    | 197           | 85                    | -               | 29              | 53           |                            | 9,936         |

(1) In particular, neutralisation of the IFRS16 restatement of internal leases.

(2) See definition in Note 4.1 - SNCF Group in 2022.

Unless stated otherwise, the analyses of results by activity are not restated for scope and exchange rate impacts. Comments on revenue and EBITDA relate to data calculated at the level of each activity (before elimination of internal Group transactions).

## 2.1 SNCF RÉSEAU



SNCF Réseau sells track slots and is responsible for the management, maintenance, upgrading and development of the national rail network. Its customers are 38 railway operators which use the national rail network and 16 other companies (combined transport operators, ports, etc.) which reserve track slots that they then assign to the railway operator of their choice. The segment includes the Sferis, Altametriz, Eurailscout, SNCF Immoréseau, Terralpha and Leyfa Measurement subsidiaries.

| In € millions                               | 2022         | 2021         | Change     |
|---------------------------------------------|--------------|--------------|------------|
| a) External revenue                         | 2,711        | 2,651        | 60         |
| b) Intra-group revenue                      | 4,397        | 3,954        | 443        |
| <b>a+b Revenue</b>                          | <b>7,108</b> | <b>6,605</b> | <b>503</b> |
| c) External EBITDA                          | 1,821        | 1,672        | 149        |
| d) Elimination of internal transactions (1) | 103          | 105          | -2         |
| <b>c+d EBITDA</b>                           | <b>1,924</b> | <b>1,777</b> | <b>147</b> |
| EBITDA / Revenue                            | 27.1%        | 26.9%        |            |
| Net investments                             | 2,062        | 2,105        | -44        |
| Investments from all funding sources        | 5,561        | 5,666        | -106       |

(1) In particular, neutralisation of the IFRS16 restatement of internal leases.

### Major events

– Free cash flow on target despite the reduction in transport plans and the increase in operating expenses linked to inflation.

– Increase in production on major investment projects (notably EOLE and CDG Express) offset by lower volumes on regional development projects.

– More dynamic cash management for financing calls (EOLE, CDG Express).

### 2022 results

– Revenue

SNCF Réseau revenue rose 7.6% or €503 million, compared to 2021. This increase was mainly due to the counter-effect of the 2021 health crisis (+€0.7 billion), as

mitigated by adjustments to the passenger transport plan (-€0.2 billion).

– EBITDA

EBITDA rose by €147 million or 8.3% compared to the previous year. This decrease was attributable to:

– the counter-effect of the health crisis and 2021 adaptation measures (+€0.6 billion) and the implementation of a performance plan (+€0.1 billion);

– unfavourable price/inflation and volume effects of -€0.1 billion and -€0.4 billion, respectively, including -€0.2 billion for infrastructure fees related to the reduction in the transport plan.

– Net investments and investments from all funding sources did not change significantly year-on-year.

### 2023 outlook

– In early 2023, the French Transport Regulatory Body (ART) is expected to issue an opinion on tariffs for the use of the national rail network infrastructure for the 2024 to 2026 service timetables.

– Increase in traffic (+4% MTkm vs. 2022) despite rising energy costs and the tense economic context.

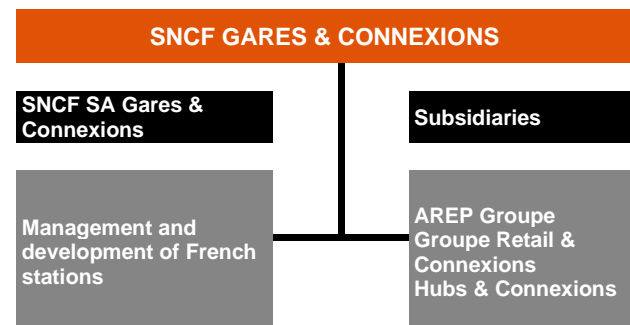
– Significant impact of inflation on investments and operating expenses (+7.5%), with limited indexation of infrastructure fees (+3.1%).

– Higher gross investment (progress of regional development projects and network regeneration) and increased grants assuming inflation coverage by finance providers.

– Sharp decline in “Recovery Plan” financing, partially offset by additional Group financing.

– Recruitment challenge for jobs experiencing shortages.

## 2.2 SNCF GARES & CONNEXIONS



SNCF Gares & Connexions specialises in the design, operation and marketing of train stations. It includes SNCF Gares & Connexions SA and its subsidiaries Arep, Retail & Connexions, Hubs & Connexions and Lagardère & Connexions.



| In € millions                               | 2022         | 2021         | Change    |
|---------------------------------------------|--------------|--------------|-----------|
| a) External revenue                         | 299          | 239          | 60        |
| b) Intra-group revenue                      | 1,335        | 1,306        | 28        |
| <b>a+b Revenue</b>                          | <b>1,633</b> | <b>1,545</b> | <b>88</b> |
| c) External EBITDA                          | 335          | 292          | 43        |
| d) Elimination of internal transactions (1) | 12           | 16           | -4        |
| <b>c+d EBITDA</b>                           | <b>348</b>   | <b>308</b>   | <b>39</b> |
| EBITDA / Revenue                            | 21.3%        | 20.0%        |           |
| Net investments                             | 371          | 408          | -37       |
| Investments from all funding sources        | 965          | 877          | 88        |

(1) In particular, neutralisation of the IFRS16 restatement of internal leases.

### Major events

- Business turnaround and impact of inflation
  - The economic recovery enabled SNCF Gares & Connexions to return to pre-health crisis activity levels from May.
  - Faced with the surge in inflation, first felt at the end of 2021 and amplified by the war in Ukraine, SNCF Gares & Connexions implemented from the first quarter of 2022 an ambitious action plan and a multi-skills task force (legal, purchasing, operational) to constrain purchases and renegotiating financing agreements.
- Favourable opinion of the French Transport Regulatory Body (ART) on the passenger station reference document for the 2023 service timetable
  - On 6 July 2022, ART published a favourable opinion on the 2022 station reference document incorporating the creation of assistance services for people with reduced mobility or disabilities separate from the unified basic service.
- Signature of the 2021-2026 performance contract with the French State
  - On 27 April 2022, SNCF Gares & Connexions signed its first performance contract with the French State to promote the development of the rail system, mainly by adapting and upgrading station infrastructures and services based on a sustainable business model.
- Unwinding of operations relating to the modernisation of the Paris-Austerlitz station and its surroundings.
  - On 19 October 2022, the Council of State rejected the appeal by associations against the building permit for the redevelopment of the Paris-Austerlitz station and its surroundings.
  - On 23 November and 16 December 2022, the signing of the deeds enabled the sale of land holdings, the purchase of assets corresponding to the construction of goods for railway use and the signature of agreements for the temporary occupation of the public domain.
- Takeover of Lagardère & Connexions.
  - Following a change in the Lagardère & Connexions' shareholders' agreement in October 2022, SNCF Gares & Connexions is solely responsible for final decisions on the subsidiary's strategic issues and exercises tight control over the latter without having purchased shares or changing the 50/50 parity between SNCF Gares & Connexions and Lagardère.

### 2022 results

- Revenue
 

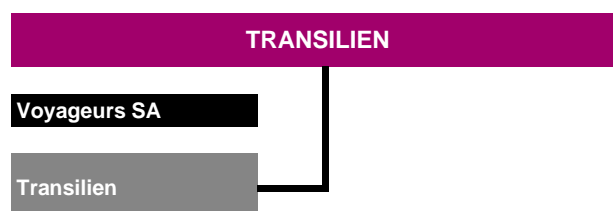
SNCF Gares & Connexions revenue increased €88 million (5.7%) compared to 2021. The takeover of Lagardère & Connexions positively impacts revenue growth by +€29 million.
- EBITDA
 

EBITDA increased €39 million between 2021 and 2022.
- Net investments for the year did not change significantly year-on-year, while investments from all funding sources increased by 10%.

### 2023 outlook

- Impact of inflation and rising energy costs.
  - 2023 will be marked by an unprecedented increase in energy costs, with purchases made in 2022 leading to a threefold rise in SNCF Gares & Connexions expenditure.
  - It will not be possible to pass in full these increases on to revenue in 2023.
- 2023 passenger station reference document and implementation of the price cap.
  - Projections performed for the 2023 passenger station reference document indicate an average forecast increase of 15% for the unified basic service, attributable three-quarters to the various inflation factors and in particular energy costs.
  - SNCF Gares & Connexions decided to implement a price cap for its customers, limiting price increases to less than 10%.

### 2.3 TRANSILIEN



Transilien provides local rail transport services in the Île-de-France (Greater Paris) region.

| In € millions                               | 2022         | 2021         | Change     |
|---------------------------------------------|--------------|--------------|------------|
| a) External revenue                         | 3,235        | 3,052        | 183        |
| b) Intra-group revenue                      | 360          | 337          | 23         |
| <b>a+b Revenue</b>                          | <b>3,594</b> | <b>3,388</b> | <b>206</b> |
| c) External EBITDA                          | 340          | 283          | 56         |
| d) Elimination of internal transactions (1) | 31           | 31           | 0          |
| <b>c+d EBITDA</b>                           | <b>371</b>   | <b>315</b>   | <b>57</b>  |
| EBITDA / Revenue                            | 10.3%        | 9.3%         |            |
| Net investments                             | -73          | -354         | 280        |
| Investments from all funding sources        | 1,092        | 1,382        | -290       |

(1) In particular, neutralisation of the IFRS16 restatement of internal leases.

### Major events

- After a decline at the beginning of 2022 due to a resumption of working from home (Omicron wave), passenger numbers increased in the second half of 2022

to reach 83% of pre-health crisis levels at the end of the year.

- Service quality was maintained at its highest ever in 2022, with an 80% customer satisfaction rate (at the end of September - results available quarterly).
- Ongoing investment programme with the delivery of 87 new trains: 30 NAT for lines J and P, 41 Regio2N for line N, 12 tram trains for lines T12 and T4, and the first 4 RER NG trains.
- Commissioning of the T13 tram-train line (Saint-Cyr - Saint-Germain-en-Laye) in July 2022.
- Signature in December of an amendment to the 2020-2023 contract with Ile-de-France Mobilités (IDFM) for a two-year extension (2024-2025).

### 2022 results

– Revenue

Transilien 2022 revenue rose by €206 million i.e. +6.1% compared to 2021. This growth is mainly due to:

- the impact of changes in contractual indexes on fixed compensation;
- the increase in passenger traffic leading to positive incentive proceeds, unlike in 2021;
- the increase in charges rebilled on an actual cost basis, in particular infrastructure fees, with the commissioning of the T13 line in July 2022.

– EBITDA

Transilien EBITDA increased €57 million between 2021 and 2022, mainly due to the increase in incentive proceeds and tight control over costs.

– Net investments

Net investments (-€73 million) improved €280 million. Investments from all funding sources are fully covered by grants, with occasional time-lags possible; in 2021, due to production delays, grant overpayments were recognised for approximately €170 million. In 2022, 2021 overpayments were returned, while 2022 overpayments amounted to around €100 million.

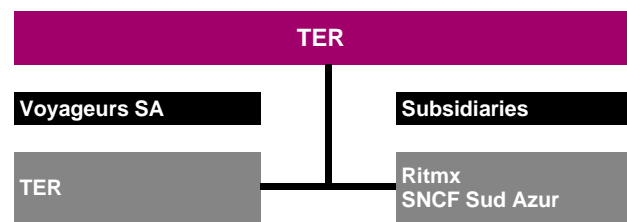
– Investments from all funding sources

Investments from all funding sources (€1,092 million) fell €290 million, due in particular to advance payments recorded in 2021 for rolling stock deliveries planned from 2022, and a decrease in 2022 in rolling stock renovations and the roll-out of new ticket validation devices.

### 2023 outlook

- New services sold to IDFM, including the financing of the Eole pre-operation phase, the full year effect of T13 tram-train operations and the Massy-Évry Courcouronnes T12 tram-train pre-operation phase, with commissioning assumed at the end of 2023.
- Excluding new offers, 2023 transport plan stable on 2022, with continuation of a transport plan adapted to new passenger behaviour.
- Maintenance of a high level of perceived service quality in a context of further growth in passenger numbers.
- Opening to competition of the next tram lots for the T12/T13 and J and L lines with traffic commencing for the future delegatee in 2025.
- Continuation of the investment programme in 2023 with the planned delivery of 46 trains (tram-trains and RER NG), plus dedicated maintenance workshops.

## 2.4 TER



TER provides regulated regional passenger transport services (rail and road, including urban and peri-urban), and related services (via the Ritmx subsidiary).

| In € millions                               | 2022         | 2021         | Change     |
|---------------------------------------------|--------------|--------------|------------|
| a) External revenue                         | 5,124        | 4,827        | 297        |
| b) Intra-group revenue                      | 355          | 342          | 13         |
| <b>a+b Revenue</b>                          | <b>5,479</b> | <b>5,169</b> | <b>310</b> |
| c) External EBITDA                          | 347          | 253          | 94         |
| d) Elimination of internal transactions (1) | 39           | 40           | -1         |
| <b>c+d EBITDA</b>                           | <b>386</b>   | <b>293</b>   | <b>93</b>  |
| EBITDA / Revenue                            | 7.0%         | 5.7%         |            |
| Net investments                             | -103         | -130         | 27         |
| Investments from all funding sources        | 921          | 650          | 271        |

(1) In particular, neutralisation of the IFRS16 restatement of internal leases.

### Major events

- Improved production quality in most regions, with progress plans underway in Hauts-de-France, AURA and Grand Est.
- 21 Régiolis trains and one Regio2N train delivered in 2022, and continued preparation of the OP\*TER major renovation programme for regional rolling stock.
- Further improvement in rail security and occupational health and safety results.
- Ongoing work on replies to calls for tenders and the renegotiation of long OTC agreements (signing of agreements with Centre-Val de Loire and Pays de la Loire) in a context of significant financial pressure on the public transport authorities.

### 2022 results

– Revenue

TER 2022 revenue rose by €310 million, i.e. 6.0% compared to 2021. This improvement is mainly due to a marked increase in direct revenues (traffic up 33%), contributing in parallel to the reduction in contributions paid by the organising authorities, despite the increase in contractual indices.

– EBITDA

TER EBITDA increased €93 million (31.6%) year-on-year. Revenue and performance gains were offset by adverse price effects on expenses.

– Net investments

There was no significant change in the amount of TER net investments year-on-year.

– Investments from all funding sources

The €271 million increase in investments from all funding sources was mainly due to much higher advance payments for the acquisition of Regio2N trains in 2022, due to the large number of deliveries expected in 2023.

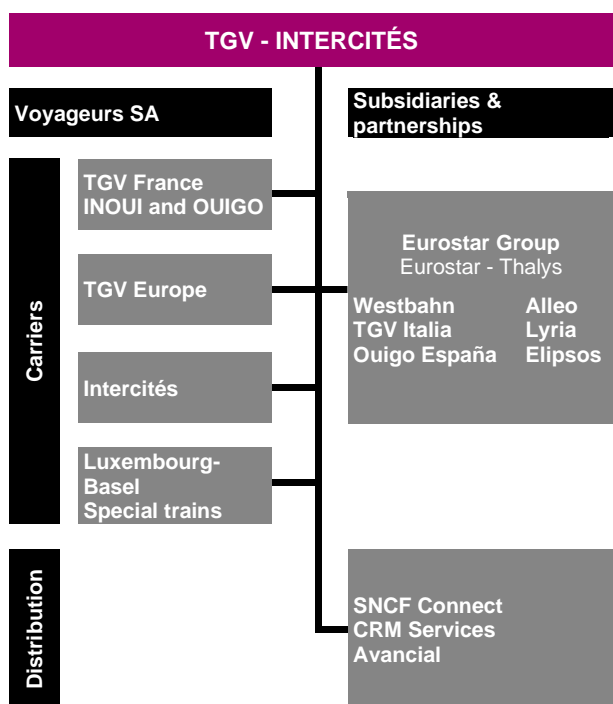


Equipment renovation work also increased with the inclusion of advance payments for the OP'TER project.

**2023 outlook**

- Continuation of the Ambitions TER 2025 plan and progress on the fundamentals, with the major challenges of securing recruitment, positioning appropriate resources for increased robustness and ensuring production quality.
- Acceleration of the “Energy efficiency” action plan (eco-parking, optidiving, etc.).
- Finalisation of all future long-term OTC agreements by December 2023.
- Continuation of discussions launched in 2022 with the OA on financial support for electric energy costs, by optimising the level of contributions and advances in 2023.
- Award in 2023 of the Étoile d’Amiens (Hauts de France), Tram-Train Sud Loire (Pays de la Loire) and Regional Information and Ticketing System (Sud-PACA) lots. In the Grand Est region, the Nancy-Contrexéville and Bruche-Piémont-Vosges lots (bid filed on 10 January 2023) are in the “competitive dialogue” phase and the business consultation file (DCE) is expected in early 2023 for the cross-border lot.

**2.5 TGV - INTERCITÉS**



TGV - Intercités offers its customers:

- passenger transport services in France and across Europe via Voyageurs SA (TGV, Inoui, OUIGO, Intercités), European co-operations (Alleo with DB, Lyria with CFF, etc.) and its subsidiaries (Eurostar, Thalys, OUIGO España, etc.);
- distribution of travel-related products (including the subsidiary SNCF Connect).

| In € millions                               | 2022         | 2021         | Change       |
|---------------------------------------------|--------------|--------------|--------------|
| a) External revenue                         | 8,131        | 4,976        | 3,155        |
| b) Intra-group revenue                      | 377          | 392          | -16          |
| <b>a+b Revenue</b>                          | <b>8,508</b> | <b>5,368</b> | <b>3,140</b> |
| c) External EBITDA                          | 1,419        | -399         | 1,818        |
| d) Elimination of internal transactions (1) | 48           | 50           | -2           |
| <b>c+d EBITDA</b>                           | <b>1,467</b> | <b>-349</b>  | <b>1,816</b> |
| EBITDA / Revenue                            | 17.2%        | -6.5%        |              |
| Net investments                             | 568          | 507          | 61           |
| Investments from all funding sources        | 661          | 776          | -116         |

(1) In particular, neutralisation of the IFRS16 restatement of internal leases.

**Major events**

**France High Speed**

- 2022 was marked by a strong recovery in traffic from the spring, supported by leisure travel and tourism.
- The success of the commercial policy, including the Advantage card (more than 4 million customers) and tight control over expenditure helped turn around the France High-speed business after two particularly difficult years due to the health crisis.

**Subsidiaries**

- Cross-border markets, which were affected in 2021 and early 2022 by greater restrictions on movement than domestically, enjoyed an even stronger business recovery.
- The creation of Eurostar Group (merger of Eurostar and Thalys) in spring 2022 embodies TGV-IC’s European ambitions in Northern Europe.
- Launch by SNCF Voyageurs of the SNCF Connect application at the beginning of the year.

**Intercités**

- Signature of a new operating agreement (2022-2031) between the French State and SNCF on 17 March 2022; this includes a new virtuous bonus/malus system for service quality. Signature of a new financing agreement under the France Recovery Plan for the return of the night service (€30 million).
- Strong recovery in traffic.
- Launch by the French State of the call for tenders for the Bordeaux-Nantes and Nantes-Lyon lines.

**2022 results**

- Revenue
- TGV - Intercités revenue increased €3,140 million (+58.5%), mainly due to the counter-effect of the 2021 health crisis combined with strong activity from the second quarter of 2022.
- Excluding the subsidiaries, TGV revenue grew €1,883 million (+41.9%). Traffic and traffic revenue increased by 36.3% and 43.8%, respectively, with a marked increase in INOUI and OUIGO activity.
- Eurostar revenue increased by €912 million and Thalys revenue by €262 million, due partly to the counter-effect of the very weak transport plans throughout 2021 (and almost nil at the beginning of 2022) and partly to a marked recovery in activity from April 2022.
- OUIGO España, which started activity in May 2021, reported a 2.5x increase in revenue, while the other subsidiaries reported total revenue of €90 million / +23.1%.

Intercités revenue grew €58 million / +12.0%, with a €90 million increase in traffic revenue and a reduced need for the contribution received from the organising authority (primarily linked to the revenue sharing mechanism). Traffic rose 30.4% and traffic revenues 48%, boosted by excellent commercial momentum.

#### – EBITDA

EBITDA increased by €1,816 million, mainly due to business growth and productivity gains.

Excluding the subsidiaries, TGV EBITDA increased €1,152 million, mainly due to the recovery in activity and the impact of resource optimisation plans.

Eurostar and Thalys reported an increase in EBITDA of €470 million and €140 million, respectively, thanks to the business turnaround and productivity plans implemented during the health crisis, while the other subsidiaries reported an increase of +€46 million.

#### – Net investments

There was no material change in TGV – Intercités net investments year-on-year, which continue to reflect a strong ambition to renew and modernise the fleet.

#### – Investments from all funding sources

Investments from all funding sources totalled €661 million in 2022, compared to €776 million in 2021. This decrease mainly concerns Intercités, which completed the Regio2N OMNEO Normandy train acquisition programme last year, slightly offset by increased investment in the renovation of night cars, the acquisition of Oxygène equipment and the fitting-out of maintenance workshops for these future trains for the Paris-Clermont-Ferrand and Paris-Toulouse lines.

### 2023 outlook

#### France High Speed

– The TGV model (Inoui and OUIGO) will face the effects of inflation and particularly the surge in energy prices, as well as strong uncertainty on household consumption trends. Despite the gradual ramp-up of competition, the commercial and offering strategy is based on ambitious traffic and revenue assumptions supported by factors favourable to long-distance rail mobility.

– After a difficult summer in 2022 for production, the robustness of operating activities will be closely monitored, with reinforced maintenance resources and measures to improve service quality, especially on-board.

– The industrial trajectory protects investment to guarantee the sustainability of activities: continuation of the TGV M project (next generation TGV), renovation of current TGV trains, as well as essential modernisation projects for the technical maintenance centres to improve asset turnaround and availability during peak periods.

– The activity has also launched the overhaul or implementation of major information systems (inventory, yield management, maintenance, planning).

#### Subsidiaries

– Traffic growth by winning back Eurostar Group customers and opening new OUIGO España routes in an increased competitive environment in Spain.

#### Intercités

– Continuation of good commercial momentum in 2023.

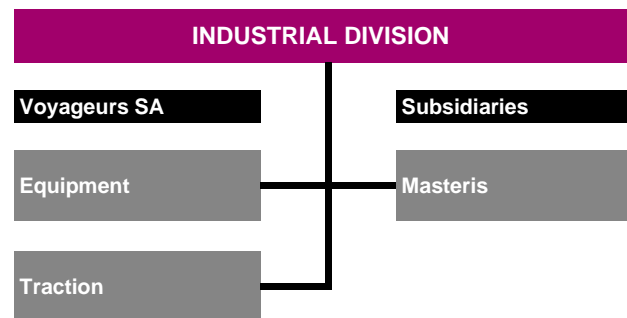
– Strengthening of production robustness and service quality.

– Preparation of the opening-up to competition.

– Development of non-regulated activities.

– Continued investment in the construction of workshops and the acquisition of new Oxygène equipment (commissioning 2025/26).

## 2.6 INDUSTRIAL DIVISION



The Industrial Division coordinates all of the SNCF Group's other operations and business lines. It comprises Equipment, Traction, and Rail Production activities and the Masteris subsidiary. Equipment is particularly responsible for the renovation and heavy maintenance of the Group's rolling stock, the supply chain for parts for all technical maintenance centres and a complete range of maintenance engineering and testing services.

| In € millions                               | 2022         | 2021         | Change     |
|---------------------------------------------|--------------|--------------|------------|
| a) External revenue                         | 85           | 71           | 13         |
| b) Intra-group revenue                      | 1,764        | 1,620        | 144        |
| <b>a+b Revenue</b>                          | <b>1,848</b> | <b>1,692</b> | <b>157</b> |
| c) External EBITDA                          | 153          | 40           | 113        |
| d) Elimination of internal transactions (1) | 27           | 29           | -2         |
| <b>c+d EBITDA</b>                           | <b>180</b>   | <b>69</b>    | <b>111</b> |
| EBITDA / Revenue                            | 9.7%         | 4.1%         |            |
| Net investments                             | 143          | 84           | 59         |
| Investments from all funding sources        | 144          | 97           | 47         |

(1) In particular, neutralisation of the IFRS16 restatement of internal leases.

#### Major events

– OP'TER industrial programme – Equipment structuring programme (more than 900 trains to be renovated by 2032):

- Entry of the first seven trains at the Saint-Pierre-des-Corps, Nevers, Bischheim and Hellemmes sites.
- Contracting with all regions and Chemins de Fer Luxembourgeois, giving rise to advance payments.

– Investments: launch of major work to upgrade facilities for the OP'TER programme, with inflationary pressure.

– Industrial work for Voyageurs SA and the SNCF Group:

- Continuation of renovation and mid-life work on Duplex, Thalys and ZTER trains for TER Bretagne, Pays de la Loire and Centre-Val de Loire.
- Completion of the Waouh programme for Transilien Z2N (programme started in 2019 with 133 trains).
- Progress ahead of schedule of the carriage renovation programme in view of the reopening of the Paris-Nice night line.

- Engineering:
  - Completion of certifying tests for RER NG trains for Alstom.
  - Predictive maintenance work and energy saving projects.
- Supply chain:
  - Contribution to SNCF offerings and processing of related service requests, responses to solicitations from other groups for parts repair.
  - Set-up of a crisis unit to secure supplies and deal with price increases announced by suppliers; tight control on supply tariffs, in particular thanks to firm prices negotiated with suppliers.
  - Parts repair: growth target achieved in 2022.
- Locomotive & wagon maintenance:
  - Planned shutdown of the Nevers site at the end of the year as part of the restructuring of locomotive maintenance activities.
  - Response to the ERMEWA call for tenders for wagon maintenance at the Woippy site (decision pending).
- Traction: launch of a crisis plan for the recruitment and training of new drivers.

### 2022 results

#### – Revenue

Industrial Division 2022 revenue increased by €157 million (9.3%) compared to 2021. This growth was mainly driven by the Equipment business (+€107 million / +8.0%), thanks to sales of parts and engineering studies and despite a decline in industrial work. Railway production also increased (+€29 million / +25.2%), as did Traction (+€25 million / +11.6%), boosted by the development of training, driving and accommodation services.

#### – EBITDA

Industrial Division EBITDA increased €111 million between 2021 and 2022. This was driven by the Equipment business, which recorded EBITDA growth of +€90 million attributable to business development, savings and non-recurring items that more than offset the negative impact of higher energy prices.

#### – Net investments and investments from all funding sources

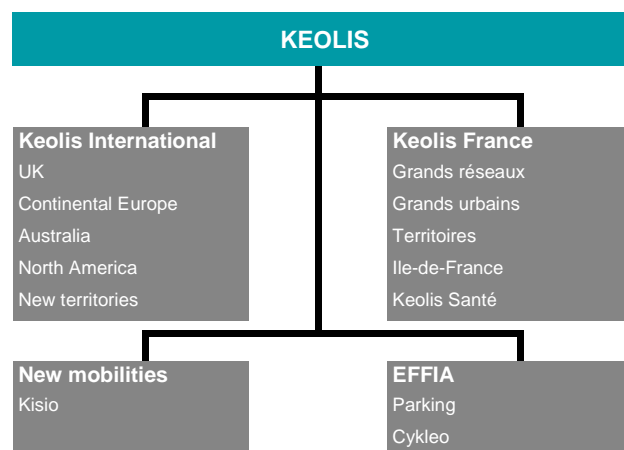
The growth in net investments and investments from all funding sources by the Industrial Division is mainly due to the acceleration of modernisation work on the industrial technical centres.

### 2023 outlook

- OP'TER industrial programme, with around thirty AGC and TER2N NG trains to be renovated during the year. The first renovated trains will leave the workshops in early January 2023. Additional signatures expected, particularly with the AURA region.
- Other renovation/conversion programmes in line with 2022: TGV Duplex, Thalys, ZTER motorised carriages for the Bretagne, Pays de la Loire and Centre-Val de Loire regions, light renovations for Transilien and renovations of night trains for Intercités.
- Continued investments, including finalisation of work at the Bischheim, Picardy, Rouen and Saint-Pierre-des-Corps sites to ensure sufficient capacity to accommodate the TER trains.
- Further restructuring of the locomotives & wagons maintenance activity, coupled with the overhaul of the “at cost” pricing model with SNCF Réseau.

- Transfer to Masteris of Fret SNCF commercial activities.
- Supply chain:
  - Continued structuring of the parts repair and logistics offering with a view to future responses to calls for tender, based on initial feedback.
  - Inflation impact incorporated in SNCF material costs (purchase of parts and repair labour costs).
  - Inflation to be contained through increased vigilance when renewing major parts contracts.
  - Supply difficulties anticipated through a planned increase in buffer inventory to limit as much as possible any immobilisation and potential losses tied to MRO rates (Maintenance Reference Offering) that cannot be revalued.
- Integration of the GSM-R radio team (transfer of Transilien teams) within the Equipment engineering and studies department for the TGV M, including specific work for Italy.
- Rail production: early decommissioning of the SNCF Assistant application.

## 2.7 KEOLIS



Keolis is a mass transit operator in thirteen countries worldwide. Its expertise covers all modes of transportation (train, bus, car, underground, tramway, ferries, bicycles), and parking management.

| In € millions                               | 2022         | 2021         | Change     |
|---------------------------------------------|--------------|--------------|------------|
| a) External revenue                         | 6,568        | 6,190        | 377        |
| b) Intra-group revenue                      | 147          | 123          | 24         |
| <b>a+b Revenue</b>                          | <b>6,715</b> | <b>6,314</b> | <b>401</b> |
| c) External EBITDA                          | 574          | 606          | -33        |
| d) Elimination of internal transactions (1) | 17           | 17           | 0          |
| <b>c+d EBITDA</b>                           | <b>590</b>   | <b>623</b>   | <b>-32</b> |
| EBITDA / Revenue                            | 8.8%         | 9.9%         |            |
| Net investments                             | 147          | 203          | -56        |
| Investments from all funding sources        | 208          | 233          | -24        |

(1) In particular, neutralisation of the IFRS16 restatement of internal leases.

## Major events

### France

- 2022 was a commercial success in France with:
  - The renewal of the Bordeaux multimodal public service delegation contract.
  - The renewal of the Dijon Métropole “global mobility” contract for seven years commencing January 1, 2023.
  - Perpignan bus contract and Valenciennes bus and tram contract wins.
  - Optile lot 20 (Seine Sénart) and lot 13 (Brie) bus contract wins in Île-de-France.
- Acquisition and integration of Transports Pagès.
- Increased passenger numbers, although still down cumulatively compared to 2019, with a clear improvement at the end of the year.
- Limited inflation impact in 2022 thanks to overall favourable indexation and government assistance. French State support under the “Resilience Plan”, such as €1,000 assistance per coach, or €6 million in total.
- Service reductions granted to address the impact of driver shortages.

### EFFIA

- Revenue from the parking activity almost back to 2019 levels.

### International

- Three-year renewal (until 2025) of the operating and maintenance contract for the GTR rail network in the United Kingdom, awarded to the Govia JV (35% Keolis and 65% Go-Ahead).
- Three-year extension of the operating contract for the Hyderabad automatic metro system in India, until November 2025.
- Renewal of the Skyport contract in Canada (shuttles between the parking lot and the Montréal-Trudeau International Airport terminal).
- A contrasting situation in the Netherlands:
  - Two-year extension of the operating and maintenance contract for the Utrecht bus network.
  - Effective exit from the IJssel Vecht contract in December 2022.
  - Loss of the Twente contract, with an effective exit in December 2023.
- Two bus contracts wins and the first multimodal contract win in Lund, Sweden.
- Sale of the Norwegian business (Tide) in October 2022.
- Passenger numbers around 70%-80% on average across all networks (100% base = pre-health crisis), improving steadily at the end of 2022, with strong disparities between countries.

### Transversal

- Phasing out of health restrictions in all countries including Australia.
- Implementation of action plans to address the shortage of drivers and recruitment difficulties in particular.
- Strengthening of the Group’s positioning in IS and innovation, with the ramp-up of digital differentiation and data management projects to be included in the Group’s new contracts and offerings (MaaS projects, network data visualisation platforms, traffic forecasting system, GPS-based mobility tracking platform, etc.).
- Refinancing of Keolis debt: following the set-up of a €600 million syndicated credit facility at the end of 2021,

Keolis successfully issued its first Schuldschein private placement of €100 million, indexed to sustainable development indicators.

### 2022 results

- Revenue
  - Keolis 2022 revenue increased by €401 million (6.4%) compared to 2021. This was mainly due to:
    - a negative scope impact of -€225 million (see section 1.2 Comparability of the financial statements);
    - a positive foreign exchange impact of +€105 million.
  - At constant scope and exchange rates, Keolis revenue rose by +€521 million (+8.6%), mainly due to:
    - a strong indexation effect on prices of +€0.3 billion, particularly for energy (biofuel in Sweden, electricity in France);
    - a portfolio effect of +€0.2 billion with bus contracts in Australia and Ile-de-France and the Dubai metro contract.
- EBITDA
  - Keolia EBITDA fell €32 million. Excluding scope and foreign exchange impacts, the decrease was €16 million.
  - There was no material change in either net investments or investments from all funding sources during the period.

### 2023 outlook

#### France

- Further recovery in passenger numbers.
- A highly inflationary environment and high energy costs, with a major impact on results in France.
- Strong commercial momentum in 2023:
  - Major calls for tender for the renewal of two separate lots of the Lyon contract.
  - Numerous calls for tenders for the Optile bus lots (Greater Paris).
  - Further responses to calls for tender for the opening to competition of RATP bus lots (Paris and its inner suburbs).
- Continued contractual negotiations with the OA, particularly on indexing impacts.

#### EFFIA

- Further improvement in car park traffic in 2023, with a return to pre-health crisis normative levels.
- EFFIA is also impacted by higher electricity costs in 2023 and rising inflation.
- Savings plan, negotiation goals and increased tariffs should help mitigate this increase.

#### International

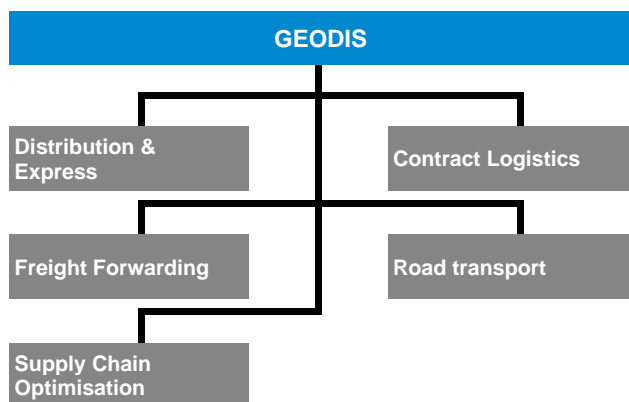
- A rise in passenger numbers gradually extending across all networks.
- Preparation for the renewal of the Yarra Tram contract in Melbourne and the Metro call for tenders in Sweden.
- Discussions on the possible extension of the E19 contract in Stockholm (Sweden) until end-2023.
- End of government and organising authority support in Sweden and Canada. Support expected to continue in the Netherlands, but at a level well below 2022.
- Continued decarbonisation with electrification of the fleet in Belgium, Denmark and Australia.
- Driver and maintenance staff recruitment difficulties will continue to hamper the ability of networks to deliver expected service in 2023. The success of employee recruitment and retention campaigns will be key.



**Transversal**

- Tight cost management across all business units and at corporate level.
- Continuation of the "Transformation Plan".

**2.8 GEODIS**



Geodis is a European operator with a global reach, offering management solutions across all or part of the logistics chain (Supply Chain Optimisation, Air & Sea Freight Forwarding, Distribution & Express, Road Transport, Contract Logistics).

| In € millions                               | 2022          | 2021          | Change       |
|---------------------------------------------|---------------|---------------|--------------|
| a) External revenue                         | 13,606        | 10,803        | 2,803        |
| b) Intra-group revenue                      | 116           | 102           | 14           |
| <b>a+b Revenue</b>                          | <b>13,723</b> | <b>10,906</b> | <b>2,817</b> |
| c) External EBITDA                          | 1,157         | 948           | 209          |
| d) Elimination of internal transactions (1) | 6             | 7             | -0           |
| <b>c+d EBITDA</b>                           | <b>1,163</b>  | <b>955</b>    | <b>209</b>   |
| EBITDA / Revenue                            | 8.5%          | 8.8%          |              |
| Net investments                             | 199           | 184           | 15           |
| Investments from all funding sources        | 197           | 178           | 19           |

(1) In particular, neutralisation of the IFRS16 restatement of internal leases.

**Major events**

- In 2022, Geodis reported record revenue and profitability, driven by all businesses and particularly Freight Forwarding activities, whose prices remained high during the first three quarters of 2022.
- Geodis completed the acquisition of Keppel Logistics and Need It Now Delivers in 2022, strengthening its presence in Asia-Pacific (Contract Logistics) and the United States (Contract Logistics and last mile distribution).

**2022 results**

- Revenue  
Geodis 2022 revenue increased by €2,817 million (25.8%) compared to 2021, due to:
  - a scope impact of +€272 million (see section 1.2 Comparability of the financial statements),
  - an exchange rate impact of +€449 million.

At constant scope and exchange rates, revenue increased 19.2% (+€2,096 million), mainly attributable to Freight Forwarding (+€1,454 million / +29.8%) and Contract Logistics (+€413 million / +13.2%). Freight Forwarding benefited from high rates for air and sea freight during the

year due to insufficient transport capacity in these sectors, despite the 12.1% drop in air volumes and slightly lower maritime volumes (-1.3%). Contract Logistics was driven by the strong momentum of major American accounts.

- EBITDA

EBITDA rose by €209 million.

At constant scope and exchange rates, it increased by €137 million. More than two-thirds of this increase was attributable to Freight Forwarding, where activity was driven more by price effects than by volume.

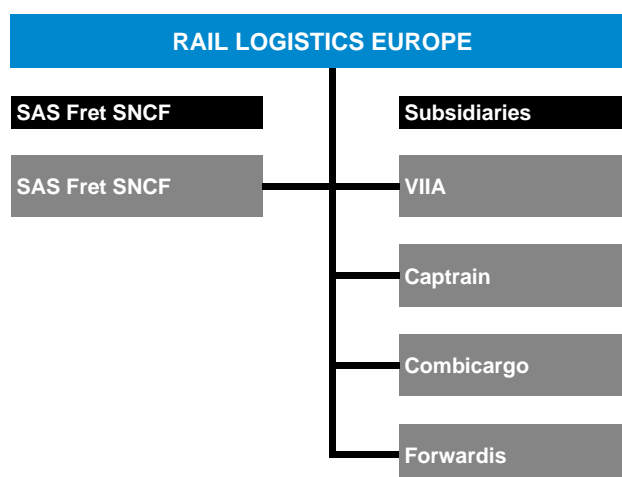
- There was no material change in either net investments or investments from all funding sources during the period.

**2023 outlook**

- An ambitious 2023 budget with a slightly higher EBIT margin compared to 2022, based on increased market share assumptions and despite an uncertain macroeconomic context: sharp decline in freight rates for maritime transport and to a lesser extent air transport, inflationary pressures, energy crisis.

- Geodis announced plans to acquire the German company trans-o-flex to develop its integrated freight transport network in Germany, particularly for the healthcare sector. This transaction may be completed in the first four months of 2023, subject to obtaining the necessary regulatory authorisations.

**2.9 RAIL LOGISTICS EUROPE**



Rail Logistics Europe comprises rail and combined freight operators and freight forwarders in Europe and worldwide: Fret SNCF SAS, Captrain, Combicargo, Forwardis and VIIA.

| In € millions                               | 2022         | 2021         | Change     |
|---------------------------------------------|--------------|--------------|------------|
| a) External revenue                         | 1,626        | 1,482        | 145        |
| b) Intra-group revenue                      | 83           | 112          | -29        |
| <b>a+b Revenue</b>                          | <b>1,709</b> | <b>1,594</b> | <b>116</b> |
| c) External EBITDA                          | 201          | 176          | 25         |
| d) Elimination of internal transactions (1) | 6            | 50           | -43        |
| <b>c+d EBITDA</b>                           | <b>208</b>   | <b>226</b>   | <b>-18</b> |
| EBITDA / Revenue                            | 12.1%        | 14.2%        |            |
| Net investments                             | 84           | 69           | 14         |
| Investments from all funding sources        | 85           | 74           | 11         |

(1) In particular, neutralisation of the IFRS16 restatement of internal leases.

## Major events

### Transversal RLE

- Salesforces highly mobilised to pass on cost increases, particularly energy costs, to customers.
- Lobbying actions with public authorities in the different countries to (i) make sector assistance long-term and (ii) obtain one-off assistance to cope with the energy shock, in the spirit of the Green deal.

### SAS Fret SNCF

- Activity down 11% in volume (GTK) compared to budget, with the shortfall accentuated in the second half in line with the economic situation, pressure on resources (drivers and ground operators) and production uncertainties. Positive EBITDA objective achieved thanks in particular to good hedging of energy purchases and the generalisation of customer price increases.

- 2022 volumes at 2021 levels, with varying trends according to the production system:

- Dedicated system: +9% vs. 2021 thanks in particular to rail motorway momentum.
- Shared system: -4% vs. 2021 with segments in difficulty since the beginning of the year (chemical, automotive) and a slowdown since the summer in the steel industry, partially offset by good momentum in the cereal/sugar segments and with the army in connection with the war in Ukraine.

### Captrain

- Demand-driven business growth until September and widespread tariff increases from the second half of the year.
- Profitability down vs. 2021 due to the energy crisis, major disruptions to infrastructure and resource pressures (locomotives and drivers) for much of the year.
- Selectiveness in the customer contract portfolio in addition to price negotiations.
- Receipt of sector assistance in Spain for the first time.
- Acquisition of Takargo (Portugal) on 30 June 2022, completing the Captrain network, which represented revenue of €700 million in 2022, and delivering new business opportunities.

### Forwardis

- Growth exceeding budget objectives with significant commercial projects (Total Énergies, Veolia, GC development of Fret SNCF), as well as support for French army traffic heading to Eastern Europe.
- Some lost opportunities for Franco-German traffic, the ForwardNet isolated wagon service and oil traffic due to production problems at Fret SNCF (Woippy site at the beginning of the year, then resource planning and availability since autumn), but also work on the Rouen port which affected cereal traffic at the beginning of the year.

### Combicargo

- Further volume growth driven by demand (combined and Navitrucking activities) and a high modal shift rate (>25%).

### VIIA

- Strong activity growth driven by solid demand, notably due to the shortage of truck drivers in Europe.
- Launch of the Bettembourg-Barcelona line in April and the Valenton-Sète line in December and increased frequencies and fill-rates on the Calais-Le Boulou line.
- Bettembourg-Le Boulou and Bettembourg-Barcelona lines impacted by production problems (train length, SNCF freight resource availability, etc.).

- Sale and lease-back of 240 UIC wagons on 1 July 2022.

### 2022 results

- Revenue

Rail Logistics Europe 2022 revenue increased €116 million (7.3%) compared to 2021, which was partially affected by the health crisis.

- EBITDA

EBITDA dropped by €18 million.

- There was no material change in either net investments or investments from all funding sources during the period.

### 2023 outlook

#### Transversal RLE

Continuation and amplification of resilience measures, including price increases to customers, to preserve margins against the risk of stagflation and the likely impact of future strikes.

#### SAS Fret SNCF

- Ambitious business development objectives (budgeted average GTK growth of +12.5%), although strong slowdown signals at the end of 2022 and in early 2023 risk calling into question the objectives.

– While momentum remains strong in some markets and certain shippers have confirmed their wish to amplify modal shift, the energy crisis and macro-economic environment create a climate of uncertainty that could severely impact volumes, particularly for chemicals and steel.

- This drop in volumes could lead to the rapid implementation of resilience measures while the expected strikes on pension reform could already weigh heavily on profitability in the first half of the year.

#### Captrain

- Continued refocus of activities on traffic operated directly or offering higher added value and further selectiveness in the customer contract portfolio.

– Recovery measures in Italy and Benelux, as well as at CCW in Germany, with a very clear priority given to cost control and a margin policy based on price increases.

- Further roll-out of intra-group synergies in international traffic aimed at internalising margins.

#### Forwardis

- Pursuit of the aim to seize opportunities linked to logistics chain disruption caused by the war in Ukraine (gas, petroleum products, cereals), while chemical and Kazphosphate traffic could be at risk.

– Prospecting and development in new European countries (e.g. Italy).

#### Combicargo

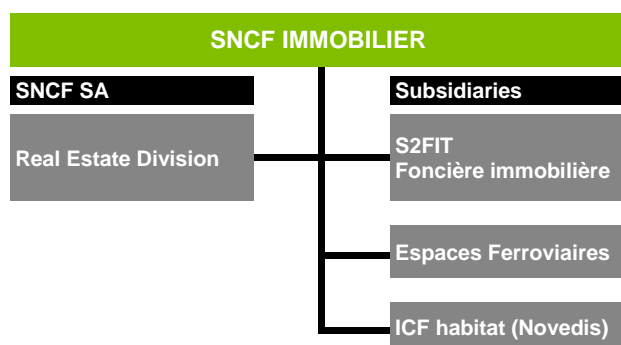
Continued momentum, subject to the impact of strikes in France. The ongoing low market share of rail in the face of road competition makes it possible to envisage stable growth even in the event of a slowdown in global demand, as road transport should be the adjusting variable.

#### VIIA

- Subject to the impact of strikes in France, the quality of train paths and railway company production, demand momentum should continue. The probability that the contraction in industrial activity will impact the portion of activity entrusted by road hauliers to the rail motorways is low.

- Refinancing of 149 Lorry Rail wagons.
- Sète terminal implementation project.

## 2.10 SNCF IMMOBILIER



SNCF Immobilier acts as agent or service provider for the other SNCF business lines in four main areas:

- Managing real estate used in operations (including master plans to optimise real estate assets, the construction and refurbishment of buildings, and managing leased properties);
- Monetising assets not required for railway operations;
- Managing the working environment in key office premises;
- Managing residential properties through the ICF Habitat group, a subsidiary of SNCF SA.

| In € millions                               | 2022       | 2021       | Change     |
|---------------------------------------------|------------|------------|------------|
| a) External revenue                         | 44         | 43         | 0          |
| b) Intra-group revenue                      | 735        | 607        | 128        |
| <b>a+b Revenue</b>                          | <b>779</b> | <b>650</b> | <b>129</b> |
| c) External EBITDA                          | 202        | 225        | -22        |
| d) Elimination of internal transactions (1) | 2          | 2          | -0         |
| <b>c+d EBITDA</b>                           | <b>204</b> | <b>227</b> | <b>-22</b> |
| EBITDA / Revenue                            | 26.2%      | 34.9%      |            |
| Net investments                             | 30         | 22         | 8          |
| Investments from all funding sources        | 29         | 20         | 9          |

(1) In particular, neutralisation of the IFRS16 restatement of internal leases.

### Major events

#### Monetisation and urban development

- On 10 May, the city of Sète and Sète Agropole Méditerranée signed a memorandum of understanding on the monetisation of 30 hectares of SNCF land located in the municipality of Sète.
- Sale, two years ahead of the strategic plan, of the Gobelins site (Paris 13<sup>th</sup> district) to operators which plan to develop an underground logistics hub (70,000 m<sup>2</sup>) and build two 20,000 m<sup>2</sup> tertiary buildings.
- Sale to the City of Paris of a 9,800 m<sup>2</sup> plot of land in the 20<sup>th</sup> district to develop a green space. This opportunity was not anticipated in the budget.
- Property development: receipt of building permits for two buildings with a surface area of around 10,000 m<sup>2</sup> in Paris - Gare de Lyon and Toulouse. These buildings have received top CSR awards.

#### Management

- Signature of framework agreements for the construction of factory designed prefabs, which should reduce production lead times by 7 to 9 months in addition to

costs. These buildings meet the highest CSR standards: thermal and acoustic insulation, low consumption E+C-label.

- Training centres: the SNCF Réseau Bordeaux-Bègles campus delivered on 12 January obtained the Highly Efficient HQE Bâtiment Durable certification for the construction phase. The campus comprises more than 12,000 m<sup>2</sup> of buildings and 6,000 m<sup>2</sup> of external technical resources to welcome 220 trainees / day. The Saint-Priest training campus (near Lyon) was delivered to SNCF Réseau on 4 February. For the first time, a “full FM” building was delivered, including both the building and services for trainees. The campus comprises more than 39,500 m<sup>2</sup> of buildings and 2,500 m<sup>2</sup> of technical workshops to welcome 290 trainees / day.

- Bischheim: delivery of a new 10,000 m<sup>2</sup> building. This building will help optimise TGV Duplex mid-life renovation operations. Each train will travel an average of 4 km during the operation compared to 14 km previously.

- SNCF Sud Azur, the new subsidiary of SNCF Voyageurs, delegated the upgrade of the Nice Saint-Roch maintenance centre to SNCF Immobilier. An operation costing around €50 million and covering 4.2 hectares, which should be completed in record time to meet the deadline for the launch of the concession’s operation by SNCF Sud Azur, i.e. 15 December 2024.

#### Housing

- ICF Habitat inaugurated the Watt Tower (Paris 13<sup>th</sup> district). Reclassification was launched in 2015, enabling the delivery of 175 apartments (studios and two-room apartments).

- In Chelles (77), ICF Habitat La Sablière inaugurated two new complexes built in the Arcades Fleuries area. They welcomed tenants from apartment blocks built in the 1960s to be demolished. The construction of 250 social and private housing units, a boarding house and a care centre will then be launched by 2025.

#### 2022 results

##### – Revenue

SNCF Immobilier revenue increased by €129 million (+19.8%) between 2021 and 2022. This rise was mainly due to the centralisation for this scope as at 1 January 2022 of the Group’s real estate maintenance, previously recognised in various SAs, as well as the rising cost of utility costs reinvoiced to the SAs.

##### – EBITDA

EBITDA was €204 million in 2022, compared to €227 million in 2021.

- Net investments and investments from all funding sources were not material.

#### 2023 outlook

- Contribution to reducing and controlling the energy bill: continuation of the energy efficiency plan and development of photovoltaic panels on railway land.

- Reduction in the tertiary bill: net reduction of nearly 85,000 m<sup>2</sup> expected in Ile-de-France for an annual rent saving of close to €7 million.

- Record year for real estate investment with SNCF Réseau’s “Maintenir Demain” programmes, the renovation or construction of workshops for SNCF Voyageurs and tertiary master plans.

### 3. INVESTMENTS AND NET DEBT

#### 3.1 INVESTMENTS

| In € millions                        | 2022         | 2021         | Change      |            |
|--------------------------------------|--------------|--------------|-------------|------------|
| Investments from all funding sources | 9,936        | 10,293       | -357        | -3%        |
| Disposals                            | 246          | 367          | -121        | -33%       |
| <b>Investments, net of disposals</b> | <b>9,690</b> | <b>9,926</b> | <b>-236</b> | <b>-2%</b> |

The level of investments from all funding sources is down €357 million compared to 2021, to €9,936 million in 2022. Over two-thirds of this decrease is due to the sale of the Ermewa group in 2021.

Disposals were €121 million lower than in 2021; disposals during the financial year consisted mainly of real estate assets and transport equipment.

#### 3.2 GROUP NET DEBT

| In € millions                                          | 31/12/2022    | 31/12/2021    | Change         |  |
|--------------------------------------------------------|---------------|---------------|----------------|--|
| Non-current debt                                       | 67,233        | 73,006        | -5,773         |  |
| Non-current receivables                                | -36,576       | -30,403       | -6,173         |  |
| <b>Net non-current debt used to calculate net debt</b> | <b>30,656</b> | <b>42,602</b> | <b>-11,946</b> |  |
| Current debt                                           | 9,286         | 8,878         | 408            |  |
| Current receivables                                    | -15,503       | -15,184       | -319           |  |
| <b>Net current debt used to calculate net debt</b>     | <b>-6,217</b> | <b>-6,306</b> | <b>89</b>      |  |
| <b>Net debt</b>                                        | <b>24,439</b> | <b>36,296</b> | <b>-11,856</b> |  |
| Net debt / EBITDA                                      | 3.7           | 8.4           |                |  |
| Gearing (Net debt / Equity)                            | 0.9           | 2.5           |                |  |

Net debt amounted to €24,439 million as at 31 December 2022, for a gearing (net debt / equity) of 0.9 (compared with 2.5 as at 31 December 2021). The ratio of net debt to EBITDA decreased from 8.4 as at 31 December 2021 to 3.7 as at 31 December 2022.

SNCF Group net cash amounted to €8,846 million as at 31 December 2022 (€8,481 million as at 31 December 2021). It comprised cash and cash equivalents of €9,874 million (€10,772 million as at 31 December 2021), less cash borrowings and overdrafts of €1,028 million (€2,291 million as at 31 December 2021).

Net debt was impacted by the following movements in 2022:

| Opening net debt                                                     | 36,296        |
|----------------------------------------------------------------------|---------------|
| Cash from operations                                                 | -5,883        |
| Net investments                                                      | 3,495         |
| Disposals                                                            | -246          |
| Dividends received from companies accounted for by the equity method | -22           |
| Repayments of lease liabilities and related interest                 | 1,027         |
| Scope transactions                                                   | -124          |
| Change in operating WCR                                              | 230           |
| Dividends paid                                                       | 423           |
| Changes in fair value, amortised cost, translation differences       | -968          |
| Change in tax WCR                                                    | 95            |
| Partial assumption of SNCF Réseau debt by the French State           | -10,000       |
| Other                                                                | 116           |
| <b>Closing net debt</b>                                              | <b>24,439</b> |

#### 3.3 FUNDING SOURCES AND DEBT MANAGEMENT

Non-current debt decreased by €5,773 million and current debt increased by €408 million.

The main reasons for those movements were:

- repayment of bonds for -€4,492 million;
- change in fair value for -€1,934 million;
- decrease in cash liabilities for -€1,244 million;
- a new financial grant of €2,170 million in line with the partial assumption of the SNCF Réseau debt by the French State for €10,000 million (see Note 3.2, SNCF Group in 2022).

Non-current and current debt increased by €6,173 million and €319 million, respectively.

The main reasons for those movements were:

- a new Public Debt Fund (PDF) receivable of €12,170 million in line with the partial assumption of the SNCF Réseau debt by the French State for €10,000 million (see Note 3.2, The SNCF Group in 2022);
- repayment of the PDF debt for -€2,980 million;
- decrease in cash and cash equivalents for -€900 million;
- decrease in deposits paid for -€440 million;
- change in fair value for -€1,019 million.

The SNCF Group's long-term debt was rated as follows by the main rating agencies:

|                   | Long-term rating | Outlook  | Date of the report |
|-------------------|------------------|----------|--------------------|
| Standard & Poor's | AA-              | Negative | 7-Dec-22           |
| Moody's           | Aa3              | Stable   | 30-Nov-22          |
| Fitch Ratings     | AA-              | Negative | 2-Dec-22           |

#### 3.4 EXPOSURE OF THE GROUP TO MARKET RISKS AND USE OF FINANCIAL INSTRUMENTS

Market risk management is subject to a general framework approved by the Group's Board of Directors.



## 4. ACQUISITIONS OF EQUITY INVESTMENTS

Internationally, Geodis acquired the entire share capital of the American company Need It Now Delivers and the Singaporean group Keppel Logistics in 2022.

No major equity investments were acquired in companies with their registered office located in France in 2022.

## 5. FINANCIAL RELATIONS WITH THE FRENCH STATE AND LOCAL AUTHORITIES

SNCF receives:

- network investment grants,
- public service orders (as is the case with any public service agent or supplier to the French State and local authorities) in a monopoly legislative and regulatory framework,
- operating and investment grants received mainly for Transilien, TER and Intercités operations.

### 5.1 PUBLIC SERVICE ORDERS

The table below shows revenue generated by SNCF Voyageurs SA and SNCF Réseau SA with the French regional authorities, Île-de-France Mobilités and the French State:

| In € millions                                                                 | 2022         | 2021         | Change     |
|-------------------------------------------------------------------------------|--------------|--------------|------------|
| Compensation for regional rates                                               | 31           | 24           | 8          |
| Services for the Organising Authorities (Regions and Ile-de-France Mobilités) | 6,587        | 6,550        | 37         |
| Socially-motivated prices                                                     | 8            | 6            | 3          |
| Defence                                                                       | 148          | 129          | 19         |
| Police                                                                        | 9            | -            | 9          |
| Trains d'Equilibre du Territoire (TET)                                        | 161          | 189          | -28        |
| TER and TET access fees                                                       | 2,029        | 1,965        | 64         |
| <b>Total</b>                                                                  | <b>8,974</b> | <b>8,862</b> | <b>113</b> |

## 6. EMPLOYEE MATTERS

### 6.1 WORKFORCE

The Group's average workforce increased by 2.2% in 2022.

|                         | 31/12/2022     | 31/12/2021     |              | Change       |              | Change at constant scope |
|-------------------------|----------------|----------------|--------------|--------------|--------------|--------------------------|
| SNCF Réseau             | 57,270         | 57,495         | -0.4%        | -226         | -0.5%        | -286                     |
| SNCF Gares & Connexions | 5,314          | 5,123          | +3.7%        | 191          | +3.3%        | 171                      |
| Transilien              | 14,188         | 14,377         | -1.3%        | -189         | -1.3%        | -189                     |
| TER                     | 28,686         | 28,471         | +0.8%        | 215          | +0.8%        | 215                      |
| TGV - Intercités        | 21,895         | 22,439         | -2.4%        | -544         | -2.0%        | -439                     |
| Industrial Division     | 10,893         | 10,597         | +2.8%        | 295          | +2.8%        | 295                      |
| Passengers - other      | 506            | 490            | +3.2%        | 16           | +3.2%        | 16                       |
| Keolis                  | 67,689         | 67,753         | -0.1%        | -65          | +0.5%        | 319                      |
| Geodis                  | 49,338         | 43,189         | +14.2%       | 6,149        | +7.8%        | 3,382                    |
| Rail Logistics Europe   | 9,356          | 9,183          | +1.9%        | 173          | +0.8%        | 71                       |
| SNCF Immobilier         | 1,639          | 1,618          | +1.3%        | 21           | +1.3%        | 21                       |
| Corporate               | 9,499          | 9,560          | -0.6%        | -61          | -0.6%        | -61                      |
| <b>TOTAL</b>            | <b>276,271</b> | <b>270,296</b> | <b>+2.2%</b> | <b>5,975</b> | <b>+1.3%</b> | <b>3,515</b>             |

## 5.2 GRANTS AND PUBLIC FUNDING RECEIVED FROM THE FRENCH STATE AND OTHER PUBLIC BODIES

Public funding granted to the Group by the French State and government authorities is presented in the following table:

| In € millions                                            | 2022         | 2021         | Change      |
|----------------------------------------------------------|--------------|--------------|-------------|
| Operating grants                                         | 432          | 294          | 138         |
| Cash inflows from concession financial assets            | 1,709        | 2,003        | -295        |
| Investment grants relating to intangible assets and PP&E | 4,518        | 4,866        | -347        |
| Freight business rate compensation                       | 176          | 159          | 17          |
| Trains d'Equilibre du Territoire (TET)                   | 161          | 189          | -28         |
| <b>Total</b>                                             | <b>6,996</b> | <b>7,511</b> | <b>-515</b> |

With respect to its network investments, SNCF Réseau receives co-financing from public and private partners. Public partners include the Agence de financement des infrastructures de transport de France (AFITF) or other regional authorities.

SNCF Voyageurs and Keolis receive investment grants in the form of third-party financing, primarily from local authorities, particularly for rolling stock.

In accordance with IFRIC 12, grants received as part of a concession are presented in the statement of financial position as a deduction from intangible assets or financial assets, according to the applicable model, following the analysis of each concession agreement. With regard to concession financial assets, the grants received are considered as a means of reimbursing such assets.

Investment grants received are deducted from intangible assets and property, plant and equipment in the balance sheet. In the income statement, they are recorded in operating profit or loss (as a deduction from depreciation and amortisation) according to the estimated economic life of the corresponding assets.

Freight business rate compensation is paid to cover the marginal cost of freight traffic, in addition to fees paid by freight companies.

## 6.2 PRINCIPAL AGREEMENTS SIGNED IN 2022

The following main agreements and amendments were validated within the Group and SNCF companies:

The agreement of 31 January 2022 promoting the employment of people with disabilities;

The amendment of 9 June 2022 to the railway worker Status, bringing the text into line with developments in the railway Group and its environment, related in particular to the 2018 law on the new railway pact and provisions resulting from the opening of the market to competition. With this update, SNCF confirms that the Status remains the framework guaranteeing statutory-protected railway workers the correct application of all their rights;

The agreement of 23 December 2022 concerning Commercial Train Service Agents (Agents du Service Commercial Train, ASCT), implementing measures ensuring better recognition of the position of train manager and its specific aspects;

The amendment of 22 June 2022 to the SNCF Réseau profit-sharing agreement of 26 April 2018, defining employee profit-sharing for 2022 and beyond;

The amendment of 9 June 2022 to the SNCF Gares & Connexions profit-sharing agreement of 17 June 2021, defining employee profit-sharing for 2022 and 2023;

The SNCF SA profit-sharing agreement of 29 June 2022, defining employee profit-sharing for 2022 and beyond.

## 6.3 OTHER EMPLOYEE MATTERS

Regarding railway activities, SNCF management proposed a series of salary measures on 7 December 2022, during the 2023 mandatory annual negotiations. While the draft agreement presented to trade union organisations was not signed by a majority of representatives, SNCF decided to apply all these measures with retroactive effect from 1 January 2022, including in particular wage measures in response to inflation decided during the exceptional round table in July 2022.

In addition to these measures were the measures decided during the previous round of mandatory annual negotiations (NAO) in November 2021.

Together, the wage revaluation measures implemented in 2022 increased average earnings by 6%.

# RISK MANAGEMENT AND CONTROL SYSTEMS

The SNCF Group wishes to have a clear vision of the risks to which it is exposed and implement measures that contribute to the control of its activities, the effectiveness of its operations and the efficient use of its resources, in order to secure its decisions and strengthen its ability to create value.

Risk management and control systems are complementary to preventing and controlling these uncertainties.

The overall organisation of the Group's risk management and control systems is based on a "three lines of defence" governance model.

Entity operational management is the first line of defence. It defines and implements a control system encompassing the processes under its responsibility.

SA functional managers form the second line of defence, performing a support and management role. They also bring their expertise to the operational departments, promoting exchanges and the sharing of best practices. They contribute to the structuring and coordination of the control system.

On the third line of defence, internal audit provides an independent assessment of the risk control level and the robustness of internal control.

In addition, control activities are conducted by external auditors and regulators.

Each SA is responsible for risk management and internal control within its scope, including its subsidiaries.

The risk management process is led and steered within the Group by the Risk Management Department, part of the Risk, Audit, Safety and Security Department (DRA2S).

Internal control within the Group is led and steered by the Group Accounting and Internal Control Department, which is part of the Group's Finance Department.

The Group's Internal Audit Department provides the third line of defence, by carrying out internal audit assignments and monitoring the implementation of audit recommendations. It coordinates its activity with Geodis and Keolis, which have their own internal audit departments.

Furthermore, other processes contributing to risk management and control are described in the NFPS, particularly those relating to ethics and compliance.

## 1. SNCF GROUP RISK MANAGEMENT

For the SNCF Group, a risk is defined as "any event likely to have a negative impact on the achievement of a company's objectives, assets, reputation, people or the environment". This definition includes both internal and external risks.

After identifying and assessing the risks, risk management consists in carrying out priority actions to improve control and reduce or maintain the likelihood of these risks occurring at an acceptable level of probability and impact. It is up to corporate governance to express its risk appetite, i.e. the type and level of risk it is prepared to take with regard to its strategy. The level of risk appetite expressed determines the allocation of resources and the expected return.

SNCF's risk management system is based on the main French and international standards: FERMA risk management reference framework, ISO 31000 standard and the 2010 AMF recommendations.

The SNCF Group has set itself the objective of making the risk-based approach an integral part of the Group's culture and gradually embedding it in the company's processes (strategic plan, project management, etc.).

To consolidate its risks, the company relies on a two-fold approach:

- a "top down" vision through regular meetings with the Chairmen of the SAs and members of the Executive Committees.
- a "bottom up" vision through several levels of mapping in the company, which updates the Group's mapping (3 levels of mapping: Group - level 1, SAs - level 2, Business lines/Entities/Departments - level 3).

The methodology deployed within the Group is based on a common reference framework and organised into four stages:

- The identification of an entity's, Department's or Business Line's risks through individual or collective interviews to collect all the risks for a scope and document them

The following are identified for each risk:

- maximum credible scenario(s),
- risk causes or factors,
- their consequences,
- the link with the strategic project,
- existing control systems.
- Risk assessment using two matrices:
  - a criticality matrix, which assesses risks according to their impact (from "limited" to "critical") and probability of occurrence (from "unlikely" to "frequent"),
  - a prioritisation matrix, combining the criticality of the risk and its margin of improvement (from "low" to "very significant"), to obtain a hierarchical view of risks in relation to each other.
- Risk treatment:
  - Designation for each risk of a Sponsor, a member of the company's Executive Committee. They may appoint

an operational pilot (person reporting directly to the Executive Committee member) to carry out the work of bringing risks under control,

- Implementation of action plans for each risk (prevention, protection, transfer measures, etc.), monitoring of their progress, and possible escalation of alerts to the highest level of the company.

– Annual Risk Review with each Sponsor to:

- verify the deployment of action plans and ensure their effectiveness.
- update the mapping with regard to changes in the context, organisation or progress of action plans (reassessment of risks, elimination of risks, addition of new risks).

The collective questioning around these four steps is a real opportunity for managerial alignment to identify short and medium-term priorities.

A company cannot progress without taking risks, but it must have the capacity to make educated, arbitrated and well-informed decisions, minimising as far as possible the element of hazard and uncertainty. The SNCF Group applies the principle of risk appetite when deploying its services.

## 1.1 RISKS RELATED TO SAFETY AND SECURITY

### VIGILANCE PLAN + NFPS

#### 1.1.1 SAFETY

##### 1.1.1.1 Risk description

The SNCF Group is recognised for its excellence in terms of safety of people and traffic. The expectations of our customers in this area are very high. Safety is inherent in all the SNCF Group's activities and the safety culture is deeply rooted in all business lines. Very significant resources are implemented to ensure this safety.

Nevertheless, it is not possible to completely rule out the risk of a railway accident or a major industrial accident.

The Group respects and values the regulatory obligations defined by the States where it conducts its activities. The regulatory framework in France is largely based on the French Transport Code, as well as Law 2006-10 of 5 January 2006, which transposes European directives into French law. It also includes Decree 2006-369 of 28 March 2006 relating to the mandates and by-laws of the EPSF and Decree 2006-1279 of 19 October 2006, relating to rail traffic safety and rail system interoperability, amended by the Decrees 2010-814 of 13 July 2010, 2014-121 of 11 February 2014, 2015-143 of 10 February 2015, 2015-960 of 30 July 2015 and 2015-1757 of 24 December 2015.

##### 1.1.1.2 Main control systems

Launched in 2016, the PRISME (Pro-activity – Risks – Interfaces – Simplification – Management – Equipment) safety management transformation programme made it possible to implement major Occupational Health and Safety and Railway Operations Safety actions. Significant progress has been observed since then, such as a 50% reduction in the number of remarkable safety events within the scope of the former public railway group or a 23% reduction in the work accident frequency rate. Other examples include raising awareness on the importance of considering organisational and human factors (OHF) and training of 8,000 managers, the "Rules that save" deployed in all entities and risk analysis using the "butterfly loops" method. These actions made it possible to initiate an essential shift to ensure the safety of the company's employees and customers

The roll-out of Stage 2 of PRISME, which aims to establish a participatory, proactive and integrated safety culture on a long-term basis, continued in 2021.

It is based on six priorities:

– Support projects throughout their life cycle (design, deployment, embedding of practices, measurement).

– Give Occupational Health and Safety a weight equivalent to that of Railway Operating Safety by developing common methods and tools (quality and sharing of feedback, analysis of risk situations, sharing of best practices, etc.).

– Extend the consideration of Organisational and Human Factors to the "O" of organisation, to reduce exposure to risks and make human action more reliable.

– Mobilise Safety leadership: PRISME must give leaders and managers the means and tools to better understand the role of safety in their daily decisions. This is achieved through the support of safety specialists and training courses.

– Encourage and welcome, particularly through the Fair and Equitable approach, the individual and collective participation essential to improving operator safety.

– Develop risk awareness and risk management at all levels of the company.

In September 2022, the Safety Convention brought together 700 institution directors, managers and Group Safety experts to mark the launch of PRISME's new direction: a more targeted programme, anchored more closely to operations and more systematic. It also aims to extend programme good practices to all security systems (rail security, occupational health and safety, security, fire safety, cybersecurity, environmental risks).

#### 1.1.2 Security

##### 1.1.2.1 Risk description

The SNCF Group places the security of goods and people at the heart of its concerns. Public facilities and the railway network are open spaces that cannot always be secured in their entirety.

In 2022, the terrorist threat did not ease in France and internationally, mainly due to the war in Ukraine. Stations and trains can be a prime target for attack in this respect.

##### 1.1.2.2 Main control systems

The approach to this systemic risk, which depends on strong external factors, is transversal to the Group. The company works very closely with the public authorities on the subject of terrorist threats.

The Group is proactive in terms of researching and testing prevention solutions and implements actions to better detect the threat on its rights-of-way ("Agissons sureté", armed General Security officers in civilian clothes, cooperation with the Gendarmerie Nationale, canine explosive detection teams, video protection, video patrol, detection algorithms, etc.).

## 1.2 RISKS RELATED TO INFORMATION SYSTEMS

#### 1.2.1 Risk description

The company has become a major player in digital technology. While undeniably a lever of performance and opportunity, this also generates a growing dependence of the Group's activities on information systems and accentuates the impact of a major system failure on the operational production of the company.

Cyber-attacks against businesses in all sectors and of all sizes are multiplying, making this issue a key concern.



The risk of an activity shutdown due to a cyber-attack is now proven in an increasingly tense geopolitical context and as preparations are underway for events such as the 2024 Paris Olympic Games.

However, the unavailability of our information systems can also be caused by a production incident due to an internal failure, the loss of a datacentre or the failure of a telecom operator.

The company is carrying out ambitious projects to develop new information systems (production, distribution, passenger information, HR) that will lead to very significant leaps in performance. Nevertheless, the risk of a lack of control over these major projects cannot be ruled out, which could lead to a drift in costs and the temporary unavailability or under-efficiency of certain information systems.

### 1.2.2 Main control systems

The SNCF Group is collectively engaged at the highest level in cyber security through its ISS (Information Systems Security) management committee, which is regularly informed of the situation regarding these risks and which guides the major projects related to this issue through a multi-year ISS master plan updated annually. This master plan emphasises risk-based management based on a principle of continuous improvement, anticipation of threats and changes in the ISS business line according to the transformation of SNCF's business lines and compliance with laws and regulations.

An internal entity specialising in cyber security carries out technical tests to ensure that applications comply with current legislation and that the operational rules for protecting information systems within the Group's scope are effective. The differences observed are reported and give rise to corrective action plans.

In parallel and because human behaviour is central to the company's IS protection, awareness-raising actions for users and project managers are conducted so that cyber security best practices are widely communicated and individual vigilance becomes a daily reality.

Major Technical Migration projects are designed to remedy priority obsolescence by migrating part of the IS to the cloud and renewing our datacentres.

In terms of project management, the project validation and monitoring committees ensure that the Group's IS urban planning policy is properly applied.

IT Recovery Plans and Business Continuity Plans are drawn up and tested as part of regular crisis exercises so that managers and operational staff can acquire the right reflexes.

## 1.3 RISKS RELATED TO NON-COMPLIANCE

### VIGILANCE PLAN + NFPS

#### 1.3.1 Risk description

The SNCF Group has identified several types of Non-Compliance risks for which a French or foreign supervisory authority could sanction the absence of internal measures designed to prevent them. These include the risk of corruption and influence peddling, and the risk of non-compliance with the GDPR (General Data Protection Regulation).

#### 1.3.2 Main control systems

Each of these risks is the subject of written action plans to improve their control and guarantee the traceability and auditability of the compliance system.

Among the main control systems in place in 2022 covering the risk of corruption and influence peddling are the launch

of a dedicated risk management information system and the training of about 150 employees. This tool can monitor more than 100 risk mappings, consolidated and validated on three levels using a method common to the entire SNCF Group. The most fragile processes are detected and remedial actions to be implemented are prioritised. The pillars of the Sapin 2 Law are therefore the subject of joint work within the SNCF Group, with a constant concern for continuous improvement.

## 1.4 RISKS RELATED TO THE ECONOMIC ENVIRONMENT AND MARKETS

### 1.4.1 Risk description

The mobility of our passenger customers is changing in the context of a cyclical health crisis that is difficult to foresee (development of home working, environmental conscience, shift to individual cars, etc.). There is a risk of lasting revenue loss for passenger activities and a risk of loss of toll revenue/fees for Réseau and Gares & Connexions. The long-term risk would be a loss for railways due to a disaffection of customers for the train and the lack of investment in the network.

At the same time, the arrival of competitors in the open access business and the activities covered by the agreements is reducing - slightly for the moment - the SNCF Group's market share, depriving it of part of its revenue.

The business models of our various activities, which are largely made up of fixed costs, are therefore challenged.

### 1.4.2 Main control systems

The Passengers, Freight, Gare & Connexions and Réseau businesses are deploying ambitious performance plans aimed at reducing their costs through better use of their assets, a more selective investment policy and the overhaul of processes based on the principles of operational excellence.

The Group is demonstrating a very dynamic commercial policy thanks to the introduction of new offers, loyalty programmes, international development and the simplification of its price lists.

## 1.5 HUMAN RISKS

### VIGILANCE PLAN + NFPS

#### 1.5.1 Risk description

At Group level, the trajectory of job and skills development is subject to shared vigilance, given the risk of a lack (qualitative or quantitative) of competent resources - particularly in certain professions under stress, or of an imbalance between available skills and the needs of the company in the regions.

The health crisis and its economic impact accentuate the social risks linked to the management of transformations (performance plans, etc.) and changes in the workforce, requiring enhanced anticipation and support.

Finally, with the extensive transformation of the five SNCF companies, the risk of employee disengagement and decline in labour relations is being monitored by the management bodies.

#### 1.5.2 Main control systems

The regular sharing of employment and resource trajectories, in line with the SNCF companies' strategic plans, and the enhanced measures to support transformations (assessment of social and economic impacts, etc.) reinforce the actions taken to control the risks identified.



Employee commitment is one of the cornerstones of the Tous SNCF corporate project, which is the subject of action plans integrated within entity projects.

In a context of increased competition, both for the allocation of rail lines and in the recruitment market, SNCF wants all employees to flourish in their daily life in the company. In 2022, a survey was conducted with more than 16,000 employees on their priority expectations in four areas of their daily lives (salary and benefits, quality of life at work, career and citizen engagement). In response, the “SNCF & Moi” programme was launched around 26 actions set-out in a common roadmap for the five SA (SNCF SA, SNCF Voyageurs, SNCF Réseau, SNCF Gares & Connexions, Fret SNCF). They will be implemented in 2023.

Moreover, in November 2022, SNCF employees (SNCF Voyageurs, SNCF Réseau, SNCF Gares & Connexions, Fret SNCF, SNCF SA) were asked to express their opinion on the quality of life at work, relations with managers, their confidence in the future, SNCF values and the TOUS SNCF corporate project in an internal survey entitled “C’EST À VOUS”.

The results were encouraging, marked by strong participation and a general improvement, as well as united and committed communities, factors of a quality work environment, and growing commitment to and appropriation of the TOUS SNCF corporate project.

## 1.6 2024 OLYMPIC AND PARALYMPIC GAMES (JOP) RISKS

### 1.6.1 Risk description

France is preparing to host the 2024 Olympic and Paralympic Games. The aim for these games is that all travel to the competition sites will be conducted by public transport (37 competition sites in France, mainly in Ile-de-France, 13.5 million tickets sold).

For SNCF, being prepared for the Olympic Games means being able to identify our main risks in terms of safety, security, information systems, rail operating performance and the satisfaction of our usual customers and international spectators and implement robust control systems.

### 1.6.2 Main control systems

In 2020, the SNCF Group appointed a JOP 2024 programme director, who reports to SNCF SA and works in cooperation with all Group activities.

One of the aims of the programme is to roll out a risk management plan jointly drafted by JOP 2024 Programme Management and the Activities. Based on the programme’s risk mapping, seven transversal and critical topics were identified. A half-yearly review at the highest corporate level will be conducted to take stock of the progress made on these topics and deal with any alerts.

## 1.7 ILE-DE-FRANCE MAJOR PROJECT RISKS

### 1.7.1 Risk description

The major work portfolio carries a risk for the delivery of projects (EOLE, CDG Express, RER B modernisation, Nexteo B/D, Franchissement Urbain de Pleyel, etc.) and related costs. The JO 2024 deadline may also create additional demands and heighten risks. Certain general schedules are being reprogrammed in a challenging context: delays by certain manufacturers, numerous interfaces, shortage of technical skills.

### 1.7.2 Main control systems

SNCF has set up a dedicated governance to manage risks at the highest Group level. Common panels have been set

up as well as a Department dedicated to IDF System operability. A monitoring committee headed by the IDF Regional Prefect brings together all the stakeholders (SNCF Mobilités, RATP, IDFM, Local authorities and Elected representatives, ADP) and shares analyses to collectively choose solutions.

## 1.8 RISKS RELATED TO ECOLOGICAL AND SOCIAL TRANSITION

### VIGILANCE PLAN + NFPS

### 1.8.1 Risk description

SNCF places its corporate social responsibility at the heart of its raison d’être and strategy. It believes that businesses have a critical role to play and a responsibility to fulfil in contributing to the achievement of the Paris Agreement and the UN’s sustainable development goals, amongst others. SNCF must comply with increasingly stringent environmental and societal rules. It also makes more ambitious voluntary commitments that it must also respect. Despite the importance attached to corporate social responsibility, SNCF is not immune to incidents with a serious impact on the environment, nor to practices that impact the basic freedom of employees or third parties (customers, suppliers, subcontractors, the public, etc.), resulting in excess costs and a negative media impact.

Furthermore, SNCF is already having to deal with the consequences of climate change on its activities. This is illustrated by the damage caused to infrastructures (asset impairment, track deterioration, etc.), equipment (breakdowns, accelerated obsolescence, etc.), and results in a decline in service quality (delays, temporary cessation of activity). These events have financial impacts, affect customer satisfaction, and frustrate the strategic goal of doubling the number of passengers on trains within 10 years. Beyond the impact on SNCF’s operations, these events could have a knock-on effect on the regions, with significant socio-economic and ecological impacts.

2022 was also marked by an escalation in the energy crisis, a risk linked to both rising prices and energy shortages, whether gas, electricity or fossil fuels. This is due to a combination of external factors since the COVID crisis and could continue: geopolitical tensions including the war in Ukraine that impact us directly, increased demand in certain regions of the world with a redirection of supply flows (China, coal substitution policies, etc.), a greater than scheduled temporary drop in nuclear production in France (maintenance, etc.), climate events that could disrupt production (hydraulic stock levels at their lowest in the summer of 2022 due to drought) or lead to consumption peaks impacting prices, possible developments in the European electricity market (exit from Arenh), etc. The potential consequences for SNCF are varied: decline in rail production performance and service quality, financial impacts reducing investment opportunities necessary for the company’s low-carbon transition and the development of low-carbon mobility offerings, etc.

| RISK FAMILY                       | IMPACT | PROBABILITY OF OCCURRENCE |
|-----------------------------------|--------|---------------------------|
| OPERATIONAL                       | +++    | ++                        |
| EXTERNAL ENVIRONMENT AND BUSINESS | ++     | +++                       |
| STRATEGY, BUSINESS MODEL          | ++     | ++                        |
| ENVIRONMENTAL TRANSITION          | +++    | ++                        |
| SOCIAL TRANSITION                 | ++     | +++                       |
| LEGAL & ETHICAL COMPLIANCE        | ++     | +                         |

(+ low; ++ moderate; +++ high)

**1.8.2 Main control systems**

SNCF is making its CSR strategy a lever for overall performance, competitiveness and attractiveness. Within this framework, actions to improve risk management have been launched.

To reduce environmental risks, roles and responsibilities are defined with a common reference framework. Regulatory monitoring is organised, ISO 14001 certification of the most at-risk sites is implemented and an environmental performance self-assessment system is in place for the other sites. There is an environmental training system, adapted to the different business lines.

In addition, a Carbon Energy Strategic Committee, comprising the directors of the Group’s various companies, was set up in 2020 to define the objectives and monitor the results of the Group’s Energy Efficiency Plan, which includes programmes such as eco-driving, eco-parking, decarbonisation of rolling stock, etc.

In response to social risks, SNCF has set up charters formalising the Group’s commitments, as well as the principles of action to be adopted by each employee: ethics charter, CSR supplier charter, diversity/gender balance charter. In addition, a professional whistleblowing system enables all employees working on French territory to report facts or behaviour that are contrary to the law or regulations or likely to affect the company’s activity or reputation.

To reduce infrastructure, station and rolling stock vulnerability - and boost their resilience to external pressures - the inclusion of climate risk in technical choices is now decisive for the company’s future performance, as the commitment is for several decades due to the lifespan of the investments. Studies were conducted to better understand the climate change mechanisms and the impact on railway operations and incorporate this knowledge into the operating frameworks and processes of the company, as well as into its action plans.

**1.9 FINANCIAL RISKS**

Since 1 January 2020, the management of financial risks in the Group is strictly governed by the "Financial risk management framework", a document approved by the SNCF SA Board of Directors. It defines the methods for managing financial risks and specifies the instruments authorised and the intervention limits of the business lines.

This management framework details the central role of the Finance and Treasury Department, which is responsible for the strategic and financial management of the SNCF Group. It is responsible for financing all the Group’s entities and managing financial risks.

The SNCF Group is exposed to the following financial risks:

**1.9.1 Interest rate risk**

In order to limit its exposure to an increase in its financial expenses, the SNCF Group sets principles as part of its financial strategy, the objective of which is to limit its exposure to interest rate risk.

The current historically low interest rates and the desire to maintain medium- and long-term economic equilibrium led the SNCF SA Board of Directors to opt for a target long-term debt structure that is at least 90% fixed-rate. A limited margin of +/- 10 points around this target is nonetheless authorised.

To achieve this breakdown, the Group may use optional derivatives or interest rate swaps for hedging purposes.

**1.9.2 Liquidity risk**

SNCF SA’s financial strategy requires it to have sufficient financial resources at all times to finance the entire Group. In addition to its own resources and public funding, SNCF SA has raised the bulk of its financing on organised or over-the-counter debt markets.

To cover its financing needs in 2021, SNCF SA had several financing programmes covering different maturities:

- EMTN (Euro Medium Term Notes) programme, the general framework for SNCF SA’s bond issues, for a maximum amount of €15 billion.

- ECP (Euro Commercial Paper) programme, format for short-term issues of up to €5 billion.

- NEU CP (Negotiable European Commercial Paper) programme for a maximum amount of €3 billion.

In addition, SNCF SA benefits from a €3.5 billion revolving credit line that has never been drawn down.

In order to provide the financial markets with good visibility on the quality of its signature, SNCF SA is rated by three rating agencies: Moody’s, Standard & Poor’s and Fitch. As an issuer of listed debt securities, SNCF SA must comply with certain regulatory obligations, both vis-a-vis the AMF, its competent authority under the EMTN programme, and with the rules and provisions applicable to it in other jurisdictions.

**1.9.3 Foreign exchange risk**

As part of its financial activity, SNCF SA negotiates financing in foreign currencies that generate a foreign exchange risk. SNCF SA is not intended to remain exposed to foreign exchange risk, so all financial transactions initiated in foreign currencies are systematically hedged to convert them into euros.

**1.9.4 Counterparty risk**

The SNCF Group is exposed to counterparty risk in connection with its cash investments and the subscription of derivatives from its financial partners, insofar as the debtor refuses to honour all or part of its commitment or does not have the means to respect it.

To manage and limit this risk, investment instruments and derivatives are only entered into with financial institutions corresponding to the credit rating and equity criteria validated by the SNCF SA Board of Directors. A limited commitment amount by banking institution is determined according to these criteria.

In order to hedge its counterparty risk, SNCF SA makes margin calls with its financial counterparties. Collateral (in cash only) is called up in the amount of the market value of the financial instrument portfolios for each counterparty with whom SNCF SA is at risk.

### 1.9.5 Commodity risk

The Group's production requirements expose it to the risk of fluctuations in the price of petroleum products and more broadly energy. This risk is managed using firm and optional derivatives (swaps, options, caps, floors).

### 1.9.6 Risk associated with the use of payment methods

Three types of payment methods are available to SNCF SA to pay expenses and suppliers: transfers, direct debits and cheques.

The use of payment methods is secured by the implementation of a verification procedure. The issue of payments requires the involvement of at least three or four people from two separate departments, namely an invoice input clerk, an invoice "validator" (accounting department) and two payment order signatories (treasury department) for transfers and a single signatory for cheques and direct debit authorisations.

The SNCF SA Financing and Treasury Department controls the authorisations of individuals using payment methods (delegations of signature with banks).

## 2. INTERNAL CONTROL

### 2.1 DEFINITION AND OBJECTIVES

Internal control provides the Group's governance and, more generally, each manager with an overview of the control of the various processes. It covers the company's internal processes whose purpose is to avoid or reduce the risks identified. The main objectives are:

- compliance with laws and regulations,
- proper functioning of internal processes, especially those relating to the protection of assets,
- implementation of the instructions and directions given by Executive Management,
- reliable financial information.

Like any control system, however, it cannot provide an absolute guarantee that all risks are fully controlled or eliminated.

### 2.2 FRAMEWORK USED

The Group's internal control guidelines are based on:

– the reference framework published by the AMF (French Financial Markets Authority) in July 2010. This reference framework identifies five components:

- an organisational structure with a clear definition of responsibilities, suitable resources and competencies that is supported by appropriate information systems, procedures, tools and practices.
- in-house dissemination of relevant and reliable information.
- a risk management system to identify, analyse and manage the main risks identified.
- control activities proportionate to the challenges.
- ongoing monitoring of the internal control system.

– compliance issues such as anti-corruption or the GDPR (General Data Protection Regulation).

### 2.3 COORDINATION AND STEERING

The Group's various SAs have primary responsibility for their internal control, including within their affiliated subsidiaries.

The Group's ambitions in terms of control are defined through the Group's internal control framework.

The following committees have been set up:

– A Group Internal Control Committee, made up of the Strategy & Finance Director, the Finance Director, the Group Internal Control Director, the Group Ethics Director, the Group Internal Audit Director, the Group Legal and Compliance Director and the Group Risk Management Director, which sets the main objectives in terms of internal control and ensures that they are met.

– an Internal Control Committee, which brings together the Directors/Heads of Internal Control for the Group's Activities. It ensures the implementation of the objectives set by the Group Internal Control Committee, sharing of practices within the Group and the implementation of cross-Group internal control projects (training, assessment of systems, etc.).

– a monthly meeting of the Group Accounting and Internal Control Director with the heads of the assurance functions (internal audit, compliance, ethics, risks).

– regular coordination of the network of correspondents working within the SA (including Geodis and Keolis), Activities, Businesses and SNCF Group cross-functional departments (organised at Group level and broken down for each SA, including in their subsidiaries).

An internal control checkpoint database common to the Group covers all the processes featuring in the AMF reference framework implementation guide, as well as the various "control environment" components and certain specific processes, particularly compliance-related (anti-corruption, GDPR, etc.).

Since 2020, an internal control tool is deployed within the five SA/SAs to assess SNCF Group processes covered by internal control (control environment, purchasing, human resources, expense claims, etc.). Based on the results, collective and individual actions plans are defined where required and best practices shared.

A specific subsidiary internal control plan is rolled out for those subsidiaries that do not have one.

## 3. THE GROUP INTERNAL AUDIT DEPARTMENT

The internal audit function is performed by the Group Internal Audit Department (GIAD).

The Group Audit Director is appointed by the Executive Management of the SNCF Group. She reports to the Director of Risk, Audits, Safety and Security.

The Group Audit Director has direct access and reports to the Chairmen of each of the SAs and SASs, with whom she regularly discusses, whenever necessary.

She also maintains a functional relationship with the Audit, Accounts and Risk Committees (SNCF SA, Voyageurs SA and SNCF Réseau) in which she participates.

The GIAD conducts its audit assignments independently and objectively. Its activities are governed by the Internal Audit Charter of the unified public group, approved by the governance of the SNCF Group.

All GIAD internal auditors and potential external service providers undertake to comply with the ethical rules set out in the International Professional Practices Framework issued in France by the French Institute of Internal Audit and Control (IFACI).

Specific procedures are implemented for audits covering the scope of SNCF Réseau essential facilities to ensure compliance with all legal and regulatory provisions attached to the performance of these functions. In accordance with the Confidential Information Management Plan (CIMP) drawn up by SNCF Réseau, the GIAD has signed a confidentiality agreement with SNCF Réseau.



The GIAD uses a rigorous and proven methodology in conducting its tasks, in line with professional standards in this field. Awarded IFACI Certification since June 2006, the GIAD had its professional certification renewed in 2020.

Internal audit assignments are part of the annual audit plan consolidating three audit scopes: SNCF SA & RLE, SNCF Voyageurs and SNCF Réseau.

To provide the SNCF Group with greater assurance of risk coverage, the GIAD uses the Group SNCF major risk mapping, as well as those of SNCF Voyageurs and SNCF Réseau to propose audit plans adapted to the inherent risks of the activities of SNCF SA (including Rail Logistics Europe), SNCF Voyageurs and SNCF Réseau (including SNCF Gares & Connexions) and controls implemented.

Close dialogue with SA/SAS management accompanies the drafting and consolidation of these three audit plans.

The Chairmen and Executive Committees validate the section of the audit plan within their scope, prior to approval by the three Audit, Accounts and Risk Committees.

The entire consolidated programme of the unified public group (i.e. the three audit scopes SNCF/RLE, SNCF Voyageurs and SNCF Réseau) is presented to the SNCF SA Audit, Accounts and Risk Committee to provide it with an overview of the Group's risk management system.

In 2022, the GIAD conducted around 60 audit assignments. The reports, together with recommendations to mitigate the related risks, were presented to the sponsors and members of the relevant Executive Committees. In addition, each Chairman is informed of the key matters and lessons learned from the audits within his scope of responsibility.

The effective implementation of the action plans, drawn up in accordance with the recommendations, is regularly monitored by the GIAD. A summary and the conclusions of these follow-ups are periodically presented by the GIAD to the Chairmen and the Executive Committees and, six monthly, to the Audit, Accounts and Risk Committees.

The GIAD annual activity report is presented to the Chairmen and the Audit, Accounts and Risk Committees.

The GIAD (IS Security Audit Assignment) also conducts audits relating to Information Systems Security (ISS). Each year, it conducts functional and technical audits to inform the businesses and IS teams of the risks they face if their information systems are compromised. In particular, it confirms the compliance and effectiveness of IS security operational rules within the scope of the Group. In 2022, it carried out fifteen assignments in highly important business scopes or technological bases: applications handling sensitive data, essential applications supporting the Group's critical business processes, assessment of the maturity of entities or subsidiaries in line with ISS best practices (ISO 27001/27002 standards), etc.

The GIAD also coordinates its action with the other SNCF Group assurance functions (risk management, internal control, ethics and compliance) and organises a special purpose committee to this end, which meets four times a year. It maintains regular relations with the Statutory

Auditors and the Transport Economic and Financial Control Mission (MCEFT).

#### 4. INSURANCE

The Group Legal Department ensures risk coverage for SNCF Group entities with insurance firms.

Accordingly, its role is to design and implement the Unified Public Group insurance policy. This action is carried out in a shared approach that improves the guarantees of the main companies and their subsidiaries while enabling them to benefit from competitive pricing conditions, despite tension on the large risks insurance market.

The insurance policies negotiated and monitored by the Group Legal Department with brokers and insurers protect the Group's assets against random events likely to have an impact on its accounts, either through their intensity or frequency. They cover a large portfolio of contracts for all types of guarantees, in particular the following programmes:

- property damage (including damage caused by climatic events),
- Group civil liability,
- automobile fleet,
- cyber risks,
- construction civil liability.

The Group Legal Department also supervises the "captive reinsurance company" SNCF RE, a subsidiary of SNCF Participations, with the aim of partly reinsuring the Group's major damage and civil liability risks.

#### 5. INSTITUTIONAL CONTROLS

The Group has a specific institutional control environment and is subject to the control of:

- The French Court of Auditors.
- The French Government Commissioner.
- The French Transport Economic and Finance Control Office (MCEFT).
- The French Government Shareholding Agency (APE).
- The French Transport Regulatory Body (ART).
- The French Public Institution of Railway Safety (EPSF).
- The French High Committee for the National Rail Transport System.

The accounts are audited by two statutory auditors appointed by the ordinary general meeting, through a tendering procedure, following consultation with the Audit, Accounts and Risks Committee and on a proposal from the Board of Directors. Each major subsidiary is audited by at least one of the two statutory auditors of SNCF Group. The non-financial performance statement is also verified by a certified independent third-party body appointed by Executive Management, with the exception of the non-financial indicators taken from the taxonomy regulation which remain audited by the statutory auditors.

These various participants are tasked with verifying that SNCF Group's obligations are met, particularly in the accounting and finance areas.

# NON-FINANCIAL PERFORMANCE STATEMENT

## 1. INTRODUCTION

### 1.1 THE BUSINESS PLAN PLACES CSR AT THE HEART OF THE GROUP'S STRATEGY

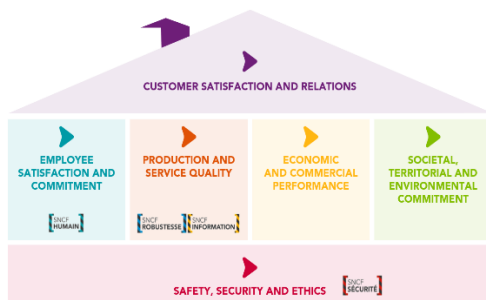
#### 1.1.1 Context

The "Tous SNCF" corporate project is an initiative launched in 2020 by the Chairman and CEO Jean-Pierre Farandou to define both the 2020-2030 strategy and its implementation within the Group. This process was co-developed at three levels:

- The Group's Executive Management has defined the SNCF Group's strategic vision for the next ten years.
- SNCF SA, SNCF Voyageurs, SNCF Réseau, SNCF Gares & Connexions and Fret SNCF have drawn up their five-year business plans.
- The establishments have built their three-year project.

The Group's strategy is built around six equally important dimensions, the "six pillars of the Maison Tous SNCF", with the aim of achieving overall performance:

- Safety, security, ethics.
- Employee satisfaction and commitment.
- Production and service quality.
- Economic and commercial performance.
- Societal, regional and environmental commitment.
- Customer satisfaction and relations.



#### 1.1.2 Our commitments

**Act for a changing, united and sustainable society**, supported by "Tous SNCF" projects, co-developed with employees.

#### 1.1.3 Policy and actions

The corporate project "Tous SNCF" is managed by the Social, Territorial and Environmental Commitment Department (DESTE). It is based on simplicity, pragmatism and decentralisation. It is about giving a common direction and framework that reinforce a sense of

belonging, where everyone has a great deal of latitude to take ownership of strategy and "do". It is embodied in the Group's three values: COMMITMENT, EFFICIENCY and OPENNESS.

The corporate project is long-term and firmly rooted across the whole of SNCF. After the conception of the "Tous SNCF" project in 2020, and, in 2021, all the railway establishments drawing up their project, 2022 saw the full implementation of the project, with three essentials to its method:

- The balance between the six pillars of "Maison Tous SNCF".
- The co-development of the project with the employees of the establishment.
- The prioritisation of actions adopted in the establishment's project.

The 2020-2022 cycle has therefore enabled progress on the following points:

- Proven tools to further the continued improvement of performance: methodological kits, games, videos and webinars. The Progresseo tool makes it possible to visualise the progress made on different performance indicators, such as quality of work life, trust, health and safety at work, HR, leaps in performance and to view your position in relation to your peers.
- A culture of co-construction that is being implemented across the whole of SNCF and is bearing fruit in terms of employee commitment.
- Major programmes that are fully in-line with the corporate project and contribute to the clarity and uniqueness of the strategy: H00, First, Prisme, Atout Conduite, SNCF&moi.
- Adoption of a purpose.

#### For more details:

- On the H00, First and Prisme programmes: see 4.1.
- On the SNCF&moi programme: see 8.1
- On the Atout Conduit programme: see 8.4.

According to the annual survey "C'est à vous", the corporate project and the establishment project are known to 67% of employees, an increase of 5 percentage points compared to 2021. Among those:

- 77% were also aware of their team's project.
- 64% trust the direction in which it is going.



2023 marks the start of the new “Tous SNCF” cycle, centred around:

- Consistency between purpose and “Tous SNCF” enterprise.
- The dynamics of designing team or establishment enterprises.

It should reinforce the meaning of work for every employee and amplify the managerial transformation.

**For more details** on the “C’est à vous” survey: see 8.1 “Tous SNCF” trophies.

“Tous SNCF” trophies reward the actions and commitment of Group employees in eight areas: the six pillars of the “Tous SNCF” enterprise, major projects and internationally.

The 2022 edition involved 787 teams as candidates, with 4,000 participants representing all Group companies. After 54 regional juries selected 103 finalists, the 24 winning teams were chosen by the votes of more than 37,000 employees.

[To find out more > Tous SNCF trophies](#)

**For more details** on the business model, strategy and outlook: see Management Report, the SNCF Group in 2022, 1.

## 1.2 CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS

The SNCF Group is committed to upholding and fully integrating the 10 universal principles of the United Nations relating to respecting human rights, the International Labour Organization (ILO) standards, the environment and the fight against corruption. Since 2015, the Group has been at the advanced level of the United Nations Global Compact, the highest standard of performance in terms of social responsibility. The actions implemented to integrate these principles strengthen the company’s contribution to the 17 United Nations Sustainable Development Goals (SDGs).

**WE SUPPORT**



The SNCF Group contributes directly to 14 out of the 17 UN Sustainable Development Goals:

## SUSTAINABLE DEVELOPMENT GOALS



**For more details** on the work that contributes to the SDGs: see Correspondence table 10.4.

[To find out more > Sustainable development at SNCF](#)

### International frameworks

The SNCF Group’s CSR policy is based on the following international texts:

- Universal Declaration of Human Rights.
- International Bill of Human Rights.
- United Nations Guiding Principles on Business and Human Rights.
- International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work and ILO Fundamental Principles.
- Organisation for Economic Cooperation and Development (OECD) Convention.

### Human Rights policy

The respect of human rights and fundamental freedoms is a part of the SNCF Group’s purpose.

The SNCF Group also strives to identify, assess and prevent human rights risks by implementing a principle of reasonable diligence in all its operating methods. The Group reports on all these measures in its vigilance plan in accordance with the French law No. 2017-399 of 27 March 2017 on the duty of care.

The Group Compliance Committee and the Group Ethics Committee ensure that the rules and commitments that apply to the Group are respected, particularly with regard to duty of care. The work of these committees is regularly

supervised and approved by the SNCF Group's Board of Directors.

Since 2011, SNCF has had a whistleblowing system in place which allows employees and third parties to report illicit practices if they are to become aware of them.

Anyone who uses the Group's ethics whistleblowing system in good faith will not be prosecuted, punished or dismissed. The Group commits to respecting the fundamental principles defined by the international texts mentioned above across all activities, in whichever country they are carried out in.

Employees of all companies and subsidiaries of the SNCF Group in France and in the world are ambassadors of this policy. They are asked to respect this policy and ensure that it is respected, in all relations between themselves and with customers, commercial partners, suppliers and subcontractors of the Group.

**For more details:** see Vigilance Plan, 3.3

## INTEGRATION OF THE 10 PRINCIPLES OF GLOBAL COMPACT WITHIN THE SNCF GROUP

### HUMAN RIGHTS

[Ethics charter and whistleblowing system \(2023\)](#)

[Annual review of the Group Ethics Department](#)

[CSR Supplier Charter - Anti-corruption \(2021\)](#)

[Adherence to the Charter for Responsible Supplier Relations](#)

Assessment of the level of maturity of suppliers in terms of respect for human rights  
Group Vigilance Plan: 3.3. 1

### ILO STANDARDS

Signing of collective agreements with representative trade union organisations

Agreements signed in 2021 and 2022 at SNCF:

- Agreement on long-term furlough within the scope of the five SNCF companies (15/01/2021)
- Tacit renewal of profit-sharing agreements (2021)
- Agreement in favour of professional equality between women and men and diversity (10/11/2021)
- 9th collective agreement supporting employment for workers with disabilities 2022-2024 (31/01/22)

### ENVIRONMENT

Commitment to reduce national CO<sub>2</sub>e emissions by 30% on transport activities and 50% on real estate activities between 2015 and 2030

Commitment to a greenhouse gas emissions reduction pathway consistent with France's National Low Carbon Strategy (SNBC) by 2050

Zero non-recovered waste pathway in 2030 for products at the heart of the railway business

Environmental Management System (EMS)

ISO 14001 certification of industrial plants

### FIGHT AGAINST CORRUPTION

[Group Ethics Charter \(2023\)](#), [Ethics Memo \(2021\)](#)

[Code of Conduct on preventing and combatting corruption and influence peddling](#)

[CSR Supplier Charter - Anti-corruption \(2021\)](#)

### 1.3 KEY DATES OF OUR COMMITMENTS

The Group is also a signatory to charters and commitments relating to environmental and climate protection as well as agreements on reducing inequalities.

|      |                                                                                                                                                                                          |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1999 | Public Enterprises for the Environment Charter                                                                                                                                           |
| 2003 | UN Global Compact                                                                                                                                                                        |
| 2004 | Diversity Charter with IMS-Entreprendre pour la cité                                                                                                                                     |
| 2006 | 1st company collective agreement in favour of professional equality and diversity                                                                                                        |
| 2008 | Charter of the International Association of Public Transport (UITP)<br>European Charter for the Development of Social Initiatives in Railway Stations                                    |
| 2010 | International Union of Railways (UIC) Sustainable Mobility Charter                                                                                                                       |
| 2012 | Responsible Supplier Relations and Purchasing (RSRP) label                                                                                                                               |
| 2013 | "Entreprendre dans les quartiers" Charter with the Ministry of Urban Affairs                                                                                                             |
| 2017 | Démoclès Charter for the recovery of construction waste                                                                                                                                  |
| 2018 | Commitment to Act4nature<br>Commitment to the PAQTE approach in favour of the City's Priority Neighbourhoods<br>Commitment to the Rail Freight Forward coalition to fight climate change |
| 2019 | INR Responsible Digital Charter<br>Validation of SNCF targets with the SBTi<br>Commitment to the #StopE initiative                                                                       |
| 2020 | Signature of the French Business Climate Pledge<br>Commitment to Act4Nature International                                                                                                |
| 2021 | Pro Vélo employer label<br>4th company collective agreement in favour of professional equality and diversity                                                                             |
| 2022 | Commitment to Transport4Nature<br>EcoWatt Charter<br>9th collective agreement supporting employment for disabled workers 2022-2024                                                       |

### 1.4 NON-FINANCIAL ASSESSMENTS OF THE GROUP

The SNCF Group's non-financial performance has been assessed every year for more than ten years, at the request of investors and customers. This assessment makes it possible to measure the efficiency and value of

the Group's social and environmental commitment. This external recognition confirms the CSR strategy and makes it possible to identify areas for progress to be worked on. Moody's ESG and EcoVadis indicators have been tracked in the Group's CSR dashboard since 2021.

SNCF has been filling out the CDP climate questionnaire since 2021 and the WBA (World Benchmarking Alliance) questionnaire since 2022. These questionnaires provide input for the Group's decarbonisation policy.

|             |                                                                                    | 2019   | 2020   | 2021   | 2022     |
|-------------|------------------------------------------------------------------------------------|--------|--------|--------|----------|
| ECOVADIS    |  | 79/100 | 77/100 | 77/100 | 79/100   |
| MOODY'S ESG |  | 72/100 | 74/100 | 75/100 | 77/100   |
| CDP         |  |        |        |        | C        |
| WBA         |  |        |        |        | 35,7/100 |

## 2. CSR GOVERNANCE

### 2.1 GLOBAL GOVERNANCE

#### 2.1.1 The Social, Territorial and Environmental Commitment Department

The Social, Territorial and Environmental Commitment Department (DESTE) reports directly to the Chairman and Chief Executive Officer of the SNCF Group. Its director is a member of the Group's Executive Committee and the Executive Management Committee of SNCF SA. He is Director of the "Tous SNCF" corporate project and Vice-President of the SNCF Foundation.

The position of the DESTE enables it to lead the various networks, encourage cross-functional cooperation and the sharing of good practices, and provide concrete solutions according to the needs of the projects. The DESTE guarantees the sustainability of pathways, in line with Group ambitions, commitments made and the resources available within the company. As such, it monitors the indicators for measuring the strategy implementation.

The DESTE is split into four divisions: environment; social & regional, economic and innovation & transformation. Its mission is to:

- Define CSR strategy and set annual priorities, interacting with all stakeholders.
- Steer and report the SNCF Group's non-financial performance.
- Manage the SNCF Group's CSR compliance.
- Transform the company, its culture and its governance and management processes, around the notion of global performance, at the heart of CSR and the "Tous SNCF" corporate project.

#### CSR coordination and regional management

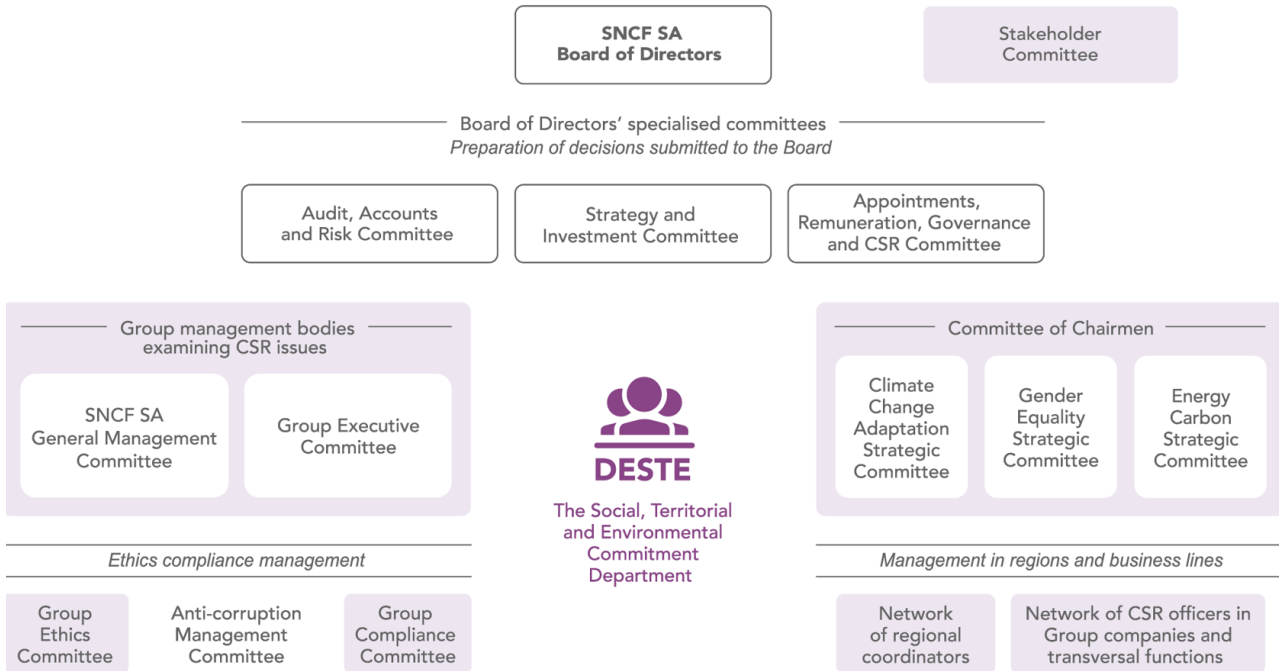
A coordination body strengthens Group unity at a regional level, simplifies exchanges with stakeholders and improves cross-functional cooperation and interface management. Governance is ensured by the Deputy Regional Chairwoman and a regional advisor to the Chairman and CEO. Management is ensured in the regions by 11 regional coordinators in charge of developing:

– A regional strategy in line with each region’s priorities: real estate, safety - security, innovation, development, urban planning, digital technology, ecological transition, energy

– Customer satisfaction: multimodality, consultation, information, reliability, availability

– Job solidarity: mobility, training, development, housing, social ties, education.

**CSR GOVERNANCE**



Body on which sits the Director of Social, Territorial and Environmental Commitment

**2.1.2 The SNCF SA Board of Directors**

The Board of Directors regularly discusses CSR issues at its meetings. On 23 June 2021, it adopted the SNCF Group’s 2020-2030 CSR strategy. It is supported in its work by the specialised committee for appointments, compensation, governance and CSR (CNRG & RSE), which is responsible for CSR issues.

The non-financial performance statement is integrated into the management report in the annual financial report, whose terms were agreed upon by the Board of Directors following consultation with the Audit Committee. The report is then approved by the general meeting called by the Board of Directors.

CSR reviews and objectives are the subject of a half-year presentation to the CNRG & RSE and the Board of Directors, in the first quarter for the annual assessment and July for the mid-year assessment.

In 2023, the non-financial performance statement will be presented to the CNRG & RSE.

**For more details:** see the Report on Corporate Governance.

**Key figures 2022 - SNCF SA**

- 94% attendance rate for the Board of Directors
- 50% gender balance on the Board of Directors

**2.1.3 Strategic committees within the Committee of Chairmen**

Since 2020, three strategic committees have been created within the Committee of Chairmen. They are made up of the chairmen and CEO of the Group’s companies: SNCF SA, SNCF Voyageurs, SNCF Réseau, SNCF Gares &

Connexions, Rail Logistics Europe, Keolis and GEODIS. The committees are chaired by the Chairman and CEO of SNCF and meet one or twice a year. They ensure the governance of:

- The carbon-energy strategy
- The strategy for adapting to climate change
- The strategy to support gender equality

**For more details:** see 5.3, 5.4, 5.5, 6, 8.5, 9.

**2.1.4 Commitment and involvement of senior managers in CSR**

**CSR awareness amongst future managers**

Training and activities to raise awareness are organised for talent and those with high potential. The programme includes:

- Conference-workshops on responsible decision-making in companies as well as exchanges with the Group Ethics Director, a philosopher and business lawyer (classes of 2020 and 2021).
  - A day in a public establishment for integration into employment (EPIDE) to accompany a young person in their career plan.
  - A study trip in Europe to give them an insight into CSR practices and prepare them for their social and environmental responsibility in a changing world.
  - A conference on the environmental economy by the University of Lund (Sweden) for around fifteen managers.
- Furthermore, at their annual seminar, the company’s senior managers participated in a conference debate on



climate challenges with Valérie Masson-Delmotte, a French paleoclimatologist and co-chair of IPCC Group 1. In addition, SNCF managers took part in the Shift Forum (2021/2022) organised by the Shift Project.

#### **Compensation: variable portion based on CSR criteria**

A portion of the Group's senior managers and executives' compensation is calculated in relation to the achievement of individual objectives and objectives fixed collectively for all of these managers.

The collective variable portion for 2,700 senior managers and executives has included CSR objectives for several years. At the end of 2022, the Group's Executive Committee decided to increase CSR objectives, changing them from 15% to 25% of the total variable portion, in line with the CSR Charter of the French Government Shareholding Agency (APE). The following criteria are used:

##### – Safety

- Frequency rate of accidents in the workplace.
- Number of near-accidents in the workplace / Number of work-related accidents with stoppages (in the case of outperformance only).
- Number of incidents with severity level 4 or above.

##### – Environment

- Reduction of the Group's greenhouse gas emissions.

##### – People

- Increasing the rate of recruitment of women.
- Rate of employee commitment, based on the results of the "C'est à vous" survey.

**For more details:** see the Report on Corporate Governance.

## **2.2 COMPLIANCE AND ETHICS GOVERNANCE**

### **2.2.1 The Legal and Compliance Department (DJC)**

SNCF SA has a legal department that combines its traditional functions with those of a compliance department.

In this context, among its compliance missions and by the Chairman's delegation, it is responsible for preventing the risks of infringing laws and regulations relating in particular to the following issues:

- Prevention of corruption and influence peddling.
- Protection of personal data.
- Competition law.
- International sanctions.
- Banking constraints.

#### **Compliance**

The Group's compliance is based on a multi-level organisation:

- The Group Legal and Compliance Director is supported by the Compliance Department. This entity is responsible for deploying and implementing the procedures for monitoring compliance programmes, controlling and evaluating the systems, and monitoring updates to risk mapping and action plans. It leads the network of compliance officers within the departments of SNCF SA and its subsidiaries.
- A network of compliance managers and officers was set up in 2020 to roll out the compliance programme within the Group.
- A Compliance Committee was set up in July 2018.

#### **The Group Compliance Committee**

It is made up of senior managers representing seven Group companies and is chaired by the Deputy Chief Executive Officer of SNCF SA. Secretarial duties are provided by the Group Ethics Department. Its role is to improve coherence within the Group in regard to all compliance issues and to harmonise the actions to carry out in this area. Although this list is not comprehensive, the Committee's scope of action includes:

- Corruption prevention.
- Personal data protection.
- Competition law.
- Non-financial reporting and duty of care.
- Embargoes and export rules.
- Banking constraints.
- Illegal labour lending and improper subcontracting.

It meets twice a year. In 2022, it examined the following points: the inspection by the French Anti-Corruption Agency (AFA) and the advancement of the anti-corruption compliance programme, the internal compliance control plan, sanctions against Russia, the Group's compliance in regard to the General Data Protection Regulation (GDPR) and the requirements relating to duty of care.

**For more details:** see Vigilance Plan 2.1.

#### **Protection of personal data**

In 2018, the GDPR stepped up personal data protection.

As part of a global approach to data protection, the company has set up a data confidentiality and security policy aimed at guaranteeing the greatest possible protection of its employee, customer or partner personal data.

– A Data Protection Officer (DPO) was appointed at the beginning of 2018 in each Group entity to ensure compliance with all the obligations set out in the regulations.

- Each Group entity keeps a documented register of personal data processing within its scope.
- Subcontracting to personal data processors is subject to a specific data protection agreement.
- Processing operations at risk are subject to privacy impact assessments (EIVP).
- Requests from data subjects to exercise rights are carefully examined by the DPO and the departments responsible for implementing the processing operations to respond to the data subjects, under the conditions and within the time limits set by the GDPR.

A compliance programme has been deployed within the seven Group companies, based around seven projects:

- Governance.
- Communication, awareness raising and training.
- Compliance with the processing register.
- Compliance tools.
- Contractual compliance.
- Information and individual rights.
- Procedures.

#### **Some actions carried out in 2022:**

- Compliance of the Group's applications and websites following new recommendations by the CNIL (French National Commission on Freedom and Information Technology) on cookies management.



– Monitoring of the level of GDPR compliance: implementation of common compliance indicators amongst the DPOs of Group companies to have a global vision of compliance, risk mapping, road map, annual review and DPO report.

– Creation of e-learning on personal data protection, which is planned to be released at the start of 2023. It is made up of a main module centred around the major principles of personal data protection as well as specific modules designed for certain businesses. The e-learning will initially be open to all SNCF employees and then extended to other Group companies.

**For more details:** see Vigilance Plan, 3.3.2 and 3.3.3.

#### Key indicator

|                                                             | 2020 | 2021 | 2022 |
|-------------------------------------------------------------|------|------|------|
| Percentage of European revenue covered by a DPO (%) - Group | n.d. | 98.8 | 86.0 |

The number of entities with a DPO increased. However, compared to 2021, revenue increased in a greater proportion, thus reducing the percentage of revenue covered by a DPO:

- Increase in the revenue of certain entities
- Loss of certain entities which generated substantial revenue and had a DPO
- Creation of new entities which generate revenue but do not have a DPO.

#### 2.2.2 The Group Ethics Department (DEG)

The Group Ethics Department promotes the five values and eleven principles of the Group's Ethics Charter through:

- Publication of different guides for managers, HR managers and employees, for example on:
  - Prevention of moral and sexual harassment.
  - Secularism or neutrality.
  - Gifts and invitations or conflicts of interest.
- Creation of themed flyers available to all employees.
- Actions to raise awareness or provide training within the operational entities and management committees.
- Reporting measures, notably via a digital "MyEtic" application widely deployed on the tablets and work phones of SNCF employees, as well as via the intranet.
- A phone line and ethics line for advice.

The DEG controls the implementation of the Charter principles, with the help of the ethics whistleblowing system on the new platform for collecting incident reports, which is accessible across the entire Group scope.

Investigations are led by the DEG on behalf of the five railway companies. Some ethics and managerial investigations are carried out locally by HR actors, compliance officers and internal controllers. Among the subjects examined by the DEG are files concerning allegations of moral or sexual harassment, discrimination, lack of probity or conflicts of interest.

Positioned within the Group Human Resources Department, the GED has cross-functional authority for all Group companies. It publishes an annual assessment on its activities.

[To find out more > Ethics Charter and Assessment of the Group Ethics Department](#)

#### Key indicator

|                                                                           | 2020 | 2021 | 2022  |
|---------------------------------------------------------------------------|------|------|-------|
| Whistleblowing alerts received (number) - SNCF                            | 95   | 110  | 227   |
| Investigations carried out by the Group Ethics department (number) - SNCF | 24   | 22   | 15    |
| Rate of trained staff exposed to the risk of corruption (%) - SNCF        | n.d. | n.d. | 45.64 |

#### The Group Ethics Committee (CEG)

Created in 2006, the CEG includes representatives from each of the seven companies and several Group cross-divisional functions. It is a body for reflection and guidance of the Group's ethical policy. Its Chairman is also Chairman of the Cercle d'Éthique des Affaires (CEA), Chairman of the Anti-Corruption and Corporate Responsibility Commission of ICC France (a national committee of the International Chamber of Commerce) and Ethics Officer of Global Compact (France network).

The Group Ethics Committee met four times in 2022. Each session included a progress report on the anti-corruption programme. Several topics were brought to the table: the internal control plan, guidelines for sponsorships, the progress of the third-party assessment procedure, the overhaul of the Group's Ethics Charter, and EcoVadis and Moody's ESG non-financial ratings.

Topics relating to human capital were also presented, such as the ethics self-diagnosis project for managers, the standard process for dealing with situations of sexist or sexual violence in the workplace, ethics in the context of the 2024 Olympic and Paralympic Games or consultation with the CEG regarding the proposal for the new guide on neutrality and secularism.

#### Network of ethics officers

A network of 63 ethics officers, representative of the Group's various activities, is led by the DEG. These officers, who are regularly updated, are responsible for relaying, reinforcing and, if necessary, adapting the Group's ethical approach in their entity.

The network of ethics officers met five times in 2022. The meetings are a chance to measure the progress made in implementing the AFA recommendations made in 2021. New tools, such as a professional whistleblowing platform or managerial workshops to prevent and combat workplace harassment and discrimination, are the subject of the presentations. The ethical challenges of all professional activities, the reporting of disciplinary sanctions to achieve probity or the presentation of Law No. 2022-401 of 21 March 2022 aimed at improving protection for whistleblowers were also studied. Finally, 38 ethics officers received training on the management of whistleblowing reports and ethical investigations.

#### Focus on the implementation of the anti-corruption programme

In May 2021, an anti-corruption steering committee was put in place as part of the anti-corruption programme. It is chaired by the Deputy Chief Executive Officer of SNCF SA and coordinated by the Director of the DEG. It continually ensures the design, implementation and progress monitoring of action plans required by the Sapin II Law and the AFA.

By delegation from the Chairman and CEO, the director of the DEG has a specific role in managing the anti-corruption programme for the Group. This director is also the contact person for the AFA. An operational anti-

corruption committee, bringing together internal stakeholders at Group level, is also dedicated to discussions on best practices and how the programme is progressing. The Group Ethics Director reports on the programme's progress once a month to the Chairman and CEO, and several times a year to the Group Executive Committee. The Audit Committee of SNCF SA's Board of Directors is also informed about this work.

In addition to the responses as part of AFA control, the main actions carried out in 2022 involved:

– **Furthering the roll-out of the code of conduct for the prevention of corruption, in France and abroad, and ensuring that it can be enforced by all employees.** First adopted in October 2017, it was revised and published in May 2021, given the Group's new status as a unified public group as of 1 January 2020. It is appended to the internal staff regulations of the five SNCF companies in France and, in countries outside of France, for companies with internal regulations. For those who do not have such regulations, it is made enforceable by any means provided for by the applicable regulations.

– **Implementing a new professional whistleblowing platform** <https://www.bkms-system.com/bkwebanon/report/clientInfo?cin=EdM6Rg&c=-1&language=eng> which facilitates reporting for employees or third parties, in France or abroad. It is available 24/7. Following on from current systems, it guarantees confidentiality and makes it possible to remain anonymous. It was gradually deployed in 2022 to cover all Group companies in France and, with a platform accessible in 12 languages, foreign subsidiaries from January 2023. Since the end of 2022, the platform has also been accessible to external stakeholders through the Group's institutional website.

– **Training the managers and staff most exposed to the risk of corruption** Training is regularly updated, incorporates AFA recommendations and adapts to different entities with numerous case-specific practicals. This training continued in 2022 with 43 dedicated sessions and 1,070 employees trained. To ensure it was deployed quickly, compulsory e-learning training was made available to all SNCF managers at the end of 2022. Around 34,500 of them should undertake this module in 2023. In addition, e-learning to raise awareness in regard to anti-corruption has been open to all SNCF employees since May 2020. In total, by the end of 2022, almost 12,000 employees had undertaken this module.

– **Launching a call for tenders for the acquisition of an almost entirely automated third-party compliance assessment solution.** The sought solution should cover integrity, the combat against money laundering and terrorist financing, sanctions and embargoes, and export and import control, as well as topics related to duty of care (human rights in the supply chain, the environment and the health and safety of individuals). The contract is currently being attributed to a service provider.

Finally, guidelines are being developed for major sporting and cultural events, as well as specific actions to identify ethical risks and raise awareness for the 2024 Olympics.

**For more details:** see Vigilance Plan, 4.3.

**To find out more >** [Anti-corruption Code of Conduct](#)

### 2.2.3 The Group's ethical values

#### Principles of conduct

Signed by the Chairman and CEO, the Chairman of the Group Ethics Committee and the Group Ethics Director, a new Group Ethics Charter was digitally distributed to all Group employees at the end of 2022. Unchanged in

substance, its content is more overarching and accessible than that of 2016. The Charter refers to:

– Five ethical values: Integrity, responsibility, respect for people, trust, courage.

– And eleven principles of conduct that must be respected by employees.

If in doubt, the Charter sets out the three reflexes to adopt: discernment, seeking advice and whistleblowing.

**To find out more >** [Ethical Values and Principles](#)

#### Making every employee a responsible actor

The ethical approach promotes the correct behaviour for employees to adopt. The Group Ethics Department ensures its application to make everyone a responsible and effective actor, respectful of others and of the company.

**Rolling out principles.** The DEG regularly meets with employees during forums, meetings and webinars, to discuss the Group's ethical values and principles. In 2022, there were 43 interventions performed for more than 1,000 participants. In addition, the "MyEtic" application also has a role in rolling out these principles and values. In 2022, the application was used more than 60,000 times: triple the number of uses recorded in 2021. Finally, the DEG was consulted 185 times for advice in 2022.

#### Officers for the prevention of sexual harassment.

Since 2021, under the guidance of the DEG, a company sexual harassment prevention officer has been appointed within each of the seven Group companies. They lead a network of contacts and exchange good practices in the prevention and treatment of sexual harassment in companies. Two sexual harassment prevention officers also sit on each of the 33 social and economic committees, i.e. 66 officers instead of the 33 required by French law. In 2022, the DEG carried out four interventions specifically on the theme of preventing sexual and sexist behaviour and proposed three training sessions to the officers of the 33 social and economic committees. New training sessions will take place in 2023, given the renewal of representatives at the professional elections in November 2022.

**Tools.** A new practical guide was dispersed in 2022 to support managers in the handling of reports of sexual and sexist behaviour, in line with the 2021 Equality and Gender Diversity Agreement.

**The professional whistleblowing system.** expanded to all Group companies in 2022, it enables all employees to report facts or behaviour that are contrary to regulations, the law or the Ethics Charter, or that are likely to affect the company's activity or reputation.

#### Trust in the whistleblowing system

In 2022, employees took part for the first time in the "C'est à vous" survey about the professional whistleblowing system:

– 51% of respondents stated that they knew about the system.

– 81% of respondents felt that if they reported unfair treatment due to discrimination, the report would be taken into consideration by the SNCF.

**For more details:** see Vigilance Plan, 5.

**To find out more >** [Ethics Whistleblowing System](#)

#### Offering an ethics self-diagnosis to managers

Managers are vital links in the ethical chain to prevent risks to the company's image and reputation, as well as criminal, commercial, financial and legal risks. At the end of 2022, an ethics self-diagnosis questionnaire for

managers was finalised for large-scale deployment through a digital application in 2023. This simple questionnaire is quick to fill out, taking a maximum of five minutes, and aims to:

- Assess their maturity level on ethical subjects.
- Identify tools made available by the DEG to enable their progress.

The questionnaire is anonymous and comprises 29 questions split into four sections:

- The fundamentals.
- HR ethics.
- Business ethics.
- Digital ethics.



<sup>1</sup>APE: The French Government Shareholding Agency  
<sup>2</sup>TOA: Transport Organising Authorities  
<sup>3</sup>UIC: International Union of Railways  
<sup>4</sup>CER: European Rail Community  
<sup>5</sup>U(I)TP: (International) Union of Public Transport  
<sup>6</sup>CCI: Chamber of Commerce and Industry

## 2.3 DIALOGUE WITH STAKEHOLDERS

### 2.3.1 Stakeholder committees

#### 2.3.1.1 Context

The 2020 railway reform brought about the establishment of two stakeholder committees, one for SNCF SA, the other for SNCF Réseau and its subsidiary SNCF Gares & Connexions.

#### 2.3.1.2 Our commitments

Guaranteeing the commitment of our internal and external stakeholders, in the development of our activities at a local, regional and national level.

## METHODS OF DIALOGUE

- EMPLOYEES**
  - Signature of collective agreements • Quality of life at work approach
  - SEC meetings • Image survey • "C'est à Vous" employee survey
- SUPPLIERS**
  - Satisfaction questionnaire • Ecomobility Ventures fund
  - SME commitment (SME Pact, Single desk, Mediation)
- FINANCIAL PARTNERS**
  - Non-financial report • Financial report • Management report
- REGIONAL PLAYERS**
  - SNCF Développement • Integration projects • Participation in various local bodies • Agreements
- ACADEMIC WORLD**
  - Participation in chairs • Standardisation measures
- GOVERNMENT AUTHORITIES**
  - Contribution to the drafting of the legal and regulatory framework
- PROFESSIONAL ASSOCIATIONS**
  - Participation in expert working groups
- CUSTOMERS PASSENGERS**
  - Customer surveys and panels • NPS satisfaction measurement
  - Advice Advisory body for persons with disabilities and consumer associations • Rail line committees • Internet sites • Twitter
- PROFESSIONAL CUSTOMERS**
  - Negotiation of agreements • Dialogue with the ARF • Customer survey • Customer meetings
- CIVIL SOCIETY**
  - Working groups • Conferences • Press seminars • Internet
  - Partnerships

#### 2.3.1.3 Policy and actions

##### SNCF Group Stakeholder Committee (SC)

The Stakeholder Committee is an advisory committee that strengthens the dialogue between the SNCF Group, its stakeholders (elected representatives, local authorities, associations, customers and suppliers) and those qualified to best respond to the challenges faced by the company: mobility, ecological transition and regional planning. Its composition is defined by Decree No. 2019-1384 of 17 December 2019.

The SC meets twice a year under the aegis of the Chairman and CEO. On the agenda, there are expectations in terms of dialogue, updates, submission of inter-sessional work by a rapporteur of the sub-working groups, and the development of work. Each time, a phase of exchanges and collective reflection is carried out. SC members may meet between sessions for ad-hoc working groups.

To support the Group's transformation, the work of the SC is linked to the "Tous SNCF" corporate project and its four strategic thrusts: people, regions, environment, innovation and digital technology. The conclusions reached from the exchanges are reported to the Board of Directors and to the Group's related activities.

In 2022, the members of the SC reflected on the methods needed to achieve the proposed rail ambition for passengers and goods, in the presence of representatives of these activities. This committee also expressed its opinion on the relevance of the commitments related to purpose and their method of management in the presence of the DESTE director.

**For more details:** see Vigilance Plan, 2.2.

##### SNCF Réseau Stakeholder Committee

Once a year, SNCF Réseau organises an advisory committee of railway network and station stakeholders in which SNCF Gares & Connexions takes part. This committee brings together seven individuals appointed by their institution, seven by SNCF Réseau and six individuals qualified in the fields of mobility, ecological transition and regional planning, also appointed by SNCF Réseau. This committee notably enables a discussion on defining themes such as the company's social responsibility, regional development and cohesion, the service offer and service quality, safety and security, and monitoring the corporate project. Agendas are shared when there are exchanges, updates and debate.

The committee was asked in early 2022 about the SNCF Group's Vigilance Plan. The June meeting was an



opportunity to discuss the place of the French rail network at European level.

### Consumer Advisory Council (CAC)

The Consumer Advisory Council is a memorandum of understanding signed between SNCF Voyageurs and national consumer associations. Led by the Chairman of SNCF Voyageurs alongside representatives of Voyageurs activities (TGV, TER, INTERCITÉS, Transilien and SNCF-Connect&tech), the Council meets twice a year to present updates, the balance sheet and work prospects, and to answer all the associations' written questions. The SNCF Mediator presents his/her report and recommendations at the April session.

In 2022, the following topics were discussed:

- The metropolitan RER, projects, traffic, current calls for tender and the quality of regional service.
- Customer satisfaction on the main lines.
- The purchase of transport tickets on smartphones and the gradual end of magnetic tickets in Île-de-France.
- The latest news on the resolution of malfunctions on SNCF-connect.
- The SNCF Médiation annual report.
- The SNCF Voyageurs energy conservation plan.
- A progress report on the Simplicité Clients Voyageurs programme.
- The impacts, projects and a progress report on work for the 2024 Olympics in Île-de-France.

To find out more > [SNCF signatory associations](#)

## 2.3.2 Institutional relations

### 2.3.2.1 Context

The SNCF Group is one of the largest public transport and logistics groups in the world. As such, it is regularly called upon to express its position on subjects that concern it and on the framework within which it carries out its work.

It therefore participates in discussions and work on French and European regulatory developments, particularly in the passenger and goods transport sector, in the fields of sustainable development, competition, digital technology or, more broadly, on any regulation that may concern it.

### 2.3.2.2 Our commitments

The SNCF Group carries out its interest representation activities in line with its overall approach to promoting and continuously improving its actions in the field of social and environmental responsibility. It acts in accordance with the commitments made to all stakeholders and in accordance with the values and principles of its Ethical Charter and with international, European and national laws and regulations.

### 2.3.2.3 Policy and actions

Through its extensive expertise, know-how and regional coverage, SNCF is a key player in serving regional development. By carrying out its actions at all levels - regional, national and European - the Group aims to contribute to the decarbonisation of transport by encouraging collective or less polluting modes of transport.

### Sharing its vision at national level

As part of the work of the French Parliament, the SNCF Group is regularly called upon by the National Assembly and the Senate to share its vision or feedback.

These actions are carried out in compliance with the provisions of Law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the

modernisation of economic life, known as the "Sapin II Law", particularly with regard to the annual reporting obligations concerning interest representation actions to the High Authority for the Transparency of Public Life (HATVP). The Group has also appointed a representative of its interests duly registered on the Senate register. In addition, the Public Affairs Charter was published in 2015 and updated in 2018. A new version is currently being drafted.

Finally, SNCF sets out its vision and promotes its interests through its membership within the Union des Transports Publics et Ferroviaires (UTP), the professional organisation of urban transport companies and rail companies (freight and passengers) in France, as well as other organisations such as France Industrie or Fer de France.

### The Group called upon for the control of government action

In 2022, the work of the parliamentary plenary session was suspended for several months due to the presidential and legislative elections. During this period, the Group was therefore specifically called upon by the Senate for its role in monitoring governmental action. In this context:

- The French government's Sustainable Development, Spatial and Regional Planning Committee held numerous hearings concerning updates of the performance contract between the State and SNCF Réseau.
  - The Finance Committee's audit mission on SNCF's financial situation and its prospects sought to hear once again from the Group's leaders to finalise its conclusions.
  - SNCF leaders were also interviewed on the incidents that occurred at the Stade de France on 28 May 2022 to draw lessons from them, with a view to organising future major sporting events. The SNCF reported to the information mission on facial recognition and its risks in order to shed light on the possible uses of intelligent video in transport.
- When the work resumed in the public sitting of Parliament, the Group particularly monitored:**
- The amending laws of 16 August 2022 on emergency measures for the protection of purchasing power and finances for 2022.
  - The 2023 Finance Act of 30 December 2022.
  - The bill on orientation and programming by the Ministry of the Interior.
  - The bill on accelerating the production of renewable energies.

Finally, the Chairman and CEO of SNCF was heard in September 2022 by the Senate Committee on Sustainable Development, presenting his ambitions supporting the development of railways in France.

To find out more > [HATVP Register](#), [Senate Register](#)  
**Working together at European level**

The European Union is an essential decision-making platform for all those involved in the transport sector.

With presence in Brussels since 1992, the SNCF Group has representation in the European Union. The Group provides expertise and makes its interests heard by the European institutions - Parliament, Commission and Council - as well as by the permanent representations of the Member States and various other stakeholders at European level.

It also does so indirectly, through its membership in several professional associations. Among the most important are: CER (Community of European Railway and

Infrastructure Companies), EIM (European Infrastructure Managers), UITP (Union Internationale des Transports Publics), UIC (Union Internationale des Chemins de Fer) and SGI Europe (Association of companies providing public services or services of general interest).

The Group is registered as an interest representative on the European Union's Transparency Register. As a result, SNCF has adhered and submits its representatives to the code of conduct described in Annex I of the Interinstitutional Agreement on a Mandatory Transparency Register of 20 May 2021.

To find out more > [EU Transparency Register](#)

In 2022, the SNCF Group contributed to European legislative and regulatory work, in particular concerning:

– **The Strategy for sustainable and intelligent mobility:** this defines which direction European transport policy takes, notably doubling high-speed traffic before 2030 and doubling rail freight traffic before 2050.

– **The Green Deal and “Fit for 55” package:** these aim to align European legislation with the objective to reduce greenhouse gas emissions by 55% by 2030. The following texts received the most focus:

- Revision of the Emissions Trading Scheme (ETS).
- The Energy Tax Directive (ETD).
- The Social Climate Fund (SCF).
- The Alternative Fuel Infrastructure Regulations (AFIR), the Effort Sharing Regulations (ESR).
- The Renewable Energies Directive (RED).
- The future system for calculating transport emissions (Count Emissions EU).

– **In regard to infrastructure:** the revision of the Trans-European Transport Network Regulation (RTE-T). This defines the technical parameters of the network to be put in place by infrastructure managers and the preparation of the future legislative initiative on the management of railway capacity.

– **In regard to passenger transport:** the future initiative on multimodal passenger rights, the action plan for long-distance, cross-border rail transport and the revision of interpretative guidelines on public service obligations.

– **In regard to freight transport:** the upcoming revision of the Directives on Combined Transport (CTD) and on the Weight and Dimensions of Commercial Vehicles (WDD).

– **In regard to business:** the upcoming revision of the Train Drivers Directive (TDD).

– **In regard to State aid:** the revision of railway guidelines.

– **In regard to digital technology:** the Data Act, the revision of regulation on sharing mobility data (Multimodal Information and Ticketing Systems - MMITS) and the future Multimodal Digital Mobility Services Regulation (MDMS).

– **In regard to sustainable finance and CSR:** taxonomy, green bonds, the CSR Reporting Directive (CSRD) and the directive regarding duty of care.

As a player in European rail interoperability, the SNCF Group also participates in the development of European secondary legislation and regulations led by the European Railway Agency (ERA) and the Commission.

**The SNCF Group is also a member of the Europe's Rail public-private partnership**, co-funded by the Horizon Europe European programme. Launched in 2022 as a continuation of the Shift2Rail programme, the activities of this programme define the railway of the future

through collaborative projects organised around several innovation programmes. They are dedicated in particular to network management, the automation of railway operations, rolling stock, command control, infrastructure and rail freight. More generally, the Group plays an active role in the European ecosystem for guiding funding for research and innovation, notably in the Research Group (RICG) of the Union Internationale des Chemins de Fer and in ERRAC, the European Rail Transport Technology Platform.

**The Group also contributes to the European public debate** by organising conferences and events on topical issues. In 2022, it organised a major European railway summit, aimed at promoting action by the European Union, Member States and the rail sector to decarbonise transport and innovate, in order to advance and expand rail transport in Europe. This summit brought together more than 600 participants, at the SNCF headquarters and remotely, to see the following speakers: five ministers from different countries, two European Commissioners and other high-level representatives of the European Commission, ten or so European railway and industrial leaders, MEPs, and representatives of NGOs and trade unions. The Group also played a leading role in the drafting of the “European Railways’ Pledge for More Attractive, Sustainable, Inclusive and Innovative Mobility”, a declaration presented at the summit and signed by 33 railway companies and European infrastructure managers from 24 different countries. This pledge relates in particular to sustainable development and social inclusion.

To find out more > [Railway summit 2022](#)

**Through all its actions at European level, the SNCF Group aims to encourage the construction of a regulatory and financial framework that supports the development of rail transport** and the modal shift towards it. It therefore contributes to reducing the greenhouse gas emissions produced by the transport sector - which accounts for more than 30% of total emissions in France and Europe - and thus to mitigating climate change.

### Dialogue with the regions

The SNCF Group is positioned as a key player in regional development at all levels. As the second largest property owner in France after the State, SNCF stands out because of its strong regional presence, with 142,000 jobs outside Île-de-France (out of 208,000 jobs in total in France) and nearly 19,000 suppliers, including 11,000 SMEs, representing €13 billion of purchases in 2021.

Its regional support strategy, one of the four thrusts of the “Tous SNCF” corporate project, aims to improve readability and efficiency with regard to external contacts. Its purpose is to facilitate the many interactions within the SNCF Group, for the benefit of its customers, institutional or economic partners and employees, whilst respecting all of these actors’ responsibilities and the rules of competition and independence for the essential functions of SNCF Réseau and SNCF Gares & Connexions infrastructure managers.

**This commitment has been reflected in the appointment of a “Group Regional Coordinator” in each region** chosen from among the leaders in place. The Coordinator is accompanied by an assistant, working alongside SNCF SA, and can be a point of contact for the various components of the SNCF Group, subject to the essential functions concerning SNCF Réseau and SNCF Gares & Connexions. A delegated regional director for the Group and a regional advisor to the Group Chairman and CEO complete this governance.



**This results in the development of regional strategies** or “road maps” shared between the SNCF Group and a regional council, a city, a town or a public institution of intercity cooperation. These are mainly focused on the topics of local development and are not related to the essential functions of SNCF Réseau and SNCF Gares & Connexions.

Furthermore, the SNCF Group develops partnerships with the main associations of elected representatives such as Regions de France, the Association des maires de France (AMF), France urbaine, Villes de France, the Association des petites villes de France (APVF), and the Association des maires ruraux de France (AMRF). In this context, the Group contributes to their work and is involved in the annual events they organise.

### 2.3.3 Climate commitments

#### Iron versus carbon: for the ambitious growth of railways

Or the pledge from Jean-Pierre Farandou, SNCF Group Chairman and CEO

On 10 February 2022, the Fondation Jean-Jaurès published a piece contributed by the Group’s Chairman and CEO, in which he outlined his ambitions for French railways and explained why doubling the modal share of rail travel over the next two decades is an ecological as well as economic and social necessity for France. He also explained how this could be achieved:

- With the development of infrastructures: the creation of metropolitan RER stations in 13 major French cities, the construction of high-speed lines, the deployment of light rail trains on the minor historical regional lines, the development of long-distance services on under-served rail links
- With the modernisation and digitalisation of the network
- With levers for services: to affect prices, improve the quality of service, revive freight transport, promote intermodality and accelerate the shift to rail travel through carbon pricing.

[To find out more > Iron versus carbon](#)

#### The European version of the pledge

SNCF brings together around thirty European railway companies around a joint pledge for more attractive, sustainable, inclusive and innovative mobility.

The objective of this pledge: to mobilise European railway actors and European and national public authorities around the objective of increasing the modal share of rail travel to combat climate change.

More than 30 European operators and infrastructure managers are demonstrating commitment to four issues: attractiveness, sustainable development, inclusiveness and innovation. They aim to demonstrate that European railway actors are fully committed to these issues. The pledge then calls upon the European Union and States to support the development of railways through concrete measures, in particular the setting of modal shift objectives or huge investments in the network to allow for this modal shift.

This European initiative complements the national initiative of Jean-Pierre Farandou, who submitted his proposal to double the share of rail travel in the next two decades to the public debate.

The two initiatives are closely linked and serve the same objective: **the modal shift towards rail travel is an essential solution to contribute to the fight against climate change.** However, the railways cannot do it

alone. They need huge financial and regulatory support from Europe and Member States to help them to do so.

[To find out more > The European pledge](#)

#### Paris Climate Action Biodiversity Pact

In 2022, SNCF Group renewed its commitment to the City of Paris by signing the Paris Climate Action Biodiversity Pact. Designed to mobilise economic actors around climate issues, the Paris Climate Action Pact was extended to the theme of biodiversity in 2022. It focuses in particular on the sharing of good practices, to enable Paris to achieve the objectives of its commitments and to maintain the trajectories on these two themes.

[To find out more > The Paris Climate Action Biodiversity Pact](#)

### 2.3.4 Commitments of the transport sector

#### International Union of Railways (Union internationale des chemins de fer - UIC)

SNCF is a member of the steering committee of the UIC Sustainability Platform. It is actively involved in a great deal of work and commitments in relation to rail travel’s contribution to the sustainability objectives and the search for solutions to make railways more sustainable and quieter. It focuses on five main environmental themes: air quality, circular economy, energy and CO<sub>2</sub>e emissions, noise and vibration, and sustainable land use. SNCF has also renewed its signature on the rail sector’s climate declaration. The UIC participated in the events organised by the French Pavilion at COP27 in Egypt during the day dedicated to economic actors.

#### Union of Public and Rail Transport (Union des transports publics et ferroviaires - UTP)

The UTP is the professional organisation that brings together public transport companies and companies in the railway sector in France: freight and/or passenger transport, infrastructure and service facility managers, etc. The SNCF Group companies concerned participate in the work of the UTP in its various thematic commissions, in particular the Technical and Sustainable Development Commission, where work is shared (regulations, monitoring, technology, etc.), as well as CSR news from the profession.

In 2022, the UTP developed a guide on good practices for energy efficiency in the urban public transport and railway sectors.

UTP responded to the public consultation to calculate transport-related emissions – [“CountEmissions EU”](#)

[To find out more > The UTP Manifesto](#)

#### International Association of Public Transport (UITP)

SNCF is also a member of the International Association of Public Transport (UITP) and a signatory to its Sustainable Development Charter. The UITP represents its members in the European Union (EU) Committee of the UITP.

[To find out more > The Sustainability Charter - UITP](#)

### 2.3.5 Patronage and partnerships

#### 2.3.5.1 Context

SNCF developed new partnership relations in 2022 and continued the actions undertaken with its main stakeholders.

#### 2.3.5.2 Our commitments

- Developing a systemic vision of challenges and impacts to improve decision-making processes.
- Guaranteeing the commitment of our internal and external stakeholders, in the development of our activities at a local, regional and national level.

### 2.3.5.3 Policy and actions

To best prepare for the ecological transition of transport, SNCF is taking part in mobilisation around CSR issues as a patron or by forming partnerships, carrying out joint projects and participating in working groups. The associations and networks listed below are those with which the Group has particularly collaborated over the past two years. Work was notably carried out in 2021 and 2022 on advocating for the train as part of a shared ambition to double the modal share of rail in France and Europe.

In 2021, two exchanges regarding rail freight and the Group's CSR strategy were organised to enrich CSR strategy with the organisations most involved in climate and ecological mobility issues for passengers and goods: the Climate Action Network (RAC), Fondation pour la Nature et l'Homme (FNH), France Nature Environnement (FNE), the Institute of Sustainable Development and International Relations (IDDR), the Institute of Economics for Climate (I4CE) and the Shift Project, as well as Météo&Climat.

In 2022, synergies in regard to these challenges were strengthened by the dialogue set up within the framework of the Stakeholder Committee. Meetings particularly support the appeal for rail travel:

– **Participation in a workshop organised by the Climate Action Network** entitled "How to make rail budget programming consistent with our climate objectives?" This dialogue with the main mobility experts of NGOs, associations, organisations and institutions prepares for the revision of the National Low Carbon Strategy (SNBC) with proposals on the programming of railway investments in light of climate ambitions.

– **Exchanges with the Shift Project** in the context of presenting the study on the transformation of the French economy and to carry out work on regional resilience when faced with energy and climate challenges.

– **Partners of Group experts on mobility invited to a guided tour** of the exhibition [The lives we lead](#) by the Forum Vies Mobiles (FVM) at the Cité Internationale des Arts in Paris.

### 2.3.5.4 Corporate social responsibility

#### COMITÉ 21 - Partner since 1995

- Provision of resources, studies, CSR monitoring, updates.
- Organisation of multi-actor workshops and conferences.

#### **Achievements**

- Workshop [Companies and their stakeholders: new means of governance and resilience](#) (2021).
- Support in drafting the SNCF contribution to the Pays de la Loire IPCC (2020 - 2021).
- Support in implementing an enhanced consultation aimed at improving the accessibility and intermodality of stations on the Nantes <> Chateaubriant line (2020 - 2021).
- Comité 21's participation as a major witness in a prospective study on the CSR expectations of the SNCF Group's Communication and Brand Department (2021).

#### ORSE - OBSERVATOIRE DE LA RESPONSABILITE SOCIETALE DES ENTREPRISES - Partner since 2010

- Tools, studies, benchmarks, working groups and publications on emerging themes to support company CSR strategies.

### **Achievements**

- Participation in work and publications on taxonomy, [materiality analysis for stakeholder dialogue](#), [integrated accounting](#) with the C3D and the Orée association, [sustainable finance](#), [non-financial reporting](#), [new working from home practices](#), [caregiver employees](#) (2021).
- Participation of ORSE's chairwoman as a major witness in a prospective study on the CSR expectations of the SNCF Group's Communication and Brand Department (2021).
- Participation in ORSE's work gathering energy conservation plans in order to share them with ORSE members, work on the new face of CSR management, and work on the directors' survey (2022).

- Participation in working groups on taxonomy, stakeholder dialogue, biodiversity, health prevention and employee eco-anxiety (2022).

### 2.3.5.5 Environment - Biodiversity

#### EPE - ENTREPRISES POUR L'ENVIRONNEMENT - Partner since 1993

- Inter-company forum for ecological transition.
- Conduct of studies, publications and events.
- SNCF's participation in thematic commissions and working groups on climate change, biodiversity, responsible digital technology, representation of lifestyles in advertising, etc.
- Member of the **World Business Council for Sustainable Development** (WBCSD) on behalf of member companies.

#### **Achievements**

- Guide for communicators on [the representation of lifestyles and the ecological transition](#), in order to encourage new, more sustainable ideas (2021).
- Act4Nature report, launch of [Act4Nature International](#) and participation in the IUCN Congress and COP 26 (2021).
- A delegation sent to COP 27 and COP 15 of the CBD (Convention on Biological Diversity), participation in the European Business and Nature Summit, contribution to the work on the conditions for a successful ecological transition in 2030 (2022).

#### ORÉE - ORGANISATION POUR LE RESPECT DE L'ENVIRONNEMENT EN ENTREPRISE - Partner since 2013

- As part of the vice-chair position it holds, SNCF runs two business clubs (recovery of foam and textiles, management of waste linked to the deconstruction of buildings) and participates in the club on waste management in establishments open to the public (ERP).
- Collaboration on biodiversity, circular economy and regional integration.
- Coordination by the SNCF Circular Economy officer of the FRIVEP (Industrial Reuse and Recycling of Professional Clothing), FIREX (Industrial Textile Recycling) and FREPI (Personal Protective Equipment Recycling) projects.

#### **Achievements**

- Finalisation of the experimental phase of the [FRIVEP](#) project and launch of the FIREX and FREPI project (2021).
- Contribution to the work on Corporate Governance and Ecological Transition, conducted by ORÉE with the

support of the Ministry of Ecological Transition (2021 for publication in 2022).

– Contribution to the *Économie circulaire* booklets, participation at the Economy and Biodiversity Forum, and at conferences at the Produrable Salon (2022).

**FNE - FRANCE NATURE ENVIRONNEMENT - Partner since 2008**

– Sharing knowledge on environmental issues: mobility, biodiversity, resources, etc.

– Search for new approaches in businesses and support for their implementation.

– Support in consulting with local associations in the regions.

#### **Achievements**

– Support for discussions and consultations on phasing out the use of glyphosate on railway property and a framework for information on the use of plant protection products (2021).

– Exchange workshop on environmental services between the regional actors of SNCF and FNE in Pays de la Loire (2022).

**FNH - FONDATION POUR LA NATURE ET L'HOMME • Partner since 2011**

– High-level dialogue between SNCF and FNH executives.

– Exchanges of expertise on mobility issues.

– Relaying actions on social media (SNCF and FNH).

– Cooperation at events.

#### **Achievements**

– Participation of SNCF in webinars organised by the FNH for all partner employees on the following work and programmes: climate justice, citizen action for biodiversity, the Climate and Resilience Act, the right transition of the automotive sector, failure to reduce pesticides in France (2021), the results of the second everyday mobility survey, land artificialisation (2022).

– FNH Presentation to preview the results of [the everyday mobility survey](#) and exchanges with the internal CSR network.

– Launch of the “*J'agis je plante*” (“I act I plant”) campaign to participate in planting projects in every department and to create the SNCF's own project (2022).

**RECORD - Partner since 2013**

– Research projects in the framework of an original tripartite cooperation between industries, public organisations and researchers, voted each year by the Board of Directors, including SNCF SA and SNCF Réseau.

– Insights into emerging issues, new technologies and their impacts, standardisation and regulation projects.

– Four areas of research: knowledge and characterisation, methods and tools, development of new waste recovery and treatment processes, assessment of health and environmental risks, assessment of economic and social dimensions.

#### **Achievements**

– Publication on [molecular approaches to characterise the ecological functions of soil in ecological rehabilitation](#) (2021).

– Publication on the use of [sensor networks for environmental monitoring of industrial and urban sites](#) (2021).

– Publication on a tool for designing and monitoring the [rehabilitation of degraded sites incorporating nature-based solutions](#) (2021).

– Publication on the biodiversity footprint of companies (mapping of different assessment methods and construction of a decision support module), environmental monitoring of industrial and urban sites, use of environmental sensor networks, incorporation of recycled plastics, methods and tools for taking environmental and social externalities into account in sustainable business models (2022).

– Studies in progress: biodiversity RECORD tool in ecological rehabilitation, strategic metals - risks for companies.

#### **2.3.5.6 Climate**

**I4CE - Partner since 2022**

– Exchange of expertise as part of work and projects on carbon reduction challenges, in particular through the financing of infrastructure and Climate Change Adaptation for transport and rail travel.

#### **Achievements**

– Presidential election 2022: [the budget challenges of the next five-year term](#) (2022).

– [Ensuring sufficient means to adapt to climate change consequences in France: what are the costs?](#) (2022).

**MÉTÉO&CLIMAT • Partner since 2015**

– Presentations at SNCF and Météo&Climat annual events (conferences, plenary sessions, exchange circles).

– Co-organisation of “Train du climat” exhibitions to invite the public to dialogue with scientists to better understand the issues and possible solutions and accelerate the transition to action in the regions.

– Support and annual participation in the [International Weather and Climate Forum](#) (IWCF) as a member of the Partners Club.

#### **Achievements**

– International Weather and Climate Forum: [Extreme events: a taste of the future climate?](#) (2021).

– “Carbon neutrality: how do we get there?” (2022)

– Participation at the scientific days on “[Understanding and getting to grips with the key messages of the 6th IPCC report](#)”.

– Participation in exchange circles between scientists, companies and local authorities on the topic of the 2019 heatwave in Paris (2022).

– Preparatory work, with the Climate Messengers section, for a new joint project to raise awareness and large-scale mobilisation on climate and biodiversity issues through dialogue with scientists (2021/2022).

**FRANCE VILLE DURABLE (FVD) - Partner since 2019**

– Federation of actors, State, local authorities, companies, associations, to build a sustainable and carbon neutral city by 2050.

– Partnership supported by SNCF Immobilier and the DESTÉ.

#### **Achievements**

– Continued participation in the “Health/Wellbeing and sustainable city” guidelines and working group, started in 2021: “How to take determining health factors into account in an overarching regional strategy?” (2021-2022).

– SNCF is the beneficiary of new FVD training on the major challenges and fundamentals for sustainable cities



and regions, based on the four objectives of conservation, resilience, inclusion and creativity, with a replay platform to speed up the increasing number of actors acquiring skills (2022).

– SNCF participation in the 2nd edition of “Villes Durable en Action” (Sustainable Cities in Action): an annual reference event with a presentation by the Chairwoman of SNCF Immobilier (2022).

#### **THE SHIFT PROJECT - Partner since 2013**

– SNCF participation in studies, publications and conferences organised by The Shift Project to inform and influence the debate to support a low-carbon economy in Europe.

##### **Achievements**

– Studies: Presentation on the Transformation Plan for the French economy (PTEF) and publication of the section on freight and long-distance mobility (2022).

– Participation in the “Ensuring Freight in a finite world” and “Low carbon travel” round tables, both within the framework of the PTEF (2022).

– Publication of the “Resilience and regions” manual for local authorities and elected representatives, the completion of which was supported by SNCF Réseau (2022).

– The SNCF Group Chairman and CEO’s participation at the 2022 Shift Forum).

#### **CONVENTION DES ENTREPRISES POUR LE CLIMAT - Partner since 2021**

– A group of 150 managers and independent experts tasked with, over a year, accelerating low-carbon strategies and reconnecting each of the participating companies with the living world by formulating concrete and demanding proposals to support ecological transition. The TGV-INTERCITÉS Atlantique line contributed to this group’s work.

##### **Achievements**

– SNCF Voyageurs’ participation in the Grand Défi des Entreprises challenge, which brings together companies, inviting them to rethink the economic world’s contribution to the common good, following the example of France’s Citizens’ Convention for the Climate. The SNCF supported this organisation during a working session in Grenoble and by conducting environmental awareness workshops on board a TGV train (2022).

#### **2.3.5.7 Human rights**

#### **EDH - ENTREPRISES POUR LES DROITS DE L’HOMME - Partner since 2021**

– Sharing best practices with other major French groups to ensure that human rights are taken into account.

##### **Achievements**

– Participation in a working group on human rights indicators in vigilance plans.

– Training of senior managers to assess the impact of human rights on internal audits, and consider human rights in the sphere of human resources (with a focus on international standards for working conditions).

#### **OBSERVATOIRE DE LA MIXITÉ - Partner since 2019**

– Group of experts and large companies committed to the subject of diversity.

##### **Achievements**

– Joint publication on misconceptions and barriers that prevent women from progressing.

– Green paper on [Six concrete measures to accelerate gender diversity in organisations](#) ((2019) - updated in 2022).

– Manifesto of economic actors against violence against women signed by SNCF (2021).

– Study on “opting out”.

– Managers’ Club: quarterly meetings.

SNCF is also involved in other “meta networks” for gender diversity: 2GAP, the [interElles circle](#), [Femmes en mouvement](#), [L’alliance pour la mixité en entreprise](#), which aim to share good practices and amplify the action of companies to support gender diversity.

#### **FONDATION DES FEMMES - Partner since 2019**

– Raising awareness of women’s rights among the general public.

##### **Achievements**

– [Train pour l’égalité](#) (Train for equality) in February and March 2022: Raised awareness among 8,000 people, 1,500 people trained in “Stand up contre le harcèlement de rue” (Stand up against street harassment), 31 conferences, nine city stopovers and four partner associations (CIDFF, Force Femmes, Family Planning, Solidarité Femmes).

#### **CAPITAL FILLES - Partner since 2017**

– Support for young female high school students from SNCF volunteer “mentors”: advice, expertise in their choice of career path, application for a school or work-study programme).

– Discovery of the professional world.

##### **Achievements**

– 50 committed female SNCF mentors paired with a young girl, and eight female SNCF delegates to promote this initiative (2022).

#### **2.3.5.8 Innovation & Research**

The SNCF Group relies on numerous academic partnerships to support the development of the Group’s scientific and technical expertise. These partnerships also help to develop the future skills necessary to take ownership of the technological developments that will impact the company’s businesses. More than 40 academic partnerships were active in 2022, including 10 major ones for SNCF.

These include:

**CENTRALE SUPELEC** – Theme: Complex Systems Risks and Resilience (RRSC).

##### **2022 News**

A PhD student research chair defended the thesis “Prevention against external attacks for critical infrastructures”. The proposed methodology makes it possible to model the spread of cascading failures between two critical infrastructures with a use-case focused on energy (EDF) and railways (SNCF). This thesis resulted in two scientific publications. It has also been used internally by SNCF Réseau in **developing a proof of concept for analysing flood risks on the Marseille-Aubagne route**.

This research chair also aims to better understand the interaction between humans and increasingly autonomous technical systems. A CIFRE-SNCF thesis backed by the research chair began in 2022. It involves conducting in-depth research on the integration of human factors in system engineering in its design phase, which then may be applied to autonomous rail travel. This thesis has made it possible to forge a new link with another FlexTech

research chair from ESTIA engineering school, specialising in organisational and human factors.

### 2023 forecasts

Discussions are under way with the CIFT (SNCF Traction Training Engineering Centre) to draw inspiration from current manual driving training scenarios and design semi-automatic driving scenarios. Example: The driver takes up driving again at once if the semi-automatic steering system disengages.

**ÉCOLE DES MINES SAINT-ÉTIENNE** – Collaboration: Framework Agreement (2014-2019; 2021-2025)

Theme: Operational research.

### 2022 News

The work carried out in collaboration with EMSE on **the development and implementation of ways to optimise and support regulatory decision-making when incidents occur** was continued, in particular in a CIFRE thesis. Work on the use of machine learning to guide research in the solution space was carried out. In addition, substantial work was undertaken alongside a post-doctoral student from EMSE to analyse proposed decisions compared to those actually carried out in order to test the relevance of the recommendations of the algorithm.

**Another CIFRE thesis continued with the optimisation of combined on-demand transport systems in sparsely populated areas** - the unusual problem of combining an on-demand transport problem and a train-scheduling problem. Mathematical modelling was performed, realistic scenarios were generated, and a heuristic (a calculation method) combining a large neighbourhood search algorithm and a set coverage algorithm was successfully tested.

In collaboration with the Equipment Department, a CIFRE thesis continued work **on the robust planning of activities and supplies on railway maintenance sites**. The problem was modelled as a project scheduling problem, the conclusions of which were validated with technicians.

In collaboration with Fret SNCF, the CIFRE thesis on **the integrated and robust planning of rail resources for freight transport** started in the second half of 2022, following the exploration project carried out in 2021.

In collaboration with TGV-INTERCITÉS, a post-doctoral student and a teacher-researcher were enlisted to design and develop **a model to simulate the wear and tear of future TGV M equipment using the AnyLogic simulation tool**.

Finally, an SNCF-EMSE workshop, held in 2022, was an opportunity for EMSE to present to SNCF experts some of its optimisation projects, particularly regarding themes on transport.

### 2023 forecasts

The work and theses carried out in 2022 will be continued in 2023 (including the TGV M train wear and tear simulator). The CIFRE thesis on the development and implementation of approaches to optimise and support regulatory decision-making when incidents occur will be concluded in the first quarter of 2023. Following this, a new thesis on the "Rescheduling and redesign of the transport plan in dense areas" is planned. In addition, EMSE will collaborate with SNCF as an affiliated entity in the ERJU FA1 (MOTIONAL) European programme on working groups for long and short-term planning, and the optimisation of timetables.

### Key figures 2022 – SNCF

– 22 patents filed.

– €72 million invested in research, including €60 million devoted to the Tech4rail, Tech4mobility and Research4future programmes.

– €11 million of research tax credit estimated for the 2022 financial year for the SNCF Group.

### CORIFER

The Steering Committee for Research and Innovation in the Railway Sector (CORIFER) was officially launched on 14 November 2022, during the first Transport Ministerial Steering Committee. This working group was created to facilitate a dialogue between the State and the railway industry. CORIFER draws up a list of the sector's ecological transition and decarbonisation projects and directs them towards public support. Chaired by the Technologies, Innovation and Projects Director of SNCF SA, the committee brings together the stakeholders of the sector involved in R&D in France (industrialists, railway operators, infrastructure managers, academic actors, regional authorities, and organising authorities for mobility).

**1st AMI CORIFER** The 2021 call for expressions of interest (AMI) enabled the submission of 46 projects, 13 of which were validated for approximately €180 million of State aid. The winning projects for which SNCF is a partner represent a budget of around €200 million, including €90 million of public support.

To find out more > [Results of the 1st AMI Manifesto](#)

**2nd AMI in preparation.** The CORIFER is currently updating its roadmap, based on the themes already validated: energy efficiency and decarbonisation, resilient, digitalised and capacity railway infrastructure, mass transit/metropolitan RER, the acceleration of rail freight, mobility in sparse areas/multimodality, risk management and new design and manufacturing methods.

The objective will be to develop industrial and service solutions that enable ecological, reliable, robust and safe mobility, improved performance and an increased competitiveness in the sector.

### FORUM VIES MOBILES - Partner since 2011

SNCF supports Forum Vies Mobiles, a mobility research institute that studies the role of travel in lifestyles in France and around the world and prepares the transition to more desirable and sustainable lifestyles.

In 2022, the institute presented a photographic exhibition at the Cité Internationale des Arts in Paris to document the unexpected diversity of French people's lifestyles, in relation to their travels. It is the result of a national photographic project, inspired by the 1984 project by the Delegation for Regional Planning and Attractiveness (DATAR) on the landscape. Forum Vies Mobiles entrusted this task to 16 photographers from the Tendance Floue collective and a photographer from Magnum Photos.

The exhibition [The lives we lead](#) showed more than 400 photographs showing the typical days and nights of French people of all ages, from all backgrounds, urban or rural, isolated or with family, in all seasons and before and after the health crisis.

### 2.3.6 Being attentive to customers

#### 2.3.6.1 Assessing customer satisfaction

##### SNCF image survey

The image survey tracks the French people's opinions of SNCF on a monthly basis to measure the impact of current events, the company's strategy and its



communication on its image. For the “Tous SNCF” corporate project, this survey was refocused around understanding the composite parts of SNCF’s external image, its purpose and values, and four thrusts: human, environment, regions, innovation & digital technology.

The customer satisfaction rate, derived from the “SNCF external image survey”, has been measured within the French population, whether they are customers or not, since 1987. Since 2012, the questionnaire has been sent out each month by email to 1,000 French people on the basis of a national representative sample of those 15 years and older

#### Key indicator

|                                                      | 2020 | 2021 | 2022 |
|------------------------------------------------------|------|------|------|
| Customer satisfaction rate (Image survey) (%) - SNCF | 70   | 76   | 71   |

#### Customer satisfaction survey in stations

SNCF Gares & Connexions listens to its BtoC and BtoB customers and conducts regular surveys.

Twice a year, the “**Customer Satisfaction Survey**” questions customers going in and out of stations about service promises. As part of the September 2022 wave, nearly 39,000 customers were therefore questioned in 147 stations. The results are available on [SNCF open data](#) and show a high level of overall satisfaction, with a rising score of 7.89/10 in 2022. The main areas of work that have been selected prioritise action when faced with high expectations:

- Comfort in stations (furniture, furnishings, etc.).
- Modernity of the stations (waste plan, bike plan, etc.).
- Traveller information.

The “**BtoB Satisfaction Survey**” measures the level of satisfaction among transport authorities and transport operators in regard to the services offered in stations through 45 to 50 semi-structured surveys. For 2022, 16 organising authorities and 30 transport operators were consulted through a qualitative and quantitative questionnaire. The score achieved was 6.7/10. The action plan includes strengthening collaboration with customers, continuing the professionalisation of teams, offering better visibility in regard to costs and finally putting higher value in medium and small stations.

**Le Club Client** is a complementary tool for listening and permanent exchange with BtoC customers, in a process of station co-development. The objective is to capture the customer experience in the station more broadly and provide further content for the action plans.

#### Listening to SNCF Connect customers

Co-development practices with users are at the heart of how SNCF Connect functions and they are questioned at every stage of new developments. A community of customer users, Connect & Vous, was therefore created in 2015 to share experiences and test new site and application developments. This community is brought to life thanks to a dedicated website that makes it possible to share SNCF Connect news, give tips, co-build tomorrow’s developments and zoom in on targeted topics, such as digital accessibility or sustainable mobility. Every month, a workshop is carried out on site premises with 15 to 20 customers to co-develop the site and the application of tomorrow.

More generally, more than one million customer transcripts are analysed over the year to contribute to the changes made to the features and offers available on site and on the application.

The satisfaction rate of those who bought on site or on the application was 72% at the end of 2022, up 22 points compared to when SNCF Connect was launched in January 2022. This satisfaction index is measured in the moment, using a questionnaire on site and on the application, after the purchase is made: 2,000 responses are analysed each month.

To find out more > [SNCF Connect develops with its customers](#)

#### FRET SNCF Customer Satisfaction Survey

Fret SNCF asks its shipping customers every year about its offers, its quality of service or even the digital journey (customer portal services). In 2022, with an increased response rate compared to the previous survey, customers confirmed how involved they were. They welcomed the relaunch programme for isolated wagons, with an increased satisfaction in services, and developments suggested on the customer portal. They also pointed out areas of progress in regard to bulk trains manned by Fret SNCF teams, in France and abroad.

Encouraging fact: 69% of customers plan to increase how much they use rail transport in 2023.

#### Listening to Keolis customers

In addition to the annual “Keoscopie” passenger behaviour study programmes, Keolis has launched a major study to better get to know and understand the uses, expectations, motivations and barriers for non-subscribers to public transport. This study should enhance commercial actions to attract and retain customer loyalty in order to engage more citizens in virtuous and shared travel. In 2022, Keolis undertook a comprehensive modernisation programme of tools and materials for customer commitment called “Passenger Booster”. The company now provides more than 80 network employees with a digital platform listing all the communication and promotion actions of the networks.

#### Listening to GEODIS customers

A satisfaction survey was conducted with more than 8,000 customers all over the world with a participation rate of 12.1%. Result: 89% overall satisfaction, the same as 2021. 50% of them say that GEODIS is the best or one of the best logistics providers on the market. The NPS (Net Promoter Score) for GEODIS is 24, a high score for the profession. Regarding the level of customer information for GEODIS CSR, the overall satisfaction rate is 85%.

#### 2.3.6.2 Customer relations and after-sales service

Each of the Voyageurs and SNCF Gares & Connexions activities has a specific customer relations policy. Various information, assistance and support systems are deployed in stations, on board trains and on the Internet to more accurately respond to their requests.

#### The Simplicité Clients Voyageurs programme

Offering customers a seamless travel experience using several SNCF trains is one of the promises of the Simplicité Clients Voyageurs (Traveller Customer Simplicity) programme.

The programme aims to simplify the entire customer journey for those who travel with several different SNCF “carriers” (Transilien, TER, TGV-INTERCITÉS, etc.) : from looking up their journey, all the way to a possible complaint or after-sales service, including ticket purchase, travel and connections, in both normal and disrupted situations. For this, the programme must

- Break down the technical boundaries of the various SNCF Voyageurs carriers.
- Improve employee tools.

- Develop the processes between carriers and businesses
- Enrich “common knowledge” in order to streamline information and the handling of customer requests.

Launched at the end of 2021, the programme includes around thirty concrete actions to be carried out by the end of 2023. These actions were developed based on perceptions from 150 customers, analyses of customer surveys, complaints and posts on social media. All SNCF passenger businesses and carriers have worked from these grievances to identify solutions to streamline and simplify the journeys of customers on “SNCF multi-carriers” and provide greater customer satisfaction. These proposals were then tested and validated by a control group of customers.

#### Examples of actions carried out in 2022

The programme is gradually simplifying the process for SNCF multi-carrier customers, thanks to the following developments:

- Automatic transfer of a person to the right call centre.
- Display of prices “by section” and clarification of after-sales conditions for a better understanding of fares for connecting journeys.
- Automatic replacement onto the next train for passengers who miss their connection.

Other improvements will follow, such as the creation of a single point of contact by telephone and form scheduled for the end of 2023, as well as better handling of disruptions, with possibilities of transfer between SNCF carriers or the possibility of exchanging your ticket between SNCF carriers.

In 2022, the programme included a way of measuring customer satisfaction and the effort made by customers on multi-carrier routes to better track their needs. In addition, the 13,000 employees in contact with multi-carrier customers were interviewed to identify the difficulties they encounter on a daily basis with travellers. These indicators will help to adapt actions throughout 2023.

#### Focus on SNCF Voyageurs mediation

Mediation is a free and confidential solution for customers who are dissatisfied with a staff member’s response to their complaint. SNCF Voyageurs Mediation has existed since 1994 and handles disputes between passengers and SNCF Voyageurs, Eurostar, Thalys and Chemins de Fer de la Corse. The Mediator acts as the competent authority to deal with requests concerning a commercial or contractual dispute, or one of the first four types of minor offences to the rail transport police.

**An independent figure outside the company**, the mediator can be contacted [online](#) or by post at the following address: Médiateur SNCF Voyageurs, TSA 37701, 59973 TOURCOING CEDEX.

The [Mediation website](#) describes how Mediation works and recalls the prerequisites for a referral as well as the main steps of the procedure.

The number of referrals remained the same in 2022, with an average of more than 1,400 files per month. Requests are considered lawfully and fairly, on a case-by-case basis. Opinions result in partial or total satisfaction of the customer’s request, or in a refusal.

The customer retains the right to take legal action if they are not satisfied with the Mediator’s opinion. In practice, however, very few opinions result in subsequent legal action.

Mediation alerts customer services when it notices certain recurring malfunctions in the complaints it receives. In

his/her annual report, the Mediator makes recommendations to customer services.

[To find out more > Report on SNCF Voyageurs mediation activity](#)

#### SNCF Réseau’s absolute customer focus

The improvement of service and customer satisfaction is a major challenge for the attractiveness of rail transport. For this reason, SNCF Réseau places the satisfaction of its customers and partners at the heart of its corporate project. This “Absolute Customer Focus” is applied within its services and businesses in all their daily actions and decisions. The results are measured each year using a customer satisfaction survey.

[To find out more > SNCF Réseau customer commitments](#)

**The Committee of Network Operators (COOPERE)** has been the permanent body for consultation and dialogue between SNCF Réseau, its customers and its partners since 2016. The objective is to improve mutual knowledge of the issues and constraints for various railway system stakeholders, and to promote optimal use of the national railway network and neighbouring networks. The committee is made up of 30 members: infrastructure managers holding concessions or managers of public service delegations, freight and passenger railway businesses, transport authorities, combined transport operators and shippers. Chaired by the Chairman of SNCF Réseau, this body has set up working groups on traffic prioritisation, upstream scheduling of works and capacity, sidings, and rolling stock compatibility, as well as the customer digital journey since 2022.

### 3. MATERIALITY OF CSR ISSUES

#### 3.1 MATERIALITY ANALYSIS

The materiality matrix is the result of a consultation of the company’s stakeholders (employees, customers, suppliers, institutions, etc.) on their perception of the materiality of the Group’s CSR issues and its performance.

It mainly aims to enhance the dialogue with internal and external stakeholders on CSR issues, question the company’s CSR strategy and update the non-financial risk matrix and vigilance plan analysis.

In September 2022, around 10,500 respondents, broken down into 500 external individuals and 9,000 employees, were canvassed via an online questionnaire, resulting in the update of the 2017 materiality matrix. The questionnaire was drawn up based on the main CSR issues and benchmarks: ISO 26000, United Nations Global Compact, Sustainable Development Goals, Global Reporting Initiative. These issues and benchmarks were supplemented and improved with interviews with eight Group managers and work with the CSR officers of the Group’s various companies and entities.

In summary, the highest expectations based on a consensus between employees and stakeholders external to the company involve:

- **Infrastructure renovation**, reflecting the Group’s commitment to ambitious growth in the rail sector.
- **Contribution to multimodal transport solutions**, particularly cycling, rather than motorised solutions, and freight.

– **And safety.**

There are very high specific expectations that vary according to the respondent category:

- For external stakeholders, the quality and accessibility of services, as well as an improved network deployment in the regions.
- For employees, the attractiveness of the professions and working conditions at SNCF, as well as an exemplary daily working environment in the company, over and above the environmental performance of trains, which is widely recognized.

Climate Change Adaptation, which was not assessed in the previous consultation, appears to be a major emerging issue regarding other CSR themes. SNCF's commitment to solidarity issues is considered a more secondary topic.

In addition to these themes identified as material, based on stakeholders' understanding of SNCF's performance, the company should focus on the following issues:

- Employee skills development.
- Quality of social dialogue.
- Development of renewable energies in the regions.
- And the guarantee of responsible, transparent, understandable and participatory governance.

These results confirm the relevance of all the actions implemented under the SNCF 2020-2030 CSR strategy. All these areas of improvement must now be taken into account to adjust the Group's priorities and better promote its actions and performance.

The identified issues and stakeholders' understanding of their performance are consistent with the risk analysis in the three areas:

- **Environmental**, with the reduction in the impacts of activities on the environment, the contribution to climate change mitigation and adaptation, reduced use of resources, development of the circular economy and the decline in environmental impacts.
- **Social**, with the guarantee of safety for all, appropriate personal data protection, fight against cyber-attacks, health and well-being of employees at work, social dialogue, skills development and employability, career development and employee mobility within the company.
- **Governance**, with exemplary ethical business conduct.

**SOCIETAL ENGAGEMENT PRIORITIES FOR SNCF GROUP**



**3.2 NON-FINANCIAL RISKS**

Group Risk Management (DMRG) leads and coordinates the management of the Group's major risks and corruption risks according to a two-pronged approach:

- A top down vision through regular meetings with the Chairmen of the Group companies and members of the Executive Committees.

– A bottom-up vision based on several mapping levels (Group, railway companies, activities-entities-departments), which update the Group mapping. It is based on a methodological risk framework and a mapping tool common to all players.

The DESTES is responsible for drawing up the map of Group non-financial risks that impact its activities,



pursuant to implementing decree 2017-1180 of 19 July 2017, in line with the risks specific to the Group's companies. This work is carried out in collaboration with the Group Risk Management Department and with the support of the three lines of defence within the companies (management, internal control and audit), sustainable development specialists and risk managers (representatives of the business lines) within the Group's activities and subsidiaries.

The identification and assessment of the most significant non-financial risks are based on three mechanisms: the Group risk framework, the Group materiality study and the Group risk mapping drafted for the vigilance plan.

### The Group risk framework

It is organised into four stages:

– Identification of the risks of an entity, a department or an activity through individual or group interviews to gather and document all the risks for a given scope. For each risk, the following are identified:

- Credible maximum scenarios.
- Risk causes or factors.
- Their impacts.
- The connection with the strategic project.
- Current control mechanisms.

– Risk assessment based on four types of impact (financial, strategic, reputation, safety) according to two matrices:

- A risk criticality matrix, assessed according to its level of impact (between "limited" and "critical") and its probability of occurrence (between "unlikely" and "frequent").
- A prioritisation matrix, combining the criticality of the risk and its scope for improvement (from "low" to "very significant") to obtain a hierarchical view of risks in relation to one other.

– Risk processing with:

- Appointment for each risk of a Sponsor, a member of the Group's Executive Committee. He may appoint an operational pilot (person reporting directly to the Executive Committee member) to carry out the work of bringing risks under control.
- The implementation of action plans pertaining to each risk (prevention, protection, transfer measures, etc.), monitoring of their progress, possible escalation of alerts to the Executive Committee.

– Annual risk review with each sponsor to:

- Verify the deployment of action plans and ensure their effectiveness.
- Update the mapping with regard to changes in the context, organisation or progress of action plans (reassessment, elimination, addition of new risks).

The Group's major risks are largely non-financial risks. They are identified by the reference "NFPS" in the Risk Management and Internal Control Systems section of the management report.

### The Group materiality study, carried out in 2017 and updated in 2022

It sheds light on issues of concern to stakeholders. The update of the materiality matrix enhanced the Group's risk and opportunity analysis by mapping the most significant issues identified by stakeholders. The DESTE checks the consistency of the identified risks with stakeholder expectations.

### The Group risk mapping conducted for the vigilance plan

It addresses the risks of serious harm to the environment, human health and safety, human rights and fundamental freedoms, in line with the company's own risk (or major risk) approach. Certain major Group risks are marked with "Vigilance" in the Risk Management and Internal Control Systems section of the management report.

**For more details:** see Vigilance Plan, 3.1.

The most significant non-financial risks for the Group are then reviewed in consultation with the companies' CSR directors and the DMRG.

Non-financial risk mapping, integrated into the NFPS, is presented during the review of the annual financial report by the Board of Directors, after consulting the Audit, Accounts and Risk Committee.

The general organisation of the Group's risk management and internal control system and the risks to which the SNCF Group is exposed are presented in the Risk Management and Internal Control section of the Management Report.

**For more details:** see Risk Management and Internal Control.

### Responsibility at the heart of the purchasing process

In 2020, the Group Purchasing Department mapped its CSR and purchasing risks with the help of a specialised service provider. This analysis satisfied the regulatory requirements of the Sapin II and duty of care laws.

The mapping covers all 123 purchasing families and a scope of €12 billion (2019 figures). It was used to identify and prioritise the purchasing families for which specific risk management actions are implemented as part of a continuous improvement process. In 2023, the aim is to move towards a dynamic mapping to regularly update supplier CSR risks by company or activity.

**For more details:** see 7.2 and Vigilance Plan, 4.3.

## 3.3 SUMMARY TABLE OF THE MAIN NON-FINANCIAL RISKS

| Main risks                                             | Commitments and Objectives                                                                                                                                                                                                   | References                                  | Indicators                                                                                | 31/12/2020 | 31/12/2021 | 31/12/2022 | Scope |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-------------------------------------------------------------------------------------------|------------|------------|------------|-------|
| Operational Safety and Security of people and property | Prioritise the safety of customers, staff, partners and the environment is the top priority                                                                                                                                  | 4.1 Ensure safety                           | Remarkable Safety Events (RSE) (number)                                                   | 184        | 158        | 143        | SNCF  |
|                                                        |                                                                                                                                                                                                                              | 4.2 Ensure safe travel                      | Physical attacks on customers and SNCF agents and simple theft against customers (number) | 9,257      | 11,642     | 14,973     | SNCF  |
|                                                        | Malicious acts against property and financial assets (number)                                                                                                                                                                |                                             | 17,793                                                                                    | 19,984     | 21,479     | SNCF       |       |
|                                                        | Anti-social behaviour and breaches of legislation (number)                                                                                                                                                                   |                                             | 267,234                                                                                   | 368,271    | 333,654    | SNCF       |       |
| Non-compliance                                         | Ensure compliance with the rules on the protection of personal data<br><b>Objective: 100% by 2025</b>                                                                                                                        | 2.2 Governance, compliance and ethics       | Percentage of European revenue covered by a DPO (%)                                       | n.d.       | 98         | 86         | GROUP |
|                                                        |                                                                                                                                                                                                                              |                                             |                                                                                           |            |            |            |       |
| Access to the offer and meeting customer expectations  | Facilitate the mobility of all citizens by improving the accessibility of structures or services and by guiding the most vulnerable groups<br><b>Objective: 736 national and regional stops in France accessible by 2025</b> | 4.7 Promote access to independent mobility  | Rate of progress in making stations accessible (%)                                        | 45.30      | 51.90      | 58.00      | SNCF  |
|                                                        |                                                                                                                                                                                                                              |                                             |                                                                                           |            |            |            |       |
|                                                        | Offer multiple modes of transport, increasingly responsible and adapted to the expectations of passengers seeking fluidity<br><b>Objective: 90,000 bicycle parking spaces available by 2030</b>                              | 4.4 Reinvent passenger and freight mobility | Number of bicycle parking spaces (number)                                                 | 20,254     | 27,010     | 30,366     | SNCF  |
|                                                        |                                                                                                                                                                                                                              |                                             |                                                                                           |            |            |            |       |
|                                                        | Develop personalised and inclusive mobility offers<br><b>H00 PROGRAMME FIRST PROGRAMME</b>                                                                                                                                   | 4.6 Provide accessible mobility for all     | SNCF image survey customer satisfaction rate (%)                                          | 70         | 76         | 71         | SNCF  |



| Main risks                  | Commitments and Objectives                                                                                                                                                                                                                                                                                                             | References                                                                                                                                                                                                                                  | Indicators                                                                                                                                      | 31/12/2020                                                                               | 31/12/2021 | 31/12/2022 | Scope                     |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------|------------|---------------------------|
| Climate change / mitigation | Objective: Improve the energy performance of train traction and the building stock                                                                                                                                                                                                                                                     | 5.4 Reduce emissions from the transportation sector                                                                                                                                                                                         | Total energy consumption (GWh)                                                                                                                  | 14,838                                                                                   | 16,428     | 17,846     | GROUP                     |
|                             |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                             | Energy consumption for rail traction (GWh)                                                                                                      | 8,426                                                                                    | 9,412      | 10,344     | SNCF<br>Keolis<br>Other   |
|                             |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                             | Share of renewable energy in the rail traction electricity mix (% of consumption)<br><b>Objective: 20% in 2030</b>                              | n.d.                                                                                     | 0.10       | 0.26       | SNCF                      |
|                             |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                             | Fuel consumption of road vehicles in commercial fleets (GWh)                                                                                    | 3,764                                                                                    | 4,106      | 4,307      | GEODIS<br>Keolis<br>Other |
|                             |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                             | Air vehicle kerosene consumption (in GWh)                                                                                                       | 0                                                                                        | 97         | 364        | GEODIS                    |
|                             |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                             | Energy consumption of service road vehicles (in GWh)                                                                                            | 222                                                                                      | 266        | 263        | SNCF<br>GEODIS<br>Other   |
|                             |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                             | Consumption of site engines (in GWh)                                                                                                            | n.d.                                                                                     | n.d.       | 6          | GEODIS<br>Other           |
| Climate change / mitigation | Raise our customers' awareness of increasingly planet-friendly mobility solutions using tools to facilitate the choice of low-carbon multimodal transport<br>Offer shippers low-carbon multimodal solutions to help double the share of rail in freight in Europe (from 15 to 30%) and in France (from 9 to 18%) between 2020 and 2030 | 4.4 Reinvent passenger mobility<br>4.5 Rebalance the share of rail in freight<br>4.8 Facilitate and encourage low-carbon mobility to help achieve France's carbon neutrality goal by 2050<br>5.4 Reduce emissions from the transport sector | Greenhouse gas emissions (kt of CO <sub>2</sub> e) related to scope 1, 2 and 3 energy consumption                                               | 2,814                                                                                    | 2,961      | 3,260      | GROUP                     |
|                             |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                             | 5.5 Become a committed player in the energy performance of buildings<br>6 Improve the adaptation and resilience of activities to climate change | CO <sub>2</sub> e emissions per passenger.km (Scope 1&2&3) (gCO <sub>2</sub> e/ pass-km) | 10.00      | 9.10       | 7.00                      |
| Climate change / adaptation | Steer a climate change adaptation action plan to ensure the resilience and sustainability of mobility offerings                                                                                                                                                                                                                        | 6 Improve the adaptation and resilience of activities to climate change                                                                                                                                                                     | Minutes lost due to bad weather on the network (nb)                                                                                             | 628,750                                                                                  | 692,290    | 608,439    | SNCF                      |
|                             |                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                             | Trains cancelled due to bad weather on the network (nb)                                                                                         | 4,436                                                                                    | 5,388      | 3,478      | SNCF                      |

| Main risks                                                                          | Commitments and Objectives                                                                                                                                                                                                                               | References                                                                           | Indicators                                                                                                                                                                | 31/12/2020 | 31/12/2021   | 31/12/2022 | Scope                               |
|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------------|------------|-------------------------------------|
| Environmental standards and regulations                                             | Deploy EMSs in Group companies to improve SNCF's environmental performance                                                                                                                                                                               | 5.2 Optimise environmental management                                                | ISO 14001-certified railway industrial facilities (%)                                                                                                                     | 90         | 88           | 95         | SNCF                                |
|                                                                                     | Fight against the depletion of resources and the impacts of the production of materials and waste on natural resources, biodiversity and the climate<br><b>Aim for Zero non-recovered waste by 2030 on products at the heart of the railway activity</b> | 5.8 Reduce resource consumption and recover materials in a circular economy approach | Total quantity of hazardous waste generated (K.tonnes)                                                                                                                    | 69.4       | 75.2         | 67.6       | GROUP                               |
|                                                                                     | Continue our commitments under Act4Nature                                                                                                                                                                                                                | 5.9 Preserve natural resources and biodiversity                                      | Percentage of railway facilities (national rail network, sites) covered by actions to reduce or eliminate the use of plant protection products (excluding biocontrol) (%) | 15.40      | 16.80        | 30.00      | SNCF                                |
| Anticipate the ban on glyphosate-based plant protection products by the end of 2021 |                                                                                                                                                                                                                                                          |                                                                                      |                                                                                                                                                                           |            |              |            |                                     |
| Suppliers                                                                           | Support the professional integration of people who are excluded from the labour market or have a disability by integrating social clauses into contracts<br><b>Objective: €100 million in 2030</b>                                                       |                                                                                      | Solidarity purchases (M€)                                                                                                                                                 | 26.80      | 33.50        | 34.49      | SNCF<br>Excluding Fret SNCF in 2022 |
|                                                                                     | Increase the weight of CSR criteria in the choice of our subcontractors and improve our performance as a responsible buyer<br><b>Objective: 100% in 2025</b>                                                                                             | 7.2 Develop an ambitious responsible purchasing policy                               | Percentage of amount of purchases contracted in year Y and covered by a CSR offer rating of 20% of the overall rating (%)                                                 | 5.00       | 36.00        | 52.00      | SNCF                                |
|                                                                                     | Strengthen CSR criteria throughout the purchasing process to promote social and environmental performance                                                                                                                                                |                                                                                      | CSR performance of suppliers (score out of 100)<br>Including social and human rights                                                                                      | 56.5<br>59 | 57.4<br>60.2 | 58.6<br>61 | SNCF                                |
| Corruption, breach of duty, lack of probity                                         | Promote ethical behaviour and monitor the implementation of the ethics charter                                                                                                                                                                           | 2.2 Governance, compliance and ethics                                                | Whistleblowing alerts received (number)                                                                                                                                   | 95         | 110          | 227        | SNCF                                |
|                                                                                     |                                                                                                                                                                                                                                                          |                                                                                      | Investigations carried out by the Group Ethics Department (number)                                                                                                        | 24         | 22           | 15         | SNCF                                |
|                                                                                     |                                                                                                                                                                                                                                                          |                                                                                      | Rate of trained personnel exposed to corruption risk (%)                                                                                                                  | n.d.       | n.d.         | 45.64      | SNCF                                |

| Main risks                                                | Commitments and Objectives                                                                                                                                                                                                                                                                                                            | References                                                                               | Indicators                                                                           | 31/12/2020 | 31/12/2021 | 31/12/2022 | Scope                          |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------|------------|------------|--------------------------------|
| Occupational health and safety                            | Assess, prevent and better control all risks related to health and safety and the quality of life at work for SNCF employees<br><b>SNCF&amp;MOI PROGRAMME</b>                                                                                                                                                                         | 8.1 Support employees with the SNCF&MOI Programme                                        | Severity rate of accidents at work (per 1,000 hours worked)                          | 1.66       | 1.77       | 2.03       | GROUP                          |
|                                                           |                                                                                                                                                                                                                                                                                                                                       | 8.5 Ensure health and safety within the Group                                            | Frequency rate of accidents at work (per 1,000,000 hours worked)                     | 16.93      | 20.77      | 20.41      | GROUP                          |
|                                                           |                                                                                                                                                                                                                                                                                                                                       | 8.5 Ensure health and safety within the Group                                            | Absenteeism rate (sickness/injury off duty) in France (%)                            | 7.08       | 6.80       | 7.60       | GROUP                          |
| Social cohesion<br>Social dialogue<br>employee engagement | Maintain quality social dialogue<br><b>SNCF&amp;MOI PROGRAMME</b><br><br>Develop better ways of living and working together by promoting a culture of inclusion<br><b>SNCF&amp;MOI PROGRAMME</b><br><br>Advance employee engagement and satisfaction through policies and actions SNCF&MOI PROGRAMME<br><b>Objective: 75% in 2030</b> | 8.1 SNCF&MOI Programme<br>8.4 Foster the conditions for a well-developed social dialogue | Lost days per agent during industrial action (number)                                | 1.35       | 0.47       | 0.94       | SNCF                           |
|                                                           |                                                                                                                                                                                                                                                                                                                                       | 8.1 SNCF&MOI Programme<br>8.6 Live better together                                       | Female workforce (%)                                                                 | 25.0       | 25.9       | 26.0       | GROUP                          |
|                                                           |                                                                                                                                                                                                                                                                                                                                       | 8.1 SNCF&MOI programme<br>SNCF&MOI survey                                                | Employee engagement (%)                                                              | n.d.       | 64         | 65         | SNCF                           |
| Employer brand appeal                                     | Enhance the attractiveness of professions to attract talent and offer an attractive training and mobility offer to remain a leading and preferred employer<br><b>Objective: Recruit 7,000 work-study students in 2023</b><br><b>SNCF&amp;MOI PROGRAMME</b>                                                                            | 8.1 SNCF&MOI Programme                                                                   | Recruitment on permanent contracts in France (number)                                | 10,045     | 11,622     | 14,305     | GROUP                          |
|                                                           |                                                                                                                                                                                                                                                                                                                                       | 8.2 Attract and retain talent                                                            | Share of female managers (%)                                                         | 35.0       | 35.4       | 36.2       | GROUP                          |
|                                                           |                                                                                                                                                                                                                                                                                                                                       | 8.6 Live better together                                                                 | Dismissals (nb)                                                                      | 10,739     | 6,569      | 4,090      | GROUP                          |
|                                                           |                                                                                                                                                                                                                                                                                                                                       | 8.7 Support employee engagement                                                          | Work-study contracts in France (number)                                              | 7,109      | 8,139      | 4,890      | GROUP excluding GEODIS in 2022 |
|                                                           |                                                                                                                                                                                                                                                                                                                                       |                                                                                          | Turnover (%)                                                                         | 9.2        | 11.7       | 13.9       | GROUP                          |
| Skills management                                         | Enable employees to adapt to changes in jobs, techniques and organisations, by facilitating professional mobility throughout the Group, by developing career paths and providing appropriate training.<br><b>SNCF&amp;MOI PROGRAMME</b>                                                                                               | 8.1 SNCF&MOI Programme                                                                   | Hours of training in France (in thousands)                                           | 3,743      | 5,228      | 5,474      | SNCF excluding GEODIS          |
|                                                           |                                                                                                                                                                                                                                                                                                                                       | 8.2 Attract and retain talent                                                            | Percentage of employees who have received at least one training course in France (%) | 71.00      | 69.00      | 76.70      | GROUP excluding GEODIS         |

The indicators are defined in the reporting framework section.

(\*) The scope of the NFPS indicators corresponds to:

– Either SNCF: SNCF SA, SNCF Voyageurs, SNCF Réseau, SNCF Gares & Connexions and Fret SNCF

– Or the Group: SNCF SA, SNCF Voyageurs, SNCF Réseau, SNCF Gares & Connexions, Rail Logistics Europe, Keolis, GEODIS.

Tax evasion risk is included in the non-financial risk mapping, in accordance with the requirements of the French Anti-Fraud Act 2018-898 of 23 October 2018. However, it does not appear to be a priority risk with regard to SNCF's tax strategy.

### 3.4 SNCF GROUP TAX STRATEGY

#### 3.4.1 Context

The media, public opinion and non-governmental organisations are paying increasing attention to the problems of international tax avoidance by large multinational groups. Furthermore, in a context of increasing pressure on public finances, governments are particularly attentive to the erosion of the tax base resulting from the artificial allocation of taxable profits to tax jurisdictions different from those where the actual business activity takes place.

In 2015, as part of its Base Erosion and Profit Shifting (BEPS) project to combat tax base erosion and profit shifting, the Organisation for Economic Co-operation and Development (OECD) published a set of recommendations for coordinated international action to reform the current international tax system and remove any loopholes.

#### 3.4.2 Our commitments

- Pay the right amount of tax within the statutory deadlines.
- Manage the tax policy responsibly.

- Manage the tax risk effectively.
- Establish constructive working relationships with tax authorities.

### 3.4.3 Policy and actions

As a multinational group operating worldwide, SNCF Group recognises the key role of taxes in preparing the budgets of the countries in which it operates. All the Group's entities support the BEPS initiative and are convinced that tax transparency measures will help limit unfair tax competition and benefit the growth of its activities.

The SNCF Group applies the following guidelines:

- The SNCF Group's subsidiaries act as responsible taxpayers worldwide, in compliance with applicable tax laws and regulations.
- SNCF encourages ethical and transparent business practices.
- SNCF promotes an open dialogue based on trust between tax policy decision-makers and the companies.
- SNCF has a tax team that works closely with various players within the international tax framework, to comply with its requirements.
- SNCF undertakes to submit clear and transparent information to the various tax authorities so that they can better understand the Group's tax strategy.

#### 3.4.3.1 Compliance - Pay the right amount of tax within the statutory deadlines

The SNCF Group undertakes to comply with the tax laws and regulations of the countries in which its entities operate. This consists in paying the right amount of tax within the statutory deadlines to the tax authority of the country where the tax is due. This also involves declaring all the relevant facts and circumstances and seeking existing tax exemptions and incentives.

Furthermore, the SNCF group files an annual Country by Country Report (CbCR), pursuant to international recommendations and French tax law.

This report includes, for each country in which the Group operates, the following aggregated data relating to the financial year in question:

- Intra-group transaction revenue.
- Revenue from transactions with independent parties.
- Total revenue.
- Profit or loss before income tax.
- Income tax paid.
- Income tax due.
- Share capital.
- Retained earnings at the year-end.
- The number of full-time equivalent employees.
- Property, plant and equipment excluding cash and cash equivalents.

Tax proof appears in the Group Annual Financial Report, SNCF Group Annual Consolidated Financial Statements, 7. Income tax expense It consists in comparing a theoretical tax to the recorded tax and explaining the difference between these two amounts.

**For more details** on taxes paid: See SNCF Group Annual Consolidated Financial Statements, 7.

#### 3.4.3.2 Responsibility in managing tax policy

The tax strategy for the SNCF group is defined by the Group Tax Department and is applied to all SNCF group

entities, including GEODIS and Keolis, whether they are based in France or abroad.

**For more details** on the main scope entities: See SNCF Group Annual Consolidated Financial Statements, 10.

None of these entities have been definitively convicted of violating tax legislation.

The Group Tax Department ensures that all subsidiaries comply with the tax strategy defined by the Group. To achieve this, the Group Tax Director draws on the expertise of some thirty employees, who work in all areas of taxation (France/international, all types of tax, etc.). Training days are organised each year by the Group Tax Department for financial professions to explain new measures and answer questions.

The SNCF Group's Tax Department is responsible for:

- **Defining the transfer pricing policy for all Group activities**, making sure that SNCF Group companies adopt this policy.
- **Ensuring that the clauses set out in the tax agreements** entered into with the countries where the SNCF Group operates are properly enforced.

As part of the development of its commercial activities, the SNCF Group takes into account — among other factors — the tax regulations in the countries where it operates to maximise value creation in the long term for its partners or employees.

Moreover, any office in a foreign State has an economic and commercial substance and takes into account the potential impacts on the SNCF Group's reputation and ethical integrity. **The company does not set up artificial tax arrangements.**

Each SNCF Group entity adopts a responsible and prudent approach: no system has been set up primarily or exclusively for tax purposes. **For cross-border transactions, the SNCF Group also applies the OECD principles** and verifies that the transfer pricing rules defined within the Group comply with the "arm's length principle". These cross-border transactions are documented within the Group and reported in full to the tax authorities if required by national tax regulations.

**Each major project for the company is submitted to a commitment committee** for validation. For each of these projects, the tax department is asked to prepare an analysis of the tax aspects. Its analysis includes an opinion and, where appropriate, recommendations that are discussed with the project leader. The Group Tax Department may be called upon to take part in commitment committees to give its opinion to the members.

#### 3.4.3.3 Effective tax risk management

Considering the Group's scope of our activities and the tax requirements incumbent upon it, there may be uncertainties as to the interpretation of local or international tax measures. Furthermore, conflicts of jurisdiction may result in disagreements as to which country should collect the taxable profit.

The SNCF Group seeks to identify, assess and verify any tax risks to safeguard all its transactions. In the event of uncertainty or complexity surrounding the extent of a tax risk, an external advisor is consulted, particularly for international taxation.

#### Qualified employees and safeguarded tax issues

The SNCF Group has employees qualified in all areas of finance; they are responsible for managing the taxation relating to withholding taxes and tax returns.



The SNCF Group tax department ensures that requirements for all taxes and duties, such as VAT, corporate income tax and wage tax.

To safeguard the tax issues of planned operations, the Group's Tax Department provides assistance and advice for major projects and the main contracts are subject to a tax review and analysis before being signed.

Tax returns are also reviewed by the teams of SNCF's Tax Department and within Keolis, for all entities belonging to the SNCF tax consolidation group (230 companies in 2022) and the Keolis tax consolidation group (300 companies in 2022) in France.

#### The Group's Tax Department mainly comprises:

- Tax advisors responsible for a scope of entities: they can familiarise themselves with projects and answer questions on a daily basis due to this proximity with line staff.
- Tax specialists (transfer pricing, VAT in particular) who can produce more complex analyses.
- Finally, an employee in charge of tax monitoring.

#### 3.4.3.4 Constructive working relationship with the tax authorities

The SNCF Group and its entities maintain professional, cooperative and respectful working relationships with all tax authorities in the countries where the Group operates.

### 3.5 ENVIRONMENTAL TAXONOMY

#### 3.5.1 Taxonomy regulation issues for the SNCF group

The Taxonomy Regulation (EU) 2020/852 comes in the wake of the 2015 Paris Agreements and the European Green Deal. It meets the requirements of financial players, including investors and insurers, the need for a common and shared definition of sustainability, as well as the need for standardised and comparable information on environmental and social issues. The result of three years' work by the European Platform on Sustainable Finance, it is applicable without transposition into national law from 2021 for public interest companies.

The Taxonomy regulation aims to measure the contribution of reporting companies to six environmental objectives:

- Climate change mitigation.
- Climate change adaptation.
- Sustainable use and protection of hydrological and marine resources.
- Transition to a circular economy.
- Pollution prevention and control.
- Protection and restoration of biodiversity and ecosystems.

The implementing rules of the Taxonomy regulation are described in delegated acts. The first delegated act of the taxonomy regulation describes the sectors of activity referenced with regard to climate change adaptation<sup>2</sup> and climate change mitigation<sup>3</sup>. These sectors were identified because of their significant contribution to climate issues.

The taxonomy regulation is being gradually applied. For 2021, the regulation provided for the publication by companies of their eligible scope, i.e. the matching of their activities with those referred to in the delegated acts.

In 2022, the regulation provides for reporting on the alignment of these eligible scopes. Alignment consists in

analysing whether an activity meets 3 criteria defined in these delegated acts:

- Substantial contribution to one of the 6 environmental objectives.
- No significant harm to any of the other 5 objectives (DNSH).
- Compliance with minimum safeguards.

Alignment is measured using three financial indicators: revenue, capital expenditure (CAPEX) and operating expenditure (OPEX), as described in Article 8 of the Taxonomy Regulation.

Finally, in 2023, the delegated acts relating to the other 4 environmental objectives, which companies should include in their reporting from 2024, should be published.

In addition to the regulatory issue, taxonomy is an opportunity to provide a financial representation of the SNCF group's commitment to low-carbon transport. With 10% of passengers and goods transported in France for less than 1% of CO<sub>2</sub>e emissions out of the 30% represented by the transport sector, rail is one of the most environmentally friendly modes of transport. Faced with the climate emergency, SNCF is committed to significantly reducing its emissions and promoting the use of trains to reduce the carbon footprint of the transport sector, thus helping to achieve the objectives set out by France in its National Low Carbon Strategy (SNBC). (See the NFPS. Section 4.8 Facilitate and encourage low-carbon transport, 5.3 Reduce energy consumption and carbon emissions & 9 Annual report on the carbon pathway of SNCF activities in France).

Further to the analyses carried out, it can be considered that the group's activities focus on the objective of climate change mitigation.

Adaptation to climate change was analysed by each SNCF Group company based on the criteria involving the absence of any collateral effect (DNSH). As such, the FAQ published by the European Commission on 19 December 2022 clarifying the Climate Delegated Act states that the criteria for contributing substantially to climate change adaptation, as included in Annex II of the Climate Delegated Act, includes the need to implement the identified adaptation solutions, reflecting a higher level of ambition than the Adaptation DNSH.

The minimum safeguard compliance criteria as defined in Article 18 of Taxonomy Regulation (EU) 2020/852 was analysed based on the recommendations of the Final Report on minimum safeguards issued by the European Platform on Sustainable Finance of 11 October 2022. It was based on the SNCF Group's Vigilance Plan and the risk analysis conducted under the Sapin II law.

Firstly, this taxonomy chapter presents the group's eligible scope. It then presents the 3 sustainability indicators provided for in the regulation: Revenue, CAPEX and OPEX aligned by describing the related activities and actions. A final section presents the methodology used to determine these indicators, in particular data collection and calculation rules.

#### 3.5.2 The Group's eligible scope

The eligibility analysis of the SNCF Group's activities was determined by matching the entities of the SNCF Group as a whole and the business sectors described by the taxonomy in Annex I of the Climate Delegated Act.

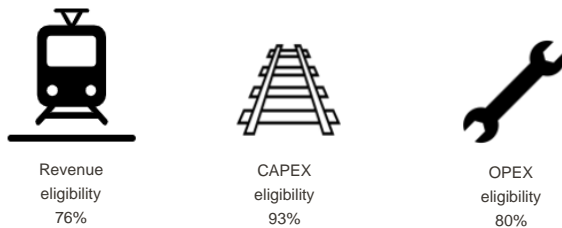
<sup>2</sup> [https://ec.europa.eu/finance/docs/level-2-measures/taxonomy-regulation-delegated-act-2021-2800-annex-1\\_en.pdf](https://ec.europa.eu/finance/docs/level-2-measures/taxonomy-regulation-delegated-act-2021-2800-annex-1_en.pdf)

<sup>3</sup> [https://ec.europa.eu/finance/docs/level-2-measures/taxonomy-regulation-delegated-act-2021-2800-annex-2\\_en.pdf](https://ec.europa.eu/finance/docs/level-2-measures/taxonomy-regulation-delegated-act-2021-2800-annex-2_en.pdf)

This analysis was carried out by matching the NAF & NACE codes of the Group's entities with the business sectors in the taxonomy regulation. This technical matching was improved and extended in some cases. Foreign entities, which do not have NAF & NACE codes, have been classified based on the description of their activities. Entities with multiple and significant activities have been assigned to different business sectors of the taxonomy.

Following this analysis, it was possible to match SNCF group's activities with the transport sector (6). To a lesser extent, matching was established with industrial (3.3) and real estate (7) activities.

For 2022, the SNCF group's activities are eligible according to the following key figures by indicator:



The Group's general eligibility is significant. It represents more than three quarters of revenue and virtually all CAPEX. In addition to the technical matching alone, this high level of eligibility reflects the significant potential contribution of SNCF activities to mobility decarbonisation.

For 2022, this eligibility breaks down as follows by taxonomy activity:

| Taxonomy activities                                          | Eligible revenue | Eligible CAPEX | Eligible OPEX |
|--------------------------------------------------------------|------------------|----------------|---------------|
| <b>Total SNCF Group (€m)</b>                                 | <b>41 449</b>    | <b>9 682</b>   | <b>4 270</b>  |
| 6.1 - Intercity passenger rail transport                     | 17 059           | 613            | 152           |
| 6.2 - Rail Logistics Europe rail freight transport           | 1 591            | 288            | 46            |
| 6.3 - Urban and suburban transport, road passenger transport | 5 573            | 307            | 465           |
| 6.6 - Road freight transport                                 | 4 278            | 920            | -             |
| 6.14 - Rail transport infrastructures                        | 2 658            | 6 468          | 1 455         |
| 3.3 - Low carbon manufacturing technologies for transport    | 79               | 26             | -24           |
| 7.7 - Acquisition and ownership of buildings                 | 176              | 410            | 1 305         |
| <b>% eligibility</b>                                         | <b>76%</b>       | <b>93%</b>     | <b>80%</b>    |

\* including N/s activities not detailed: 6.4, 6.5, 6.10, 6.11, 6.15, 6.16

|     |    |   |
|-----|----|---|
| 143 | 14 | 5 |
|-----|----|---|

Transport activities contribute most to revenue (68%).

Infrastructure activities account for the highest contributions to CAPEX and OPEX. This significant relative weight is attributable to the high capital intensity of the railway sector, mainly due to the major costs of railway network renewal and maintenance.

The analyses carried out led to the exclusion of the following activities from eligible revenue:

– Geodis Group brokerage activities that do not correspond to a taxonomy activity.

– Activities carried out for the cross-functional entities of the Group's headquarters (corporate, shared service centre).

– Keolis entities that do not correspond to a taxonomy activity.

– Commercial concession fees for the SNCF Gares & Connections management activity.

The CAPEX and OPEX excluded from eligibility are those incurred for non-eligible entities (corporate, support entities) or expenditure not attributable to taxonomy activities.

There was a slight change in eligibility between the two years, mainly regarding CAPEX and OPEX as detailed in the table below:

| Taxonomy activities                                          | 2022             |                |               | 2021             |                |               |
|--------------------------------------------------------------|------------------|----------------|---------------|------------------|----------------|---------------|
|                                                              | Eligible revenue | Eligible CAPEX | Eligible OPEX | Eligible revenue | Eligible CAPEX | Eligible OPEX |
| <b>Total SNCF Group (€m)</b>                                 | <b>41 449</b>    | <b>9 682</b>   | <b>4 270</b>  | <b>34 752</b>    | <b>9 610</b>   | <b>7 312</b>  |
| 6.1 - Intercity passenger rail transport                     | 41%              | 6%             | 4%            | 40%              | 5%             | 0%            |
| 6.2 - Rail Logistics Europe rail freight transport           | 4%               | 3%             | 1%            | 4%               | 4%             | 0%            |
| 6.3 - Urban and suburban transport, road passenger transport | 13%              | 3%             | 11%           | 14%              | 3%             | 0%            |
| 6.6 - Road freight transport                                 | 10%              | 10%            | 0%            | 10%              | 5%             | 0%            |
| 6.14 - Rail transport infrastructures                        | 6%               | 67%            | 34%           | 7%               | 68%            | 59%           |
| 3.3 - Low carbon manufacturing technologies for transport    | 0%               | 0%             | -1%           | 0%               | 7%             | 16%           |
| 7.7 - Acquisition and ownership of buildings                 | 0%               | 4%             | 31%           | 0%               | 3%             | 16%           |
| <b>% eligibility</b>                                         | <b>76%</b>       | <b>93%</b>     | <b>80%</b>    | <b>77%</b>       | <b>96%</b>     | <b>94%</b>    |

Revenue eligibility remained stable between the two years representing 76% compared to 75% in 2021. It remains primarily driven by activities 6.1, 6.2, 6.3, 6.6 and 6.14, representing 75% of eligible revenue.

CAPEX overall eligibility was down 3%. This was attributable to a decline in eligible expenditure in activities 3.3 and 6.1, mainly due to a more detailed analysis of the eligible scope in 2022. This combined analysis of the two activities should be compared with the reclassification that consisted in linking the expenditure flows initially classified in 3.3 to activity 6.1. This reclassification was performed while considering the passenger rail transport for which the expenditure was incurred. The classification of flows associated with entities providing rolling stock maintenance and renovation (DIN, Masteris) was maintained for activity 3.3. A slight decline in expenditure for activity 6.2 also contributed to this change in eligibility.

The overall 14-point reduction in OPEX eligibility was attributable to the dual impact of a more detailed classification of scope expenses and eligible expenses, particularly involving the scope of activity 6.14.

### 3.5.3 Alignment of the SNCF Group

#### 3.5.3.1 Aligned revenue

An activity is aligned if it contributes substantially to all or part of the environmental objectives of the delegated acts of the Taxonomy Regulation, without causing significant harm to other environmental objectives and respecting the minimum safeguards, as described in Article 3 of the Taxonomy Regulation.

Applied to revenue, this resulted in matching the Group's current activities with this definition. This was carried out within the scope of eligible activities and by examining on a case-by-case basis the criteria defined in the delegated acts.

**Aligned revenue totalled €18 billion, representing nearly 44% of the SNCF group's activities.**

This alignment mainly focused on activities 6.1 passenger rail transport (35%), 6.14 rail transport infrastructure (4%), 6.3 urban and suburban passenger transport (2%) and 6.2 rail freight transport (2%).

It should be noted that a sector-based approach to SNCF rail transport activities alone would give rise to a revenue alignment rate of around 84%. The details of this alignment are shown in the table below:

| Economic activities (1)                                                                                        | Absolute revenue (3) | Percentage of revenue (4) | Substantial contribution criteria |                               | Do No Significant Harm (DNSH) criteria |                                |                                 |                       |                |                                  |     | Minimum safeguards (17) | Percentage of taxonomy aligned revenue, year Y (18) | Enabling activity category (20) | Transitional activity category (21) |
|----------------------------------------------------------------------------------------------------------------|----------------------|---------------------------|-----------------------------------|-------------------------------|----------------------------------------|--------------------------------|---------------------------------|-----------------------|----------------|----------------------------------|-----|-------------------------|-----------------------------------------------------|---------------------------------|-------------------------------------|
|                                                                                                                |                      |                           | Climate change mitigation (5)     | Climate change adaptation (6) | Climate change mitigation (11)         | Climate change adaptation (12) | Water and marine resources (13) | Circular economy (14) | Pollution (15) | Biodiversity and ecosystems (16) |     |                         |                                                     |                                 |                                     |
|                                                                                                                | €                    | %                         | %                                 | %                             | Y/N                                    | Y/N                            | Y/N                             | Y/N                   | Y/N            | Y/N                              | Y/N | Y/N                     | %                                                   | E                               | T                                   |
| <b>A. Taxonomy-aligned activities</b>                                                                          |                      |                           |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| <b>A.1 Environmentally-sustainable activities (taxonomy-aligned)</b>                                           |                      |                           |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| 6.1 - Intercity passenger rail transport                                                                       | 14 460               | 35%                       | 100%                              | -                             | Y                                      | Y                              | Y                               | Y                     | Y              | Y                                | Y   | Y                       | 35%                                                 |                                 |                                     |
| 6.2 - Rail freight transport                                                                                   | 893                  | 2%                        | 100%                              | -                             | Y                                      | Y                              | Y                               | Y                     | Y              | Y                                | Y   | Y                       | 2%                                                  |                                 |                                     |
| 6.3 - Urban and suburban transport, road passenger transport                                                   | 1 027                | 2%                        | 100%                              | -                             | Y                                      | Y                              | Y                               | Y                     | Y              | Y                                | Y   | Y                       | 2%                                                  |                                 |                                     |
| 6.4 - Operation of mobility systems for individuals, cycle logistics                                           | 1                    | 0%                        | 100%                              | -                             | Y                                      | Y                              | Y                               | Y                     | Y              | Y                                | Y   | Y                       | 0%                                                  |                                 |                                     |
| 6.5 - Transport by motorcycles, private cars and light utility vehicles                                        | 2                    | 0%                        | 100%                              | -                             | Y                                      | Y                              | Y                               | Y                     | Y              | Y                                | Y   | Y                       | 0%                                                  |                                 |                                     |
| 6.14 - Rail transport infrastructures                                                                          | 1 765                | 4%                        | 100%                              | -                             | Y                                      | Y                              | Y                               | Y                     | Y              | Y                                | Y   | Y                       | 4%                                                  | E                               |                                     |
| <b>Revenue of environmentally-sustainable activities (i.e taxonomy-aligned) (A.1)</b>                          | <b>18 147</b>        | <b>44%</b>                |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         | <b>44%</b>                                          |                                 |                                     |
| <b>A.2 Taxonomy-aligned activities but not environmentally sustainable (not taxonomy-aligned)</b>              |                      |                           |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| 3.3 - Low carbon manufacturing technologies for transport                                                      | 79                   | 0%                        |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| 6.1 - Intercity passenger rail transport                                                                       | 2 599                | 6%                        |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| 6.2 - Rail freight transport                                                                                   | 698                  | 2%                        |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| 6.3 - Urban and suburban transport, road passenger transport                                                   | 4 546                | 11%                       |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| 6.4 - Operation of mobility systems for individuals, cycle logistics                                           | 6                    | 0%                        |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| 6.5 - Transport by motorcycles, private cars and light utility vehicles                                        | 109                  | 0%                        |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| 6.6 - Road freight transport                                                                                   | 4 278                | 10%                       |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| 6.11 - Sea and coastal passenger water transport                                                               | 12                   | 0%                        |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| 6.14 - Rail transport infrastructures                                                                          | 893                  | 2%                        |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| 7.7 - Acquisition and ownership of buildings                                                                   | 176                  | 0%                        |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| <b>Revenue of taxonomy-aligned activities but not environmentally sustainable (not taxonomy-aligned) (A.2)</b> | <b>13 397</b>        | <b>32%</b>                |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| <b>Total (A.1 + A.2)</b>                                                                                       | <b>31 544</b>        | <b>76%</b>                |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| <b>A. Activities not taxonomy-aligned</b>                                                                      |                      |                           |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| <b>Revenue of activities not taxonomy-aligned (B)</b>                                                          | <b>9 905</b>         | <b>24%</b>                |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |
| <b>Total (A+B)</b>                                                                                             | <b>41 449</b>        | <b>100%</b>               |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                     |                                 |                                     |

The revenue shown at the bottom of the table corresponds to the Group's external revenue as shown in section 4.1 Key financial performance indicators.

The revenue aligned for activity 6.1 Passenger rail transport corresponds to electrical equipment transport on French and European soil:

- High-speed transport (Inoui, Ouigo and Voyageurs subsidiaries).
- Regional or interregional transport services conducted by TER and Intercités.
- Transport services in Ile-de-France performed by Transilien.

It also includes a small percentage of rail transport operated by Keolis.

The revenue aligned under activity 6.14 rail transport infrastructure corresponds to the access fee on the rail network's electrified scope and a small percentage of station access fees.

For Activity 6.3, aligned revenue involves Group entities operating a fleet of vehicles, including electric or hydrogen vehicles. This is generated in France and internationally,

standing at 53% and 47% of aligned revenue, respectively.

The revenue aligned for activity 6.2 rail freight transport corresponds to the freight activity conducted with electrical rail equipment by Fret SNCF and certain French and European subsidiaries of R4L.

Finally, the revenue aligned under activity 6.4 corresponds to the activity resulting from cargo bike tours.

**3.5.3.1.1 Additional performance indicator**

According to the AMF recommendations in the report "Insights into the first taxonomy reporting by listed companies" of 22 November, a portion of the current activity that is not aligned but fulfils some of the criteria in the delegated acts may be deemed as additional performance indicators. Several revenue segments relating to activities 6.1 and 6.2 were thus identified.

Revenue under this category amounted to €2.2 billion and represents 5% of the Group's total revenue. It is detailed in the table below:

| Taxonomy activities                  | Activity segment that can be combined with Additional Performance Indicators (API) | API for revenue |
|--------------------------------------|------------------------------------------------------------------------------------|-----------------|
| <b>Total SNCF Group revenue (€m)</b> |                                                                                    | <b>41 449</b>   |
| 6.1                                  | Revenue generated with bimode trains                                               | 1 872           |
| 6.2                                  | Revenue generated with bimode trains                                               | 22              |
| 6.2                                  | Revenue generated by electrical trains that do not comply with DNSH criteria       | 350             |
| <b>Total API revenue</b>             |                                                                                    | <b>2 244</b>    |
| <b>% API revenue</b>                 |                                                                                    | <b>5%</b>       |

For activity 6.1, revenue generated with bimode trains does not meet the alignment criteria because Regiolis and AGC trains, which comply with the regulations in force at the time, were commissioned prior to entry into force of European regulation 2016 / 1628 on vehicle emission standards.

For activity 6.2, the indicator includes the revenue generated with bimode trains and that generated with electrical equipment by subsidiaries whose circular economy policies are insufficient with regard to the circular economy criteria.

#### 3.5.3.2 Aligned CAPEX

Beyond the technical alignment criteria described above, to determine this indicator, economic flows that meet the

CAPEX criteria within the meaning of Article 8 of the Taxonomy Regulation had to be identified.

This analysis led to the inclusion of expenditure incurred by the Group in its own right as well as that resulting from the application of IFRS 16 (rights of use). It also led to the exclusion of expenditure relating to concession financial assets (in accordance with IFRIC 12).

For SNCF, which has long been committed to sustainable mobility, the aligned CAPEX corresponds either to operations designed to maintain production equipment in their current state (rolling stock half-life operations, rail network renewal, etc.) or conduct industrial transformations (acquisition of new types of rolling stock, construction or electrification of new tracks). Renovation expenditure is sometimes combined with industrial transformations.

The outstanding annual CAPEX is in addition to the long-standing expenditure incurred to maintain and transform the network and rolling stock, already included in the Group's assets<sup>4</sup>.

#### **Aligned CAPEX amounted to €2 billion, representing nearly 21% of the SNCF Group's total CAPEX**

This alignment mainly relates to activities 6.14 rail transport infrastructure (13%) and 6.1 passenger rail transport (6%). It also involves, to a lesser extent, activities 6.2 rail freight transport (0.8%), and 6.3 (0.2%). It is detailed in the table below:

<sup>4</sup> Assets on the balance sheet are not included in the calculation of the aligned CAPEX annual indicator



| Economic activities (1)                                                                                                                         | Absolute CAPEX (3) | Percentage of CAPEX (4) | Climate change mitigation (5) | Climate change adaptation (6) | Substantial contribution criteria |                                | Do No Significant Harm (DNSH) criteria |                       |                |                                  |     |     |            | Minimum safeguards (17) | Percentage of taxonomy aligned CAPEX, year Y (18) | Enabling activity category (20) | Transitional activity category (21) |
|-------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------------|-------------------------------|-------------------------------|-----------------------------------|--------------------------------|----------------------------------------|-----------------------|----------------|----------------------------------|-----|-----|------------|-------------------------|---------------------------------------------------|---------------------------------|-------------------------------------|
|                                                                                                                                                 |                    |                         |                               |                               | Climate change mitigation (11)    | Climate change adaptation (12) | Water and marine resources (13)        | Circular economy (14) | Pollution (15) | Biodiversity and ecosystems (16) | Y/N | Y/N | Y/N        |                         |                                                   |                                 |                                     |
| <b>A. Taxonomy-aligned activities</b>                                                                                                           |                    |                         |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| <b>A.1 Environmentally-sustainable activities (taxonomy-aligned)</b>                                                                            |                    |                         |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| 3.6 - Low carbon manufacturing technologies for transport                                                                                       | 2                  | 0,0%                    | 100%                          | -                             | Y                                 | Y                              | Y                                      | Y                     | Y              | Y                                | Y   | Y   | 0%         |                         |                                                   |                                 |                                     |
| 6.1 - Intercity passenger rail transport                                                                                                        | 599                | 6,2%                    | 100%                          | -                             | Y                                 | Y                              | Y                                      | Y                     | Y              | Y                                | Y   | Y   | 6%         |                         |                                                   |                                 |                                     |
| 6.2 - Rail freight transport                                                                                                                    | 73                 | 0,8%                    | 100%                          | -                             | Y                                 | Y                              | Y                                      | Y                     | Y              | Y                                | Y   | Y   | 1%         |                         |                                                   |                                 |                                     |
| 6.3 - Urban and suburban transport, road passenger transport                                                                                    | 16                 | 0,2%                    | 100%                          | -                             | Y                                 | Y                              | Y                                      | Y                     | Y              | Y                                | Y   | Y   | 0%         |                         |                                                   |                                 |                                     |
| 6.5 - Transport by motorcycles, private cars and light utility vehicles                                                                         | 1                  | 0%                      | 100%                          | -                             | Y                                 | Y                              | Y                                      | Y                     | Y              | Y                                | Y   | Y   | 0%         |                         |                                                   |                                 |                                     |
| 6.6 - Road freight transport                                                                                                                    | 0,6                | 0%                      | 100%                          | -                             | Y                                 | Y                              | Y                                      | Y                     | Y              | Y                                | Y   | Y   | 0%         |                         |                                                   |                                 |                                     |
| 6.14 - Rail transport infrastructures                                                                                                           | 1 253              | 12,9%                   | 100%                          | -                             | Y                                 | Y                              | Y                                      | Y                     | Y              | Y                                | Y   | Y   | 13%        | E                       |                                                   |                                 |                                     |
| 7.3 - Installation, maintenance and repair of energy-efficient equipment                                                                        | 0,1                | 0,0%                    | 100%                          | -                             | Y                                 | Y                              | Y                                      | Y                     | Y              | Y                                | Y   | Y   | 0%         | E                       |                                                   |                                 |                                     |
| 7.4 - Installation, maintenance and repair of charging terminals for electric vehicles inside buildings (and in car parks annexed to buildings) | 0,8                | 0,0%                    | 100%                          | -                             | Y                                 | Y                              | Y                                      | Y                     | Y              | Y                                | Y   | Y   | 0%         | E                       |                                                   |                                 |                                     |
| 7.6 - Installation, maintenance and repair of technologies relating to renewable energies                                                       | 0,08               | 0,0%                    | 100%                          | -                             | Y                                 | Y                              | Y                                      | Y                     | Y              | Y                                | Y   | Y   | 0%         | E                       |                                                   |                                 |                                     |
| 7.7 - Acquisition and ownership of buildings                                                                                                    | 71,6               | 0,7%                    | 100%                          | -                             | Y                                 | Y                              | Y                                      | Y                     | Y              | Y                                | Y   | Y   | 1%         | E                       |                                                   |                                 |                                     |
| <b>CAPEX of environmentally-sustainable activities (i.e taxonomy-aligned) (A.1)</b>                                                             | <b>2 016</b>       | <b>20,8%</b>            |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     | <b>21%</b> |                         |                                                   |                                 |                                     |
| <b>A.2 Taxonomy-aligned activities but not environmentally sustainable (not taxonomy-aligned)</b>                                               |                    |                         |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| 3.3 - Low carbon manufacturing technologies for transport                                                                                       | 26                 | 0%                      |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| 6.1 - Intercity passenger rail transport                                                                                                        | 14                 | 0%                      |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| 6.2 - Rail freight transport                                                                                                                    | 215                | 2%                      |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| 6.3 - Urban and suburban transport, road passenger transport                                                                                    | 291                | 3%                      |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| 6.4 - Operation of mobility systems for individuals, cycle logistics                                                                            | 2                  | 0%                      |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| 6.5 - Transport by motorcycles, private cars and light utility vehicles                                                                         | 9                  | 0%                      |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| 6.6 - Road freight transport                                                                                                                    | 920                | 9%                      |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| 6.14 - Rail transport infrastructures                                                                                                           | 5 215              | 54%                     |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| 7.7 - Acquisition and ownership of buildings                                                                                                    | 339                | 4%                      |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| <b>CAPEX of taxonomy-aligned activities but not environmentally sustainable (not taxonomy-aligned) (A.2)</b>                                    | <b>7 031</b>       | <b>73%</b>              |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| <b>Total (A.1 + A.2)</b>                                                                                                                        | <b>9 047</b>       | <b>93%</b>              |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| <b>A. Activities not taxonomy-aligned</b>                                                                                                       |                    |                         |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| <b>CAPEX of activities not taxonomy-aligned (B)</b>                                                                                             | <b>635</b>         | <b>7%</b>               |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |
| <b>Total (A+B)</b>                                                                                                                              | <b>9 682</b>       | <b>100%</b>             |                               |                               |                                   |                                |                                        |                       |                |                                  |     |     |            |                         |                                                   |                                 |                                     |

Total CAPEX at the bottom of the table, representing the indicator's denominator, includes:

– Standard CAPEX in property, plant and equipment and intangible assets, totalling €8,131 million (see 4.1. Key financial performance indicators included in the management report).

– Rights of use, under the IFRS16 restatement of leases (€1,052 million)<sup>5</sup>.

– Scope entries restated for goodwill, depreciation, amortisation and impairment (€499 million).<sup>5</sup>

These items, representing the CAPEX denominator, are listed in the table below:

| In € millions                          |              |
|----------------------------------------|--------------|
| <b>1- Investments</b>                  | <b>8 131</b> |
| Investments from all funding sources   | 9 936        |
| New concession financial assets        | -1 805       |
| <b>2- Rights of use</b>                | <b>1 052</b> |
| <b>3- Scope entries (gross values)</b> | <b>499</b>   |
| Investments (excluding goodwill)       | 313          |
| Rights of use                          | 186          |
| <b>Total CAPEX (denominator)</b>       | <b>9 682</b> |

CAPEX aligned for activity 6.14 rail transport infrastructure corresponds to the percentage of expenditure incurred for the electrified scope of the railway network as well as in stations. It includes electrified network renewal operations conducted by the establishments, particularly in Ile-de-France, and major projects in which an Environmental Management System was deployed. Not to mention the study phases of projects (engineering, preliminary studies, certifications) relating to the electricity grid. They also include zero-waste certified projects relating to an environmental compliance notice led by SNCF Gares & Connexions such as the project on the multimodal exchange hub of Lyon Part Dieu station, the refurbishment of the Paris Saint Michel RER station or the PMR accessibility project at Saint Denis station.

CAPEX aligned for Activity 6.1 Passenger rail transport corresponds to expenditure incurred for electrical rolling stock:

– Acquisition of new electric trains in the TGV fleet: Dasye trains, TGV 2N2, TGV M.

– Renovation of rail equipment.

– Upgrade projects of TER electric trains, Corail cars.

– Installation of meters on TGV, Transilien trains.

– ERTMS project, a European signalling standardisation system currently being rolled out across the rail sector.

<sup>5</sup> These items are detailed in the consolidated financial statements. Rights of use are shown in their breakdown. Scope entries account for a percentage of scope changes.

CAPEX aligned for Activity 6.2 Rail freight transport corresponds to expenditure incurred for R4L electrical equipment: Acquisition and leasing of electric locomotives in the Fret SNCF fleet and its subsidiaries and renovation and half-life operations for electrical equipment

Whereas, in 2022, acquisitions of electrical vehicle fleets were significant internationally (mainly in Sweden, Denmark and the Netherlands) and in French regions (interurban transport), the capex aligned for activity 6.3 resulting from the criteria analysis mainly corresponds to acquisitions or expenditure in France relating to:

- Electric vehicles.
- Charging stations, adaptation works and electrification.
- Bicycles and related infrastructure.

Aligned CAPEX was identified for activity 7.7 corresponding to expenditure with regard to rights of use for logistics warehouses based in Europe and benefiting from certifications.

In the other real estate activities (7.3, 7.4 & 7.6), CAPEX includes energy-saving equipment, electric vehicle charging stations and photovoltaic panels positioned at a few sites in the Distribution Express business.

CAPEX aligned for Activity 3.6 includes investments in electric forklift trucks located in logistics warehouses based in France.

Finally, CAPEX aligned for activities 6.5 concerns electric vehicle expenditure.

#### 3.5.3.2.1 Additional indicators

The analysis of criteria from the delegated acts, particularly verification that there is no significant harm, resulted in the exclusion of certain operations from the scope of aligned CAPEX. A part of them is directly related to the decarbonisation of transport and real estate activities and may be included in the additional performance indicators. Several CAPEX reserves relating to activities 6.1, 6.2 and 6.14 were thus identified.

CAPEX in this category amounted to €2.4 billion, representing 25% of the Group's expenditure.

Not to mention expenditure on concession financial assets (IFRIC 12) amounting to €1.1 billion.

All these items are detailed in the table below:

| Taxonomy activities                                                               | CAPEX that can be combined with Additional Performance Indicators (API)                       | CAPEX API    |
|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|--------------|
| <b>Total SNCF Group CAPEX (€m) - Direct CAPEX and rights of use</b>               |                                                                                               | <b>9 682</b> |
| 6.1                                                                               | CAPEX generated with bimode trains                                                            | 7            |
| 6.2                                                                               | CAPEX incurred for bimode trains                                                              | 4            |
| 6.2                                                                               | CAPEX (or rights of use) generated by electrical trains that do not comply with DNSH criteria | 92           |
| 6.14                                                                              | CAPEX for the electrified network that does not comply with DNSH criteria                     | 2 301        |
| <b>Total API CAPEX (own CAPEX and rights of use)</b>                              |                                                                                               | <b>2 405</b> |
| <b>% API CAPEX</b>                                                                |                                                                                               | <b>25%</b>   |
| 6.1                                                                               | CAPEX on concession financial assets                                                          | 1 120        |
| <b>Total API CAPEX (concession financial assets, own CAPEX and rights of use)</b> |                                                                                               | <b>3 525</b> |

For activity 6.1, this CAPEX includes expenditure incurred for bimode trains that do meet the alignment criteria because Regiolis and AGC trains, which comply with the regulations in force at the time, were commissioned prior to entry into force of regulation 2016 / 1628.

For activity 6.2, this CAPEX includes expenditure incurred for bimode trains. It also includes expenditure for the electrical fleet of subsidiaries that does not comply with the circular economy alignment criteria.

For activity 6.14, it includes expenditure incurred for the electrified rail network that does not satisfy all the criteria from the delegated acts of the regulation.

Expenditure falling within the category of concession financial assets (see section 4.1 Key financial performance indicators in the management report) corresponds to expenditure incurred for the train fleet managed by the Group but under the ownership of the organising authorities. The electrical share of this expenditure represents €1.1 billion, or more than 60% of expenditure flows under IFRIC 12

#### 3.5.3.3 Aligned OPEX

According to Article 8, OPEX corresponds to the expenses incurred for asset maintenance. It may also include research and development costs. This first level of analysis led to the identification of expenses relating to this definition and the exclusion of expenses relating to purchasing, subcontracting and employee expenses in accordance with CNCC recommendations. The detailed typology of the accounts representing OPEX is presented in the methodology section.

#### Aligned OPEX accounted for nearly 8% of all SNCF Group OPEX.

This alignment mainly relates to activities 6.14 Rail transport infrastructure (4%), 6.1 Passenger rail transport (2%) and 6.3 Urban and interurban passenger transport (2%). It is detailed in the table below:

| Economic activities (1)                                                                                     | Absolute OPEX (3) | Percentage of OPEX (4) | Substantial contribution criteria |                               | Do No Significant Harm (DNSH) criteria |                                |                                 |                       |                |                                  |     | Minimum safeguards (17) | Percentage of taxonomy aligned OPEX, year Y (18) | Enabling activity category (20) | Transitional activity category (21) |
|-------------------------------------------------------------------------------------------------------------|-------------------|------------------------|-----------------------------------|-------------------------------|----------------------------------------|--------------------------------|---------------------------------|-----------------------|----------------|----------------------------------|-----|-------------------------|--------------------------------------------------|---------------------------------|-------------------------------------|
|                                                                                                             |                   |                        | Climate change mitigation (5)     | Climate change adaptation (6) | Climate change mitigation (11)         | Climate change adaptation (12) | Water and marine resources (13) | Circular economy (14) | Pollution (15) | Biodiversity and ecosystems (16) |     |                         |                                                  |                                 |                                     |
|                                                                                                             | €                 | %                      | %                                 | %                             | Y/N                                    | Y/N                            | Y/N                             | Y/N                   | Y/N            | Y/N                              | Y/N | Y/N                     | %                                                | E                               | T                                   |
| <b>A. Taxonomy-aligned activities</b>                                                                       |                   |                        |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| <b>A.1 Environmentally-sustainable activities (taxonomy-aligned)</b>                                        |                   |                        |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| 6.1 - Intercity passenger rail transport                                                                    | - 106             | 2%                     | 100%                              | -                             | Y                                      | Y                              | Y                               | Y                     | Y              | Y                                | Y   | Y                       | 2%                                               |                                 |                                     |
| 6.2 - Rail freight transport                                                                                | - 11              | 0%                     | 100%                              | -                             | Y                                      | Y                              | Y                               | Y                     | Y              | Y                                | Y   | Y                       | 0%                                               |                                 |                                     |
| 6.3 - Urban and suburban transport, road passenger transport                                                | - 75              | 2%                     | 100%                              | -                             | Y                                      | Y                              | Y                               | Y                     | Y              | Y                                | Y   | Y                       | 2%                                               |                                 |                                     |
| 6.14 - Rail transport infrastructures                                                                       | - 172             | 4%                     | 100%                              | -                             | Y                                      | Y                              | Y                               | Y                     | Y              | Y                                | Y   | Y                       | 4%                                               | E                               |                                     |
| <b>OPEX of environmentally-sustainable activities (i.e taxonomy-aligned) (A.1)</b>                          | <b>- 363</b>      | <b>8%</b>              |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         | <b>8%</b>                                        |                                 |                                     |
| <b>A.2 Taxonomy-aligned activities but not environmentally sustainable (not taxonomy-aligned)</b>           |                   |                        |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| 3.3 - Low carbon manufacturing technologies for transport                                                   | 24                | - 1%                   |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| 6.1 - Intercity passenger rail transport                                                                    | - 46              | 1%                     |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| 6.2 - Rail freight transport                                                                                | - 35              | 1%                     |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| 6.3 - Urban and suburban transport, road passenger transport                                                | - 391             | 9%                     |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| 6.4 - Operation of mobility systems for individuals, cycle logistics                                        | - 1               | 0%                     |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| 6.5 - Transport by motorcycles, private cars and light utility vehicles                                     | - 3               | 0%                     |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| 6.11 - Sea and coastal passenger water transport                                                            | - 1               | 0%                     |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| 6.14 - Rail transport infrastructures                                                                       | - 1 283           | 30%                    |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| 7.7 - Acquisition and ownership of buildings                                                                | - 1 305           | 31%                    |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| <b>OPEX of taxonomy-aligned activities but not environmentally sustainable (not taxonomy-aligned) (A.2)</b> | <b>- 3 041</b>    | <b>71%</b>             |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| <b>Total (A.1 + A.2)</b>                                                                                    | <b>- 3 403</b>    | <b>80%</b>             |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| <b>A. Activities not taxonomy-aligned</b>                                                                   |                   |                        |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| <b>OPEX of activities not taxonomy-aligned (B)</b>                                                          | <b>- 867</b>      | <b>20%</b>             |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |
| <b>Total (A+B)</b>                                                                                          | <b>- 4 270</b>    | <b>100%</b>            |                                   |                               |                                        |                                |                                 |                       |                |                                  |     |                         |                                                  |                                 |                                     |

Total OPEX in this table is derived from a selection of accounts representing purchases and external changes (see 6.1 Management report group results).

OPEX aligned for activity 6.14 Rail transport infrastructure corresponds to maintenance operations conducted for the electrified scope of the railway network as well as those carried out in stations.

OPEX aligned for activities 6.1 and 6.2 Passenger rail and rail freight transport corresponds to maintenance operations carried out on electrical railway equipment. For activity 6.3, it corresponds to maintenance operations on passenger road transport equipment.

### 3.5.3.4 Outlook

Revenue and CAPEX reflect the impacts of actions with different temporalities.

The 44% share of aligned revenue reflects the current business. It is marked by SNCF's long-standing commitment to providing a zero CO<sub>2</sub>e emission or low-carbon mobility offer.

SNCF's ambitious decarbonisation policy (-30% on transport activities and -50% on real estate activities by 2030) is partly based on the use of net zero emission solutions and alternative resources falling outside the alignment scope (bio-fuel, bimode). The continuation of this trajectory should partly promote the growth of aligned revenue but also that of the additional performance indicator on revenue.

CAPEX reflects the Group's investments to both maintain the level of alignment of revenue resulting from current

production capacities and deliver industrial transformations.

The current rate of alignment is representative of the significant weight of expenditure on the rail network, which is still partially aligned. The continuation of the policy to roll out an EMS in all industrial sites by 2025 and all work sites should further the growth of the CAPEX alignment rate.

The growth of certified zero-waste station renovation programs should also further the development of the aligned CAPEX share.

These actions on the infrastructure component of expenditure will be combined with the impacts of the expenditure programmes for electrical railway equipment (passengers and freight).

More generally, the impacts of enhanced circular economy policies, particularly in the Group's subsidiaries, may help further the alignment of several taxonomy activities.

### 3.5.4 Methodology

#### 3.5.4.1 Analysis of substantial contribution criteria

The delegated acts do not explicitly refer to financial indicators such as revenue, CAPEX etc. but cover economic issues under the generic term "activity". The first level of analysis was therefore to match the activity with its representation in the form of an indicator.

For revenue, the level of activity was assessed using consistent non-financial indicators (traffic, km, etc.) matching the taxonomy definition.

For CAPEX and OPEX, the concept of activity was assessed in relation to the financial volumes related to the defined criteria. Due to the wide disparity of events relating to CAPEX and OPEX: number of trains acquired, number of renovations, number of maintenance operations, etc., a consistent and relevant non-financial indicator could not be determined for these indicators' calculations.

#### 3.5.4.2 Substantially contributing revenue

For activities 6.1 and 6.2, the matching with the criteria from the delegated acts was determined by identifying in the management and production information systems the data relating to the percentage of activity *"with zero direct CO2 emissions"* and that used by *"a conventional engine where such infrastructure is not available (bimode)"*. This led to singling out transport activities conducted with electrical equipment and those conducted with bimode equipment (train equipped with two engines, one electric, the other diesel).

For activities 6.1, this singling out was performed using the train kms of the train fleets and routes of SNCF Voyageurs and the revenue of Voyageurs subsidiaries operating high-speed electric trains (Eurostar, Thalys, Ouigo, SVI). This data was combined with the electric train kms of Keolis subsidiaries.

For activity 6.2, the revenue singled out with the electric or bimode fleet was based on tonne kms provided by the entity and excluding the percentage of revenue associated with the transport of fossil fuel. This percentage was determined by analysing sales flows.

Activity 6.3 Urban and suburban transport, road passenger transport, corresponds to the operation of urban and suburban passenger transport vehicles and road passenger transport (bus, coach, tram, underground). The work carried out to determine the percentage of revenue contributing substantially to the Taxonomy alignment (with zero tailpipe CO<sub>2e</sub> emissions) consisted in:

- Identifying the traction energy used in the entities belonging to this taxonomy activity (Electricity / Hydrogen (H<sub>2</sub>) / Diesel / Other energies) and selecting only those entities with zero tailpipe CO<sub>2e</sub> emissions (Electricity / Hydrogen).

- Using kms travelled, by traction method and by energy, to apply the ratio of the percentage of electric kms / H<sub>2</sub> to total kms.

The substantial contribution of activities 6.4 and 6.5 was assessed using the number of tours completed by cargo bikes and M1, N1 or L type electric or hydrogen vehicles. The identification was based on the production data of the relevant entities collected via questionnaires.

For activity 6.14, the substantial contribution was measured by singling out revenue relating to infrastructure and other fees on the electrified network. Rail network UIC classifications<sup>6</sup> were used as supporting data. Revenue generated by station management activity was fully taken into account pursuant to the delegated act definition *"infrastructure and installations are dedicated to the transfer of passengers from rail to rail or from other modes to rail"*.

For activity 3.3, investigations led to identifying the percentage of revenue relating to the renovation of electric or bimode rolling stock. The substantial contribution of this activity could not be determined due to the lack of consistent data in the information systems.

For activity 7.7, the investigations led to identifying in the real estate portfolio buildings falling within category DPE A: *"For buildings built before 31 December 2020, the building has at least an Energy Performance Certificate (EPC) class A"*. Due to the absence of any buildings falling under this category and the uncertain nature of the second SC criteria: *"As an alternative, the building is within the top 15% of the national or regional building stock expressed as operational Primary Energy Demand (PED) and demonstrated by adequate evidence, which at least compares the performance of the relevant asset to the performance of the national or regional stock built before 31 December 2020 and at least distinguishes between residential and non-residential buildings"* no substantially contributing revenue was identified.

#### 3.5.4.3 Substantially contributing CAPEX

CAPEX that can contribute substantially is derived from two information sources: flows arising from traditional expenditure (*"owned"*) and those relating to lease adjustments qualifying as expenditure pursuant to IFRS16. In addition, expenditure flows involving concession financial assets (IFRIC 12) and mainly related to activity 6.1. had to be ruled out beforehand.

For activities 6.1 and 6.2, the singling out led to the identification in the accounting databases of CAPEX incurred for electrical and bimode equipment. The engines (locomotives, electric railcars) from towed railcars were also separated beforehand. Filters were then applied to the flows relating to the engines, either via the financial or cost accounting records if they contained information or by directly using the names of the transactions relating to the engines. Substantially contributing CAPEX incurred for railcars was determined by applying a key calculated following the analysis of the engines.

For activity 6.3, the work carried out to determine the percentage of CAPEX contributing substantially to the Taxonomy alignment consisted in:

- Identifying the traction energy used in the entities belonging to this taxonomy activity (Electricity / Hydrogen (H<sub>2</sub>) / Diesel / Other energies).

- Classifying CAPEX by nature and by entity, to only retain that relating to the aligned activities.

- Analysing the accounting treatment applied on consolidation (CAPEX/ IFRS 16 or IFRIC 12) to only retain aligned treatments according to prevailing recommendations.

For activity 6.14, the substantial contribution was measured using the UIC<sup>6</sup> track segment classification and additional analyses.

For activities 6.5, 6.6 and 3.6, the work carried out to determine the percentage of CAPEX contributing substantially consisted in reporting information by nature via questionnaires sent to scope entities

For activities 7.3, 7.4, 7.5, 7.6 and 7.7, the work carried out to determine the percentage of CAPEX contributing substantially consisted in reporting information by nature via questionnaires sent to scope entities.

For activity 3.3, investigations led to identifying the percentage of CAPEX relating to the renovation of electric or bimode rolling stock. The substantial contribution of this activity could not be determined due to the lack of consistent data in the information systems.

<sup>6</sup> Names of types of tracks, internationally recognised in the railway industry



3.5.4.4 Substantially contributing OPEX

OPEX that can contribute substantially is derived via scoping using the expense accounts relating to maintenance and research and development. The selection of accounts relating to OPEX involved the following categories:

- Upkeep, maintenance and leasing of railway rolling stock.
- Upkeep and maintenance of real estate assets.
- Upkeep and maintenance of the railway network.
- Upkeep and maintenance of transport equipment.
- Studies and research.

The multiple expenses comprising this indicator were combined, as was the case for CAPEX, with a lack of consistency with regard to the related events (maintenance operations, studies). Calculations based on the financial data relating to the indicator were preferred. More generally, due to its composite nature, this indicator is less important than revenue or CAPEX, which represent the current activity and its potential transformation more accurately.

Furthermore, any flows generating capitalised production were cancelled out.

The second level of analysis led to the identification of flows relating to a zero CO<sub>2</sub>e emission activity from among this selection. These flows were singled out, either additively when the related financial data could be used for identification at source, or according to a proxy based on the level of activity when this identification at source was not possible. This proxy was determined using revenue for carriers due to the induction effect of transport and expenditure for infrastructure activities.

Based on the materiality criteria, OPEX was not identified for 6.6 activities, since the total OPEX of the selection was less than 5% of the expenses for this scope.

For activities 6.1 and 6.2, the singling out led to the identification in the accounting databases of flows relating to the maintenance of electrical rolling stock. Insofar as a portion of OPEX was incurred by internal staff, the OPEX scope was limited to external maintenance costs for the singled-out rolling stock by applying a key based on activity volumes (TK).

For activity 6.3, the work carried out to determine the percentage of OPEX contributing substantially to the Taxonomy alignment consisted in:

- Identifying the traction energy used in the entities belonging to this taxonomy activity (Electricity / Hydrogen (H2) / Diesel / Other energies).
- Using kms travelled, by traction method and by energy, to apply the ratio of the percentage of electric kms / H2 to total kms.

For 6.14 activities, the substantially contributing OPEX could be singled out at source by combining the maintenance and research and development costs with the indicators for the type of tracks maintained based on the UIC classification.

For activity 3.3, investigations led to identifying the percentage of OPEX relating to the maintenance of electrical rolling stock. The substantial contribution of this activity could not be determined due to the lack of consistent data in the information systems and the low issues at stake.

For real estate activities 7.7, investigations led to the identification in maintenance expenses of those relating to DPE A properties.

3.5.4.5 Analysis of DNSH (Do No Significant Harm) criteria

DNSH analysis was based on several studies:

- A prior technical analysis to identify the qualitative and quantitative data required to verify compliance with the criteria.
- A further analysis of the criteria using the available data.
- A thematic analysis, based on feedback from the FAQ to identify cases where DNSH would not be applicable (see description by activity) – The FAQ of 19 December 2022 regarding the Climate Delegated Act which confirmed that an activity can be classified as aligned without complying with specific criteria that would not be applicable to it.

This work resulted in “connections” being made between the technical analyses and financial data in order to single out new information from the substantially contributing data. This was carried out by relying as much as possible on common analytical data between substantial contributions and DNSH analyses.

DNSH criteria applies to the activities in different ways. For transport activities, climate change adaptation, the circular economy and pollution prevention are systematic criteria. However, there is no point in analysing criteria regarding the sustainable use of hydrological and marine resources and the protection of biodiversity. For activities 6.14 and 3.3, however, all DNSH criteria must be analysed.

The table below summarises these cross-references between the substantial contribution of taxonomy activities to climate change mitigation and the necessary DNSH analyses.

| Taxonomy activities                                          | Climate change adaptation | Climate change mitigation | Water and marine resources | Circular economy | Pollution | Biodiversity and ecosystems |
|--------------------------------------------------------------|---------------------------|---------------------------|----------------------------|------------------|-----------|-----------------------------|
| 6.1 - Intercity passenger rail transport                     | x                         | N/a                       | N/a                        | x                | x         | N/a                         |
| 6.2 - Rail freight transport                                 | x                         | N/a                       | N/a                        | x                | x         | N/a                         |
| 6.3 - Urban and suburban transport, road passenger transport | x                         | N/a                       | N/a                        | x                | x         | N/a                         |
| 6.6 - Road freight transport                                 | x                         | N/a                       | N/a                        | x                | x         | N/a                         |
| 6.14 - Rail transport infrastructures                        | x                         | N/a                       | x                          | x                | x         | x                           |
| 7.1 to 7.7 - Real estate activities                          | x                         | N/a                       | x                          | x                | x         | x                           |

The development below is structured by activities to facilitate the overview of the analyses. It is followed by the analysis of climate change adaptation and compliance with minimum safeguards carried out for all Group companies.

3.5.4.5.1 DNSH analysis for activities 6.1 and 6.2 – passenger / freight rail transport

For activities 6.1 and 6.2, the flows relating to the substantially contributing indicators were combined with the verification of the two DNSH criteria described in the delegated acts: circular economy measures and pollution prevention tests on bimode equipment.

The pollution prevention criteria was analysed by testing the compliance of engines relating to bimode trains with Regulation 2016/1628 pollution tests. If they did not meet this criteria, the revenue, CAPEX and OPEX relating to these engine families were excluded from the alignment and included as an alternative performance indicator.

Compliance with the circular economy criteria was analysed using the SNCF Group’s frameworks (RA274) describing the measures planned and implemented with regard to both passenger and freight activities. The

mentioned support framework incorporates the main waste management principles in accordance with the waste hierarchy, including maintenance waste. The mechanisms described are supported by framework agreements for the management of waste generated on sites, including for the cleaning of rolling stock. (See NFPS section 5.8 Integrate the circular economy in the Group).

These group practices were supplemented by specific circular economy policies for freight activities, as well as by reporting on the practices of European freight subsidiaries. Aggregates from entities whose practices were insufficient or incomplete with regard to the circular economy criteria were excluded from the alignment and included as an alternative performance indicator. Collection and selective sorting arrangements are also in place for the management of waste in stations and trains (see NFPS section 5.8. Waste management in stations and trains).

Compliance with the circular economy criteria is also based on the certification of rolling stock maintenance technical centres (see NFPS section 5.2. Optimise environmental management) and waste management policies resulting from the maintenance and end-of-life of rolling stock (see NFPS section 5.8 Rolling stock withdrawn from service)

In addition to collection and recovery, the Group is committed to systematically adopting eco-design for track equipment, stations, railway equipment and real estate and redesigning production processes to reduce waste (see NFPS section 5.8.3. Systematising eco-design). A tool dedicated to waste monitoring was set up and is now used by more than 3,000 employees.

#### 3.5.4.5.2 Verification of DNSH for activity 6.3 – Urban and interurban passenger transport

The flows relating to the substantially contributing indicators were combined with the verification of the two DNSH criteria described in the delegated acts: circular economy measures and pollution prevention tests.

For pollution prevention, the analysis consisted in determining, for category M road vehicles, whether the tyres used on these vehicles comply with the external rolling noise requirements in the highest energy efficiency class and with the rolling resistance coefficient in the two highest energy efficiency classes. It should be noted that the definition of the best efficiency classes depends on the tyres available on the market according to the equipped vehicles. Therefore, the number of tyre references, used in the entities falling under this Taxonomy activity, is significant (up to a hundred references per supplier) and the sizes and profiles of the selected tyres may depend on local situations. The work carried out focused on electric vehicles in order to assess the final alignment of the substantial contributions. The following information was collected:

- Entities that operated electric road vehicles in 2022.
- Country of assignment.
- Supplier covering the tyre contract.
- Model of tyres used.

Based on the circular economy criteria, the analysis consisted in demonstrating the management and control of waste by entities under Taxonomy activity 6.3. This analysis was based on the existence and implementation of available tools so as to:

- Reaffirm the Group's commitment to sustainable development.

- Roll out its initiative in each of the entities to continuously improve their environmental performance.

In concrete terms, the waste management process and the control of recovery towards treatment channels is a key objective of the Group's policy. It is ensured by the following three mechanisms:

- ISO 14001 certification of entities.
- A CSR reporting process and Group framework agreements.
- Monitoring of waste management performance.

#### 3.5.4.5.3 Verification of DNSH for activity 6.6 – Road freight transport

The flows relating to the substantially contributing indicators were combined with the verification of the two DNSH criteria described in the delegated acts: circular economy measures and pollution prevention tests.

**Pollution prevention.** The relevant vehicles (electric vehicles) are used and were purchased in the EU. They therefore comply with current legislation regarding emissions and noise levels. In addition, electric vehicles are deemed to comply at minimum with the emission limits of the highest standard (Euro VI vehicle). The tyres used have a level A noise coefficient and a level A or B energy efficiency class.

**Circular economy.** The electric vehicles acquired for activity 6.6 comply with European regulations, particularly with regard to re-use, recycling, dismantling and recovery. Their maintenance is subcontracted to the dealers of the manufacturers to guarantee best practices. At end-of-life, the vehicles are sold to the dealers who ensure that they are reused, dismantled or recycled depending on the vehicle's condition.

#### 3.5.4.5.4 Verification of DNSH for activity 6.14 – Rail transport infrastructure

The verification of criteria for the respect of marine resources and biodiversity was supported by the applicable French regulation and the completion of Environmental Impact Studies prior to the infrastructure projects in question. All of SNCF Group's eligible projects comply with French and European regulations on environmental impact studies, thereby justifying compliance with DNSH criteria relating to biodiversity and water.

Under the generic criteria for DNSH to protection and restoration of biodiversity and ecosystems detailed in Appendix D of Annex 1 of the Delegated Regulation, in accordance with European Regulation 2011/92/EU, SNCF Group projects are subject to a pre-analysis to determine whether an environmental impact assessment (EIA) is required. Depending on the outcome, the project may be exempted. On the contrary, if an environmental impact assessment is required, the assessment must be conducted and mitigation and compensation measures for protecting the environment are implemented.

The generic criteria for DNSH to water, the requirements of which are detailed in Appendix B, follows the same logic as the procedures for biodiversity: in accordance with Directive 2011/92/3U, the environmental impact assessment identifies, describes and assesses the environmental effects of projects likely to have significant environmental impacts. The environmental impact assessment must include a water impact assessment in accordance with Directive 2000/60/EC.

The implementation of Environmental Compliance Notices for station renovation projects and the deployment of an Environmental Management System (EMS) at various

production sites (Infralog, Infrapole, certified stations) have ensured compliance with the pollution prevention criteria. (see NFPS section 5.2. Optimise environmental management).

The technical environmental analyses conducted using these information sources were reconciled with financial data using cost accounting frameworks as much as possible.

These regulatory and organisational aspects extend the actions already undertaken by the Group on entities covered by activity 6.14.

– With regard to biodiversity: see NFPS section 5.9. Concrete achievements to protect and promote biodiversity: contribution to defining standards, master plans in Ile-de-France, building biodiversity footprint indicators and reducing the use of phytosanitary products.

– For the protection of water resources see NFPS section 5.9. Ensure sustainable management of water resources.

Compliance with the circular economy criteria was verified with respect to the waste collection rates at all track sites for SNCF Réseau's activity. For the Stations activity, zero waste sites were selected to determine the percentage aligned with CAPEX and OPEX.

In addition to collection and recovery, the Group is committed to systematically adopting eco-design for track equipment, stations, railway equipment and real estate and redesigning production processes to reduce waste (see NFPS section 5.8.3. Systematising eco-design). A tool dedicated to waste monitoring was set up and is now used by more than 3,000 employees.

More generally, the Group is committed to strengthening actions to promote the circular economy, including the systematic eco-design, development of material reuse and recycling, waste reduction, greater share of recycled products in its purchases (see NFPS section 5.8).

#### 3.5.4.5.5 Analysis of climate change adaptation criteria

Rail activity is by nature faced with climate-related hazards. Extreme situations have been well known and documented by the Group for decades and are addressed under Business Continuity Plans (BCP) that ensure service continuity in the event of an occurrence. Climate change adaptation is now a major strategic issue as it extends operational sensitivity to such questions. The adaptation and resilience of the SNCF Group's activities to climate change is therefore one of the 6 thrusts of the 2020-2030 CSR strategy validated by the Board of Directors. (see NFPS section 6 Improving adaptation and resilience).

A Climate Change Adaptation Committee (CCA) has been set up since 2021 to steer the work for this strategic thrust. It is responsible for validating and monitoring the action plans proposed by the Group companies and their overall management. It falls under the responsibility of the Group Chairmen to whom it refers during an annual committee meeting.

The risk relating to climate change adaptation has also been integrated into the SNCF group's major risk mapping for several years. Actions to remedy this risk are monitored by the Group Executive Committee at biannual committee meetings.

Each company draws up and adopts a major risk mapping for its activity. All risk maps include a risk relating to the impacts of climate change. In each company, a climate change adaptation officer was identified and is responsible for the smooth conduct of the work within his scope.

Specific vulnerability studies were also conducted on the Seine (Paris – Le Havre) line. Another study is underway on the Languedoc line.

The ACC Committee of December 2022 also initiated a special organisation on the matter: management of ACC in each group entity, set-up of a network of officers, employee awareness-raising and training at grassroots level in resilience analysis and physical risk management.

The analysis of ACC criteria under the taxonomy regulation was therefore based on entities that were already active within the group and operational sensitivity to climate-related hazards. It resulted in an informed analysis according to the conclusions in Appendix A of Annex 1 to the Climate Delegated Act.

#### Risk identification and analysis

Important physical climatic risks were identified for SNCF Group activities from among those listed in the table in Section II of Appendix A. For each climate-related hazard, the impact and frequency of the related risk were studied. The impact assessment incorporated financial, reputational, occupational health, safety, security and customer/employee aspects. The risk frequency assessment was based on losses that have already occurred in the group and studies in the area.

The risks to which the group is particularly sensitive are as follows:

- Changing temperature.
- Heat stress.
- Temperature variability.
- Heat waves.
- Flooding.
- Cyclones.

An analysis of exposure to chronic hazards and acute hazards was conducted and mapped by the company and cross-referenced with its taxonomy matching.

Furthermore, as part of NFPS reporting, an impact analysis on the activity has already been initiated. It resulted in the recognition of lost traffic minutes and the identification of climate change economic impacts (see NFPS section 6. Climate change impacts on property are already noticeable, repercussions on production, work organisation and economic impacts).

Projective studies according to IPCC scenarios have already been initiated for certain group companies and in particular by Geodis for the scope of its 800 sites and freight logistics hubs. For Geodis and the other Group companies, the studies will continue throughout 2023 according to the SSP2-4.5 "business as usual" and SSP5-8.5 "highest negative climate impact" scenarios (see NFPS section 6. Choice of baseline climate scenarios).

These studies can be supplemented with special financial analyses to assess the financial impacts of climate change: revenue lost in the event of weather disruptions, CAPEX and OPEX required for adaptation solutions, etc.

#### Adaptation solutions

The risk analysis was completed with the identification and assessment of adaptation solutions. These solutions consisted of those already implemented, and others of a more extensive nature to be implemented in the long term.

Solutions already implemented:

- Activities 6.1, 6.2, 6.14 - Temperature risk: Météo France warning system in all Group companies, "heat rounds", passenger information, water supplies, measures in case of stoppage on tracks, various engineering



structure maintenance and works, anticipated management of vegetation.

– Activities 6.1, 6.2, 6.14 - Water risks: waterproof areas for rolling stock.

– Activities 6.3:

- Creation or updating of plans/procedures to deal with extreme weather events (namely heat waves and floods).
- Anticipation of exposure to climate risks by systematising impact studies for new lines.
- Communication kit for employees and passenger customers.
- Follow-up of public bodies in charge of monitoring extreme events.
- Redevelopment of street furniture to reduce heat islands.
- More frequent infrastructure checks.
- Building refurbishment.
- Adaptation of working time.
- Installation of extreme event prevention equipment.
- Driver training.

– Activity 6.14: Solid mass risks: Greening of track surroundings to maintain soil.

For the longer term, and in addition to identifying any physical risks that may arise, SNCF is committed to investing in innovation and research to boost the adaptation and resilience of activities (see NFPS section 6 SNCF Réseau actions to adapt infrastructures).

For activities 6.1, 6.2, SNCF Voyageurs Equipment Engineering contributed to the creation of the “Europe’s Rail” programme, a dynamic research and innovation community, which seeks to define the climate change resilient “railway of the future”.

For all activities, the Group Technologies, Innovation & Projects Department (DTIPG) works to produce risk analysis and decision-making help methodologies and tools.

For all Taxonomy activities, Synapses, SNCF’s network of sustainable development experts, was hired to better determine the concept of nature-based adaptation solutions and identify solutions applicable to SNCF in an initial case study: extreme temperatures. (see NFPS section 6. Identify and develop nature-based adaptation solutions).

For activity 6.14 the efforts to identify current and future physical climate-related risks at the national rail network level will continue. The aim is to obtain a macroscopic view of the effects of climate change on this network for a panel of climate-related hazards.

**Based on these overall analyses: risk identification and analysis and studies of adaptation solutions, it can be concluded that all the Group’s activities comply with the criteria described in Appendix A of the taxonomy regulation.** More detailed information on all these aspects is also provided in Section 6 of the NFPS.

#### 3.5.4.5.6 Analysis of compliance with the minimum safeguards criteria

The analysis of the minimum safeguards criteria is based on the provisions of Article 18 of the Taxonomy Regulation and the recommendations of the Platform for Sustainable Finance in its Final Report on minimum safeguards of 11 October 2022.

If Article 18 requires companies to verify the implementation of procedures to align with the OECD Guidelines for Multinational Enterprises and the UN Guidelines on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions referred to in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at work and in the International Bill of Human Rights, the Platform’s report recommends strengthening verification in the areas of anti-corruption, taxation and competition law by proposing the non-alignment criteria that must not be met.

The verification of minimum safeguards on the non-alignment criteria was therefore based on the guidelines of the Taxonomy regulation and their interpretation by the Platform for Sustainable Finance by focusing on the following 4 themes:

- Human rights.
- Corruption.
- Taxation.
- Competition law.

For these 4 themes, the criteria analysis is based on the implementation of specific procedures or processes and the lack of conviction.

#### Implementation of specific procedures or processes

Regarding human rights, the SNCF Group has published annually in its management report since 2022 a vigilance plan in accordance with Law No. 2017-399 of 27 March 2017 on the duty of care of parent companies and contracting companies. This includes:

– Risk mapping for identification, analysis and prioritisation.

– Procedures for regularly assessing the situation of subsidiaries, subcontractors or suppliers with whom an established business relationship is maintained, with regard to risk mapping.

– Appropriate actions to mitigate risks or prevent serious harm.

– A mechanism for alerting and collecting reports on the existence or occurrence of risks, established in consultation with the representative trade unions in the company.

– A system for monitoring the measures implemented and evaluating their effectiveness.

It also includes human rights commitments in the entity’s processes.

Thus, the 6 key steps in the human rights reasonable diligence process are covered.

These provisions are described more broadly in NFPS section 2.2 Governance, Compliance and Ethics.

With regard to anti-corruption, the SNCF group has adopted a programme to prevent and combat corruption, in accordance with the requirements of the “Sapin II” law. It seeks to prevent the legal, financial and reputational risks that corruption poses to the Group. To this end, several concrete initiatives were rolled out as provided for in the law, including the dissemination of a Code of Conduct for the prevention and fight against corruption. The main commitments are listed on a dedicated public website.

[To find out more > Preventing and fighting corruption](#)

The SNCF Group has set up tailored processes to identify, assess and verify any tax risks to safeguard all its transactions. In the event of uncertainty or complexity



surrounding the extent of a tax risk, an external advisor is consulted, particularly for international taxation. [...] (see NFPS section 3.4. Effective tax risk management).

In terms of competition law, the company makes its employees aware of the importance of complying with all applicable competition laws and regulations. For example, some of the Group's entities have set up a code of conduct for free and fair competition since 2019. Not to mention e-learning on competition law compliance for management teams.

**No convictions**

Regarding these different themes, the Group has not been subject to any convictions that could call into question its compliance with the criteria.

**4. DEVELOP THE SHARE OF RAIL AND SUSTAINABLE MOBILITY**

**4.1 ENSURE THE FUNDAMENTALS OF SAFETY, PUNCTUALITY AND PASSENGER INFORMATION**

**4.1.1 Context**

To share a common culture of operational excellence on its fundamentals, SNCF has set up cross-functional programmes that permeate and nurture the daily actions of the five railway companies: PRISME on rail safety, H00 on punctuality, Information FIRST on passenger information, and "Atout conduite" for specific actions for drivers.

**4.1.2 Our commitments**

Ensure the best customer service in terms of safety, information and train punctuality to increase the share of rail.

**4.1.3 Safety policy and actions**

**SNCF Safety: the PRISME programme**

The safety of its customers, staff and partners and its environment is SNCF's priority and part of its identity. Since 2015, SNCF has been transforming safety management with its PRISME programme to strengthen the safety culture within the company's various entities. Objective: integrate a participatory, proactive and integrated safety culture by 2026.

Its principles are recalled in the latest version of SNCF's safety policy, signed in February 2023 by the chairmen of SNCF's five railway companies. They include:

- Encourage spontaneous reporting of incidents to better prevent them.
- Simplify procedures for all actors contributing to safety to facilitate their adoption.
- Analyse risks upstream and downstream to prioritise actions.
- Create the managerial conditions to empower staff.
- Deploy prevention approaches that establish shared vigilance: a Fair & Equitable approach, life-saving rules, risk-based management, managerial transformation, updated audits and monitoring, taking into account organisational and human factors, etc.

The projects undertaken over the last seven years have helped to integrate the highest safety standards in behaviour. Result: the safety of rail operations has improved:

- By reducing significant accidents by 23% since 2014.
- And by halving the number of remarkable security events since 2015.

The company has also improved occupational health and safety by reducing workplace accidents by 20% since 2016.

**Key indicator**

|                                                | 2020 | 2021 | 2022 |
|------------------------------------------------|------|------|------|
| Remarkable safety events (RSE) (number) - SNCF | 184  | 158  | 143  |

From 2023 onwards, SNCF will monitor events of severity 4 and above on the EPSF (French Public Institution of Railway Safety) scale, in order to align itself with the tool common to all European companies and networks.

The 2023-2025 guidelines of the PRISME programme were presented at the convention organised in September 2022 by the safety departments of the five SNCF companies.

**The transformation of the safety culture: 2022 assessment**

The SNCF continued to embed its safety culture in 2022 by intensifying its participatory approach with managers, staff and subcontractors in all its companies.

Managers in particular have been involved in training in safety leadership or organisational and human factors (OHF) and have used new tools to assess the safety level of teams (maturity grid), analyse safety events through OHF or study the causes of undesirable events (Reason diagrams, etc.).

They also tested new discussion formats to concretely advance the safety culture at grassroots level by encouraging the reporting of incidents, through the use of "See it - Report it", or the Fair & Equitable continuous improvement approach.

The transformation of the safety culture is also a new mindset that has led to increased risk awareness:

- By treating rail operational safety and occupational health and safety at the same level.
- By setting up a risk map integrating co-activity.
- And by renovating audits.

**SNCF has adopted a new approach to risk-based management through:**

- Prioritised safety monitoring, with a diagnosis and rating of the risks inherent in each site, then a monitoring programme differentiated according to procedures, employees and the criticality of potential risks.
- Risk-based management, for example through risk mapping, which is carried out at least once a year on worksites.

**Safety is now better integrated into the operational activity with:**

- The application of safety standards such as structured problem solving, safety briefing and debriefing, and field visits.
- Managerial transformation and safety leadership training to ensure the rigorous application of safety rules and encourage the involvement of all.
- The introduction of "life-saving rules" at all levels of SNCF to save lives and prevent major risks associated with the company's activities.

**For more details, see 8.4.**

### SNCF has professionalised the handling of safety anomalies through:

- Root cause analysis with 8,500 managers trained and 250 OHF correspondents.
- Sharing and transparency on any safety event, using an application guide for the Fair & Equitable approach.
- The creation of tools to analyse in more detail reports of incidents or "near incidents", such as the New Generation REX (feedback).

### PRISME 2023-2025: more targeted, better integrated and more systematic

The safety convention in September 2022 brought together more than 700 safety managers and directors. The 2023-2025 guidelines were presented: they give priority to the overall safety of customers, employees, partners and the environment. Safety is said to be comprehensive when it includes operational safety, occupational safety and health, fire safety, environmental safety, security and cybersecurity. PRISME's new work areas are based on three pillars divided into seven guidelines:

#### A PRISME programme with and for employees to:

- Include all staff and employee representative bodies in the process of transforming the safety culture and share it with partners.
- Encourage agents to report any issues so that everyone is an actor in the continuous improvement of safety.

#### A PRISME programme for the benefit of operational entities to:

- Develop the risk-based approach to prioritise actions and focus energies.
- Make "safe production" systematic.
- Write "less and better".

#### A PRISME programme that unites the SNCF and its ambitions and opens up the rail sector to:

- Establish common safety principles within SNCF.
- Make safety a common value.

**For more details:** see Vigilance Plan, 3.2.

#### The safety culture at Keolis

The Keolis safety policy, drawn up by the parent company, covers both health and safety at work and operational safety. Based on a common organisational and management base, it is applied in all French and international subsidiaries, depending on their regulatory context and the specificities of the mobility services operated. With the ultimate goal of "Zero responsible fatalities" for passengers, employees and third parties, Keolis provides the necessary support locally. Keolis also ensures continuous improvement, develops the exchange of good practice and organises feedback.

The safety policy was revised in 2021 to better reflect the challenges of Keolis. The main focus of 2022 was on the harmonisation of occupational health and safety practices. This approach was based on the Keolis safety management framework, which ensures the formalisation of minimum requirements. Objective: establish a harmonised framework for the practices and organisation of each subsidiary, and guarantee a solid foundation for its day-to-day management and coordination. This framework, based on the ISO 45001 and 39001 standards, will facilitate the development of the level of certification coverage by 2025.

**Example of good practice:** development of digital technology to analyse safety events at Keolis Canada.

The subsidiary has extended the deployment of Keolis' digital tool for recording and analysing safety events to bus and coach safety management activities. Operators have access to key documents, such as return to service checklists and have digital forms to record and report any risk situations. Directly updated, the dashboards enable corrective or preventive actions to be quickly triggered.

#### 4.1.4 Cybersecurity policy and actions

Digital technology is playing an increasingly important role in the daily lives of our employees, in the business processes of our activities and for the customers. In addition, international tensions, major upcoming sporting events in France (Rugby World Cup France 2023, Olympic and Paralympic Games in 2024), as well as the opening up to competition are likely to increase the risk of cyber-attacks on the Group's information systems. To counter those risks and prevent rail production from being halted, SNCF has developed a defence strategy and drastic controls on the efficiency of the protection systems in place.

#### Two teams in action

In addition to its modernisation actions and the tightening of the protection of its conventional and industrial information systems, SNCF has deployed a cybersecurity operational centre (COC) for three years which collects, analyses and supervises alerts and weak signals of attacks.

A veritable cyber control tower, it significantly improves SNCF's ability to detect and deal with cyberattacks:

- A first team is in charge of monitoring, prevention and detection, with mechanisms to control and block non-compliant access and unsecured devices. These technical solutions are accompanied by awareness-raising initiatives for all employees, in particular via an e-learning programme launched in December 2021 to develop their daily cyber vigilance.

- A second team studies attack scenarios to contain intrusion attempts as soon as possible when they occur.

Cybersecurity focuses on protecting people, data and infrastructure against cyberattacks likely to generate three major risks for businesses:

- Total or partial unavailability of information systems and industrial systems.
- Loss of data integrity (protection).
- Sensitive data leakage or theft.

In terms of governance, the rules and objectives are defined by SNCF's general information systems security policy, which sets out the major information systems security principles.

**For more details:** see Vigilance Plan, 3.3.3.

#### Cybersecurity explained to all

Awareness-raising measures are deployed throughout the company to help all employees understand cyber risks and how to deal with them. More than 40,000 employees, including work-study students and trainees, have already been trained in 2022 in the "10 Cyberflexes", a short and fun e-learning programme. Objective: to raise awareness among all employees between now and the Rugby World Cup in 2023.

#### 4.1.5 Punctuality policy and actions

##### SNCF Robustesse: the H00 programme

The objectives of the H00 programme are to improve the on-time performance of departing trains and ensure a better service for the customer. The application of

operational and design standards resulted in an 8-point improvement in punctuality since 2017.

The year 2022 shows a punctuality rate of 87.1%, below the target of 89%. This is due in particular to a summer period particularly marked by the consequences of high temperatures, an increase in the number of trains in circulation and a return of post-lockdown customers. The deployment of the H00 standards continues with a view to improving resilience to the various hazards that can affect this activity.

**For more details:** see 6.2.3

For 2023, the H00 programme aims to continue the deployment of standards and prepare for the future and the necessary changes brought about by the arrival of competition in France.

[Find out more > SNCF regularity open data](#)

#### Improving the handling of abandoned luggage

Abandoned items in stations and on trains have become a major cause of delays and malfunctions for the railway system. The phenomenon has increased significantly in the last two years. In 2022, abandoned items caused 423,153 lost minutes and 2,593 cancelled trains.

In October 2021, the SNCF decided to launch the "Improve the handling of abandoned items" programme. The aim is to strengthen coordination between the Railway Safety teams and all the activities concerned: SNCF Voyageurs, SNCF Réseau, SNCF Gares & Connexions. Objective: identify and implement actions to improve production quality while maintaining the highest level of safety.

In 2022, the programme rolled out several major actions that led to an improvement in results:

- A training campaign for SNCF operators.
- The development of certain processes related to the application of the "abandoned items" procedure.
- The development of canine detection across France.
- A national campaign to raise awareness among customers about not forgetting their personal belongings "Hey c'est à vous, ça ?" (Hey, is that yours?).
- The mass distribution of labels, including an innovative QR code label in summer 2022.

All of these actions have significantly reduced the impact of abandoned items. Thus, in 2022, there were 34% fewer abandoned items than in 2021.

[To find out more > The handling of abandoned luggage](#)

#### 4.1.6 Policy and actions on passenger information

##### SNCF Information: the Information FIRST programme

After five years in place, the Information First programme continues to work towards achieving operational excellence in terms of passenger information and the appropriation of the business practices of the Passenger Information chain.

In 2022, the priorities of the Information First programme in disrupted situations were:

- Respond as close as possible to passengers' expectations for their post-lockdown return to trains.
- Strengthen the field presence and commitment of employees.

In 2023, the main objective is to continue to improve responsiveness and strengthen the reliability of passenger information.

#### Customer satisfaction in 2022

The results of customer satisfaction with Passenger Information in 2022 are broadly in line with the target, with an effort to be made with regard to deviations or late announcements of a change of track which exceed the 1% threshold for a target of 0.

Specifically, reliability, responsiveness and complete and accurate information have been constantly improving since 2017, thanks to the involvement of Passenger Information actors and the implementation of innovative actions and tools (information systems, professionalisation, creation of a community of passenger information ambassadors from all professions, renovation of operational centres, etc.)

– **As regards responsiveness in stations**, which highlights the ability of all the professions to work together, the results are above target: 85% for a target of 83%. The Fil Info Live web tool, launched a year ago to report on events in real time from the crisis room, is greatly appreciated by SNCF customers and crisis managers. It is accessible via social networks and will be improved during 2023.

– **Regarding irritants**, Information FIRST teams were mobilised at the end of 2022 to improve customer satisfaction in disrupted situations, which dropped from 6.2 in 2021 to 6 in 2022.

Action was also focused on integrating practices on the ground for the various professions involved in Passenger Information, on audio Passenger Information and the delivery of passenger information by SNCF Connect. It is by generalising the best practices of the sites that the Information FIRST programme has enabled these leaps in quality, which will continue in the months to come.

#### Five areas of mobilisation for 2023

In 2023, the programme is strengthening its requirements on the quality of information, to gain the trust of all passengers and improve customer satisfaction. It plans to:

– **Give greater importance to perceived quality and customer satisfaction**, by developing the customer listening standard, identifying and dealing with "customer irritants", and improving the quality of on-board passenger information announcements.

– **Continue to improve the quality produced**, by improving incident and station responsiveness, by maintaining efforts on the H-20 minute display and deviations, and by setting new objectives such as reliability.

– **Develop skills and business practices**, by training operational actors in incident management (100 sessions planned in 2023), by deploying a simplified and prioritised Passenger Information watch to respond to managers' feedback and by developing the maturity of crisis management standards.

– **Support the entities and sites**, by strengthening field presence with Passenger Information diagnoses and tailor-made support for the entities. It is also by coordinating the network of Passenger Information managers in the entities to better assist managers, operators and crisis management teams.

– **Develop the FIRST programme to meet SNCF's new challenges**, by taking into account the opening up to competition, simplifying standards and guaranteeing the robustness of the information system.

The Information FIRST programme will thus be able to contribute to better customer satisfaction and prepare for



major events such as the Rugby World Cup in 2023 and the Olympic and Paralympic Games in 2024.

## 4.2 ENSURE SAFE TRAVEL

### 4.2.1 Context

Ensuring safety on train journeys, in stations and on all urban networks is an integral part of the services offered to passengers. The choice of whether or not to use public transport depends on it. This is why all types of safety breaches must be addressed, including sexual and gender-based violence, anti-social behaviour and the risk of terrorism.

**For more details:** see Vigilance Plan, 3.2.

### 4.2.2 Our commitments

Ensure the safety and tranquillity of passengers through a targeted security policy.

### 4.2.3 Policy and actions

SNCF must ensure the safety of its passengers and the goods entrusted to it by shippers. To this end, it rolls out a comprehensive integrated security policy that combines:

- Internal resources.
- A partnership with the internal security forces (police, gendarmerie, customs) and public prosecutors.
- The use of private security companies for security missions.

### Safety of people and property at SNCF

Human resources are at the heart of the system, so SNCF is committed to deploying the right technological tools and organisations to improve their efficiency and provide the best possible protection for people and property. SNCF has an internal security service of 2,800 people, the Surveillance Générale, spread throughout the country, who can intervene on behalf of all railway system players, in accordance with legislation.

### Railway security news in 2022

#### International Security Network

In July 2022, SNCF's Security Director was appointed Vice-Chairman of the International Union of Railways (UIC) Security Platform until 30 June 2024. He will then take over the presidency for two years. Through this appointment, SNCF will be able to share a wide range of analyses and practices and strengthen the network of railway security partnerships.

[To find out more > The UIC Security Platform](#)

#### The Security University

Located in Ermont-Eaubonne (95), this in-house organisation provides initial and ongoing training for operational railway security agents on all professional topics, particularly legal and societal, as well as intervention techniques and shooting. It is continuously adapting in order to train the large number of employees recruited in 2022 and 2023. The training organisation has now been Qualiopi certified by the Ministry of Labour.

#### Internal recruitment

The high standards of railway security in selecting its operational staff make recruitment difficult. In addition, other security actors (internal security forces, municipal police, private security companies) can poach Railway Security personnel to meet their needs for qualified employees. SNCF therefore seeks to retain its teams and to recruit on an ongoing basis. For example, in 2019 and 2021, the internal "Osez la Sûreté" operation helped to promote the missions of these employees and identify candidates from the SNCF group who are ready to work in this profession. These operations are part of the Solidarité

Emploi programme, which aims to help everyone find a place in the company.

### Campaign to stop insults against station and train staff

On 7 November 2022, SNCF Voyageurs launched a hard-hitting campaign calling for respect on trains and in stations, while its employees are victims of an average of 14 acts of verbal or physical violence per day (2021). The company is especially mobilised to fight against this phenomenon as it is growing, with work-related accidents with sick leave up by 9% by mid-2022 compared to 2021. Visible in the 11 largest French railway stations and on social networks, the visuals of this campaign have the following objectives:

- **Raise awareness** on this phenomenon, via an insulting comment already made to one of its employees - the rude words being "masked" but understandable to all.
- **Denounce** the seriousness of this violence with a common slogan inviting respect: "Vous trouvez ça violent ? Nous aussi !" (Do you think that's violent? So do we!).
- **And warn about** the risks incurred for insulting an employee: six months' imprisonment and a fine of up to €7,500.

This awareness-raising campaign is a demonstration of the SNCF's support for its employees and supplements various measures aimed at reducing offences. For example, the deployment of more than 1,800 body cameras worn by all accredited and volunteer agents helps to ease tensions by triggering recording. This usually defuses the critical situation.

[Find out more > The campaign against attacks and insults against SNCF employees](#)

### The prevention of anti-social behaviour by social mediation

The use of audio devices, keeping doors open, setting off alarm signals, smoking in stations or on trains, various forms of damage... Anti-social behaviour, even if it may appear harmless, disturbs travel and sometimes constitutes an obstacle to the use of public transport. The inconvenience caused is all the greater as it occurs in a confined environment.

To address this problem and provide customers with a climate conducive to travelling, SNCF deploys social mediators in stations and on board trains, via the Pimms Médiation structures in Lyon, Saint-Étienne, Bordeaux, Dijon, etc. Their missions are complementary to those of SNCF employees in the field (railway safety, train conductors, etc.). Through dialogue, mediators can encourage behaviour that is more compatible with the customs of life in society and, by calling people to order, also help to reduce fraud. Otherwise, railway security officers intervene to fine offenders.

In 2022, the mediators dealt with 67,000 incidents during their mission in stations and on trains.

Other SNCF partner social mediation structures carry out the same type of missions in the Grand Est and Provence-Alpes-Côte d'Azur regions and in the Île-de-France on the Transilien network.

### The fight against gender-based and sexual violence

#### Systems in place in the five railway companies of the SNCF group

SNCF continues to train its security agents in the fight against gender-based and sexual violence in order to better adapt the care given to victims, in support of the police.



The Security Department is responsible for steering the work of all five railway companies and, since 2021, has a dedicated officer for the fight against gender-based and sexual violence at the SNCF. Thus, in November 2022, Transilien, TER and Gares & Connexions rail security carried out a joint communication action. On this occasion, employees from these entities went to meet passengers to present the various systems in place, in conjunction with the organising authorities, such as the emergency hotline 3117 and 31177 for texting.

They are protected by other measures, such as the presence of agents in stations and on trains, trained to deal with violence, video protection, and the possibility of getting off on demand on night buses. In order to better characterise attacks, SNCF is experimenting with the inclusion of items on this type of violence in its evaluation tools: customer satisfaction survey, safety diagnostics, etc.

**Between January and November 2022, there were 235 arrests** for sexist and sexual offences, an increase of 29.1% compared to 2021. During the same period, 152 reports were issued for sexist offences against female passengers, an increase of 12.6% compared to 2021.

**For more details**, see Vigilance Plan, 3.3.3.

**At Keolis**

This public policy is a top priority for Keolis. In 2022, it resulted in a three-stage action plan:

- Continue to raise awareness and train all staff through two tools: dedicated sessions of the Stand'Up programme, to intervene safely as a victim or witness of street harassment, and the creation of a specific e-learning module.

- Sign a sponsorship agreement with the Fondation des Femmes to commit the Keolis group to the fight against violence against women and for gender equality in the long term.

- Deploy a preventive communication campaign in the subsidiaries aimed at passengers with the objective of condemning sexist insults.

In parallel with the Keolis action plan, several initiatives were launched on numerous networks in 2022 in France and abroad, such as the deployment of the "request stop" system on more than ten French networks.

**Involvement in schools to reduce risks and anti-social behaviour**

For more than 20 years, SNCF has been raising awareness of rail risks and civic behaviour among some 200,000 young people every year through the School Intervention system (IMS). Since 2006, SNCF has been working with the French Ministry of Education on the "Voyageur & Citoyen" programme, and intervenes in schools, colleges and high schools in the vicinity of railway premises, when risky or anti-social behaviour has been reported, or at the request of teachers or school heads. The initiative is run by 550 volunteer SNCF staff from all professions, who have been specifically trained to understand the public and the prevention messages to be conveyed according to their level of education. During the 2021-2022 school year, nearly 97,000 young people were reached in 1,200 schools.

In order to revitalise the system and return to the number of interventions of the pre-Covid period, the SNCF is working to:

- Facilitate contact with schools.
- Promote the commitment of SNCF employees and facilitate their availability.

- Better identify priority schools in relation to the safety issues encountered internally.

- Improve the impact of the Voyageur & Citoyen programme on secondary school students, and find out how the programme is perceived by national education staff and SNCF staff.

[To find out more > Interventions in schools](#)

**A Mission Mobility module in addition to the IMS**

In addition to the IMS, which reached more than 27,000 students in the Ile-de-France region in 2021-2022, the Mission Mobility module has been deployed among 300 students in secondary schools in priority urban districts. Objective: teach them how to use transport in the Île-de-France region, while delivering messages related to safety and citizenship. The next step is to support the pupils of the Cités Éducatives in Poissy and Nanterre, an educational scheme that brings together local elected officials, associations and government services.

**Support for homelessness in stations**

SNCF is attentive to the safety of everyone in stations. SNCF Gares & Connexions also ensures that people in very precarious situations are taken care of and cooperates with associations to set up appropriate prevention and social intervention measures.

In 2022, 59 stations benefited from this system for dealing with homelessness and 56 target agreements were signed with partner associations throughout the country.

**For more details**, see Vigilance Plan, 3.2.3.

Key indicators

|                                                                                                     | Dec 2019 to Nov 2020 | Dec 2020 to Nov 2021 | Dec 2021 to Nov 2022 |
|-----------------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|
| Physical attacks on customers and SNCF employees and simple theft against customers (number) - SNCF | 9,257                | 11,642               | 14,973               |
| Malicious acts against property and financial assets (number) - SNCF                                | 17,793               | 19,984               | 21,479               |
| Anti-social behaviour and breaches of legislation (number) - SNCF                                   | 267,234              | 368,271              | 333,654              |

**4.3 PROVIDE A SUSTAINABLE NETWORK FOR THE REGIONS**

**4.3.1 Context**

More than a means of transport, the freight or passenger train is a real lever for regional development and revitalization. At the end of the health crisis, SNCF wishes to strengthen its partnership strategy with each region and drive each region's economic recovery. This notably involves accelerating renovation and optimising the service offer of the backbone network as well as of the network of minor historical regional lines.

**4.3.2 Our commitments**

- To work alongside the State, the Regions and the local authorities in order to continue the effort to renovate and modernise the backbone network over the long term.
- To preserve, at the instigation of the State and the Regions, the rail service in the network of territories, through the network of minor regional lines.

**4.3.3 Policy and actions**

With 28,000 km of track and numerous ground installations (signalling stations, switches, etc.), the French rail network requires constant renovation and modernisation. These works are carried out as a priority

on the so-called backbone network, where there is a lot of traffic (high-speed lines, conventional lines), but also on the minor regional lines. With various functionalities (peri-urban and inter-city links, low-density regional services, etc.) and uses (types of trains, number of journeys, etc.), the minor historical regional lines have been the subject of increasing investment over the last few years, both in terms of service offer and infrastructure renovation.

### Investments

Investment in the network increased from €900 million in 2005 to almost €2.6 billion in 2015 and €2.8 billion in 2021. This renovation effort has essentially made it possible to delay the ageing of the tracks. To stabilise the entire network, the State and SNCF Réseau are planning an investment budget close to €2.9 billion per year on average for the duration of the contract.

In 2021, SNCF Réseau invested €437 million for the renewal of minor historical regional lines, i.e. double the annual average for the 2015-2018 period. The investment trajectory has been affected by the pandemic and the international crisis due to the war in Ukraine: in 2022, the volume of investment was €350 million, with a projected return to the trajectory at €600 million per year from 2025-2026. In addition, there are currently 14 minor historical regional lines. They will be reintegrated into the budget for the backbone network, with a total budget of €638 million between 2024 and 2030.

### State-region memoranda of understanding

This dynamic is based on the State's action plan with the region which is broken down into MOUs between the State and the regions for each territory, defining in particular the rules for financing the lines.

By the end of 2022, eight memoranda of understanding had been signed with the Centre-Val de Loire, Grand Est, Provence-Alpes-Cote d'Azur, Bourgogne-Franche-Comte, Nouvelle-Aquitaine, Pays de la Loire, Hauts-de-France and Occitanie regions. Two others are in the negotiation phase (Auvergne-Rhône-Alpes, MOU dedicated to the Aubrac/Cévenol line) and one is waiting to be signed (Normandie).

### The revival of minor historical regional lines

To help the financial effort, the rail component of the Government Recovery Plan allocates €620 million to minor historical regional lines, including €300 million in direct State grants for the project and €320 million allocated to SNCF Réseau. It will be combined with the commitments of many regions and contractualised in the next State/Region plan contracts (CPER) for the period 2023-2027.

### Partnership approach for the transfer of infrastructure management missions

Regions wishing to benefit from the possibility of transferring infrastructure management missions introduced by Article 172 of the French Mobility Law (LOM) can apply for this since the publication of implementing decree no. 2020-1820 of 29 December 2020, which defines the implementation framework.

SNCF Réseau is developing a partnership approach to build, with the State, the regions, local authorities and operators, an adapted and innovative response for each line, by providing the necessary data and building future interfaces. The aim is to develop optimal solutions for quality of service while guaranteeing safety.

The first region to have taken this step is Occitanie. Since September 2021, it has been authorised to take over the management of the Montréjeau-Luchon line, which was transferred on 31 December 2022, and the Alès-Bessèges

line, which will be transferred by 2024, with a view to reopening these lines. Exchanges were also very active with the Grand Est Region prior to the launch of its calls to tender for the first lines whose management it wishes to take over. The formalisation is expected between late 2022 and mid-2023.

The year 2022 is also marked by the initiation of three line ownership transfers:

- Two lines not in use for freight projects: Agen - Auch and Tarbes - Bagnères-de-Bigorre.
- A minor historical regional line for conversion to a tram line: Harfleur - Rolleville.

These transfers are governed by a framework close to that of Article 172 of the LOM.

### 2022 key figures for minor historical regional lines - SNCF

- 42% of the national rail network.
- 80% single-track lines.
- 85% of lines not electrified.
- Average age of 37 years.

### A guide to rethinking minor historical regional lines

Since September 2018, SNCF Réseau has published a guide offering its stakeholders a new approach to building a future for "minor railway lines". This guide outlines solutions to optimise the costs of renewal and management. Updated regularly, it is based both on a method to better define the characteristics of line renewal (mobility needs to be met, definition of services, proper sizing, etc.) and on a series of optimised technical solutions, by theme. The result is a range of operations ranging from the use of the "factory train" to specific solutions providing for the reuse of tracks and the reduction in the number of sleepers.

[More information > Guide to the minor historical regional lines](#)

### Examples of modernisation projects

#### Modernisation of the Saint-Pol-sur-Ternoise railway hub (Hauts-de-France)

The Saint-Pol-sur-Ternoise (62) railway hub is built around three branches: Saint-Pol-sur-Ternoise - Étaples to the west, Saint-Pol-sur-Ternoise - Béthune to the north, and Saint-Pol-sur-Ternoise - Arras to the east. With an average of 460 passages per day in Saint-Pol station, the railway hub plays an essential role in the development of the region. Built in the 1950s, all three lines were in need of modernisation.

The Hauts-de-France Region, the State and SNCF Réseau launched the work in October 2019, with a gradual return to service of the three lines until September 2022. The programme consisted of track, rail and ballast regeneration and the renovation of level crossings, engineering structures and station platforms. A total of 130 km of track has been renewed, for an amount of €98.1 million included in the CPER (2015-2022). This modernisation will improve passenger comfort, maintain all services and ensure the line's sustainability for the next 30 years, thus contributing to increasing the attractiveness of the region.

#### Modernisation of the Joué-lès-Tours - Loches line (Centre-Val de Loire)

The Joué-lès-Tours - Loches (37) line, which opened in 1878, has 10 stations and serves the Indre valley. Due to its age, the line had been subject to speed limits since 2006 and was in need of modernisation. The work included the replacement of all the rails, sleepers and

ballast over a 27 km stretch, nine rail bridges, the renovation of hydraulic and earth structures, the renewal of 35 level crossings, and the adaptation of signalling to allow traffic to return to nominal speed.

Completed in the summer of 2022, this work has brought the speed back up to pre-2006 performance. In addition, the service has been doubled since the end of August 2022 with six TER return trips compared to three previously.

This work, entirely financed by the Centre-Val de Loire Region at a cost of €36 million, will also ensure that the infrastructure between Joué-lès-Tours and Reignac is sustainable for around 15 years.

**Regeneration of the Alps line (Auvergne-Rhône-Alpes / Provence-Alpes-Côte d'Azur)**

The Alps line links Grenoble (38) to Veynes (05). It underwent a major regeneration in 2022. The dilapidated state of this mountain line, which rises to an altitude of 1,167 m, meant that it was no longer possible to guarantee the level of performance and safety expected of the rail network using conventional maintenance methods.

In order to restore rail traffic on this route, major work was carried out with a total closure of the line. It was necessary to renew 17 km of track, reinforce 25 engineering structures, including tunnels and viaducts, and replace signalling cables. To prevent rock falls, fences and protective screens have been installed on some rock faces.

The work was carried out jointly in the neighbouring regions of Auvergne-Rhône-Alpes and Provence-Alpes-Côte d'Azur. The cost of the project is almost €35 million, financed by the State, the Auvergne-Rhône-Alpes and Provence-Alpes-Côte d'Azur regions, the Isère, Drôme and Hautes-Alpes departments and SNCF Réseau. The site benefited from the government's 2020 Recovery Plan.

[Find out more > Maps of the main railway projects in 2022](#)

**4.4 REINVENT PASSENGER AND FREIGHT MOBILITY**

**4.4.1 Context**

Climate change, competition between different modes of transport and the intensification of trade are changing the contours of mobility for travellers and loaders, with a growing demand for environmentally friendly and fluid mobility. Aware that the development of low-carbon transport is a major challenge for the ecological transition, the SNCF group is adapting its services to ensure responsible door-to-door links across France and Europe. For everyday journeys, it is developing, with the transport authorities, active mobility such as cycling, in intermodality with the train, tram or bus, in line with the objectives set by the French Mobility Law (LOM).

**4.4.2 Our commitments**

– Respond to new lifestyles and changing consumption and production patterns by facilitating the combination of transport modes.

– Decarbonise mobility and develop the use of bicycles combined with trains, contributing to the national objective of tripling the modal share of bicycles from 3% to 9% by 2024.

**4.4.3 Policy and actions**

In a context combining inflationary crisis and climate emergency, SNCF is committed to reinventing passenger mobility to make it shared and sustainable. The company thus proposes new offers adapted to the needs of each customer and region, highlighting the advantages of trains, whether daily, tourist, international or night trains. These

offers highlight its intermodality with the bicycle, bus, tram or plane to ensure door-to-door travel.

**The SNCF "cycling" stakeholder committee**

Committed alongside the State and transport authorities to triple the modal share of cycling by 2024 (LOM law), SNCF set up a "cycling" stakeholder committee in 2021. The aim is to work with 14 cycling and environmental associations to develop relevant solutions for developing the use of bicycles combined with trains. This commitment continued in 2022 with initial results, such as a significant increase in the number of secure bicycle shelters and the carriage of unmounted bicycles on long-distance trains.

**2023 outlook**

In 2023, the aim is to design a bike welcome label in the form of quality standards, to indicate the welcome reserved for cyclists to and in the station. In addition, it is planned to compile an inventory of the bicycle offer on all types of trains, if possible by line, for the summer of 2023 and to improve, with the regions, the TER compulsory reservation system during peak periods.

**Stations as hubs for sustainable mobility**

SNCF Gares & Connexions aims to promote active and shared mobility, particularly cycling, in order to offer an ecological door-to-door transport solution.

Its strategic plan includes the objective of having 90,000 bicycle parking spaces around stations by 2030. There are currently nearly 30,000 bicycle spaces in the vicinity of the 1,075 largest stations in terms of passenger numbers. Under the LOM law, thanks to funding from the State and the mobility organising authorities, 20,000 new spaces will be installed by SNCF Gares & Connexions by 2024.

**Key indicator**

|                                                         | 2020   | 2021   | 2022   |
|---------------------------------------------------------|--------|--------|--------|
| Number of secure bicycle parking spaces (number) - SNCF | 20,254 | 27,010 | 30,366 |

**To encourage the use of bicycles, various services are offered in addition to parking:**

bicycle pumps, self-repair stations, electric recharging stations, micromobility lockers, etc.

Information on cycling is being strengthened, thanks to digital tools such as the "My station" application. It integrates new functionalities such as the location of services dedicated to active mobility or the calculation of cycling routes to and from the station.

SNCF Gares & Connexions is also developing an innovative train + bike offer to develop bike rental in stations, in association with the public authorities, the Federation of Bicycle Users (FUB) and the Academy of Active Mobility (ADMA).

In addition, one-off initiatives are offered to passengers in certain stations. In 2022, Transilien SNCF once again offered residents of the Ile-de-France region bicycle repair workshops between May and October in 28 stations, eight more than in 2021.

At the end of 2022, the Place de la gare programme, which aims to develop vacant spaces inside stations, hosted 24 projects related to cycling: bicycle cafés, bicycle rental, maintenance and repair workshops.

**Keolis**, the SNCF Group's public transport subsidiary, offers 35,000 bicycles in 45 regions and 7,000 bicycle parking spaces in some 25 French cities.

[To find out more > Bicycle parking in Ile-de-France stations](#) -



## An increasing number of bicycles on board

In all TGVs, bicycles that are dismantled and placed in a cover can now be taken as luggage. In 2021, 37% of the 319 INOUI TGV trains were able to carry 2 to 4 undismantled bicycles. The capacity was increased in 2022 to 43% of fleet; it will reach 48% of the TGVINOUI fleet in 2023. For OUIGO trains, the new "Train classique" offer has provided two spaces per coach since spring 2022.

– On TGVs, a total of more than 67,000 bicycle seats had been sold by 8 December 2022, an increase of 34% compared to 2021.

– On OUIGO Train classique, 6,074 undismantled bicycle options were sold between 11 April and 31 December 2022, whereas the new low-cost offer only concerned four spaces until the end of July. There are now eight, with a possible increase to 16.

– On the INTERCITÉS lines, the Nantes <> Bordeaux and Nantes <> Lyon trains, in particular, have six spaces per coach and 12 when they are doubled. In 2022, more than 54,000 bicycle spaces were sold, i.e. 28% more bicycle reservations than in 2021. All night routes now have a minimum of two bicycle spaces.

– Lastly, 95% of TER trains have dedicated spaces for bicycles, with an average of six spaces per coach.

[To find out more > How to travel by train with your bicycle](#)

### TER's extended bicycle offer

TER, in conjunction with SNCF Gares & Connexions, supports the regions in their strategy to develop both everyday cycling and cycle tourism.

SNCF has provided 25,000 bicycle parking spaces in the vicinity of TER stations and is developing secure parking solutions or the provision of bicycles with SNCF Connect.

During the summer, a partnership with France Vélo Tourisme provides a rental service near stations. And to meet peak demand, the SNCF is increasing the number of bicycle spaces on board by reconfiguring the interior of trains.

On the "Vélocyssée", for example, in the Nouvelle-Aquitaine region, up to 14 TERs can accommodate 25 bicycles per day during the summer instead of the average of six.

Following its success, this solution has since been gradually extended to the regions of Bretagne, Auvergne-Rhône-Alpes, and Normandie.

[To find out more > TER + Bicycle Service](#)

The Pays de la Loire Region has invested €156 million in "Jumbo vélo" trains equipped with modular zones, enabling the number of bicycle spaces to be increased from 33 to 83. Every summer, the Loire à vélo train, thanks to a partnership between the Pays de la Loire and Centre-Val de Loire regions, transports more than 17,000 bicycles between Orléans and Le Croisic. It is fully integrated into the tourist system of the "[Loire à vélo](#)" cycle route.

Finally, to ensure that no customer is left stranded, the regions of Bretagne, Pays de la Loire, Centre-Val de Loire, Auvergne-Rhône-Alpes, Provence-Alpes-Côte d'Azur and Occitanie have introduced a compulsory reservation system for undismantled bicycles (free of charge or up to €3 depending on the region). In addition, since 2022, TER has been offering an interactive map with bicycle rental and repair shops on the various routes and a "TER loves cycling" guide.

[To find out more > TER, all our offers for cycling](#)

## Cycling routes

### New Trains d'Équilibre du Territoire (TET) agreement

Signed in March 2022, the new operating agreement for the public service of the Trains d'équilibre du territoire (TET) is supported by the State, as the organising authority for the TET, and SNCF Voyageurs through the INTERCITÉS offer. This ten-year agreement aims to develop rail services, both day and night, in order to improve services to the regions while preserving the environment. This network, consisting of three main lines, four regional lines and four night lines, represents about 90 trains per day, carrying 9 million passengers per year. The aim is to increase the number of passengers carried by TETs by 20% by 2032.

[To find out more > The TET operating agreement](#)

### Development of night trains

Thanks to the government's 2020 France Relance Plan, which provides for a €100 million budget for the development of night trains in France, night services are being given a new boost and can meet the needs of serving landlocked areas. They are also increasingly popular for travel throughout France and Europe.

**A Paris-Lourdes night train to Hendaye.** During the 2022 summer holidays, SNCF Voyageurs extended the Paris<>Lourdes night train service, launched at the end of 2021, to the Basque region. This INTERCITÉS service offered a daily return trip between Paris and Hendaye via Lourdes, serving the towns of: Pau, Orthez, Dax, Bayonne, Biarritz, Saint-Jean-de-Luz and Hendaye. The Paris<>Lourdes/Hendaye completes the existing night train offer in France with Paris <> Toulouse, Paris <> Rodez / Albi, Paris <> Latour-de-Carol / Cerdère, Paris <> Briançon and Paris <> Nice.

**The Paris-Nice night train, a runaway success.** Since its reopening in May 2021, the Paris<>Nice sleeper train has carried over 100,000 passengers in one year. The low prices and services offered appeal to a young, family-oriented clientele who want to travel easily, without having to take a car or plane. More than one in three passengers on the Paris<>Nice night train is under 26.

As regards cross-border lines, in addition to the Paris<>Vienna line created in December 2021, a new Paris<>Berlin night link is planned for December 2023.

### Eurostar-Thalys merger for a new offer

This alliance, approved by the European Commission at the end of March 2022, has been given concrete form in a holding company called "Eurostar Group". It is owned by SNCF Voyageurs (55.75%), the Caisse de dépôt et placement du Québec Group Infrastructures Inc. - CDGPI (19.31%), SNCB (18.5%) and funds managed by Federated Hermes Infrastructure (6.44%). Based in Brussels, the company holds 100% of the shares in Eurostar International Limited (Eurostar) and THI Factory SA (Thalys), which remain fully-fledged railway undertakings in London and Brussels respectively. A new CEO was appointed in October 2022 to lead the new group.

Eurostar Group will offer the largest international high-speed network in Western Europe under a single brand from September 2023: Eurostar. Therefore, Thalys is now labelled "Member of the Eurostar Group". The holding company's ambition is to reach 30 million passengers per year by 2030, compared to 18 million customers in 2019.

[Find out more > Eurostar - Thalys](#)

### 15 years of high speed between Germany and France

For 15 years, the two companies have been pooling their know-how to offer the best in French and German high-



speed rail. This collaboration has accelerated cross-border cultural and professional exchanges between the two countries. For example, since 2007, 25 million passengers have travelled between Germany and France by TGV or ICE. The two companies, which position themselves as the benchmark for environmentally friendly mobility in the future, want to continue their cooperation. Their ambition is to expand the European rail offer. For example, a direct high-speed link between Berlin and Paris is under consideration.

To find out more > [Europe at high speed](#)

#### Train + plane: digital ticket

In November 2022, the SNCF and 12 partner airlines launched digital tickets that allow passengers to combine travel by TGV and air via the Paris airports of Orly and Roissy. Until now, the 300,000 passengers who use it each year had to collect their SNCF ticket at the station. It includes support for travellers in the event of train or plane delays.

#### A light train to revive the small lines...

In 2022, the SNCF, together with 10 other partners, created the innovative Light Train consortium (TLi) to enhance the TER offer in rural areas and limit the use of the car. The aim is to build a modular and simple rail system that will revitalise less frequented lines by offering more services at controlled costs.

By adapting to the level of all platforms, the TLi also allows people with reduced mobility (PRM) to travel on the 9,000 km of lines. Thanks to its modularity, it meets different local needs: bicycle transport, micro-freight, etc.

To find out more > [The innovative light train](#)

#### ... and other solutions to connect regions to the train

Faced with the isolation of rural populations and the difficulty of reopening small lines with low passenger volumes, SNCF and its partners are developing "Flexy". This futuristic rail shuttle system will run on rails as well as on roads and will provide a link to the nearest station.

Finally, to meet the needs of citizens while reducing the carbon footprint, SNCF wants to use station land to develop reverse mobility. The aim is to encourage the establishment of health centres, post offices, public and administrative services, shops, etc. within the regions.

To find out more > [Mobility in the regions](#)

## 4.5 REBALANCE THE SHARE OF RAIL IN FREIGHT

### 4.5.1 Context

Faced with the constant increase in the flow of goods, the development of rail freight is a solution to meet the ecological challenges of the regions and the needs of economic players, particularly due to its complementarity with other modes of transport. This is the belief of the European alliance "Rail Freight Forward" and its French counterpart "4F" (French Rail Freight of the Future) of which SNCF is a member.

To find out more > [Rail Freight Forward](#) and [Alliance 4F](#)

### 4.5.2 Our commitments

Propose low-carbon rail solutions to shippers and carriers to help double the modal share of rail freight

- from 9% in 2020 to 18% in 2030 in France.
- from 18% to 30% at European level.

### 4.5.3 Policy and actions

Thanks to the synergies and complementarities mobilised between the different entities of Rail Logistics Europe, the SNCF rail transport and logistics activities can offer

shippers various end-to-end transport solutions, in France and throughout Europe.

#### Created in early 2021, Rail Logistics Europe brings together five companies:

- Fret SNCF, the leader in rail transport in France (individual wagons and bulk trains).
- The CAPTRAIN rail network and its European subsidiaries.
- VIIA, the rail motorway operator, transporting semi-trailers or containers by train.
- NAVILAND CARGO, the European leader in combined maritime transport.
- FORWARDIS, freight forwarder, expert in rail and the multimodal transport chain.

To find out more > [Rail Logistics Europe](#)

Together with the other railway companies of the 4F alliance, Rail Logistics Europe contributes to decarbonising freight transport in France. After having successfully mobilised in 2021 to include the objective of doubling the modal share of rail freight included in the Climate and Resilience Act, Alliance 4F has largely inspired the national strategy for the development of rail freight presented by the Government in September 2021. It also proposed and co-signed with the State, SNCF Réseau and the shippers of AUTF (Association des utilisateurs de transport de fret), a pact for the development of rail freight setting out concrete objectives and a method for implementing this strategy. Thus, with the first investments in 2021 of the government's recovery plan for the development of rail freight, the alliance intends to participate actively in accelerating the country's energy transition.

These measures come against a background of high shipper satisfaction with freight in 2020 and 2021, reflected in an increase in intentions to use the rail mode. Combined with the dynamism of the Rail Logistics Europe companies, these support measures have enabled the modal share of rail freight in France to rise from 9.6% in 2020 to 10.7% in 2021 (source ART).

#### 2023 outlook

Despite a complex economic context, given the threat of recession to industrial activity in Europe, new initiatives will be taken in 2023 to strengthen the services of Rail Logistics Europe's activities, as the National Rail Freight Development Strategy continues to be rolled out.

- At Fret SNCF, for example, the growth prospects in tonne-kilometres for single wagons and half-trains are 20% between 2021 and 2025.
- VIIA has launched new services from Sète to Calais and Valenton. In 2023, the gradual increase in frequencies on this link will make it possible to anticipate the launch of the multimodal terminal on the Sète site, for full operation from 2024.
- NAVILAND CARGO is planning to open a new multimodal rail-road platform in the Centre-Val de Loire (Tours / Saint-Pierre-des-Corps). Objective: to connect the port of Le Havre and offer a new service to its customers in areas that are currently only accessible by road.

#### Overview of investment for freight

Decided in 2020, the rail freight recovery plan provides for €1 billion of investment in the infrastructure used by rail freight services by 2024. In October 2021, it led to the signing of the first four State financing agreements with SNCF Réseau, in the presence of Alliance 4F. Totalling nearly €50 million, they will be used in particular to:

- Accelerate the renewal of sidings, which are essential for a more robust rail freight operation.
- Launch studies to
  - firstly, develop the infrastructure of the Boulou rail terminal towards the Perpignan <> Figueras international line and increase freight traffic to Spain, which is still mainly by road.
  - secondly, to increase the electrical capacity of the main French route between Dijon and Lyon and thus accommodate longer and heavier trains.
- Develop services, such as a digital offer to automate the ordering of train paths to respond more reactively to the needs of railway undertakings.

### The pact to double the modal share of rail freight

These investments are also in line with the National Strategy for the Development of Rail Freight (SNDF), which plans to double the share of rail in freight transport in France from 9% to 18% by 2030. This national strategy, presented by the Ministry of Transport in September 2021, takes up the main recommendations of the 4F alliance report, which focuses in particular on the complementarities between the different modes of transport (rail, road, river and sea). It includes the implementation of an annual support plan for the sector of €170 million until 2024 as part of the recovery plan. This aid will make it possible to support the strategic single wagon activity (€70 million), combined transport and rail motorways (€35 million), but also to strengthen the competitiveness of the mode by reducing tolls (€65 million). They should be extended until 2027.

The presentation of the SNDF was followed by the signing of a pact between the State, SNCF Réseau, Alliance 4F and the AUTF shippers. Through this unprecedented approach, all the signatories commit to objectives and a method that will enable them to respond concretely to the four challenges of the national strategy:

- Ensure the sustainability of the business model.
- Improve the quality of service.
- Strengthen the performance of infrastructure.
- In particular, develop coordination with the port and waterways.

Thus, in keeping with the aid measures announced in the summer of 2020 and those included in the 2021 finance law, the new strategy provides for an additional annual budget of €170 million until 2024 for operators.

To find out more > [Report on the doubling of the share of French rail freight](#)

### What's new in 2022 to avoid "all-road" freight transport

Rail Logistics Europe (RLE) actively contributed to the French DAC (Digital Automatic Coupling) trials. A demonstration with the German railways took place at Strasbourg station in June 2022. This technology, which is being developed at European level, aims to facilitate manoeuvring at marshalling sites, speed up the operations carried out by agents and facilitate cross-border trade and flows. This innovative coupling system makes rail freight more competitive and therefore more attractive to accelerate the modal shift from road to rail.

In addition, RLE activity updates include:

- **VIA with its company VIA Connect won the operational management of the future multimodal terminal of the port of Sète.** Located on a six-hectare site and based on the latest technology in the sector, it will cater for almost all semi-trailers on the market and will

allow them to be loaded and unloaded horizontally within a short time. It is a response to the logistical challenges of shippers and transporters in terms of modal shift from road to rail.

- **VIA also started its new rail motorway service between Occitanie and Île-de-France in November 2022.** Initially, there will be three round trips between Sète and Valenton, which will gradually increase to six weekly round trips.

– **VIA has also relaunched its rail motorway service between Barcelona and Bettembourg,** in collaboration with CAPTRAIN España for the traction on Spanish territory and Fret SNCF for the French section. With five round trips per week between Spain and Luxembourg, these trains carrying 20 semi-trailers and 22 containers will avoid the emission of nearly 22,000 tonnes of CO<sub>2</sub>e per year compared to 100% road transport.

– **Fret SNCF, for its part, has signed a three-year contract with cement manufacturer Vicat** for a flow that will avoid the movement of 2,800 lorries each year, i.e. the emission of 700 tCO<sub>2</sub>e. Capacity management has made it possible to meet expectations, with the transport of wagons at a flexible frequency, adapted to Vicat's industrial and logistical production.

### An example of group complementarity

**Fret SNCF and CAPTRAIN Italy have been chosen by Novatrans** to operate a combined transport flow (trucks or containers on trains) of 3,500 tonnes of goods per week between Île-de-France and Italy. This new offer on the Franco-Italian combined transport market is marketed by the major multimodal player Geodis, which has entrusted Novatrans with the rail part. Novatrans then relied on Fret SNCF to provide end-to-end transport between Noisy-le-Grand (93) and Novara (Italy) via Basel (Switzerland), with CAPTRAIN Italy providing the final leg.

**GEODIS is thus continuing to develop road-rail solutions in Europe with the inauguration of this new line** in early 2022. On its dedicated route, GEODIS provides six round trips and offers a loading capacity of 240 Intermodal Transport Units (ITUs) per week, representing a reduction of up to 75% in greenhouse gas emissions. This new France-Italy route is part of the low-carbon development strategy of the GEODIS road transport sector. More than 100 trains per week run on the European network.

### The rail freight and combined transport campaign

A viral video campaign on rail motorways launched in 2021 continued into 2022. The first film features the testimony of a logistics expert explaining why the future of logistics lies in combined transport.

A second film features a road haulier promoting the benefits of rail motorways for the ecology and living conditions of lorry drivers. It has had over one million views and over 43,000 interactions.

To find out more > [The Rail Motorways campaign](#)

### A comic to explain the advantages of rail freight

After having made the presidential candidates aware of the advantages of rail freight through the publication of a commitment charter, Alliance 4F wanted to make the general public aware of the challenges of this low-carbon mode of transport through 10 comic strips. This free comic book was created with the help of the cartoonist JUL and is entitled "Le fond de l'air est fret". It was presented at the Angoulême Comics Festival, then distributed to the press, on social networks and to government and parliamentary teams.

To find out more > [The "Le fond de l'air est fret" comic book](#)

## 4.6 PROVIDE ACCESSIBLE MOBILITY FOR ALL

### 4.6.1 Context

Making the train more accessible to all categories of travellers has become a vital issue at a time when competition is being opened up and low-cost services are being introduced, even as the health crisis has changed travel habits. SNCF Voyageurs is responding with an adapted offer, in a context marked in 2022 by inflation and rising energy prices.

### 4.6.2 Our commitments

- Listen to the needs of all our customers and facilitate their mobility needs.
- Develop personalised mobility offers at affordable prices.

### 4.6.3 Policy and actions

The year 2022 was marked by a strong return to the train for both leisure and business travellers. Indeed, SNCF saw a record number of passengers, particularly during the summer holidays, with 10% more passengers than in 2019. Despite a slowdown in business travel due to the development of working from home, 85-90% of customers in this market have returned to rail compared to 2019. This trend was confirmed in the autumn, due to the combined effect of businesses no longer prioritising "virtual meetings" and a new adapted commercial policy.

In 2022, the context of high inflation accentuated the need for mobility at more affordable prices. To enable as many people as possible to travel, SNCF decided not to raise its prices in 2022 and maintained its low-cost policy with:

- The continued development of OUIGO: opening of two new OUIGO lines in France, a second line in Spain and the extension of OUIGO to classic trains in 2022.
- The Avantage programme with over 3.5 million card holders at the end of 2022.

Regarding the TER, fares are the responsibility of the regional transport authorities. Almost 86% of TER customers benefit from reduced fares and an occasional TER customer pays an average of €10.5 for a journey.

### Fare shield 2023 for TGV and INTERCITÉS

Despite a sharp increase in costs of almost 13% from the end of 2022 for the TGV, SNCF Voyageurs decided in November 2022 not to pass on this increase in prices paid by passengers and announced the introduction of a fare shield for high-speed and INTERCITÉS trains.

This decision limits the increase in the average price paid by travellers to 5% from 10 January 2023, which is below inflation. This fare shield also aims to protect leisure and price-sensitive travellers: holders of the Avantage card and OUIGO travellers are not affected by the increase.

The fare policy is evolving in the same way for INTERCITÉS trains and international services.

### Long-distance fares for all

One year after its launch in June 2021, the new Avantage long-distance fare offer has been able to meet the different expectations of the French people, offering in particular:

- A simpler and more advantageous loyalty programme for frequent travellers and the Avantage card, which offers last-minute discounts and capped prices on INOUI TGVs in France and Europe and on INTERCITÉS: 3.5 million cards sold.
- The Max Actif subscription for teleworkers (250 or 450 journeys per year) which has doubled the number of Max

Professionals subscribers: from 5,000 in 2021 to 13,000 in 2022.

**Senior offer.** In 2022, the range of fares was extended with the Max Senior season ticket for the over-60s, which allows them to travel anywhere in France in 2nd class on weekdays, outside peak periods, for €79 per month. The Liberté card for business travellers in France and Europe now includes all the benefits of the Avantage card at the same price.

To find out more > [Cards and subscriptions](#)

### OUIGO is developing in France...

After 10 years of OUIGO high speed, in April 2022 SNCF Voyageurs launched its new OUIGO Train Classique offer to 14 destinations and on two lines: Nantes-Paris-Nantes and Lyon-Paris-Lyon. This new low-cost travel offer, fixed until departure, between €10 and €30 maximum, is carried out on classic speed lines, with refurbished Corail trains with a pink coating. These new lines strengthen OUIGO's presence in the regions, complementing all other trains. Economical and equipped with eight bicycle spaces, they give French people yet another opportunity to prefer the train to the road, while taking their time. In 2022, more than one million tickets were offered to travellers, 60% of which were for €19 or less. This offer enabled SNCF Voyageurs to win the 1st Good Economie Award in the "Fight against global warming" category in 2022. This award rewards the best initiatives of companies committed to an ecological, social and solidarity-based transformation of their activities.

To find out more > [Grand prix de la Good Economie 2022 ...and in Spain](#)

After launching Madrid-Barcelona in May 2021, OUIGO Spain opened the Madrid-Valencia route in October 2022. A new step for the low-cost high-speed OUIGO España offer, which has already benefited more than 3 million passengers in less than a year and a half. The low prices, with tickets starting at €9, have made it possible to reach families and the under-45s in particular, who used to travel seldom or not at all by train before OUIGO España. The launch of this new offer, which is accessible to all budgets, is therefore a new impetus to promote train travel in Spain. After Barcelona and Valencia, OUIGO España will open a new route to Alicante in the first half of 2023, with a stop in Albacete. Next, OUIGO España will arrive in Andalusia with Madrid-Seville.

### TER novelties adapted to all uses

TER is innovating and developing different systems to better adapt to the demands of the regions in terms of pricing.

– **Post-payment in Nouvelle Aquitaine.** Launched at the end of 2021, the FlexTer experiment has been extended to the whole region since April 2022. The FlexTer application, the first in France for rail transport, allows you to travel on the TER without having to buy a ticket or season ticket in advance. This means that the customer who uses the region's lines is charged at the end of the month at the best rate corresponding to their use. They are therefore guaranteed to pay the best price.

– **Telework subscription.** To adapt to new uses such as the development of home working, several regions have introduced more flexible subscriptions.

– **New "+=0" offer in Occitanie for young people between 18 and 26 years old.** After the experiment conducted with 2,000 young people in 2021, the Region has generalised this offer on its liO network, which offers a 50% discount for up to 10 journeys per month and free travel from the 11th journey. In one year, more than



50,000 young people have chosen this formula, which could be extended to other regions.

To find out more > [Flexter, +=0, Offer 1<sup>st</sup> weekend of the month](#)

## 4.7 PROMOTE ACCESS TO INDEPENDENT MOBILITY

### 4.7.1 Context

The law of 11 February 2005 on the fundamental rights of people with disabilities makes accessibility part of the SNCF Group's strategy. The need for independent mobility is growing with the ageing population. Today, nearly 40% of travellers in France are permanently or temporarily disabled. In addition to adaptation work, SNCF and its subsidiaries are developing services to facilitate access to public transport.

### 4.7.2 Our commitments

– Cover 736 stations and stops in France over the 2016-2025 period as part of the commitments made in the Programmed Accessibility Agendas (Ad'AP), launched by the State in 2014.

– Roll out the National Accessibility Master Plan - Programmed Accessibility Agenda (SDNA-Ad'AP) which concerns national rail services, validated by order of the Minister of Transport, published in the Official Journal on 18 September 2016.

– Develop digital accessibility to SNCF media, particularly for visually and hearing impaired customers.

### 4.7.3 Policy and actions

For more than 15 years, SNCF has been multiplying its actions to enable everyone, including people with disabilities and reduced mobility, to travel in optimal conditions of accessibility and comfort. Since 2014, the Ad'AP scheme has provided for work to be carried out at several levels to make platforms and passenger buildings accessible: pathways ticket offices or information and sales areas, etc. With the help of funding from the transport organising authorities and the State, SNCF has undertaken to perform accessibility work at 736 stations and stops in France by 2025.

#### Development of services for people with reduced mobility (PRM)

Furthermore, SNCF provides various assistance services to help passengers on and off trains. Staff in contact with customers in stations and on trains, including railway security staff, have been trained since 2006 in the specific needs of people with disabilities and reduced mobility.

Progress is also being made to make applications and websites accessible to all. In April 2021, SNCF took stock of all the improvements made in this area during World Mobility and Accessibility Day.

#### An ambitious programme to make stations and trains accessible

Accessibility covers several dimensions: stations, trains, assistance services and passenger information. The accessibility master plans, drawn up following the 2005 law, were amended in 2016 via the Ad'Ap, which extend the transport accessibility strategy until 2025. They represent €3.2 billion for station accessibility.

**Railway stations.** At the end of 2022, work had been completed in 58% of the 736 stations and stops to be made accessible by 2025:

– In Ile-de-France, 134 out of 209 stations are already accessible to all, i.e. 64%.

– Excluding Ile-de-France, more than 290 stations are being treated, i.e. 55% of stations planned by 2025, for an overall budget of around €2 billion. The State is also stepping up its participation in these projects as part of its rail recovery plan, with €120 million to speed up work to make stations accessible.

The context of the health crisis in 2020 and the war in Ukraine at the beginning of 2022 had a strong impact on the scheduling of the works. With the shortage of raw materials, tensions in the construction industry, and limited rail capacity as a result of the numerous works planned on the network, the 2025 target will probably not be met. However, SNCF is continuing to work to complete all programmes after this deadline.

#### Key indicator

|                                                           | 2020 | 2021 | 2022 |
|-----------------------------------------------------------|------|------|------|
| Rate of progress in making stations accessible (%) - SNCF | 45   | 52   | 58   |

**Trains.** SNCF is improving the quality of train accessibility as it renovates and orders new equipment. It takes into account the regulations and feedback from associations representing people with disabilities (PWD) and people with reduced mobility (PRM). For example, for the TGV M, the associations were asked to participate in the design of the train, to improve its accessibility when it enters service in 2024 and to offer greater autonomy to wheelchair users.

#### Passenger assistance

The assistance service is offered in almost 900 stations to accompany customers from the station to their seat on the train and vice versa on arrival. In 2022, 783,000 assistance services were provided in stations. This is 35% higher than in 2021, and still lower than in 2019, the last reference year before the health crisis. Decree no. 2021-1124 of 27 August 2021 of the LOM Law, Art. 28, entrusts SNCF Gares & Connexions with the implementation of a single platform dedicated to the reservation of the station assistance for People with Disabilities/PRM for all rail carriers on the French national network in January 2024. In 2022, the project team structured by SNCF Gares & Connexions carried out the scoping of the activities and performance objectives of the single platform, and launched the development of its tools and customer interfaces. Two phases of user testing were conducted with associations to validate the proposals. As an intermediate step, a digital customer information and orientation module was integrated into the SNCF Gares & Connexions website, in the summer of 2022, within the timeframe indicated by the decree.

#### Accès Plus, Accès TER and Accès Plus Transilien guaranteed assistance service on reservation.

– On the main lines, TGV-INTERCITÉS' Accès Plus is open to disabled and reduced-mobility passengers and satisfied 94% of the service's beneficiaries. Since October 2022, it has been possible to book Accès Plus up to 24 hours in advance (instead of 48 hours) for travel exclusively by TGV or INTERCITÉS without connection. In 2022, almost 510,000 assistance services were provided.

– On TER, the 11 Accès TER services offer assistance bookings at stations on all regional lines: in 2022, 282,000 Accès TER services were provided.

– Accès Plus Transilien is open to people with disabilities at 385 stations in Île-de-France and satisfied 94% of customers. In 2022, 44,500 requests for assistance were made compared to 13,500 in 2021. In addition, this service



obtained the Cap'Handéo Mobility Services certification in October 2022 for a period of three years.

To find out more > [Accessibility at the SNCF](#), [Accessibility report](#)

### Digital accessibility of passenger information

Between the sites intended for the general public and those enabling agents to perform their duties, SNCF manages more than 200 websites and mobile applications. After collaborative work with PRM associations started in 2017, a digital accessibility master plan was deployed between 2020 and 2022.

#### Many SNCF sites have been audited based on the General Accessibility Guidelines (RGAA), including:

- [snf.com](#): 95.65% compliance - March 2022.
- [snf-reseau.com](#): 100% compliance – 2020.
- [garesetconnexions.sncf](#): 61% overall compliance - early 2022. 96% compliance of the online service (average of the compliance rates of each page).
- [transilien.com](#): 93% compliance - April 2022.
- [SNCF Connect](#): 70.4% compliance - July 2022 vs 54.1% at the launch of the site in January 2022. 90% compliance with criteria on average per page.
- [Ouigo.com](#): 43% compliance for editorial and 66% for sales - 2022 vs. 30% and 45% respectively – 2021.

**Mobile applications were also been audited based on the Reference Framework for the Accessibility Evaluation of Mobile Applications (RAAM 1),** the Luxembourg reference framework based on European standards in 2022:

- OUIGO: 27% overall compliance on Android and 50% on iOS – April 2022.
- Ma Gare SNCF: on iOS 18% overall compliance, 65% average compliance, on Android 38% overall compliance, 72% average compliance - June 2022.
- SNCF Connect: 67% average compliance per screen - January 2022.

SNCF is pursuing its commitment to a more inclusive digital world with a new 2023-2025 plan in preparation, which prioritises in particular training and awareness-raising for digital players.

### The progress of a permanent associative collaboration

For the past 15 years, the SNCF has been working with national associations representing people with disabilities and people with reduced mobility. In January 2020, the associations also became the primary contacts of new carriers applying to operate train lines on the French network. This collaboration, led by the SNCF Réseau Accessibility Department, is helping to design universal solutions for greater autonomy for people with disabilities and people and people with reduced mobility in the transport chain. Experience shows that these accessibility solutions are generally useful to all travellers.

In 2022, the following took place:

- **Two Accessibility Advisory Councils** to inform stakeholders on strategic orientations, including the presentation of the National Accessibility Master Plan - Ad'AP for the period 2019-2021, submitted to the State in September 2022.
- **Eight technical accessibility commissions.**
- **Twelve test or inspection workshops.**

In addition, collaborative work continued on accessibility, particularly around the following topics:

- The location and signage of disabled passenger areas, and their interior design.

- Accessibility of TGV-Intercités and Transilien ticket machines, and of the future TER validator (tests in progress).

- New service markings, with SNCF Gares & Connexions (on-site tests carried out).

- Accessibility of the TGV M for wheelchair users (visit to Alstom in September 2022).

Lastly, the associations worked on the programme for the future single platform for booking assistance services in 2022, piloted by Gares & Connexions.

### 3635 customer service by telephone

The 3635 customer service, which is free and available 7 days a week from 8am to 8pm by telephone, assists passengers. It is particularly useful for people who need help, who have difficulty accessing digital tools or who do not have internet access. By calling 3635, they can obtain information, buy, exchange and cancel a TGV, INTERCITÉS and TGV-INTERCITÉS ticket.

### Keolis: France's leading provider of transport for people with reduced mobility (TPRM)

Committed to an accessibility policy since 2018, Keolis has set up a structured "UniK" approach to support its new Group Accessibility policy.

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

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

In 2022, Keolis continued its actions in partnership with several NGOs (UNAPEI, AVH, Handéo, to name a few). The SNCF group subsidiary organised a webinar dedicated to S3A (Reception, Support and Accessibility), an approach with UNAPEI (National Union of Associations of Parents, People with Mental Disabilities and their Friends).

**Among these accessibility initiatives implemented in 2022,** the FACIL'iti solution is being tested on the TCL website in Lyon. FACIL'iti is a digital accessibility solution that allows the display of a website to be adapted to different types of frailties, visual fatigue, colour blindness, imprecise gestures, and thus improve browsing comfort.

## 4.8 FACILITATE AND ENCOURAGE LOW-CARBON TRANSPORT

### 4.8.1 Context

With 10% of passengers and goods transported for less than 1% of CO<sub>2</sub>e emissions out of the 30% represented by the transport sector, rail is one of the most environmentally friendly modes of transport. In the face of the climate emergency, SNCF intends to promote the use of trains to reduce the carbon footprint of the transport sector with information tools and thus help achieve the objectives set out by France in its National Low Carbon Strategy (SNBC).

### 4.8.2 Our commitments

Raise our customers' awareness of environmentally friendly mobility solutions to facilitate the choice of low-carbon multimodal transport.

### 4.8.3 Policy and actions

Travelling by train in France reduces greenhouse gas emissions by at least 70% to 90% compared to travelling

by car or plane, depending on the type of journey (Source: ADEME Carbon Base emissions factors for cars, trains and planes, in accordance with Article L1431.3 of the French Transport Code). The same is true when a company transports its goods by train rather than by road (nine times less - source CER). SNCF wishes to capitalise on this low-carbon advantage to strengthen its contribution to achieving France's carbon neutrality target by 2050. The launch in early 2022 of its new SNCF Connect digital service, which customers can improve with their suggestions, is a good illustration of this.

#### SNCF Connect to organise low-carbon travel

Available since the end of January 2022, SNCF Connect is becoming a unique digital service dedicated to short and long-distance travel. The SNCF Connect application and website make it easy to plan, book and manage all travel: train, urban transport, carpooling, scooter, taxi and private hire taxi.

The application displays the CO<sub>2e</sub> emissions of each journey, enabling everyone to make responsible travel choices. To encourage its customers to choose low-carbon transport, the SNCF Connect e-commerce site also offers [a mobility comparator](#) between five long-distance means of transport (train, car, plane, coach, carpooling). The aim is to compare the environmental footprint but also the time that can be used for another activity: reading, work, etc.

#### "En'train pour le climat" workshop

During European Sustainable Development Week 2022, SNCF teamed up with the "2 tonnes" project, specialists in climate change education, to offer passengers awareness-raising workshops called "En'train pour le Climat", on board 37 INOUI and INTERCITÉS TGV trains. Objective: make travellers understand climate issues, their individual carbon footprint and give them the keys to reduce their carbon emissions. This means reducing from 10.5 tonnes (average emitted by each French person) to 2 tonnes per year of CO<sub>2e</sub> to limit global warming below 2 degrees in accordance with the Paris Agreement. These workshops were organised on routes to and from Paris: Bordeaux, Rennes, Nantes, Lyon, Marseille, Montpellier, Grenoble, Strasbourg, Lille, Nevers, Francfort, Geneva, Chambéry...

Results:

- 500 customers participated in these workshops.
- 800,000 loyal customers were informed about the operation.
- Hundreds of thousands of people reached on social networks.

#### Green tourism by TER: "The Dordogne without oil"

SNCF and the regions, via the TER network, are increasingly committed to promoting tourism by train. This is an opportunity to encourage low-carbon travel and to meet a demand that has increased since the pandemic.

The getaways offered in 2022 include: "The Dordogne without oil" in Nouvelle Aquitaine. This guide, published in March by the Dordogne department and TER Nouvelle Aquitaine, allows you to visit the department without a car, through 21 circuits to do on foot or by bike, starting from about forty stations. It is the result of a partnership of several years to develop information for travellers both on the Internet and on paper with the distribution of brochures in stations and tourist offices.

[To find out more > The Dordogne without oil](#)

#### Le Randopolitain, Ile-de-France walks just a train ride away

Between 26 June 2022 and 22 September 2024, Transilien SNCF is a partner of the "Enlarge your Paris" media, which is organising Le Randopolitain with the regional hiking federation: 100 hikes open to all in the company of botanists, philosophers, foresters, librarians, landscape architects, etc. Objective: show that within reach of the Navigo pass, thousands of kilometres of marked paths are accessible by public transport (metro, RER, Transilien) without taking the car.

Every second Sunday and one Wednesday per month, a 15 or 25 km walk is offered from a station.

[To find out more > Le Randopolitain](#)

#### Eco-comparators for daily train travel

The number of regional eco-comparators is increasing under the PlaneTER programme. After [the liO Train eco-comparator](#) deployed on TER Occitanie, travellers in the Grand Est Region can now use a search engine to prepare their journeys by comparing the cost and environmental footprint of a car or motorbike and TER, for frequent or occasional travel, depending on the route defined. All they have to do is indicate the departure and arrival routes and the mode of transport used. The traveller gets an instant overview of the most advantageous mode of transport for them and the environment. If it is a TER, they can book their tickets or season ticket directly. Example of [the TER Grand Est eco-comparator](#): on a journey from Epernay to Reims (27 km), a passenger under 26 with a diesel car (frequent traveller) could save €15.50 and 151.01 kg of CO<sub>2e</sub> each month with a monthly TER subscription.

A similar car-train eco-comparator is available in the [Ile-de-France region](#).

#### "Toujours en train" for the environment

The "Toujours en train" campaign illustrates SNCF's commitment to the environment. It is a major commitment at the heart of its raison d'être.

A comedian and columnist meet with employees to discuss local initiatives as well as the company's major environmental and social programmes. Result: educational and humorous podcasts about a company which, through its daily commitments, intends to make France a more ecological territory.

[To find out more > The "Toujours en train" campaign](#)

#### Online Transilien CSR campaign

From 27 June to 8 July 2022, Transilien SNCF displayed on its lines, in the press and on social media passengers and agents who are helping to fight climate change and are committed to helping young people and people in difficulty. The campaign features:

- Four sequences from the daily life of travellers who choose to take the train instead of the car.
- Two visuals of citizen employees, who, on a voluntary basis or in their professional activity, help those in need through the School Intervention system (IMS) and integration projects and workshops.

According to a CSA post-test study conducted in August 2022 among a representative sample of 1207 Parisians aged 18 and over, the 22% recognition rate obtained by this campaign shows in particular that Transilien is considered legitimate to talk about the environment.

During this campaign, Transilien communicated externally on its CSR commitments, gathered in the "Manifesto for green and responsible mobility in Île-de-France".

To find out more > [Transilien CSR commitments](#)

### TER public awareness campaign

After launching its PlaneTER environmental programme in 2020, TER wanted to make it known to its passengers and to young people in 2022, while raising their awareness of climate issues. A series of eight short, educational videos were posted on social networks in March and April 2022, #PlusdeTERmoinsdeCO2. They include the main energy-saving and decarbonisation actions that the business undertakes with the help of its employees. The aim is to raise awareness of the need to use trains and low-carbon mobility.

To find out more > [The PlaneTER programme](#)

### Fret SNCF measures the GHG impact of its customers

Fret SNCF supports its customers in managing their environmental impact. In 2022, Fret SNCF integrated a new tool into its customer portal that gives them access to the GHG emissions and atmospheric pollutants of their transport, for each flow. The information includes the total GHG emissions related to traction energy, from well to wheel, taking into account the production and use of fuels. The actual route of trains and empty runs are taken into account, as well as the type of traction energy for each section (electric or diesel), meeting the requirements of the GLEC (Global Logistics Emissions Council) and the EN16258 standard.

### The GEODIS emissions calculator

Since 2020, an increasing number of GEODIS customers have been taking steps to reduce the carbon footprint of their transport. Available free of charge online since 2020, the GEODIS emissions calculator allows them to estimate GHG and air pollutant emissions by comparing different modes of transport: air, sea, rail, road, river freight...

Thanks to EcoTransIT World technology, the tool defines a route by identifying the nearest airport, port or station and calculates the impact of the entire transport chain. In 2022, GEODIS developed a simplified version of the calculator, without operational data, available in eight languages.

In the context of commercial projects, GEODIS also assists its customers in carrying out customised studies by calculating the carbon impact of complex transport chains and in implementing low-carbon alternatives.

To find out more > [The GEODIS calculator](#)

### 1st edition of the TGV-INTERCITÉS GRANDS PRIX for corporate ecomobility

As a key player in sustainable mobility, SNCF wanted to highlight companies and travel agencies that promote more eco-responsible mobility for their employees or customers. This is why TGV-INTERCITÉS created the Grands Prix for ecomobility, the awards of which were held in September 2022. A jury made up of leading environmentalists and travel industry executives rewarded the most sustainable initiatives, motivated by a real collective awareness of the climate emergency. The six winners are: Caisse des Dépôts, QEnergy, CCS-Crédit Mutuel, JC Decaux, BCD Travel, Somfy.

To find out more > [Grands Prix for ecomobility](#)

## 4.9 DEVELOP GREEN FINANCE FOR INFRASTRUCTURE AND ROLLING STOCK

### 4.9.1 Context

Sustainable finance has grown exponentially over the past 10 years, with issuance volumes exceeding USD 100 billion per year. It is a key market for a large number of issuers, including the SNCF Group. Between 2016 and 2022, SNCF raised €8.1 billion in Green Bond securities in

23 market transactions. This makes the Group the third largest issuer in France and one of the top ten in the world (excluding financial or sovereign issuers).

From January 2018 to December 2022, 30% of the Group's bond issues (SNCF SA and SNCF Réseau) were made in Green Bond format.

### 4.9.2 Our commitments

Convert, by 2025, all financial products used by SNCF to responsible investment criteria, in a 100% green finance strategy including:

- Green Bonds for medium and long-term financing.
- Green Commercial Paper (CP) for short-term financing of less than one year.
- Investments in media that integrate environmental, social and governance criteria for cash.

### 4.9.3 Policy and actions

To convert all of its financial products, SNCF draws on four levers.

**Broadening the asset base.** The gradual expansion to new asset types is a long-term approach. Originally designed for the rail network, the programme has included the acquisition and extensive renovation of highspeed rolling stock since 2021. SNCF is working on developing indicators and approaches to broaden its base of eligible assets. The company is interested, for example, in developing its real estate assets for railway use, such as stations, technical and maintenance centres, or centres for residential use.

**The extension to short-term financing (Green CP).** In 2021, SNCF launched the first issue of short-term green financing securities that comply with the allocation criteria of the Green Bond Principles. The instrument is intended to finance operating expenses related to recycling, environmental remediation and renewable energy purchase agreements. For its inauguration, this new financing method was developed in partnership with Mirova, a management company dedicated to sustainable investment. With this new initiative, SNCF intends to contribute to the development of green finance and accelerate investment in the ecological transition. Since then, SNCF marketed several Green CPs in 2022, all issued in ECP (Euro Commercial Paper) format.

**The development of socially responsible investments.** By 2025, SNCF wishes to convert 100% of its cash investments (UCITS and money market and bond funds) to investments that meet responsible investment criteria.

**Openness to new standards.** SNCF's Green Bonds comply with two standards, the Green Bonds Principles issued by the International Capital Market Association (ICMA) and the Climate Bond Initiative. SNCF aims to become eligible for the future EU GBP (European Union Green Bonds Principles), provided that this new standard is compatible with the Group's methodology and that it brings added value to the market.

### Positive impacts on the network

Between 2016 and 2020, the allocation of Green Bond funds focused on the rail network for its renewal or development. The investments financed by Green Bonds generated a saving of 35 million tonnes of CO<sub>2</sub>e (avoided emissions), which corresponds to the carbon footprint of almost 74,000 French people over 40 years.

Overall, for every €1 billion invested in the rail network, 3.7 million tonnes of CO<sub>2</sub>e are avoided over 40 years.

To find out more > [Carbon methodology](#)



## A robust methodology

The SNCF Green Bond programme is based on best market practices, including:

- **The allocation of funds to new projects:** it is therefore impossible to finance the same project several times with separate emissions.
- **Consideration of the product life cycle:** project carbon emissions include direct emissions during the usage phase, along with a whole range of indirect emissions linked to the upstream (construction) or downstream (recycling) phases.
- **Complete impact analysis:** as far as possible, SNCF includes direct emissions, indirect emissions linked to energy consumption, and indirect downstream/upstream emissions.
- **Objectivity of assumptions:** in particular for the assumptions on the change in the French energy mix or on the development of emission factors for rival transport modes. They are revised each year based on the latest studies by external reference bodies, such as ADEME, RTE, etc.
- **No double counting:** SNCF incorporates allocation rules to avoid double counting of avoided emissions. More concretely, this implies that, irrespective of the project financed, 80% of the emissions are attributed to infrastructure and 20% to rolling stock. In the case of partially subsidised or co-financed projects, SNCF takes the share of avoided emissions in proportion to the funding provided.

Furthermore, SNCF has its Green Bond programme certified each year by the best market standards, the Green Bond Principles and the Climate Bond Initiative, and publishes an annual Green Bond impact report. This document is audited by an external auditor independently of the statutory auditors.

To find out more > [Green bonds at SNCF](#)

### CSR indexed syndicated loan for Keolis

At the end of 2021, Keolis set up a syndicated loan of €600 million, the cost of which depends on the achievement of annual objectives in terms of:

- The environment, with indicators that reflect its contribution to the fight against climate change, the improvement of energy efficiency and the protection of resources (water, soil, raw materials, biodiversity).
- Gender diversity, with a commitment to increase the proportion of women in the overall Keolis workforce.
- Health and safety, through the development of internal safety culture training or measures to prevent accidents at work (disorders, falls or road accidents).

This type of collective loan, made with 14 banks, allows the SNCF group subsidiary to materialise its commitments in terms of CSR, to refinance its existing credit lines and to extend the maturity of its debt to five years.

## 5. REDUCE THE ENVIRONMENTAL FOOTPRINT OF OUR ACTIVITIES

### 5.1 STRENGTHEN SNCF'S ENVIRONMENTAL POLICY

#### 5.1.1 Context

While SNCF is a major player in low-carbon mobility, as an industrial activity and a major developer, it must make the environmental management of its establishments more robust and improve its environmental compliance. Finally, it must have a strong ambition to respect and preserve the

environment and natural resources with ecological as well as social and economic imperatives.

#### 5.1.2 Our commitments

- Reduce the environmental footprint of our activities in line with our mission of sustainable and inclusive mobility contributing to the ecological transition.
- Integrate into our approach the entire life cycle of our products, services and projects, whether they are delivered directly by our employees within SNCF companies or, on our behalf, by our service providers and suppliers.

#### 5.1.3 Policy

Following the development of the CSR strategy, the environmental policy is helping to establish standard environmental governance within the SNCF, to set a common course and demonstrate the company's commitment to the environment at the highest level. It was signed by the three CEOs, the President and the Director of the five SNCF railway companies in July 2022.

The Environmental policy is structured around the three values of the Group:

- Commitment to global compliance management and environmental risk management.
- Efficiency through a continuous improvement approach, organisation of resources and measurement of progress.
- Openness to internal and external stakeholders in complete transparency.

Formalised as the company's safety transformation policy, this environmental policy makes it possible to have a long-term perspective consistent with a transition approach.

To find out more > [Environmental policy](#)

## 5.2 OPTIMISE ENVIRONMENTAL MANAGEMENT

### 5.2.1 Context

The formation of the new SNCF in January 2020 into five railway companies required the implementation of a new unifying approach to environmental issues. It also needs a framework for a more global vision of environmental risks to better reduce their scope. This is the Environmental Management System (EMS).

### 5.2.2 Our commitments

Deploy the EMS in all Group railway companies to improve SNCF's environmental performance.

### 5.2.3 Policy and actions

With the creation of the Unified Public Group on 1 January 2020, the roles of the five railway companies are defined in terms of environmental management:

- SNCF SA assumes strategic responsibilities, enhanced management and control powers, and steers all the Group's companies.
- The Group's companies and activities are fully responsible for the conduct of their operations, as close as possible to customers and employees.

The DESTE proposes and leads all Group policies on various environmental issues, in cooperation with all the companies. It also organises their governance and sets up the tools needed to monitor and steer these policies (reference frameworks, information systems, coordination, etc.).

### A common reference framework

Internal specifications present the general environmental guidelines for this new organisation and the associated challenges. They also specify the roles common to all five



SNCF companies and their respective responsibilities in terms of environmental management.

The common organisation of the management approach is thus set by the DESTE, and each company is responsible for its implementation.

**Implementation of the environmental management system**

By 2022, all the company's activities were committed to an EMS approach and 95% of the industrial facilities, such as the technicentres and the trackside industrial facilities, were ISO 14001 certified.

This broad deployment guarantees the sustainability of environmental actions and a structured approach to continuous improvement, adapted to the challenges of each SNCF company and integrated into the operation of the establishments.

**Key indicator**

|                                                                                  | 2020 | 2021 | 2022 |
|----------------------------------------------------------------------------------|------|------|------|
| Percentage of certified industrial establishments and sites ISO 14001 (%) - SNCF | 90   | 88   | 95   |

**A comprehensive management tool**

The continuous improvement process of the Environmental Management System is based on:

- The compliance plan, based on the regulatory assessment of sites in relation to environmental regulations.
- The continuous environmental improvement plan, based on the analysis of the environmental impacts of activities. The aim of this analysis is to identify, analyse and prioritise the main sources of environmental damage from activities (water, air, soil, noise, biodiversity, energy, waste, etc.), taking into account the sensitivity of each site. The aim is to implement preventive measures to reduce the likelihood of risks occurring or to reduce the severity of their consequences.

**Deployment of the Environment IS**

To simplify this work and meet the specific needs of the entities, a digital environmental management tool has been developed at company level. By 2022, this solution was deployed in all operations of the five railway companies. This now allows the company to have a consolidated environmental management system, a more global vision of environmental issues and risks, at regional, activity or company level. This data feeds into the CSR risk map for the environmental part.

For example, this Environment IS feeds four of the indicators of PROGRESSEO, the tool for sharing best practices in connection with the "Tous SNCF" corporate project.

**Waste and compliance monitoring**

This solution includes a module on waste management. It has accompanied the transformation of practices following the implementation of the governmental digital platform "Trackdéchets": a major development in the management of hazardous waste in France. The tool will soon enable the management of non-hazardous waste to be monitored more closely.

**For more details:** see 5.8

Another important step forward: the tool also includes a module for dedicated compliance management. It

responds to the commitment made following the environmental compliance audit conducted by the Group Internal Audit department as part of the 2021-2022 audit plan.

**Environmental safety, another of the fundamentals**

Finally, as part of a global safety approach, the managerial standards applied to railway safety are gradually being adapted to the field of environmental safety. For example, the handling of major environmental events is the subject of a "D+1" meeting for increased responsiveness and the deployment of "rules that protect the environment" on the model of the "rules that save" to instil the right reflexes in all employees.

It is also to fit in with this global approach to safety that the Environmental policy was redesigned this year on the model of the SNCF's Safety policy.

**For more details:** see 5.1

**Targeted training at national level**

The environmental training programme enables SNCF employees to improve their skills in targeted areas according to their tasks. Thus, in an industrial context, they can familiarise themselves with environmental issues, environmental law, classified installations for environmental protection (ICPE), waste, EMS, environmental audits and internal IT tools, depending on their job.

SNCF Réseau, in its training courses, takes up the same themes, adapting them to the characteristics of its business lines, and offers other more specific ones on the protection of biodiversity, the law on water, railway noise, as well as on administrative procedures and consultation.

**Environmental management at Keolis**

To strengthen its commitment to ecological transition, Keolis has been implementing ISO 14001 environmental certification in several of its subsidiaries since 2013. Today, Keolis is the first passenger transport operator to be ISO 14001 certified at the Group level. To achieve this, the Sustainable Development and Social Commitment Department of Keolis goes beyond a common policy. It steers the entire process and distributes tools to ensure the overall consistency of the approach, a smoother flow of information, the exchange of best practices between subsidiaries and the coordination of the network of environmental experts in subsidiaries.

In 2022, the ISO 14001 certifications of the subsidiaries involved in this process were renewed by independent auditors, including AFNOR Certification. The scope of certification has even been extended with the addition of two new subsidiaries.

**5.3 REDUCE ENERGY CONSUMPTION AND CARBON EMISSIONS**

The SNCF Group's total CO<sub>2</sub>e emissions and overall energy consumption are shown in the tables below.

**5.3.1 SNCF Group energy consumption**

| ENERGY MIX AS A % BASED ON CONSUMPTION IN KWH | 2020  | 2021  | 2022  |
|-----------------------------------------------|-------|-------|-------|
| Electricity                                   | 50.9% | 51.9% | 53.4% |
| Diesel and petrol                             | 34.0% | 32.2% | 31.0% |
| Gas                                           | 10.5% | 10.6% | 9.5%  |
| Biofuel                                       | 3.2%  | 3.1%  | 3.0%  |
| Kerosene                                      | 0.0%  | 0.5%  | 2.0%  |
| Fuel                                          | 0.6%  | 0.6%  | 0.3%  |
| Heating network                               | 0.3%  | 0.4%  | 0.2%  |

|                                   | 2020          | 2021         |                 |                     | 2022          |              |                 |                     |               |
|-----------------------------------|---------------|--------------|-----------------|---------------------|---------------|--------------|-----------------|---------------------|---------------|
|                                   | Total         | SNCF FR      | Subsidiaries FR | Non-FR subsidiaries | Total         | SNCF FR      | Subsidiaries FR | Non-FR subsidiaries | Total         |
| Total Energy consumption (In GWh) |               |              |                 |                     |               |              |                 |                     |               |
| <b>Transport</b>                  | <b>12,412</b> | <b>7,654</b> | <b>2,963</b>    | <b>3,265</b>        | <b>13,882</b> | <b>8,014</b> | <b>3,320</b>    | <b>3,950</b>        | <b>15,284</b> |
| o/w rail traction                 | 8,426         | 7,398        | 520             | 1,495               | 9,412         | 7,793        | 695             | 1,856               | 10,344        |
| o/w commercial road traction      | 3,764         |              | 2,434           | 1,672               | 4,106         |              | 2,590           | 1,717               | 4,307         |
| o/w air traction                  |               |              |                 | 97                  | 97            |              | 0               | 364                 | 364           |
| o/w service vehicles              | 222           | 257          | 9               | 0                   | 266           | 221          | 30              | 12                  | 263           |
| o/w construction equipment        |               |              |                 |                     |               |              | 5               | 1                   | 6             |
| <b>Buildings</b>                  | <b>2,426</b>  | <b>1,431</b> | <b>613</b>      | <b>501</b>          | <b>2,546</b>  | <b>1,298</b> | <b>598</b>      | <b>667</b>          | <b>2,563</b>  |
| <b>Grand total</b>                | <b>14,838</b> | <b>9,086</b> | <b>3,576</b>    | <b>3,766</b>        | <b>16,428</b> | <b>9,312</b> | <b>3,917</b>    | <b>4,617</b>        | <b>17,846</b> |

The overall increase in consumption of 9% between 2021 and 2022 is mainly due to:

- The recovery of activity after the Covid period in the Transport business, both in France and worldwide.
- On the scope of non-French subsidiaries, to the inclusion of one year of operation of the aircraft owned by GEODIS and the start of operations of a new subsidiary of Keolis in Dubai.

– The broader consideration of service vehicles and construction.

In the Buildings sector, energy efficiency measures have led to a 9% reduction in consumption in the SNCF scope.

The change in the 2020 and 2021 figures is mainly due to the quality of energy consumption in the buildings of the five railway companies in France.

### 5.3.2 SNCF Group greenhouse gas emissions

#### Key indicators

| (In ktCO <sub>2</sub> e)                                | 2020         | 2021         |                 |                     | 2022         |              |                 |                     |              |
|---------------------------------------------------------|--------------|--------------|-----------------|---------------------|--------------|--------------|-----------------|---------------------|--------------|
|                                                         | Total        | SNCF FR      | Subsidiaries FR | Non-FR subsidiaries | Total        | SNCF FR      | Subsidiaries FR | Non-FR subsidiaries | Total        |
| <b>Grand total</b>                                      | <b>2,814</b> | <b>4,512</b> | <b>876</b>      | <b>1,019</b>        | <b>6,025</b> | <b>5,036</b> | <b>928</b>      | <b>1,301</b>        | <b>7,265</b> |
| <b>Scope 1 - Transport</b>                              | <b>1,394</b> | <b>405</b>   | <b>607</b>      | <b>483</b>          | <b>1,496</b> | <b>406</b>   | <b>642</b>      | <b>593</b>          | <b>1,641</b> |
| o/w rail traction                                       | 544          | 340          | 28              | 182                 | 550          | 351          | 35              | 202                 | 587          |
| o/w commercial road traction                            | 794          |              | 577             | 279                 | 855          |              | 598             | 299                 | 897          |
| o/w commercial air traction                             |              |              |                 | 23                  | 23           |              | 0               | 89                  | 89           |
| o/w service vehicles                                    | 56           | 64           | 2               | 0                   | 67           | 55           | 8               | 3                   | 66           |
| o/w construction equipment                              |              |              |                 |                     |              |              | 1               | 0                   | 1            |
| <b>Scope 1 - Buildings</b>                              | <b>197</b>   | <b>123</b>   | <b>66</b>       | <b>31</b>           | <b>220</b>   | <b>95</b>    | <b>66</b>       | <b>27</b>           | <b>188</b>   |
| <b>Scope 2 - Transport</b>                              | <b>483</b>   | <b>246</b>   | <b>18</b>       | <b>226</b>          | <b>490</b>   | <b>243</b>   | <b>22</b>       | <b>324</b>          | <b>590</b>   |
| o/w rail traction                                       | 482          | 246          | 17              | 217                 | 480          | 243          | 21              | 317                 | 582          |
| o/w commercial road traction                            | 1            |              | 1               | 9                   | 10           |              | 1               | 7                   | 8            |
| <b>Scope 2 - Buildings</b>                              | <b>183</b>   | <b>33</b>    | <b>10</b>       | <b>127</b>          | <b>171</b>   | <b>31</b>    | <b>9</b>        | <b>184</b>          | <b>224</b>   |
| <b>Scope 3 - Transport</b>                              | <b>497</b>   | <b>213</b>   | <b>157</b>      | <b>144</b>          | <b>515</b>   | <b>220</b>   | <b>171</b>      | <b>167</b>          | <b>558</b>   |
| <b>Scope 3 - Buildings</b>                              | <b>60</b>    | <b>40</b>    | <b>18</b>       | <b>7</b>            | <b>65</b>    | <b>35</b>    | <b>18</b>       | <b>6</b>            | <b>59</b>    |
| <b>Total - Scopes 1,2, 3 - energy</b>                   | <b>2,814</b> | <b>1,061</b> | <b>876</b>      | <b>1,019</b>        | <b>2,956</b> | <b>1,031</b> | <b>928</b>      | <b>1,301</b>        | <b>3,260</b> |
| <b>Scope 3 - Purchases of goods and services</b>        |              | <b>2,038</b> |                 |                     | <b>2,038</b> | <b>2,616</b> |                 |                     | <b>2,616</b> |
| o/w purchases of services and supplies                  |              | 1,237        |                 |                     |              | 1,860        |                 |                     | 619          |
| o/w purchases of works                                  |              | 801          |                 |                     |              | 756          |                 |                     | 756          |
| <b>Emissions generated by visitors/passengers</b>       |              | <b>1,031</b> |                 |                     | <b>1,031</b> | <b>1,389</b> |                 |                     | <b>1,389</b> |
| <b>Scope 3 - Other (o/w fixed assets and commuting)</b> |              | <b>382</b>   |                 |                     | <b>382</b>   |              |                 |                     |              |

On the energy scope, the increase in GHG emissions follows the increase in energy consumption with +10%. However, there is a decrease in the French scope, due in part to a 5% decrease in the electricity emission factor between 2020 and 2021 (2022 value not available).

The year 2022 marks the inclusion of significant indirect emissions following the BEGES 2021 exercise on the SNCF scope: the two main categories are "Purchases of goods and services" and "Emissions generated by customers".

Compared to the BEGES 2021 exercise, the item "Purchases of goods and services" has increased by 28%, which mainly reflects a more accurate monitoring of the scope.

Emissions generated by passengers and visitors increased by +35% following the increase in post-lockdown travel.

### Key indicators

|                                                                                | 2020 | 2021 | 2022 |
|--------------------------------------------------------------------------------|------|------|------|
| CO <sub>2</sub> e per passenger (in gCO <sub>2</sub> e/passenger.km) - SNCF    | 10.0 | 9.1  | 7.0  |
| CO <sub>2</sub> e per tonne of freight (in gCO <sub>2</sub> e/tonne.km) - SNCF | 5.8  | 4.5  | 4.8  |

The 5% drop in the electricity emission factor and the recovery in activity (+32% of passenger-kilometres) fully benefit the Passengers activities.

For Fret SNCF, the stagnation is linked to a more exhaustive survey of RNG consumption.

### Purchasing decarbonisation policy

All purchases made by the SNCF are accompanied by GHG emissions. An initial comprehensive assessment conducted in 2022 shows that 45% of SNCF's GHG emissions come from the carbon footprint of its purchases of goods and services and 74% when other types of purchases are taken into account (energy and fixed assets).

The SNCF needs the full involvement of its supply chain and will call on all its suppliers to achieve its decarbonisation objectives. SNCF's decarbonisation strategy complies with Decree No. 2022-982 of 1 July 2022 relating to the French Environment Code, with the integration of significant indirect emissions from the value chain, including purchasing, into the GHG emissions report on 1 January 2023.

Decarbonisation of the supply chain is now a strategic axis in the SNCF's relationship with its suppliers, and is essential if it is to succeed in its policy of reducing GHGs, sustainably integrate its performance and collectively increase that of the rail industry.

### 2022 result

The acculturation of the purchasing sector has been initiated, the process of decarbonisation of purchases has been defined and 100% of major suppliers have been made aware of SNCF's decarbonisation issues. To illustrate the dynamics in place, in the first quarter of 2023 SNCF will publish a white paper on the decarbonisation of the rail sector, the result of a working group between SNCF and the Federation of Railway Industries (FIF).

### 2023 orientations

In 2023, carbon-related rating criteria will be phased in. Priority is given to works contracts and service contracts.

In addition, 100% of strategic suppliers whose carbon footprint is very important to the SNCF will have to meet the company's decarbonisation commitments. In addition, the company will integrate a carbon maturity indicator (GHG management practices carried out by suppliers) measured since 2022 by EcoVadis and will focus its communication and supplier meetings on decarbonisation.

### Reducing the footprint of SNCF employees' home-to-work journeys

The French Mobility Law of 24 December 2019 (LOM) obliges employers to promote "the use of less polluting mobility and shared mobility on a daily basis in order to

strengthen the development dynamics of public transport, alternative daily mobility solutions to the private car and active mobility for the benefit of the environment, health, safety and competitiveness". This obligation is an opportunity to collectively integrate environmental ambitions in the daily lives of employees, in the service of economic performance and quality of life at work.

The GHG emissions from travel related to SNCF activity are broken down as follows:

– Commuting to work: 3%.

– Business travel: 1%.

SNCF acts on three levers to reduce its employer footprint.

– **Everyday mobility.** At the pay round table on 7 December 2022, SNCF management adopted measures to support sustainable mobility for employees from 1 January 2023: introduction of a Sustainable Mobility Allowance of €400, aid for the purchase of a conventional or electrically assisted bicycle of €150, payment by the employer of 75% of the cost of public transport passes.

– **The deployment of employer mobility plans (PDME)** is encouraged at its various sites. This system, which was introduced by the 2017 LOM, makes it possible to measure current practices and their impacts, and to develop solutions that promote the use of alternative modes of transport to the private car. In 2022, SNCF deployed a practical guide for the directors of establishments or entities to help them build their PDME. In 2023, SNCF will support the implementation of PDMEs in the establishments.

– **Pro Vélo employer objective.** This scheme, supported by the FUB (Fédération française des usagers de la bicyclette), allows employers' sites to be labelled as being committed to the use of bicycles for home-to-work journeys. After contributing to the definition of the system in 2020, SNCF launched the labelling of its establishments in the Auvergne-Rhône-Alpes region. Result: more than 200 secure bicycle parking spaces in December 2022 and certification audits scheduled in several of the Region's TER stations in early 2023. At Transilien, the Paris Est technicentre was awarded the silver medal in November 2022. Thirteen establishments are also involved in the certification process.

### Publication of the 2021 BEGES

The BEGES (Greenhouse gas emissions assessment) is a French regulatory assessment of all greenhouse gas emissions over a year by the activities of an organisation or a territory, whether direct (scope 1 and 2) or indirect (scope 3). It must be published every four years by French companies with more than 500 employees. SNCF had published a BEGES in 2015 and 2018. With the implementation of the railway reform on 1 January 2020, each railway company carried out its own BEGES in 2022 on the data for the year 2021, in coordination with the DESTE.

SNCF's emissions in France are estimated at 4,548 million tonnes of CO<sub>2</sub>e, 45% of which are linked to the purchase of products and services, 24% to energy consumption and

23% to emissions caused by customers travelling to and from stations.

|                                                   | 2021         |
|---------------------------------------------------|--------------|
| (In kTCO <sub>2</sub> e)                          | SNCF FR      |
| <b>Total GHG emissions Scopes 1,2 and 3</b>       | <b>4,548</b> |
| <b>Total - Scopes 1,2, 3 – Energy consumption</b> | <b>1,078</b> |
| <b>Scope 1 - Transport</b>                        | <b>409</b>   |
| <b>Scope 1 - Buildings</b>                        | <b>134</b>   |
| <b>Scope 2 - Transport</b>                        | <b>245</b>   |
| <b>Scope 2 - Buildings</b>                        | <b>34</b>    |
| <b>Scope 3 – Upstream energy</b>                  | <b>255</b>   |
| <b>Total - Scopes 1 – Fridge fluid leaks</b>      | <b>19</b>    |
| <b>Scope 1 - Fridge fluid leaks</b>               | <b>19</b>    |
| <b>Total - Scopes 3 - Excluding energy</b>        | <b>3,451</b> |
| <b>Scope 3 – Goods and service purchases</b>      | <b>2,038</b> |
| Including works                                   | 801          |
| Including services and supplies                   | 1,237        |
| <b>Scopes 3 – Customer induced emissions</b>      | <b>1,031</b> |
| <b>Scopes 3 - Other</b>                           | <b>382</b>   |
| Including assets                                  | 228          |
| Including commuting                               | 154          |

The 1% difference between total GHG emissions published at the end of October 2022 on [bilans-ges.ademe.fr](https://bilans-ges.ademe.fr) and the total emissions in 2022 published for the NFPS is explained by the quality of the data related to the energy consumption of buildings.

This work has enabled the teams to increase their collective skills in carbon accounting issues and to gain a better understanding of the carbon footprint of the value chain, beyond the emissions linked to energy consumption that are already monitored annually. It is also a way to identify new levers for action to reduce emissions.

Significant indirect emissions, Purchases of goods and services and customer-generated emissions, are taken into account in the 2022 NFPS and are subject to a decarbonisation action plan.

To find out more > Regulatory declarations available on the ADEME website: [SA SNCF](#), [SNCF Réseau](#), [SNCF Voyageurs](#), [Fret SNCF](#), [SNCF Gares & Connexions](#)

### 5.3.3 Energy efficiency plan

The SNCF is one of the largest industrial consumers of electricity with more than 7,000 GWh and 2,000 GWh of thermal energy (fuel oil, natural gas, diesel, etc.):

- 81% for train traction.
- 16% for the operation of buildings: stations, offices, workshops.
- 3% for road: service vehicles.

Given its commitment to the ecological transition and the current context of increasing scarcity of non-renewable energy sources, the challenge is to reduce consumption by 10% by 2024 compared to 2019, in line with the expectations of the French government. Given the urgency of the situation, management is involved in this action plan.

SNCF has been working on energy saving for many years. The energy efficiency plan therefore aims to accelerate the implementation of certain planned actions and to promote new ones, by strengthening the mobilisation of all employees.

### In 2022, measures with immediate effect.

– **With regard to mobility**, SNCF is committed to strengthening practices such as eco-driving and eco-parking, which are already used by drivers and teams in SNCF Voyageurs technicentres, by SNCF Réseau and Fret SNCF. By 2025, these measures will save 750 GWh, equivalent to the annual electricity consumption of 340,000 French people, which is the population of the city of Nice. Electric service vehicles are preferably recharged outside of peak electricity consumption periods.

– **Inside buildings**, the temperature is at its highest at 19°C in winter and at its lowest at 26°C in summer. In addition, the heating in unoccupied offices is reduced, especially on Fridays, the day of home working, and the hot water tanks in the sanitary facilities, apart from showers, are no longer heated. Electronic devices are also switched off at the end of the day.

– **In stations**, where heating does not exceed 11°C in the halls in winter and 16°C in the waiting rooms, braziers and heated seats are turned off, as well as the lights in shops when the station is closed.

These measures represent 7% savings over 2023.

**The second 3% energy saving tranche** concerns longer-term building renovation operations, which SNCF has already undertaken and which often require additional investment.

**For more details**, see 5.5.

To find out more > [The SNCF energy efficiency plan](#)

### Signature of the EcoWatt Charter

The SNCF Group signed the EcoWatt charter on 7 October 2022, along with 90 other companies gathered around the Minister of the Economy and Finance. This means that in the event of an EcoWatt alert, SNCF will apply additional energy efficiency measures.

In addition to the measures detailed to the press on 10 October 2022, SNCF undertakes to:

– Reduce the temperature in occupied rooms from 19°C to 18°C, when the EcoWatt pictogram turns red. When the premises are emptied in the evening, the temperature is reduced to 16°C.

– Encourage its employees to register on the website [monecowatt.fr](https://monecowatt.fr) and to disseminate the EcoWatt approach to its travellers.

To find out more > [Signature of the EcoWatt charter](#)

### The SNCF Impact Lab to take action

Composed of a multidisciplinary team of psychologists, cognitive scientists, designers and engineers who are experts in organisational transformation, the SNCF Impact Lab helps to implement the CSR strategy. It acts on individual and organisational levers to encourage the transition from intention to action.

The aim of the Lab's work is to encourage and promote changes in individual and collective behaviour in favour of the environmental, social and societal policies conducted by the company. Its research, carried out in partnership with the ENS Ulm, also includes work with the railway companies. The proposed actions include:

– Assistance in carrying out diagnostics: attitudes, action intentions and motivational levers.

– Acculturation: design of information and awareness-raising modules, workshops on the challenges of CSR actions, the cost of non-actions and the levers for change, implementation of evaluation systems, etc.



– The design of action plans or feedback and monitoring systems.

In 2022, the SNCF Impact Lab was mainly involved in the field of energy efficiency with the design of an awareness-raising module, support for Fret SNCF in the mass deployment of eco-parking and eco-driving, and support for Transilien in the implementation of eco-actions.

### 5.3.4 Annual report on the carbon pathway of SNCF activities in France

#### 5.3.4.1 Context

Energy transition is a major component of the environmental pillar of the SNCF Group's strategy. It is not only a necessity for a public company with a duty to set an example, but also an opportunity to set itself apart from other modes of transport.

As part of the State's holdings in the SNCF Group under the amended Finance Act No. 2020-935, the Group has made ambitious commitments to reduce its greenhouse gas (GHG) emissions in the Transport and Building sectors. These commitments are the subject of an annual report in accordance with the order of 2 November 2021 issued in application of Article 66 of the amended Finance Act No. 2020-935 of 30 July 2020. Chapters 5.4 to 5.6 contain some information on the annual report on the carbon pathway of the SNCF group's activities in France.

The full report is available in this NFPS, 9. Annual report on the carbon pathway of SNCF activities in France.

#### 5.3.4.2 Our commitments

In accordance with Article 66 of the amended Finance Act No. 2020-935, the SNCF Group has made commitments to reduce greenhouse gas emissions:

- Reduce our GHG emissions (scopes 1 and 2, France scope) related to activities in the Transport sector by 30% by 2030, compared to 2015.
- Reduce our GHG emissions (scopes 1 and 2, France scope) related to activities in the Building sector by 50% over the same period.

The 2050 objective aims at a complete decarbonisation of the Group's Transport and Building sectors.

These commitments have been defined in line with the National Low Carbon Strategy, whose sectoral objectives are the main reference for the SNCF Group in building and steering the energy transition pathways presented in the annual report.

**As almost all emissions come from energy consumption, compliance with these pathways relies on three main decarbonisation levers:**

- Energy conservation.
- Energy efficiency.
- Changing energy fluids and using technological developments.

They are broken down into action plans specified in chapters 5.4.3 and 5.5.3.

The detailed pathways, the investment plans that accompany these action plans and the intermediate milestones will be presented for approval to the SNCF Group's next Carbon Energy Strategy Committee in May 2023.

#### 5.3.4.3 Policy and actions

##### Presentation of pathways and scope

Since November 2021, the Group has been working on defining intermediate milestones between now and 2030, incorporating initial available data to support the ambitious aim of growth of the modal share of rail within 20 years.

Once the pathway to 2030 has been specified, for which the main areas of progress have already been identified, further work will focus on the period 2030-2050. In particular, this involves defining the assumptions to be made on these long-term deadlines.

These assumptions include changes in greenhouse gas emissions (in ktCO<sub>2</sub>e, energy scope 1, 2 and 3) from the SNCF group's activities in the Transport and Building sectors. They therefore include both choices - often technological - which are the responsibility of the Group and its partners and customers (transport authorities, manufacturers, etc.) and other more exogenous factors such as the national energy mix, measures to promote modal shift, etc.

The pathways and calculation parameters are available in the SNCF Group's annual report on the carbon pathway, chapter 9.

To comply with the pathways presented above, the SNCF Group has established an action plan to reduce its greenhouse gas emissions.

The main actions underway or planned are presented in the following two chapters, 5.4 Reduce our emissions related to activities in the Transport sector 5.5 Become a committed player in the energy performance of buildings. Between now and 2025, the SNCF Group's strategy is based on activating the three main decarbonisation levers:

- Energy saving and energy performance measures throughout the Group.
- The study and validation of alternative energies and technological solutions for the renovation of rolling stock.
- Energy rehabilitation programmes for buildings that will structure the action plan thereafter.

The governance, ownership of the strategy, objectives and commitments are detailed in the annual report on the SNCF Group's carbon pathway.

## 5.4 REDUCE OUR GHG EMISSIONS RELATED TO ACTIVITIES IN THE TRANSPORT SECTOR

### 5.4.1 Context

The SNCF Group's transport business mainly involves:

- Rail or road passenger transport, operated by SNCF Voyageurs and Keolis.
- Freight transport, by Fret SNCF, Rail Logistics Europe and GEODIS.
- Freight forwarding by GEODIS.

The Group has an excellent carbon and energy performance, due to the number of passengers and goods transported by train and the majority use of low-carbon electrical energy. At the same time, the Group is the largest industrial consumer of electricity in France, with 7,000 GWh in 2022. This represented an annual expenditure of around €1.5 billion in 2022. The Group must reduce its consumption and continue to transform its fleet to gradually phase out fossil fuels. These developments are to be carried out in a context of rising energy prices and new obligations to bring installations and equipment into compliance.

### 5.4.2 Our commitments

- Achieve a 30% reduction in greenhouse gas emissions by 2030 compared to the baseline year of 2015, in line with France's National Low Carbon Strategy for all our transport activities in France.
- Improve the energy performance of train traction by 20% between 2015 and 2025.

### 5.4.3 Policy and actions

In its activities, the Group has identified the levers for energy savings, energy performance and new renewable energies to combine them in a common pathway. Defined at the Group's Energy-Carbon Strategic Committee meeting on 29 March 2021, this pathway now applies to the company at all levels. It participates in the development of rail and sustainable mobility for passengers and freight.

To achieve its objectives, the SNCF Group relies mainly on the following actions:

- Adaptation of operations with the implementation of business practices such as optimised driving (eco-driving) and optimised parking in the train maintenance process (eco-parking).
- Researching new technologies, in partnership with other industrialists, to improve the energy efficiency of its activities. The innovation initiatives undertaken include:
  - Development of low-emission rolling stock.
  - Progressive deployment of biofuel, such as B100, which reduces GHG emissions from diesel trains by 60%, and other fuels for road transport.
  - Design of "light" equipment associated with infrastructure with a smaller environmental footprint.
  - "Frugal" electrification of certain lines, in addition to new rolling stock technologies, to promote electrification while adapting the levels of resistance and robustness to the desired service.

The SNCF Group also plays a role in advising and supporting transport authorities in their own energy transition policy.

#### Employee engagement and communication

Since 2020, the PlaneTER and Planète Voyages environmental initiatives and Transilien's CSR approach have united the teams around common values to make the 87,000 SNCF Voyageurs employees ambassadors for sustainable mobility among passengers.

The train, a low-carbon mode of transport, is promoted to customers through email campaigns, posters, announcements by train conductors, with the indication of the CO<sub>2</sub>e avoided on tickets, on-board screens or on lines. Internally, training, the signing of manifestos and awareness-raising on eco-actions give employees the tools to achieve the SNCF's environmental and energy objectives. In 2022, SNCF Voyageurs focused on a major energy efficiency programme that was passed on to employees via awareness campaigns.

This programme also aims to encourage the voice of the field to change practices. For example, the subject of energy is discussed during management tours in the field and during meetings between site managers and employees.

**For more details,** see 4.8 and 8.2.3.

#### Decarbonising the entire Group fleet

With regard to train decarbonisation, a number of projects will be finalised or accelerated in 2022: hybrid, battery-powered, hydrogen and biofuel trains, etc.

SNCF works with the transport authorities to develop the most appropriate sustainable mobility solutions for their territory. Keolis also shares with them its technical expertise in electric mobility and alternative energies on urban networks. GEODIS is developing the use of electric vehicles, biogas or biofuel for road freight, and biofuel for air and sea transport, throughout the world.

Fret SNCF contributes to the Group's work on decarbonising its fleet, even though, with 90% of tonne-kilometres under electric traction, the freight business emits an average of 5 gCO<sub>2</sub>e per tonne-kilometre, whereas road transport emits around 70 to 90 gCO<sub>2</sub>e (source: ADEME carbon base). It offers its shipper and carrier customers low-carbon transport services, making it possible to reduce CO<sub>2</sub>e emissions by up to 96% on the basis of end-to-end electric traction, compared with road transport.

#### Energy saving programmes for trains

**Eco-driving** is a way of driving that optimises the use of tractive effort according to the line terrain and the operating constraints in order to limit the energy used. It can save up to 10% of energy on a journey. The aim is to train all drivers in this type of driving. On each line, a tool, Opti-conduite, guides drivers by indicating in real time the speed at which they should drive, where to cut traction and where to resume acceleration of the train. Opti-driving optimises energy consumption while maintaining the priority objective of regularity and punctuality. In 2022, 100% of the passenger train fleet drivers were trained and equipped with the tool on their tablets.

**Eurostar also practices eco-driving on some of its trains.** The company has completed the testing of the driver assistance system (DAS) on the London-Paris and London-Brussels routes. These tests have shown encouraging results in terms of reducing the energy consumed on these journeys. Objective: 100% of drivers trained. Eurostar also plans to install new meters on all its newest trains (Siemens Velaro) to measure the energy savings and carbon emissions avoided by this practice.

**Other devices have been deployed since 2021 to develop eco-parking** and reduce energy consumption when trains stop without affecting regularity:

- Switching off the power supply or shutting down the diesel engines as soon as the trains have been stationary for more than 30 minutes.
- Development of the use of economic modes when trains need to be kept in service for short periods or for maintenance and cleaning operations: reducing the operation of air conditioning and heating by adjusting the setpoint temperatures.
- Automatic timed closing of doors and switching off of interior lighting.
- Connection of diesel TER trains to outside electrical outlets while parked in stations or workshops to supply auxiliary needs only (air conditioning and heating, lighting).

These parking phases can represent up to 30% of the total consumption of certain trains and the actions carried out aim to reduce them by 5 to 30% depending on the activity. SNCF Voyageurs has set up structured managerial initiatives to develop local work organisations (business processes) to reduce parking energy consumption as much as possible. As an example, the target gain for the TER activity is around 48 ktCO<sub>2</sub>e per year by 2025, i.e. 10% of the CO<sub>2</sub>e emissions of TER trains. In 2022, 20 ktCO<sub>2</sub>e were saved.

**Eco-parking in Grenoble:** less CO<sub>2</sub>e and less noise. The aim is to reduce the ignition of diesel TER engines to the strict minimum. Result: a gradual reduction in CO<sub>2</sub>e emissions since 2020, reaching 280 tCO<sub>2</sub>e in 2022, i.e. 92% of emissions avoided by parked trains in two years. In addition, residents no longer complain about noise pollution. This approach has been included as a contribution to the "Grenoble European Green Capital 2022" programme.

In 2021, Fret SNCF also launched eco-parking for its vehicles on several pilot sites such as wagon sorting platforms. This action was deployed on new sites in 2022 and should reduce energy consumption by 3 to 5% by 2025.

#### A €70 million industrial programme to measure energy consumption

To confirm these gains, meters are gradually being installed on 3,800 SNCF trains until 2026. By 2022, 1,500 trains were already equipped. The plan is to equip 95% of the fleet by 2026. By the end of 2021, 20% of the electricity consumed was metered. By 2022, it was almost 30%.

#### Focus on train decarbonisation

Thermal or bimode trains on non-electrified lines or portions of lines still account for 20% of traffic. Most of the GHGs emitted in rail transport come from the energy used to power these trains, so SNCF is working with manufacturers to develop solutions that emit less GHGs.

#### The use of biofuels, in particular B100, a co-product of the rapeseed sector

It is a quick and transitory solution to reduce greenhouse gas emissions, pending the deployment of new technological solutions for decarbonisation. It does not require any major modification of the rolling stock. After promising tests on Regiolis engine test benches and high-capacity railcars in 2019 and 2020, B100 biofuel trials began in 2021 in commercial service. They continued in 2022 and the Normandie Region has made this solution permanent on 15 Regiolis trains on the Paris-Granville line. The QuantiGES methodology developed by ADEME made it possible to quantify the GHG emissions of the B100 solution on this line and demonstrated a 62% reduction in GHG emissions.

**In Bourgogne-Franche-Comté, a trial was conducted from January to July 2022, to run two of the five X76 500 high-capacity railcars (AGC) on the Ligne des Horlogers, from Besançon to Le Locle-Col-des-Roches in Switzerland. The aim was to assess the impact of the B100 with:**

- A new set of equipment.
- Extreme winter temperatures requiring a Cold Weather additive.
- A mountainous terrain.

Result: a reduction in emissions of 360 tCO<sub>2e</sub> in six months.

The Region has volunteered to test another alternative fuel, HVO, a synthetic fuel made from recycled animal fats or vegetable oils, on the same site in Besançon.

#### The Regiolis TER hybrid train set to be deployed at the end of 2023

It is equipped with lithium-ion batteries that reuse the train's braking energy. Objective: a reduction of up to 20% in energy and greenhouse gas emissions.

The first trials have now been completed and the hybrid train will be put into experimental commercial operation at the end of 2023 in the Occitanie, Grand Est, Nouvelle-Aquitaine and Centre-Val de Loire regions.

#### Rechargeable battery trains at the end of 2024

The transformation of bimode electric-diesel trains into bimode battery-catenary trains will enable them to recover braking energy, save energy from the catenaries and, above all, run on both electrified and non-electrified tracks thanks to batteries with an 80 km range. Five converted trainsets will run in commercial operation in the Auvergne-

Rhône-Alpes, Provence-Alpes-Côte d'Azur, Occitanie, Nouvelle-Aquitaine and Hauts-de-France regions at the end of 2024.

#### Hydrogen trains by 2025

This is another solution for low-carbon traffic on non-electrified lines. However, this project requires the deployment of a new hydrogen ecosystem to supply the trains. SNCF has announced that it will order 12 hydrogen-powered TER trains from Alstom in April 2021. The first trials are planned for 2024, the first train delivery at the end of 2025 and commercial operation in four Regions, Occitanie, Bourgogne-Franche-Comte, Auvergne-Rhône-Alpes and Grand Est, in the first quarter of 2026.

#### Focus on more energy and resource efficient equipment

Following the example of the "relamping" of 300 TGV trains with LED lighting, renovated or new equipment consumes less energy.

#### The TGV M in 2024

After unveiling the engine of this TGV in May 2021, SNCF presented the complete train in September 2022 in the Alstom workshops. The order for a hundred of these trains will reduce energy consumption by 20%, thanks in particular to:

- The aerodynamic shape of the train with an improved nose and bow, smooth surfaces and fairing of the bogies.
- The return of energy to the catenary during braking: regenerative electric braking will be favoured in particular over conventional braking systems.
- Automatic and timed closing of doors.
- Lighter materials.
- A modular LED lighting system.

Over 97% recyclable, it will accommodate up to 740 passengers when it enters service in 2024 on the South-East line, i.e. 20% more than the Duplex trains. This will reduce CO<sub>2e</sub> emissions per passenger by 32%.

To find out more > [The TGV M](#)

#### Eurostar by 2030

Eurostar group aims to move to 100% renewable energy to power its trains by 2030. In the Netherlands, the high-speed line is already powered entirely by decarbonised energy from wind farms, and has been since 2017. In the UK, the operator of the UK part of the High Speed 1 (HS1) cross-Channel gradually phased in renewable energy on the line in 2022, from Corporate Power Purchase Agreements (CPPAs).

#### GEODIS low-carbon solutions

##### GEODIS and Renault Trucks join forces

Through this new collaboration, the manufacturer and its logistics partner are designing a new 16-tonne electric urban truck with a similar running cost to that of a diesel vehicle. This truck integrates all the constraints of urban delivery: this will result in a significant reduction in pollution and noise, improved ergonomics for the driver and increased active and passive safety to better manage cohabitation with all road users.

After delivery of the prototype in early 2023, testing of this truck for urban delivery is planned in Paris later this year.

#### The EVE 2022 Awards

GEODIS' road transport activity has been rewarded for its environmental performance within the framework of ADEME's Engagements Volontaires pour l'Environnement (EVE) programme. Committed since 2019 to reducing its



greenhouse gas emissions by 6% through a three-year action plan, GEODIS received the Trophy for the best progress in its category, based on the results of the first two years of its commitment. Among the actions carried out:

- Training drivers in eco-driving.
- The gradual decarbonisation of the vehicle fleet.
- Actions to improve the quality of preventive maintenance, which has a positive impact on the consumption of the vehicles in the fleet.
- The implementation of a Track&Trace solution in collaboration with its main subcontractors in order to improve reloading conditions and thus limit empty kilometres.

#### Delivery by boat and electric bike in Strasbourg

A partnership with the Alsatian company Urban Logistic Solutions (ULS) enables GEODIS to supply retailers and individuals in the centre of Strasbourg, using a barge with a pusher combined with a delivery service by electrically assisted bicycle. This partnership is part of the initiatives undertaken by GEODIS to deliver decarbonised solutions to 37 French cities by 2024.

#### Focus on the purchase of renewable electricity by SNCF

The objective of SNCF is to reach 40% of renewable energy in its consumption mix for traction by 2026. This requires the development of direct purchase contracts for renewable electricity (Green Corporate Power Purchase Agreement) for 20% of electricity consumption for train traction by 2026, i.e. approximately 1,100 GWh. Since the launch of the CPPA programme in 2018, 12 contracts have been signed, mainly for the production of photovoltaic plants. They total about 480 GWh of annual production and are commissioned until 2026.

**SNCF-REDEN contract.** SNCF Énergie, a subsidiary of SNCF Voyageurs, has signed a direct purchase contract for renewable electricity with the French company REDEN for a period of 25 years. The plan is to build four solar power plants in France, in Haute-Garonne, Aude and Gironde, with a total capacity of 146 MWp, which will produce 207 GWh per year by 2025-2026. The electricity produced will supply 3.6% of the energy needed by SNCF Voyageurs trains, which is equivalent to the annual consumption of the RER D in the Île-de-France.

#### Key indicator

|                                                                                          | 2020 | 2021 | 2022 |
|------------------------------------------------------------------------------------------|------|------|------|
| Share of renewable energy in the rail traction electricity mix (% of consumption) - SNCF | n.c. | 0.10 | 0.25 |

The increase by nearly +200% was due to the Power Purchase Agreements entered into in the summer of 2021. Furthermore, in 2022, SNCF Voyageurs signed new agreements.

## 5.5 BECOME A COMMITTED PLAYER IN THE ENERGY PERFORMANCE OF BUILDINGS

### 5.5.1 Context

The SNCF Group is the second largest property owner in France after the State, with 12 million m<sup>2</sup>, including 8 million m<sup>2</sup> and nearly 25,000 buildings under the responsibility of SNCF Immobilier.

Via SNCF Gares & Connexions, it is also responsible for the energy and carbon footprint of 3,000 stations with

almost 4 million m<sup>2</sup> of buildings (including 2 million m<sup>2</sup> of passenger buildings).

SNCF is facing the challenge of reducing the energy consumption and carbon footprint of a diversified portfolio (tertiary buildings, maintenance workshops, housing, etc.) that is more than fifty years old, with some buildings still in use dating back to the end of the 19th century.

By the end of 2022, the Group had fulfilled its reporting obligations in the ADEME OPERAT database for nearly 3,000 functional entities subject to the regulations.

### 5.5.2 Our commitments

– Reduce our energy consumption by 40% by 2030 for all buildings over 1,000 m<sup>2</sup> compared to 2010: this is the challenge of the tertiary decree applicable to SNCF's assets.

– Reduce by 2030 our GHG emissions (scope 1 and 2) related to the energy consumption of our buildings on the national territory by 50% compared to 2015.

### 5.5.3 Policy and actions

Around 14% of SNCF's energy consumption is accounted for by its buildings.

#### The tertiary sector

To reduce the footprint of its complex and historic assets, SNCF Immobilier relies on energy management of its buildings and a multi-year programme of works, particularly energy rehabilitation, which is to be strengthened in 2023, as part of the energy efficiency plan.

The actions prioritised in 2022 include:

– Optimising the use of SNCF premises by integrating the sale and demolition of premises that are no longer needed, home working and the grouping of service teams within the same premises. In 2022, the stock decreased by 4%. SNCF Immobilier has drawn up a master plan for its tertiary stock, which forecasts a reduction of about 18% in its tertiary surface area over 10 years, i.e. about 180,000 m<sup>2</sup>.

– The replacement of oil-fired boilers in its premises or buildings with heat pumps, biomass heating or connection to urban heating networks, such as at the SNCF Voyageurs technicentre in Lyon. This enables the Lyon workshop to avoid the emission of 699 tCO<sub>2</sub>e per year.

– Modernising lighting with LEDs, such as the relamping of the Nevers Languedoc workshop, which avoids the emission of 56 tCO<sub>2</sub>e per year.

– Systematic study of the potential for photovoltaic panels in new industrial buildings, but also in the new SNCF Réseau training campuses. The Bordeaux-Bègles building, for example, was certified HQE Very Efficient in 2022 with 80% of its electricity consumption provided by photovoltaic panels.

– The production of renewable energy on unused land, such as the solar power plant in Le Mans on a former marshalling site.

Nearly €14 million of investments are planned in 2023 and €22 million in 2024 to reduce the energy consumption of buildings. Energy audits will accompany these investments in 2023. An energy sub-metering programme to monitor consumption will also be rolled out.

Within the Group, the investment required to achieve these objectives is estimated at nearly €430 million over the period 2021-2050.



## Railway stations

SNCF Gares & Connexions is also committed to a building renovation and energy transition programme, which will result in more than a hundred projects by 2022. Its strategy focuses in particular on:

- Improved management of energy consumption.
- Energy rehabilitation.
- The phasing out of fuel oil by 2025, which is the subject of a specific action plan.
- The production of solar energy on station land, with the deployment of approximately 250,000 m<sup>2</sup> of photovoltaic panels by 2025.

**In its stations and industrial buildings**, the company deploys digital technologies such as the Internet of Things (IOT) or Building Management Systems (BMS) to monitor consumption in real time. Examples include the connected technicentre in Romilly-sur-Seine (10) or the Smart Station project deployed in 350 stations. The improvement and knowledge of flows thus offer significant potential for controlling energy consumption. Lastly, every year SNCF has to build new housing, districts, industrial buildings and stations that comply with demanding and efficient environmental standards.

### Focus on energy efficiency actions

#### "Energy & Carbon" projects in stations

SNCF Gares & Connexions has a budget of €120 million dedicated to the energy transition between now and 2030. This allows already planned work projects to be expanded and new projects to be initiated that had no funding available. Thus in 2022, €9 million were made available to the regional station directorates to finance energy performance operations in the framework of an internal "Energy & Carbon" call for projects. The projects selected include relamping, removal of oil-fired boilers, insulation, etc.

#### Energy efficiency plan in stations...

Against a backdrop of severe energy tensions, SNCF Gares & Connexions is taking additional measures to reduce its consumption, particularly in heating and lighting, the most energy-intensive areas in the buildings. Lowering the temperature of occupied premises, switching off the lights in stations, offices and shops when they close... These actions could generate additional savings of around 27 GWh per year.

**... And in offices or workshops...** A bi-annual steering committee of SNCF Immobilier and SNCF Voyageurs was created in 2022 to steer the energy efficiency plan for buildings. Short-term actions include: relamping of offices and workshops, optimisation of the occupation of premises, regulation of heating or air conditioning. For example, the relamping of the Landy technicentre (train maintenance), which covers 30 hectares behind the Gare du Nord station, should make it possible to save just over 0.8 GWh of electricity per year.

**For more details**, see 5.3.3

#### 83 energy transition projects funded by FITEV

The Fonds Innovant pour la Transition Energetique Voyageurs (FITEV) was created in January 2021 by SNCF Voyageurs. Objective: accelerate the deployment of projects costing less than €500,000 to better measure and reduce energy consumption while reducing greenhouse gas emissions. Recourse to FITEV accelerated in 2022 as a result of SNCF Voyageurs' energy efficiency programme. While in 2021, 26 projects were funded in 17 establishments, 57 new projects were funded in 2022, for a total budget of approximately €5 million. The projects

financed are mainly relamping to replace sodium lamps with LEDs in the maintenance workshops, on ceilings, in pits or on external walkways and in offices.

FITEV also finances the installation of meters, energy diagnostics, the renewal of heating systems, compressors and the purchase of electric locomotives.

Since its creation in 2021, FITEV has prevented the annual emission of 1,000 tCO<sub>2</sub>e in buildings and saved over 10 GWh per year. The amount of FITEV is doubled in 2023 and the ceiling for funding increased to €700,000.

#### Energy efficiency at GEODIS

GEODIS has launched an energy efficiency plan for the period 2022-2023, which covers the activities of the operational platforms and the office activities. In addition to raising employee awareness based on a guide to eco-actions at work, it involves actions to reduce consumption to be implemented at each site.

– As regards lighting, in addition to the extinction of illuminated signs and unsafe lighting, relamping is being deployed. By the end of 2021, 48% of built-up areas and 60% in France will be lit by LEDs. The saving in consumption by migrating to LED technology is around 30% minimum on all electricity consumption.

– With regard to energy efficiency, GEODIS will carry out audits at its sites in 2023-2024 and appoint representatives to monitor them. Objective: identify the most significant improvement works in terms of savings, such as reinforcing insulation, and build an action plan that can go beyond the regulatory obligations (notably the tertiary decree).

This energy efficiency plan is part of the GEODIS environmental footprint reduction and decarbonisation process.

#### Examples of model buildings

##### The Smart Station project for more energy-efficient stations...

Launched in 2020 by SNCF Gares & Connexions to create a centralised supervision of stations and thus improve the availability of equipment and energy performance, the Smart Station project continued its deployment in 2022. By connecting the energy meters present in stations (electricity, gas, heat), the system enables real-time monitoring of consumption to detect potential anomalies and make energy savings. By the end of 2022, 350 stations were equipped with this system; 579 stations are expected to be equipped by 2023.

**... that meet the new legal obligations** In tertiary buildings, the tertiary decree has set a target of 60% final energy savings by 2050. The Building Automation and Control System (BACS) Order 2020 provides the means to achieve this by requiring the installation of building automation and control systems in certain buildings by January 2025. In line with these objectives, a second phase of the Smart Station project will include new use cases, such as remote monitoring of lighting or escalators.

**To find out more >** [Smart station](#)

##### The Saint-Jean-de-Maurienne interchange, a model of an eco-designed station

A "transitional" station at the heart of the Lyon-Turin line project, the new multimodal interchange has been designed to reduce the environmental footprint and carbon emissions. The building's materials are entirely intended for reuse and partly locally sourced, such as its prefabricated façade with wooden cladding. The ensemble observes the fundamentals of traditional, frugal and, above all, evolutionary architecture, while fitting into the

Alpine landscape. The reduction of energy consumption has been integrated into the design of the building, through its volume, compactness, solar protection and choice of materials. With a surface area of 8,000 m<sup>2</sup>, it has a hall that can be increased from 145 m<sup>2</sup> in low season to 430 m<sup>2</sup> in high season. The future hub is thus in line with the EMC2B approach developed by AREP, the multidisciplinary architecture agency, a subsidiary of SNCF Gares & Connexions. This approach takes five dimensions into account when developing projects: energy, material, carbon, climate and biodiversity. The carbon footprint of the project was thus limited to 1,728.8 tCO<sub>2</sub>e, i.e. 215.6 kgCO<sub>2</sub>e/m<sup>2</sup>, below building standards.

#### **The Picardie Tergnier industrial technicentre, HQE building**

SNCF Immobilier is supporting SNCF Voyageurs' Industrial Division in the construction of a new axle maintenance centre in 2023. The project aims to achieve HQE certification for sustainable buildings and includes:

- Solar energy with the installation of photovoltaic panels on 3,000 m<sup>2</sup> of roofing that can cover part of the building's electricity needs.
- Thermal insulation that goes beyond the regulatory requirements, which will enable the building to obtain a low carbon and low energy consumption label (E2C1).

In addition, the bio-climatic design and water management will reduce its environmental footprint. The future centre will incorporate the latest BIM (Building Information Model) and supervision technologies, allowing real-time visualisation of the building and its installations in order to optimise technical management, maintenance and energy consumption.

#### **Sustainable projects built with the experts**

##### **S2FIT partnership in favour of re-use for construction or renovation...**

Since 2021, the SNCF's industrial and tertiary railway property company S2FIT has been working to reduce its environmental footprint by using a strong lever: that of reuse. Committed alongside A4MT (Action for Market Transformation), it now integrates the reuse of materials in its construction projects, as well as in the more common restoration operations on its property. This new three-year partnership reflects a desire to respond to the environmental challenges facing the sector by systematically applying the principles of the circular economy to its businesses and future projects.

##### **... and the management of its CSR**

S2FIT has long been committed to an ambitious CSR approach and has developed a customised management platform. Developed in partnership with the start-up Oze-Energies, a leader in instrumented energy optimisation for buildings, this digital tool will list all of S2FIT's environmental, social and societal data and produce CSR performance indicators. It will incorporate the energy consumption reduction targets set by the tertiary sector decree for 2030, 2040 and 2050.

##### **Soil and Subsoil Partnership**

Soil requalification, decontamination, geothermal energy exploitation, natural risk prevention, or even the reuse of materials require a very detailed knowledge of the soil and subsoil. This is why Espaces Ferroviaires signed a three-year partnership with the BRGM (Bureau of Geological and Mining Research) in April 2022.

Espaces Ferroviaires will therefore draw on the scientific and technical expertise of a recognised player in the management of soil and subsoil resources and risks to

transform former SNCF land into sustainable neighbourhoods for the city of tomorrow.

#### **Renewable energy production on SNCF land and buildings**

##### **New ground-mounted solar farms in the pipeline**

SNCF Immobilier continues to work with SNCF Réseau to develop solar farms on SNCF land that is no longer useful for railway operations and whose location does not allow the creation of eco-districts or housing. This is the case in Pays de la Loire where 572 photovoltaic panel boards have been installed on 17 hectares in the heart of the former marshalling yard in Le Mans (72). In June 2022, an inaugural visit to the solar farm was held between the SNCF and local stakeholders to celebrate the first anniversary of its commissioning. It produces 11.4 GWh of electricity per year, equivalent to the annual consumption of 4,500 households, and avoids the emission of 5,000 tCO<sub>2</sub>e per year.

By the end of 2022, there will be around 50 hectares of solar farms, three quarters of which are already in operation. Since 2011, the SNCF has enabled the development of 100 MWp of solar power. Other photovoltaic plants will be installed in the coming months and years on unused SNCF land, such as in Saint-Mars la Brière (72) and Nouvion sur Meuse (08).

##### **1st phase of equipping stations with photovoltaic panels**

SNCF Gares & Connexions plans to install around one million m<sup>2</sup> of photovoltaic panels on its land between now and 2030, giving it a solar production capacity of 150 to 200 MWp, with 47 MWp installed by 2025. In this context, SNCF Gares & Connexions signed a temporary occupation agreement in October 2022 with Tnergie, a French social-purpose company, to cover 119 station car parks with photovoltaic shades by 2024, i.e. approximately 180,000 m<sup>2</sup> of solar panels. This represents 15% of the annual electricity consumption of the 3,000 railway stations or the annual consumption of 7,500 households.

To find out more > [Solar energy at SNCF](#)

## **5.6 BECOME A RESPONSIBLE DIGITAL PLAYER**

### **5.6.1 Context**

According to a 2019 study by The Shift Project, the digital sector accounts for 4% of global CO<sub>2</sub>e emissions with a growth rate of about 9% per year. In this context, the SNCF is seeking to control its emissions linked to the digitalisation of its activities. After a second carbon assessment at the beginning of 2022, the company has confirmed its priorities and is rolling out its action plan within its five railway companies.

### **5.6.2 Our commitments**

Deploy a coherent, proactive, responsible digital strategy, with quantified objectives, in the Group's five railway companies.

Our objectives in 2023 are:

- Prioritise awareness-raising among buyers and digital project managers and 20% of senior managers or executives.
- Give a second life to 80% of terminals: computers, smartphones and tablets.
- Introduce responsible digital criteria in IT calls for tenders.
- Close down historic data centres and promote fibre optics throughout the country.

### 5.6.3 Policy and actions

According to the 2022 carbon footprint, the CO<sub>2</sub>e emissions from the SNCF's digital services are broken down as follows:

- The equipment of the five railway companies accounts for 50% of the emissions: 100,000 PCs, 200,000 smartphones and tablets and 150,000 screens for passenger information, advertising or ticket vending machines.
- The second source of pollution, accounting for 23% of CO<sub>2</sub>e emissions, comes from IT service providers (expertise, day-to-day operations, development in service centres, etc.)
- 14% of emissions from internal and external data centres
- 13% of emissions for telecoms, which provide connectivity to customers at stations and on trains.

The 2022 assessment of digital GHG emissions enabled SNCF to confirm the four levers for action defined in 2021.

#### Raise awareness of the environmental impact of digital technology

To inform all employees, SNCF has chosen to multiply and diversify its training activities. In 2022, more than 3,500 people were made aware through:

- One-off events such as the Responsible Digital Week, offering thematic conferences and concrete challenges.
- Wider deployment of the Digital Frescoes with over 250 participants.
- A series of best practice guides as well as training modules and dedicated workshops to implement them on a daily basis, particularly for managing emails.
- A campaign to raise awareness of digital eco-actions, as part of the government's energy efficiency strategy.

The scaling up of these actions also requires the commitment of all the professionals in the information Systems Departments (ISD) and the support of the CSR officers throughout the company.

#### Limit the renewal of digital devices

Terminals still account for the majority of SNCF's digital emissions, representing 50% of the company's emissions, particularly during the manufacturing phase. Committed to limiting the impact of their manufacture, it continues to activate several levers:

- Buy better by including eco-design, sustainability and efficiency criteria in IT purchases. The training of buyers and ISD players has been intensified this year. A trial with the Fairphone is being prepared to test 100 of these eco-designed phones in real conditions and eventually consider putting them on the catalogue.
- Give a second life to computer equipment. Through its partner Olinn, SNCF has already given a second life to more than 6,000 items of equipment in 2022, i.e. 40 to 45% of equipment, with a target of 80% by the end of 2023.
- Promote refurbished PCs to maximise the use of internal equipment in the company.
- Finally, recover screens for use in the context of flex office projects with the streamlining of premises.

#### Promote environmentally friendly digital uses

The eco-design of SNCF's digital services has accelerated with:

- **The implementation in 20 projects** of a decision support tool and the Responsible Digital checklist to help

digital project managers define the most efficient product with the expected functionalities. For example: FRET SNCF has successfully deployed 30 eco-design rules in several projects and is automating data purges with gains amounting to terabytes.

- **Rating of each major digital project** based on environmental and societal factors during project validation committees to ensure that they integrate these factors "by design".

- **Setting the partner ecosystem in motion** via CSR criteria accounting for 20% of the rating in the context of purchasing. Service centres in particular need to accelerate the training of their employees on these topics.

#### Promote energy-efficient data centres and networks

SNCF continues to migrate to the cloud and promotes the most efficient data centres in terms of reducing energy losses, optimising servers and using renewable energy. This has resulted in the gradual closure of the company's historical data centres. A decrease in electricity consumption of these sites was observed in 2022 as the migration progressed.

It is also an opportunity to accelerate the removal of obsolete IT applications. The implementation of a dedicated monitoring programme ensures that there is no duplication of digital services and that there are limited overlaps between legacy applications and new deployments.

All these initiatives were conducted throughout the country.

## 5.7 LIMIT NUISANCE AND POLLUTION FROM THE RAILWAY SYSTEM

### 5.7.1 Context

Preserving air quality and reducing noise disturbance for customers, employees and residents are key to the policy of limiting the disturbance caused by rail traffic. This is a prerequisite for the development of the modal shift to rail, which is why SNCF has striven to limit the environmental impact of rail traffic for many years.

### 5.7.2 Our commitments

Ensure the conditions for the modal shift to rail by minimising the environmental footprint of rail traffic.

### 5.7.3 Policy and actions

Although the train meets many mobility needs while emitting less greenhouse gases, particles and nitrogen oxides, and consuming less space and energy than other modes of transport, there is still room for improvement. Contributing to improving air quality, particularly on public transport, is one of the main thrusts of SNCF's environmental policy. Although the issue of air quality in underground spaces remains complex, SNCF is one of the few railway companies active in the world on the subject, and some of its work is the subject of scientific publications.

Furthermore, noise disturbance for residents living near railways is a real concern. It requires preventive measures as well as accommodations.

#### Improve air quality by 2030

A pathway for reducing particulate emissions by 2030 is currently being structured. The aim is to achieve optimal reduction of particulate emissions and mitigate residual emissions in underground stations through various technical systems: filtration, ventilation, capture, vacuum train, dust fixation system, etc.



### Focus on particular reduction actions

The years 2020 to 2025 are devoted to improving knowledge, testing solutions followed by performance measurement campaigns in collaboration with national and international organisations to prepare the transition to an industrial phase. An independent scientific committee has been set up to advise on the actions to be taken in the light of existing knowledge on air quality in underground railway enclosures (EFS).

#### Tests on rolling stock

Several avenues are being explored for rolling stock, particularly in terms of braking mechanisms, which contribute to the emission of fine particulates:

- an RER C train, equipped with a fine particulate suction device developed with Tallano Technologie, has been running since the end of 2020 for performance and endurance tests in real conditions.
- Less emissive brake pads are being tested for possible deployment, as well as new brake linings.

#### Air treatment tests

Various air filtration technologies have been tested at Avenue Foch station (RER C) or in Sevran Beaudottes (RER B):

- Air Liquide's technology to capture airborne particulates through a positive ionisation process.
- Starklab's air washing technology using a salt water solution.
- And more traditional filtration with Mann & Hummel.

Several of these tests were carried out with the support of the Ile-de-France Region. A second phase of testing will begin in early 2023, in three stations and for several months, as part of the overall plan adopted by Île-de-France Mobilités. The aim is to test the technologies selected following the initial experiments, in real conditions, at the station level (treatment of platform areas).

[To find out more > The results of the tests](#)

#### Other projects and alternatives

In addition, the Île-de-France Region is relaunching the "Innovate for the air in our stations" call for projects to identify new solutions for improving air quality. SNCF will contribute to it as before.

SNCF also participated in the ADEME TOXin Transport project, led by INERIS (National Institute for the Industrial Environment and Risks). It aims to better characterise the particles present in transport interiors and underground spaces, and to assess the links between particle concentrations, certain specificities of the particles and the effects on the health of people frequenting these environments.

[To find out more > The ADEME project](#)

In addition to the actions carried out over the years to improve air quality in underground railway enclosures, the company is also developing alternatives to thermal traction for passenger transport. All actions to reduce diesel consumption have a significant impact on the reduction of particulate emissions.

For more details, see 5.4.

#### Continued action to reduce rail noise

Controlling the noise pollution generated by traffic and railway works is a necessary condition for maintaining sound relations with local residents and communities and also developing the modal shift to the train for passenger and freight transport. The company is therefore deploying

a policy of prevention and reduction of noise pollution that requires combined action on rolling stock, infrastructure and operations.

The noise policy is based on four strands of action:

- **Preventive actions** for investment projects in the design, construction and operation phases.
- **Curative actions** through a programme to reduce noise black spots: insulation of the facades of sensitive buildings, installation of noise barriers.
- **Actions on track components and equipment** to reduce noise at source. For example, the replacement of old wooden sleepers with concrete sleepers and the replacement of short rails with long welded rails reduces the noise level by a few decibels along the renovated tracks. Similarly, the replacement of cast iron brake blocks on freight wagons with composite brake blocks makes train passages quieter.
- **Innovation and research actions** to develop scientific knowledge and technological solutions with the aim of understanding, modelling and reducing acoustic or vibratory emissions and associated nuisances. For example, an on-board diagnostic tool to measure the acoustic quality of the infrastructure, combined with optimised sub-rail pads, reduce rolling noise. In addition, innovative screens, based on metamaterials, have been developed to attenuate the propagation of noise or vibrations, while reducing the environmental footprint.

In addition, collaborative discussions at international level have made it possible to identify the lack of knowledge about the mechanisms of perception of acoustic and vibratory emissions. The subject is to be the subject of a thesis on the specific case of high speed.

#### "Silent" freight routes

The Noise Technical Specification for Interoperability, adopted on 31 January 2019, will prohibit the use of "noisy" wagons on all "silent" routes defined at European level by the end of 2024. To comply with this, SNCF has launched a programme to re-equip its freight rolling stock. The company has published a map of its "silent" freight routes in 2020, on which wagons still equipped with cast iron brake blocks will no longer be allowed to run. The major growth areas for rail freight generally coincide with these "silent" routes.

#### Reduction of railway noise black spots (NBS)

For the period 2021-2025, a railway noise reduction programme aims to carry out:

- Diagnostics to identify noise black spots.
- Acoustic insulation work programmes for facades directly on neighbouring homes.
- Work programmes for the construction of acoustic walls in railway premises.

A total of €120 million came from the proceeds of the SNCF Group's disposals. The State also supports this policy via the AFITF (French Transport Infrastructure Financing Agency), as do certain local authorities, which should bring the overall budget to €240 million. The first financing agreements signed at the end of 2021 enabled SNCF Réseau to speed up work to combat noise pollution in Bourgogne-Franche-Comte, Auvergne-Rhone-Alpes and Ile-de-France.

In 2022, new regions are concerned with €23.16 million already committed to carry out diagnostics in all regions, facade insulation in Nouvelle Aquitaine, a noise barrier in Bourgogne-Franche-Comté.



This NBS reduction programme is a continuation of the programme already carried out since 2010. In 2022, it will have made it possible to process 326 housing units for the benefit of 978 people.

### Foundations of the quality of the sound environment

In 2022, the conference on the quality of the sound environment was held, organised by the CIDB (Centre for information and documentation on noise) on the theme of "Investing [in] the sound environment". SNCF, partner of the event, led several workshops. One was on "Considering noise in planning decisions: courses of action", and the second on "Rail transport: a response to climate issues. What are the noise and vibration implications?".

These meetings make it possible to exchange with the company's stakeholders and to present the improvement actions put in place vis-à-vis customers and employees for a better integration of the rail system into its environment.

### Communication on works for local residents

As part of its works projects, SNCF Réseau raises awareness, informs and consults. To limit the acoustic nuisance associated with the various phases of the works, several solutions can be implemented depending on the context. For example, the installation of an absorbent mat on gravel pits, which reduces the noise source of ballasting operations by ten. Furthermore, the company uses approved construction equipment that complies with noise standards and raises the awareness of staff on worksites.

### Management of accidental pollution

The control of accidental pollution requires that emergency measures be planned to limit the consequences when they occur. In addition, remediation actions must, if necessary, be carried out to repair the damage. It is therefore necessary to establish and regularly review the scenarios envisaged.

In each production entity, the players in charge of environmental management systems rely on known methodologies to manage these accidental situations. They rapidly organise a diagnosis of the pollution with all players concerned, to assess its impact on the environment and on workers' health, before carrying out remediation and monitoring actions. In these operations, they receive support from engineering or legal specialists for exchanges with the administrative authorities.

Any accidental pollution is an environmental event that must be recorded in the internal environmental management application and monitored as part of the integrated safety management system, depending on its seriousness.

## 5.8 INTEGRATE THE CIRCULAR ECONOMY IN THE GROUP

### 5.8.1 Context

SNCF has made the circular economy a major focus of its CSR strategy to combat the depletion of resources and sustainably integrate its activities into the environment.

It is thus part of France's strategy, which is committed to making progress in the transition to a circular economy, considering this to be one of the objectives for sustainable development.

### 5.8.2 Our commitments

- Systematise eco-design.
- Optimise consumption, reduce resource wastage and increase the proportion of recycled products in purchases and products.

- Rethink our production processes to reduce waste, develop re-use and recover materials.

### 5.8.3 Systematise eco-design

Eco-design concerns products such as rails, catenary wires, rolling stock, etc., signalling and telecom services or systems, and railway projects such as regeneration, modernisation or development of the network and the construction or renovation of buildings.

This approach to improving environmental performance primarily results in:

- Savings of renewable or non-renewable resources and materials.
- Improved energy efficiency.
- Limitation of environmental pollution.
- A reduction in the network's vulnerability to climatic hazards.
- A reduction in the amount of space consumed and impacted.

SNCF's strategy is to systematically analyse the impact of each stage of the value chain upstream of projects and to take this into account when making decisions.

### Eco-design is becoming widespread at SNCF Réseau

Eco-design is included in SNCF Réseau's environmental policy as a practice to be generalised and aligned with its objectives for the circular economy, reduction of CO<sub>2</sub>e emissions and preservation of biodiversity. Eco-design is included in the processes for preliminary studies and the subsequent design phases, but also in the investment committee process. All projects are concerned: accessibility to stations, infrastructure renewal, modernisation of minor historical regional routes... Since 2020, many contract renewals for rail products (including concrete and timber sleepers and signalling products) have included environmental performance clauses. Objective: more efficient products with a known and controlled carbon footprint for better projects by involving the entire value chain.

In 2022, the community of project managers and contributors took part in several events on the practice of eco-design, its place in the processes and the resources available to them. In addition, a dedicated sharing space has been online in the company since 2018. It hosts a structured catalogue to help designers find comparisons, life cycle analysis results and inspirations in all trades.

### TGV M, an eco-designed train

The "TGV of the future", christened TGV M for "modularity", which will enter service in 2024, has been the subject of intense eco-design work, which has resulted in some major innovations. In addition to its energy performance and improved carbon footprint, it is 97% recyclable. Among its other strengths:

- Accessibility of all areas on board, thanks to collaboration with wheelchair user (WU) associations from the start of the design process.
- The possibility of adjusting the number of coaches, transforming a 1st class space into a 2nd class one, reconfiguring the interior by removing or adding seats, bicycle or luggage spaces.
- 20% more space on board to carry more passengers: 740 compared to the current maximum of 634.
- Scalable connected services to meet the needs of passengers (wifi) and provide real-time information on the various parts of the train thanks to preventive maintenance.

To find out more > [The TGV M](#)

### Eco-design at SNCF Voyageurs

The new TGV INOUI catering card is eco-friendly. Launched in October 2022, it offers products 52% of which are manufactured in France by SMEs and VSEs, 92% of which are produced in short circuits, 35% of which are labelled organic, HEV (high environmental value) or from sustainable agriculture and ethical commitment, and 73% of which are free of preservatives, flavourings and artificial colouring.

In addition, the outfits of employees in contact with customers were also renewed in 2022 as part of an eco-design approach.

- 100% of the fabrics are certified free of toxic substances (CEko-TEX Standard 100 label) and 40% of the wardrobe is made of recycled polyester or organic cotton.

- 100% of suppliers have been audited by an independent third party.

- 75% of the cloakroom is recyclable and 25% can be recovered as material or energy.

### AREP eco-design model for stations and buildings

To respond to the climate emergency and the new regulations governing the environmental performance of new buildings (tertiary sector decree, new RE 2020 energy regulation, etc.), it is essential to design, build, maintain, operate and market property differently.

For the design and construction aspects, AREP, a multidisciplinary architecture agency and subsidiary of SNCF Gares & Connexions, has developed an approach for managing projects through the energy-matter-carbon-climate-biodiversity (EMCB) prism. This method makes it possible to optimise the carbon footprint of operations, to restrict energy consumption, to systematically plan for the production of renewable energy, to limit the volume of waste, and to adapt projects to climate change. It is deployed for all station construction and renovation projects. Among the achievements:

- **The Saint-Denis Centre station project** on the RER D, where the passenger building was studied by simulating the climatic conditions of 2050.

- **The Paris Nord 2024 project**, and its bicycle hall, with a capacity of 1,200 places. The building is made entirely of wood and is covered with almost 1,200 m<sup>2</sup> of photovoltaic panels with an estimated total power of 195 kWp.

- **The transitional multimodal interchange** in Saint-Jean-de-Maurienne awaiting a future TGV station on the Paris-Turin line. It has been designed taking into account the adaptability of the structure over time and by making constructive choices in relation to the life of the structure.

### Low impact station furniture throughout the life cycle

To ensure the development of stations, SNCF Gares & Connexions offers a catalogue of furniture for waiting areas, shelters and rest areas or waste sorting that incorporate CSR criteria. These criteria relate to materials and equipment, manufacturing, transport and the specificities of the contract between SNCF Gares & Connexions and the supplier of the framework agreement. To reduce the environmental impact of furniture at each stage of the life cycle, the company promotes:

- French manufacturing incorporating criteria of robustness, energy efficiency and recyclability such as the use of non-composite materials: steel, aluminium, raw wood with PEFC and FSC certification, high performance fibre concrete.

- A choice of furniture that is easy to maintain and repair with framework contracts that include maintenance and the sale of spare parts. Example: benches that can be repaired with a wooden strip.

- The integration of the reuse of old furniture for the supply of sorting equipment in stations.

- Reducing energy consumption with LED lighting for shelters and waiting furniture. The photovoltaic roof option for shelters is also designed for total self-consumption.

- The use of the social and solidarity economy with the integration of hours reserved for the manufacture or maintenance of equipment, and their maintenance with the collection of cigarette butts from smoking areas.

### 5.8.4 Extend product life, reuse better

The operations carried out by the SNCF generate large quantities of products: rails, ballast, sleepers, rolling stock parts, furnishings... They constitute a real material capital. The challenges of reuse and recycling are considerable. By avoiding the energy- and water-intensive extraction phases, reuse and recycling save resources while reducing the environmental footprint of activities. It also helps prevent the depletion of metals such as the high-quality steel used in the manufacture of rails and the copper used for overhead lines.

### The challenge of re-use for SNCF Réseau's railway infrastructure

With the development of territorial industrial ecology centres, recycling centres and short loops, SNCF Réseau is turning the circular economy concept into an industrial reality. Society is progressively moving from a linear economy, which still generates too much waste, to a circular economy characterised by a sobriety of materials. SNCF Réseau relies on three fundamentals for this: regulatory compliance, technical compliance and economic relevance.

Certain historical practices are perpetuated and valued.

#### For example, the repair of signalling equipment

extends the life of the technology and postpones the investment in a change of technology by a few years. This performance is necessary to maintain certain railway lines.

#### Miramas quarry

Considering that the important thing for a product is not so much that it is reused or new but that it meets the intended use during the operating period, SNCF Réseau has worked in recent years on **reused ballast**. Originally intended exclusively for service or short lines, it will be extended in 2022 to the renewal of high-speed lines. The Miramas artificial quarry ensures that all construction sites in the Mediterranean basin are supplied with quality reused ballast.

In the case of track regeneration projects, mobile installations allow the use of directly refurbished ballast, which improves economic and logistical performance. The industrialisation of this process is underway. The co-products are recovered mainly for use as road sub-base.

#### Beaune Recycling Centre

Other materials on the track are being reused: rails, mainly from high-speed lines, are re-used on the minor historical regional lines, as well as sleepers. It is also a cost-effective solution that avoids the purchase and processing of material.

The Beaune recycling centre is a productive laboratory for the circular economy. By producing and serving construction sites with quality second-hand products, SNCF Réseau is capitalising on the experience of

engineering in the circular economy to increase reuse and limit waste production.

### **RITA project: the INOUI renovation of 28 TGV Atlantique trains**

The RITA project has renovated the oldest TGV trains in circulation within a few months. 100 employees from the Rennes and Bischheim (67) technical centres renovated and transformed the passenger lounge, bar and toilet areas into TGV INOUI. It was also necessary to install wifi on board and make the access doors more reliable. These operations were carried out with a focus on the reuse of parts taken from the TGV Atlantique trains that were written off. This eco-responsible renovation of TGV INOUI has been positively received by passenger customers. It also won the Good Economie 2022 award in the "Circular Economy" category.

To find out more > [Grand prix de la Good Economie 2022](#)

### **Taking trains out of dismantling to refurbish them**

Teams from the Périgueux and Tergnier technical centres are renovating old INTERCITÉS night coaches from the 1970s, which were originally destined for scrapping, and putting them back into circulation.

Between 2019 and mid-2023, 130 carriages will have been saved from being dismantled and will benefit from a complete renovation, thus avoiding the purchase of new and expensive equipment. During this operation, 80% of the parts making up the carriages are renovated, mobilising up to 200 people over a period of 10 to 12 weeks for a total of 4,000 working hours. The carriages are then released for another 12 years of service. Among other things, they are equipped with improved acoustic comfort, power sockets, a new interior design for wifi, new toilets and a new livery.

### **Resale of rolling stock to railway companies**

SNCF Voyageurs is committed to giving "a second life" to railway equipment released from commercial operation in France. This is the case for 13 railcars of the TER business which were sold and will continue to be operated, 11 in Romania and two in France. In 2023, additional divestment projects could involve up to 20 new railcars. The maintenance parts of these rolling stock are also affected.

Within the TER business, an entity dedicated to these growing markets works in cooperation with the regional transport authorities.

Other rolling stock (BB27300 locomotives), old but still operational, which Transilien no longer needed, were sold for re-use on the French market rather than scrapped.

### **Reuse of IT equipment and development of the external platform**

SNCF is continuing to reuse its IT equipment through its unique channel set up with the adapted sector company Olinn IT. In 2022, 6,300 pieces of equipment recovered, including 4,000 PCs, were reused or recycled. This re-use channel, open to other companies via a platform, was joined in 2022 by Malakoff Humanis, Keolis and its French subsidiaries and DAMS Pro.

This circular economy approach, designed with a threefold economic, environmental and social perspective, has so far made it possible to sustain the employment of people with disabilities, to cross the threshold of €100,000 in donations to associations and to save 6 million litres of water and 2,454 tCO<sub>2e</sub>.

To find out more > [For a digital commitment](#)

### **The Eco Boutique keeps growing**

In 2018, SNCF launched La Boutique Eco, an internal platform for the re-use of minor equipment (excluding PCs) and supplies. This intranet allows establishments to offer to other departments objects in good condition that they no longer need for professional use: professional protective clothing and equipment (PPE), stationery, consumables, small tools, etc. It is also an opportunity for them to become involved in waste reduction and the circular economy.

With over 45,000 subscribers and more than 30,000 items listed, up 60% in one year, the site has saved the company over €1 million in supply purchases since its launch. In 2021, the site incorporated the possibility of offering large stocks of office furniture following relocations or refurbishments, for re-use at other SNCF sites. The products are put online and the stock is managed until delivery by a subsidiary of the company, Geoparts.

In early 2023, through the Éco Boutique or directly with French establishments, approximately 1,200 m<sup>3</sup> of furniture was reused during moves in the Île-de-France region.

### **5.8.5 Limit and better manage waste and products**

SNCF's waste management policy concerns all its activities: railway industrial activities, activities related to the building stock, tertiary activities. It is deployed according to the following principles:

- Work to continuously improve our knowledge of our deposits and our compliance.
- Reduce the production of waste in all operating processes and recover products at the end of their life, which includes the search for suitable channels or the contribution to the emergence of new channels, in partnership with manufacturers or institutions.
- Aim for zero non-recovered recoverable waste by 2030 for the core railway activity.

### **Rails recycled from old SNCF rails: a short loop**

The development of a short loop allows for the security of supply in a context of global uncertainty. For example, the recovery of non-reusable rail that has been deposited can be used as an industrial input for the manufacture of new rail. This development requires SNCF to have a better knowledge of materials, to move from selling scrap metal to selling ferrous metal grades.

The first "green rails" manufactured by LIBERTY Steel have been deployed on the railway network. They represent up to 90% fewer emissions than a conventional rail and the aim is to produce decarbonised rails by 2030.

### **Key figures 2022**

- 96.5% of removed rails recycled in the steel mill.
- 3.5% of rails reused on tracks, with a target of 7% by the end of 2025.

### **Wooden sleepers for the energy transition of an industry in France**

The preparation of the French sector is underway to start in 2024. The deposit of wooden sleepers will allow the energy transition of an industry in the North-East of France. Wooden sleepers will be used as a highly efficient fuel in industrial cogeneration to produce and use electricity and heat simultaneously, replacing the coal-fired power plant.

### **Rolling stock withdrawn from service: nothing is lost, everything is transformed**

Rolling stock that reaches the end of its life is taken out of commercial service for dismantling: Corail carriages,



Transilien railcars, TER railcars, TGV trains, old diesel or electric locomotives, etc. SNCF has two objectives:

- Recover parts that can be reused, after inspection, on the active fleet: electronic cards, bogies, axles, transformers, pantographs, etc.
- Sorting the material for recycling, in compliance with environmental standards.

The company has contracted with qualified suppliers to carry out these specific operations. Thus, 92 to 95% of railway materials are recovered by bulk.

Almost 12,000 crates of rolling stock will be processed over the period 2018-2028. Seven dismantling plants are needed for this: five are already operational and two are under construction. The establishment of this dismantling sector contributes to the development of a new industry in the railway circular economy, with the creation of approximately 400 jobs in the regions.

#### Waste management in stations and on trains

SNCF's ambition is to promote the recovery of waste produced in stations and on board trains, with the aim of achieving "zero recyclable waste not directed towards a recovery channel" by 2030.

**On trains.** TGV INOUI is accelerating the deployment of bi-flow sorting on board: packaging and newspapers and magazines on the one hand and other waste on the other. For example, a selective waste collection service provided by cleaners will be offered on 80% of INOUI TGV trains in the first half of 2023. This service will be supplemented by the gradual installation of additional sorting bins.

Separation of waste streams is essential at all stages of waste management: during collection, but also during the transfer of the bins and their storage prior to delivery to the processing centres. This quality assurance work is carried out throughout the waste treatment chain.

In addition, since summer 2022, trains equipped with a bar have been able to collect glass waste. The sorting of bio-waste will be added to on-board sorting from 2024 onwards in the new TGV M trains and in the existing fleet.

**In stations.** SNCF Gares & Connexions, with the financial support of ADEME and CITEO, has installed nearly 1,500 new bi-flow and tri-flow sorting bins in 2022, including organic waste sorting. By the end of 2023, it plans to equip 227 of the busiest stations. Partly resulting from reuse, these new bins optimise the efficiency of collection, and simplify their upkeep and maintenance while respecting hygiene, safety and security standards.

#### SNCF is industrialising the collection and recycling of its work clothes

For security reasons, end-of-life professional clothing marked SNCF cannot be collected in the bins for the general public textile sector. To ensure that these outfits reach the end of their life in an environmentally friendly way, SNCF, together with other industrial, associative and institutional partners, initiated the creation of a dedicated collection and processing channel in 2014: FRIVEP, Industrial Channel for the Recycling/Reuse of Professional Clothing.

After an experimental phase until the end of 2020, several possible uses have been identified: manufacture of insulating felts, recycled yarn, industrial wiping cloths, padding, etc.

The FRIVEP project was extended at the end of 2022, after validation of the project by ADEME, by a pre-industrial phase called FIREX (industrial channel for the recycling of textiles). SNCF will contribute to this system with its clothing and will remain committed to the emergence of this sector. The 22 tonnes of textiles

collected in 2022 are the first deposits that will be processed in the demonstrators which will be operational in the summer of 2023 (sorting and unravelling, fraying and spinning, compounding).

#### Waste management : easy traceability

To improve knowledge of the waste the company produces and facilitate its traceability, SNCF has invested in the development of a new environmental management tool. It includes a dedicated waste management module and is now used by over 3,000 employees. At the same time, internal documentation was updated with recent regulatory developments in this area to facilitate their dissemination and application.

For more details, see 5.2 and Vigilance Plan, 3.4.3.

#### Key indicator

|                                                            | 2020 | 2021 | 2022 |
|------------------------------------------------------------|------|------|------|
| Total quantity of hazardous waste produced (in kt) - Group | 69.5 | 75.2 | 67.6 |

#### The GEODIS cardboard shredder

To reduce the footprint of its e-commerce shipments, GEODIS uses an embossing machine to turn one of its customers' cardboard boxes into cushioning material for packaging. This technique was implemented in April 2021 in the Nespresso distribution centre in Mexico managed by GEODIS for orders placed online. This recovers half of the 496,000 coffee cartons thrown away each year and reduces the number of plastic filling supplies that need to be purchased, saving €30,000. In addition, the use of environmentally friendly packaging improves the customer's image. This initiative won an award in the International category at the 2022 edition of the "Tous SNCF" awards.

## 5.9 PRESERVING NATURAL RESOURCES AND BIODIVERSITY

### 5.9.1 Context

The SNCF railway network is a huge configuration that covers the whole country and constantly interacts with nature. As a corporate citizen, SNCF works to promote biodiversity in synergy with the regions.

### 5.9.2 Our commitments

- Continue our commitments under the Act4Nature International scheme and its sectoral version Transport4nature.

- Continue the substitution of glyphosate, replaced since the end of 2021 by an alternative plant protection product based on a biocontrol product.

- Develop biodiversity footprint indicators in line with the new updated National Biodiversity Strategy scheduled for early 2023.

### 5.9.3 Policy and actions

Although SNCF's activities have an impact on biodiversity, it also owns land that provides shelter and preserves it. Biodiversity is a major issue in SNCF's CSR policy and is an important part of the Group's social commitment policy. After joining the Act4Nature initiative in 2018, SNCF published [a first assessment in 2020](#) as well as a guidance document, "Biodiversity Approach", common to all the company's entities. It also strengthens its application of the ARC principle: "avoid, reduce, compensate", with the deployment of a tool for monitoring compensatory measures.



### Act4Nature International and Transport4nature

In 2021, SNCF renewed its commitments to Act4Nature International around three issues:

- Governance, dialogue and awareness-raising.
- Mitigating pressures on biodiversity.
- Contributing to the improvement of knowledge.

In 2022, the SNCF joined Transport4Nature (T4N), the transport sector-specific version of Act4Nature International at European level. It will have to report on its achievements in 2024, at the next IENE (Infrastructure & Ecology Network Europe) congress. Four European companies had joined T4N by the end of 2022.

To make its approach part of a collective commitment, SNCF has forged numerous partnerships with companies working on environmental issues - in particular the associations Orée, EPE or the CILB (Linear Infrastructure and Biodiversity Club). It also funds research projects, such as the Land Transport Infrastructure Ecosystem and Landscape Programme (ITTECOP).

In addition, to develop a culture of ecology among its employees, SNCF undertook in 2021 to raise awareness of biodiversity among 10% of network maintenance workers each year and promote employee commitment to the environment through skills sponsorship. 850 people took part in the 2022 environment solidarity days, half of which focused on biodiversity.

**For more details**, see 8.6.

To find out more > [Our Act4Nature International, Transport4Nature commitments](#)

### Concrete achievements to protect and promote biodiversity

SNCF is conducting many projects in favour of biodiversity: restoring ecological continuity to waterways impacted by hydraulic structures, promoting biodiversity in railway stations and sites by developing rational management of their green spaces, and reducing clashes with wildlife by experimenting with various devices

**With regard to the risks of collision with large animals**, SNCF Réseau has drawn up a master plan for the Île-de-France region with proposals for action at collision sites. It will rely in particular on the FICIF, the Île-de-France hunting federation, with which it has signed a partnership agreement to share data and exchange information on sectors subject to frequent collisions.

To better reconcile work and biodiversity, SNCF also plans its work by taking into account the nesting and hibernation periods of various animals, and raises the awareness of its field agents on these matters.

**Wildlife protection facilities.** Depending on the case, SNCF also provides various facilities. For example, on two railway lines in the Aubagne-Cassis sector in the Provence-Alpes-Côte d'Azur region, several ecological improvements were carried out in 2022 in partnership with the Bird Protection League (LPO): construction of bat nesting boxes, hibernaculum, ponds, tit boxes, insect spirals. In the town of Vendrest (77), near the Eastern European high-speed line, 600 metres of ruts favourable to the yellow-bellied toad have been created within a Natura 2000 site that is home to one of the only populations of the species in the Ile-de-France region.

### Participation in standardisation work and research projects

SNCF contributes to the drafting of standards on taking biodiversity into account in projects within AFNOR. At the international level, it also participates in the ISO technical committee on biodiversity. Objective: be in line with best

practice and integrate the specificities of infrastructure managers.

It conducts research projects that are essential for progress. At the last IENE congress held in September 2022 in Romania, the company presented the progress of several projects:

- To combat invasive alien plants, with the REEVES programme.
- To avoid train collisions with animals: thesis on the acoustic scaring of large mammals.
- To offer an alternative to the use of plant protection products on service roads: selected seeding.

The congress also gave SNCF the opportunity to share its current thinking on Nature-based Solutions for Adaptation to Climate Change (SafN) and to contribute to the working groups of the European project BISON (Biodiversity and Infrastructure Synergies and Opportunities for European transport Networks), of which the company is a member via the advisory group.

### Research into biodiversity footprint indicators

Since 2021, SNCF has been studying the most appropriate tools and indicators to assess its biodiversity footprint in France for the five railway companies. By comparing companies conducting similar studies, SNCF used the SBTN (Science-based Targets Network) methodology to identify and prioritise its direct and indirect impacts on biodiversity, as well as its dependence on nature.

It also appeared necessary to use several indicators to cover the main effects of SNCF on biodiversity, taking into account the diversity of its activities and assets. For the assessment of its indirect impacts, the Global Biodiversity Score is currently being tested.

### Focus on the maintenance of tracks and their surroundings

SNCF is committed to reducing the use of plant protection products. To this end, various arrangements and methods are being tested:

- laying of anti-vegetation mats under the tracks.
- use of alternative biocontrol products.
- new technologies such as sound waves.
- selected seeding.

**Regarding selected seeding**, a "tailor-made" mixture of plant species that are minimally invasive and compatible with railway and personnel safety constraints has been tested since 2019 on 12 sites in France. It could be deployed on one third of the territory's service roads. SNCF Réseau has also decided to develop the approach.

**With regard to the withdrawal of glyphosate** by the end of 2021, SNCF kept its commitment. The new weeding trains tested in 2021 worked in the 2022 campaigns with the new biocontrol product. These trains also incorporate a vegetation detection system designed for targeted spraying. The objective in 2023 is to have 100% of the surfaces treated by these new trains to reduce the quantity of product sprayed by 50%.

**Key indicator**

|                                                                                                                                                                           | 2020 | 2021  | 2022 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-------|------|
| Percentage of railway facilities (national rail network, sites) covered by actions to reduce or eliminate the use of plant protection products (excluding biocontrol) (%) | 15.4 | 16.80 | 30   |

**Ensure sustainable management of water resources**

To better control water management throughout the company, a water policy was rolled out from 2016 to 2020 around eight objectives involving all SNCF activities and businesses. This policy has made it possible to establish multi-year corrective action programmes, thanks to the implementation of several measurement and monitoring systems.

**The first step was to identify the sites that consume the most water** and to determine the nature of the effluents or residual fluids from industrial activities in order to reduce the discharge of dangerous substances into water (RSDE). A programme to renovate the water networks of industrial assets, called CEPIA (Conformité Eaux Pluviales Incendie & Assainissement), has thus been deployed since 2007 and will be followed until 2032. This represents an investment of approximately €230 million, allocated in priority to the sites most at risk. Other actions are carried out to monitor site consumption, detect and treat leaks, and adapt activities in the event of pressure on water resources.

**At the same time, an inventory of the wet networks was drawn up** to have a map of the ecological continuity of watercourses (CECE) and the network's vulnerable points to detect aquatic environments that could be at risk of pollution. On this basis, compliance works were launched for the restoration of CECEs and wet networks. A second plan of action is being developed to provide more solutions to reduce these environmental impacts.

New actions will be undertaken to limit the disruption of the water cycle linked to SNCF facilities and structures and increase the company's resilience to climate change.

For more details, see Vigilance Plan 3.4.3.

## 6. IMPROVE THE ADAPTATION AND RESILIENCE OF ACTIVITIES TO CLIMATE CHANGE

### 6.1 IMPROVE OUR KNOWLEDGE OF THE IMPACT OF CLIMATE CHANGE

#### 6.1.1 Context

The gradual change in the climate and the occurrence of extreme weather conditions will have a growing negative impact on traffic, passenger comfort, the Group's financial performance and, as a result, on the economy of the regions if anticipatory measures are not taken now. In response to these major risks, the Group has made climate change adaptation one of the six pillars of its CSR strategy. This will require a better understanding of the impact of the climate on its rail activities and tighter control of the actions to be taken.

#### 6.1.2 Our commitments

Guarantee the economic sustainability of our activities, in the interest of the rail system and its overall performance.

#### 6.1.3 Policy and actions

The latest IPCC report, published in 2021, confirms that climate change will make weather events more frequent, more intense and less predictable.

At SNCF, these hazards affect customer expectations, employees' working conditions, service continuity, the safety of people and goods, the cost of supplying materials and products, insurance costs, etc. It is therefore in all these areas that climate change adaptation must be taken into account.

#### Setting up a governance structure

In 2021, the SNCF Group committed to developing a plan for adapting its activities to climate change. This is one of the six pillars of the 2020-2030 CSR strategy. This strategy requires the integration of climate hazards in the planning and management of activities, and the development of innovative solutions. But first of all, it is necessary to better characterise this risk to anticipate it, adapt practices and better control expenditure. A coordinated action plan led at the highest level of the Group is necessary, hence the establishment of a dedicated governance structure.

#### A Climate Change Adaptation Strategic Committee

The governance of adaptation to climate change is provided by the "Climate Change Adaptation" Strategic Committee within the Committee of Chairmen. It was set up in November 2021. This body meets once a year and monitors the progress of the work and makes the necessary decisions. The December 2022 committee validated the following points:

- The management of climate change adaptation in each company with coordination by the DESTE.
- Organisation of a network of officers across the Group.
- Validation of the use of IPCC scenarios SSP2-4.5 and SSP2-5-8.5 to identify risks weighing on the Group at present.
- Employee awareness-raising on the matter and training at grassroots level in resilience analyses and physical risk management.

#### Climate change adaptation analysis by risk

In 2022, the climate risk analysis was expanded when annually updating the Group major risk mapping. This analysis was supplemented by a formal document describing the risks, their assessment and the short-term action plan faced with climate change to demonstrate compliance with DNSH (Do no significant harm) criteria – climate change adaptation under the Taxonomy regulation by the Group's activities.

For more details: see 3.5.

The year 2023 will focus on the ongoing analysis of physical risks and their impacts on the activities of Group companies. The objective is to have, as from 2024, the information needed to define objectives and roll out specific action plans in all activities. The implemented adaptation solutions will be regularly monitored, particularly to identify tailored management indicators (level of progress, solution effectiveness, etc.).

#### Measure impacts

An internal database centralises traffic across the network, with documentation of incidents, their causes and consequences. This database was statistically used to assess in 2022 the impacts of bad weather between 2011 and 2021:

- Storm, sleet and snow represent almost 40% of total lost minutes and cancelled trains.
- Extreme heat accounts for around 20% of train cancellations and 16% of lost minutes.
- Flooding, although less frequent than the other bad weather categories, accounts for 6% of delayed and cancelled trains, with an average of 500 minutes lost per

incident, which is the most amount of time lost in the group of incidents for climatic reasons.

**In the last decade, the annual average of 8,600 trains was impacted or cancelled and 1.2 million minutes were lost due to bad weather.**

Even if this study demonstrated the need to improve the quality of information entered to measure the impact of bad weather on rail operations, it highlighted a clearly gradual rising trend in traffic incidents for reasons of “bad weather”.

The year 2022 was particularly marked by numerous untimely episodes of extreme heat, which had major repercussions. The impacts were mainly wildfires, electric traction problems and temporary speed limitations. This resulted in 3,500 train cancellations and over 10,000 hours of delays attributable to bad weather. In 2019, 8% of trains were cancelled due to bad weather and 10% of lost minutes for the same grounds.

**Key indicators**

|                                                         | 2020    | 2021    | 2022    |
|---------------------------------------------------------|---------|---------|---------|
| Minutes lost due to bad weather on the network (nb)     | 628,750 | 692,290 | 608,439 |
| Trains cancelled due to bad weather on the network (nb) | 4,436   | 5,388   | 3,478   |

More generally, global warming has an impact on production facilities, the service rendered and organisations.

**The impacts of climate change on property are already noticeable:**

- On rolling stock: embedded electronics and defective air conditioning in cases of extreme heat.
- On real estate and stations: degradations due to drought and flooding.
- On infrastructure: distortions, untimely deteriorations.

**The impacts already hinder the service rendered:**

- Virtually daily crisis management at certain periods of the year
- Delays: decline in regularity in the summer of 2022 compared to 2021:
  - - 4.5 points for TGV.
  - - 4.1 points for INTERCITÉS.
  - - 1.2 points for TER.
  - - 1.1 point for Transilien.

**The impacts affect organisations and employees:**

- Adaptation of working time.
- Increased on-call duty hours.
- Deterioration in working conditions.

**The economic consequences of climate change result in:**

- Higher repair and maintenance costs.
- Rolling stock repairs and grounding, infrastructure repairs, work organisation (hours of maintenance / on-call duty).
- A loss of productivity and work life quality: extreme heat, slowdown in activity.
- A loss of revenue: financial compensation following cancelled or disrupted traffic, loss of infrastructure fees.
- An increase in the accident rate relating to natural events.

**Choice of baseline climate scenarios**

To obtain operational climate data and a better risk understanding, the Group elected to work with IPCC scenarios, ADEME and the CDP (Carbone Disclosure Project).

Climate scenarios are used to forecast weather conditions in the medium and long term to identify the risks facing the Group’s rail infrastructures and facilities. In the absence of official national or European instructions, the SNCF Group, like many companies, chose the following baseline scenarios for future weather conditions:

- **SSP2-4.5: “business as usual” trend scenario**, where the level of emissions corresponds to the contributions determined at national level, and the emissions rate is not subject to any major radical changes. This scenario may therefore be considered as the most probable. It results in a 2.7°C global warming in the long term (2080 – 2100).
- **SSP5-8.5: scenario with the highest negative climate impact** (fossil-fuelled development), where weather hazards will have the worst impact and the level of risk would be at its highest. It results in a 4.4°C global warming in the long term (2080 – 2100).

In 2022, the DESTE tested the “ACT Adaptation” methodology of ADEME and the CDP. This ACT (Assessing low Carbon Transition) baseline seeks to assess the adaptation strategies of companies, from the analysis of physical risks to governance and decision-making. This methodology is used to work on SNCF’s strengths and weaknesses.

**Network vulnerability assessment**

Since 2015, SNCF has been conducting in-depth studies in various Group companies with ADEME, the Institute of Economics for Climate (I4CE), Météo France or on its own, such as SNCF Réseau in 2021 on the Seine Paris - Le Havre line. Objective: better determine climate causes of rail system vulnerability to identify and prioritise solutions to adapt to current and future weather conditions to boost the robustness of the infrastructure and its services. This work has resulted in:

- Changes in certain business practices or gestures. For example, the reinforcement of network and rolling stock maintenance teams during sensitive periods, the preventive checking of trains (air conditioning) or the implementation of heat rounds to check the state of the rails, etc.
- Identification of indicators to be monitored within the Transilien scope to reduce weather-sensitive incidents.
- The visualisation of target areas and causes of vulnerability on a rail network line to prioritise actions and progressively feed into an adaptation and resilience strategy for the national rail network.

In 2022, work continued to establish an action plan and anticipate the impact of climate on Group activities.

**SNCF Réseau initiated a new diagnostic on the vulnerability** of the rail infrastructure to weather events in Languedoc’s crescent. The aim is to complete the current vulnerability studies in 2023 and initiate new ones to cover in the short term the whole of France, and the backbone network, high-speed lines, dense zones, backbone lines, with at least one study.

**SNCF Voyageurs coordinated its initiative around two priorities:**

- 2023 Summer Heatwave Plan by drawing up a resilience plan - extreme heat, water restrictions, flooding - following the observation of high risks on our activities.



– Climate Change Adaptation 2040 by identifying the physical risks of weather events and studying the adaptation of trains, sites, employee working conditions and production processes to guarantee the resilience and sustainability of mobility offers.

**TER began to analyse the resilience** of the Grenoble technical centre using the OCARA (climate resilience diagnostic) developed by Carbone 4. This analysis covers the integrity of buildings and the operation of equipment as well as the ability to maintain working and production conditions. The ongoing analysis is already used to identify concrete adaptation measures on the site in particular: Individual protection equipment during heatwaves, shade shelters on sidings, sun breakers and reflective coating on buildings.

**GEODIS carried out a study** with the help of an expert firm to map the exposure of its worldwide activities to physical risks. This study takes into account IPCC scenarios SSP2-4.5 and SSP5-8.5 over the period from 2030 to 2050. The results will be available in Q1 2023.

**The Group risk department updated the major risk mapping** with a focus “climate” risks for 2022.

To find out more > [Studies](#)

### Coordinated action plan

The work carried out in the various Group companies is now steered and coordinated by SNCF SA through an action plan that is submitted once a year to the Climate Change Adaptation Strategic Committee. The initial objective is to meet current adaptation requirements in the most efficient and optimised manner as possible within the Group. It is necessary at the same time to ensure that the priorities, scope and pace of action on this topic are consistent with the obligations and expectations of external stakeholders. In particular, the aim is to respond better to:

- The current adaptation needs of the Group’s activities.
- The organising authorities which demand stress tests to draw up their Regional Climate Change Adaptation Plans.
- Insurance companies requesting a detailed action plan.
- Financial services, via the environmental taxonomy.
- Non-financial rating agencies that include this theme in their evaluations.

**The Group’s priorities for action in 2023 include:**

- Obtain climate data that can be used by line staff. This data, taken from IPCC climate change scenarios SSP2-4.5 et SSP5-8.5, will be used as common baseline for the Group’s internal analyses and the stress tests with the organising authorities.
- Further employee awareness-raising and team training initiatives.
- Strengthen knowledge on the subject by analysing the vulnerability of sites with high stakes, in relation to the current and future climate, and assessing the financial impacts integrating construction work as well as operating losses, activity losses, insurance, etc.
- Identify organisational changes in operations: dedicated climate change adaptation organisation, network of trained experts, sharing of good practices from the various studies, etc.
- Initiate discussion on design and structural adaptation with technical solutions based on nature, such as the working group launched by SNCF Réseau.

To find out more > [Climate data](#)

### European taxonomy and physical risks

In 2021, the SNCF Group conducted an eligibility test: 77% of eligible revenue, 94% for OPEX and 96% for CAPEX.

In 2022, an exercise to align with the climate change mitigation goal was requested and published in the non-financial performance statement (point 3.5). It was conducted by assessing three areas:

- The company’s substantial contribution: compliance with emission thresholds.
- The Minimum Safeguard: compliance with fundamental human rights and good business conduct criteria.
- DNSH (Do No Significant Harm): no negative impact on the other objectives.

To meet DNSH requirements, eligible activities were asked to analyse climate risks according to the following stages:

- Analysis of the activity to determine physical climate risks that may impact it.
- Assessment of the materiality of the risks identified compared to the activity.
- Assessment of adaptation solutions to reduce the identified physical climate risks.

Physical risks were identified and assessed for the entire Group scope in September 2022. It was coordinated by the DESTE and the Risk Management Department.

**For more details:** see 3.5

### Train experts and raise employee awareness

To help the five rail companies to address climate change adaptation, the DESTE set up and facilitated working groups on transversal themes: climate or technical/incident, financial, insurance data etc., risk identification awareness-raising and training modules for teams.

In 2022, two training workshops to analyse activity resilience help upskill teams specialising in analysing the vulnerability of SNCF facilities: one with Cerema (Centre d’études et d’expertise sur les risques, l’environnement, la mobilité et l’aménagement), the other with Carbone 4.

Furthermore, the DESTE organised several climate change awareness-raising sessions at national level and on request in the regions.

## 6.2 INTEGRATE CLIMATE-RELATED HAZARDS INTO BUSINESS PLANNING AND MANAGEMENT

### 6.2.1 Context

Damage to tracks, breakdowns and accelerated ageing of trains... The SNCF Group is already suffering the consequences of climate change on its equipment, resulting in a drop in service quality and financial impacts. In the last 10 years, the number of operating incidents due to bad weather has increased: +600% of trains cancelled in the decade 2011 – 2021. Climate risk must now be anticipated and systematically integrated into technical choices to reduce the vulnerability of infrastructure, stations and rolling stock and increase their resilience and capacity to adapt.

### 6.2.2 Our commitments

Integrate climate-related hazards into business planning and management to ensure continuity of service.

### 6.2.3 Policy and actions

Bearing in mind that climatic events are becoming more intense, more frequent and with greater impact, scope and gravity, the SNCF Group has taken several actions within



its activities to reduce the vulnerability of infrastructures and adapt to new environmental constraints.

Accordingly, in 2022 SNCF Voyageurs initiated two measures to adapt its activity:

- In the short term, creation of a resilience plan for the summer of 2023.
- In the medium-term, identification of climate hazard risks and the adaptation actions to be undertaken to ensure offer resilience and sustainability.

At SNCF Réseau, an action plan is currently being drawn up to:

- Conduct vulnerability studies by line.
- Verify the resilience of components and systems.
- Reassess the upkeep, maintenance, design and implementation processes.

#### SNCF Réseau's actions to adapt infrastructures

The adaptation and resilience of the infrastructure, its components and its operation are the major challenges for SNCF Réseau. Its priority is to cope with weather events and to ensure continuity of service and regularity of rail traffic.

In this context, SNCF Réseau has been implementing solutions for several years to combat climate change and maintain service continuity:

- Preventive tours in bad weather or heat to anticipate any damage to structures and railways due to bad weather or high temperatures.
- Monitoring of tracks in the event of bad weather alerts.
- Changes in the design and implementation of rails and other components.

#### A gradual adaptation process

Achieving complete resilience of the rail network is an ambitious goal, due to its linear structure, the complexity of its operation, its age, its close intertwining with the regions it crosses, and its permanent exposure to climate-related hazards.

Achieving this objective requires transformations in practices and organisations which have been gradually implemented since 2016:

- Drawing up of a map of establishments and facilities at risk located outside the Flood Risk Regions.
- Fire safety policy for the network's technical installations such as signal boxes.
- Reinforcement of surveillance actions, both through field trips and network supervision.

Since 2020, priority has been given to the detailed diagnosis of the infrastructure's current and future vulnerabilities:

- Various rail infrastructure components.
- Railway lines to take into account the variation in exposure to climate change from one territory to another.

The objective is to have an overall view of the network's weaknesses to anticipate the actions to be taken at controlled costs. These diagnoses are gradually feeding into a strategy for the adaptation and resilience of the national rail network.

#### Secure service continuity in the summer of 2023

SNCF Voyageurs drew up a resilience plan faced with risks of heatwaves, drought and flooding. The aim is to anticipate the impact of these weather hazards:

- For traffic: cancellation of trains, impacts on regularity, on-line incident management, increased maintenance.

- For the customer service: on-board comfort, passenger information and management, compliance with contracts entered into the transport organising authorities in regions, etc.

- For employee working and safety conditions: extreme heat protection equipment testing and adaptation of outfits, change in work schedules, shades to protect employees and prevent train overheating, state-of-the-art reflective coating on buildings and trains.

### 6.3 DEVELOP RESEARCH INTO INNOVATIVE SOLUTIONS FOR THE ADAPTATION AND RESILIENCE OF OUR ACTIVITIES.

#### 6.3.1 Context

Achieve and maintain the resilience of Group activities in an ever-changing climate context is a real challenge. Even though there are adaptation solutions, most have yet to be invented.

#### 6.3.2 Our commitments

Invest in Innovation and Research in favour of the adaptation and resilience of our activities, infrastructures and systems.

#### 6.3.3 Policy and actions

SNCF strives to Invest in Innovation and Research in favour of the adaptation and resilience of our activities, infrastructures and systems. The Group Technologies, Innovation & Projects Department (DTIPG) works to produce risk analysis and decision-making help methodologies and tools to adapt to climate change and develop:

- An expertise in terms of resilience by active monitoring, regular benchmarks and partnership approaches.
- An understanding of the positive impacts of network infrastructures and engineering works on regional resilience to climate change.

#### Identify and develop nature-based adaptation solutions

The director of the DESTE hired Synapses, SNCF's network of sustainable development experts, to better determine the concept of nature-based adaptation solutions and identify solutions applicable to SNCF in an initial case study: extreme temperatures. This exploratory engagement will assess its interest and feasibility, with regard to the infrastructure, stations or industrial centres.

Nature-based adaptation solutions are not subject to regulatory requirements but are showcased by the IPCC and the IPBES (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services). Nature-based adaptation solutions provide a combined approach of climate change and biodiversity adaptation issues, and offer various co-benefits.

SNCF implements solutions which could be considered as nature-based adaptation solutions, provided the standard developed by the UICN is applied. This mainly concerns certain greened station or multimodal exchange hub forecourts including water management by valley gutters (greened ditches). Other approaches, such as selective sowing of sidings as an alternative to phytosanitary products, may prove interesting. The engagement should provide a summary report and recommendations on additional studies in Q1 2023.

#### European research programme

In 2019, the SNCF Voyageurs Equipment Engineering branch helped set up the "Europe's Rail" programme, a community focusing on research and innovation, comprising 25 founding members of the European rail

sector (industrialists, operators, infrastructure managers, laboratories). The first phase of the programme kicked off in January 2023 with financing of €570 million over four years. Under this programme, Equipment Engineering, representing the SNCF Group, steers the Climate Change Adaptation project. It is built around four focus areas:

- The development of a tool providing climate data adapted to rail sector needs.
- The identification of technical solutions available worldwide, its adaptation costs and development of new solutions.
- The creation of a corrective and preventive action plan on a technical and organisational level applied to design, maintenance and operations.
- The revision of European rail system design standards that are used worldwide, even technical interoperability specifications.

This work will continue until 2030.

#### White paint, a low-tech example

To limit rising temperatures in the summer and the energy consumption generated by air conditioning, a simple approach consists in painting the roofs of buildings white to reflect sunlight. Tests were conducted at SNCF platform shelters in Joué-lès-Tours (37) and Ballan-Miré (37). Result: a 6 to 7°C reduction.

Furthermore, a 400 m<sup>2</sup> reflective coating on the roof of SNCF Réseau's industrial sites in St-Dizier (52) naturally reduces the temperature by 5°C in the summer.

## 7. ACT FOR SOCIAL COHESION AND THE ECOLOGICAL AND SOLIDARITY ECONOMY IN THE REGIONS.

### 7.1 DEVELOP INCLUSIVE MOBILITY AND SOLIDARITY AT THE HEART OF THE REGIONS

#### 7.1.1 Context

Lack of mobility is the second biggest barrier to employment after training. It can also hinder access to leisure activities or other travel<sup>(1)</sup>. Among the causes the apprehension in using public transport, the difficulty in obtaining a train ticket or the poor knowledge of transport solutions in the region. As a responsible public company with strong local roots, SNCF promotes the learning of geographical mobility for all. As a long-standing player in the field of integration and civic and solidarity initiatives, it is committed to helping people excluded from the labour market and vulnerable people.

<sup>(1)</sup> *Daily mobilities survey published by Wimoov and the Fondation pour la Nature et l'Homme, March 2022*

#### 7.1.2 Our commitments

- Promote learning about geographical mobility for all, especially for job seekers.
- Develop professional integration actions, particularly for young people.

#### 7.1.3 Policy and actions

SNCF plays a major role in the country's ecological and social transitions. Its presence across France, the nature of its activities, its economic weight and public identity enable SNCF to develop a sustainable and inclusive mobility while boosting solidarity in the regions.

SNCF participates in the fight against exclusion and precarity, as well as in integrating people excluded from the labour market through numerous actions in collaboration with players involved in Inclusion through Employment (IAE) and social action.

### Supporting employment...

Every year, SNCF entities provide support to help people in their lives, whether through sustainable purchasing, integration clauses, support for the sheltered sector, integration projects or subsidised contracts via apprenticeships.

To promote the professional integration of young people, who are vulnerable due the health crisis and inflation, SNCF is continuing its actions alongside the State in the "Un jeune, une solution" scheme, which takes on over 7,000 young people on work-study programmes and developing partnerships with associations. The Group's Foundation notably set up a solidarity fund of €227,000 for 2022 to help young people who suffer from food insecurity.

### ... and mobility towards employment

Bearing in mind that all individuals prevented from accessing essential services - school, healthcare, work, culture, leisure, etc. -, are considered as excluded from mobility, the Group can help such individuals find employment or travel around by facilitating the learning of geographical mobility for all. Facing the daily travel problems encountered by almost half of French people<sup>(2)</sup>, SNCF has increased awareness-raising workshops, particularly in partnership with Pimms Médiation.

<sup>(2)</sup> *Laboratoire de la Mobilité Inclusive (LMI), "Mobilité et accès à l'emploi" survey, 2016*

### Pimms Mediation to create social ties and proximity

The Group has been committed alongside Pimms Médiation since its creation in 1995. Based on a shared ambition between the French State, local authorities and partner companies, they meet the expectations of citizens by facilitating access to administrative and digital services. SNCF is therefore present at the 54 reception centres managed by 20 Pimms Médiation partner associations. These reception centres that are sometimes set up in stations, rural and periurban areas or priority districts are freely accessible to all, particularly vulnerable people. Social mediators can also help people learn about the proper use of everyday mobility, particularly regarding the SNCF offering:

- Within Pimms Médiation: to help build the journey, choose the price offer according to the profile on the TER or SNCF Connect websites. In 2022, 12,070 persons were assisted.
- In stations and trains: to prevent conflicts, reforge social ties and help people in need to use mobility services. In 2022, 67,000 initiatives were launched in stations or trains.
- By mobility training workshops in each region. In 2022, 704 persons were assisted at group workshops (digital or in the field) and 2,434 were individually assisted at SNCF Connect "flash" workshops.

### ... and promote professional integration

The Pimms Mediation system also has a human dimension of inclusion since the social mediators are in the course of professional integration for most assisted contracts. In 2022, SNCF reactivated an employment gateway for mediators and Pimms Médiation management teams who have a professional project focusing on the rail sector, in line with passenger services and equipment sectors. Accordingly, SNCF proposes:

- Presentations for train managers, station commercial employees, Rail security, maintenance technician and related recruitment paths.
- An interview with an SNCF HR professional which may result in a recruitment session for the position in question. In 2022, 35 mediators benefited from job presentations.

### Teaching mobilities in the regions

To remove barriers to mobility and encourage the use of public transport, SNCF deploys a mobility training module in cooperation with employment and integration players.

It is made up of these components, to be monitored independently or as a whole depending on the public.

#### A mobility discovery tour for:

- Getting around in SNCF stations.
- Presenting TER tickets and offers adapted to the profile of the beneficiaries.
- Understanding information contained on a ticket.
- Using automatic ticket machines and ticket validators.
- Discovering other modes of transport linked to the station, such as the Keolis transport network.
- Raising awareness of rail risks and compliance with the rules on the TER network.

**A digital-oriented mobility workshop** which enables participants to familiarise themselves with the "SNCF Connect" application for finding travel options and buying tickets through quizzes, animations and practical examples. An assimilation of the TER site is therefore proposed and may be completed by the application of the regional municipal operator.

**And a "flash" digital workshop** which presents the main features of SNCF Connect to people already familiar with the tool.

These workshops may be proposed by Pimms Médiation partners, such as in Lyon, Saint-Étienne, Dijon or Rennes, as well as by other SNCF partner associations or SNCF employees, such as in Hauts-de-France or Nouvelle-Aquitaine.

#### "Youth commitment contract" mobility workshops in the Auvergne-Rhône-Alpes region

In this Region, mobility teaching workshops are facilitated by the SNCF partner Pimms Médiation mediators. These workshops are intended as a priority for individuals returning the job market and more specifically young people seeking employment or training. They are conducted with local missions and unemployment offices which, under youth commitment contracts, propose individual and collective support to 16 to 25 year olds who have difficulty in accessing employment. Since the lack of mobility is one of the main barriers, several local groups and unemployment offices included these workshops in their programme. In 2022, out of the 646 persons assisted in group workshops by Pimms Médiation, 179 were 16 to 25 year olds guided by local missions or unemployment offices.

#### Mobility facilitated in second-chance schools in Hauts-de-France

At the end of 2021, six second-chance schools in Hauts-de-France signed a two-year partnership contract with the SNCF Group to facilitate the mobility of young people and their access to the employment market. This resulted in training and the organisation of a network of Mobility officers appointed by the schools within each of their branches, and steered by the Hauts-de-France TER Mobility facilitator. It presents the uses relating to train travel as well as the offers and services developed by the SNCF. For example:

- The Helping Hand ticket which allows job seekers to benefit from a 75% reduction.
- The Employment Pass ticket for free transport to a TER recruitment interview.

It also puts these Mobility officers in contact with staff from neighbouring stations.

In the Etoile sector in Amiens, young people with the most travel problems can therefore benefit from a station workshop, facilitated by voluntary employees. Once trained, officers are committed to raising the awareness of young people in their schools and participating in SNCF events to promote mobility teaching or seek Hauts-de-France TER in their own events.

**Result:** eight workshops conducted in Abbeville and Amiens since the launch of the programme at the end of 2021. In total, in 2022, 385 young people and 15 second-chance school team members followed a mobility workshop at a station or within their establishment.

This mobility training is rolled out in other formats in Hauts-de-France, particularly under a partnership with Unis-Cité: 490 young people assisted in 2022.

#### Deployment of the Mobility Mission Module in Île-de-France

The Transilien "Mobility Mission Module" was presented in 2022 to numerous partners, particularly Pimms, to deploy it to their populations. The module seeks to provide an initial training to excluded people: preparing for travel, understanding station signage, finding your way on the Transilien network, etc. This awareness-raising makes it easier for them to access employment, training or leisure activities. To achieve this, Transilien trained Pimms participants at Garges-Sarcelles, Melun and Paris, the Local Mission at Courbevoie, the social welfare department at Poissy and associations in charge of conducting integration projects such as Chantier École and Urban Deco. This module was also deployed for more than 300 pupils in several schools in priority districts in Île-de-France.

In total, taking into account all programmes, 3,800 individuals received mobility teaching assistance in group workshops, in addition to 2,434 individual "flash" workshops dedicated to learning about SNCF Connect.

#### The use of community service missions

Since 2007, SNCF has worked with the French Ministry of Justice to promote the reception of adults and children who carry out community service as an alternative to prison. At SNCF, community service workers are assisted by voluntary employees with a professional integration approach.

Insofar as the reoffend rate is lower than for those leaving prison, community service is a tool for combating re-offending. It also gives concrete expression to "restorative justice" by making it possible to repair the fault committed, while offering a first professional experience for 70% of beneficiaries. SNCF has chosen to entrust community service missions that are useful for the public company, such as the maintenance of certain facilities (green spaces, station surroundings, minor renovation, etc.) and service to its passengers.

The five-year partnership agreement between SNCF and the Ministry of Justice was renewed in 2019. In addition to traditional community service, it provides for innovative measures such as educational community service and unpaid work.

In 2022, 202 individuals ordered to carry out community service were received within SNCF, for 17,595 working hours completed.

#### Focus on a "Boarding welcome" assignment in the Grand Est region

In 2021, the Grand Est region welcomed 37 community service workers over 2,600 hours as part of a "boarding



welcome” assignment in seven stations. The community service workers were tasked with checking that passengers had a ticket and guiding them, if need be, to points of purchase. Prior to carrying out this assignment, community service workers are trained in railway risks, speaking to the public and the use of ticket verification tools. This assignments helps community service workers learn about combating fraud.

### Ile-de-France integration projects

In Île-de-France, 170 employees were in the course of professional integration in 2022 through 13 integration projects managed by Transilien SNCF:

- Green space ecological management projects: eight projects for 55 stations and 85 temporary employment agency employees.
- Bicycle self-repair projects: located in 28 Ile-de-France stations and the Transilien headquarters in Saint-Denis, they were managed by three different associations with 74 temporary employment agency employees.
- Decorative fresco projects for create five frescos, including 3 for the RER E, via two different associations and 11 temporary employment agency employees.

### Integration projects in stations

SNCF Gares & Connexions promotes the professional reintegration of people excluded from the labour market through integration projects, while developing the range of services offered at stations. For example, so-called multiservice sites include free luggage assistance, customer guidance or assistance with waste sorting.

– In the Paris-Lyon, Paris-Montparnasse and Paris-Est stations, 101 beneficiaries on fixed-term integration contracts (CDDI) benefited from the scheme supervised by the association ARIES (Association regionale de reinsertion economique et sociale). The "works" integration project at Paris-Lyon station involved 30 beneficiaries in 2022.

– In Marseille St-Charles station, the “aidengare” multiservices programme, coordinated by the integration support association HPF, mobilised 32 beneficiaries in 2022.

– At Paris Saint-Lazare station, a furniture removal project, carried out with the association ARIES, included the reuse of this furniture on association premises.

### Keolis also targets people excluded from the labour market

Through its subsidiaries, Keolis develops partnerships with local organisations (second-chance schools or other structures), to integrate people in difficulty into the job market.

**Keolis Rennes, for example, undertook the “Territoire Zéro Chômeur de Longue Durée”** to provide a solution to any individuals permanently excluded from employment residing in a given region. Once human resources and employment needs are identified in the territory, one or more employment enterprises are created to connect the two. The aim of these enterprises, which had a specific legal status, is to propose regional solutions to reduce long-term unemployment. Keolis Rennes proposes several activities related to the maintenance of the metro infrastructures, to be carried out within the framework of one of these future companies.

### The SNCF Foundation, focusing on the place and commitment of young people

In 2020, the pandemic revealed the extent of its activities and the crucial role of the voluntary sector towards the most vulnerable groups. The Foundation, which took

action in 2021 with young people, who are particularly affected by the economic and health crisis and the climate emergency, renewed its emergency assistance in 2022. It therefore continued its impact partnerships to help young people build a sustainable future in the regions through two focus areas and a programme:

- “Trouver sa voie”.
- “Agir pour l’environnement dans les territoires”.
- The “Refugees” programme.

Its annual budget of €4.5 million mainly supports associations working with young people, from those who have just started high school up to 25 or even 30 years old.

Among the support actions planned for the first focus area: learning support, help with orientation and education and career development, support for solidarity and civic projects. As part of the government’s “Un jeune, un mentor” operation, the SNCF Foundation and Human Resources have also mobilised employees to support a young person in their school, student or professional career.

For the second focus area on the environment, the SNCF Foundation is working with players from the sector to raise awareness of the fight against waste and the preservation of resources, to encourage the repair or re-use of objects and to promote local initiatives such as waste collection or the creation of organic vegetable gardens.

For these two areas, the Foundation relies on its network of 15 regional correspondents.

### Young people at the heart of the Foundation

The SNCF Foundation initiated an innovative listening approach to place young people and their ambitions at the heart of its project. It therefore studied the proposals of 163 young people who emerged from workshops organised in nine regions in 2022 and will fuel the Foundation’s strategy. The Foundation will also open its governance to a few young people in 2023 until the end of its five-year programme.

### Focus on the youth solidarity fund

For the second year running, the Foundation launched an emergency fund to support young people made vulnerable by the pandemic and inflation. In 2022, food insecurity and psychological and social distress were targeted.

At national level, €165,000 was allocated to the French Federation of Food Banks. Aim: help 41,000 young people suffering from food insecurity through its 13 departmental branches, gathering 50% of the French national food aid. The initiative therefore focused on medium-sized agglomerations and rural areas to reach young people whose insecurity is real but less visible. Furthermore, food banks, through student associations such as Agorae working on campuses, also received funds. An additional €62,500 was granted to associations working directly in each region to meet their needs.

### A programme to support refugees at SNCF...

As part of its support for vulnerable people, the SNCF Foundation has been involved since 2019 in a programme to help “statutory” refugees obtain recognition from the French State. Based on professional integration and French language learning, the 2022-2024 programme focuses particularly on young people, who represent 80% of the refugees welcomed in France. Aim: assist 1,000 refugees with their integration. To achieve this, the Foundation allocated €1.5 million over 3 years to the support and networking of associations at both national and regional levels.



Furthermore, the Foundation renewed support for refugee entrepreneurship via an incubator with Generali, La Plaine Commune in Saint-Denis and a future incubator in Strasbourg. It is also committed alongside the French Red Cross to helping unaccompanied minor refugees, in particular in Hauts-de-France near the Dunkirk camp.

To find out more > [Refugee integration programme](#)

### ... And at Keolis

In 2022, Keolis also continued its partnership with the "Refugees Are Talents" business collective. It works to promote the social integration of refugees through French classes and cultural teaching and their professional integration. Assisted by NGOs, the collective offers refugees who are authorised to work training and recruitment options. Keolis participated in a job dating session with its Île-de-France subsidiary in December 2022.

### Ukraine solidarity in the SNCF Group

**The SNCF has shown solidarity** with people coming from Ukraine by guaranteeing them, like many of its European counterparts, free travel to their destination and their return to their country. This measure concerns all SNCF trains, including cross-border trains, and TER and Transilien trains in agreement with the organising authorities.

**GEODIS has been working with the French Federation of Food Banks** since March 2022 to deliver basic essential donations to Ukrainian refugees in France and Ukraine's neighbouring countries. GEODIS, which received the "Entreprise Solidaire des Banques Alimentaires" label for its efforts, also provides logistical support to the Franco-Ukrainian association Tryzub, which brings together food and medical and camping equipment, as well as to AMC, Aide Médicale et Caritative, and two other associations, France-Ukraine and Doc4Ukraine for medical supplies.

**GEODIS supports the French Red Cross** in its operations through a fundraising program in which all volunteer employees have been able to participate. Each euro donated was matched by GEODIS on a 1 to 1 basis. All the donations collected were used to support those directly affected by the conflict by meeting needs for water, basic necessities, medical equipment, first aid and psychological support.

**In connection with the Group's actions, the SNCF Foundation has dedicated an immediate emergency fund of €200,000**, allocating half to the French Red Cross and the other half to the UNHCR (High Commission for Refugees). This fund aims to help Ukrainian refugees on French soil and the population in Ukraine as close as possible in the field. The Foundation is also responsible for guiding employees who wish to make donations or get involved through skills sponsorship with these recognised public utility organisations and the member associations of partner networks at both national and local levels.

## 7.2 DEVELOP AN AMBITIOUS RESPONSIBLE PURCHASING POLICY THAT INCLUDES SUPPLIERS AND SUBCONTRACTORS

### 7.2.1 Context

SNCF's purchasing policy contributes to the ambitions set by SNCF for reducing greenhouse gas emissions, the circular economy and local commitment. It thus takes into account CSR issues throughout the purchasing process and ensures awareness and coordination of stakeholders: suppliers, buyers, customers, etc. Its responsible purchasing strategy also forms part of a context combining a climate emergency, energy shortages and inflation that

highlights the vulnerability of supply chains, the increased CSR requirements of consumers and public contractors against the backdrop of numerous regulatory developments (climate & resilience law, anti-waste law for a circular economy, energy conservation plan).

### 7.2.2 Our commitments

– **Buy less:** question the need and the supply processes or practices and encourage reuse and extending the life of products.

– **Buy better:** integrate at each stage of the purchasing process requirements that are consistent with the Group's CSR objectives and/or the CSR risks of the purchasing family in question. Decarbonise the SNCF supply chain, strengthen eco-design, inclusive purchasing, and supplier assessment and participate in the socio-economic development of regions.

– **Buy cheaper:** have a full-cost analysis approach to tenders, mainly integrating the life-cycle cost of products, and formulate "strictly necessary" expressions of need.

### 7.2.3 Policy and actions

SNCF has the opportunity to create more value by making its suppliers committed partners and contributors to its financial and CSR performance. Its purchasing policy, rolled out in line with its purpose, is thus built around four pillars: economic performance, decarbonisation, regional, societal and environmental commitment and the need for quality and safety.

Four main priorities guided its efforts on sustainable purchasing in 2022:

– **Systematise the consideration of CSR criteria in the analysis of tenders and the awarding of contracts.**

Anticipating the 2025 regulatory requirements of the Climate & Resilience Law, SNCF generalises the CSR rating principle for tenders, with a 20% overall rating devoted to CSR. The rating takes into account social and environmental criteria adapted to each contract to better associate suppliers with SNCF's commitments. In 2022, this rating covered 52% of contractualised expenditure.

– **Continue to develop purchasing from the social and solidarity economy (SSE) sector with the aim of achieving €100 million in direct solidarity purchases by 2030.** In 2022, purchases from the sheltered and adapted work sector (STPA – Handicap) and Integration through Economic Activity (SIAE – Insertion) represented more than €34 million in purchases and 1.1 million hours through integration clauses.

– **Support the rising maturity of responsible purchases across the entire Purchasing function within SNCF and its subsidiaries.** This involves organising the sector with a network of identified correspondents, associated with training. Adopted by all buyers, the main training session was updated in 2022 and will be expanded in early 2023 by two modules: solidarity purchasing and decarbonisation.

– **Accelerate the decarbonisation of SNCF purchases.** This is one of the sector's main tasks. Due to their volume and wide diversity, SNCF purchases represent various challenges in terms of carbon intensity and emission sources. A prioritisation work was therefore carried out in 2022: firstly, the decarbonisation of work purchases then service purchases. Furthermore, an approach based on standard processes helps to identify the main emission sources, convert them into rating criteria quantifiable with the related evidence and finally validate the rating method with weighting adapted to market challenges. Within two years, SNCF must be able to rate a supplier offer

according to the volume of its CO<sub>2</sub>e emissions on its relevant purchases.

**For more details:** see 5.3.2

Furthermore, SNCF is committed to a continuous improvement process. It is therefore involved in various groups or working groups in favour of responsible purchasing, such as the Federation des Industries Ferroviaires (FIF), the Observatoire des Achats Responsables (Obsar), the Pacte PME association, Handeco and the Gesat network.

#### CSR supplier requirements strengthened at SNCF...

A "Supplier Relations and CSR Charter" reinforces the supplier's commitment by becoming a contractual document. It includes a clause encouraging the SNCF supplier to be assessed by a specialised independent third party. In strategic supplier contracts and for purchasing families identified as being at risk, an independent third party assesses the achievement of a minimum CSR maturity level, set by SNCF.

In 2022, 1,377 suppliers assessed by a third-party provider on behalf of SNCF received an average score of 58.6.

|                                                         | 2020 | 2021 | 2022 |
|---------------------------------------------------------|------|------|------|
| CSR performance of suppliers (rating out of 100) - SNCF | 56.5 | 57.4 | 58.6 |
| including social and human rights                       | 59   | 60,2 | 61   |

In 2023, SNCF will also review its CSR and Purchasing risk mapping carried out in 2020 and update its supplier CSR risk monitoring and assessment procedure.

**For more details:** see 3.2 and Vigilance Plan, 4.3.

To find out more > [The supplier relations & CSR charter ...and Keolis](#)

Following the first mapping of CSR risks in purchasing, carried out in 2018, a new more precise analysis, based on expenditure data by purchasing category, was conducted in 2022 for various purchasing families, based on 70% CSR criteria and 30% purchasing criteria. This was used to identify more clearly purchasing families presenting a high risk for environmental, social & human rights and ethics themes, and for which risk mitigation actions must be strengthened.

In addition, Keolis continues to encourage suppliers to have their CSR performance assessed by a third party and develops CSR requirement benchmarks per purchasing family.

#### Solidarity purchases

SNCF also develops its solidarity purchasing by increasing the use of companies from the Social and Solidarity Economy. In 2022, the company made purchases of €17.7 million from companies in the sheltered and adapted work sector (STPA-Handicap), as well as purchases of €16.8 million from companies in Inclusion through Employment sector (SIAE-Insertion). Over 1.1 million hours of integration were contractualised.

#### Social inclusion clauses at SNCF Réseau

They are systematically requested in railway work and service contracts to develop equal opportunities in sensitive areas and the professional integration of people excluded from employment. All contracts exceeding €500,000 and dated more than three months, i.e. 30% of the amount of contracts signed by SNCF Réseau, include an inclusion clause.

For example, the EOLE project, or the extension of the RER E in Ile-de-France, has an initial commitment of 700,000 hours, reassessed at 1 million hours from 2016 to 2024. In 2022, it reached a total of 1,273,750 hours of professional integration. Since the start of the project launched in 2016, 1,228 beneficiaries have been able to find employment thanks to this major infrastructure project. It is a winning partnership for SNCF Réseau and its partners who have problems recruiting in the rail and construction sectors in particular.

#### Contributing to the social and economic development of regions

Present throughout France, SNCF is a major contributor to regional development. Its railway activity represented more than €13 billion in purchases from French suppliers in 2022.

#### Measuring the regional footprint of purchases

Every year, SNCF measures the regional footprint of its purchases using the "Local FOOTPRINT®" method with the support of a specialised firm.

In 2021, SNCF's railway business made 97% of its purchases from French companies and 20% of the amount from SMEs and midcaps.

#### Jobs

SNCF supported 248,528 indirect and induced jobs, including:

- 57% indirect jobs in the supplier chain.
- 30% jobs induced by household consumption and 13% by public spending.

#### Added value

SNCF purchases represent €15 billion in value-added creation.

#### An actor in ecological transition...

Other actions promote responsible purchasing by SNCF, while encouraging the ecological transition of its suppliers. A carbon footprint manager was appointed to the "Goods and services purchasing" position in scope 3. In addition, the concepts of the circular economy, eco-design and end-of-life were gradually introduced into expressions of needs and the criteria used to assign CSR ratings.

A purchasing division is dedicated to the recovery of products through the development of recycling channels. The Purchasing sector also contributes to SNCF's ideas on waste management, as well as energy saving certificates or renewals of equipment necessary to reduce the carbon footprint such as boilers, cars, mobiles, etc.

#### ... recognised for its supplier relations

SNCF ensures that suppliers are paid on time. According to the third annual survey carried out by ALTARES – Pacte PME, SNCF belongs to the group of major public and private contractors that are well above the average, with more than 86% of invoices paid on time.

As a pioneer company with the Responsible Supplier Relations and Purchasing label since 2012, SNCF obtained the renewal of this label in October 2022 for its five railway companies. The SNCF approach was deemed "conclusive" with regard to most label criteria, such as the alignment of the Responsible Purchasing approach with the company's strategy, the equal treatment of all suppliers and the integration of CSR in consultations. SNCF Purchases were also assessed as "exemplary" in terms of preventing corruption risks, professionalising the players and processes of the Purchasing function, or contributing to regional cohesion and development.

To find our more > [Responsible Supplier Relations and Purchasing Label](#)

#### Key indicator

|                                                              | 2020 | 2021 | 2022 |
|--------------------------------------------------------------|------|------|------|
| Solidarity purchases (€m) - SNCF excluding Fret SNCF in 2022 | 18   | 32.5 | 34.4 |

#### Supplier regional meetings

SNCF organises several initiatives to communicate to service providers the company's responsible purchasing commitments and requirements. The action plan includes:

- **Distribution of a monthly newsletter** to 20,000 subscribers with an open rate of 30%.
- **Participation in the Pacte PME Summer University**, of which SNCF is a member. It's a joint association comprising large companies and local authorities to develop French SMEs. The meeting in September 2022 enabled SNCF to interact with many companies.
- **The contribution to the CARE programme**, designed with the support of ADEME to assess and improve the environmental, social and economic performance of SMEs and SMIs. This results in increased competitiveness and more jobs in the supply chain and a smoother customer-supplier relationship.
- **Regional meetings**. Launched at the end of 2020, these meetings bring together all SNCF companies and suppliers present in a given region. They are an opportunity for SNCF to explain to companies its future needs and CSR challenges, organise purchasing and expand and renew its local supplier base. For local SMEs, it is a gateway to the SNCF. SNCF completed its first visit to the regions in 2022 with six meetings in Centre-Val de Loire, Bretagne, Occitanie, Nouvelle-Aquitaine, Bourgogne-Franche-Comté and Ile-de-France. In this region, the last meeting brought together more than 1,500 suppliers and economic representatives.

To find out more > [Newsletters 2022](#)

## 7.3 SUPPORT REGIONAL AND LOCAL ACTORS IN THEIR ECOLOGICAL AND SOCIAL TRANSITION

### 7.3.1 Context

The SNCF group is a key player in helping local decision-makers to carry out their public policies. It is leveraging its presence across the country to actively support local authorities and economic players, with comprehensive solutions that integrate employment, housing, environment, inclusion and more open stations.

### 7.3.2 Our commitments

- Revitalise small and medium-sized stations.
- Contribute to the economic dynamism of the regions and their social balance through the employment and activity that SNCF generates.
- Mobilise railway land for communities to build more housing.

### 7.3.3 Policy and actions

Committed to the regions, SNCF has chosen to make proximity and dialogue the basis of its performance, both in terms of its railway expertise and its social and environmental approach. Its new relationship with the regions, one of the four pillars of its strategic project, is embodied in the Group's regional coordination. SNCF and its subsidiaries are developing numerous global solutions with local authorities to promote territorial cohesion and

improve the daily lives of inhabitants, serving sustainable development.

#### Socio-economic support

Through its multiple fields of expertise, know-how and regional coverage, the SNCF Group has major assets to meet the challenges of local authorities:

- Jobs, purchases and wealth creation.
- Support for associations, partnerships with training organisations.
- Support for local start-ups.
- Revitalisation of stations with key services.

#### Mobilisation of the SNCF Group...

The Group also mobilises its seven companies to:

- Improve regional service.
- Support local communities in their urban projects.
- Fight climate change.
- Develop intermodality in favour of active and collective mobility.

#### ... and SNCF Développement

This new relationship between SNCF and the regions is also based on a culture of results, which involves a precise assessment of the actions carried out each year.

By supporting the Group's activities involving projects that create jobs and support local trade, or economic and societal analyses, the subsidiary SNCF Développement helps them to precisely meet the CSR challenges facing the regions. Its approaches converge SNCF's roadmaps with those of its institutional partners. In 2022, SNCF Développement conducted analyses covering the circular economy with regard to equipment that does not contain asbestos, ballast and transitional urban planning and furthered the deployment of strategic and CSR regional analyses.

#### A springboard for Group employees

SNCF Développement also supports SNCF employees who consider initiating a project to set up or take over a business. This programme, designed to increase their chances of success, also helps to develop their skills and maintain or create jobs in the regions.

In 2022, projects with a CSR vision were promoted. The SNCF therefore awarded a special prize to one of its employee-entrepreneurs for the creation of a housing complex near the Bay of Somme, with the concepts of reuse and respect for biodiversity in mind.

Since the programme's creation in 2011, 232 employees have successfully realised their project.

#### SNCF-Régions: a renewed dialogue

Strengthening partnerships with the regions is at the heart of the "Tous SNCF" strategic project. This is illustrated in the "Les rencontres du Président" meetings in the regions and major cities that kicked off in 2020 to stimulate a renewed dialogue with the regions. Across the 12 metropolitan regions of France, SNCF works to make the train the preferred means of transport and revitalise local ecosystems, in close cooperation with its subsidiaries, partners and local stakeholders. SNCF makes commitments with the presidents of regions and major cities, towns or even mayors. In 2022, SNCF adopted a regional strategy with Dijon Ville et Métropole, the Métropole du Grand Paris, Lourdes and the City of Lyon.

#### Revitalisation of railway stations

At the heart of urban and regional development, stations, whatever their size, bring the city and its outskirts



together. As a place of passage and destination, they can promote regional economic development and contribute to a more inclusive society. This is the goal of the “Place de la Gare” programme, which deploys services in station commercial spaces to best meet the needs of the municipality’s residents and passengers. To achieve this, SNCF Gares & Connexions, in partnership with the regions and local authorities, launches calls for projects promoting the installation of the necessary activities: multimodal mobility, services, regional promotion, local shops, etc.

More than 150 projects have already boosted stations throughout the country. For example, a daycare provider house in Serqueux station (76) or a grocery store and tea room in Montigny-sur-Loing (77).

To find out more > [Place de la Gare](#)

### The SNCF engaged in the heart of the city...

As part of the “Cœur de Ville” government investment plan involving 334 municipalities, SNCF Immobilier must transform 70 hectares in local community town centres. This action seeks in particular to support the work of local authorities and encourage housing and urban planning entities to reinvest in town centres by promoting the maintenance or installation of businesses.

Furthermore, 21 urban redevelopment agreements have been signed since 2016 with the regions, including three in 2022 with Marseille Métropole, Sète and Soissons, mainly for the redevelopment of the station district.

### Mobilisation of the Group to create housing for all

After the signing in 2021 between the French State and ICF Habitat of a charter to accelerate the sale of unused railway land and its transformation into 15,000 to 20,000 new homes by 2025, the SNCF Group subsidiary is committed to building 18,000 homes over the period 2021-2031. Result:

– In 2021, 26 plots of land or around 33 hectares sold, with 3,536 housing units likely to be produced, including 1,110 social housing units, i.e. over 31%. In Ile-de-France, 17 plots of land or roughly 21 hectares sold, with 2,774 housing units likely to be produced, including 978 social housing units, i.e. 35%.

– In 2022: 22 sales representing a surface area of 19 hectares with a potential of 1,456 housing units including 678 social housing units.

### “Committed to the quality of tomorrow’s housing”

In 2021, SNCF Immobilier and ICF Habitat came out on top under this program with three projects selected as part of a call for expressions of interest. The goal: encourage innovative projects in new buildings and buildings under refurbishment that are economically sustainable, energy efficient and of a social quality and utility.

– **The Temporary Municipal roof approach:** The Mobile and Modular Buildings (BMM) innovation partnership led by SNCF Immobilier, ICF Habitat, the Seine-Saint-Denis Department Council, the Banque des Territoires and the Selvea constructors consortium. The first phase of this solution comprising movable constructions that are made of wood for accommodation, housing and business premise purposes could be delivered in June 2023 in Stains.

– **The construction of 69 intermediate and social housing units** in 12th district of Paris 12th, led by ICF Habitat La Sablière and the City of Paris.

– **The Food Façade project in Marseille** in the heart of a garden city, led by ICF Habitat Sud-Est-Méditerranée, the Aix-Marseille agglomeration, the TDSO builder’s

consortium and the Environment Urbanisme interdisciplinary laboratory of the Institute of Urban Planning and Regional Development (IUAR). The initial demand for a major refurbishment was extended to become a real overall development strategy for the St-Barthélémy site.

### The Low Tech City, a concrete response to the challenge of energy conservation

SNCF Immobilier is part of Urban Low-tech, a collective launched in December 2021 and comprising urban development players: Groupama Immobilier, GRDF, BNP Paribas Real Estate, Grand Paris Aménagement, ADEME and since 2022 the ESSOR group, Gecina, Sinteo and ARP Astrance. Aim: develop urban design principles based on a set of simple, inexpensive technologies that consume little resources and energy and therefore have a low environmental impact.

These include the reuse of materials during deconstruction and reconstruction projects in a circular economy mindset, the cooling of buildings without air conditioning using Canadian wells, geothermal energy or cooling wells. It may also involve the use of water towers owned by the Group to store thermal energy, or reflective paint on the roof of an SNCF Réseau track industrial site to naturally reduce the temperature by 5°C in summer. The challenge for SNCF Immobilier and its subsidiaries Espaces Ferroviaires, ICF Habitat and Société Foncière Ferroviaire Industrielle et Tertiaire (S2FIT) is to draw on what already exists to save materials and land.

### Examples of refurbishing existing buildings

The restructuring of the Watt Loiret tower in 13th district of Paris with a raised wooden section to create five additional storeys and larger housing units without artificialising new floors, while reducing energy consumption by 70%.

The principle is to refurbish it as if it was a new construction with high levels of certification, including for industrial buildings, such as the Bordeaux-Bègles campus or the Hellemmes technical centre (59).

### Transitional urban planning approach

Since 2015, this has helped to experiment with what a Low Tech city can be: energy and material efficient, open and inclusive thanks to solidarity and circular programmes and programmes to rediscover railway and natural heritage. Among these programs, the textile recycling site at Tiers Lieu en Mouvement in the 19th district in Paris to replace a former freight station, or emergency accommodation in Lyon with former SNCF housing transformed to accommodate refugee families since March 2022, i.e. up to 65 people in the long term.

To find our more > [The Urban low tech collective](#)

### The Messenger building paves the way for new eco-districts

At the heart of the Les Messageries operation in 12th district of Paris, a former railway wasteland behind Gare de Lyon which will be transformed by 2025 into an eco-district, the Messenger building paves a new way of designing cities. Unveiled in June 2021 by the urban development subsidiary of Groupe Espaces Ferroviaires, this tertiary plot of around 10,618 sqm comprises offices, shops and an urban logistics space. The entire complex can be fully reconverted into housing. Through its materials, energy conservation and bio-solar roofing creating a synergy between solar panels and the green roof, it embodies an environmental ambition, in line with the bioclimatic commitments of the City of Paris. Work is scheduled to begin in the first quarter of 2023 with delivery in the last quarter of 2024.



To find out more > [Les Messageries](#)

## 8. MAKE EMPLOYEES THE MAIN ACTORS AND BENEFICIARIES OF THE ECOLOGICAL AND SOCIAL TRANSITION

### 8.1 SUPPORT EMPLOYEES WITH THE SNCF&MOI PROGRAMME

#### 8.1.1 Context

There are many challenges to be met if SNCF is to become a key player in ecological transition by 2030. Aware of the efforts this represents for its employees, the company, which has been recognised as a quality employer for the eleventh consecutive year by the Top Employer label, has launched a participative support programme dedicated to the employees of its five railway companies. Objective: to provide care and career and mobility opportunities for all.

#### 8.1.2 Our commitments

- Putting employees at the heart of our daily focus.
- Increase employee engagement and satisfaction through targeted policies and actions.

#### 8.1.3 Policy and actions

Launched at the end of 2021 by the company's CEO, the SNCF&moi programme aims to develop the engagement, satisfaction and well-being at work of the employees of the five railway companies. The support programme is based on the "human" pillar of the "Tous SNCF" corporate project and is based on the four dimensions of an employee's life:

- **"My private life"**: to support and protect each employee in the key moments of his or her life.
- **"My daily work"**: to offer a safe, pleasant and motivating work environment that allows each employee to have a place in the work group.
- **"My career"**: to provide fair recognition, career opportunities and professional progression.
- **"My civic commitments"**: to encourage involvement in civic associations or causes.

SNCF&moi should help:

- Enhance the value of existing schemes, adapt and strengthen them in line with employees' expectations.
- Strengthen and initiate new schemes that will have a decisive impact, a strong value, for employees.

#### Listening and exchange phase in the field

This national programme was enriched by contributions from 13 field visits between April and July 2022, which brought together more than 870 employees from all professions and all colleges. Before each visit, a questionnaire was sent to each region. The aim was to define the priority expectations of employees and to collect proposals for improvements on the ten projects undertaken around the four components of the programme. A total of 16,260 employees responded, representing a participation rate of 11%, and proposed almost 1,300 actions.

#### Converging priorities in expectations

The two priority areas for all SNCF employees, all divisions and all regions, concern pay, benefits and working conditions.

Then, in a very tight order of priority, for all divisions combined, come the subjects of employee support, management, health and safety at work, professional development and social dialogue.

For three other projects, the priority is to better promote and publicise the policies carried out, in particular on civic engagement, gender diversity and inclusive policies.

#### Actions designed and chosen by employees..

Of the hundreds of proposals for action analysed, two criteria were taken into account: their value to employees and their feasibility. Next, a selection of 47 proposals for rapid action to be implemented was put to the vote of 1,190 employees from all SNCF divisions.

#### ... to be implemented by managers

The choice of 26 actions to be included in the programme was finalised with the chairmen of the five railway companies. Their implementation everywhere and for everyone will be part of the school and team projects steered by managers by the end of 2023. Several tools will help them, such as the results of the "C'est à vous" satisfaction and engagement survey, the Progresseo indicators for sharing good practices and the new SNCF&moi platform. All the ideas put forward during the field visits have been included in a "Place aux actions" from which managers can select the ideas most suited to their context.

#### A programme communicated to employees

Since April 2022, the company has been sharing the progress of new actions under the SNCF&moi programme in a monthly newsletter and reminding people of the services the SNCF already offers to make life easier for everyone: social action, health care, housing offer...

#### Examples of actions selected from the four components of the programme

**My private life:** "I am assisted and supported in the key moments of my life"

Among the six priority actions in this section are the introduction of a leave donation scheme common to all SNCF companies and the provision of more information on social action benefits. Other proposals require further study and/or consultation with the trade unions. One of them, the integration of the work bonus into the basic salary, was part of the compulsory annual negotiations (NAO) in 2023 and will be implemented in 2024.

**My daily work:** "I feel good about my daily work"

Among the 11 actions selected, the generalisation of field visits and employee expression meetings, the systematic integration of a panel of agents in the design of business tools, the possibility for all employees to give feedback to their managers on their managerial practices, and to allow everyone to become an occupational first-aid worker.

**My career:** "I have the opportunity to develop my career in the company"

Among the seven preferred actions, the possibility of granting an exceptional bonus for retraining in jobs in short supply or simplifying access to regional mobility agencies and HR contacts on career development issues.

**My civic commitments:** "I can engage in the causes that are important to me"

SNCF demonstrates a strong desire to raise awareness among all employees of eco-actions, energy efficiency, digital pollution and to encourage the use of cleaner transport with a sustainable mobility allowance. This measure is part of the 2023 NAO and will be implemented in the first quarter of 2023. The allowance gives €400 to each employee who uses one of the following modes of transport at least five times a month: carpooling, cycling, an electric vehicle. In addition, the purchase of a simple or electrically assisted bicycle is supported to the tune of €150.

For more details, see Vigilance Plan, 3.3.1.

### Internal survey "C'est à vous": encouraging results

From 3 to 24 October 2022, all SNCF employees had the opportunity to express their views in the second edition of the "C'est à vous" internal survey. The participation rate of 64% was 2 percentage points lower than in 2021. The continued high level of participation in relation to the type of survey and the size of the company once again shows the importance of this internal listening system for both employees and management.

The quality of life at work indicator shows a very slight increase to 72/100. It is in line with that of large French companies. **81% of employees are still positive about the working atmosphere**, observing strong support from colleagues and recognition from local management. 74% of employees also appreciate the training available to them to do their job properly, a result that is 3 points higher than the BVA Benchmark (carried out during the same period with a representative sample of 2,000 French employees working in a company with 500 or more employees). **They remain more reserved about their work-life balance**, with 66% declaring that they are satisfied, stable compared to 2021. Workload and work organisation remain their main concerns after the treatment of everyday irritants, tested for the first time this year.

The commitment indicator remains at 65/100, up one point from 2021, while the social body is facing major transformations. As in 2021, 79% of employees say they like working for SNCF and 71% are proud of it.

Although employees' confidence in their future within the company has improved by five points, it still lags behind that of other companies. Therefore, addressing this issue remains a priority for the company's management in 2023. In addition, the expectations expressed, detailed by area, will enable managers to fuel their team project with new actions, in particular the human aspect of the national SNCF&moi programme.

| EMPLOYEE ENGAGEMENT                          | BVA Benchmark | 2021 | 2022 |
|----------------------------------------------|---------------|------|------|
| Engagement                                   | 73%           | 64%  | 65%  |
| Confidence in the future of the SNCF group   | 68%           | 41%  | 45%  |
| I like working for the SNCF Group            | 76%           | 79%  | 79%  |
| I would recommend working for the SNCF Group | 66%           | 51%  | 50%  |

## 8.2 ATTRACT AND RETAIN TALENT

### 8.2.1 Context

In the context of a rapidly changing employment market, all sectors are experiencing difficulties in recruiting, particularly for jobs with staggered hours. However, SNCF has strong recruitment needs, particularly in several of its short-staffed professions: rail traffic, equipment and network maintenance, train driving, etc. It is thus working to make the company more attractive in order to address the risk of a shortage of skilled employees and to retain those already hired.

### 8.2.2 Our commitments

– Make people want to join SNCF and stay there with attractive training and career opportunities to remain a leading and preferred employer.

– Invest in the trades and skills of the future to facilitate professional integration, social mobility and retraining within the sector and in the regions.

### 8.2.3 Policy and actions

The SNCF group is one of France's leading recruiters in the industrial sector, with over 14,000 new hires in 2022 for a total of 276,000 employees.

For the rail business, 6,502 permanent hires were made in 2022. SNCF is mainly recruiting in the Ile-de-France region, accounting for 40% of recruitment, and in technical professions, with 36% for SNCF Réseau and 52.5% for SNCF Voyageurs. 67% of newcomers were hired as operational staff, 16% as supervisors and 17% as managers.

In 2022, the SNCF continued to roll out its new employer promise: "Developing through the sustainable mobility professions, so that together we can make this service accessible to all, now and in the future". It echoes the "Tous SNCF" corporate project and its new raison d'être.

The employer promise has four pillars:

– Innovations for 150 businesses that contribute to more sustainable mobility.

– Skills development with access to initial and continuing training, varied career paths, wage progression.

– A focus on the team and the quality of life at work with teams that excel together, a work/life balance and benefits such as guaranteed housing in the Ile-de-France for new recruits, ease of movement, etc.

– The societal role of a company present throughout the country and committed to greater inclusion.

This employer promise is embodied in the SNCF&moi programme to build employee loyalty. It is promoted on social networks. In addition, the website [emploi.sncf.com](https://emploi.sncf.com) simplifies applications, in particular through a chatbot and the matching of CVs with offers.

### 2023 training issues

To continue to transform and innovate, SNCF must attract and retain talent in a tight job market and a changing mobility market. Meeting the needs of production (network modernisation, flow management in increasingly dense areas, etc.) requires us to continue to recruit massively and to develop new skills. In this context, the SNCF has for several years been rebalancing the share of investment in initial training, which currently represents 35%, in favour of continuing training.

In addition to serving the company's economic challenges, skills development increases the employability of employees: in 2022, 87% of employees benefited from training. By giving them more visibility on possible careers in the railway industry and the Group, SNCF makes them want to stay.

### 2022 recruitment campaigns

**SNCF Employer Promise campaigns.** SNCF conducted two major recruitment campaigns focused on its employer promise: "There are 150 ways to commit to more sustainable mobility". It was relayed with posters in stations and trains, on social networks and websites.

**Co-option in the SNCF group.** Furthermore, SNCF is continuing its co-option programme to attract candidates who would not necessarily have thought of SNCF and thus increase the number and quality of applications for certain jobs and in job areas with high demand. train driving and preparation, infrastructure, station and train maintenance, rail traffic, and some work-linked training courses at SNCF's vocational school. The principle: SNCF employees recommend people they know who match the

profiles they are looking for on a platform. Nearly 290 co-optees were recruited in 2022 through this process. The same approach was implemented at GEODIS in 2021 and at Keolis for the recruitment of bus drivers in 2022.

**SNCF Voyageurs campaign.** After an audit in the spring of 2022, SNCF Voyageurs deployed innovative campaigns on social networks in the summer to attract drivers in particular. Result: 3,226 new employees recruited in all activities, particularly in driving, rolling stock maintenance and services, as well as in management. These strong needs will continue in 2023 with an estimated 3,500 new recruits, due to the increase in rail traffic and major upcoming events such as the 2024 Olympic and Paralympic Games.

**SNCF Réseau campaign.** In 2021, in a context of unprecedented network modernisation projects, SNCF Réseau's overall average workforce remained virtually stable, despite the fact that the level of retirements is higher than the level of recruitments. In 2022, a special effort was made on recruitment to attract new skills in a particularly competitive job market. Reviewed during the year, the recruitment ambition for SNCF Réseau led to the hiring of 2,194 people. An action plan to improve the attractiveness of the professions and to strengthen loyalty was launched in November.

#### The GEODIS programme to attract young talent

In 2021, GEODIS launched the JUMP'IN programme to promote its businesses to young people aged 18 to 28. Internships, work-study contracts and first jobs are referenced on a dedicated platform that facilitates the search and matching of job offers with the experience and profile of the candidates. Out of over 7,000 applications, 435 young people are currently working in France. The world leader in transport logistics also offers international positions with the International Corporate Volunteer programme. This is a way of retaining young recruits with career development prospects or attracting key skills.

#### Priority to inter-company SNCF professional mobility

Launched in January 2020 to better support employee mobility within the five railway companies, the Solidarité Emploi approach has been deployed in all regions via its 11 regional mobility agencies (ATM). The regional management of employment makes it possible to find solutions adapted to each employee in professional transition. This was the case for over 3,300 people in 2022. Voluntary mobility is also being developed through the targeted actions of the "job advice spaces" opened in the ATMs. In order to continuously improve the quality of the services offered, from mid-January 2023, one mobility advisor per ATM will be certified to carry out career guidance assessments, in the same way as an external firm. In addition, since 2022, the autonomy of the employee in reflecting on his or her career within the company has been facilitated by:

- Direct access to ATM sites from the intranet.
- Extended communication on the service offer.
- The deployment throughout the country of a reconversion week with the participation of the five companies, the presentation of the professions that are recruiting, and adapted training.

#### Focus on retraining in IT

The Digital Solidarity programme launched at the beginning of 2021 to recruit 300 developers over three years was accelerated in 2022. The programme has attracted around 800 applicants and there are plans to open up further retraining positions for the company's managers.

#### A training policy for the future

In the context of SNCF's transformation, the development of employee skills remains a priority. With an annual investment of more than €400 million on average and more than €110 million in compulsory contributions, SNCF is one of the French companies that invest significantly in vocational training. Making SNCF a learning company that gives its employees the opportunity to build their professional future is an ambition for the coming years, with two objectives.

#### Strengthening skills development means:

- Facilitating access to training for all, in particular through a simpler training offer.
- Rebalancing the overall investment in favour of continuing education.
- Making work-linked training a recruitment lever.
- Developing the use of the personal training account (CPF).
- Giving more visibility on the skills of tomorrow and the associated needs.

#### Offering more readable career paths by:

- Building career paths in all professions.
- Better information for employees on qualification and certification courses.
- Stronger support from key players in career guidance (internal and external).

Each employee must be able to take the lead in his or her professional project by acquiring new skills, strengthening expertise in his or her job, or being helped to change jobs. The Professional Interview is a privileged moment of exchange to address these issues, and must legally be held every 24 months. In the company, communication with managers is strengthened to ensure that these interviews are held properly.

In addition, in 2022, the delivery of the six-year career path reviews (CPR) continued. In 2020 and 2021, 120,000 CPRs were produced and distributed to the employees concerned. In 2022, the exercise continued at a more standard rate of 3,300 CPRs carried out during the year.

#### 2022 key figure - SNCF

- 7.61% of payroll invested in training in the railway business.

#### The development of work-study training

**At SNCF.** In addition to its social role in promoting the professional integration of young people, SNCF makes extensive use of work-study programmes and makes this type of recruitment an important part of its employer promise. The government's "1 jeune, 1 solution" scheme, launched in spring 2021, and the tight employment situation led SNCF to commit to this issue, with the successful objective of taking on more than 7,000 work-study students by the end of 2022. Thanks to various schemes such as apprenticeship and professional training contracts, SNCF is developing work-linked training, particularly in its core businesses maintenance, traffic, customer relations... 2022 saw an increase of 4.6% in work-study contracts in the five railway companies compared to 2021, i.e. 7,645 work-study students representing 6.3% of the workforce. As a guarantee of the quality of the training provided in the core railway trades, the Railway Apprentice Training Centre (CFA) has been Qualiopi certified since 2021. Each year, it welcomes around 500 work-study students who, at the end of their successful training, are offered permanent jobs on permanent contracts.



**At Keolis.** With a view to strengthening its public transport network operating teams, Keolis created its first corporate CFA centre in January 2021: the Mobility Campus. Initially dedicated to the driving professions, the Keolis Mobilités campus offers access to local, sustainable and responsible employment by training young people under 29 years of age who have held a B driving licence for two years. At the end of this qualifying training, the apprentices deployed in the urban and interurban subsidiaries will receive the Community Road Transport Driver professional qualification.

#### European cooperation in training

As part of a four-year European project, SNCF is looking into the possibility of organising exchanges between apprentices from the company's railway CFA and apprentices from the DB (German railways).

Launched in 2020, the STAFFER (Skill Training Alliance For the Future European Rail system) project brings together 32 European partners, railway operators, infrastructure managers, suppliers, industry representatives, universities and training providers. Objective: identify and analyse the current situation and future changes in the railway sector and propose adaptations to the study, training and education programmes. The STAFFER project covers eight main projects around three objectives:

- Define the needs in terms of skills, training and rail education for students, apprentices and employees.
- Promote transnational exchanges.
- Improve the attractiveness of the rail sector. SNCF Réseau's Engineering University is actively involved in three working groups.

To find out more > [Railstaffer](#)

#### Standard jobs, a guide

In May 2022, the SNCF published a guide to standard jobs incorporating the new classification of railway professions, resulting from the branch agreement signed at the end of 2021. This document, which is available to employees, managers and HR staff, presents all 13 professional families and 152 associated standard jobs in an educational manner. Objective: facilitate the appropriation of these new professional benchmarks and promote professional mobility.

Thus, for each standard job, the following are proposed: the definition of the sector, any prerequisites, the associated essential skills, the main corresponding training courses, the related benchmark jobs and possible career paths. This guide provides common reference points for statutory and contractual employees and visibility on possible career paths within a professional family, but also to another family.

#### Focus on CSR awareness among employees

##### The national "Understand to take action" scheme

To raise awareness among all Group employees of the importance of sustainable development in their company and for society in general, an acculturation scheme has been put in place. In 2021, a first set of e-learning modules provided keys to understanding:

- The global challenges of CSR.
- The major role of SNCF in this area.
- The Group's CSR strategy.
- CSR as a performance lever.

In 2022, the scheme was enriched with two new modules on the circular economy and energy efficiency, as well as

short versions of the four previous modules to facilitate access to as many people as possible.

In 2023, a module on civic engagement to act as an employee will be deployed, specifying the possible modes of engagement. The module on energy efficiency will be completed for senior managers to help them identify the means to implement more quickly.

The various modules were taken by over 5,800 SNCF employees in 2022.

**In addition, CSR meetings,** open to all on the implementation of the CSR 2020-2030 strategy, bring together an average of 650 participants per session. They deal with a different CSR theme each time, with the intervention of project managers and testimonies of actions. Seven CSR events took place in 2022.

**And also... The Rail "freskers".** It is a voluntary group of about fifty employees who run climate fresks at the request of SNCF managers, in addition to their duties. These workshops provide a basic understanding of the climate challenges to take action, with over 1,000 participants in 2022. In 2023, SNCF employees will be able to train to become Rail freskers for the Climate Fresk at the SNCF Impact Lab. The aim is to increase the impact and effectiveness of awareness-raising on these issues.

In addition, SNCF is finalising a "CSR Fresk", which links the global challenges of CSR, the SNCF Group's CSR strategy and the actions that the entities can implement as part of their team projects. This CSR Fresk is designed as a managerial tool for raising awareness, commitment and structuring the CSR pillar of entity projects.

##### Other CSR training and campaigns in SNCF companies

In addition to regular company-wide webinars and conferences, dedicated training programmes and recurring internal campaigns raise employee awareness.

– **TER**, as part of its PlaneTER environmental programme, has launched two training courses. One for all its employees, in 2020, entitled "PlaneTER for action" was opened to 10,000 learners, i.e. a third of TER agents, of whom nearly 60% completed it. The topics covered included energy, climate issues, levers for action, etc. The other launched in mid-2022, "Ambition PlaneTER", is aimed at management to better mobilise teams around the environmental objectives to be achieved. 270 managers out of 1,200 were trained.

– **TGV-INTERCITÉS** have deployed a two-part e-learning programme as part of their Planète Voyages programme: a 1 hour climate and energy component and a 1.5 hour circular economy component. Objective: understand the major issues and shed light on the concrete applications of the activity in order to trigger the right reflexes in employees. The roll-out started with 800 employees in March 2022, and was extended to 17,000 employees in June. Result: by the end of 2022, 8% of TGV-INTERCITÉS employees had completed the training course.

In addition, 500 employees signed the manifesto on TGV-INTERCITE's environmental policy, more than 450 were trained in daily eco-actions and declared more than 1,600 actions on a platform, and nearly 600 people attended the Pitch Climat, a collective interactive conference on climate issues. Finally, all senior executives discussed the sustainable transformations needed within the company.

– **Transilien** in particular organised several climate fresks, rolled out an internal campaign on energy conservation in the autumn of 2022 in establishments on all lines in Île-de-France and communicated to its 12,000 employees the



CSR actions and objectives of its "Manifesto for green and responsible mobility in Île-de-France".

– **At SNCF Gares & Connexions**, a network of eight CSR correspondents leads the CSR action plan in their region. In addition, workshops and conferences to raise employee awareness were organised as part of the European Sustainable Development Week, including a MyCO<sub>2</sub> workshop to calculate personal carbon footprints and a presentation of the company's greenhouse gas balance.

– **The Fret SNCF energy efficiency plan**, which focuses more on energy savings than carbon impact, is being passed on to the 5,400 Fret SNCF employees. Business information is being rolled out to all 1,400 drivers and to all Rail Logistics Europe activities.

– **At Keolis**, the Keolis Institute develops skills on energy transition for directors, managers, maintainers and drivers with a curriculum of over 30 training programmes. This represents approximately 1,500 people trained in 2022.

### Key indicators

|                                                                                                           | 2020   | 2021   | 2022   |
|-----------------------------------------------------------------------------------------------------------|--------|--------|--------|
| Recruitment on permanent contracts in France (number) - Group                                             | 10,565 | 11,622 | 14,305 |
| Work-study contracts in France (number) - Group excluding GEODIS in 2022                                  | 7,109  | 8,139  | 4,890  |
| Share of employees who have received at least one training course, in France (%) - Group excluding GEODIS | 62.00  | 69.00  | 76.70  |
| Total number of training hours (in thousands) - Group excluding GEODIS                                    | 4,591  | 5,228  | 5,474  |
| Dismissals (number) - Group                                                                               | 10,739 | 6,485  | 4,090  |
| Turnover (%) - Group                                                                                      | 9.2    | 11.7   | 13.9   |

## 8.3 FOSTER THE CONDITIONS FOR A WELL-DEVELOPED SOCIAL DIALOGUE

### 8.3.1 Context

In direct connection with the international crisis arising from the war in Ukraine and in a context of high inflation, the issue of purchasing power has become particularly important for employees. At the same time, the acceleration of the opening up to competition makes it necessary to define a high-level social framework for employees who are to be transferred to newly created dedicated companies, and to set up branch principles for job classification and remuneration.

### 8.3.2 Our commitments

- Guarantee the principles of social cohesion within SNCF, by taking appropriate salary measures, by endeavouring to protect the most vulnerable, and by deploying the new job classification and single remuneration principles for all contractual employees.
- Guarantee railway worker status rights and continue to build a guaranteed high-level social framework for employees transferred to the new companies.

### 8.3.3 Policy and actions

Social dialogue at SNCF is crucial to ensure that employees are involved in the development of the activities of the five railway companies at local, regional and national level, in accordance with its *raison d'être*. In 2022, SNCF endeavoured to establish a regular dialogue on wages and remuneration with the representative trade

unions. This dialogue took into account the effects of inflation on the purchasing power of employees and the capacity to respond to it. The company itself is faced with rising energy costs.

A programme to improve local social dialogue was rolled out in 2022. It resulted in:

- A charter with ten recommendations for improving social dialogue signed by the five chairmen of the companies.
- A training and awareness programme on social dialogue issues: social conferences, e-learning for local managers, etc.
- Sharing feedback on the operation of the new staff representation bodies.
- The start of negotiations on the career paths of holders of an elective or trade union mandate.

In 2022, the social partners also:

- Updated railway worker status by revising elements that have become obsolete as a result of legislative changes, and incorporating new adapted rights.
- Continued to negotiate the social framework to be established in the companies called upon to respond to calls for tender by the regions and transport authorities.
- Renewed the agreement on the employment of disabled employees, as part of the inclusion policies promoted by the SNCF.

### Staff representative bodies (IRP)

The right of association of employees as well as the right to unionise, the right to negotiate, the protection of employees elected by the staff or union members, and union non-discrimination are guaranteed by the various internal SNCF texts as well as by the French Labour Code in Articles L2141-1 to L2146-2.

### SEC: Social and Economic Committee (Article L2311-1 to L2317-2)

There are 33 SECs within SNCF: one SEC for SA SNCF, one SEC for SNCF Gares & Connexions, one SEC for Fret SNCF, 24 SECs within SNCF Voyageurs and six SECs within SNCF Réseau. Each SEC is made up of employee representatives and chaired by a company representative. SECs meet twelve times a year. A central SEC is set up at SNCF Voyageurs and SNCF Réseau because they have several SECs.

Keolis and GEODIS have their own employee representatives in the SECs.

### Joint Body

The Joint Body is an advisory body common to all SNCF companies. The remit of the Joint Body has been defined by collective agreement. In particular, it manages a substantial part of social and cultural activities and is consulted on certain issues relating to social policy, working conditions and employment, and strategic railway guidelines under the conditions determined by collective agreement. It may also be consulted on an ad hoc basis on a project submitted to the Board of Directors of SNCF SA for a decision, which is to be deployed in at least two of the companies within the scope of the Joint Body. It meets at least twice a year in ordinary session.

Keolis and GEODIS have their own employee representatives in central SECs.

### Group Committee

A Group committee is set up within the group formed by a dominant company, SNCF SA, and the companies it controls, located in France. It is an information and dialogue body with no advisory role.

The Group committee does not replace the SECs in the companies of the Group. Its creation is intended to provide employee representatives with more comprehensive information at a level above that of the company in which they perform their duties.

Composed of 30 members, the committee meets three times a year in ordinary session.

#### European Works Council (EWC)

The European Works Council is an advisory body set up at SNCF in 2012 in accordance with the legal obligation for Community-scale groups of companies. The aim of this body is to guarantee employees' right to information and consultation at European level.

The institution's competence covers transnational issues, i.e. concerning the entire Community-scale group of companies or at least two undertakings or establishments of the group located in two EU or EFTA Member States in which companies over which SNCF exercises control or a dominant influence are located.

The SNCF European Works Council has 27 members from the following countries: France 10, Sweden 2, Germany 2, Belgium 2, Netherlands 2, Denmark 2, Italy 2, Spain 1, Hungary 1, Poland 2, Norway 1. It is composed of employee representatives from the various European countries with 150 or more employees. The EWC meets twice a year in ordinary session.

In addition, employee representatives sit on the boards of directors of the various Group companies. The Board of Directors of SNCF SA is composed of twelve representatives, one third of whom are elected by the Group's employees. The term of office of the four employee directors is four years.

#### Means of communication made available to trade union organisations

A collective agreement on the modernised means of communication made available to the trade union organisations of the Public Rail Group, signed in 2017, notably allows employees to access the websites of the trade union federations from a computer workstation connected to the company network. Trade unions, SECs and the Joint Body are allowed to address employees using the business email system.

#### Result of the 2022 professional elections

Following the SNCF professional elections, from 17 to 24 November 2022, the CGT remains in the majority with 32.44% of the votes (34.02% in 2018). Next come UNSA-Ferroviaire with 22.10% of the votes (23.96% in 2018), SUD-Rail with 18.67% (17.28% in 2018), CFDT with 15.94% (14.30% in 2018), FO with 7.79% (7.63% in 2018), CFE-CGC with 4.07% (4.94% in 2018) and CAT (Autonomous Labour Confederation) with 0.2%.

Professional elections are held every four years to appoint the representatives of the employees of the railway company to the SEC. In order to be representative on a SEC, a trade union organisation must receive at least 10% of the votes in the first round. Representativeness makes it possible to sit during the negotiations of collective agreements.

- CGT, UNSA-Ferroviaire, SUD-Rail and CFDT are representative at the level of the group made up of the five SNCF rail companies, in which they have received at least 10% of the validly cast votes.
- CGT and UNSA-Ferroviaire are representative in 32 individual SECs.
- CFDT is representative in 28 individual SECs.
- SUD-Rail is representative in 27 individual SECs.

- FO is representative in 9 SECs, CFE-CGC in 3 SECs.

#### Measures in favour of purchasing power

**Exceptional transport bonus.** In June 2022, SNCF awarded a one-off bonus of €100 to the employees most penalised by the rise in fuel prices. This bonus corresponded to an allowance of €25 per month over a period of four months and was aimed at operational teams working shifts and those whose workplace is not accessible by public transport and who are obliged to use their personal vehicle.

**Wage measures.** On 6 July 2022, the company announced a wage increase of 2.2% to 3.7%, depending on the level of employee remuneration, as well as an increase of 4% to 7% of the variable pay elements.

Together with the salary measures decided at the beginning of the year and the annual individual revaluations, these actions lead to an average increase in remuneration of 2.7% with effect from 1 January 2022 and 3.1% with effect from 1 April. Further pay negotiations were held at the end of the year and at a round table on 7 December 2022. The main measures adopted are as follows:

- 3.9% average increase in fixed salaries, consisting of 2% of the salary and a flat annual increase of €600.
- 2% average individual increase.
- 4% increase in night, Sunday and public holiday allowances.
- 2% revaluation of other production allowances.
- Measures to facilitate the career development of statutory and contractual employees.
- A sustainable mobility package of €400 and a €150 subsidy for the purchase of a bicycle, whether conventional or electric.
- A "fuel bonus" of €150.
- Retroactive application of measures decided in July 2022 to 1 January 2022.

#### 2022 key figures at SNCF

- Gross average monthly salary: €3,624.
- Gap between top 10% and bottom 10% earners: 2.84.

#### Railway worker status update

A new update of the railway worker status for permanent employees was proposed to the trade unions in April 2022, then to the Status Commission in May, before being approved by the SNCF Board of Directors in June.

It allows this text to be brought into line with developments in the Group and its environment, particularly in terms of legislation. Thanks to this necessary updating, the railway worker status remains the framework guaranteeing statutory employees the proper application of all their rights. It also reinforces the rights of permanent employees who may be transferred to a dedicated company created to respond to tenders from transport authorities.

#### New SNCF job classification

On 1 July 2022, SNCF implemented the new job classification set by the agreement signed in the railway branch in December 2021. This transposition brings SNCF's references into line with the rules applicable to all the country's railway companies. Objective: have a common and protective framework at branch level.

The latter has adopted, agreement after agreement, a National Collective Agreement made necessary by the general opening up to competition in the sector. The new classification has no impact on the remuneration or career

development process of statutory staff. At the same time, it harmonises the rules for the remuneration of contractual staff, who were previously subject to five different schemes. Result: greater consistency of rules and better social cohesion.

### 9th agreement on the employment of employees with disabilities

On 31 January 2022, SNCF signed a 9th agreement with UNSA-Ferroviaire, SUD-Rail and CFDT Cheminots to provide better support for employees with disabilities. SNCF was a forerunner, signing the first agreement in 1992. Concluded for three years, the new 2022-2024 agreement commits SNCF SA, SNCF Voyageurs, SNCF Réseau, SNCF Gares & Connexions and Fret SNCF. The text confirms the shared ambition to ensure that inclusive HR and management policies are implemented for the people concerned. Objective: reach the legal employment rate of 6% of employees with disabilities at the level of the railway group, which stood at 5.18% in 2021. It aims in particular to:

- Ensure stronger collective monitoring of the companies' roadmaps, by including representatives of each railway company in annual steering committees.
- Strengthen the professionalisation of support for the people concerned and promote access to existing aid for those who are already present in the company, by encouraging them to declare their disability.
- Ensure equal opportunities in career development, with the launch of an audit to identify and address any gaps in career development.

### Support for employees transferred to the competition

SNCF has chosen to systematically respond to all calls for tender for regional transport packages open to competition by setting up dedicated companies. Management has therefore conducted negotiations with the trade unions from May 2021 on the social framework applicable to SNCF employees who will be transferred to operate the lines thus assigned by the transport authorities. The objective is to guarantee for these employees the continuation of the major fundamentals relating to their railway worker status and contained in certain collective agreements and directives, from which they currently benefit. This social framework also provides them with opportunities for mobility and career development within and between the five railway companies, as well as access to internal promotion schemes offered by SNCF.

### In competition, preserving a high level social framework

In the event of the loss of a call for tenders launched by a transport authority, employees would have to be transferred to competing companies. To guarantee them a protective social framework, an agreement known as the "social backpack" was negotiated and validated within the railway sector. In addition to what was provided for in the 2018 law for a new rail pact - i.e. the maintenance of the special pension scheme and the job guarantee for statutory employees and the maintenance of net pay for the last twelve months - the agreement provides in particular:

- Maintenance of the right to travel facilities.
- Maintenance of housing allocated by SNCF.
- The ability to access specialist doctors at SNCF centres.

### Communication on regional transfer conditions

To prepare for the opening up to competition, managers are trained through webinars, booklets or information days. The TER Grand Est region, for example, has set up

a team of the first 15 volunteer officers. In particular, they attended two days of training to:

- Increase information on the ground about the legal framework for opening up to competition, the timetable for the call for tenders, the candidates and the work packages concerned.
- Respond to the concerns of employees and make them want to win the tender with the SNCF.

### Focus on TER SUD Provence-Alpes-Côte d'Azur, concerned by a transfer

The Provence-Alpes-Côte d'Azur Region, the first in France to open up two sections of its TER rail network to competition, has selected two operators for 2025 for a third of its traffic following a call for tenders:

- Transdev on the first work package, representing 10% of regional traffic.
- SNCF on the second work package, representing 23% of regional traffic. It retains 90% of regional traffic.

To ensure the transfer of the employees concerned to the new operator and to SNCF Sud-Azur, created during the call for tenders, the company set up a support plan at the end of 2021. In addition to the legal formalities for informing employees and the guarantees linked to their initial employment contract, it includes:

- A system for co-constructing the future organisations of SNCF Voyageurs and SNCF Sud-Azur.
- Two categories of working groups: agents and managers.
- Training for managers with five seminars to support the transformation of organisations, including interactive workshops led by the psychological support, social action and medical services. Objective: provide keys to identify weak signals in their teams in the face of change and relay alerts. It is also to ensure that they themselves are listened to, as they too are affected by the changes.

**Result: managers met with more than 900 agents** during 42 information meetings at different sites in the region between January and June 2022. They explained to them how the new company SNCF Sud Azur works, the process and the terms of transfer to this entity.

Eventually, 511 FTE (full-time equivalent) employees will be transferred to SNCF Sud Azur and 163 to Transdev. Regular meetings on the progress of the transfer process will continue in 2023 with the employees.

### Focus on two collective agreements related to the organisation of work at SNCF

#### Collective agreement on working time of 7 June 2016

The working week varies between the five railway companies for different occupations. On average over a full year, it is 35 hours per week. As trains run 24 hours a day, 7 days a week, 365 days a year, the work organisation of the professions directly linked to train traffic is adapted accordingly, whether it be timetables and schedules or the organisation of holidays and rest.

The reference working time is set annually at 1,568 hours or 1,589 hours depending on the employee's working regime. There are two main families of work organisation within the SNCF: sedentary workers and drivers (train managers and conductors), with variations according to the conditions in which the jobs are carried out.

#### 2022 key figures - SNCF

- Share of part-time employees: 8.47%.
- Share of women working part-time: 19.25%.
- Share of men working part-time: 5.27%.



### Collective agreement on telework of 7 July 2017

After massively resorting to telework during the lockdowns, when it was compatible with the job, SNCF made it permanent. Telework is now confirmed as a way of organising work and teams that has its place at SNCF. At the end of 2021, the company supplemented the 2017 collective agreement with a more flexible formula (4 to 10 days per month) to adapt to local organisations, and with better compensation for home equipment. In 2022, more than 36,000 employees within the five railway companies whose jobs allow it benefited from a home working arrangement. This practice is subject to an amendment to the employment contract with the agreement of the manager.

#### 2022 key figures - SNCF

- Percentage of SNCF employees who telework: 29%.
- Share of women working from home: 50%.
- Share of men working from home: 23%.

The three collective bargaining agreements applied within the Group are detailed in the SNCF Group's annual consolidated financial statements, 5.

#### Key indicator

|                                                              | 2020 | 2021 | 2022 |
|--------------------------------------------------------------|------|------|------|
| Days lost per agent due to industrial action (number) - SNCF | 1.35 | 0.47 | 0.94 |

## 8.4 ENSURE HEALTH AND SAFETY WITHIN THE GROUP

### 8.4.1 Context

SNCF puts people at the heart of its business plan and its development ambitions. This is why health, safety and quality of life at work are the subject of a global policy managed at the highest level. This policy has been reinforced since 2015 by its PRISME safety culture transformation programme, which treats occupational health and safety (OHS) at the same level as the safety of railway operations. In 2022, SNCF continued its actions to reduce risks at source, while ensuring the well-being of its employees, especially the most vulnerable.

### 8.4.2 Our commitments

- Avoid risks and combat risks at source.
- Assess, prevent and control all risks related to safety, health and the quality of life at work for employees.
- Contribute to our prevention policy so that all SNCF employees and subcontractors can carry out their tasks in optimal safety conditions.

### 8.4.3 Policy and actions

SNCF attaches great importance to the health and safety of its employees on a daily basis, and has reiterated this again this year through the social and medical facilities it provides and its risk prevention actions.

In an approach that aims to improve knowledge of risks and take them into account, SNCF's actions in the area of health and safety at work are part of a desire for safety dialogue and the freeing up of speech, which are major levers of the PRISME programme. The priority actions in 2022 are as follows:

- **The end of the deployment of the OHS managerial transformation** with 14,000 managers trained in 200 establishments and 1,000 officers coached. This contributes to the integration of operational excellence standards into managerial practices and, in particular, to the implementation of safety routines among the teams.

The extension of this training based on See it -Report it to field operators is underway.

- **The appropriation and integration of "live-saving rules"**. Developed in a participatory manner by SNCF operators, managers and experts to reflect the risks of daily work situations, these five rules must be respected in all circumstances to save lives, avoid accidents or reduce their consequences. They concern all staff and are supplemented for certain professions by other more specific rules. In 2022, the five railway companies continued this integration work, particularly in the context of managerial routines. At SNCF Réseau, they were the subject of a monthly event for its employees and its network of partner companies.

**For more details**, see 4.1 and Vigilance Plan, 3.2.

#### Accidents at work: everyone must be involved in prevention

Employee health and safety remains a constant concern and a focus for improving working conditions. The challenge is to reduce both the severity and frequency of work accidents. In addition to the basic actions carried out in each SNCF company, additional measures contributing to the reduction of accidents in the workplace were continued in 2022, in particular for:

- **Electrical risk**, including the analysis of the root causes of the most serious events, the implementation of action plans and prevention campaigns, for example on equipment maintenance at SNCF Voyageurs, and the creation of awareness-raising modules for all employees concerned by this risk.

- **Risks related to co-activity situations** with the provision of an e-learning module since October 2022 in the five railway companies and specific actions carried out with external companies by SNCF Réseau and SNCF Gares & Connexions.

- **Risks related to pathways**, with the modelling of the risks of falls on the ground and from a height, a "Nudge SST" (behavioural science) experiment in five sites and a "Walking safely" awareness campaign in all companies since October 2022.

- **The risks of personal injury**, with an analysis of the most significant situations integrating organisational and human factors, the deployment of the SurTE2 application to activate an alert in complete discretion, the anti-insult campaign launched in November 2022, the generalisation of the wearing of body cameras for railway security (400 cameras) and volunteer agents in contact with customers (1,900 cameras).

- **Road risk**, with the continuation of the awareness-raising programme within the five companies, in particular with the road safety days at work which were held from 9 to 13 May 2022.

**For more details**, see Vigilance Plan, 3.2.3.

#### A hotline for safety issues

[canalsecurite@sncf.fr](mailto:canalsecurite@sncf.fr) is fully in line with the PRISME programme. For the past seven years, this tool has enabled each employee to report any safety concerns directly to the SNCF General Inspectorate: alert on a risk identified in the exercise of his or her profession, search for answers to a fundamental question or clarification of the regulations or any other topic related to occupational health and safety, security or cybersecurity.

All feedback is processed. This represents an average of between 100 and 150 cases per year. The tool thus contributes to earlier identification of the "precursors" that may lead to an incident and complements the other means



available, including the Vigi-Express application, for reporting anomalies that may affect the safety of railway installations.

### Preventing psychosocial risks

On the basis of a multidisciplinary approach and the synergy of actions, SNCF has modified the organisation and steering of the prevention of psychosocial risks (PSR) for the use of managers, HR players and prevention specialists. Thus, a new entity brings together the quality of life and working conditions (QLWC) policy, the prevention of PSR and the mediation system, which is now closer to the occupational health and safety policy. Objective: optimise support for company transitions.

In addition, discussions were undertaken in order to clarify the responsibilities involved in the prevention of PSR for the different entities of the company.

Finally, a common methodology and access to data will enable the companies in charge to take preventive action with appropriate monitoring and control of PSR.

For more details, see Vigilance Plan, 3.3.3.

### Medical services: care and OHS in the community

**Prevention and health at work.** Occupational medicine meets the obligation of all employers to organise medical monitoring of the health and safety of their employees with a view to preventing occupational risks and diseases. It is organised around 23 regional medical surgeries and 76 peripheral medical surgeries, 20 of which are located in technicentres. Employees are monitored by 95 occupational physicians and 230 occupational health nurses. In addition to the compulsory visits, employees can be seen at their request. Each year, an average of 110,000 medical appointments are made for all types of visits.

#### Healthcare medicine specialists available to all.

Ophthalmologists, cardiologists, gynaecologists... In September 2022, SNCF extended access to specialist medical consultations in SNCF medical centres to contract employees. In a context of shortage of specialised doctors, this service, which until now has been reserved for statutory employees, enable all employees of the five railway companies to consult specialists without advance payment and with reduced appointment times compared to those of general practitioners. This scheme does not concern general medicine, which remains available to statutory staff.

**Psychological support centre.** SNCF's 27 clinical psychologists support employees following professional difficulties in two ways:

- The individual interview at the request of the employee.
- Group interviews with several employees who are victims or witnesses of the same event.

The first contact is made through the employee hotline which operates 24 hours a day all year round. Group interventions are also offered to accompany the consequences of reorganisation. Finally, clinical psychologists carry out a preventive mission through training on behalf of the activities: 814 training days in 2022.

### Social Action: a range of daily assistance solutions

Social Action offers all employees and their families free services to help them reconcile their professional and personal lives. It can be help at home after a hospitalisation, management of over-indebtedness, psychological support... It can also be to get information or help in accessing housing, school guidance for children, the role of caregiver for relatives losing their autonomy

(illness, disability, old age). There are many ways to respond, which is why, depending on the situation, Social Action works in conjunction with the medical or administrative services, HR professionals or the Housing Agency. These social workers also support managers.

In 2021, almost 50,000 interviews were carried out in the context of social support for more than 12,500 employees. In addition, 14,181 calls and 1,485 emails were handled by the Social Action Hotline.

### Focus on support for carers

Quarterly meetings organised throughout the country offer a space for exchanges between carers. In addition, an annual webinar informs all employees about the schemes inside and outside the company.

The personalised support of Social Action includes:

- Advice and support in the workplace or at home.
- Financial benefits issued after social assessment.
- Participation in respite care for carers and/or the person they care for. In 2021, 343 workers benefited from the scheme. This activity has increased by almost 60% since 2020.

### Atout conduite, a programme that also focuses on OHS

Starting in 2020, the Atout conduite programme aims to improve the safety, quality of life at work, working conditions and management of SNCF drivers, including shunting drivers. This is a necessary prerequisite for mobilising driving to improve performance and customer satisfaction, in the same way as the other national programmes on safety, passenger information and punctuality, with which it interacts. Atout conduite is also piloted locally through the "Tous SNCF" entity projects.

Among the twenty or so actions undertaken, several relate to:

- **Quality of life and working conditions**, including cleanliness of cabins, improved premises, access to sanitary facilities, organisation of work. Others provide for a management team that is better trained in the specificities of driving, and that more closely follows the major changes in the profession, particularly in the use of digital tools and changes in regulations. It may also be to facilitate the transition to other positions in the second part of the career.
- **Staff safety**, with the securing of routes, the creation of a risk booklet to anticipate risks on the line, training in safety culture, better consideration of service bulletins and feedback to agents.

Some actions have already materialised. For example, the reinforced cleaning of cabins or the securing of tracks and routes and the development of inter-business meetings. Other actions, such as change management, are part of a longer-term process of building a vision of the profession.

In 2022, all Traction entities included actions in their team or entity project. Working groups and mirror groups of drivers, local managers and business unit managers were set up to contribute locally to the work of Atout conduite. Field trips by the programme team planned throughout 2023 will supplement this system.

### Promotion of physical activity and sport

#### Health actions of the medical service

In 2022, the department conducted a survey of the physical activity levels of approximately 3,000 employees under the guidance of a medical epidemiologist as a basis for an annual survey. On this occasion, employees were made aware of the consequences of a sedentary lifestyle

by the occupational physician or a nurse. The results of this survey will lead to an action plan on combating the risks associated with a sedentary lifestyle: cardiovascular diseases, obesity, cancer. A new medical service website will open in 2023 and will be accessible to all employees. It will supplement the communication actions aimed at employees visiting an SNCF medical surgery.

### Races with SNCF Mixité

Since its creation, SNCF Mixité has supported and promoted sports events that encourage people to surpass their limits, share and show solidarity. It is also an opportunity for each participant to meet other employees of the SNCF group and thus enrich their network.

Since 2020, SNCF Mixité has refocused its actions on participation in sports races supporting causes related to gender equality, such as the Sine Qua Non-Run (fight against violence against women), Odysséa (breast cancer) or the Endorun (endometriosis).

The races take place throughout France but also remotely and are offered to all members of the network through the business and regional embassies.

In 2022, nearly 400 members were able to participate in around ten races throughout France.

[Find out more > Races with SNCF Mixité](#)

### Sports activities in the SECs

The company's 33 SECs use part of the social grants paid by SNCF to offer employees access to sports activities close to the workplace or reimbursement of memberships in sports clubs.

In addition, the Union Sportive des Cheminots de France (USCF), which has more than 200 clubs and nearly 60,000 members, is involved in sport for all as well as in competitive and high-level sport.

[To find out more > The USCF](#)

### Key indicators

|                                                                          | 2020  | 2021  | 2022  |
|--------------------------------------------------------------------------|-------|-------|-------|
| Severity rate of accidents at work (per 1,000 hours worked) - Group      | 1.66  | 1.77  | 2.03  |
| Frequency rate of accidents at work (per 1,000,000 hours worked) - Group | 16.93 | 20.77 | 20.41 |
| Rate of absenteeism (sickness/injury off duty) - Group                   | 7.08  | 6.80  | 7.60  |

## 8.5 LIVE BETTER TOGETHER

### 8.5.1 Context

To give concrete expression to the spirit of solidarity that is part of its raison d'être, SNCF relies on what makes it strong: the diversity of its employees. For several years now, the company has been working towards better ways of living and working together by promoting a culture of inclusion. It is now one of the pillars of the Human aspect of its "Tous SNCF" strategic project.

### 8.5.2 Our commitments

- Recruiting employees in the image of our customers.
- Foster an inclusive working environment that provides all staff with equal opportunities for success.

### 8.5.3 Policy and actions

Committed to inclusion and the fight against all forms of discrimination, SNCF strives to make better living together a factor of success and performance. Its diversity and inclusion policy operates at several levels:

- **Equal opportunities**, in particular by pursuing actions in the heart of the city's priority neighbourhoods, where social difficulties are obstacles to employment: Equality & Skills Rendez-vous forum operations and reception within the company of young people on Voluntary Military Service.

- **The professional integration of young people**, in particular by supporting the "un Jeune, une Solution" plan, intergenerational synergy and the employability of seniors, by offering them development opportunities within the Group.

- **Diversity and professional equality between women and men** through the actions of the SNCF Mixité network, which celebrated its 10th anniversary, a trajectory set out in the five railway companies and the new commitments made in the fourth agreement (2021-2024), particularly in the fight against gender-based violence and sexual violence at work and against domestic violence.

- **The integration of people with disabilities** and keeping them in employment, as well as raising awareness of disability among the workforce, using measures such as the Hantrain work-study system, DuoDay, disability week, e-learning, etc., which have been further developed in the 9th company agreement. In addition to recruitment campaigns, in 2022 SNCF took part in specific forums such as Hello handicap and Talent, and joined forces with AGEFIPH<sup>(1)</sup> to promote its job offers. SNCF has 6,760 employees with a declared disability. In 2021, 2,520 workstation adjustments were made to enable people to remain in employment when the consequences of their disability are a hindrance to their work.

- **Combating LGBT phobia**, by ensuring equal rights and treatment for all employees, regardless of their sexual orientation and gender identity. In addition to a specific LGBT prevention plan supported by the renewal of its partnership with GARE!, SNCF provides everyone with the conditions for an inclusive environment.

In addition, managers and employees are made aware of diversity and inclusion, in particular through the "ProDIVERSITÉ" Serious Game or at conferences. Furthermore, every year, an average of 3,000 managers and HR actors are made aware of non-discrimination.

<sup>(1)</sup> *Association de Gestion du Fonds pour l'Insertion Professionnelle des Personnes Handicapées (the French association responsible for managing the fund to promote employment of people with disabilities).*

### Inclusive labels for the SNCF Group

**SNCF received the Diversity Leader award for the fourth year running** from the Financial Times in November 2022. This annual award, launched in 2019, recognises the commitment of European companies that promote diversity and inclusion among their employees through their actions.

[To find out more > The Diversity Leader Award](#)

**In addition, SNCF maintains scores of between 85 and 99 points in the Pénicaud Professional Equality Index** for the five railway companies.

The five SNCF companies obtained the following scores for 2021:

- SNCF SA: 85 points.
- SNCF Voyageurs: 91 points.
- SNCF Réseau: 89 points.
- SNCF Gares & Connexions: 99 points.
- FRET SNCF: 99 points.

SNCF is above the 75-point target set by law. This performance reflects the commitment made by SNCF to professional equality between women and men, through successive agreements signed with social partners since 2006.

To find out more > [Equality Index](#)

**These awards are in addition to the "Gender Equality & Diversity for European & International Standard" (GEEIS) label** that SNCF Réseau obtained at the end of February 2021. Issued by Bureau Veritas following audits that evaluate the commitments and actions of companies through nine criteria (gender diversity, salary and management practices, social dialogue, dissemination of a common culture, etc.), it is awarded for four years, with intermediate follow-up audits after two years.

Keolis also has this label and continues to expand the scope concerned.

GEODIS has its practices audited in some fifteen countries where the company operates. After four countries certified in 2021, four more were awarded the GEEIS label in 2022: Australia, Germany, Netherlands, USA. Seven more are planned for 2023.

### Enriched diversity training

SNCF has expanded its Diversity & Inclusion training offer by providing all its staff with virtual reality awareness modules on sexism and sexual harassment. These modules give employees the opportunity to experience various situations to better understand the impact of sexism and sexual harassment and to effectively change behaviour. Objectives:

- Raise awareness of the issue of sexism and sexual harassment at work among all company employees.
- Engage employees through virtual reality immersion.
- Promote awareness through the experimentation of concrete and tangible situations of professional life.

### 2022 key figures - SNCF

- 19.3% of management committee members trained in gender diversity issues via the "Mixité en jeu" workshops.
- Objective: 100% by the end of 2024.

### Gender diversity 2030 pathway within the Group

The company has defined a gender diversity path for its five railway companies, comprising six areas of action:

- **The feminisation of recruitment** with more operations to raise awareness of the railway professions, such as Girls' Day to introduce young girls to technical professions.

Objective: 30% of women in recruitment by 2030.

2022 result: 20.81% of women recruited on permanent contracts in 2022 (18.5% in 2021).

- **The feminisation of management bodies** with more measures to encourage women to apply for key positions.
- **Equal pay** with a pay gap of less than 1%. The five railway companies had a 0.56% gap in 2022.
- **Balanced parenthood** including studies on the obstacles to paternity leave. In 2021, 90.3% of second parents took paternity or childcare leave. A study to identify current childcare needs is currently underway to address the needs of parent employees.
- **Equal access to training** through strengthened managerial arrangements. In 2022, the gap in training hours was in favour of women, who received on average 1.7 hours more training than men in the company.
- **The fight against sexism** stepped up with, in addition to the awareness-raising and alert system launched in 2015,

the establishment in 2022 of a network of local officers throughout the country. two sexual harassment officers in each of the 33 SECs, plus a specific officer in each of the five railway companies.

Among the targets presented to the Board of Directors of SNCF at the end of the first half of 2021, the ambition is to achieve 25% of women recruited on permanent contracts by 2024 and 30% by 2030, including 40% of women in management positions.

2022 result: 22.9% of women at SNCF, including 29% of managers.

These six commitments are consistent with the annual roadmaps of the five railway companies established under the fourth collective agreement in favour of professional equality between women and men and gender diversity.

### OptiMixte approach at SNCF

The Gender Equality & Diversity Agreement also provides for the generalisation of a methodology enabling establishments to carry out a self-diagnosis on all gender diversity criteria: working conditions, fight against sexism, workforce, promotions, etc. After a test phase in 13 establishments, OptiMixte was deployed in 2022 in more than 91% of the 250 SNCF establishments. This original approach, which was co-constructed by the members of the SNCF Mixité network, received the "Gender Diversity Award" by Ville, Rail et Transports at the 2022 Mobility Awards. It enabled each establishment to define a local action plan on the points to be improved and to encourage the sharing of good practices.

### Key indicators

|                                       | 2020 | 2021 | 2022 |
|---------------------------------------|------|------|------|
| Share of female employees (%) - Group | 25.4 | 25.9 | 26.0 |
| Rate of female managers (%) - Group   | 35.0 | 35.4 | 36.2 |

### "Girls' Day - Gender diversity day" or les Potentielles

SNCF was the first French company to dedicate a day to raising awareness of gender stereotypes associated with certain so-called "male" professions, and even to encouraging vocations, among young girls in secondary school. This event, which has been open to boys for the past two years, allows SNCF to honour the testimonies of women on their attachment to their "gender-neutral" profession and their career path.

Since its creation, the scheme has enabled more than 15,000 young people to discover SNCF jobs and to promote gender equality, thanks to the efforts of more than 200 female employees.

For this 11th anniversary, Girls' Day has become Les Potentielles to highlight the resources and skills that can be developed by women, as well as men, during their educational and professional careers.

### Combating sexism and gender-based and sexual violence at work

To combat sexual harassment in the company, SNCF has an ethics alert system and sexual harassment prevention officers in the various entities. In addition, it implements preventive measures: training, awareness raising, communication campaigns, etc. A zero tolerance policy is applied and disciplinary measures up to and including dismissal are taken and published annually. SNCF is also a partner in the #StOpE initiative against sexism, a group of companies against street harassment.



At the beginning of 2022, SNCF produced the 4th edition of its barometer on the perception of sexism throughout the company, including a specific section on gender-based and sexual violence. The resulting action plan also aims to apply the principle of zero tolerance in this area and to strengthen the awareness of all staff and the reporting mechanism. It includes:

- Launching a national campaign to raise awareness.
- Training 100% of management committees with the "Mixité en jeu" workshop by the end of 2024, in accordance with the commitment made in the Gender Equality & Diversity Agreement.
- The provision of an accessible and simple awareness-raising module for all employees.

**For more details**, see Vigilance Plan, 3.3.3.

#### **SNCF's commitment to combating domestic violence and its impact on companies**

SNCF proposes concrete and strong measures against violence against women.

- The new Gender Equality & Diversity Agreement grants permission for three days of exceptional absence to file a complaint, attend a court summons, an appointment with a lawyer or with specialised support associations.
- The SNCF Social Action department, in particular, is able to provide support for people affected by acts of violence.

In addition, SNCF is a partner in the Face Foundation's "One In Three Women" programme and relays campaigns and prevention guides from this leading European network of companies committed to this issue. Finally, to inform all staff about these tools and systems, SNCF regularly organises in-house awareness-raising days.

SNCF is also a partner of the Fondation des femmes. It dedicated an emergency fund to the foundation during the lockdowns, which amplified domestic violence, and ran an equality train in its name between February and March 2022 in nine stopover cities.

[To find out more > The Equality Train](#)

#### **The 9th Work & Disability agreement encourages people to declare themselves**

The collective agreement to promote the employment of people with disabilities, signed on 31 January 2022 by three trade unions, provides for the implementation of yearly calls for Group companies to deploy yearly roadmaps and for SNCF to track its progress towards proactive objectives. One of these objectives is to promote access to existing aid for the people concerned who are already present in the company. This includes the introduction of three days' absence instead of two to prepare their RQTH (recognition as a disabled worker) file, a condition for benefiting from useful adjustments to their workstation.

The company also intends to further professionalise the support of these employees. In addition to the network of Disability correspondents in all SNCF entities, all the players involved - managers, HR, social action, doctors, elected representatives - have been made aware of the issue since 2022, at management committee meetings or via webinars, to encourage people to declare their disability situation to their employer, in complete confidence.

**Career equality.** To ensure that the people concerned do not feel held back in their careers by their disability, as 46% of them estimated in a survey in 2020 (Ariane Conseil internal survey), the company undertakes to identify any gaps in professional development and to deal

with them in the event of proven discrimination. The company will also systematically resort to a job retention committee for any disabled employee declared unfit for medical reasons.

#### **Disability training**

Because it is essential that the culture around disability at work be as widely shared as possible, SNCF finances training each year for the elected members of the SEC and HSC on the issues of disability at work and knowledge of current collective agreements. At a rate of 11 sessions offered in 2022, 200 elected members could register and 89 were trained.

A multidisciplinary approach is fundamental in the field of work-related disability. This is why SNCF offers training in job retention methodology to the various actors supporting employees with disabilities: managers, medical staff, social action professionals and territorial mobility agency advisors. In 2022, approximately 100 people were able to be trained.

Furthermore, an e-learning course entitled "Disability & Good Managerial Practices" is available internally on the "Mon Academie" training platform. It was taken by 640 employees.

#### **Signing of the 4th GARE! and SNCF Agreement**

The company is strongly committed to promoting the equal rights of all its employees, regardless of their sexual orientation and gender identity. After 10 years of working together to combat exclusion, gender discrimination and sexism, SNCF renewed its partnership with the LGBT+ association Gare! in 2022. In 2023, the company will strengthen its commitment to combating LGBTphobia by signing the charter of the Autre Cercle, the leading association for the inclusion and management of LGBT+ diversity at work.

[To find out more > Charter of the Autre Cercle](#)

#### **Keolis' diversity & inclusion policy**

Keolis is also committed to all aspects of diversity and inclusion: ethnicity, origin, age, disability, LGBT, integration of people excluded from the job market, etc.

For the fourth consecutive year, Keolis had a recruitment stand at the Hello Handicap virtual fair. In 2022, 66 of its subsidiaries published job offers, generating nearly 300 applications, compared with 200 in 2021. In total, 387 vacancies were advertised and 54 interviews were conducted.

In addition, an "employer brand" campaign entitled #DiversityDrivesUsForward was launched in June 2022 on social networks and in the press, at headquarters and in the subsidiaries. Taken up by many French and international subsidiaries, this campaign targets all of its businesses and illustrates its desire to welcome all talents. Keolis' commitment to diversity & inclusion is supported by innovative recruitment actions. For example, the job dating carried out by the Keolis Lyon subsidiary, #jenesuispasunCV. Organised in conjunction with specialised partners, this approach makes it possible to recruit without using traditional tools such as the CV in order to attract profiles from all backgrounds and with diverse backgrounds.

#### **Internal mediation to pacify conflicts**

Designed a dozen years ago, the SNCF internal mediation system has inspired other companies to ease situations between employees before conflicts arise. A network of volunteer in-house mediators, duly trained and approved, makes it possible to conduct these mediations throughout SNCF in compliance with professional ethics, with the



agreement of the manager and under conditions of confidentiality.

In 2022, 52 mediations and facilitations took place in the work groups. The facilitation service, in particular, helps managers and their teams to find common rules for organising work based on a mutual understanding of each other's expectations.

In 2022, SNCF Human Resources chose to maintain a team of 33 mediators within the company. The mediation policy aims to:

- Strengthen the network of mediators, with training and a new promotion of 10 mediators from the five railway companies.
- Raise awareness of internal mediation to prevent psychosocial risks.
- Promote the exchange of good practices with the club of internal mediators of large companies.

#### More and more women leaders by 2023 at GEODIS

The Group's global transport and logistics subsidiary promotes equality between women and men and to change the traditionally male image of its business sector. Its goal is to have 25% female executives by 2023. GEODIS is supported by a leadership programme that promotes gender diversity in management positions. Progress in this area has already been made and will be continued.

In 2017, GEODIS had 13% female managers, compared to 18% in 2020 and 23% in 2022. In order to increase their progress, GEODIS introduced a "parity" indicator in January 2022 that influences the bonus of senior managers when they act in favour of the feminisation of key positions. In addition, in 2022, GEODIS had 34% female managers and 40% women in total.

## 8.6 SUPPORT EMPLOYEE ENGAGEMENT

### 8.6.1 Context

Through several schemes, SNCF encourages its employees to innovate to improve the way the company operates or to put their expertise at the service of a solidarity project. It aims to further enhance the value of social commitment, for the benefit of each volunteer and the Group's public service mission.

### 8.6.2 Our commitments

Encourage and enhance the social commitment of our employees to the Group and society in general through skills sponsorship.

### 8.6.3 Policy and actions

Employee commitment contributes to the SNCF social and territorial cohesion and inclusion missions throughout France. It also has a managerial objective, by recognising the involvement of employees. This is why a section of the SNCF&moi support programme is dedicated to this commitment. Collectives and networks act in favour of the environment, equality and gender diversity... And since the health crisis, which has had a major impact on young people, many employees have been carrying out tasks such as tutoring or employment support missions. The company also wishes to involve its employees more in these social challenges, in particular with mentoring missions for young people through skills sponsorship, and the promotion of volunteering.

#### Skills sponsorship extends to long assignments

Making the most of the skills of its employees is a way for the SNCF to demonstrate its commitment to solidarity. To promote their civic engagement, since 2013 the company has been promoting skills sponsorship during working time

for short assignments of one to 10 days per year. In 2022, more than 2,700 employees were involved with the 128 partner associations of the SNCF Foundation.

In 2021, the company's Human Resources department extended skills sponsorship to long assignments to offer volunteers a useful and enriching experience in their professional careers and personal lives. Employees are thus made available to one of the 14 associations selected by the Foundation, for between six months and two years at most, while retaining their original salary. Their experience is valuable when they return to the company. In 2022, nearly sixty employees were engaged in long assignments with associations working for solidarity, the integration of young people or the environment.

#### Mobilising passengers and employees around mentoring

In September 2022, the SNCF Foundation and the Sponsorship Collective presented the exhibition "Sponsorship, solidarity in action(s)" in 23 SNCF stations across the country. The aim of this event was to encourage new vocations among all station customers.

The SNCF and its Foundation are also committed to promoting this equal opportunity scheme among its employees. Webinars or newsletters regularly encourage them to support a young person affected by social or territorial inequalities, or who is at risk in terms of schooling, studies or professional projects. Trained for this role by the partner associations, the employee volunteers carry out assignments during their working hours, via skills sponsorship. Valued by the company, mentoring is also an opportunity to develop new skills. By 2025, the Foundation is committed to reaching the milestone of 1,000 employee mentors and to continuing its support for several associations in the Sponsorship Collective. By the end of 2022, more than 600 employees were involved in mentoring young people.

#### 850 volunteer employees mobilised for the environment

The 2nd edition of the Environment Solidarity Days on 4, 6 and 7 October 2022 mobilised 850 SNCF employees (600 in 2021) in 12 regions on 45 assignments. Among the actions carried out on one day within the framework of skills sponsorship: sorting donations from individuals in a recycling centre, recycling everyday objects to give them a second life, cleaning up the coastlines, participating in the eco-construction of a farm to offer a peaceful end of life to animals, and the development of a shared garden whose products will be distributed to the Restos du Cœur. This nationwide operation places the environment firmly at the heart of the commitments of the company's employees.

#### Collective commitment with SNCF Mixité

Reflect and act for diversity, equal opportunities between women and men, fight against gender stereotypes and sexism in the company and beyond, create practical tools to diagnose and promote diversity everywhere in the company... These are SNCF's commitments, in particular via its SNCF Mixité network. It is one of the first business networks dedicated to gender equality in France, which celebrated its 10th anniversary in 2022. Of its 11,000 members, 23% are men, and the network intends to increase this number.

**Active throughout France with embassies in all regions**, this network offers programmes, workshops, conferences and podcasts throughout the year to raise awareness of gender issues and change the way things are done. Among the mentoring programme, and workshops organised by regional embassies: "How to fight against burnout in women", "Never without them: equality

is also a man's business", "Putting an end to the impostor syndrome"... With 7,000 people made aware of the fight against sexism, 600 mentorships and 60 partner networks over the past 10 years, SNCF Mixité contributes, together with the company's human resources, to the implementation of the 2030 gender diversity pathway.

#### A revisited "Coups de Cœurs" operation

The "Coups de Cœurs Solidaires" scheme was created to provide funding each year to associations in which SNCF employees volunteer. It was redesigned in 2022 to broaden its scope.

From the January 2023 edition onwards, volunteers and supporters will be able to honour an association project that is close to their hearts, this time in the framework of the "Coups de Cœur Citoyens".

## 9. ANNUAL REPORT ON THE CARBON PATHWAY OF SNCF ACTIVITIES IN FRANCE

### 9.1 CONTEXT

The SNCF Group's CSR strategy for the period 2020-2030 defines sustainable development as a key axis for the company's ambitions.

This makes energy transition one of the Group's major projects. The SNCF Group must control its energy consumption and decarbonise its activities, while improving its attractiveness in order to accelerate the modal shift to rail, which is essential for the success of the National Low Carbon Strategy (SNBC) in the transport sector. The objective of this report is to report on the pathway to reducing the SNCF Group's greenhouse gas emissions, in accordance with the decree of 2 November 2021 adopted pursuant to Article 66 of the amended Finance Act 2020-935 of 30 July 2020.

This document presents:

- The commitments made by the Group.
- The pathways forecast for decarbonisation.
- The ongoing work on the action plan to achieve this.

### 9.2 SNCF GROUP COMMITMENTS

In accordance with Article 66 of the amended Finance Act No. 2020-935 of 30 July 2020, the SNCF Group has made commitments to reduce greenhouse gas emissions across France:

- Reduce by 30% greenhouse gas emissions (scopes 1 and 2) linked to the activities of the transport sector by 2030, compared to 2015, the SNBC reference year.
- Reduce by 50% greenhouse gas emissions (scopes 1 and 2) linked to the activities of the Building sector over the same period.

The 2050 targets are the complete decarbonisation of the Group's Transport and Building activities across France.

These commitments have been defined in line with the National Low Carbon Strategy (SNBC). The SNCF Group refers to the SNBC sector objectives to build and manage the energy transition pathways presented in section 9.4.3.

IN this regard, SNCF is following the current work of the SFEC (French Climate Energy Strategy) which will lead to a new version of the SNBC in 2024, allowing these pathways to be adjusted.

Compliance with these pathways relies on three main decarbonisation methods:

- Energy conservation.
- Energy efficiency.
- Changing energy fluids and using technological developments.

### 9.3 PROJECTED PATHWAYS FOR GREENHOUSE GAS EMISSION REDUCTION

The Group's decarbonisation pathways have been built based on different time milestones: a long-term objective for 2050, an intermediate milestone for 2030, in accordance with France's European and international commitments, as well as closer intermediate milestones currently being modified.

Given the bulk of energy involving greenhouse gas emissions produced by transport activities, the Group is steering its emissions reduction pathways by integrating the share relating to energy production into the calculation bases of the Transport and Building sectors.

These projected pathways are based on the following input parameters:

- **Organisational scope:** activities in France of the Group, known as the Unified Public Group within the meaning of Law No. 2018-515 of 27 June 2018 for a new rail pact, i.e. the five historical French railway companies, the French activities of Keolis, GEODIS, Eurostar, Thalys and the French entities of Rail Logistics Europe.

- **Emission items covered:** Energy scopes 1 and 2 and energy scope 3 not included in scopes 1 and 2. The significant indirect GHG emissions of the SNCF FR scope (purchases of goods and services and emissions induced by passengers and visitors) are presented in the Group's total GHG emissions in section 5.3.2.

- **Baseline year:** 2015

- **Gases considered:** the latest 2021 greenhouse gas emission balances (BEGES) of the five railway companies have made it possible to observe that scope 1 and 2 energy-related emissions represent 98% of emissions, including 97% CO<sub>2</sub> and 1% nitrous oxide (N<sub>2</sub>O) and methane (CH<sub>4</sub>), and refrigerant leaks represent 2%, of which 1% are hydrofluorocarbons.

- **Units used:** thousands of tonnes of CO<sub>2</sub>e equivalent expressed in kTCO<sub>2</sub>e.

Greenhouse gas emissions are monitored taking into account scope 3 energy-related emissions. This allows, among other things, the monitoring of greenhouse gases related to the use of B100 biofuel, which can only be assessed on a scope 1, 2 and 3 basis.

## Greenhouse gas emissions from energy consumption (in kTCO<sub>2</sub>e) - Energy scopes 2 and 3 SNCF Group in France

| (In kTCO <sub>2</sub> e)                         | 2015         |                 |              | 2021         |                 |              | 2022         |                 |              | 2030       |                 |              |
|--------------------------------------------------|--------------|-----------------|--------------|--------------|-----------------|--------------|--------------|-----------------|--------------|------------|-----------------|--------------|
|                                                  | SNCF FR      | Subsidiaries FR | Total        | SNCF FR      | Subsidiaries FR | Total        | SNCF FR      | Subsidiaries FR | Total        | SNCF FR    | Subsidiaries FR | Total        |
| Scope 1 - Transport                              | 479          | 653             | 1,132        | 409          | 607             | 1,016        | 406          | 642             | 1,048        | 335        | 457             | 792          |
| Scope 1 - Buildings                              | 134          | 17              | 151          | 123          | 66              | 189          | 95           | 66              | 161          | 67         | 9               | 75           |
| Scope 2 - Transport                              | 303          | 25              | 328          | 246          | 18              | 264          | 243          | 22              | 266          | 212        | 17              | 229          |
| Scope 2 - Buildings                              | 33           | 8               | 41           | 33           | 10              | 44           | 31           | 9               | 40           | 17         | 4               | 21           |
| <b>Total greenhouse gas emissions Scopes 1,2</b> | <b>949</b>   | <b>702</b>      | <b>1,651</b> | <b>811</b>   | <b>701</b>      | <b>1,513</b> | <b>776</b>   | <b>739</b>      | <b>1,514</b> | <b>631</b> | <b>487</b>      | <b>1,118</b> |
| Scope 3 - Transport                              | 246          | 180             | 425          | 213          | 157             | 371          | 220          | 171             | 391          | 172        | 171             | 343          |
| Scope 3 - Buildings                              | 42           | 7               | 49           | 40           | 18              | 58           | 35           | 18              | 53           | 21         | 18              | 39           |
| <b>Grand total</b>                               | <b>1,237</b> | <b>889</b>      | <b>2,125</b> | <b>1,065</b> | <b>876</b>      | <b>1,942</b> | <b>1,031</b> | <b>928</b>      | <b>1,958</b> | <b>824</b> | <b>676</b>      | <b>1,500</b> |

The lack of change in results between 2021 and 2022 is due to:

- More favourable emission factors for railway electric traction (-5%), partially offsetting an increase in consumption related to activity resuming.
- A reduction in consumption across the property scope thanks to the energy conservation plan.
- Since 2022, subsidiary service vehicles consumption has been taken into account.

By the end of 2022, a quarter of the expected reduction by 2030 compared to 2015 had already been implemented. The pathway foresees an acceleration of decarbonisation between 2025 and 2030. The development of data from 2015, 2020 and 2021 is mainly due to improvement in the quality of energy consumption in the "buildings" item of the five railway companies in France.

### Focus on scopes 1 and 2

Work is under way to set out intermediate milestones between now and 2030, incorporating the initial elements available to support the ambitious growth of rail travel within the next 20 years.

The following milestones are being adjusted. In view of the work in progress, and especially with the developments of new technologies for rolling stock, the decarbonisation pathway is likely to step up a pace between 2025 and 2030.

Once the pathway to 2030 has been laid out, for which the main areas of progress have already been identified, further work will focus on the period 2030-2050. This requires, in particular, the definition of the assumptions to be assumed for these distant deadlines.

Finally, as a reminder, the SNCF Group had defined, as of 2019, objectives to reduce its greenhouse gas emissions (energy scopes 1,2 and 3) by 26% in 2030 (compared to 2017) for the former Public Railway Group (GPF) scope. In order to ensure that its ambitions made an effective contribution to the objectives of the SNBC and the Paris Agreement, the SNCF Group then carried out two complementary approaches: firstly, to analyse the robustness of its commitments via the Science Based Targets initiative (SBTi), and secondly, to validate the associated resources via the Assessing Low Carbon Transition (ACT) approach.

These objectives have been validated as being in line with a 2°C trajectory and in compliance with the Paris Agreement, confirming their consistency and solidity and validating the organisation and governance set up by the SNCF Group. An update of the SBTi objectives is planned in 2024.

In addition, GEODIS is preparing new commitments for its scopes 1, 2 and 3 using a "Science Based Targets" approach.

### 9.4 ACTION PLAN ON REDUCING GREENHOUSE GAS EMISSIONS

In order to comply with the pathways presented above, the SNCF Group is drawing up an action plan to reduce its greenhouse gas emissions. It is mainly based on the three levers: energy conservation, energy efficiency and use of technological developments.

These levers are presented below for the two sectors concerning the SNCF Group:

- Transport.
- Buildings.

#### Details of the actions initiated in 2022 are presented in section 5 of the NFPS.

All of the work under way, combined with other methods such as improving infrastructure, services, occupancy rates, station access, etc., must support the Group's ambitions to double the modal share of rail by 2040.

As the name given to this vision for the railways, "iron against carbon", underlines, decarbonisation underpins all the discussions and feeds into the development of short-term action plans.

#### Energy conservation plan deployed in the company

In addition, in the current context, an ambitious energy conservation plan has been put in place at SNCF Group level. Approved at the Committee of Chairmen on 10 October 2022, this plan is being rolled out, under the guidance of a special advisor working directly alongside the SNCF Group Chairman and CEO. The Group's companies are developing the energy conservation plan within their scope:

- The SNCF Voyageurs energy conservation programme.
- An energy conservation e-learning module, complemented by a webinar.

The pedagogy used as part of the energy conservation plan must raise awareness about the impact reducing energy consumption would have on greenhouse gas emissions.

At the same time, the Group has adhered to the RTE EcoWatt Charter, therefore acting on its commitment to saving energy and conserving electricity systems.

**For more details:** see 5.3.3



### 9.4.1 Greenhouse gas emission reduction strategy for the Transport sector

The SNCF Group has identified levers for energy savings, energy performance and new non-fossil fuels in its activities in order to consolidate them into a common pathway. This pathway now filters through the company at all levels and is an opportunity to develop the share of rail and sustainable travel for passengers and freight.

The action plans aim to specify the conditions for activating these levers and their level of contribution to the objectives. They are structured into two main phases between now and 2030.

#### Two-phase action plan

The first phase consists of activating managerial levers and tools already identified to make a rapid leap in conservation and efficiency. At the same time, the study and testing of new technologies is continuing and will thus lead to a second phase in which mature and relevant innovations will complement the actions already initiated.

**The first phase** strengthens the conservation and efficiency methods while initiating deeper changes. It is based on the implementation of professional actions such as optimising driving or eco-driving and optimising parking or eco-parking. The principle of these business actions is detailed in section 5.4.

– **Eco-driving** can save up to 10% of energy on a journey whilst also improving punctuality. Within this context, at the end of 2021, 80% of drivers of the passenger train fleet had been trained in eco-driving and equipped with an assistance tool on their tablets. In 2022, all these drivers practised eco-driving.

– **Eco-parking** represents 10 to 30% of a train's total consumption, depending on the transport activity. It is thought that 5 to 30% of current parking consumption could be saved by implementing this system on all rolling stock, both electric and diesel.

As an example, the target gain for regional passenger transport (TER) is around 48 ktCO<sub>2</sub>e per year by 2025, i.e. around 10% of the CO<sub>2</sub>e emissions of TER trains. Transilien is continuing with the same approach.

Fret SNCF also launched eco-parking for its diesel vehicles (10% of the fleet) in 2021, on wagon-sorting platforms chosen as pilot sites. This action, carried out on additional sites in 2022, should make it possible to reduce energy consumption by between 3% and 5% by 2025.

To confirm these gains, meters are gradually being installed on trains. The plan is to equip 95% of the passenger rail fleet by 2026, including 100% of high-speed trains by 2023.

Eco-parking and eco-driving will be increasingly deployed as part of the energy conservation plan.

– **Trials to substitute fossil fuels with a biofuel were continued in 2022 at SNCF Voyageurs.** This solution makes it possible to move existing thermal equipment away from fossil fuels in the short term without major modification and makes it possible to reduce greenhouse gas emissions.

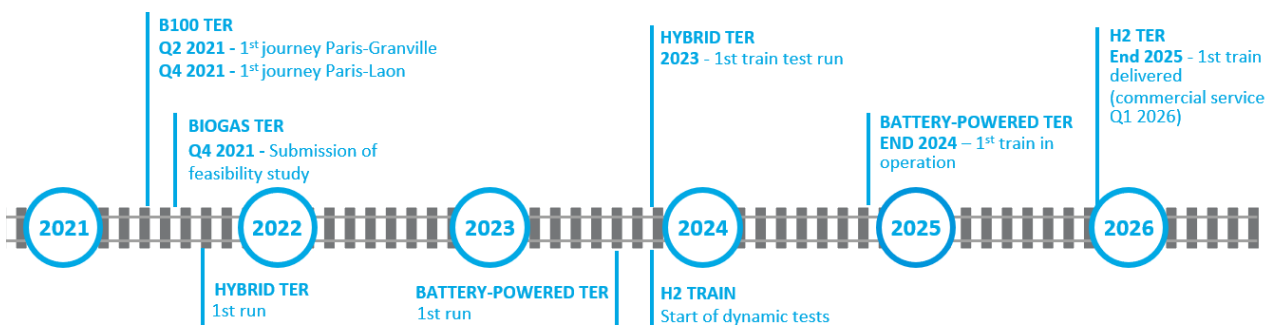
The biofuel B100, a co-product of the rapeseed industry, was tested on engine benches in 2019 and 2020 and tested in commercial service in 2021. In the Normandie region, the experiment on the Paris-Granville line on 15 REGIOLIS was extended and made viable by the organising authority in 2022. The B100 Grand Froid was also tested on AGC (High Capacity Railroad) in Bourgogne-Franche-Comté in 2022 on the Besançon-La Chaux de Fond line. B100 biofuel makes it possible to reduce greenhouse gas emissions by about 60%.

There is therefore strong momentum behind controlling energy consumption and greenhouse gas emissions.

This is accompanied by important work carried out in 2022 on consumption data, collected from meters; the data facilitate the management and "boarding" of teams.

**The second phase**, for 2025-2026, will reinforce the above efforts with more powerful technological methods.

This process is to be conducted in partnership with other industrial companies to improve the energy efficiency of activities and reduce their carbon footprint. It is based in particular on several experiments under way or to be carried out within the Group, as shown in the following diagram:



Short-term innovations include:

– **Continuation of biofuel tests on engine benches** to move railway thermal equipment away from fossil fuels: after the B100 solution, derived from the esterification of rapeseed oil, HVO biofuel from the hydrogenation of used vegetable oils or animal fats, was tested in 2022 on X73500 and AGC engine benches. The results were promising and this solution will be tested in commercial service in the first half of 2023.

And in the longer term:

– **The adaptation of certain rolling stock components to reduce energy consumption:** lighting modulation, preconditioning, heating modulation coupled with door closures, etc.

– **The development of rolling stock with lower emissions:** hybrid trains, battery-powered trains, hydrogen trains, TGV M with the manufacturer Alstom, coaches and other road modes using gas, electricity or hydrogen.



– **Design of “light” equipment** combined with infrastructure with a smaller environmental footprint.

– **The “frugal” electrification** of certain lines, in addition to new rolling stock technologies, to support electrification while adapting the strength/robustness levels to the desired service. This allows for simpler deployments of overhead lines: lighter equipment, reuse of the lines and equipment from reuse channels.

This phase opts for industrial methods that are sometimes more complex and often long-term (new rolling stock, electrification of infrastructure, etc.). These methods require significant funding and precise planning. Decision-making processes are therefore long and the adaptation of strategic plans projecting the activity levels and associated investments is complex.

In addition to these actions, SNCF also aims to electrify around 30% of its vehicle fleet (20,000 vehicles in total) by 2030. However, this approach is currently causing difficulties for manufacturers as they try to meet demand. 12- to 18-month delivery delays were announced by manufacturers, postponing the deadlines of the SNCF plan.

#### 9.4.2 Greenhouse gas emission reduction strategy for the Building sector

The SNCF Group is the second largest property owner in France after the State, with 12 million m<sup>2</sup>, including 8 million m<sup>2</sup> and nearly 25,000 buildings under the responsibility of SNCF Immobilier.

Via SNCF Gares & Connexions, it is also responsible for the energy and carbon footprint of some 3,000 stations with almost 4 million m<sup>2</sup> of buildings (including 2 million m<sup>2</sup> of passenger buildings).

SNCF is faced with the challenge of reducing the energy consumption and carbon footprint of a diverse portfolio (tertiary buildings, maintenance workshops, housing, etc.) that is more than fifty years old, with some buildings still in use dating back to the end of the 19th century.

#### The Group's general policy and SNCF Immobilier master plans

Within the scope managed by SNCF Immobilier, the investment required to achieve the objectives set by the Tertiary Decree (40% reduction of energy consumed and 50% reduction of CO<sub>2</sub>e emissions by 2030) is estimated at nearly €550 million over the period 2021-2030.

To achieve this double objective, an investment programme for the energy renovation of buildings was initiated in 2021 and continued in 2022.

The tightening of legislation on energy consumption in buildings brought about by the Tertiary Decree concerns a significant portion of SNCF Group buildings: offices, warehouses, industrial and maintenance technical centres, stations, etc.

SNCF Immobilier is therefore working on integrating decarbonisation projects and projects to reduce energy consumption into its property master plans.

Several methods have been pinpointed:

– **Streamlining SNCF property**, through the sale of premises that the Group no longer needs and grouping teams together on the same premises. More generally, optimising the use of real estate, by factoring in working from home (now widespread within the company following the Covid crisis), will result in a reduction of the Group's tertiary real estate footprint.

– **The replacement of oil (or energy-intensive) heating means**, with heat pumps in its reserved-access spaces or buildings, biomass heating plants or connections to district

heating networks where possible, not to mention the energy rehabilitation work on building stock and the modernisation of lighting (LED).

– **Energy rehabilitation operations** on targeted sites, requiring programming in advance and mobilising significant expertise and funding, are also planned.

#### Examples of methods and ongoing projects:

– Connection to urban heating networks at the St-Pierres-Corps technicentre (37) will save 1,850 tCO<sub>2</sub>e each year after completion of the work. For the Lyon Gerland technicentre, connection reduces greenhouse gas emissions by 57%.

– **Elimination of fuel oil boilers by 2025:** a replacement plan for fuel oil boilers has been developed to meet this objective.

– **Relamping:** the replacement of existing lighting with LEDs has led to savings of 58% at the Nevers (58) technicentre via an energy contract (CPE).

– **Energy rehabilitation works: in line with Group objectives**, the subsidiary S2FIT, the industrial and tertiary railway property company, is planning a 10-year work plan including:

- Insulation, woodwork replacement, etc.
- Maintenance optimisation and improvement of daily monitoring (meters and sub-meters, thermostatic valves, etc.) and regulation (optimisation of day and night settings, weekend settings, set temperature, etc.).

In addition, its new CSR performance management platform will incorporate the energy consumption reduction targets set by the Tertiary Decree for 2030, 2040 and 2050.

In addition, the company deploys digital technologies such as the Internet of Things (IOT) or Building Management Systems (BMS) in its buildings to monitor consumption in real time. A programme to make use of energy sub-meters to control energy consumption will be deployed in 2023. Knowledge of flows, and improving them, therefore offers significant potential for controlling energy consumption.

At the end of 2022, the Group fulfilled its reporting obligations in the ADEME OPERAT database of nearly 3,000 contributing operational entities.

For 2023, nearly €14 million of investments are planned to reduce the energy consumption of buildings and €22 million are earmarked for 2024.

Energy audits are scheduled for 2023 to better control flows and prioritise action.

#### Energy conservation plan

At the end of 2022, the Group also deployed energy conservation measures, in accordance with the government plan:

– Lowering/raising the set temperature in winter (19°C)/summer (26°C).

– Applying “weekend mode” in tertiary premises from Thursday evenings with a partial closing of around ten major tertiary sites on Fridays.

– Shutting down tertiary site hot water tanks, excluding showers.

– Turning off communication screens on major sites, and un-sensored lighting of an evening and weekend in unoccupied premises.

– Creating a plan on eco-friendly actions.

Through these measures and the investment plan described above, the ambition is to reduce energy

consumption and the Building sections' associated carbon footprint by 10% by the end of 2024.

Whilst reducing energy consumption, increasing efficiency in its use and exploiting new energies that emit less CO<sub>2e</sub>, this plan is also supplemented by specific actions on responsible digital technology. It is part of the National Low Carbon Strategy (SNBC) and contributes to the State's action plan to combat climate change.

Other experiments are also currently in progress:

– **White paint.** To limit the rising temperature in summer, and therefore limit the resulting energy consumed through the use of air conditioning, a white tint has been applied to the roofs of buildings to reflect the sun's rays. Tests were conducted on SNCF dock shelters in Joué-lès-Tours (37) and Ballan-Miré (37). Result: a decrease of between 6 and 7°C. In addition, the installation of a 400 m<sup>2</sup> reflective coating on the roof of SNCF Réseau track industrial site in St-Dizier (52) makes it possible to naturally lower the temperature by 5°C in summer.

– **Digital measurement.** SNCF has deployed 300 remote control boxes for electric water heaters across the Infrapôle Lorraine scope.

– **Low-tech.** To face up to the challenge of energy conservation, SNCF Immobilier joined Urban Low-tech, a collective of city factory actors launched at the end of 2021. Objective: to develop urban design principles based on a set of simple, inexpensive technologies that consume few resources and little energy and therefore have a low environmental impact.

For SNCF, it is a matter of saving material and the land that it owns. This means that materials are reused during deconstruction/reconstruction projects according to a circular economy logic, the cooling of buildings without air conditioning (Canadian wells, geothermal or cooling wells).

Finally, every year SNCF builds new housing, industrial buildings and stations that comply with the latest environmental and energy standards. Examples include the new programmes of its subsidiary ICF Habitat, the Île-de-France unified command centre, the Romilly-sur-Seine (10) and Vénissieux (69) technical workshops, the Nîmes Pont-du-Gard (30) station, and the Saint-Jean-de-Maurienne (73) multimodal exchange division - models of eco-designed buildings.

### Focus on SNCF Gares & Connexions' energy transition strategy

SNCF Gares & Connexions is carrying out a building renovation and energy transition programme, which is based on several methods, including:

- Improved management of energy consumption.
- Replacement of the lighting systems in passenger buildings and on platforms with LEDs.
- Optimisation and technical management of buildings, monitoring of equipment.
- Moving away from fuel oil by 2025 by replacing oil and gas boilers with low-carbon alternatives.
- Energy rehabilitation of buildings: insulation, thermal insulation of networks.
- Improving the efficiency of equipment (lifts and escalators).

SNCF Gares & Connexions has a budget of €120 million dedicated to the energy transition between now and 2030. In 2022, a budget of €9 million was made available to regional management stations to finance energy performance operations as part of an internal call for the

“Energy & Carbon” project for relamping, replacement of oil boilers, insulation, etc. This budget contributes to the 2030 target of reducing energy consumption by 25% compared to 2019 and reducing carbon emissions by 50% compared to 2015.

### This strategy to reduce greenhouse gas emissions is also based on:

#### – The development of photovoltaic energy production.

In this context, SNCF Gares & Connexions aims for a solar capacity of 150 to 200 MWp by 2030, i.e. about 1 million m<sup>2</sup>. The equivalent production corresponds to the annual consumption of 34,000 households. A Call for Expressions of Interest was launched in 2021. After consultation, a partnership signed with Tenergie is planning the deployment of 180 000 m<sup>2</sup> of photovoltaic panels on shading structures in station car parks. The combined capacity of the 119 sites represents more than 30 MWp. The electricity produced will be resold to the public electricity distribution network and will therefore play a part in transitioning the types of energy used nationally. It equates to 15% of the electricity consumption of 3,000 stations or about 7,500 households. These installations include shading structures in car parks, passenger buildings, large passenger halls and platform shelters.

– **The need to design and carry out projects differently.** SNCF Gares & Connexions is therefore developing the eco-design of its building construction and renovation projects.

**For more details:** see 5.5.

#### The development of solar farms

The company is also working with SNCF Réseau and SNCF Immobilier to develop solar farms on SNCF land that is no longer used for railway operations and whose location does not allow for the creation of eco-districts or housing. Two examples: the final stages of a call for tender for the deployment of a photovoltaic power plant in Nouvion-sur-Meuse (08) for approximately 16 MWp, and the success of a dossier selected in a call for tender by the Commission de régulation de l'énergie for a 5 MWp photovoltaic farm in Saint-Mars-la-Brière (72). The file was submitted by the joint company Airefsol, which brings together SNCF and Eolfi.

#### Controlled digitalisation

In addition to these actions, the SNCF Group has also begun specific work on controlling emissions linked to the digitalisation of its activities involved into the building sector.

As digital technology is picking up speed and its carbon footprint is decidedly growing, SNCF has defined its priorities in the field of sustainable digital technology. It has put in place an action plan which uses four methods:

- Raising awareness of the environmental impact of digital technology.
  - Limiting the renewal of digital devices.
  - Promoting environmentally friendly digital usage.
  - Promoting energy-efficient data centres and networks.
- According to the 2022 carbon assessment, SNCF digital CO<sub>2e</sub> emissions can be broken down as follows:
- SNCF equipment represents 50% of digital-related CO<sub>2e</sub> emissions.
  - 23% of CO<sub>2e</sub> emissions come from its IT providers: expertise, day-to-day operations, development in service centres, etc.
  - 14% of emissions come from internal and external data centres.

– 13% come from telecommunications providing connectivity for customers in the station and on board.

#### 9.4.3 Link between the investment strategy and the decarbonisation pathway

All of the actions mentioned above must be based on controlled financial commitments and are being carried out in a restrictive economic context. Financing needs are still being assessed, making it possible to define what the SNCF Group can and should bring to the table and what should be decided externally. This complex work also incorporates the currently high uncertainties of the related markets of energy, strategic metals, etc. The data will be included in a review of the Group companies' strategic plans in 2023, therefore completely becoming a part of activity business plans.

Here, it is worth highlighting some very important points that impact components of the strategy presented above.

Whether for rail or road transport, **technological choices, then investments and the lifespan of equipment and facilities are relevant for a long period of time.** This means that things must be anticipated well in advance. This means taking risks on the one hand, but also requires long-term commitments that must face up to all kinds of changing contexts (climate, economy, health situation, political decisions, etc.).

**Technological choices require significant financial investments** both in the design phase and during deployment, as at GEODIS for the development of innovative vehicles using alternative energies.

**Many methods, particularly those involving rolling stock (trains, trucks, buses, etc.) depend on local administrative authorities** (regions for SNCF, cities and others for Keolis, Geodis, etc.) which decide independently on financing and technological choices. The SNCF Group's role here is to advise and support the transport authorities in their own energy transition policy.

To do this, SNCF has developed decision support tools to evaluate technological solutions in relation to the envisaged service; the Diag & Match tool, currently being deployed, is an example.

To better inform the decisions to be taken in regard to decarbonisation, **the SNCF Group has put in place a "Carbon Reduction Cost" methodology and an internal carbon price.** These costs and prices are being used more and more to study most Group company investment projects, to result in an economic balance sheet that takes carbon impacts into account, beginning in particular with the "real estate" files. After a test period, the internal carbon price was set at €100/tCO<sub>2e</sub> for the end of 2022 and 2023.

#### 9.4.4 Methods for assimilating SNCF Group strategy, objectives and commitments

The SNCF Group has changed its governance and organisation to encourage its companies to assimilate its commitments, strategy and objectives to reduce greenhouse gas emissions.

Among the changes initiated at Group level:

– **Specific governance.** The SNCF Group has set up a system for monitoring the pathway trajectories and steering the action plans of subsidiaries through an Carbon-Energy Strategic Committee which brings together the chairmen of the seven SNCF Group companies two to three times a year.

– **The development of training and raising awareness for staff.** 100% of the members of the SNCF Group's Executive Committee received training to raise their awareness in regard to ecological transition. Furthermore,

a CSR training programme (including energy transition and greenhouse gases) for the entire managerial line, i.e. 17,000 managers, has been deployed since 2021 and will continue in 2023. The module dedicated to energy conservation is one of the first made available online.

The "Cluster énergie", a network of more than 100 experts within the Group, is developing a module on Carbon-energy issues. In addition, during their annual seminar, the Group's 200 senior executives participated in a conference debate on climate challenges with Valérie Masson-Delmotte, French paleoclimatologist and co-chair of IPCC Group 1.

– **An operational network of Carbon-energy experts.** Deployed across the Group's entities and regions, it is currently under review.

– **The indexation of part of the SNCF Group's senior managers' and executives' compensation to CSR criteria.** This will be applied from 2023 onwards. The compensation will be indexed to the objective to reduce greenhouse gas emissions by 4% compared to 2021 (baseline year for the greenhouse gas emissions report (BEGES)).

– **The promotion and development of internal projects to reduce energy and greenhouse gas emissions.** The aim is to stimulate the Group's teams and support local initiatives to reduce energy consumption and greenhouse gas emissions. For example, the Innovative Fund for Passenger Energy Transition (FITEV), created in 2021 by SNCF Voyageurs, has made it possible to save 5.9 Gwh per year and avoid the emission of 520t of CO<sub>2e</sub> each year. This logic based on internal projects is also being applied by SNCF Gares & Connexions as part of its Carbon-energy pathway. In line with the Group's governance, each company or subsidiary has its own governance and organisation to effectively manage Carbon-energy issues.

SNCF Immobilier and SNCF Gares & Connexions have therefore created a department in charge of the energy transition in their respective scopes.

The changes by SNCF Voyageurs are also an illustration of this:

**The strategic governance body** is the Voyageurs Executive Committee, which discusses issues related to electricity consumption, controlling energy bills and decarbonising activity. In 2022, the Voyageurs Executive Committee met four times from March 2022 concerning energy conservation, in order to:

- Signal the change in energy prices.
- Decide to launch a Voyageurs energy conservation programme.
- Validate the content of the programme and its objectives (to accelerate and amplify ambitions and actions).
- Conduct a first review.

**The operational governance body** is the Voyageurs Carbon-Energy Steering Committee, which meets three times a year with representatives from each of the activities (TGV&Intercités, TER, Transilien, Industrial Management). In 2022, this body was replaced by the Voyageurs steering committee of the energy conservation programme, which places the priority on collective action.

**The body for taking managerial responsibility for issues and implementation** is formed by different bodies that bring together the heads of business units (TGV lines, Transilien lines, TER regions) in which Carbon-energy issues are discussed. It is also made up of steering committees between the Voyageurs Carbon-Energy



Department (DECV) and the management teams of each of the activities, where action plans and their progress are reviewed one to three times a year depending on the issues at stake.

A new body was created in the second half of 2022 as part of the Voyageurs energy conservation programme, to manage energy savings in buildings, with the chairwoman of SNCF Immobilier and the General Secretary of SNCF Voyageurs.

Finally, **each activity has its own governance, PlaneTER, Planète Voyages or RSE Transilien**. Carbon-energy subjects are piloted in these steering committees. They decide on actions and commitments for stakeholders upstream and downstream. They concern, for example, selection criteria or carbon performance objectives for suppliers, awareness-raising campaigns for customers, poster campaigns and all communication operations, etc. In the same way, the PlaneTER and Planète Voyages programmes help to unite teams around common values to turn all TER and TGV-Intercités employees into ambassadors for sustainable mobility among passengers.

**For more details:** see 8.2.3

#### 9.4.5 The Group's commitments and actions concerning its stakeholders

The SNCF Group is committed, as part of its purpose, to ensuring the commitment of its internal and external stakeholders in the governance of its activities and new projects, at local, regional and national level. This means the implementation of numerous actions, upstream and downstream of the value chain, making it possible to take into account its objectives to reduce greenhouse gas emissions.

##### Purchasing policy

The Group's purchasing policy contributes to the ambitions set by SNCF concerning the reduction of greenhouse gases emissions, the circular economy and regional integration.

Four main priorities guide its CSR action:

- **Systematising the integration of CSR requirements in the choice of solutions and suppliers** to control CSR purchasing risks.
- **Being an actor in ecological transition** by supporting the reduction of greenhouse gas emissions and the circular economy.
- **Developing short channels** and actively contributing to the economic development of the regions.
- **Accelerating the process of decarbonising SNCF's purchases** with the full involvement of suppliers. This fourth priority was validated by the SNCF SA Board of Directors in July 2022.

##### Purchasing decarbonisation policy

All purchases made by SNCF come along with greenhouse gas emissions. An initial assessment shows that 74% of greenhouse gas emissions come from the carbon footprint of purchases (45% from goods and services purchases, 24% from energy, 5% from capital assets). So SNCF needs the full involvement of its supply chain and therefore of its suppliers to achieve its decarbonisation objectives, sustainably integrate its performance and collectively increase the performance of the rail sector.

The Group's decarbonisation strategy responds to Decree No. 2022-982 of 1 July 2022 relating to the Environmental Code. As of 1 January 2023, this now also specifies that any significant indirect emissions produced by the value

chain which purchases are involved in will be included in the greenhouse gas missions balance sheet.

Approved in April 2022, the decarbonisation strategy for purchases aims to:

- **Onboard stakeholders and manage alongside them**, through a better knowledge of the carbon footprint of purchases, with decarbonisation objectives included in road maps.
- **Integrate carbon into purchasing processes** with carbon clauses in contracts, rating criteria based on the internal price of carbon, calculation of emissions avoided
- **Make decarbonisation a central value of the supplier relationship** through a commitment to reducing the main suppliers' footprint, the sharing of best practices, rewards.
- **Integrate the topic of carbon within managerial bodies** in particular within commitment committees and during executive training.

Adaptation of purchasing sector culture was initiated throughout 2022, the purchase decarbonisation process was approved and 100% of major suppliers were made aware of the SNCF's decarbonisation challenges. To illustrate the dynamics in place, in the first quarter of 2023, SNCF will publish an official report on the decarbonisation of the railway sector: the result of a working group between SNCF and the Fédération des industries ferroviaires (FIF).

The Group promotes its actions through trials, feedback and performance indicators detailed in section 7.2.

In addition, SNCF Gares & Connexions has paid particular attention to the carbon emissions of photovoltaic panels chosen as part of AMI, launched in 2022. One of the criteria for choosing a partner was the carbon footprint of the entire installation, including the carbon footprint of the panels. This meant the solution with the lowest level of emissions was chosen.

##### Customer communication

The SNCF Group is developing a number of actions to guide its customers towards low carbon transport alternatives:

##### At TER

- Launch of a TER eco-comparator in the Grand Est region of France, in addition to the one in Occitanie: this tool makes it possible to compare the travel times, cost and CO<sub>2</sub>e emissions of the same journey, depending on whether it is carried out on the TER or by car.
- Production of short educational videos for travellers. The objective is to trigger awareness and make people opt for the train and low-carbon transport.
- Design of an interactive TER map that includes more than 500 bike partners all over France.
- Creation of partnerships such as "Protect Our Winters", a communication campaign highlighting the low-carbon advantage of the train to go skiing or the "Vacances en train" Michelin guide with TER which makes you want to find new ways of experiencing France.

##### At Transilien

Through a communication campaign from 27 June to 8 July 2022, Transilien SNCF sought to bring certain travellers and employees to the fore: those who, respectively, contribute to the fight against climate change and are committed to working to support young people and people in need in Île-de-France. The campaign, entitled "Les voyageurs Franciliens : ces citoyens qui gagnent à être connus", includes four sequences showing



the daily life of travellers who choose the train for their journeys.

For this, Transilien presented its CSR commitments, brought together in a manifesto for green and responsible mobility in Île-de-France. They are structured around two axes: “Letting Île-de-France breathe” and “Better living and travelling together”.

Finally, a train-car eco-comparator is also on offer in Île-de-France to highlight the ecological advantages of the train.

[To find out more > CSR at Transilien](#)

#### At TGV-INTERCITÉS

The Planète Voyages programme includes various actions to raise traveller awareness:

##### – Provision of an eco-comparator on SNCF Connect

The application displays the CO<sub>2</sub>e emissions of each journey, enabling everyone to make responsible travel choices. To encourage its customers to choose low-carbon transport, the SNCF Connect e-commerce website also offers a tool to compare travel between five means of long-distance transport (train, car, plane, coach, carpooling). The objective is to compare the environmental footprint but also the time that can be used for another activity: reading, work., etc.

##### – Organisation of climate workshops on board trains

During European Sustainable Development Week 2022, SNCF joined forces with the “2tonnes Project”, led by pedagogical specialists on the fight against climate change, to offer travellers awareness workshops called “En train pour le Climat”, on board 37 TGV INOUI and INTERCITÉS trains. Objective: to make travellers understand climate issues, their individual carbon footprint and give them the keys to reduce their carbon emissions. To limit global warming to below +2°C in accordance with the Paris Agreement, the objective is to move from 10 tonnes of greenhouse gases (the average emitted per person in France) to 2 tonnes per year. These workshops were organised along routes to and from Paris, Bordeaux, Rennes, Nantes, Lyon, Marseille, Montpellier, Grenoble, Strasbourg, Lille, Nevers, Frankfurt, Geneva, Chambéry, etc.

#### CDP assessment

In 2022, the Groups assessed its five railway companies (SNCF SA, SNCF Réseau, SNCF Gares & Connexions, SNCF Voyageurs and Fret SNCF) for the second year in a row, according to the CDP (Carbon Disclosure Project), which is recognised as an international reference in the environmental field. This assessment, which measures the environmental impact of companies, regions, and organisations, enabled the SNCF's strengths to be identified, as well as areas for progress to work on in the long term.

#### Collaboration with national and international bodies

The SNCF Group's experts take part in numerous exchanges and working groups (ATEE, ADEME, AFNOR, UIC, etc.), as described in chapters 2.3 and 6.

The 2022 Non-Financial Performance Statement presents the non-financial risks of the SNCF Group, the policies and actions implemented to address them, and the main results obtained.

[To find out more > Financial reports and activity reports of Group companies:](#)

- SNCF Réseau: [SNCF Réseau annual financial report](#)
- Keolis: [Keolis financial report](#)
- GEODIS: [GEODIS activity and CSR report](#)

– Our commitments on [sncf.com](#)

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## 10. REPORTING FRAMEWORK

In accordance with the European Directive on the disclosure of non-financial information of 22 October 2014, the non-financial performance statement of the Unified Public Group is based on the reporting obligation set out in Articles L.225-102-1 and R.225-104 to R.225-105 of the Commercial Code. It draws on international norms and standards, in particular:

– The transparency principles of the Global Reporting Initiative (GRI), which SNCF uses as its reporting framework.

– The ISO 26000 standard relating to the Social Responsibility of Organisations.

The SNCF Group, under the amended Finance Act 2020935, has made commitments to reduce greenhouse gas emissions in the Transport and Building sectors by 2021. These commitments are subject to an annual report in accordance with the decree of 2 November 2021 presented in section 9.

### 10.1 REPORTING SCOPE

Definitively adopted by the Senate on 14 June 2018, the railway reform came into force on 1 January 2020. This reform aims to consolidate all of the SNCF Group's activities into a single integrated entity. The scope of the NFPS indicators corresponds to:

– Either the five railway companies (SNCF): SNCF SA, SNCF Réseau, SNCF Gares & Connexions, SNCF Voyageurs and Fret SNCF.

– Or the SNCF Group (Group): SNCF SA, SNCF Réseau, SNCF Gares & Connexions, SNCF Voyageurs and Fret SNCF, Keolis, GEODIS, OUIGO España, Naviland Cargo, Captrain Deutschland, Captrain España, Captrain Italia, Railtraxx, VFLI, VIIA, THI FACTORY, Eurostar International Limited, ICF Habitat.

Subsidiaries are fully consolidated for the purposes of financial consolidation by the SNCF Group.

The management rules for incoming/outgoing entities are as follows:

– Incoming entity: Inclusion in the scope whatever the entry date in the current year Y scope.

– Outgoing entity: Exit from the scope, whatever the exit date in the current year Y scope, to avoid any problems in recovering data after the exit.

The five railway companies represent 54.2% of the Group's average workforce.

The average number of employees works 76% in France, 9% in Europe (excluding France) and 15% outside Europe. This reporting includes the international portion of activities, unless otherwise specified for specified indicators. For each indicator, the scope covered is specified as follows:

– **SNCF** for the five railway companies: SNCF SA, SNCF Réseau, SNCF Gares & Connexions, SNCF Voyageurs and Fret SNCF.

– **Group** for the SNCF Group: SNCF SA, SNCF Réseau, SNCF Gares & Connexions, SNCF Voyageurs, Keolis, GEODIS, OUIGO España, Rail Logistics Europe (Fret SNCF, Naviland Cargo, Captrain Deutschland, Captrain España, Captrain Italia, Railtraxx, Captrain France, VIIA), THI FACTORY, Eurostar International Limited, ICF Habitat.

- **K** for Keolis.
- **G** for GEODIS.
- **O** for other consolidated subsidiaries: Eurostar, Thalys, Forwardis, Naviland Cargo, Captrain, VIIA, ICF Habitat.

## 10.2 REPORTING METHODOLOGY

### 10.2.1 The business model

The business model reflects the SNCF Group's strategic vision. It highlights how the Group creates value and preserves it over the long term through its service offering. Its formalisation is the result of joint work between the Strategy Department, the Finance Department and the Social, Territorial and Environmental Commitment Department (DESTE).

### 10.2.2 Preparation of the reporting

Qualitative and quantitative information was collected from the five railway companies, Keolis, GEODIS and the following subsidiaries: Eurostar, Thalys, Naviland Cargo, Captrain, VIIA, ICF Habitat.

Qualitative information is collected and consolidated by the DESTE from a network of correspondents in charge of CSR in the Group companies.

Quantitative data is entered into the Business Financial Consolidation (SAP FC) tool by the Group companies. Data consolidation is carried out by the DESTE.

New indicators were collected for the 2022 non-financial performance statement:

- Minutes lost due to bad weather on the network.
- Trains cancelled due to bad weather on the network.
- Employee engagement rate.
- Rate of trained employees exposed to corruption risk.

### 10.2.3 External audit

In 2022, the DESTE entrusted one of its statutory auditors with the task of verifying that the Non-Financial Performance Statement (NFPS) complies with the provisions of Article R.225-105, as well as the fairness of the information provided for in Article R.225-105-1, indicating, where applicable, any information omitted and not accompanied by the explanations provided for in the third paragraph of Article R.225-105.

The Statutory Auditors' report on the NFPS has been included in the Group's management report.

In 2022, the audit firm PwC verified with moderate assurance the various key performance indicators presented after risk analysis in the NFPS.

## 10.3 DEFINITIONS OF INDICATORS

| KPIs                                                                                                                | DEFINITIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | SCOPE                     |
|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| <b>The fundamentals</b>                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                           |
| Remarkable Safety Event (RSE) (number)                                                                              | A remarkable safety event is an event of non-compliance with safety rules that Remarkable safety events (RSE) puts at risk the physical integrity of persons transported or present in the vicinity (number) of railway installations (including staff, employees of service providers and subcontractors).                                                                                                                                                                                                                                                                   | SNCF                      |
| Whistleblowing alerts received (number)                                                                             | Number of professional alerts, corresponding to the definition and scope of the Sapin II law, received in the SNCF whistleblowing system and processed by the Group Ethics Department.                                                                                                                                                                                                                                                                                                                                                                                        | SNCF                      |
| Investigations carried out by the Group Ethics Department (number)                                                  | Number of internal ethical investigations, resulting from the professional whistleblowing system or other reports, initiated and carried out by the Group Ethics Department.                                                                                                                                                                                                                                                                                                                                                                                                  | SNCF                      |
| Rate of trained employees exposed to corruption risk (%)                                                            | % of staff most exposed to the risk of corruption, as part of the programme to prevent corruption and influence peddling defined by the Sapin II Law, carried out by the Group Ethics Department.                                                                                                                                                                                                                                                                                                                                                                             | SNCF                      |
| Percentage of European revenue covered by a DPO (%)                                                                 | Percentage of European revenue of Group companies that have appointed a data protection officer. Excluding the UK and Norway.                                                                                                                                                                                                                                                                                                                                                                                                                                                 | GROUP                     |
| <b>Develop the share of rail and sustainable mobility</b>                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                           |
| Rate of progress of station accessibility (%)                                                                       | Station accessibility covers the entire scope of the travel chain, including access to stopping points, passenger buildings, platforms, passenger information and associated services. The National and Regional Accessibility Master Plans - Programmed Accessibility Agendas cover 736 national and regional stopping points in France over the period 2016-2025.                                                                                                                                                                                                           | SNCF                      |
| Secure bicycle parking spaces [in accordance with the LOM decree] for the 1,075 stations covered by the decree (nb) | Places in stations offering users secure parking for bicycles through individual or collective shelters.                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | SNCF                      |
| Rate of customer satisfaction (%)                                                                                   | Percentage of people who answered very satisfied and rather satisfied to the question "Generally speaking, would you say you are satisfied with SNCF, if you think about your recent experiences with SNCF and the service as a whole (information, ticket purchase, journey, from your point of departure to your point of arrival)?". Customer satisfaction is measured by the SNCF Image Survey. A representative sample (quota method) of 1,000 French people per month aged 15 and over is continuously surveyed online via an access panel (Toluna Harris Interactive). | SNCF                      |
| Physical attacks on customers and SNCF agents and simple theft against customers (number)                           | Physical attacks include: sexual offences (including "sexual comments or behaviour"), intentional assault and battery, rebellion against staff and customers, theft under threat/theft with violence, non-violent theft committed against customers.                                                                                                                                                                                                                                                                                                                          | SNCF                      |
| Malicious acts against property and financial assets (number)                                                       | All malicious acts against SNCF property: SNCF Fraud Thefts, SNCF Burglary Thefts, SNCF Simple Thefts.                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | SNCF                      |
| Anti-social behaviour and breaches of legislation (number)                                                          | Infringements (of the EVIN law against smoking, feet on benches, spitting, etc.), insults, threats, illegal presence (intrusions and obstructions to traffic) and activities (drug trafficking and use, begging, street vending). Since 2020, offences related to non-compliance with health measures have been added (no certificate and/or not wearing a mask).                                                                                                                                                                                                             | SNCF                      |
| <b>Reduce the environmental footprint of the Group's activities</b>                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                           |
| Total energy consumption (GWh)                                                                                      | Sum of energy consumption for rail traction, for road vehicle fuels of commercial and service fleets, air traction, site engines and total energy consumption of sites. Data partially estimated within the framework of the Non-financial Performance Statement.                                                                                                                                                                                                                                                                                                             | GROUP                     |
| Energy consumption for rail traction (kWh)                                                                          | Amount of energy consumed by rail traction (including underground trains and trams) expressed in Gigawatt-hours.                                                                                                                                                                                                                                                                                                                                                                                                                                                              | SNCF                      |
| Fuel consumption of commercial fleet road vehicles (kWh)                                                            | Amount of energy consumed by commercial road vehicles (buses, trucks, light passenger transport utility vehicles, etc.), from owned or operated commercial fleets, expressed in Gigawatt-hours                                                                                                                                                                                                                                                                                                                                                                                | Keolis<br>GEODIS<br>Other |
| Fuel consumption for air traction (kWh)                                                                             | Amount of energy consumed by air traction expressed in Gigawatt-hours.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | GEODIS                    |
| Fuel consumption of service fleet road vehicles (kWh)                                                               | Amount of energy consumed by service road vehicles (private service or function vehicles, small or large utility vehicles, HGVs, etc.), from owned or operated fleets, expressed in Gigawatt-hours                                                                                                                                                                                                                                                                                                                                                                            | GROUP                     |

|                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                           |
|----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Fuel consumption of engines (kWh)                                                                                          | Amount of energy consumed by site engines (earthwork engines) and specific utility vehicles (tractors, etc.)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | GROUP                     |
| Total site energy consumption (kWh)                                                                                        | <p>Site: place of business comprising one or more buildings, and where applicable, housing one or more processes (industrial or not).</p> <p>Building: building operated (owned, made available as part of a public service delegation or leased) for the activity of the company or its subsidiaries. These may be commercial or industrial buildings operated by Group entities for their production.</p> <p>- The consumption of industrial processes is also factored into site consumption.</p> <p>- Invoiced electricity consumption + breakdown of traction electricity consumed by buildings</p>                                                                                                                      | GROUP                     |
| Share of renewable energy in the rail traction electricity mix (% of consumption)                                          | The indicator tracks the share of renewable electricity from our PPA contracts in relation to rail traction electricity consumption.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | SNCF                      |
| TOTAL GHG emissions from energy consumption Scope 1, 2 & 3 (CO <sub>2</sub> e in thousands of tonnes)                      | <p>Total greenhouse gas emissions, expressed in thousands of tonnes of CO<sub>2</sub> equivalent, based on the items making up the "total energy consumption" indicator</p> <p>Sum of:</p> <p>- CO<sub>2</sub>e emissions from SNCF passenger rail transport activities, Fret SNCF and emissions relating to equipment and infrastructure maintenance (SNCF Réseau)</p> <p>- CO<sub>2</sub>e emissions from the rail transport activities of subsidiaries in France and worldwide</p> <p>This indicator relates to the upstream and combustion phases for thermal energies (Scope 1 and 3) and takes into account the entire scope for electricity (Scope 2 and 3). From 2022, the 3 scopes will be monitored separately.</p> | GROUP                     |
| GHG emissions from railway traction - Scope 1&2&3 (CO <sub>2</sub> e in thousands of tonnes)                               | <p>Sum of:</p> <p>- CO<sub>2</sub>e emissions from SNCF passenger rail transport activities, Fret SNCF and emissions relating to equipment and infrastructure maintenance (SNCF Réseau)</p> <p>- CO<sub>2</sub>e emissions from the rail transport activities of subsidiaries in France and worldwide</p> <p>This indicator relates to the upstream and combustion phases for thermal energies (Scope 1 and 3) and takes into account the entire scope for electricity (Scope 2 and 3). From 2022, the 3 scopes will be monitored separately.</p>                                                                                                                                                                             | SNCF<br>Keolis<br>Other   |
| GHG emissions of the commercial vehicles fleet - Scope 1&2&3 (CO <sub>2</sub> e in thousands of tonnes)                    | The indicator tracks GHG emissions from energy consumption by trucks, buses, coaches and other commercial vehicles. Energy sources are mainly fossil fuels (diesel, NGV) or sometimes electric or other (biofuels) energies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Keolis<br>GEODIS<br>Other |
| GHG emissions from air traction - Scope 1&2&3 (CO <sub>2</sub> e in thousands of tonnes)                                   | The indicator tracks GHG emissions for kerosene consumption by aircraft owned or controlled by SNCF Group entities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | GEODIS                    |
| GHG emissions from service vehicles - Scope 1&2&3 (CO <sub>2</sub> e in thousands of tonnes)                               | The indicator tracks GHG emissions for fuel consumption (diesel and petrol) of service vehicles services owned or controlled by SNCF Group entities. The GHG emissions of electric service vehicles are for the moment most often included in site GHG emission.                                                                                                                                                                                                                                                                                                                                                                                                                                                              | GROUP                     |
| GHG emissions from engines - Scope 1&2&3 (CO <sub>2</sub> e in thousands of tonnes)                                        | The indicator tracks GHG emissions for fuel consumption (diesel and petrol) of site engines and specific utility vehicles of SNCF Group entities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | GROUP                     |
| GHG emissions from buildings - Scope 1&2&3 (CO <sub>2</sub> e in thousands of tonnes)                                      | <p>The indicator tracks GHG emissions for the power from the sites and processes of SNCF Group entities.</p> <p>Aggregation of greenhouse gas emissions relating to scope 3 purchases of goods and services (kt of CO<sub>2</sub>e) from the manufacture of goods and services purchased by the organisation and "consumed rapidly".</p>                                                                                                                                                                                                                                                                                                                                                                                      | GROUP                     |
| GHG emission relating purchases of goods and services - Scope 3 (CO <sub>2</sub> e in thousands of tonnes)                 | <p>Monetary data relating to intellectual, engineering, maintenance + minor supply services from Group Purchasing ERP</p> <p>Mass data: Data relating to track materials (Rail, ballast, Catenaries.) and Train Supply Equipment (Wheels, Seats etc.).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | SNCF                      |
| GHG emission relating to customer induced emissions. Scope 3 (CO <sub>2</sub> e in thousands of tonnes)                    | Aggregation of greenhouse gas emissions relating to transport user travel from their home to the station or from the station to their destination. To estimate these emissions, data from representative surveys is used.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | SNCF                      |
| Total GHG emissions from energy consumption Scope 1 & 2                                                                    | Sum of greenhouse gas emissions from Scopes 1&2, expressed in thousands of tonnes of CO <sub>2</sub> equivalent. This indicator is monitored for the annual carbon pathway report.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | GROUP                     |
| GES emissions per passenger (in gCO <sub>2</sub> e/ passenger.km)<br>GES emissions per tonne (in gCO <sub>2</sub> e/ t.km) | The indicator tracks the CO <sub>2</sub> e emissions of SNCF Voyageurs and Fret rail transport activities in relation to passenger.km and tonne.km, in accordance with the methodology established for information on greenhouse gas emissions from transport services under Art. L1431-3 of the Transport Code.                                                                                                                                                                                                                                                                                                                                                                                                              | SNCF                      |



|                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                              |       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| ISO 14001-certified facilities (%)                                                                                                                                                     | ISO 14001 certification applies exclusively to industrial sites: technical centres, maintenance and traction facilities, track industrial facilities. Monitoring is carried out by facility, each of which may include several sites. The other types of facility can be integrated into the so-called “adapted” management systems of SNCF. | SNCF  |
| Total quantity of hazardous waste generated (tonnes)                                                                                                                                   | Total tonnage of waste produced by the Group, considering that all hazardous waste is eliminated or tracked at all costs                                                                                                                                                                                                                     | GROUP |
| Percentage of railway installations (national rail network, sites) covered by actions to reduce or eliminate the use of synthetic plant protection products (excluding biocontrol) (%) | Percentage of hectares of track, paths, approaches and other railway areas on which the use of synthetic herbicides is either reduced or eliminated out of the number of hectares subject to vegetation control operations.                                                                                                                  | SNCF  |

### Improve the Group's societal impact in the regions

|                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                        |
|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| Solidarity purchases (in €m)                                                                                              | These are purchases made from players in the Social and Solidarity Economy and more specifically:<br>-companies in the Protected and Adapted Work Sector (STPA), which promotes the integration of people with disabilities<br>-the Structures for Inclusion through Employment (SIAE), which enable all people who have been out of work for more than 24 months to benefit from integration programmes to enable them to return to the labour market. | SNCF<br>excluding Fret<br>SNCF in 2022 |
| Percentage of amount of purchases contracted in year Y and covered by a CSR offer rating of 20% of the overall rating (%) | Percentage of the amount of purchases in year Y contracted including a CSR rating of the offers at 20% / total amount of purchases contracted in year Y.                                                                                                                                                                                                                                                                                                | SNCF                                   |
| CSR performance of suppliers (average rating out of 100 of EcoVadis ratings)                                              | Average of the scores awarded to SNCF suppliers assessed by EcoVadis on a scale of 0 to 100. Suppliers are targeted on the basis of an analysis of social and environmental risks and their strategic importance for the Group. The assessment is based on four themes: environment, social and human rights, ethics, responsible purchasing.                                                                                                           | SNCF                                   |

### Make employees the main actors and beneficiaries of the ecological and social transition

|                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |       |
|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| Total workforce at 31 December (number)                          | It is made up of employees bound to the employer by an employment contract in progress or suspended due to leave or illness, regardless of the nature of the contract. Excluding trainees. Excluding doctors for SNCF and including subsidised contracts such as professional training contracts, apprenticeship contracts and single integration contracts. Including the Caisse de Prévoyance et de Retraite SNCF. Part-time employees are counted as full-time employees. Every employee counts as one. | GROUP |
| Severity rate of accidents at work (per 1,000 hours worked)      | (Number of days lost to temporary disability during the period/hours worked in the period)*1,000                                                                                                                                                                                                                                                                                                                                                                                                           | GROUP |
| Frequency rate of accidents at work (per 1,000,000 hours worked) | (Number of accidents at work with lost time excluding commuting/hours worked)*1,000,000                                                                                                                                                                                                                                                                                                                                                                                                                    | GROUP |
| Portion of female employees (%)                                  | Ratio between the number of women in the total workforce and the total number of employees.                                                                                                                                                                                                                                                                                                                                                                                                                | GROUP |
| Portion of female managers (%)                                   | The rate of women managers corresponds to the number of women in “management” staff, including senior managers and executives in relation to the total number of “management” staff.                                                                                                                                                                                                                                                                                                                       | GROUP |
| Recruitment of women on permanent contracts in France            | Number of women recruited on permanent contracts in the company over the calendar year. A hired employee is counted as one unit, regardless of the time spent in the company.                                                                                                                                                                                                                                                                                                                              | GROUP |
| Lost days per agent during industrial action (number)            | Result of the ratio between the number of strike days counted over a period and the number of employees available over the same period.                                                                                                                                                                                                                                                                                                                                                                    | SNCF  |
| Recruitment on permanent contracts in France (number)            | Number of new permanent contract hires in the company over the calendar year. A hired employee is counted as one unit, regardless of the time spent in the company.                                                                                                                                                                                                                                                                                                                                        | GROUP |
| Work-study contracts (number)                                    | Number of employees on apprenticeship contracts, fixed-term and permanent contracts and CIFRE (Industrial Training Agreements for Research) contracts on the last day of the period under review for France.                                                                                                                                                                                                                                                                                               | GROUP |

|                                                                       |                                                                                                                                                                                                                                                                                                       |                              |
|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| Dismissals (nb)                                                       | Corresponds to terminations of employment contracts at the initiative of the employer: dismissals, removal of executives, revocations, contract terminations during the trial period at the initiative of the employer and dismissals on disciplinary grounds for employees with probationary status. | GROUP                        |
| Turnover (%)                                                          | Turnover is the rate of staff turnover within the company.<br>(Number of departures in 2022 (excluding fixed-term contracts) + Number of arrivals in 2022) / 2 / Number of staff at 31/12/2022 * 100                                                                                                  | GROUP                        |
| Average monthly remuneration                                          | Average monthly gross remuneration: calculated from the taxable gross remuneration for each month (including year-end bonus). Variable balance items are included                                                                                                                                     | SNCF                         |
| Total training hours (number in thousands)                            | Total number of training hours including e-learning.<br>GEODIS consolidated data not available as at 10 February 2023.                                                                                                                                                                                | GROUP<br>excluding<br>GEODIS |
| Employees having received at least one training course, in France (%) | Percentage of employees who have taken at least one training course during the year. However, employees having had more than one internship are only counted once.<br>GEODIS consolidated data not available as at 10 February 2023.                                                                  | SNCF<br>Keolis<br>Other      |
| Absenteeism rate (sickness/injury off duty) (%)                       | Number of days of absence due to off-duty sickness or injuries (excluding workplace and commuting accidents) / theoretical number of days worked                                                                                                                                                      | SNCF<br>Keolis<br>Other      |

## 10.4 CORRESPONDENCE TABLE

| II. A. 1. Employee-related information                                                                     |                                                                                                                                                                                |             |                |           |                         |
|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------|-----------|-------------------------|
| R225-105                                                                                                   | SNCF Group policy and actions                                                                                                                                                  | SDG         | Global Compact | ISO 26000 | GRI Standards 2021      |
| <b>II. A. 1. a. Employment</b>                                                                             |                                                                                                                                                                                |             |                |           |                         |
| Total number of employees and breakdown by gender, age and geographical area                               | 1.6 The business model                                                                                                                                                         |             | #6             | 6.4. 3    | 2-7<br>405-1            |
| Hirings and dismissals                                                                                     | 8.2 Attract and retain talent                                                                                                                                                  | 8.5         |                |           | 401-1                   |
| Remuneration and development                                                                               | 8.1 Support employees with the SNCF&MOI Programme<br>8.3 Foster the conditions for a well-developed social dialogue                                                            | 8.5         |                |           | 2-20                    |
| <b>II. A. 1. b. Organisation of work</b>                                                                   |                                                                                                                                                                                |             |                |           |                         |
| Organisation of working time                                                                               | 8.3 Foster the conditions for a well-developed social dialogue                                                                                                                 | 8.2         | #6             | 6.4. 4    |                         |
| Absenteeism                                                                                                | 8.4 Ensure health and safety within the Group                                                                                                                                  | 8.8         |                |           |                         |
| <b>II. A. 1. c. Health and Safety</b>                                                                      |                                                                                                                                                                                |             |                |           |                         |
| Health and safety conditions at work                                                                       | 8.4 Ensure health and safety within the Group                                                                                                                                  | 8.8         | #6             | 6.4. 6    |                         |
| Accidents at work, including their frequency and severity, and occupational diseases                       | 8.4 Ensure health and safety within the Group                                                                                                                                  | 3.6         |                |           | 403-2<br>403-9          |
| Promotion of physical and sports activity                                                                  | 8.4 Ensure health and safety within the Group                                                                                                                                  | 3.4         |                | 6.8.8     |                         |
| <b>II. A. 1. d. Relations with employees</b>                                                               |                                                                                                                                                                                |             |                |           |                         |
| Organisation of social dialogue, including procedures for informing, consulting and negotiating with staff | 8.3 Foster the conditions for a well-developed social dialogue                                                                                                                 | 16.7        | #3             | 6.4. 5    | 402-1                   |
| Review of collective agreements, including OSH                                                             | 8.3 Foster the conditions for a well-developed social dialogue                                                                                                                 | 16.6        |                |           | 403-4                   |
| <b>II. A. 1. e. Training</b>                                                                               |                                                                                                                                                                                |             |                |           |                         |
| Training policies implemented, including environmental protection policies                                 | 5.2 Optimise environmental management<br>5.6 Become a responsible digital player<br>6.1 Improve our knowledge of the impact of climate change<br>8.2 Attract and retain talent | 4.4         | #6             | 6.4. 7    | 404-2<br>404-3          |
| Total number of training hours                                                                             | 8.2 Attract and retain talent                                                                                                                                                  | 4.4         |                |           | 404-1                   |
| <b>II. A. 1. f. Equal treatment</b>                                                                        |                                                                                                                                                                                |             |                |           |                         |
| Measures taken to promote gender equality                                                                  | 8.5 Live better together                                                                                                                                                       | 5.1         | # 1- 2-6       | 6.3. 7    | 405-1<br>405-2<br>401-3 |
| Measures taken to employ and integrate people with disabilities                                            | 8.3 Foster the conditions for a well-developed social dialogue<br>8.5 Live better together                                                                                     | 10.2        |                |           | 405-1                   |
| Anti-discrimination policy                                                                                 | 8.5 Live better together                                                                                                                                                       | 5.2<br>10.3 |                |           | 405-1                   |

| II. A. 2. Environmental information                                                                                            |                                                                                                                                                                                                                                     |                             |                |           |                                  |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------------|-----------|----------------------------------|
| R225-105                                                                                                                       | SNCF Group policy and actions                                                                                                                                                                                                       | SDG                         | Global Compact | ISO 26000 | GRI Standards 2021               |
| <b>II. A. 2. a. General environmental policy</b>                                                                               |                                                                                                                                                                                                                                     |                             | # 7- 8-9       | 6.5       |                                  |
| Organisation of the company to take into account environmental issues and environmental assessment or certification procedures | 5 Reduce the environmental footprint of our activities<br>6.2 Integrate climate hazards into business planning and management<br>6.3 Develop research into innovative solutions for the adaptation and resilience of our activities | 9.4                         |                |           |                                  |
| Resources dedicated to the prevention of environmental risks and pollution                                                     | 4.4 Reinvent passenger mobility<br>4.5 Rebalance the share of rail in freight<br>4.8 Facilitate and encourage low-carbon transport<br>5 Reduce the environmental footprint of our activities                                        | 9.4<br>11.6                 |                |           |                                  |
| <b>II. A. 2. b. Pollution</b>                                                                                                  |                                                                                                                                                                                                                                     |                             | # 7- 8-9       | 6.5. 3    |                                  |
| Measures to prevent, reduce or compensate for emissions into the air, water and soil seriously affecting the environment       | 4.8 Facilitate and encourage low-carbon transport<br>5 Reduce the environmental footprint of our activities                                                                                                                         | 9.4<br>11.6                 |                |           | 306-2                            |
| Consideration of any form of contamination specific to any activity, in particular sound and light disturbances                | 5.2 Optimise environmental management<br>5.7 Limit the disturbance and pollution linked to rail system                                                                                                                              | 11.6                        |                |           |                                  |
| <b>II. A. 2. c. Circular economy</b>                                                                                           |                                                                                                                                                                                                                                     |                             |                |           |                                  |
| II. A.2.2 Waste prevention and management                                                                                      |                                                                                                                                                                                                                                     |                             | # 7- 8-9       | 6.5. 3    |                                  |
| Measures for prevention, recycling, reuse, other forms of waste recovery and disposal                                          | 5.2 Optimise environmental management<br>5.8 Reduce resource consumption and recover materials in a circular economy approach                                                                                                       | 12.5                        |                |           | 306-2<br>306-3<br>306-4<br>306-5 |
| II. A.2.2 Sustainable use of resources                                                                                         |                                                                                                                                                                                                                                     |                             | # 7- 8-9       | 6.5. 4    |                                  |
| Water consumption and supply according to local constraints                                                                    | 5.9 Preserve biodiversity and natural resources                                                                                                                                                                                     |                             |                |           | 303-5                            |
| Consumption of raw materials and measures taken to improve efficiency in their use                                             | 5.8 Reduce resource consumption and recover materials in a circular economy approach                                                                                                                                                | 11.3<br>12.2                |                |           | 301-1<br>301-2                   |
| Energy consumption, measures taken to improve energy efficiency and the use of renewable energy                                | 5.3 Reduce energy consumption and carbon emissions                                                                                                                                                                                  | 7.2<br>11.1<br>11.3<br>12.2 |                |           | 302-1<br>302-4<br>302-5          |



| II. A. 2. Environmental information                                                                                                |                                                                                                                                                                                                                                                                                                                                                             |                     |                |           |                                  |
|------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------|-----------|----------------------------------|
| R225-105                                                                                                                           | SNCF Group policy and actions                                                                                                                                                                                                                                                                                                                               | SDG                 | Global Compact | ISO 26000 | GRI Standards 2021               |
| <b>II. A. 2. d. Climate change</b>                                                                                                 |                                                                                                                                                                                                                                                                                                                                                             |                     | # 7- 8-9       | 6.5. 5    |                                  |
| Significant GHG emissions generated by the company's activity, in particular through the use of the goods and services it produces | 5.3 Reduce energy consumption and carbon emissions<br>5.4 Reduce our emissions from transport activities<br>5.5 Become a committed player in the energy performance of buildings<br>5.6 Become a responsible digital player                                                                                                                                 | 13.3                |                |           | 305-1<br>305-2<br>305-3          |
| Measures taken to adapt to the consequences of climate change                                                                      | 6 Improve the adaptation and resilience of activities to climate change                                                                                                                                                                                                                                                                                     | 13.1                |                |           | 201-2                            |
| Voluntary medium- and long-term reduction targets set to reduce greenhouse gas emissions and the means implemented to this end     | 5.3 Reduce energy consumption and carbon emissions<br>5.3.4 Publish an annual report on the carbon pathway of SNCF activities in France<br>5.4 Reduce our emissions from transport activities<br>5.5 Become a committed player in the energy performance of buildings                                                                                       | 13.3                |                |           |                                  |
| <b>II. A. 2. e. Protection of biodiversity</b>                                                                                     |                                                                                                                                                                                                                                                                                                                                                             |                     | # 7- 8-9       | 6.5. 6    |                                  |
| Measures implemented to protect and conserve biodiversity                                                                          | 5.9 Preserve biodiversity and natural resources                                                                                                                                                                                                                                                                                                             | 6.3<br>12.4<br>15.9 |                |           | 304-1<br>304-2<br>304-3          |
| II. A. 3. Societal information                                                                                                     |                                                                                                                                                                                                                                                                                                                                                             |                     |                |           |                                  |
| R225-105                                                                                                                           | SNCF Group policy and actions                                                                                                                                                                                                                                                                                                                               | SDG                 | Global Compact | ISO 26000 | GRI Standards 2021               |
| <b>II. A. 3. a. SOCIETAL COMMITMENTS TO SUSTAINABLE DEVELOPMENT</b>                                                                |                                                                                                                                                                                                                                                                                                                                                             |                     | # 1-8          | 6.6. 4    |                                  |
| Impact of the company's activity on employment and local development                                                               | 4.6 Provide accessible mobility for all<br>4.7 Promote access to independent mobility<br>7.1 Develop inclusive mobility and solidarity at the heart of the regions<br>7.2 Develop an ambitious responsible purchasing policy that includes suppliers and subcontractors<br>7.3 Support regional and local actors in their ecological and social transitions | 9.1                 |                |           | 203-1<br>203-2<br>204-1<br>413-1 |
| Impact of the company's activity on neighbouring or local communities                                                              | 4.3 Provide a sustainable network for the regions<br>4.6 Provide accessible mobility for all<br>4.7 Promote access to independent mobility<br>7.1 Develop inclusive mobility and solidarity at the heart of the regions<br>7.3 Support regional and local actors in their ecological and social transitions                                                 | 9.1<br>11.a         |                |           | 203-1<br>203-2<br>413-1          |
| Relationships with the company's stakeholders and the methods of dialogue with them                                                | 2.3 Dialogue with stakeholders<br>4.1 Ensure the fundamentals of safety, punctuality and passenger information<br>7.1 Develop inclusive mobility and solidarity at the heart of the regions                                                                                                                                                                 | 17:17               |                |           | 2-29                             |
| Partnership and corporate patronage initiatives                                                                                    | 2.3 Dialogue with stakeholders<br>8.5 Live better together<br>8.6 Support employee engagement                                                                                                                                                                                                                                                               | 17:17               |                |           | 203-1                            |

| <b>II. A. 3. b. Subcontracting and suppliers</b>                                                        |                                                                                                                                                         |              | # 1- 2-8       | 6.6. 6               |                         |
|---------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------|----------------------|-------------------------|
| Integration of social and environmental criteria in the purchasing policy                               | 3.2 Non-financial risks<br>7.2 Develop an ambitious responsible purchasing policy that includes suppliers and subcontractors                            | 8.3          |                |                      | 414-1<br>308-1          |
| Integration of social and environmental responsibilities in relations with suppliers and subcontractors | 7.2 Develop an ambitious responsible purchasing policy that includes suppliers and subcontractors                                                       | 8.3          |                |                      | 2-6<br>414-1<br>308-1   |
| <b>II. A. 3. c. Fair practices</b>                                                                      |                                                                                                                                                         |              | # 1-2          | 6.6. 5               |                         |
| Measures taken for consumer health and safety                                                           | 4.1 Ensure the fundamentals of safety, punctuality and passenger information<br>4.2 Ensure safe travel<br>8.4 Ensure health and safety within the Group | 11.2         |                |                      | 416-1<br>417-1          |
| <b>II. B. 1 Information on the fight against corruption</b>                                             |                                                                                                                                                         |              |                |                      |                         |
| R225-105                                                                                                | SNCF Group policy and actions                                                                                                                           | SDG          | Global Compact | ISO 26,000           | GRI Standards 2021      |
| Actions taken to prevent corruption                                                                     | 2.2.3 The Group's ethical values                                                                                                                        | 16.5         | #10            | 6.6. 3               | 205-1<br>205-2<br>205-3 |
| <b>II. B. 2 Information on actions in favour of human rights</b>                                        |                                                                                                                                                         |              |                |                      |                         |
| R225-105                                                                                                | SNCF Group policy and actions                                                                                                                           | SDG          | Global Compact | ISO 26,000           | GRI Standards 2021      |
| <b>II. B. 2. a. Promotion of and respect for the provisions of the fundamental ILO conventions</b>      |                                                                                                                                                         |              | # 1-2          | 6.3. 6<br>06/03/2010 |                         |
| Respect for freedom of association and the right to collective bargaining                               | 1.3 Contribution to the United Nations Sustainable Development Goals                                                                                    | 16.6<br>16.7 | #3             |                      | 407-1                   |
| Elimination of employment and professional discrimination                                               |                                                                                                                                                         | 5.5<br>10.2  | #6             |                      | 406-1                   |
| Elimination of forced or compulsory labour                                                              |                                                                                                                                                         | 8.7          | #4             |                      | 409-1                   |
| Effective abolition of child labour                                                                     |                                                                                                                                                         | 8.7          | #5             |                      | 408-1                   |

Given the SNCF Group's activity, the fight against food waste, the fight against food insecurity, respect for animal welfare and the promotion of responsible, fair and sustainable food are not material non-financial issues.

## 10.5 REPORT FROM ONE OF THE STATUTORY AUDITORS

**Société nationale SNCF**

**Report of one of the Statutory Auditors,  
appointed as independent third party, on the  
verification of the consolidated non-financial  
statement**

**For the year ended December 31, 2022**



**Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial statement (Year ended December 31, 2022)**

*This is a free English translation of the report by one of the Statutory Auditors 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.*

**Société nationale SNCF**  
2 place aux Etoiles  
93200 Saint-Denis

In our capacity as Statutory Auditor of the company Société nationale SNCF (hereinafter the "Entity"), appointed as independent third party ("third party") and accredited by the French Accreditation Committee (Cofrac), (Cofrac Inspection Accreditation, n°3-1862, scope available at [www.cofrac.fr](http://www.cofrac.fr)), we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated non-financial statement, prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2022 (hereinafter the "Information" and the "Statement", respectively), presented in the group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (code de commerce).

**Conclusion**

Based on the procedures we have performed as described under the "Nature and scope of procedures" and the evidence we have obtained, nothing has come to our attention that cause us to believe that the consolidated non-financial statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

**Preparation of the non-financial performance statement**

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, the main elements of which are available on request at the head office.

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Téléphone: +33 (0)1 56 57 58 59, [www.pwc.fr](http://www.pwc.fr)*

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Société nationale SNCF

*Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial statement*

*Year ended December 31, 2022 - Page 2*

### **Inherent Limitations in preparing the Information**

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

### **Responsibility of the Entity**

Management is responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- preparing the Statement by applying the Entity's "Guidelines" as referred above; and
- implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by Management board.

### **Responsibility of the Statutory Auditor appointed as independent third party**

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to report on:

- the Entity's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the French duty of care law and against corruption and tax evasion);

Société nationale SNCF

Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial statement

Year ended December 31, 2022 - Page 3

- 
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
  - the compliance of products and services with the applicable regulations.

### Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to such engagement, in particular the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes, *Intervention du commissaire aux comptes – Intervention de l’OTI – déclaration de performance extra-financière*, and acting as the verification programme and with 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 French Code of Ethics for Statutory Auditors (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

### Means and resources

Our work engaged the skills of 6 people between November 2022 and February 2023 and took a total of 8 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted 33 interviews with people responsible for preparing the Statement, representing in particular DESTE, human resources, safety, legal security, communication and brand, financial, purchasing and ethics directions.

Société nationale SNCF

*Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial statement*

Year ended December 31, 2022 - Page 4

## Nature and scope of procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information, we:

- obtained an understanding of all the consolidated entities' activities and the description of the main risks associated;
- assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector;
- verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III as well as information regarding compliance with human rights and anti corruption and tax avoidance legislation;
- verified that the Statement provides the information required under Article R.225-105 II of the French Commercial Code where relevant with respect to the main risks, and includes, where applicable, an explanation for the absence of the information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- verified that the Statement presents the business model and a description of the main risks associated with of all the consolidated entities' activities, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the main risks;
- referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1; concerning all risks, our work was carried out at the level of the consolidating entity and with a selection of contributing entities, namely SNCF SA, SNCF Voyageurs, SNCF Réseau, SNCF Gares & Connexions, Fret SNCF, Keolis and Geodis;
- verified that the Statement covers the consolidated scope, i.e. all the entities within the consolidation scope in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;

**Société nationale SNCF****Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial statement****Year ended December 31, 2022 - Page 5**

- 
- obtained an understanding of internal control and risk management procedures the Entity has implemented and assessed the data collection process aimed at ensuring 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 Appendix, implemented:
    - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
    - tests of details, using sampling techniques, in order to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing entities, namely SNCF SA, SNCF Voyageurs, SNCF Réseau, SNCF Gares & Connexions, Fret SNCF, Keolis and Geodis, and covers between 30% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
  - assessed the overall consistency of the Statement in relation to our knowledge of all the consolidated entities.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.

Neuilly-sur-Seine, February 27, 2023

One of the Statutory Auditors,  
PricewaterhouseCoopers Audit

François Guillon  
Partner

Aurélie Castellino-Cornetto  
Sustainable Development Director



Société nationale SNCF

Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial statement

Year ended December 31, 2022 - Page 6

## Appendix 1 : List of information we considered most important

Key performance indicators and other quantitative results:

- Remarkable security events (nb), Physical attacks on SNCF customers and agents and simple thefts against customers (nb), Malicious acts against property and financial assets (nb), Acts of incivility and offenses to the legislation (nb);
- Proportion of European turnover covered by a DPO (%);
- Rate of progress in making stations accessible (%), Number of bicycle parking spaces (nb), Customer satisfaction rate SNCF image barometer (%);
- Total energy consumption (GWh), Energy consumption for rail traction (GWh), Share of renewable energy in the rail traction electricity mix (% of consumption), Fuel consumption of road vehicles in commercial fleets (GWh), Air vehicle kerosene consumption (in GWh), Energy consumption of service road vehicles (in GWh);
- Building energy consumption (in GWh), Electricity consumption for rail traction (in GWh), Diesel fuel consumption for rail traction (in GWh), Greenhouse gas emissions (kt of CO<sub>2</sub>e) related to Scope 1&2&3 energy consumption, CO<sub>2</sub>e emissions per ton of freight (in gCO<sub>2</sub>e / ton.km), CO<sub>2</sub>e emissions per passenger.km (Scope 1&2&3) (gCO<sub>2</sub>e/ passenger.km), Related greenhouse gas emissions purchases of goods and services - Scope 3 (CO<sub>2</sub>e in thousands of tonnes), Greenhouse gas emissions linked to emissions generated by customers - Scope 3 (CO<sub>2</sub>e in thousands of tonnes), GHG emissions from road vehicles in fleets commercial vehicles - Scope 1&2&3 (in ktCO<sub>2</sub>e), GHG emissions from air vehicles - Scope 1&2&3 (in ktCO<sub>2</sub>e), GHG emissions from service road vehicles - Scope 1&2&3 (in ktCO<sub>2</sub>e), GHG emissions from rail traction - Scope 1&2&3 (in ktCO<sub>2</sub>e), GHG emissions from sites (buildings + process) - Scope 1&2&3 (in ktCO<sub>2</sub>e), Total number of passengers.km of rail traction, Total number of tonnes.km;
- Minutes lost due to bad weather (nb), Trains canceled due to bad weather (nb);
- Total quantity of hazardous waste produced (K.tonne), Railway industrial establishments certified ISO 14001 (%), Share of railway installations (RFN, Sites) covered by actions to reduce or eliminate the use of phytosanitary products (excluding biocontrol) (%);
- Solidarity purchases (M€), Share of the amount of contractual purchases in year N and covered by a rating of CSR offers at 20% of the overall score (%), CSR performance of suppliers (score out of 100) including social score and human rights;
- Ethics alerts received (nb), Investigations carried out by the Group Ethics department (nb), Rate of staff exposed to the risk of corruption trained (%);
- Workplace accident severity rate (Per 1,000 hours worked), Workplace accident frequency rate (Per 1,000,000 hours worked), Absenteeism rate (illness/out-of-service injuries) in France;
- Days lost by agent during social movements (nb), Female workforce (%), Employee commitment (%);
- Recruitment on permanent contracts in France (nb), Share of female managers (%), Dismissals (nb), Work-study contracts in France (nb), Turnover (%);
- Hours of training in France (in thousands), Share of employees having received at least one training course in France (%).

Qualitative information (actions and results) :

- Presentation of the 2023-2025 orientations of the PRISME program at the convention organized in September 2022 by the safety departments of the five SNCF companies;
- Signing of a sponsorship agreement with the Women's Foundation, to sustainably commit the Keolis group to the fight against violence against women and for equality between women and men;
- Creation of an e-learning on the protection of personal data;
- Solidarity bicycle repair workshops offered by Transilien SNCF between May and October in 28 stations in Île-de-France;
- Extension of the FlexTer experiment to the entire region since April 2022;
- Cap'Handéo Mobility Services certification in October 2022 for a period of three years;
- Launch by VILIA in November 2022 of the new rail motorway service between Occitanie and Ile-de-France;
- Integration in 2022 by Fret SNCF of a new tool on its customer portal which gives access to the GHG emissions and atmospheric pollutants of their transport, for each flow;
- Signature by the SNCF group of the EcoWatt charter on October 7, 2022, with 90 other companies gathered around the Minister of the Economy and Finance;

**Société nationale SNCF****Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial statement****Year ended December 31, 2022 - Page 7**

- 
- GEODIS rewarded for its environmental performance within the framework of the Voluntary Commitments for the Environment (EVE) program of ADEME;
  - Signature by Espaces Ferroviaires in April 2022 of a three-year partnership with the BRGM (Bureau of Geological and Mining Research);
  - In-depth analysis of climate risk during the annual update of the mapping of the Group's major risks;
  - Launch by SNCF Voyageurs in 2022 of the development of a resilience plan planned for the summer of 2023;
  - Participation in 2019 of the Material Engineering of SNCF Voyageurs in the construction of the "Europe's Rail" program;
  - Development of a digital environmental management tool at SNCF level and deployment in 2022 of this solution in all the activities of the five railway companies;
  - Investment by SNCF in the development of a new environmental management tool which includes a module dedicated to waste management;
  - SNCF joins Transport4Nature (T4N) in 2022;
  - Renewal of the "Responsible Supplier Relations and Purchasing" (RFAR) label in October 2022 for the scope of its five railway companies;
  - New alertethiquesncf.com professional whistleblowing platform;
  - Monthly newsletter sharing the progress of new actions within the framework of the SNCF&moi program;
  - Days of road safety at work on May 9 to 13, 2022;
  - Signature on January 31, 2022 with UNSA-Ferroviaire, SUD-Rail and CFDT Cheminots of a 9th agreement to better support employees with disabilities;
  - "Diversity Leader" prize awarded by the Financial Times in November 2022 to SNCF for the 4th consecutive year;
  - SNCF Employer Promise campaigns;
  - Presentation of the exhibition "Mentoring, solidarity in action(s)" in 23 SNCF stations throughout the territory;
  - Publication in May 2022 of a guide to typical jobs incorporating the new classification of railway professions, resulting from the branch agreement signed at the end of 2021.

# SNCF GROUP VIGILANCE PLAN

## 1. INTRODUCTION

### 1.1 SCOPE AND APPLICATION OF THE LAW FOR THE SNCF GROUP

#### A plan covering the scope of the seven companies

In accordance with Law No. 2017-399 of 27 March 2017 on the duty of care of parent companies and contracting companies, the SNCF Group published its vigilance plan for 2022. This plan covers the scope of the seven companies (and their controlled subsidiaries) that were set up following the rail reform of 1 January 2020.

“The plan shall include reasonable vigilance measures to identify risks and prevent serious harm to human rights and fundamental freedoms, the health and safety of individuals and the environment, resulting from the activities of the company and those of the companies it controls within the meaning of II of Article L. 233-16, directly or indirectly, as well as the activities of subcontractors or suppliers with which an established commercial relationship is maintained, when these activities are attached to this relationship.”

The work on the duty of care takes in account the steps implemented since 2017 by the Group within the framework of Law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of economic life ("Sapin II").

This vigilance plan reports on the implementation of priority actions undertaken in 2022 and draws up a work programme for 2023.

#### The structure of the unified SNCF public group from 1 January 2020

– For more details: see Financial report section 1

### 1.2 SNCF GROUP BUSINESS MODEL

– For more details: see Financial report section 1

### 1.3 GROUP ETHICAL AND SAFETY COMMITMENTS

#### Long-standing commitments

The SNCF Group has been working for a long time on the three risk categories targeted by the law on the duty of care. Since 2003, the Group has been committed to complying with and fully integrating the 10 principles of the United Nations Global Compact on human rights, international labour standards, the environment and anti-corruption. The actions implemented within this framework strengthen its contribution to the UN Sustainable Development Goals (SDGs) and have enabled it to obtain, since 2015, the highest performance score in terms of social responsibility ("Advanced" level).

#### Charter and programmes

These commitments to the Group's employees, customers and suppliers are inherent in several charters and agreements:

- Ethical Charter (renewed and updated in 2022)
- Supplier Relations and CSR Charter
- Agreement “in favour of professional equality between women and men and diversity”
- Diversity charter (GEEIS<sup>7</sup> certification for Geodis, and for SNCF Réseau excluding subsidiaries).

In addition, to ensure the safety of its customers, subcontractors and partners, the SNCF Group has structured its safety policy around the “PRISME” programme, common to all the rail companies since 2015. Environmental safety is now integrated in the same way as occupational health and safety and railway operating safety in a global safety design.

#### A CSR strategy in phase with the duty of care

Finally, the "Tous SNCF" corporate project, launched in 2020 by the SNCF Chairman and CEO to define and implement the Group's 2020-2030 strategy, sets out the strategic ambitions for all the subsidiaries and operating entities. Health, safety and ethics feature as levers for the Group's overall performance, competitiveness and attractiveness.

#### Six focus areas and a purpose

The objectives of the Group's CSR strategy, approved in 2021 by the SNCF SA Board of Directors, are directly linked to the challenges of the duty of care, and are based on six focus areas:

- Develop the share of rail and sustainable mobility.
- Reduce the environmental footprint of activities.
- Improve the adaptation and resilience of activities to climate change.
- Act for social cohesion and the ecological and solidarity economy in the regions.
- Make employees the main actors and beneficiaries of the ecological and social transition.
- Develop the highest level of ethical conduct and open governance.

To reflect these ambitions, the SNCF Group adopted a new purpose at the end of 2021: “Act for a changing, united and sustainable society.”

– For more details, see NFPS sections 1.1 & 1.2

<sup>7</sup> Gender Equality & Diversity for European & International Standard) for 12 countries



**1.4 SUMMARY OF PRIORITY INITIATIVES FOR 2023**

**2022: a year of mobilising Group companies**

The work undertaken for the roll-out of the vigilance plan engages the Group’s entire scope.

The priority initiatives undertaken in 2022 demonstrated the importance of mobilising the companies and subsidiaries which produce Group offers and services and are directly impacted by risk materiality.

The initiatives which had been defined for 2022 focused on:

- The structure of the risk approach covered by the duty of care in the Group’s companies and subsidiaries
- Strengthening of the audit and internal control
- Roll-out of a new whistleblowing platform

The results of the 2022 priority initiatives are now included in the company’s long-term operating methods.

A description on these initiatives is shown in point 6.2 of this report.

**2023: underpinning the role of subsidiary directors**

The actions defined for 2023 are in keeping with the previous year. They seek to further integrate duty of care governance in the Group’s subsidiaries and companies, providing directors with insight and additional levers to assume their responsibilities.

In 2023, to further take account of duty of care risks, the Social, Territorial and Environmental Commitment Department (DESTE) seeks to act at the highest levels of the company to mobilise Boards of Directors and the executive corporate officers of the Group’s seven companies as well as subsidiary directors. This reflects the proposed EU directive on the duty of care under discussion at the European Parliament, which underlined in its initial version the responsibility incumbent upon company directors to include sustainability issues (including human rights and climate change) in their decisions and supervise the necessary reasonable duty of care measures.

More generally, the purpose of these actions is to establish a sustainable corporate governance while promoting the emergence of responses tailored to duty of care requirements, particularly in supply chains.

| <b>5</b> new priorities in 2023, in keeping with actions conducted in 2022 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1</b>                                                                   | <p><b>Further integrate duty of care into the governance and management of SNCF Group companies</b></p> <ul style="list-style-type: none"> <li>• Mobilise and directly involve company Boards of Directors, Executive Committees and subsidiary executive corporate officers in considering duty of care risks and vigilance plan governance within their scope of responsibility</li> <li>• Initiate awareness-raising initiatives, particularly for risks of non-respect of human rights inherent to supply chains</li> </ul> <p>This initiative is based on the outcome of 2022 priority actions (integration of risk maps related to the duty of care in the new risk management tool set up by the Group in 2022; defined internal control and internal audit grids; duty of care management indicators).</p> |
| <b>2</b>                                                                   | <p><b>Extend the assessment of third parties and suppliers to all risks covered by the duty of care</b></p> <ul style="list-style-type: none"> <li>• Update third party/supplier assessment procedures prior to their validation by Group company Executive Committees</li> <li>• Set up the new third party/supplier assessment tool including the aspects of the corporate social responsibility (CSR) covered by the “duty of care”</li> </ul>                                                                                                                                                                                                                                                                                                                                                                  |
| <b>3</b>                                                                   | <p><b>Finalise the trajectory for on-site supplier “social” audits and further their deployment</b></p> <ul style="list-style-type: none"> <li>• Draw on the feedback from the series of audits initiated in 2022 to sustain the approach adopted in 2022 and define a multi-annual trajectory of supplier audits in the countries and purchase families that are most at risk.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>4</b>                                                                   | <p><b>Sign and implement the Group’s “human rights” policy</b></p> <ul style="list-style-type: none"> <li>• Draw on support facilitation initiatives: “Human rights” e-learning rolled out in the Group’s seven companies for target populations to be defined (activities, countries, etc.).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>5</b>                                                                   | <p><b>Set up prospective monitoring for risks covered by the duty of care</b></p> <ul style="list-style-type: none"> <li>• Draw on the ramp-up of the new whistleblowing platform (see section 5)</li> <li>• Take into account changes in risk mapping.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

– For further details: see report on 2022 initiatives in point 6.2

**2. VIGILANCE PLAN GOVERNANCE AND MANAGEMENT**

**2.1 GOVERNING BODIES AND ROLE OF SUBSIDIARY DIRECTORS**

**Cross-functional management**

The SNCF Group’s vigilance plan is managed by the Social, Territorial and Environmental Commitment Department (DESTE). Reporting directly to the Group’s Chairman and CEO, the DESTE is positioned within the Executive Committee (COMEX) and the Executive Management Committee of SNCF SA. It is primarily responsible for steering the Group’s performance and non-financial risks, in collaboration with the Risk Management Department and with the support of the main operating departments within the Group’s companies and subsidiaries (see note 4.1).

Each of the seven Group companies is responsible for its scope when updating the risk mapping covered by the duty of care as well as the implementation and monitoring of risk prevention and mitigation actions.

**An internal network of contributors at Group level**

To coordinate vigilance plan work within the companies and their subsidiaries, an officer was appointed in each Group company. These top-level contacts are the Group companies’ CSR compliance managers. To consolidate work at Group level, the DESTE periodically brings together the officers of the seven Group companies and the main SNCF SA operating departments

**The role of support departments in monitoring the vigilance plan**

Certain operating departments play an important role in implementing and monitoring this work. This is primarily the case of the internal audit and internal control functions, the Group Ethics Department that is responsible for



managing the whistleblowing system and collecting reports and the Group companies' Legal and Compliance departments.

**Specific governance of the vigilance plan**

All work relating to the vigilance plan is regularly reviewed by the Group Board of Directors, Compliance Committee and Ethics Committee.



– For more details, see NFPS sections 2.1 & 2.2

**2.2 STAKEHOLDER INFORMATION (TU, SC, ETC.)**

**Stakeholder committee information**

With the 2020 rail reform, the Group's governance included in 2021 an SNCF Group Stakeholder Committee, in addition to the consultation bodies already in place.

The Stakeholder Committee (SC) is an advisory committee that strengthens the dialogue between SNCF and representatives of French society to better respond to their concerns.

Chaired by the Group's CEO, the SC is composed of 16 members appointed for three years, renewable. It was set up to be consulted and propose ideas and recommendations on the SNCF's priority strategic issues, such as safety, service quality, social and environmental responsibility, non-financial performance, regional development and cohesion, and the development of mobility. The Committee's work and recommendations feed into the Board of Directors.

**Note:** SNCF Réseau and Keolis lead their own stakeholder committees. SNCF Réseau and the Keolis subsidiaries organise local dialogue with the representatives of their users, local and regional authorities and public transport authorities.

**Note:** a stabilised version of the vigilance plan was presented to trade union organisations and the SC prior to its approval by the Board of Directors to obtain their observations prior to publication.

– For more details, see NFPS sections 2.3 & 8.3

**Informing trade union organisations**

The work conducted on the vigilance plan in 2022 with the contribution of the Group's seven companies was discussed on several occasions with the company's representative trade union organisations:

- Bilateral meetings organised by the Group HR department in June.
- A presentation to the European Works Council
- A communication to the Group Committee.

These meetings, organised by the Social, Territorial and Environmental Commitment Department and the Group Ethics Department enabled the trade union organisations to share their operational view of the risks. It was taken into consideration to improve the vigilance plan preparation work.

The dialogue with the SC and the representative trade union organisations at Group level will continue to be structured in the years to come. The substantial support of these stakeholders with the monitoring and roll-out of the vigilance plan justifies their long-term contribution to building Group performance.

Finally, in 2022 SNCF conducted a major survey with its stakeholders in order to update its materiality matrix. Responses from over 10,500 representatives provided insight on their expectations with regard to Group strategy.

**3. RISK MAPPING & TAILORED INITIATIVES TO MITIGATE RISKS OR PREVENT SERIOUS HARM**

**3.1 2023 SERIOUS HARM RISK MAPPING**

**A more operational view of the risks**

The 2022 vigilance plan is used to integrate the risks covered by the duty of care in the risk management of Group companies. These bases will be consolidated and represent the cornerstone of 2023 priority actions.

The 2022 developments, detailed in point 6.2 of this plan, resulted in a tighter and more operational mapping of risks that seeks to facilitate their management and governance.

This new risk vision also connects with the new Group materiality matrix (previous update in 2017). The high expectations of both internal and external stakeholders regarding the refurbishment of infrastructures, adaptation to climate change or the development of multimodal transport solutions comprise clear challenges in terms of human rights, health and safety and the environment.

In this plan, the risk description is more targeted and illustrated by the focuses on prevention or mitigation actions that are more specific to each Group company.

This section 3 presents the risk mapping for each of the three duty of care law topics (points 3.2 Human rights and fundamental freedoms, 3.3 Health and safety of individuals and 3.4 Environment).

The following are presented for each topic:

- The Group's commitments and policy.
- A contextualised summary of the risks and control mechanisms.
- Action programmes and plans relating to each of the risks.

**Note:** the risk mapping presented below classifies the risks according to a descending order of criticality for each of the three duty of care law topics.

14 risks listed in the three areas covered by the duty of care.

| Reference | Risks of serious harm according to a descending order of criticality                          | Group activities concerned                                                                                   |
|-----------|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| SSP1      | EXPOSURE OF INDIVIDUALS TO CLIMATE-RELATED RISKS                                              | Transport of passengers and freight; logistics services<br>Maintenance or construction industrial activities |
| SSP2      | SERIOUS OPERATIONAL ACCIDENT                                                                  | Transport of passengers and freight                                                                          |
| SSP3      | ACCIDENT OR SERIOUS HARM TO INDIVIDUALS ON PREMISES OR IN TRANSPORT OPERATED BY THE GROUP     | Management and operation of production and services areas                                                    |
| SSP4      | WORK-RELATED ACCIDENTS AND EXPOSURE OF EMPLOYEES OR SERVICE PROVIDERS TO HAZARDOUS SUBSTANCES | Maintenance or construction industrial activities                                                            |
| SSP5      | TERRORISM OR MALICIOUS ACT WITH SERIOUS CONSEQUENCES FOR INDIVIDUALS                          | Transport of passengers and freight<br>Reception, commercial, customer relations                             |
| SSP6      | LASTING OR RECURRING HEALTH CRISIS                                                            | All activities                                                                                               |
| DH1       | PSYCHOSOCIAL RISKS                                                                            | Industrial and tertiary activities                                                                           |
| DH2       | SEXUAL HARASSMENT AND SEXIST OFFENCES                                                         | Industrial and tertiary activities                                                                           |
| DH3       | HARM TO FUNDAMENTAL WORK PRINCIPLES AND RIGHTS IN SUPPLY CHAINS                               | Reliance on labour or freight forwarder services                                                             |
| DH4       | PERSONAL DATA LEAKAGE                                                                         | Services to customers, management of employees and supplier relations                                        |
| ENV1      | ACCIDENTAL DISCHARGES OF HAZARDOUS PRODUCTS OR WASTE                                          | Operating, maintenance or construction industrial activities                                                 |
| ENV2      | WATER RESOURCE OVERCONSUMPTION                                                                | Maintenance activities                                                                                       |
| ENV3      | GHG EMISSION AND ENERGY OVERCONSUMPTION                                                       | Transport of passengers and freight                                                                          |
| ENV4      | HARM TO BIODIVERSITY                                                                          | Maintenance or construction industrial activities                                                            |

## 3.2 HEALTH AND SAFETY OF INDIVIDUALS

### 3.2.1 The safety policy and the PRISME programme

#### The Group's safety policy and doctrine

2022 was a particular year for SNCF, which conscientiously accepted, with humility and compassion for the victims, the ruling on the Brétigny accident of 12 July 2013.

Considering this event, SNCF strives to secure the highest level of safety in its offerings, which is and must remain the number one priority for train travel and all the transport services operated by the Group. Safety, which is inherent to rail transport, is more than ever one of SNCF's building blocks and an absolute priority vis-à-vis its customers, employees and service providers. It is a strength that the company must maintain at all costs.

In 2015, rail safety management was extensively overhauled with the roll-out of the national programme called "PRISME". To further improve its efficiency, initiatives are undertaken every year and they are supported by the CEO of SNCF. He has sought to become personally involved in the follow-up of this continuous improvement programme whose next milestone is scheduled in 2026.

At the SNCF safety convention in September 2022 which brought together 700 safety managers and officers in Lille, the CEO explained the new course he intends to set for the safety policy. He encouraged a turnaround in the company's safety policy by prioritising general safety which seeks to consistently develop all "areas of safety": operating safety, health and safety in the workplace, fire safety, environmental safety, security and cybersecurity. General safety is covered in a Group general policy that was updated in February 2023.

– For more details, see NFPS section 4.1.3

### PRISME: a positive assessment after seven years

Since its creation in 2015, PRISME has helped pool together all the safety initiatives in the company and establish a common direction.

The projects undertaken since 2015 have helped to integrate the highest safety standards in the conduct of the company's employees, its service providers and subcontractors, customers and operations. The managerial transformation of safety, Organisational and Human Factors and the "Fair and Equitable" approach, providing operational teams with modernised methods and tools, has improved risk awareness and the ability to control them.

Result: SNCF has progressed in terms of rail operation safety:

- By reducing major accidents by 23% (within the meaning of EU directive 2016/798) since 2014
- By halving the number of remarkable safety events since 2015.

The company also improved work-related health and safety by reducing occupational accidents by 20% since 2016.

“Safety is with HR a strong transversal component that unites SNCF. It groups together employees and all rail companies under the same culture and with the same goal for excellence (...).” Jean-Pierre Farandou, SNCF Group CEO.

**INSIGHT**

**PRISME: enhance safety from the ground up**

The principles of the PRISME programme, included in the commitment charter signed in January 2021 by the chairmen of the five SNCF rail companies, mainly consisted in:

- Encouraging spontaneous reporting of incidents and near-incidents to better prevent them
- Installing management by risks to prioritise actions
- Managing the interfaces between entities (including service providers and subcontractors) to ensure safety production when working together
- Simplifying procedures for all actors contributing to safety to facilitate their adoption
- Analysing risks upstream and downstream to prioritise actions
- Creating the managerial conditions to empower staff.
- Deploying the most innovative strategies and tools to provide each employee with a secure working environment and technological means.

**2026 objective:** instil a participatory, proactive and integrated safety culture.

**New outlook: enhanced safety management in the entities**

The encouraging results observed since 2015 should improve further to achieve the ambitious goal set for 2026. The responsibility and ability of entity directors to take initiatives with regard to safety has been reasserted to ensure:

- Zero fatalities each year, including for subcontractor employees
- A reduction in accidents with stoppages by a quarter by 2026, i.e. a frequency rate of 11.

This is why three new pillars have been defined for 2023-2025:

A programme with and for employees, promoting safety and the success of missions and encouraging the systematic escalation of information. A Speak-up charter, which stipulates that the reporting of a safety event by an employee should not lead to sanctions, is now applicable.

- A programme with and for employees, promoting safety and the success of missions and encouraging the systematic escalation of information. A Speak-up charter, which stipulates that the reporting of a safety event by an employee should not lead to sanctions, is now applicable.

- A programme for business units, overcoming the apparent antagonisms between production and safety thanks to the sharing of information between managers and employees. The goal is to promote the local resolution of problems and irritants with employees, and feedback on the actions undertaken.

- A programme for SNCF, open to external parties, considering safety to be a common asset to be safeguarded instead of a competitive advantage.

**These three new PRISME pillars are reflected in:**

- The creation of “Tous SNCF” entity and team projects and 2023 safety action plans.
- The set-up of a more comprehensive action plan, setting the priorities and a schedule for the next three years for the companies and the Group
- A fixed milestone at the end of 2023 to assess the progress of actions and schedule a new national safety agreement in three years.

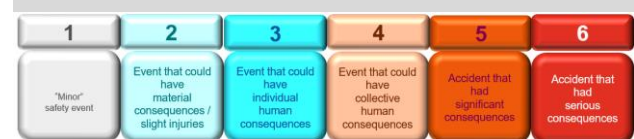
**New outlook: a revamped general safety policy**

**A priority at the Lille SNCF safety convention, general safety** now groups together the prevention and mitigation of all risks in an integrated approach:

- Those that have always been addressed by the company: rail operating safety, health and safety, fire, security of goods and individuals.
- But also new risks which until now were addressed separately: cybersecurity, environmental risks, and both those generated by the company’s activities, and by the external risks which the company faces, primarily climate change with its list of extreme events: flooding, drought, heatwaves, violent storms, etc.

**Now considered a common asset**, rail safety needs to work with all the company’s stakeholders in a spirit of cooperation and openness of mind. This strong commitment will result in the adoption, as of 2023, of common French and European metrics to assess the severity of safety events and measure the level of safety (EPSF severity scale).

**The French Public Institution of Railway Safety (EPSF) severity scale:**



*In 2016, a working group combining all rail operators led the French Public Institution of Railway Safety to define principles with a severity scale from 1 to 6. The most serious accidents, levels 5 and 6, correspond to major accidents covered by Common Safety Indicators which are defined in Annex 1 of the European (EU) Directive 2016/798.*

– For more details, see NFPS section 4.1.3.

3.2.2 Summary of risks of serious harm

| Risk categories                                                                                          | Risk descriptions                                                                                                                                                                                                                                                                                                                                                                           | Possible causes                                                                                                                                                                                                                                                                                                                                                                                                                               | Potential consequences                                                                                                                                                                                                             | Risk management systems implemented                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SSP1 - EXPOSURE OF INDIVIDUALS TO CLIMATE-RELATED RISKS</b>                                           | Exposure of customers, employees and service providers to extreme weather events affecting transport services or stations.                                                                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>•Difficulty in defining climate change adaptation pathways.</li> <li>•Low resilience of infrastructures, stations and rolling stock.</li> </ul>                                                                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>•Direct impacts on train traffic and other modes operated by the Group.</li> </ul>                                                                                                          | <ul style="list-style-type: none"> <li>•Specific governance (Specialised Committee of the Group Board of Directors).</li> <li>•Programmes to improve the resilience of the infrastructure and rolling stock operated by the Group.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>SSP2 - SERIOUS OPERATIONAL ACCIDENT</b>                                                               | Serious operational accident affecting passenger or freight transport.                                                                                                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>•Technical, human or organisational failure, or event exogenous to the railway system affecting the safety of traffic.</li> <li>•Non-compliance with safety rules by road users using level crossings.</li> </ul>                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>•Serious injury or death.</li> <li>•Loss of containment of transported hazardous substances.</li> </ul>                                                                                     | <ul style="list-style-type: none"> <li>•Safety certificate for operating companies.</li> <li>•Safety policies, programmes and action plans implemented in all Group companies.</li> <li>•Level crossing management policy with two parts: removals in consultation with local authorities and increasing number of adjustments seeking to reduce identified risks (mainly through a road analysis).</li> <li>•Specific track maintenance standards for trains transporting hazardous substances.</li> <li>•On-line tracking of freight transport and local operating adaptations.</li> <li>•Training for drivers on the risks associated with the transport of hazardous materials.</li> </ul> |
| <b>SSP3 - ACCIDENTS OR SERIOUS HARM TO INDIVIDUALS ON PREMISES OR IN TRANSPORT OPERATED BY THE GROUP</b> | <ul style="list-style-type: none"> <li>•Collision with a moving vehicle (trains, buses, undergrounds or tramways).</li> <li>•Electrical injury of an individual (customer, migrant, etc.).</li> <li>•Traffic of migrants unbeknown to a subsidiary operating in freight transport or logistics.</li> <li>•Assaults on customers or harm to employees in contact with the public.</li> </ul> | <ul style="list-style-type: none"> <li>•Intrusion by an unauthorised individual on SNCF premises (railway, underground, etc.)</li> <li>•Poor understanding of risks or non-observation of safety instructions provided by the company for the normal use of transport services.</li> <li>•Defect in the security of a railway site (security, access control, etc.).</li> <li>•Increased petty crime and fraud in sensitive areas.</li> </ul> | <ul style="list-style-type: none"> <li>•Serious injury or death.</li> <li>•Psychological shock for individuals who have witnessed an accident.</li> <li>•Harm to the integrity and psychological health of individuals.</li> </ul> | <ul style="list-style-type: none"> <li>•Measures to secure access to production sites.</li> <li>•Signage and audible announcements warning users, particular in degraded operating conditions or crisis situations.</li> <li>•Information, awareness-raising and prevention campaigns for customers and schools.</li> <li>•Securing of freight transport.</li> <li>•Training and equipping of Rail Security Personnel (pedestrian cameras), commercial and passenger service employees.</li> </ul>                                                                                                                                                                                             |



| Risk categories                                                                                      | Risk descriptions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Possible causes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Potential consequences                                                                                                                                                                                                                                                | Risk management systems implemented                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SSP4 - WORK-RELATED ACCIDENTS AND EXPOSURE OF EMPLOYEES OR SERVICE PROVIDERS TO HAZARDOUS SUBSTANCES | <ul style="list-style-type: none"> <li>•Load handling accidents, as part of rolling stock or infrastructure maintenance operations.</li> <li>•Road and rail accidents relating to carrier commercial activities or the use of service vehicles.</li> <li>•Accident on a railway infrastructure maintenance or renewal site or a station refurbishment construction site.</li> <li>•Accidental exposure to chemicals or asbestos as part of track, rolling stock or building maintenance operations or rolling stock operation or dismantling.</li> <li>•Accident in a maintenance workshop (electrical injury, etc.).</li> </ul> | <ul style="list-style-type: none"> <li>•Non-compliance with safety instructions or procedures or visit protocols at a site.</li> <li>•Poor coordination of visitors to a site, particularly in a co-working situation on an SNCF site.</li> <li>•Poorly adapted work organisation due to prior common inspections and incomplete or poorly applied prevention plans.</li> <li>•Difficult working conditions (working at night or in adverse weather conditions, etc.).</li> <li>•Undetected deterioration of components of an operated building.</li> </ul> | <ul style="list-style-type: none"> <li>•Serious injuries or death for the employee of SNCF or a service provider.</li> <li>•Exposure of employees or a service provider, causing injuries, disabilities or death, or an invalidating professional illness.</li> </ul> | <ul style="list-style-type: none"> <li>•Group safety policy. •National safety audits of production sites and quality/safety audits of equipment by Purchasing Departments.</li> <li>Quality, Health, Safety, Environment (ISO14001, ISO45001, ISO9001) integrated management system. Certification of industrial and maintenance sites and certain operating activities.</li> <li>•Appropriate employee awareness-raising campaigns, training and equipment. Managerial monitoring (level 1 and 2 controls). Widespread deployment of the use of see it/report it.</li> <li>•Strengthening of risk assessment systems and tools</li> <li>•Employee training in risk analysis and preparation of prevention plans. Widespread use of the help tool for the preparation of Preliminary Common Inspections and prevention plans: "DIGIPREV". Managerial monitoring of the effective roll-out of prevention plan measures.</li> <li>•Employee and service provider training and information, employee medical monitoring, process reviews, etc.</li> <li>•Programme to reduce asbestos-containing property.</li> </ul> |
| SSP5 - TERRORISM                                                                                     | Terrorist act affecting a mode of transport or an establishment open to the public operated by the Group.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>Circumvention of security of access or information systems (cyber-attacks).</li> <li>Deliberate damage, theft of materials or sensitive components of facilities, leading to a technical failure that could affect transport operated by the Group.</li> </ul>                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>Serious injury or death.</li> <li>Serious physical and psychological harm to employees or customers.</li> </ul>                                                                                                                | <ul style="list-style-type: none"> <li>•Engagement of numerous human and technical resources to guarantee the safety of passengers in areas served by the Group.</li> <li>•Ongoing adaptation to cybersecurity threats.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| SSP6 - LASTING OR RECURRING HEALTH CRISIS (COVID-19 pandemic)                                        | Resurgence of the disease arising from the emergence of new variants avoiding vaccine immunity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Difficulty in applying health protocols or non-compliance with health authority measures.                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Strengthening of health measures in transport.                                                                                                                                                                                                                        | •Ongoing implementation and monitoring of protocols already in place.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

3.2.3 Action programmes and plans:

EXPOSURE OF INDIVIDUALS TO CLIMATE-RELATED RISKS

Reduce new risk situations

The accentuation and acceleration of climate change impacts has major physical and economic repercussions on SNCF Group activities. The increasing recurrence of intense meteorological events: rainfall, drought, storms, intense heatwaves, etc. damage assets and impair the operation of infrastructures, stations, workshops and rolling stock.

The company's activities may be impacted, with repercussions for service continuity, the safety of goods and individuals and the working conditions of employees.

For the moment, this results in:

- For customers, traffic delays or stoppages,
- For employees, virtually daily crisis management at certain times of the year, with adaptation of working hours, an increase in on-call duty hours and a decline in working conditions.

Since 2015, numerous work projects carried out by the Group's various entities have already helped modify certain business practices or actions to mitigate the impacts: stronger maintenance teams in sensitive periods, preventive verification of equipment, heat rounds, etc.

More generally, in 2021 the Group drew up a plan to adapt its activities to climate change. It is one of the six thrusts of the 2020-2030 CSR strategy approved by the SNCF Board of Directors on 23 June 2021.

**700** "natural events" accidents on average per year.

At the end of 2021, a Strategic Committee on Adaptation to Climate Change was set up within the Committee of Chairmen, in addition to the existing "Energy-Carbon" Strategic Committee, to define a trajectory and integrate climate-related hazards into the organisation and scheduling of the Group's activities.

In 2022, the climate risk analysis was extended during the annual update of the Group's major risk mapping.

**Group priority actions**

In 2023, a network of officers will be set up within Group companies to coordinate the inclusion of climate change in the activities. The work conducted in 2022 under the aegis of the Strategic Committee on Adaptation to Climate Change gave rise to a 2023 action plan with five major directives:

- Compile sets of climate data from IPCC scenarios (SSP2-4.5 and SSP5-8.5) to create common benchmarks and analyses that can be used by line managers.
- Further awareness-raising and training initiatives for employees and dedicated teams and develop expertise.
- Enhance the vulnerability analysis of highly important sites compared to the current and future climate and assess the impacts for third parties and the company.
- Identify changes in the organisation of operations to maintain service continuity: dedicated structures, good practices, etc.
- Initiate research based on biomimetics for the design and structural adaptation of systems (working group launched by SNCF Réseau).

To find out more > <http://www.drias-climat.fr/>

**ACCIDENTS OR SERIOUS HARM TO INDIVIDUALS**

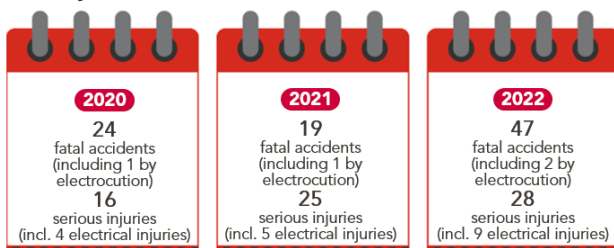
**Regularly organised prevention campaigns**

Virtually each week in France, a fatal accident occurs due to risky behaviour at level crossings, in stations or near railway tracks.

Normally stations are accessible to the general public and passengers can circulate freely while complying with safety rules. All other rail infrastructures are private. However, most yearly accidents are due to intrusions on SNCF railway tracks, bridges, tunnels, tertiary buildings and technical sites and their surroundings.

Each year, there are on average 100 collisions at level crossings and 10,000 intrusions.

**Railway accidents**



To reduce the number of accidents, prevention campaigns are regularly organised by SNCF Gares & Connexions, in cooperation with SNCF Réseau. These campaigns, which are mainly relayed on social media, reiterate safety and proper conduct rules to those who are most exposed to French railway areas: young people and displaced populations.

**Initiatives for young people...**

For over 20 years, SNCF has adopted awareness-raising initiatives for young people, from year 5 to year 13, and has been bound to the French Ministry of National Education since 2006 through a partnership agreement. Each year, several hundred SNCF employees give talks in classes to 230,000 young people.

**... and displaced populations**

The French State is responsible for the overall management of these people who flee their native country. However, SNCF is required to protect these people from

serious accidents that may arise on railway tracks or in their surroundings.

In 2018, SNCF and the United Nations High Commission for Refugees produced visual aids illustrating risk situations (collision with a train or electrocution). Translated into 84 languages, they are distributed to associations which work directly with migrants.

Furthermore, Rail Security undertakes specific actions with the authorities for migrants to assist them with their movements in transport or other railway areas.

– For more details, see NFPS sections 4.2 & 8.4

**WORK-RELATED ACCIDENTS AND EXPOSURE OF EMPLOYEES OR SERVICE PROVIDERS (...)**

**Employee safety prevention in situations of co-activity**

As part of its legal requirement to guarantee the safety of its employees and service providers, SNCF Réseau rolled out specific action plans to improve safety during infrastructure works (renewal, restorations, new constructions, etc.).

**Decline in work-related accidents and their frequency**

The improved results reflect the positive impacts of the PRISME programme, with the integration of project briefings in the current practices of operators, and the right to speak up that is gradually being instilled in operational teams.

Even though incident statistics demonstrate an overall downwards trend in serious accidents or near-accidents in the workplace together with a decline in the frequency rate, the “zero fatalities” objective regarding our employees and subcontractors has not yet been met.

**Room for improvement in co-activity situations**

The steady renewal of infrastructures generates constraints in terms of planning and the multiple scopes of involvement and responsibilities between those present on site, which may weaken safety mechanisms.

To resolve these potential weaknesses, a series of measures was undertaken for 2023 in order to:

- Improve the consideration of heavy or dangerous machinery at briefings.
- Enhance the consultation process between SNCF Réseau and its external service providers that work on sites.
- Clarify the prerogatives of the various participants at sites, with greater contextualisation of prevention measures, in particular those anticipated in the prevention plans.

These measures are rolled out using the “SECUBOX” tool. Set up by SNCF Réseau, it is designed to share important information with external partners to prepare sites, feedback and good practices.

**Note:** pursuant to the “SECUFER”<sup>8</sup> decree, on 1 April 2023, SNCF Réseau will publish a series of texts for all rail system players (public and private), defining:

- Rules for moving around rail premises.
- Rules for conducting simultaneous rail transport activities.
- Operating characteristics and conditions.
- Operating rules, procedures and methods to adopt to guarantee health and safety in any work that requires access to an area with rail electrical risks.

## EXPOSURE OF EMPLOYEES AND SERVICE PROVIDERS TO HAZARDOUS SUBSTANCES

### Exposure of employees and service providers to hazardous substances

The “Labour Health Act” of 2 August 2021, that came into effect on 31 March 2022, extended the assessment of multiple exposure risks to chemical risks: “the employer shall take into account [...] in the event of simultaneous or successive exposure to several [chemicals], the combined effect of all these [chemicals].”

In practice, the SNCF work safety platform<sup>9</sup> already includes a specific chemical risk assessment module and a database of safety data files on the products used. These files mention the incompatibilities and specify the related exposures and preventive measures as well as the assessments of the SNCF toxicology unit (set up in 1989).

Furthermore, SNCF takes into account the act’s requirements to improve the medical monitoring of employees:

- The requirement to retain a single assessment document for occupational risks over 50 years (quarterly archiving in the work safety platform).
- Improved post-exposure monitoring for employees exposed to specific risks, in addition to current systems regarding individual monitoring during the activity phase and examination prior to the termination of professional activity

### SNCF also works on two lines to improve the consideration of multiple exposure risks:

- Adaptation of the specific chemical risk assessment module on the work safety platform to better reveal, analyse and take into account these multiple exposure risks
- A proposed application designed to obtain an understanding of security data files at any moment in the field (security data file scan).

### Asbestos: an action programme still to be improved

In 2018, SNCF set up an asbestos programme within the Risks, Audits, Safety and Security Department. It coordinates all the priority actions for the entire company within a steering committee linking the five companies. Two major challenges were defined in 2022:

- The Group’s compliance.
- The reduction in asbestos-containing property.

Furthermore, an “asbestos officer” was tasked with carrying out an inventory in the entities and answering questions on training, risk prevention, intervention documents, exposure and medical monitoring. His objectives are to:

- Monitor the most critical subjects.
- Define the SNCF policy.
- Coordinate the officers in the five rail companies.

Each Group company rolled out these challenges in action plans adapted to their scope and the typology of their risks. Each company coordinates a network of contacts in the entities, involving social partners in their work. This is the case for the most affected companies and activities:

- The Equipment activity of SNCF Voyageurs defined a 2028 strategic plan for the dismantling of scrapped equipment. Parts containing asbestos are therefore systematically removed during maintenance operations.
- The Real Estate activity of SNCF SA defined a long-term strategy to treat buildings most at risk by 2024. A detailed plan to update technical asbestos diagnostics is regularly monitored.
- SNCF Réseau has adopted a policy to remove Equipment and Products containing asbestos during network renewal operations. Production areas themselves define their prioritisation criteria according to the configuration of the infrastructures present in their region.

The company set up an action plan in 2023 to:

- Update risk analyses and better establish its asbestos-removal strategies.
- Improve the identification of material and products containing asbestos, including inventories.
- Improve training and medical monitoring for employees.
- Extend feedback on operating methods and protection measures.
- Improve exposure tracking reliability using the work health platform.

The operational management of asbestos risks nevertheless remains complex due to the company’s diverse historical tertiary and industrial property and often requires substantial investments.

**Note:** In 2022, SNCF investments to reduce risks relating to the asbestos contained in certain equipment (infrastructures, buildings, rolling stock) totalled €63 million.

### SNCF employee safety: a resurgence in physical and verbal assaults

Each day, nearly two SNCF employees in stations or on board trains suffer a work-related accident in the course of their business due to an attack or insult. These daily incivilities are responsible for 23% of work-related accidents with stoppages at SNCF Voyageurs and 19% at rail group level. To try and eradicate this phenomenon and offer its support to employees, at the end of 2022 the company launched a campaign to increase awareness among the general public in addition to several safeguard measures:

- Training sessions to prevent and guard against these situations
- The set-up of a whistleblowing system in the event of an extreme emergency since September 2021.

<sup>8</sup> Decree 2017-694 of 2 May 2017 specifies measures to guarantee the health and safety of employees vis-a-vis specific risks (...) particularly, rail, such as: traffic risks (collisions, minor incidents, blast of air from passing train, etc.); electrical risks; risks relating to technical and rail safety facilities.

<sup>9</sup> Set up in 2017, the Work Safety Platform combines all risk prevention managerial tools and the single document accessible to all employees.



- The experimental equipping of 2,100 certified voluntary employees with pedestrian cameras at SNCF Voyageurs and equipping of Rail Security employees with 400 pedestrian cameras. A recording can placate most situations and facilitate police investigations should a complaint be filed.
- Diagnostics on certain priority sites in line with local (city halls, associations, prefectures, etc.) and social actors.

**+9%** increase in physical and verbal assaults at the end of 2022 compared to 2021. SNCF employees suffered 5,330 verbal or physical acts of violence, i.e. 14 per day.

## TERRORISM OR MALICIOUS ACTS – LASTING OR RECURRING HEALTH CRISIS

### Risk of terrorism and malicious acts

In 2022, the risk of terrorism remained high in France and internationally and the operating methods are now more diversified. Stations and trains can be targets. Incidentally, the problem of “abandoned luggage” is taking on a scale that could hardly have been anticipated, generating frequent suspensions of operations and evacuations, with risks linked to crowd movements inherent to this type of operation.

Finally, in order to combat the ever-increasing number of cyber-attacks, SNCF focuses on both prevention and responsiveness. Its strategy, both defensive and offensive, aims to avoid any production stoppages and to guarantee 100% safe train traffic.

The company works very closely with the public authorities on the subject of terrorist threats. Proactive in researching and testing prevention solutions, the Group implements numerous actions to better detect threats on its premises:

- Video protection.
- Introduction of armed plain-clothes security agents, dog detection teams, video patrols.
- Cooperation with the Gendarmerie Nationale.
- The “Agissons sûreté” (Let’s act on security) initiative seeks to have employees adopt the best conduct in terms of security

### Attacks on individuals

The Group’s security policy takes into account all forms of threats and attacks.

SNCF commits numerous human and technical resources to ensure passenger security, in particular via the internal safety branch of the Security Department with 2,800 employees deployed throughout France. All the missions of this branch are carried out in close partnership with the National Police and the National Gendarmerie.

### Health crisis

The COVID 19 health crisis continued to have an impact, but to a lesser extent, on all Group employees and activities in 2022.

Health protection measures remained applicable until December 2022. However, the end of the need to wear a mask in public transport since mid-May helped refocus the work of employees in contact with customers and Rail Security employees on their primary tasks in a context of a sharp turnaround in passenger activity.

– For more details, see NFPS sections 4.1.4, 4.1.5 and 4.2

## 3.3 HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS

### 3.3.1 Commitments relating to human rights

#### Corporate human rights policy

Respect for human rights and fundamental freedoms is inherent to the purpose of the SNCF Group, a public utility company serving sustainable mobility.

Since 2003, SNCF, a signatory to the UN Global Compact, contributes directly to achieving 14 of the 17 UN Sustainable Development Goals (SDG).

The SNCF Group also strives to identify, assess and prevent human rights risks by implementing a principle of reasonable diligence in all its operating methods. The Group reports on all these measures in its vigilance plan in accordance with the French duty of care law of 27 March 2017 (2017-399).

These commitments concern all activities, whatever the country where they are conducted. They cover the fundamental principles defined by:

- Universal Declaration of Human Rights,
- International Bill of Human Rights,
- United Nations Guiding Principles on Business and Human Rights,
- ILO Declaration on Fundamental Principles and Rights at Work
- And the International Labour Organisation’s Fundamental Conventions.

#### Employee commitments

Through the “SNCF & moi” programme, SNCF delivers its human rights policy through its employees. A responsible, civic and committed company, SNCF places its employees at the heart of its focus by guaranteeing them:

- A secure and healthy work environment to guarantee their health and safety in their professional activities.
- A fair and equitable compensation which takes into account the local or regional conditions where these activities are performed.
- Freedom of association and the right to collective negotiation for them to join a trade union organisation.
- Employability and professional development through training and career guidance.
- Access to mediation and psychological support measures in situations of conflict or fragility in the workplace.

#### The ILO’s five fundamental principles and rights at work

- Freedom of association and the right to collective bargaining.
- Elimination of any form of forced or compulsory labour.
- Effective abolition of child labour.
- Elimination of employment and professional discrimination.
- A secure and healthy working environment.

### 3.3.2 Summary of the risks relating to human rights and fundamental freedoms

#### CSR risks in the SNCF Responsible Purchasing policy

The priority actions undertaken in 2022 (see note 6.2) helped contain potential human rights and fundamental freedom risks (illegal employment, non-respect of ILO principles) in supply chains. This is the case in the purchasing families and/or in geographical areas considered as at risk with regard to the “ESG”



(environment, social, governance) composite index<sup>10</sup> used to analyse duty of care risks (see map opposite).

Even though the probability of occurrence for risks relating to tier 1 suppliers remains low with 94% of the €13 billion in SNCF purchases made with suppliers based in France, illegal employment risks may however exist in France, in particular in service activities for workers (security, cleaning, temporary employment, construction sites, call centres, etc.). SNCF closely monitors these sectors by verifying the performance of services. By way of example, SNCF Réseau production entities verify the identities and qualifications of the service provider employees who work on sites under their responsibility.

At the end of 2022, Group companies tightened control over the performance of service contracts by conducting on site supplier “social” audits, in addition to the long-standing quality/security audits. These measures will continue and their approach will be structured in forthcoming years, particularly for the purchases of subsidiaries identified as at risk in 2022 (see point 4.3).

Since 2008, the SNCF Group has developed a responsible purchasing strategy, based on a strong commitment to respecting human rights. All purchased products and services that could put the integrity, health

and safety of individuals at risk are also assessed, not forgetting the environmental aspect.

To do this, SNCF relies on its Supplier Relations and CSR Charter, which applies to all SNCF purchasers. The three main centralised SNCF purchasing departments (Group, SNCF Voyageurs Equipment and SNCF Réseau) comply with this charter and SNCF, which has been awarded the Supplier Relations and Responsible Purchasing Label since 2012, obtained the renewal of this label in October 2022 for its five rail companies.

**Group risk mapping by country (“ESG” index)**



– For more details, see NFPS section 7.2 & point 4.2 of this plan.

<sup>10</sup> Index encompassing all three risk areas in a single measure: human rights, health and safety of individuals, environment. Source “Global Risk Profile”.

| Risk categories                                                              | Risk descriptions                                                                                                                                                                                                                                                                                                     | Possible causes                                                                                                                                                                                                                                                                                        | Potential consequences                                                                                                                                                                                                                                                                                                                                                                    | Risk management systems implemented                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>DH1 - PSYCHOSOCIAL RISKS (PSR)</b>                                        | The company's extensive transformation (1 January 2020 reform) and the opening-up to competition in a world affected by the health crisis may destabilise groups and individuals.                                                                                                                                     | Rapid changes in businesses and organisations linked to the digitalisation of work processes and the quest for improved performance in the face of competition.                                                                                                                                        | <ul style="list-style-type: none"> <li>•Decline in working conditions.</li> <li>•Individual adaptation problems causing psychological suffering.</li> </ul>                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>•Performance of PSR diagnostics in all transformation projects.</li> <li>•Training of managers to accompany transformations (HR guides, etc.).</li> <li>•Promotion of group values. •Mediation, conciliation measures.</li> <li>•Psychological support team available 24/7 and network of 600 local prevention officers.</li> <li>•Internal reorganisations promoting multidisciplinary approaches.</li> </ul>                                                                                                                                                                                                                                                                                                            |
| <b>DH2 - SEXUAL HARASSMENT AND SEXIST OFFENCES</b>                           | Sexual harassment and sexist offences in the workplace or in transport                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>•Insufficient mobilisation of managers with regard to challenges.</li> <li>•Insufficient employee awareness-raising.</li> <li>•Passivity of victims and witnesses faced with events.</li> </ul>                                                                 | <ul style="list-style-type: none"> <li>•Discriminations in career development.</li> <li>•Making women feel guilty about parenthood.</li> <li>•Decline in working conditions.</li> <li>•Physical and psychological harm.</li> <li>•Feeling of insecurity in transport.</li> </ul>                                                                                                          | <ul style="list-style-type: none"> <li>•Establishment of the zero tolerance principle.</li> <li>•Specific incident reporting process and professional whistleblowing platform.</li> <li>•Help guide on the processing of sexual harassment and sexist conduct reports.</li> <li>•Employee awareness-raising campaigns.</li> <li>•Doubling of the number of sexual harassment officers in SECs</li> <li>•Set of protection and security measures in public transport.</li> </ul>                                                                                                                                                                                                                                                                                  |
| <b>DH3 - HARM TO FUNDAMENTAL WORK PRINCIPLES AND RIGHTS IN SUPPLY CHAINS</b> | Non-compliance with local regulations in the workplace or fundamental work principles rights by a service provider or subcontractor in France or abroad. Sensitive activities: road transport, logistics, construction, infrastructure engineering and maintenance work, cleaning, security, freight forwarding, etc. | <ul style="list-style-type: none"> <li>•Failure to apply the reasonable duty of care principle by the SNCF Group. E.g.: defective control of temporary employment agencies or service providers when hiring external staff.</li> <li>•Untrained or uncertified workers on SNCF Group sites.</li> </ul> | <ul style="list-style-type: none"> <li>•Decent working conditions not guaranteed (work safety, wages, social security coverage, etc.).</li> <li>•Discrimination or harassment.</li> <li>•Physical and psychological harm to workers.</li> <li>•Restriction of fundamental freedoms (employee organisation right).</li> <li>•Lack of remedies or mediation proposed to workers.</li> </ul> | <ul style="list-style-type: none"> <li>•Assessment of suppliers deemed at risk due to their activity and/or geographical location.</li> <li>•Commitment of tier 1 suppliers to comply with and ensure compliance (by their co-subcontractors, subcontractors and intermediaries) with the Supplier Relations and CSR Charter and the SNCF Group Ethics Charter in connection with contract performance.</li> <li>•Control of temporary staff hiring procedures with systematic verification of identity and age.</li> <li>•Monitoring of cabotage and secondment rules by the legal department.</li> <li>•On-site supplier "social" audits and internal audits.</li> <li>•Investigation by the Group Ethics Department following a reported incident.</li> </ul> |
| <b>DH4 - PERSONAL DATA LEAKAGE</b>                                           | Accidental leakage of personal data that has been entrusted by SNCF to IT services or videoprotection service provider or subcontractor.                                                                                                                                                                              | Failure to protect the information systems of SNCF or one of its service providers. Cyber-attack.                                                                                                                                                                                                      | Customer, employee or supplier data disclosed or compromised.                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>•Specific data protection agreement when service providers are hired to manage personal data.</li> <li>•Impact studies on the private life of individuals for risk processing. Measures forming part of the information systems security policy.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

**3.3.3 Action programmes and plans for each identified risk**

**PSYCHOSOCIAL RISKS**

**Psychosocial risks (PSR)**

The company's development and new working arrangements relating to the difficult pandemic and geopolitical context led SNCF to increase its focus on psychosocial risks.

Furthermore, Law 2021-1018 of 2 August, the "Labour Health Act" (which came into effect on 31 March 2022, excluding specific clauses), confirmed the need to factor in

PSR when assessing risks for the health and safety of employees (French Labour Code, art. L.4121-3 amended).

SNCF has undertaken several actions at institutional level, to be used by HR/Quality/Safety managers and actors:

- A new social pact through the "Tous SNCF" corporate project and its commitment to employee satisfaction.
- A quality of working life policy (QWL) and psychosocial risk prevention (PSR), entitled "Well-being and efficiency at work", validated by all Group companies and accompanied by an "Anticipating human challenges" guide.

- A Social Transformation workshop to address the consideration of social issues.
- A standardised “socio-economic assessment” methodology deployed in all SNCF establishments to assess the impact of the transformations defined by the Group HRD. It is used in all development projects, and more specifically for the assessment of PSRs in the context of drawing up the Single Document for the assessment of professional risks<sup>11</sup>. In the period of current uncertainty, this approach facilitates the individual and collective expression of employees.

**A reorganisation for greater multi-disciplinarity**

SNCF created a new entity to bring together the life quality and working conditions policy, the prevention of PSR and mediation measures that are now included in the work health and safety policy. The goal is to optimise the support with the company’s transitions. Furthermore, discussions were held to shed light on the responsibilities at stake for the prevention of PSR for the company’s various contributing entities. Finally, a common measure will enable those responsible companies to act to prevent with a tailored monitoring and control of PSR.

In 2023, efforts will continue to increase the consideration and prevention of PSR in the Group’s activities based on three major focal points:

- Improve the detection of at-risk situations.
- Better identify issues to provide the most appropriate solution.
- Better support players in managing situations.

**Note:** the “Socio-economic assessment” approach, jointly set up in 2021 by project managers, social relations managers and entity directors, helps identify the best project management practices with a human impact. After collecting feedback, a simplified version of the tool was proposed to project managers.

**SEXUAL HARASSMENT AND SEXIST OFFENCES**

**Equal treatment for transport access**

Through its public service role and by constantly seeking an exemplary conduct, the company strives to propose a top-notch service to all its users. It guarantees them equal treatment for the access to its services on a daily basis and does not tolerate any form of discrimination, harassment or violence towards them.

A FNAUT study revealed that in 2016, 87% of female public transport users stated that they had already suffered sexist harassment, sexual harassment or sexual violence in public transport.

However, since this study and despite SNCF’s efforts to combat sexist harassment and sexual violence in public transport, the situation has not improved.

The 2021 annual assessment of “sexual and sexist offences in public transport” published in November 2022 by the French Transport Ministry revealed a 7% increase in the number of offences compared to 2020. These offences (74%) occur the most often in trains and RERs, then the underground, buses and trams and most of the victims are women.

Following the adoption in 2015 of a national plan to combat sexist harassment and sexual violence in public transport, SNCF is now bolstering its prevention actions

regarding this plan’s primary commitments (see “focus” and “insight” below).

**Harassment in the workplace: a zero tolerance principle**

The “Labour Health Act” introduced a new definition of sexual harassment in the French Labour Code, aligned with that of the French Penal Code.

This requires the employer to update its internal regulations and the prevention measures and actions already in effect in the company (whistleblowing system, harassment officers in all entities, awareness-raising measures, etc.).

Over and above the legal compliance, an internal survey in 2022 revealed that, although gender equality has improved, the proportion of women who encounter situations of sexist behaviour in their workplace is still too high.

The OptiMixte approach, which enables SNCF entities to fight against these situations following a gender diversity analysis, was this year rolled out in 91% of them. Furthermore, a Group-wide national action plan was launched in 2022 for all employees to boost awareness, enable victims to speak up and impose a principle of zero tolerance. This is a three-pronged plan:

- A national mass awareness-raising plan and training in all management committees by the end of 2024
- An enhanced whistleblowing system together with guidance to help deal with cases of whistleblowing
- Speeches from the CEO and the chairmen of the seven companies.

– For more details, see NFPS sections 4.2 & 8.5

**FOCUS ON... SNCF Voyageurs**

**DAILY PREVENTION MEASURES ON TRAINS**

Because everyone has the right to take the train and move around freely without having to worry, SNCF Voyageurs is committed to preventing sexist and sexual offences in transport. Besides the roll-out of specific actions on problem lines, and team training by Rail Security to better crack down on violence and look after injured parties, SNCF Voyageurs regularly informs its customers.

In November 2022, Gares & Connexions, Transilien and TER teams presented, in cooperation with the organising authorities, the various mechanisms in place to female passengers in around thirty train stations in France.

Since the beginning of the year, around 6,000 alerts have been sent by calling 3117 and texting 31177.

**FOCUS ON... SNCF**

**1,500 PERSONS TRAINED TO COMBAT STREET HARASSMENT**

With Keolis, RATP and Île-de-France Mobilités, SNCF partners the awareness-raising program Stand Up launched by L’Oréal Paris, the NGO Hollaback! and the Fondation des Femmes. Stand Up teaches in just 20 minutes simple ways of how to respond, when either victim or witness, to incidents of harassment in public places. This project launched in a few train stations in the Paris region in early 2020 now continues online.

<sup>11</sup> In this document (mandatory for all companies), the employer records the results of the assessment of health and safety risks to which employees may be exposed. Source: French Labour Code.

**INSIGHT****Main protection measures against sexual harassment**

- The inauguration in July 2022 of a Regional Operational Safety Coordination Centre, bringing together security services for passengers in the Paris region (police, transport operators) under the authority of the Paris chief of police.
- Passenger information campaigns and display of passenger rules in the transport operated by the Group.
- Employee awareness-raising with a module included in Rail Security employee training and an e-learning at Keolis.
- Regional and local partnership initiatives combining national and local police forces.
- Callpoints, emergency hotline and text number (3117 and 31177 available 24/7).
- 80,000 video surveillance cameras operating in Île-de-France transport.
- The extension of request stopping in night buses and set-up of “women only” areas in night trains
- Development of participative exploratory walks (Gares & Connexions, Keolis) to identify sensitive areas in transport.
- The creation of a management position responsible for combating sexist and sexual offences.

**PERSONAL DATA LEAKAGE (CUSTOMERS, EMPLOYEES, SERVICE PROVIDERS)****Dual lines of defence**

The safeguarding of personal data belonging to SNCF customers, employees, service providers and partners is based on:

Legal and organisational measures implemented by the network of Data Protection Officers, governed and supervised by the Group's Legal Department.

Technical and digital measures rolled out under the authority of the Cyber Security department.

In 2022, these two departments undertook numerous joint awareness-raising and training initiatives for all SNCF employees: e-learning modules, quizzes, test exercises, etc. These actions covered regulatory aspects (GDPR), vigilance and the cyber-reflexes to adopt on a daily basis.

The company also constantly monitors the rapid changes in the methods used to attack organisations in France and Europe, in line with external expert assessments and the French National Agency for the Security of Information Systems. Furthermore, SNCF's high-risk processing operations are subject to privacy impact assessments. Thanks to all these measures, which form part of the information systems security policy, there have been previously no serious repercussions following personal data leaks by either SNCF or its service providers.

Furthermore, the hiring of subcontractors to manage personal data is governed by a specific data protection agreement that seeks to guarantee the reliability of the Group's service providers.

**Main initiatives rolled out in 2022 and 2023 outlook**

Compliance indicators common to all Group companies were deployed to enable DPOs to have a global view of compliance, risk mapping, roadmaps, annual assessments, analysis reports, etc.

Furthermore, major compliance work was conducted on the Group's applications and websites in response to the

new recommendations of the CNIL (*Commission nationale informatique et liberté*) on cookies management.

In early February 2023, an e-learning on personal data protection called “RGPD Express” was deployed for all Group employees in order to limit risks and foster a data culture within Group.

– For more details, see the NFPS section 4.1.4.

**Note:** Since 2020, SNCF has commissioned an operational cybersecurity centre which collects, analyses and supervises attack alerts and weak signals. This veritable cyber control tower has significantly improved SNCF's ability to detect and deal with a cyber-attack.

**45,000** employees trained in cyber reflexes at the end of 2022.

**3.4 ENVIRONMENT****3.4.1 Environmental commitments****SNCF's contribution to society's resilience against ecological and climate risks**

All the services provided by SNCF to society and regions in France, Europe and worldwide help mitigate, to their own scale, global warming due to their energy efficiency and a limited ecological footprint compared to other means of transports. To retain these advantages, SNCF must ensure that its own activities, like those in connection with its suppliers, respect overall safety and the right of individuals to a healthy environment.

**A strengthened environmental policy in 2022**

The Environment policy formalised in 2022 based on the SNCF Safety policy forms part of the overall safety approach. Signed by the SNCF Chairman and the heads of four rail companies in July 2022, it bolsters the governance of environmental safety throughout the company.

**It is based on three Group values:**

- The commitment to the overall management of compliance and environmental risk control.
- Efficiency thanks to a continuous improvement approach, the organisation of means and progress measurement.
- Opening-up to internal and external stakeholders in complete transparency.

This policy seeks to respect and safeguard the environment and natural resources.

It also aims to enhance the environmental management of entities and improve the Group's environmental compliance. The establishments in charge of rail production and operation (industrial manufacturing and maintenance, construction, transport and sorting of hazardous goods, operation of thermal traction modes, use of new energies, etc.) play a leading role in controlling environmental impacts, directly and by controlling the impacts of suppliers and subcontractors involved in these activities.

**Environmental management**

To reduce environmental risks, roles and responsibilities are defined in internal guidelines for each Group company. Regulatory monitoring is organised, the ISO 14001 certification of industrial sites identified as most at risk is maintained and a self-assessment system for environmental performance is in force for the other sites. Environmental training schemes, adapted to the rail staff



and businesses of the seven Group companies, are also in place.

Furthermore, to improve the handling of environmental events, the reporting and monitoring of these incidents or near-incidents are included in the systematic analysis of events used for rail operation safety (remarkable safety events). This practice is being deployed across SNCF Réseau, SNCF Voyageurs and Fret SNCF.

– For more details, see NFPS sections 5.1 & 5.2

### Environmental policy: compliance tools

**FOCUS ON...** the SNCF Group

#### ENVIRONMENTAL MANAGEMENT WITHIN THE GROUP

Based on common standards, satisfying the requirements of the benchmark international standard ISO 14001, and an information system rolled out in the five SNCF companies, environmental risks are identified and analysed to meet production, and environmental management objectives and responsibilities are defined.

- As part of its general safety policy, **SNCF Voyageurs** rolled out in 2008 a triple QSE certification including the ISO 14001 certification of the environmental management system at all its industrial sites. The goal is to maintain this 100% level of certification, including for new sites.
- **SNCF Réseau** aims to have 100% of its establishments covered by an Environmental Management System labelled according to a specific benchmarking system by the end of 2025 and to maintain the ISO 14001 certification for its industrial sites.
- Since 2013, **Keolis** has been committed to ISO 14001 certification. At the end of 2021, 50% of Keolis SA's revenue was ISO 14001 certified. In order to further this strategy and help all its subsidiaries to progress in the environmental management of its activity, the Keolis group has set itself the objective of covering 80% of its revenue by 2030.
- **Geodis** had an environmental certification (ISO 14001) at 297 sites (32%) at the end of 2022.

### Management systems

A new environmental management information system ("the HSE Perform experts") is rolled out in SNCF entities. It is designed to obtain a global view of issues, risks and level of compliance and to manage them at regional, activity or SNCF company level.

This tool now supports the operation of the environmental management system in the entities. It is designed to manage environmental compliance and environmental risk management. It is used with PROGRESSEO, the monitoring tool of the "Tous SNCF" corporate project for the CSR pillar.

To make the operational management of entity environmental risk activities more efficient, internal documentation will be simplified in 2023, in line with the company's general safety PRISME programme (see point 3.2).

In 2023, this revamped environmental management system will be monitored in a steering committee facilitated by the DESTE at corporate level. It will define the long-term compliance directives and the related objectives to be rolled out for the scope of each SNCF company.

– For more details, see NFPS section 5.2

3.4.2 Summary of risks of serious harm to the environment

| Risk categories                                             | Risk descriptions                                                                                                                                                                                                                  | Possible causes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Potential consequences                                                                                                                  | Risk management systems implemented                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ENV1 - ACCIDENTAL DISCHARGES OF HAZARDOUS PRODUCTS OR WASTE | Accidental or chronic discharges by SNCF or one of its service providers of hazardous products or waste as part of its maintenance or operating industrial activities (rail and road transport, sorting and logistics activities). | <ul style="list-style-type: none"> <li>•Non-compliant management (transfers, processing, elimination) by SNCF or one of its service providers of hazardous waste generated by work sites (infrastructures or buildings).</li> <li>•Non-compliance of a Facility Classified for the Protection of the Environment.</li> <li>•Technical failure or error in the application of procedures caused by SNCF or one of its service providers (e.g.: fuel spills or lubricant leaks).</li> <li>•Disaster, accident or external event resulting in an accidental leak, discharge or spill.</li> <li>•Dilapidation of facilities at certain maintenance or operating industrial sites.</li> </ul> | Serious pollution of natural surroundings due to the accidental or chronic discharge of hazardous substances in the air, water or soil. | <ul style="list-style-type: none"> <li>•Coverage of all Group rail maintenance and operating activities by Environmental Management Systems (EMS). Railway industrial facilities and numerous Geodis and Keolis sites are ISO 14001 certified. Facilities Classified for the Protection of the Environment are regularly monitored for compliance.</li> <li>•Well-established and responsive "D+1/M+1" process for the handling of major environmental events.</li> <li>•Purchasing division specialising in the assessment of waste collection and processing contract clauses and monitoring of contract performance.</li> <li>•Documents required in the context of public contracts, specifying the organisation set up by service providers to control the risks of a site's impact and to comply with the Environmental Compliance Notice drawn up by the project owner (Organisational diagram of an Environmental Assurance plan, Waste Organisation and Management diagram).</li> <li>•"Clean sites, clean network" policy rolled out by SNCF Réseau in Ile-de-France, seeking to control and limit the impacts of engineering works on the environment (nuisances, noise, resource consumption, waste, pollution).</li> <li>•Investment programme for the renovation and bringing into compliance of industrial site water networks for the Group's five rail companies.</li> </ul> |

| Risk categories                                        | Risk descriptions                                                                                                                                                                              | Possible causes                                                                                                                                                                                                                                                       | Potential consequences                                                                                                                                                                                                                        | Risk management systems implemented                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>ENV2 - WATER RESOURCE OVERCONSUMPTION</b>           | Water resource overconsumption caused by certain industrial processes such as train cleaning.                                                                                                  | Dilapidated water networks at certain industrial sites (leaky networks). Dilapidated property.                                                                                                                                                                        | <ul style="list-style-type: none"> <li>•Difficulty in managing consumption due to leaks, resulting in a waste of resources.</li> <li>•Environmental non-compliance affecting a fire safety or health facility</li> </ul>                      | <ul style="list-style-type: none"> <li>•Renovation programme for the water networks of industrial sites operated by the Group's rail companies.</li> <li>•Policy to equip sites with new digital consumption monitoring tools.</li> <li>•Deployment of sub-meters with remote reading to limit leakage or overconsumption.</li> <li>•Closed circuit wastewater treatment facilities in certain technical centres.</li> </ul>                                                                                                                                                  |
| <b>ENV3 - GHG EMISSIONS AND ENERGY OVERCONSUMPTION</b> | Non-compliance with the greenhouse gas effect reduction pathway (CO <sub>2</sub> : -30% for transport and -50% for buildings between 2015 and 2030) due to an overconsumption of fossil fuels. | <ul style="list-style-type: none"> <li>•Complex industrialisation of low carbon mobility solutions.</li> <li>•Delay in implementing the tertiary decree.</li> <li>•Insufficient control of building energy consumption.</li> </ul>                                    | <ul style="list-style-type: none"> <li>•Increased contribution to global warming.</li> <li>•Non-compliance with Group commitments.</li> </ul>                                                                                                 | <ul style="list-style-type: none"> <li>•Reduction pathway adopted in all Group companies. Group energy conservation plan.</li> <li>•Securing of alternative energy projects (hydrogen, agro-fuels, etc.) and investments relating to the implementation of the tertiary decree.</li> <li>•Renewal of alternative energy road vehicle fleets (Geodis, Keolis, SNCF Réseau).</li> <li>•Deployment of meters on trains, eco-driving, eco-parking of passenger trains.</li> <li>•Decarbonisation of electricity (wind, photovoltaic), including renewable energy PPAs.</li> </ul> |
| <b>ENV4 - HARM TO BIODIVERSITY</b>                     | Track maintenance or renewal sites or rail network development projects with a local impact on biodiversity.                                                                                   | <ul style="list-style-type: none"> <li>•Technical engineering requirements (geography, geology, etc.) or regional arbitrations relating to line routing and new infrastructure projects.</li> <li>•Poor management of track vegetation control operations.</li> </ul> | <ul style="list-style-type: none"> <li>•Deterioration of ecological continuities.</li> <li>•Destruction of protected species habitats.</li> <li>•Complex roll-out of protection measures due to tightened controls by prefectures.</li> </ul> | <ul style="list-style-type: none"> <li>•Integration of biodiversity in SNCF Réseau project design, performance and operating phases and everyday renewal or maintenance projects.</li> <li>•Removal of glyphosate since the end of 2021 pursuant to SNCF's commitments and roll-out of an alternative vegetation control policy.</li> </ul>                                                                                                                                                                                                                                   |

**3.4.3 Action programmes and plans**

**ACCIDENTAL DISCHARGES OF HAZARDOUS PRODUCTS OR WASTE**

**Hazardous product spillages in water networks**

SNCF Voyageurs (Equipment Technical centres) rolling stock maintenance sites, particularly concerned by these risks, have all had an ISO 14 001 environmental management system for over 15 years. Accordingly, they implement ongoing measures to prevent and mitigate these risks, drawing on four separate but complementary thrusts:

- **PREVENTION** is based on specific principles and procedures, supported by special technical mechanisms (filter systems, wastewater treatment facilities, network valves, etc.), with particular focus on their regular maintenance mainly by closely monitoring the service providers who operate these facilities.
- **MONITORING** involves the regulatory compliance of operated facilities and compliance of industrial water discharges in wastewater treatment networks. The search for hazardous substance discharges and their reduction result in regular verifications to ensure compliance and specific micropollutant identification campaigns.

- **FEEDBACK** structured around a systematic analysis of events or accidents, based on operating excellence principles ("D+1" and "M+1" approaches) helps to integrate prevention and remediation processes in continued improvement trajectories.

- **INVESTMENTS** in wastewater treatment network renovation also contribute to enhancing the performance of all the technical mechanisms and procedures implemented (see the following point on the CEPIA programme).

**Management of hazardous waste**

The hazardous waste generated by activities is recovered or eliminated through service contracts or agreements managed by a dedicated division of the SNCF Purchasing Department for the five rail companies. This covers:

- "Framework agreements" with service providers which are certified to treat asbestos waste, medical waste, chemicals, etc.

- Agreements with eco-organisations<sup>12</sup> to manage the end of life of batteries, electrical and electronic equipment, lamps, etc.

Since 1 January 2022 (decree of 25 March 2021), hazardous waste monitoring sheets are now paperless. The new SNCF environmental management tool, “the HSE Perform experts”, deployed across the Group (see point 3.4.1), comprises a specific module that meets these new requirements. It helps improve site waste management in particular.

#### FOCUS ON ... SNCF GREEN SITE CHARTER UPDATED IN 2022

Risks relating to railway and building works should be identified and managed in compliance with environmental and health protection regulations and practices (staff and local residents).

The charter specifies the requirements to be met by all those involved in sites during engineering works, namely:

- Noise, vibratory, light, etc. pollution
- Air, water or soil discharges that may generate pollution.
- Storage of hazardous materials, products and waste.
- Harm to biodiversity, etc.

For waste management, the charter provides for:

- Completion of an analysis prior to the work.
- Selective removal and sorting of waste
- Ban on abandoning waste, etc.

## WATER RESOURCE OVERCONSUMPTION

### Water network compliance work

CEPIA (Conformite Eaux Pluviales Incendie & Assainissement) is a programme to renovate and bring into compliance the water networks of SNCF industrial sites. Certain sites, which are over 100 years old, have undergone extensive transformations in terms of activity, construction and land and their water networks must be upgraded.

This programme covers major environmental (consumption management, discharge of industrial wastewater), safety (fire systems), sanitary (water quality) and compliance issues requiring substantial investment that is expected to continue over several years. This major programme, rolled out since 2007, should be completed in 2032. It represents an overall budget of approximately €230 million, with a prioritisation of the sites technically most at risk. Since 2007, more than €75 million has already been spent on this programme.

### The 2021-2030 “water” plan

A national water management policy was rolled out for 2016-2020 covering all SNCF activities. A second plan is being finalised for 2021-2030.

Overall, for the Group’s five rail companies, the consumption of 360 industrial, commercial or tertiary sites represent 5.10 million m<sup>3</sup> of drinking water for an invoice of €25.5 million. Based on this budget, the potential savings generated by leakage is estimated at €3 million. At the end of 2022, 55 sites were committed to reducing their water consumption.

## The 2021-2030 plan focuses on two macro-objectives...

- Reduced usage, to ensure compliance, asset simplification and economic performance, to make SNCF a responsible player with regard to water in the regions.
- Management of water usage to ensure consumption that meets actual production requirements by 2030.

### ...and is based on four thrusts:

- Control over water consumption and sustainable water management thanks to the deployment of remote reading and alert mechanisms (in line with suppliers), ensuring improved responsiveness to deal with leaks.
- Maintaining water quality by effectively preventing accidental pollution risks.
- Design of fixtures and fittings and projects intended to improve rainwater management, while limiting water cycle disruptions.
- Improved knowledge of networks and scheduling of network renovation and compliance work, in cooperation with water agencies (CEPIA programme).

– For more details, see NFPS section 5.9

## CO<sub>2</sub> EMISSION AND ENERGY OVERCONSUMPTION

### C02e emission reduction trajectory: maintain energy conservation

The train and other means of transport with major capacities operated by the SNCF Group are efficient from an environmental viewpoint, with low external costs in terms of CO<sub>2</sub> emissions, air pollution, noise exposure or accidents. Nevertheless, SNCF intends to make its model even more virtuous for its customers and employees. It is committed to reducing its C02e emissions by 2030 to:

- Less than 30% for its transport activities
- Less than 50% for its real estate activities compared to 2015.

Accordingly, it seeks to reduce its energy consumption, by boosting its use efficiency and leveraging new energy with a lower carbon content, improved train fill rates and a steady improvement in the design and use of rolling stock and buildings. Its action plan, supplemented by responsible digital measures, forms part of the National Low Carbon Strategy and contributes to helping the French State combat climate change. The Group therefore publishes a carbon pathway report for its activities in France each year.

### SNCF also undertakes to save an additional 10% in energy as part of the 2022 government energy conservation plan.

With its commitments, the company supports the decision of Conseil d’État of 22 September 2022, establishing “the right for each individual to live in a balanced and healthy environment”.

<sup>12</sup> Private company tasked by public authorities to manage the end-of-life of marketed equipment in connection with Extended Producer Responsibility.



**FOCUS ON... SNCF Énergie****A NEW CONTRACT FOR PHOTOVOLTAIC POWERED TRAINS**

In November 2022, SNCF Énergie, a subsidiary of SNCF Voyageurs, signed a very long-term direct renewable electricity contract with the photovoltaic energy producer REDEN. This corporate power purchase agreement (PPA) between a producer and a consumer group provides for the construction of four photovoltaic plants with a total capacity of 146 MW that will produce 207 GWh per year by 2025-2026. This is equivalent to 3.6% of the energy needed to run SNCF Voyageurs trains.

With the signature of this corporate PPA, SNCF has adopted a proactive energy transition and rail transport development policy. SNCF Voyageurs therefore plans to use between 40 to 50% of renewable energies in its electricity consumption mix when running trains by 2026. Since 2018, SNCF has already signed 12 agreements of this type.

– For more details, see NFPS sections 5.3, 5.4 & 9

**CO<sub>2</sub> EMISSION AND ENERGY OVERCONSUMPTION - BUILDINGS****Compliance with the tertiary decree**

A renovation investment programme An investment programme for the energy renovation of buildings was initiated in 2020 to respond to the implementation of the “tertiary decree” within the scope of the five rail companies. This decree plans for the reduction by 40% of energy consumption in buildings by 2030 and by 50% of CO<sub>2</sub> emissions relating to energy consumption in buildings compared to 2015.

The tightening of legislation on energy consumption in buildings brought about by the tertiary decree mostly concerns SNCF buildings: offices, warehouses, industrial and maintenance technical centres, stations, etc. For the 2nd largest property owner in France after the State, this represents a considerable effort, especially since the property is often old.

**Investment and energy conservation plan**

At the end of 2022, the company, via SNCF Immobilier and SNCF Gares & Connexions, satisfied its reporting requirements in the ADEME OPERAT<sup>13</sup> database and launched its investment and energy conservation plan. Several projects have already been completed. For example: multiple heating oil boilers replaced by solutions with less carbon content such as heating pumps or connection to municipal heating for certain technical centres, isolation work, etc. At the end of 2022, SNCF also rolled out savings measures contributing to the governmental energy conservation plan by adjusting lighting and heating, etc.

**€430 million in investments** are needed to achieve the goals set by the tertiary decree for the period 2021-2030.

**FOCUS ON... SNCF Immobilier****NEW SOLAR FARMS PLANNED**

SNCF Immobilier is also working with SNCF Réseau to develop solar farms on SNCF land that is no longer used for railway operations and whose location does not allow the creation of ecodistricts or housing. At the end of 2022, there was around fifty hectares of solar farms, including 75% already in operation. Since 2011, SNCF has therefore helped develop solar power of 100 MWc. Other photovoltaic plants will be installed in the months and years to come on unused SNCF land such as in Saint-Mars la Brière (72) or Nouvion sur Meuse (08).

– For more details, see NFPS section 5.5

**HARM TO BIODIVERSITY****Avoid, reduce, compensate and promote**

A civic company that is in close relation with regions, SNCF, with its 28,000 km of lines, 3,000 stations, its industrial and maintenance sites, is in direct interaction with a multitude of ecosystems.

To reduce the risks of harm to biodiversity, SNCF applies the “avoid, reduce, compensate” approach in its development and upgrade projects (network and buildings) based on preliminary studies and consultations with field experts. The company strives to avoid the most sensitive natural surroundings, reducing impacts as much as possible. Where applicable, compensatory measures are implemented over the long term.

To maintain train tracks and their approaches (paths), SNCF Réseau uses phytosanitary products to meet safety requirements regarding traffic, personnel, passengers and emergency services and guarantee punctuality. Since the end of 2021, pursuant to its voluntary commitment, the company no longer uses glyphosate, replaced by alternative biocontrol solutions. It also develops a programme to eliminate synthetic plant protection products. Accordingly, it is testing systems such as the installation of anti-vegetation mats under tracks or selective planting with a mix of species that are less invasive.

Furthermore, trains and other weeders now include GPS and vegetation detection devices designed to eliminate the spraying of plant protection products in protected areas so as to only treat what is absolutely necessary. The percentage surface area not treated thanks to these devices increased from 6% in 2019 to 30% at the end of 2022.

SNCF Réseau is also committed to a programme to restore waterway ecological continuities. This work is based on an analysis of all rail network engineering structures which interfere with a waterway (over 700 engineering structures are concerned).

**4** times less plant protection products used in 20 years.

<sup>13</sup> Observatoire de la performance énergétique, de la Rénovation et des Actions du Tertiaire: platform that collects and monitors tertiary sector energy consumption.

**Note:** These actions form part of the commitments undertaken by SNCF under the Act4Nature initiative launched in 2018 by EPE (Entreprises pour l'Environnement), in partnership with government authorities, the scientific community and various NGOs. This concerns rail property, development projects or relations with stakeholders (partnerships with biodiversity players, research programmes, etc.). The company renewed its commitments in 2021 in the international context of "Act4nature international" and Transport4Nature.

Aim: carry out concrete and measurable actions to limit the footprint of its activities on biodiversity.

## 4. REGULAR ASSESSMENTS OF THE SITUATION OF SUBSIDIARIES, SUBCONTRACTORS AND SUPPLIERS WITH REGARD TO RISKS

### 4.1 SNCF GROUP RISK MANAGEMENT

#### Three lines of defence: operational, functional, audit

The general organisation of the Group's risk management and internal control is based on a governance model founded on three lines of defence:

- The operational management of the entities (1st line) defines and implements a control system for the processes for which it is responsible.
- The companies' functional departments (2nd line) provide support and guidance to the operational departments.
- Internal audit (3rd line) provides an independent assessment of the level of risk control and the robustness of internal control.

Each of the companies is responsible for the risk management and internal control within its scope, including its subsidiaries.

Risk management is led and steered by the Risk Management Department, part of the Risk, Audit, Safety and Security Department (DRASS).

Internal control is led and steered by the Group Accounting and Internal Control Department, an entity of the Group's Finance Department.

The Group's Internal Audit Department also coordinates its action with the Group's other assurance and control functions, risk management, internal control, ethics and compliance, as well as with the Social, Territorial and Environmental Commitment Department (DESTE).

#### Assessment methodology for duty of care risks

The methodology used to draw up the vigilance plan is based on that used for the mapping of the Group's own risks. It is organised around four stages:

- The identification of risks in each company through collaborative workshops and interviews in order to determine the universe of risks, contextualise them in the activities, and identify the existing control mechanisms to deal with the risk.
- Risk assessment using specific scales to assess the impact, likelihood and scope for improvement in controlling these risks, in order to obtain a prioritized view according to their criticality.
- The definition of guidelines and action plans to improve risk management, accompanied by a system for monitoring the progress of these action plans.
- A regular risk review to verify the deployment of action plans and ensure their effectiveness, punctuated by an annual update of the vigilance plan mapping.

– For more details, see management report section 3

## 4.2 ASSESSMENT METHODOLOGY FOR DUTY OF CARE RISKS

### Analysis of the most critical risks

In accordance with the expectations of the law on the duty of care, the scope of which covers "serious harm", only the risks deemed to be the most critical are analysed in the vigilance plan.

In order to define the concept of serious harm within the meaning of the law, SNCF focuses its analysis on risks likely to have irreversible or harmful and lasting consequences for third parties, its employees or the environment.

Specific scales for assessing the criticality and probability of occurrence of these risks have been defined, in line with the Group's risk management methodology.

The assessment takes into account the risk prevention and mitigation measures already in place, which can be further strengthened if necessary.

The improvement of risk management is based on two levers:

- Action plans likely to act directly on the causes of the risk or to mitigate its effects.
- Internal control systems integrated into the Group's processes, businesses and activities.

#### The update of risk mapping in the vigilance plan

Duty of care risks, which are addressed in the vigilance plan, are mapped for each Group company and a selection of their subsidiaries assessed as being most at risk.

As from 2023, each of these entities will be responsible for updating its "vigilance" risks annually using the risk management tool common to the Group as a whole, administered by the Risk, Audit, Safety and Security Department.

The risks of these entities are consolidated to draw up an overall mapping of the Group's vigilance risks and list the main related action plans and control measures.

The covered scope may be extended to new subsidiaries, according to the results of in-depth analyses or new risk situations which could be detected by the three lines of defence: operational, internal control, internal and external audits or by reporting from employees or third parties.

Based on the Group's risk information and management system, the information from the various risk maps (major risks, corruption risks, duty of care risks, etc.) is shared and leveraged to highlight potential risks that are less discernible than when they are analysed separately.

## 4.3 ENHANCED SUPPLIER ASSESSMENT

### SNCF Group purchasing CSR policy

Its implementation is based on four pillars:

- The identification of the most high-risk purchasing families according to a third-party risk and CSR performance expert methodology (see "Insight" below).
- Suppliers' commitment to respect the SNCF Group's "Supplier Relations and CSR Charter".
- A procedure for assessing third-party suppliers based on the use of open sources and questionnaires throughout the life of the contract.
- Reliance on supplier audits.

These principles are applicable to all SNCF Group entities, which roll them out within their scope according to the

procedures relating to their organisation, businesses and markets.

### Roll-out of the third-party assessment procedure

Based on a common framework, the Group's five rail companies finalise operational processes in accordance with their third-party assessment procedure.

Keolis and Geodis have already rolled out their assessment procedure (updated in 2020) across their subsidiaries.

For all Group companies, the scope of this procedure is still limited to corruption risks. It will be gradually extended in 2023 to duty of care risks.

These measures will be undertaken in line with the deployment of a new third-party assessment tool also covering the entire CSR field.

At the end of 2023, the aim is that all Group companies have a third-party assessment procedure validated by their Executive Committee, deployed across their scope (including tier 3 suppliers), and covering the "Sapin 2" and the "Duty of care" laws.

Regarding the roll-out of third-party assessment procedures in the rail companies and their subsidiaries, Group-wide internal control will also be strengthened in 2023, and the annual audit plan will include and assess the implementation of these changes.

**Note:** to assess its supplier base (around 100,000 contracts in 2022), Geodis will deploy its own tool in 2023-2024. It will integrate social, environmental and ethics aspects.

**58.6%** this is the volume of SNCF expenses contractualised at end of 2022, taking into account CSR criteria for up to 20% of the rating in its contract allocation process. In 2021, this rate stood at 36%.

– For more details, see NFPS section 7.2

### The four pillars of the Group's purchasing policy

#### PILLAR 1 / Purchasing CSR risk maps

The purchasing CSR risk maps, drawn up by the Group companies' Purchasing departments using the EcoVadis methodology, identify a few at-risk major purchasing families (see insert opposite).

Several CSR criteria can be integrated at different stages of the contracting process with suppliers:

- In specifications
- In the selection of candidates
- In the scoring of tenders
- In contract performance clauses.

Requirements vis-a-vis suppliers are defined with respect to challenges and opportunities specific to at-risk purchasing families, and take into account supplier CSR performance.

The SNCF has set itself the rule of systematically taking into account CSR criteria for 20% of the score when awarding its contracts. In 2021, this rating covered 36% of contractualised expenses. At the end of December 2022, this indicator stood at 58.6%.

#### PILLAR 2 / Commitment of suppliers and service providers

Since 2012, the three main centralised SNCF purchasing departments (Group, SNCF Voyageurs Equipment and SNCF Réseau) have been awarded the "Responsible

Purchasing" label and request that their suppliers comply with the "Supplier relations and CSR Charter".

By adhering to this charter (which is an integral part of the contractual documents), the SNCF Group asks all its suppliers and service providers to commit to respecting the Group's ethical, safety and environmental values and ensure that they are complied with by their subcontractors. This covers the standards of international conventions throughout the supply chain, in particular in countries that are not signatories to the International Labour Organisation (ILO) conventions where they may be required to work.

Suppliers are especially asked to report their workplace accident frequency rate. A monthly "Supplier Accident" report is drawn up to ensure continuous improvement by companies in terms of safety.

### INSIGHT

#### The main purchasing families that are at risk for the Group

##### Engineering works

- Development of stations, tracks and infrastructures
- Building construction, renovation and maintenance

##### Energy

- Electricity and traction fuels, gas, etc.

##### Industrial supplies

- Electrical line power supply equipment, batteries, metals, wood, etc.

##### Labour services

- Road transport, freight forwarders, etc.
- Nomadic services (security, cleaning, temps, etc.)

The Group encourages suppliers to implement:

- Appropriate risk management systems (Environmental Management System, Project Management System, Quality and Safety, etc.).
- A policy to prevent and control the environmental risks and impacts of their activities.
- Any useful initiative with regard to the circular economy, reduction of greenhouse gas emissions, environmental protection and preservation of biodiversity.

#### PILLAR 3 / Third-party assessment procedure

A regular assessment of third parties, suppliers, service providers and subcontractors with which SNCF Group has a long-standing business relationship is organised by gathering information. The aim is to identify and assess over the term of the contract any risks that may result from forging (or pursuing) a business relationship with suppliers that meet the at-risk purchasing family criteria.

These assessments are made before the relationship is formally entered into and are updated periodically during the course of the relationship, or if events occur which are likely to impact the risk level of the third party.

The assessment is based on a classification of third parties according to different risk profiles (minor/low or medium/high). Each profile requires the implementation of specific risk prevention actions with, depending on the case, recourse to the compliance department of the Group entity concerned.

- Third parties classified as medium risk are subject to a simplified assessment.



- A more in-depth assessment is carried out for those identified as high risk.

**Note:** A third party not belonging to a particular risk category may be subject to an in-depth assessment in the event of an alert or conviction.

**Certain categories of third parties are subject to enhanced vigilance** in the areas of environment, safety, workers' health or fundamental rights, but also corruption:

- Intermediaries
- Companies that have been sanctioned by a European authority for infringements.
- Third parties operating in a country with a Corruption Perception Index (CPI) greater than or equal to 30.

The assessment of suppliers, service providers and subcontractors is based on information systems (IS) and databases specific to the Group Purchasing Departments. A new IS tool will be implemented in 2023.

**The control of the assessment process is based on three levels:**

- Operational staff, who carry out the assessments.
- Compliance officers or other designated officers (independent of the operational staff) who check that the controls are properly carried out by the operational staff,
- Internal audit, ensuring that the third-party assessment system complies with SNCF Group requirements and that it is effectively implemented and maintained. A dedicated audit will be included in the 2023-2024 audit plan.

#### **PILLAR 4 / Supplier audit policy**

Suppliers and service providers can be directly asked to demonstrate the proper implementation of the Supplier Relations and CSR Charter. To this end, the SNCF reserves the right to carry out or have a third-party company carry out audits relating to the duty of care and the fight against corruption during the performance of the contract, including, where applicable, on the contractor's assembly site or in the subcontracting chain.

Contracts provide for corrective measures if charter requirements are not met. They can go as far as excluding the supplier from public purchasing procedures. The Group also encourages its suppliers to have their CSR performance regularly assessed by an independent third party.

Furthermore, products and services purchased, which may involve personal safety, are also assessed using strict quality/safety criteria, if necessary by means of a specific division of auditors within the SNCF centralised Purchasing Departments, authorised to perform specific audits.

SNCF makes further investigations and seeks the opinion of the Compliance department if the contract bidder:

- Is a supplier set up or operating in at-risk countries.
- Has received convictions or prosecutions in the last five years.
- Has been subject to economic or financial sanctions of the company, its beneficiaries or subsidiaries, as natural persons or legal entities.

#### **A proactive policy of on-site supplier "social" audits**

In services and labour contracts, a series of audits of this type was launched at the end of 2022 by the Group's companies in France and abroad (results in early 2023). The Group seeks to integrate these measures in a continuous improvement trajectory to manage relations with its suppliers. The SNCF Group will pursue this policy with its suppliers, service providers and subcontractors by specifying the inclusion of these measures in its purchasing procedures:

- Possible audits for suppliers classified as high risk upstream from the commercial relationship
- Audits during the contract for suppliers or subcontractors belonging to a family at risk or operating in a country at risk or in the event of a potential or actual breach.
- Audit following a report or an alert received from one of the Group's companies.

These measures are based on a complete overhaul of clauses conducted in 2022 by the Group Compliance department in cooperation with the Group Purchasing department. It mainly includes standard compliance clauses on the duty of care that are used for audits during the performance of the contract.

## **5. INCIDENT REPORTING COLLECTION AND ALERT MECHANISM**

### **5.1 IN 2022, THE GROUP SET UP A NEW INCIDENT REPORTING PLATFORM**

**An outsourced platform for receiving alerts at Group level, accessible to employees and third parties**

The multiple alert channels existing from 2011 to 2021 were combined into a single platform for the collection of incident reporting, accessible to all Group employees and third parties. It was gradually deployed in 2022 to cover all Group companies in France and foreign subsidiaries from the first quarter of 2023. The platform has also been accessible to external stakeholders from the SNCF corporate site since the end of 2022 and available in 12 languages<sup>14</sup> since the end of January 2023.

The new scheme takes into account the requirements of compliance with the duty of care law and the adopted national laws transposed from Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of European Union law. On 1 September 2022, the Law of 21 March 2022, the "Waserman Law" entered into force, transposing this EU directive and also strengthening the protection of whistleblowers introduced by the "Sapin II" law. Considering the application decree of 3 October 2022 and the access to the Group platform, incident reporting collection, allocation and processing procedures will be updated in 2023, after consultation with the IRPs in France.

#### **Ethics, societal and economic issues**

With the set-up of this platform, the aim is to combat fraud, corruption or any other reprehensible practice and reduce the risks of such acts, which are detrimental to the interests and reputation of a public company and its stakeholders.

#### **Guaranteed availability and anonymity**

The Group seeks to encourage and facilitate whistleblowing through a system known to all both

<sup>14</sup> French, English, German, Dutch, Italian, Spanish, Romanian, Polish, Czech, Vietnamese, Chinese.



internally and externally. This platform, which simplifies and guides the procedures for employees and third parties in all the Group’s subsidiaries in France and abroad, is accessible at any time: [www.alerteethiquesncf.com](http://www.alerteethiquesncf.com)

The Group’s highly secure whistleblowing system aims to reassure whistleblowers of the impartiality and neutrality of their treatment (the need for trust and the protection of whistleblowers against the risk of reprisals). To strengthen the protection of whistleblowers and guarantee their anonymity, the Group decided to outsource incident reporting collection management to a European service provider. To meet these requirements, this new platform was from its launch promoted several times on the company’s appropriate channels.

In addition, note that the Group Ethics Department (mandated by five rail companies) and the Keolis and Geodis subsidiaries retain their autonomy to qualify and process alerts received via the platform concerning their respective scopes.

**81%** of employees feel that a reported incident relating to a case of discrimination would be taken into consideration by the Group.

Source: 2022 internal survey of the quality of life in the workplace

**FOCUS ON... Geodis**

**ROLL-OUT OF THE WHISTLEBLOWING PLATFORM AVAILABLE IN 35 LANGUAGES**

To develop its activities with integrity and guarantee a favourable working environment for its employees, Geodis provided its personnel and partners with a professional whistleblowing system. A legal requirement in many countries, this is a key component of the ethics and compliance programme. In 2022, the logistics and transport subsidiary benefited from the new SNCF Group whistleblowing platform to further boost the system’s visibility. Tailored to Geodis’ features and accessible worldwide, the platform is available in 35 languages. The communication campaign launched in early October 2022 included:

- An e-mail sent to all employees together with an explanatory computer graphic.
- A poster by country, in common languages, available on the Compliance department’s intranet and visible in each site with details on the system and how to access it: <https://geodis.com/w-fr/decouvrir-geodis/ethique-et-compliance>

This system is also mentioned in the Suppliers Code of Conduct.

**5.2 INITIAL FEEDBACK ON THE NEW WHISTLEBLOWING PLATFORM**

**The platform is a non-exclusive open channel**

Its decentralised implementation now provides a Group consolidated vision and it covers the full scope of the

seven Group companies (Keolis, Geodis, the five companies in the railway scope).

The platform still supplements managerial measures, leaving the possibility of whistleblowing by:

- the hierarchy
- human resources
- a trade union organisation

any other internal or external specific body (management, labour medical office, labour inspectorate, specialised associations, defender of rights, etc.).

The Group Ethics Department reports annually on all reports received and processed through all channels open to employees and third parties. To achieve this, it uses consolidated indicators and dashboards to inform senior management and stakeholders about strong trends and weak signals by entity or issue type.

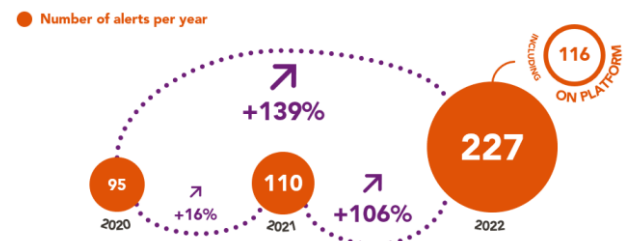
**The whistleblowing platform is open to all third parties** for matters covered by the duty of care, particularly human rights. Its terms and conditions of use comply with the application decree of the “Waserman law” (2022-1284 of 3 October 2022) on procedures for collecting and processing reported incidents by whistleblowers.

To facilitate whistleblowing across the SNCF Group geographical scope, the site is available in 12 languages and accessible 24h/7.

**A ramp-up of the new platform**

Due to the gradual roll-out of Group companies in 2022, traditional whistleblowing channels remained predominant during the first six months of the year, but the new platform is being increasingly used by employees as more than 50% of alerts in 2022 were received over this platform.

Change in the number of alerts received in 2022 at corporate level by the Group’s Ethics Department (\*)



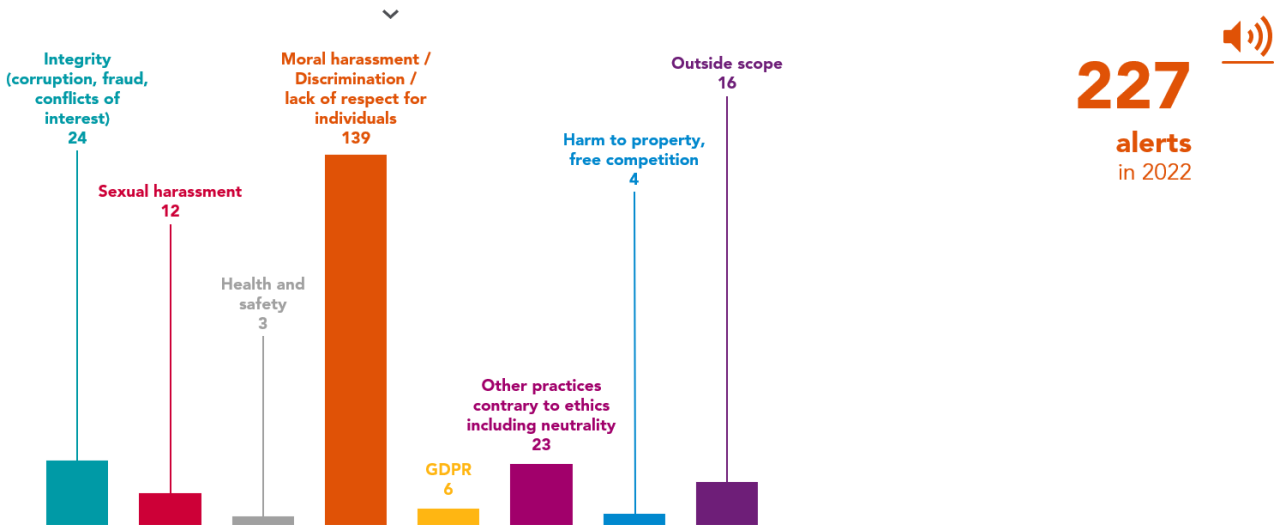
(\*) Alerts in line with supplier relations are also processed accordingly.

Over **50%** of employees are familiar with the Group’s new ethics whistleblowing system.

Source: 2022 internal survey of the quality of life in the workplace

### 5.3 THE TYPE OF WHISTLEBLOWING ISSUES

Number of GED ALERTS by theme in 2022



**Note:** Two out of three alerts received by the Group Ethics Department in 2022 involved human capital allegations (moral or sexual harassment, discrimination, lack of respect for individuals).

With a 5.4% average, the portion of SNCF employees who stated that they had observed disrespectful or discriminatory conduct was nearly three times lower than the average for French employees.

Source: 2022 internal survey of the quality of life in the workplace

- Training of executives in assessing human rights impacts

7 priority actions undertaken in 2022, which will be expanded in 2023

## 6. MONITORING OF THE MEASURES IMPLEMENTED AND ASSESSMENT OF THEIR EFFECTIVENESS

### 6.1 STRUCTURING OF ACTION PLAN MANAGEMENT

#### Monitoring of action plans

Actions are monitored according to defined objectives and key performance indicators during regular reviews with the Group’s main functional and support departments.

#### Feedback on the work carried out in each year

The work under the vigilance plan forms part of a continuous improvement process implemented from one year to the next with Group company “duty of care” officers. The aim is to integrate vigilance plan management and collectively draw up the priority action programme for the forthcoming year.

This approach also seeks to improve the consistency, overlap and simplify the various risk mapping processes within the Group - “major” risks of the seven main companies, corruption risks and non-financial risks, etc. -, using the Group risk management and information system rolled out in 2022.

#### Sharing good practices

Through its membership of the “Entreprise pour les Droits de l’Homme” association in 2021, SNCF can share best practices with other major French groups to ensure that human rights are taken into account at the SNCF Group level. In 2022:

- Participation in a working group on human rights indicators.

### 6.2 REPORT ON 2022 VIGILANCE PLAN PRIORITY ACTIONS

#### Several major priorities defined in the 2022 vigilance plan

In 2021, the primary goal of these actions was to improve the knowledge and consideration of duty of care risks within the Group, particular human rights risks.

These actions, which form part of a long-term improvement process, were all implemented in 2022. Five out of the seven achieved the set objectives and were incorporated into entity operations. Their roll-out will continue in forthcoming years. Actions 4 and 5 will be continued and expanded in 2023.

#### A look back at the implementation of these seven actions:

##### ACTION 1 / Support the harmonisation of the various existing risk maps within the Group

A new Group risk management information system (“Risk Factory”) was set up in 2022. The work conducted with the Group risk management department helped define the framework and principles to incorporate the monitoring and updating of duty of care risk mapping into this tool in 2023. Pursuant to the objectives set out in the previous vigilance plan, duty of care risk maps, such as those for “major” risks, will be updated directly in the new tool by the Group’s seven companies and some of their subsidiaries. Corruption risk mapping, also incorporated into Risk Factory, is also used to supplement duty of care analyses. These new risk management methods therefore help organise the harmonisation of the Group’s various risk maps.

##### ACTION 2 / Structure the reporting of risk analyses from the subsidiaries of the main Group companies

In 2022, the subsidiaries of the Group’s seven companies were questioned about the risks they face. Based on the collected analyses, around twenty subsidiaries deemed “at

risk” with regard to duty of care will be regularly monitored in Risk Factory as from 2023. They will be directly responsible for the management and updating of the risks in their scope. The panel of subsidiaries selected under this system may be extended to take into account possible in-depth work and analyses in 2023 and beyond.

**ACTION 3 / Enhance the internal control and internal audit checkpoints of Group companies and subsidiaries**

The assessment of internal control grids and internal audit work programmes with regard to duty of care issues strengthened the audit and internal control of duty of care risk management mechanisms. Specific checkpoints and their implementation framework were defined for three duty of care risk areas. Control and audit grids were adapted and will be applied in 2023 to the scope of the Group’s seven companies and around twenty of their subsidiaries selected with regard to duty of care. These grids may be updated in forthcoming years.

**ACTION 4 / Adapt the annual internal audit plan of entities/subsidiaries to ensure the proper implementation of the third-party assessment procedure**

In 2022, the five rail companies all finalised their third-party assessment procedure. Geodis and Keolis already have such procedures that were updated in 2020.

At Group level, the scope of these procedures which were initially set up to meet the requirements of the Sapin 2 law with regard to anti-corruption will be gradually extended to duty of care risks in 2023 (at the end of 2022, only SNCF Voyageurs already included the “duty of care” aspect in its third-party/supplier assessment procedure ). This extension will involve the deployment of a new third-party assessment tool covering integrity and corporate social responsibility (CSR) as well as national and international regulations on sanctions and anti-money laundering and anti-terrorism. As the roll-out of this new tool has been delayed, action 4 which seeks to incorporate specific checkpoints into the third-party assessment procedure was renewed this year.

In 2023, the seven Group companies will have to validate and roll out their third-party assessment procedure, extended to the scope of duty of care, to their subsidiaries, and initially to those which are most exposed to corruption and duty of care risks. The seven companies should also regularly check that these procedures are effectively rolled out by their subsidiaries through internal control.

The progress and efficiency of this roll-out will also be measured thanks to:

- The compliance component of the entity/subsidiary audits planned in 2023.
- A specific audit included in the 2023-2024 Group audit plan.

**ACTION 5 / Define a multi-year trajectory of supplier audits in the most high-risk countries and purchasing families**

At the end of 2022, several Group companies launched a series of on-site supplier “social” audits, with a particular focus on labour service contracts (security, cleaning, temporary staff, offshore call centres, worksites, etc.). Around ten suppliers and supplier subcontractors were therefore audited, highlighting the need to continue and establish these types of approach in the Group’s companies and subsidiaries. The supplier assessment

procedures (mentioned in point 4 above) will include these audits while specifying their implementation framework.

This action, which still needs to be adjusted and closely monitored, will be continued in 2023.

**ACTION 6 / Complete the panel of specific indicators dedicated to duty of care risk management**

A search for more operational and harmonised indicators for Group companies was initiated in 2022 for the “suppliers” and “environment” components to complete the vigilance plan management system (see point 6.3). This panel of indicators will be further consolidated and enhanced in cooperation with the seven Group companies.

**ACTION 7 / Roll out the “human” programme (called “SNCF & moi” at the end of 2021)**

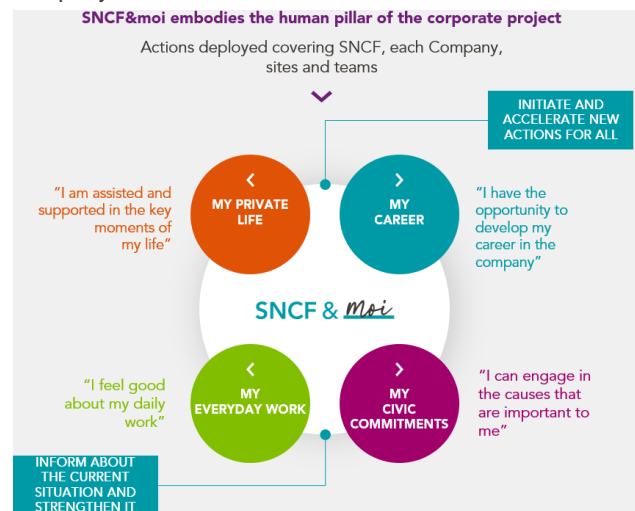
Launched at the end of 2021 by the SNCF CEO, the “SNCF & moi” programme seeks to develop the commitment, satisfaction and well-being at work of the employees of the five rail companies. It structures and fosters the “Employee commitment and satisfaction” pillar of the “Tous SNCF” corporate project, while benefiting from the “Tous SNCF” strategy which is rolled out in all Group entity teams.

Objective: strengthen existing HR measures and launch new measures based on the four dimensions of an employee’s life:

- “My private life”: to support and protect it
- “My daily work”: to propose a thriving work environment
- “My career”: to provide recognition, fairness and prospects
- “My civic commitments”: to promote civic and community life

Specific governance at the level of the chairmen of the railway companies was set up in January 2022 to monitor the progress of this support programme, destined to be deployed in all SNCF entity teams. The ambitions of the programme are also shared with the representative trade unions.

In 2022, over 16,000 employees were asked about the projects to be addressed in priority under this programme. Following this consultation, an overall roadmap structured around the first 26 actions will be rolled out by each Group company in 2023.



– For more details, see NFPS section 8.1

### 6.3 KEY CHALLENGES AND DATA FOR THE THREE RISK AREAS

| Challenges                      | Indicators                                                                                | 2022 | 2021 | 2020                    | Challenges                                                                                                                      | Indicators                                                                       | 2022                         | 2021  | 2020  |
|---------------------------------|-------------------------------------------------------------------------------------------|------|------|-------------------------|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------|-------|-------|
| <b>SSP1 - CLIMATE RISKS</b>     | RSE with climate-related cause *                                                          | 1    | 12   | 9                       | <b>SSP3 - SAFETY OF INDIVIDUALS</b>                                                                                             | Serious accident of an individual * following intrusion on the premises          | 71                           | 42    | 40    |
|                                 | RSE (5 rail companies)                                                                    | 143  | 158  | 184                     |                                                                                                                                 | Serious assaults on individuals (customers and employees) in trains and stations | 5,705                        | 6,070 | 4,939 |
| <b>SSP2 - OPERATING SAFETY</b>  | Serious rail accidents *                                                                  | 1    | 3    | 1                       |                                                                                                                                 | Serious accidents at railway level crossings *                                   | 12                           | 17    | 12    |
|                                 | Millions of train.kms 2021 *                                                              | 468  | 430  | ns                      |                                                                                                                                 | <b>SSP4 - WORK-RELATED HEALTH AND SAFETY</b>                                     | Frequency rate (5 companies) | 14.6  | 15.5  |
|                                 | Serious accidents at railway level crossings *                                            | 12   | 17   | 12                      | Frequency rate (Keolis)                                                                                                         |                                                                                  | 23.7                         | 27.5  | 23.1  |
|                                 | Hazardous freight transport accidents * with loss of containment of the transported goods | 5    | 6    | 7                       | Frequency rate (Geodis)                                                                                                         |                                                                                  | 10.0                         | 11.8  | 13.3  |
| RSE following a malicious act * | 1                                                                                         | 1    | 0    | <b>SSP5 - TERRORISM</b> | Work accidents with ** injuries or death within the scope of operations (including service providers and excluding departments) | 738                                                                              | 939                          | 820   |       |
| <b>SSP3 - INVESTMENTS (M€)</b>  | Securing of level crossings                                                               | 57   | 55   |                         | 51                                                                                                                              | Lost-time work accidents GEODIS                                                  | 810                          | 883   | 894   |
|                                 | Securing of tracks and platforms in stations                                              | na   | 10   |                         | 6.4                                                                                                                             | Recognised asbestos-related professional illnesses                               | 68                           | 52    | 48    |
|                                 | Securing of rail premises                                                                 | 5.9  | 10.3 |                         | 3.8                                                                                                                             | Police interventions for abandoned luggage or objects                            | 4,483                        | 5,766 | 3,103 |
|                                 | Reduction in asbestos-containing property                                                 | 63   | -    | -                       |                                                                                                                                 |                                                                                  |                              |       |       |

N.B.: "serious" accidents means with serious injuries or death  
 \* source SNCF Réseau  
 \*\* monitoring scope extended in 2022 / 2021  
 ns: not significant (COVID-19)  
 na: not available to date

| Risk categories                                    | Indicators                                                                                                            | 2022  | 2021  | 2020  |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-------|-------|-------|
| <b>DH1 - PSYCHOSOCIAL RISKS</b>                    | PSR analyses conducted                                                                                                | 7,546 | 7,063 | 4,809 |
|                                                    | PSR action plans validated or under validation                                                                        | 4,076 | 6,300 | na    |
| <b>DH2 - SEXUAL HARASSMENT AND SEXIST OFFENCES</b> | Customer offences                                                                                                     | 1,633 | 1,610 | 1,001 |
|                                                    | Employee offences                                                                                                     | 334   | 346   | 223   |
| <b>DH3 - SUPPLIER CSR - PROCUREMENT ETHICS</b>     | Percentage of amount of purchases covered by a CSR offer rating of 20% (5 rail companies)                             | 52%   | 36%   | 6%    |
|                                                    | Keolis: % of expenses with CSR assessed suppliers                                                                     | 44    | 37    | 29    |
|                                                    | CSR performance of suppliers (rating out of 100)<br>Scope: 5 rail companies                                           | 58.6  | 57.4  | 56.5  |
|                                                    | Nb. of suppliers who responded to a level 1 assessment questionnaire                                                  | 759   | 246   | na    |
|                                                    | Nb. of suppliers who stated that they had assets, interests or operations in a country with a high risk of corruption | 26    | 6     | na    |
|                                                    | Nb. of red flag suppliers                                                                                             | 65    | 22    | na    |
|                                                    | Nb. of on-site supplier quality/safety audits (5 rail companies)                                                      | 288   | 352   | 329   |
|                                                    | Nb. of subsidiary audits in at-risk countries or activities (Geodis)                                                  | 94    | na    | na    |
| Nb. of on-site supplier "social" audits conducted  | 8                                                                                                                     | -     | -     |       |

#### Group purchases in 2021 (Scope of the rail companies - excluding Fret SNCF)

|                                                   |                                                                       |
|---------------------------------------------------|-----------------------------------------------------------------------|
| €11.8 billion in purchases of which 96% in France | €3.4 billion in 13 at-risk purchasing families or 29% of total assets |
| 19,005 suppliers                                  | 58.6/100<br>Average supplier CSR performance rating                   |
| €34.5 million in solidarity purchases             | 23.4% of purchases from SMEs or very small companies                  |
|                                                   | Purchases...<br>248,528 jobs supported in France *                    |

\* 2021 data taken from a purchasing regional footprint assessment study



| Challenges                                                         | Indicators                                                    | 2022                               | 2021                               | 2020   | Investments                                                                                                                                                                  |                                                                                         |
|--------------------------------------------------------------------|---------------------------------------------------------------|------------------------------------|------------------------------------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| <b>ENV1, 2, 3, 4 - ENVIRONMENTAL MANAGEMENT</b>                    | Coverage of environmental management systems within the Group |                                    |                                    |        | <b>ENV2</b> - CEPIA programme for the renovation of the industrial asset water networks of the rail companies (mainly passenger rolling stock maintenance technical centres) | €75 million invested since 2007<br>=> out of an overall budget for 2032 of €230 million |
|                                                                    | ISO 14001-certified railway industrial sites (%)              | 95                                 | 88                                 | na     |                                                                                                                                                                              |                                                                                         |
|                                                                    | - % SNCF Réseau sites covered by an EMS                       | 39                                 | 31                                 | 25     | <b>ENV3</b> - Building energy renovation programme to comply with the tertiary decree                                                                                        | €430 million incurred between 2021 and 2050                                             |
|                                                                    | - Keolis: % of ISO14001 covered revenue *                     | na                                 | 50                                 | 46     |                                                                                                                                                                              |                                                                                         |
| - Geodis: % of ISO14001 covered sites *                            | 32                                                            | 35                                 | 36                                 |        |                                                                                                                                                                              |                                                                                         |
| <b>ENV1 - ACCIDENTAL DISCHARGES OF HAZARDOUS PRODUCTS OR WASTE</b> | Accidental spills with significant environmental consequences | 7 out of 213 non-serious incidents | 4 out of 200 non-serious incidents | na     |                                                                                                                                                                              |                                                                                         |
|                                                                    | Total quantity of hazardous waste generated (kilotons)        | 67.6                               | 75.2                               | 69.5   |                                                                                                                                                                              |                                                                                         |
|                                                                    | - Keolis: % of hazardous waste recovered                      | na                                 | 76                                 | 71     |                                                                                                                                                                              |                                                                                         |
| <b>ENV2 - MANAGEMENT OF NATURAL RESOURCES</b>                      | Group water consumption (million m3)                          | 8.9                                | 8.0                                | 14.5   |                                                                                                                                                                              |                                                                                         |
| <b>ENV3 - GHG EMISSION AND ENERGY OVERCONSUMPTION</b>              | Group energy consumption (GWH)                                | 17,846                             | 16,428                             | 14,838 |                                                                                                                                                                              |                                                                                         |
|                                                                    | Group CO2e emissions (kTCO2e)                                 | 3,260                              | 2,961                              | 2,814  |                                                                                                                                                                              |                                                                                         |

\* extension of the eligible scope  
na: not available

# INTERNAL CONTROL RELATING TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

## 1. DEFINITION, OBJECTIVES AND SCOPE

Financial and accounting internal control covers the processes which supply accounting data: production of financial information, accounts closing and reporting measures.

The application scope of the internal control procedures relating to the preparation and treatment of financial and accounting information includes SNCF SA and all subsidiaries in the consolidated financial statements.

The control procedures are tailored to the size and activities of the various entities.

## 2. STEERING PROCESS FOR THE ACCOUNTING AND FINANCIAL ORGANISATION

### 2.1 PRODUCTION AND MANAGEMENT OF THE ACCOUNTS OF SNCF SA AND ITS DIRECTLY CONTROLLED SUBSIDIARIES

The production of financial and accounting information for SNCF SA and its directly controlled subsidiaries is managed by the SNCF SA Finance Department. It coordinates the preparation of the financial statements by relying on the services of the SNCF SA Finance Department and the accounting and financial departments of the subsidiaries.

The SNCF SA Finance Department coordinates the preparation of the monthly reporting packages produced by the accounting players using a reporting tool and validates the overall consistency before importing the packages into the accounts consolidation tool.

Within SNCF SA, the operational entities produce an income statement, balance sheet items, a statement of changes in equity and the corresponding analyses. These items are discussed at monthly management meetings (except the January and July results) with the SNCF SA Finance Department. The subsidiaries produce an income statement, balance sheet, statement of changes in equity and the corresponding analyses. These items are reviewed regularly with the SNCF SA Finance Department for the main direct subsidiaries.

The quality of the financial and accounting information produced is based on continuously improving tools and skills within the teams of the SNCF SA Finance Department and the accounting and financial teams of the subsidiaries.

The SNCF SA Finance Department is responsible for the final production of the SNCF SA parent company financial statements. The Finance Departments of the subsidiaries are responsible for the production of their financial statements. The SNCF SA Finance Department is responsible for ensuring that the financial statements comply with current accounting standards and, as such, may request that corrections be made to the accounts produced by the operating entities and subsidiaries.

The SNCF SA accounting entities and subsidiaries have the necessary expertise for:

- bookkeeping, tasks that are not shared within accounting shared services centres,
- the formalised review of their accounts, and the production of their individual financial statements (where necessary) and financial reporting for the SNCF SA Finance Department.

For the Group's main companies, the quality of the interim and annual financial statements is backed by the preclosings at 31 May and 30 November, during which all specific accounting matters are discussed with the operating entities and then validated.

The Statutory Auditors notify the SNCF Group Activity and Entity Finance Departments of the audit and internal control review work they have carried out and share with them the recommendations issued and audit points. At SNCF SA, a summary of recommendations on internal control is prepared for the Finance Department and presented to the Audit, Accounts and Risk Committee (AARC).

In addition, SNCF SA has a system of formalised commitments from the CFOs and financial managers of the operational entities on the faithful representation and fairness of the financial information they produce in their respective financial statements.

## 2.2 PRODUCTION AND COORDINATION OF THE SNCF GROUP'S ANNUAL FINANCIAL STATEMENTS

SNCF Group financial and accounting information is produced by the SNCF SA Finance Department. As such, it coordinates the preparation of the SNCF Group's financial statements with the support of the Finance Departments of the Group's subsidiaries.

Consolidated accounts were prepared for the SNCF Group. They are audited and published in a full financial report.

The main subsidiaries coordinate the financial and accounting tasks of the subsidiaries and accounting entities within their scope.

The SNCF SA Finance Department is responsible for the final production of the SNCF Group consolidated financial statements and ensures compliance with prevailing accounting standards.

The SNCF SA Finance Department conducts the IFRS consolidation of the SNCF Group in the consolidation software package and uses a reconciliation procedure implemented via an Internet portal to manage intragroup transactions.

Furthermore, in accordance with Law no. 2018-515 on a new railway pact, separate financial statements are prepared and published. These separate financial statements comprise a balance sheet and an income statement making it possible to distinguish between service facility management activities, passenger transport activities and within them passenger transport activities subject to a public service contract and freely organised passenger transport activities, other activities, eliminations of internal flows between these separate activities and a total corresponding to the SNCF Voyageurs SA financial statements.

In its decision no. 2019 -003 of 31 January 2019 published on 7 February 2019, the ART had approved the accounting separation rules of EPIC SNCF Mobilités. The separation rules were updated to take into account scope changes relating to the roll-out of the 2018 rail reform and the ensuing reorganisation of the public rail group from 1 January 2020. They now govern SNCF Voyageurs and SNCF Fret. These updated rules were approved for both legal entities by the ART on 27 May 2021.

## 2.3 SNCF'S OPTIM'SERVICES (SSC) ACCOUNTING PRODUCTION DEPARTMENT

The Accounting Production Department, which reports to Optim'Services, ensures the accounting production of the

transversal processes of the 5 national SNCF companies. These processes concern trade payable accounting, payroll and social security accounting, trade receivable and expense claim accounting.

To carry out its missions, Optim'services relies on 3 Shared Services Centres:

- The Accounts Payable and Expense Claims Accounting SSC handles supplier invoices for SNCF Voyageurs, SNCF SA and SNCF Gares & Connexions, as well as part of those of SNCF Réseau. It processes and records the expenses incurred by employees of the 5 SNCF companies in the course of their professional activity and manages the related pool of professional cards.

These SSCs roll out a transaction management approach to local players and conduct certain centralised controls themselves.

- The Trade Receivable SCC handles a portion of the invoicing carried out by the 4 SNCF companies, SNCF Voyageurs, SNCF SA, SNCF Gares & Connexions and SNCF Réseau, (in particular invoicing between companies, seconded personnel, etc.) as well as the related accounting and collection.

- The Payroll and Social Security Accounting SSC, which is responsible for the accounting of salaries, social security contributions and employee-related liabilities, whatever the type of employment contract, for all five SNCF companies.

It checks and corroborates the accounting data. In coordination with the Payroll Department, it develops the control measures and procedures to cope with changes in scope, accounting journal entries or information systems.

## 2.4 ACCOUNTING STANDARDS AND CHART OF ACCOUNTS

The SNCF Group prepares its consolidated financial statements in accordance with IFRS.

These standards are broken down into a set of accounting rules and methods (the "standards manual"). This manual applies to all Group entities.

These rules and methods are regularly updated, taking into account the changes in IFRS standards and interpretations. The Accounting Standards Department, within the SNCF SA Finance Department, constantly monitors regulations and coordinates with its standard-setting correspondents to properly disclose the applicable regulation.

The standards manual is then broken down per subsidiary or activity.

The Group Accounting Standards Department also maintains a glossary of the chart of accounts used in the Group's financial consolidation tool as well as a glossary of the various types of off-balance sheet commitments.

The quality of the accounting regulations applied within the Group entities is also guaranteed by the accounting standards department through training sessions delivered throughout the year and the set-up for the Group's accounting and financial contacts with an internal containing all the applicable technical documentation (updates, application memos, training aids, etc.).

## 2.5 MANAGEMENT TOOLS

The SNCF Group relies on a management cycle whose objective is to determine and monitor the SNCF Group's level of economic and financial ambition. Each scope then defines its own part of the selected objectives by steering its own entities (business lines, activities, entities, subsidiaries, etc.).

For the SNCF Group, Executive Management, supported by the Management Control Department within the SNCF SA Finance Department, coordinates the process through the various management cycle components.

This comprises stages common to the entire SNCF Group:

- The purpose of the strategic and financial plan is to set and monitor the SNCF Group's 10-year economic and financial goals in the light of changes in its economic, competitive and legal environment. The trajectory corresponds to the consolidation of its activities, each with its own selected objectives and managing its own sub-entities. The strategic plan aims to determine and manage profitability objectives, Group investments, the debt trajectory and growth strategies (internal and external). It is steered by the Strategy Department, supported by SNCF SA's Finance Department, and is rolled out in two phases: an initial phase to define the ambition and make strategic decisions, and a phase to apply this goal at a more exhaustive level to secure the achievement of the overall trajectory.

A strategic plan was presented to the SNCF SA Board of Directors on 29 April 2020 (before COVID). Since then, the trajectory has been used as a tool for discussion with the Board of Directors. The strategic orientations were approved by the Board of Directors on 8 October 2020. At the Board's request, further consideration was given to the strategies of TGV-Intercites, Keolis and SNCF Gares & Connexions, approved by the SNCF Board between May and June 2021, and the 2021-2030 financial trajectory of the Group and SA/activities was updated, taking into account the recent impacts of the economic and health crisis. The modified 2021-2030 strategic plan, drawing on the strategic orientations approved by the Board of Directors on 8 October 2020, was approved by the SNCF SA Board of Directors on 29 July 2021.

- the Y+1 budget, with reference to an estimated Y: the budgets for year Y+1 are examined in November/December. They set the level of ambition for the following year and are approved by the Boards of the various Group companies before 31/12/Y.

- an annual forecast in the autumn, which makes it possible to update the data for the current year's budget and serves as a basis for the following year's budget.

The above measures are supplemented by monthly management monitoring:

- monthly management reviews (except for January and July results) are conducted by SNCF SA's Finance Department on the basis of a management letter prepared by each activity (accounting and financial analyses, production indicators and operational performance indicators). These monthly management reviews are used to continuously monitor changes in the performances of the various scopes of responsibility and ensure that they meet their budget objectives.

- each month, a summary document on the Group's results is drawn up by the Management Control Department for the attention of Executive Management.

- for the SNCF Group Executive Management Committee, a monthly dashboard is produced and brings together management and analysis elements.

### 3. REPORTING OF FINANCIAL AND ACCOUNTING INFORMATION

Within SNCF SA, the SNCF Group Finance Department is responsible for monitoring and coordinating the financial communications of the entire SNCF Group (SNCF SA and all its subsidiaries) and for monitoring financial reporting obligations and compliance with standards.

Compliance with requirements is based in particular on the closing instructions sent by the SNCF SA Finance Department to the subsidiaries and businesses, which specify the key dates of the process and the substantive and formal requirements relating to the financial statements and management reports.

SNCF SA, the Group's parent company/holding company, is the only financial issuer to operate on the markets for the entire Group. In this context, corporate, economic and financial communication is carried out by the SNCF Group, in coordination with all of its constituent entities, in strict compliance with applicable regulations and the financial information policy (General Regulations of the French Financial Markets Authority (AMF), the French Commercial Code and the French Monetary and Financial Code).

Consequently, the SNCF Group publishes an annual and half-yearly consolidated financial report. A new SNCF Group economic and financial communication charter was adopted on 1 January 2020, the date on which the new SNCF Group was created following the 2018 rail reform.

The financial information communicated to the public by the SNCF Group is available on the website <https://www.sncf.com/en/group/finance>.

The statutory auditors guarantee the reliability and true and fair nature of the SNCF Group financial statements and ensure that the specific documents published when results are announced are compliant (management report, press release and press presentation).

The French Financial Markets Authority (AMF) also ensures that, in terms of financial reporting, the SNCF Group respects its obligations as an issuer on the financial markets.

#### Specific financial reporting requirements

Since 1 January 2020, the Group's bond financing is managed by SNCF SA, the Group's sole issuer on the financial markets.

SNCF Réseau's outstanding debt remains on its balance sheet.

Consequently, SNCF SA as sole issuer and SNCF Réseau SA, as long as it has bonds traded on regulated markets, are subject to the following obligations:

- the Transparency Directive (Directive 2013/50/EU of 22 October 2013) on the disclosure of periodic and ongoing information: see publication of annual and half-yearly financial reports

- the MAR Regulation (Regulation 596/2014 of 16 April 2014 on market abuse) on permanent information and the publication of inside information: see press release on inside information.

No other entity within the SNCF Group is subject to these specific financial reporting requirements.



31 December 2022

02 –  
REPORT  
ON CORPORATE  
GOVERNANCE

|                                                                                                  |            |
|--------------------------------------------------------------------------------------------------|------------|
| <b>1. THE BOARD OF DIRECTORS</b>                                                                 | <b>191</b> |
| 1.1 COMPOSITION OF THE BOARD                                                                     | 191        |
| 1.2 BOARD DUTIES AND POWERS                                                                      | 193        |
| 1.3 OPERATION OF THE BOARD                                                                       | 194        |
| 1.4 THE SPECIALISED COMMITTEES                                                                   | 195        |
| 1.5 THE COMMITMENTS COMMITTEES                                                                   | 196        |
| <b>2. THE CHAIRMAN OF THE BOARD OF DIRECTORS</b>                                                 | <b>196</b> |
| <b>3. AGREEMENTS ENTERED INTO BETWEEN A MANAGER OR MAJOR SHAREHOLDER AND A CONTROLLED ENTITY</b> | <b>196</b> |
| <b>4. COMPENSATION OF CORPORATE OFFICERS</b>                                                     | <b>196</b> |

# REPORT ON CORPORATE GOVERNANCE

## SNCF governance as of 1 January 2020:

The new Railway Pact Law of 27 June 2018 approved the creation as at 1 January 2020 of a unified public group in the rail transport and mobility sector.

Pursuant to Decree 2019-1585 of 30 December 2019, the fully state-owned limited company SNCF directs, coordinates and manages the unified public group that it controls and whose organisation it defines.

## 1. THE BOARD OF DIRECTORS

### 1.1 COMPOSITION OF THE BOARD

The national company SNCF SA is administered by a Board of Directors of twelve (12) members, composed as follows:

– 7 members appointed by the general meeting of shareholders, at least two of whom meet the independence criteria as defined by the AFEP-MEDEF Code

– 1 representative of the State appointed pursuant to Article 4 of the Order of 20 August 2014 on governance and capital transactions of public companies,

– 4 employee representatives appointed under Article 7 of the aforementioned Order of 20 August 2014.

| <b>Names and titles</b>                                                                             | <b>Positions</b>                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr. Jean-Pierre Farandou<br>[Chairman]                                                              | <i>Other positions within SNCF</i><br>SNCF Chairman and Chief Executive Officer<br>Chairman of the Board of Directors<br><br><i>Positions outside SNCF</i><br>None                                                                                                                                                                                                                          |
| Mr. Frédéric Saint-Geours<br>[Vice-Chairman of the Board of Directors] and Member of the ARGC & CSR | <i>Other positions within SNCF</i><br>None<br><br><i>Positions outside SNCF</i><br>Sole trader<br><br><i>Other Offices:</i><br>- Director of Casino-Guichard-Perrachon (SA) since 2006. Member of the Audit Committee, member of the Governance and CSR Committee.<br>- Director of BPIFRANCE Investissement and BPIFRANCE Participations since 2013. Chairman of the Investment Committee. |
| Mr. Didier Casas<br>[Independent director, Chairman of the AARC]<br>Until 1 October 2022            | <i>Other positions within SNCF</i><br>None<br><br><i>Positions outside SNCF</i><br>- Secretary General - TF1 Group                                                                                                                                                                                                                                                                          |

|                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Mr. Alexis Zajdenweber<br/>[Director representing the French State, temporary Chairman of the AARC, Member of the ARGC &amp; CSR and SIC]<br/>From 15 November 2022</p> | <p><i>Other positions within SNCF</i><br/>None</p> <p><i>Positions outside SNCF</i><br/>- French State Investment Commissioner – Agence des participations de l'Etat<br/>- Director representing the State – EDF<br/>- Director representing the State – Renault Group<br/>- Director representing the State – BPI France</p>                                                                                                                                                                  |
| <p>Mrs. Claire Vernet-Garnier<br/>[Director representing the French State, Member of the AARC, SIC and ARGC &amp; CSR]<br/>Until 15 November 2022</p>                      | <p><i>Other positions within SNCF</i><br/>None</p> <p><i>Positions outside SNCF</i><br/>- Director of Transport Investments, Agence des participations de l'Etat<br/>- Director representing the State – ADP Group<br/>- Director representing the State – Radio France<br/>- Director representing the State – Dexia Crédit Local<br/>- Director representing the State – Dexia S.A.</p>                                                                                                      |
| <p>Mrs. Céline Lazorthes<br/>[Director, Member of the SIC]</p>                                                                                                             | <p><i>Other positions within SNCF</i><br/>None</p> <p><i>Positions outside SNCF</i><br/>- Chairwoman – Leetchi SA<br/>- Chairwoman of SAS Celavi<br/>- Chairwoman – Resilience SAS<br/>- Member of the Illiad Board of Directors<br/>- Member of the Florac SAS Strategic Committee<br/>- Member of the NJJ Boru SAS Board of Directors<br/>- Member of the Mangopay SA Board of Directors</p>                                                                                                 |
| <p>Mr. André Martinez<br/>[Director, Chairman of the SIC]</p>                                                                                                              | <p><i>Other positions within SNCF</i><br/>None</p> <p><i>Positions outside SNCF</i><br/>- Member of the Covea Board of Directors<br/>- Member of the MMA Board of Directors</p>                                                                                                                                                                                                                                                                                                                |
| <p>Mrs. Agnès Touraine<br/>[Independent director, Chairwoman of the ARGC &amp; CSR]</p>                                                                                    | <p><i>Other positions within SNCF</i><br/>None</p> <p><i>Positions outside SNCF</i><br/>- Chairwoman of Act III Consultants, unlisted company<br/>- Director of Rexel SA-France - listed company<br/>- Director of Proximus BV - Belgium - listed company<br/>- Director of Groupe Bruxelles Lambert -Belgium- listed company<br/>- Member of the Supervisory Board of 21 Partners-France - unlisted<br/>- Director of the René TOURAINE Foundation<br/>- Director of the IDATE Foundation</p> |



|                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mrs. Mélanie Joder<br>[Director, Member of the AARC]                                         | <i>Other positions within SNCF</i><br>None<br><i>Positions outside SNCF</i><br>Budget Director - French Ministry for the Economy, Finance and Recovery,<br>- Observer - BPI France,<br>- Director representing the State- France TV,<br>- Member of the Board of Directors - AFPA (State-owned company in charge of professional training for adults)<br>- Member of the Board of Directors - OPERA NATIONAL DE PARIS<br>- Member of the Board of Directors - OFB (French Biodiversity Office),<br>- Member of the Board of Directors - PHILARMONIE DE PARIS (State-owned company at the <i>Cité de la musique</i> ) – in the process of appointment,<br>- Member of the Board of Directors - SOLIDEO (Company tasked with delivering Olympics facilities),<br>- Member of the Board of Directors - ANTAI (National agency for automated offence processing),<br>- Member of the Board of Directors - ANTS (National Agency for Secure Documents). |
| Mrs. Christelle Jeannet<br>(Employee representative)<br>[Director, Member of the ARGC & CSR] | <i>Other positions within SNCF</i><br>Employee director<br><i>Positions outside SNCF</i><br>- Member of the Association Rails & Histoire Board of Directors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Mr. Bruno Lacroix<br>(Employee representative)<br>[Member of the SIC]                        | <i>Other positions within SNCF</i><br>Executive - Equipment<br><i>Positions outside SNCF</i><br>- Director representing Orléans Métropole at Orléans Gestion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Mr. Fabien Villedieu<br>(Employee representative)<br>[Member of the SIC]                     | <i>Other positions within SNCF</i><br>Train operator<br><i>Positions outside SNCF</i><br>None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Mrs. Séverine Rizzi<br>(Employee representative)<br>[Member of the AARC]                     | <i>Other positions within SNCF</i><br>Administrative personnel<br><i>Positions outside SNCF</i><br>None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

The Board of Directors strives for balance within its membership and within that of its committees, particularly in terms of diversity (gender, nationalities, international experience, expertise). The list of members of the Board and associated committees in this report attests to the respect of this balance in the appointment of directors, in terms of gender diversity, experience and expertise.

The term of office of Board members is four (4) years. The term of office is renewable. The current terms of office will expire at the general meeting called in 2024 to approve the 2023 financial statements.

The secretary of the Social and Economic Committee or of the equivalent body pursuant to Article L. 2312-74 of the French Labour Code; the secretary of the Public Rail Group's Central Committee, the official responsible for exercising the State's economic and financial control pursuant to Article L. 2101-7 of the French Transport Code, and the Government Commissioner also sit in an advisory capacity at Board meetings.

In addition, the Secretary of the Board of Directors and, where appropriate, his staff, automatically sit on the Board.

The statutory auditors also attend meetings of the Board of Directors at which the annual financial statements are reviewed.

The Chairman of the Board of Directors may, if he deems it necessary, and depending on the agenda, invite members of the company or persons from outside the

company to attend meetings of the Board of Directors without the right to vote.

## 1.2 BOARD DUTIES AND POWERS

In accordance with its general powers referred to in [Article L. 225-35 of the French Commercial Code](#), the Board of Directors:

- determines the direction of the company's activity and ensures its implementation, in accordance with its corporate interest, taking into consideration the social and environmental stakes of its activity;
- may examine, subject to the powers expressly reserved to shareholders' meetings and within the limit of the corporate purpose, all issues relating to the proper functioning of the Company and settles by its deliberations all matters which concern it;
- carries out the controls and checks it deems appropriate;
- authorises sureties, endorsements and guarantees to be given to third parties under the conditions provided for by the legal and regulatory provisions.

The chairman or chief executive officer is required to communicate to each director all the documents and information necessary for the performance of their duties.

In accordance with [Article L. 2102-9 of the French Transport Code](#), and in compliance with Article L. 2101-1 of the same Code, the Company's Board of Directors approves the strategic, economic, financial, human resources, industrial and asset development and management policies of the unified public group. It constantly oversees the management of the SNCF national company.

In application of the French Commercial Code, the Board of Directors has other specific powers:

- it convenes general meetings;
- at the end of each financial year, it draws up the annual financial statements, prepares the management report in accordance with Article L 232-1 of the French Commercial Code and calls the general meeting to approve them;
- it prepares and presents to the general meeting a corporate governance report attached to the annual report; where appropriate, the corporate governance report may be presented in a specific section of the annual report;
- it draws up the management planning documents and the corresponding reports;
- it authorises regulated agreements, i.e. agreements signed between the company and one of its managers, directors or shareholders holding more than 10% of the voting rights;
- it co-opts directors;
- it decides whether to combine or separate the functions of Chairman and Chief Executive Officer; if the decision is made to combine the functions of Chairman and Chief Executive Officer, the Board of Directors may appoint, from among the independent directors, a lead director whose role is to help lead and coordinate the work of the Board, in particular by ensuring compliance with the rules of governance and the quality of relations and exchanges between the Chairman of the Board, the directors and the shareholder;
- it sets the compensation of directors in accordance with the provisions of the Articles of Association (Articles L.225-47 and L 225-53);
- it appoints the members of the committees;
- it distributes compensation to directors;
- it decides on the relocation of the registered office on French territory, subject to ratification of this decision by the next ordinary general meeting;
- on delegation from the extraordinary general meeting, the Board of Directors brings the Articles of Association into conformity with the legislative and regulatory provisions, subject to ratification of the amendments by the next extraordinary general meeting;
- it carries out a mandatory annual deliberation on the company's policy on professional and wage equality between all employees and between women and men. Furthermore, the gender diversity policy is detailed in the Non-Financial Performance Statement in the Group's annual report.

In general, and with the exception of day-to-day management, all decisions likely to significantly affect the Company's strategy, to modify its financial structure or its scope of activity, are subject to the prior authorisation of the Board of Directors after prior study, if necessary, by the relevant committee. In this respect, the Board of Directors already examines the Group's multi-year

strategic direction in terms of social and environmental responsibility and is informed annually of the results obtained.

The Board of Directors also examines questions submitted to it for information at the initiative of the Chairman.

It also discusses issues that a director wishes to see debated by the Board of Directors in the context of various subjects, with the Chairman's agreement. In this case, the director informs the Chairman of the nature of the item at the beginning of the meeting, and the Chairman decides whether or not to include it on the agenda of the meeting or at the following meeting.

### 1.3 OPERATION OF THE BOARD

The Board of Directors meets as often as the interests of the Company require, convened by the Chairman of the Board of Directors or if the latter is prevented from doing so, by the Vice-Chairman. By way of derogation from Article 12 of the aforementioned Order of 20 August 2014, it also meets when convened by at least half of its members, to discuss the agenda and at the location specified in the meeting notice. The Chief Executive Officer may ask the Chairman to convene a meeting on a specific agenda.

The members of the Board of Directors are convened via a secure electronic platform or any other appropriate means at least ten (10) days before the Board meeting. However, in case of emergency, notice may be given twenty-four hours in advance, in the same form.

During the 12 meetings (6 ordinary and 6 extraordinary) held in 2022, 72 files were examined including:

- the Group's annual financial statements;
- the 2022 interim financial statements of the SNCF Group and SNCF SA and its subsidiaries;
- the 2023 budget of the SNCF Group and SNCF SA;
- The self-assessment of the Board's operations for 2021 (note that the Board's operations in 2023 will be subject to a formalised assessment);
- the 2022 Group vigilance plan;
- the real estate strategy, Group purchasing strategy, HR strategy and financing strategy;
- several responses to calls for tender, mainly internationally;
- the presentation of CSR objectives for 2022 and a half-year assessment of these objectives;
- the review of several significant scope transactions, including the finalisation of the sale of Akiem;
- the review of 32 commitment files and calls for tender;
- the renewal of several operating agreements with organising authorities;
- the assessment of the trajectory promoting gender equality;
- the amendment of the SNCF SA Articles of Association to integrate the Group's new purpose;
- the self-assessment of the Board's operation and monitoring of actions.

At each ordinary meeting, the Board of Directors is informed by its Chairman of the main events concerning the life of the SNCF Group. A safety review is presented at each ordinary meeting by the General Director for Safety.

## Table of attendance

### Directors' attendance at Board of Directors' meetings in 2022 - attendance rate of 94%

| 2022 meetings                                    | Jean-Pierre FARANDOU | Agnès TOURAINE | Mélanie JODER | André MARTINEZ | Bruno LACROIX | Céline LAZOR-THES | Christelle JEANNET | Didier CASAS<br>(resignation from the term of office on 01.10) | Frédéric SAINT-GEOURS | Claire VERNET-GARNIER<br>(resignation from the term of office on 15.11) | Séverine RIZZI | Fabien VILLEDIEU | Alexis ZAJDEN-WEBER<br>(appointment by decree on 15.11) |
|--------------------------------------------------|----------------------|----------------|---------------|----------------|---------------|-------------------|--------------------|----------------------------------------------------------------|-----------------------|-------------------------------------------------------------------------|----------------|------------------|---------------------------------------------------------|
| Tuesday 25 January<br>(Extraordinary meeting)    | OUI                  | OUI            | OUI           | OUI            | OUI           | OUI               | OUI                | OUI                                                            | OUI                   | OUI                                                                     | OUI            | OUI              |                                                         |
| Thursday 24 February                             | OUI                  | OUI            | OUI           | OUI            | OUI           | OUI               | OUI                | OUI                                                            | OUI                   | OUI                                                                     | OUI            | OUI              |                                                         |
| Monday 21 March<br>(Extraordinary meeting)       | OUI                  | OUI            | OUI           | OUI            | OUI           | OUI               | OUI                | OUI                                                            | OUI                   | NON                                                                     | OUI            | OUI              |                                                         |
| Friday 22 April                                  | OUI                  | OUI            | OUI           | OUI            | OUI           | OUI               | OUI                | NON                                                            | OUI                   | OUI                                                                     | OUI            | OUI              |                                                         |
| Thursday 9 June                                  | OUI                  | OUI            | OUI           | OUI            | OUI           | OUI               | OUI                | OUI                                                            | OUI                   | OUI                                                                     | OUI            | OUI              |                                                         |
| Thursday 28 July                                 | OUI                  | OUI            | OUI           | OUI            | OUI           | OUI               | OUI                | OUI                                                            | OUI                   | OUI                                                                     | OUI            | NON              |                                                         |
| Tuesday 6 September<br>(Extraordinary meeting)   | OUI                  | OUI            | NON           | OUI            | OUI           | OUI               | OUI                | NON                                                            | OUI                   | OUI                                                                     | OUI            | OUI              |                                                         |
| Monday 10 October<br>(Extraordinary meeting)     | OUI                  | OUI            | OUI           | OUI            | OUI           | OUI               | OUI                |                                                                | OUI                   | OUI                                                                     | OUI            | OUI              |                                                         |
| Thursday 13 October                              | OUI                  | OUI            | OUI           | OUI            | OUI           | OUI               | OUI                |                                                                | OUI                   | OUI                                                                     | OUI            | OUI              |                                                         |
| Wednesday 26 October<br>(Extraordinary meeting)  | OUI                  | NON            | OUI           | OUI            | OUI           | OUI               | OUI                |                                                                | OUI                   | OUI                                                                     | OUI            | NON              |                                                         |
| Wednesday 14 December<br>(Extraordinary meeting) | OUI                  | OUI            | NON           | OUI            | OUI           | NON               | OUI                |                                                                | OUI                   |                                                                         | OUI            | OUI              | OUI                                                     |
| Thursday 15 December                             | OUI                  | OUI            | OUI           | OUI            | OUI           | OUI               | OUI                |                                                                | OUI                   |                                                                         | OUI            | OUI              | OUI                                                     |
| Attendance                                       | 12                   | 11             | 10            | 12             | 12            | 11                | 12                 | 5                                                              | 12                    | 9                                                                       | 12             | 10               | 2                                                       |
| Number of meetings                               | 12                   | 12             | 12            | 12             | 12            | 12                | 12                 | 7                                                              | 12                    | 10                                                                      | 12             | 12               | 2                                                       |
| % attendance                                     | 100%                 | 92%            | 83%           | 100%           | 100%          | 92%               | 100%               | 71%                                                            | 100%                  | 90%                                                                     | 100%           | 83%              | 100%                                                    |
|                                                  |                      |                |               |                |               |                   |                    |                                                                |                       |                                                                         |                |                  | 94%                                                     |

## 1.4 THE SPECIALISED COMMITTEES

At its first meeting on 16 January 2020, the Board of Directors decided to set up three specialised committees chosen from among its members and responsible for assisting it with its work:

- An Audit, Accounts and Risk Committee;
- A Strategy and Investment Committee;
- An Appointments, Remuneration, Governance and CSR Committee.

Thus, the Board of Directors has three committees responsible for preparing the decisions submitted to the Board and for providing it with additional information:

### The Appointments, Remuneration, Governance and CSR Committee (ARGC & CSR):

The Appointments, Remuneration, Governance and CSR Committee should not comprise any executive officers of the Company.

– With regard to appointments, the Committee proposes to the Board of Directors the appointment and succession of directors and executive officers. It supervises the selection process of potential candidates. The precise list of the appointments concerned within the Group is drawn up by the Committee. The Chairman and Chief Executive Officer inform and obtain the opinion of the Committee for the appointment of the Group's senior executives.

– With regard to compensation, the Committee examines and expresses its opinion on the principles and criteria for determining, allocating and awarding the components of compensation and benefits of all kinds for corporate officers. It makes recommendations on the amount and terms and conditions of the compensation to be allocated to directors.

– In terms of governance, it monitors issues relating to corporate governance and ensures the implementation within the Company's corporate bodies of the relevant principles and rules of good governance stemming in particular from the AFEP-MEDEF Code. It steers the annual evaluation process of the Board of Directors. It makes proposals on the independence of Board members in light of the criteria of the AFEP-MEDEF Code.

– With regard to corporate social and environmental responsibility, it reviews the Company's CSR policy commitments and strategies. It monitors its implementation and more generally ensures that CSR issues are taken into account in the Company's strategy and its roll-out.

The Committee held 6 meetings during 2022, which provided an opportunity to discuss 28 files including:

- the activities of the Board of Directors (self-assessment);
- management compensation;
- the succession plan;
- the trajectory promoting gender equality;
- the assessment of the 2021 CSR objectives and presentation of the objectives for 2022;
- the HR strategy;
- the presentation of the CSR PROGRESSEO reporting tool.

### The Strategy and Investment Committee (SIC) expresses its opinion on the Company's strategic direction and monitors its implementation.

It decides, where appropriate, on:

- The strategic plan, including the Group's development projects;
  - Strategic agreements, alliances and partnerships;
  - The Research and Development policy;
  - Internal or external growth operations, main commitments, main commercial contracts under the conditions in particular as to amount defined in Article 8 of the Board of Directors' internal regulations.
- This Committee may be requested by the Chairman of the Board of Directors to deliver an opinion on:
- Strategic choices in terms of technological developments, and even more broadly in terms of innovation;
  - The issues of creating and modernising industrial equipment and works.

The Strategy and Investment Committee held 15 meetings (including 6 ordinary and 9 extraordinary meetings) in 2022. A total of 51 files, including 5 strategic files and 33 commitment files and calls for tender, were examined at these meetings.

In particular, the Committee was asked to analyse the following files:

- the review of the performance contract between the French State and SNCF Gares & Connexions;
- the review of several significant scope transactions, including the finalisation of the sale of Akiem, the real estate strategy;
- the Group's purchasing strategy;
- the renewal of several operating agreements with organising authorities;
- several responses to calls for tender, mainly internationally.

**The Audit, Accounts and Risks Committee (AARC)** is responsible, in particular, for reviewing the annual and half-yearly financial statements, the budget, risk mapping, the annual internal audit work programme, the report on corporate governance, internal control and risk management, and the compliance programme. The role of the Audit, Accounts and Risks Committee is not separable from that of the Board of Directors, which is legally required to approve the annual parent company financial statements and prepare the consolidated financial statements.

The Audit, Accounts and Risks Committee, when monitoring the process of preparing financial information, ensures the relevance and permanence of accounting methods, in particular when dealing with significant transactions. When examining the accounts, the Audit, Accounts and Risk Committee examines the major transactions in which a conflict of interest could have arisen.

In the context of monitoring the effectiveness of internal control and risk management systems and, where applicable, internal audit concerning procedures relating to the preparation and processing of financial and non-financial accounting information, the Audit, Accounts and Risk Committee hears the heads of internal audit and risk control and delivers its opinion on the organisation of their services. It is informed of the internal audit programme and receives internal audit reports or a periodic assessment of these reports. It also monitors the performance of the Statutory Auditors' engagement and ensures their independence.

It held 5 meetings in 2022 and examined 23 files. These meetings were devoted in particular to:

- the consolidated financial statements of the SNCF Group and the parent company financial statements for the year ended 31 December 2021;
- the closing of the Group's half-yearly financial statements;
- the 2022-2023 audit programme;
- the mapping of major risks;
- the annual activity report of the Group internal audit department;
- the 2023 financing strategy;
- the 2023 budget;
- the review of the cybersecurity audits report.

## 1.5 THE COMMITMENTS COMMITTEES

The purpose of the commitment control system is to safeguard the SNCF Group's corporate interest and enable it to exercise its role as a strategic leader over its subsidiaries.

It is carried out through three dedicated committees:

- the Group Commitments Committee (for commitments impacting the Group);
- the Corporate Commitments Committee (for the commitments of the national company SNCF SA);
- the Real Estate Commitments Committee (for specifically real estate commitments).

Each of these committees meets fortnightly as a general rule, and in any event as often as necessary.

They are made up of representatives of the legal, financial and strategy departments, the entity that bears the commitment, experts invited as needed, the head of the committee and the secretary.

The Deputy Chief Executive Officer of SNCF SA (or his representative, in real estate matters) chairs the meetings and decides on the follow-up to be given to the proposed commitment after inviting the other participants to give their opinion.

## 2. THE CHAIRMAN OF THE BOARD OF DIRECTORS

In accordance with Article L. 2102-8 of the French Transport Code, the Chairman of the Company's Board of Directors is appointed from among the members proposed by the French State appointed pursuant to Article 6 of the aforementioned Order of 20 August 2014.

Pursuant to Article 11-2 of the Articles of Association, the Board of Directors also appoints a Vice-Chairman who, in the event that the Chairman is unable to attend, has the power to convene the Board of Directors and chair its meetings.

The Chairman of the Board of Directors organises and directs the work of the Board, which he reports on to the general meeting. He oversees the proper functioning of the Company's bodies and ensures, in particular, that the directors are able to fulfil their duties.

In the event of a tie, the person chairing the Board of Directors has the casting vote.

When it was established, the Board of Directors decided to combine the duties of Chairman of the Board of Directors and Chief Executive Office of the Company.

## 3. AGREEMENTS ENTERED INTO BETWEEN A MANAGER OR MAJOR SHAREHOLDER AND A CONTROLLED ENTITY

All agreements in 2022 were everyday agreements entered into at arm's length.

## 4. COMPENSATION OF CORPORATE OFFICERS

With regard to the compensation of corporate officers, SNCF SA is governed by Article 3 of Decree no. 53-707 of 9 August 1953 relating to State control over national public companies, as amended by Decree no. 2012-915 of 26 July 2012. This decree sets out the terms and conditions for determining and publishing the compensation of corporate officers:

- their gross compensation is capped;
- the compensation and benefits of any kind relating to their activity as well as any compensation or benefits payable or likely to be payable in the event of a cessation



of activity or a change in their position or subsequent thereto, are verified;

– decisions or approvals by competent ministers are made public.

The compensation of executive corporate officers shown in the table below corresponds to the gross taxable compensation paid in 2022.

As at 31 December 2022:

| In € thousands                                                              | Amounts paid       |                              |                                            |                          |                  |           | Amounts due         |                     |                            |             |
|-----------------------------------------------------------------------------|--------------------|------------------------------|--------------------------------------------|--------------------------|------------------|-----------|---------------------|---------------------|----------------------------|-------------|
|                                                                             | Fixed compensation | Annual variable compensation | Deferred/multiannual variable compensation | Exceptional compensation | Benefits in kind | Sub-total | Termination benefit | Non-compete benefit | Supplementary pension plan | Grand total |
| <b>Farandou Jean-Pierre</b><br>CEO, Chairman of the Board of Directors      |                    |                              |                                            |                          |                  |           |                     |                     |                            |             |
| SNCF SA                                                                     |                    |                              |                                            |                          |                  |           |                     |                     |                            |             |
| Commitments                                                                 |                    |                              |                                            |                          |                  |           |                     |                     |                            |             |
| Paid                                                                        | 450                |                              |                                            |                          | 3                | 453       |                     |                     |                            | 453         |
| <b>Trévisani Laurent</b><br>Deputy Chief Executive Officer Finance Strategy |                    |                              |                                            |                          |                  |           |                     |                     |                            |             |
| SNCF SA                                                                     |                    |                              |                                            |                          |                  |           |                     |                     |                            |             |
| Commitments                                                                 |                    |                              |                                            |                          |                  |           |                     |                     |                            |             |
| Paid                                                                        | 342                | 108                          |                                            |                          | 13               | 463       |                     |                     |                            | 463         |
| Total compensation                                                          | 792                | 108                          | -                                          | -                        | 16               | 916       | -                   | -                   | -                          | 916         |

(\*) Fixed compensation corresponds to that due for the current financial year and paid during that same financial year.

(\*\*) Variable compensation, which can only be received by the Deputy Chief Executive Officer, corresponds to that due for the previous financial year, approved and paid in the current financial year.

As a reminder, as at 31 December 2021, the compensation of the executive corporate officers was as follows:

| In € thousands                                                              | Amounts paid       |                              |                                            |                          |                  |           | Amounts due         |                     |                            |             |
|-----------------------------------------------------------------------------|--------------------|------------------------------|--------------------------------------------|--------------------------|------------------|-----------|---------------------|---------------------|----------------------------|-------------|
|                                                                             | Fixed compensation | Annual variable compensation | Deferred/multiannual variable compensation | Exceptional compensation | Benefits in kind | Sub-total | Termination benefit | Non-compete benefit | Supplementary pension plan | Grand total |
| <b>Farandou Jean-Pierre</b><br>CEO, Chairman of the Board of Directors      |                    |                              |                                            |                          |                  |           |                     |                     |                            |             |
| SNCF SA                                                                     |                    |                              |                                            |                          |                  |           |                     |                     |                            |             |
| Commitments                                                                 |                    |                              |                                            |                          |                  |           |                     |                     |                            |             |
| Paid                                                                        | 450                |                              |                                            |                          | 7                | 457       |                     |                     |                            | 457         |
| <b>Trévisani Laurent</b><br>Deputy Chief Executive Officer Finance Strategy |                    |                              |                                            |                          |                  |           |                     |                     |                            |             |
| SNCF SA                                                                     |                    |                              |                                            |                          |                  |           |                     |                     |                            |             |
| Commitments                                                                 |                    |                              |                                            |                          |                  |           |                     |                     |                            |             |
| Paid                                                                        | 300                | 134                          |                                            |                          | 11               | 445       |                     |                     |                            | 445         |
| Total compensation                                                          | 750                | 134                          | -                                          | -                        | 18               | 902       | -                   | -                   | -                          | 902         |

The gross compensation approved in 2021 and paid in 2022 to non-executive and unsalaried corporate officers is presented below:

| As at<br>31/12/2022                          |                       | Amounts paid                       |                                                      |                             |                     |           | Amounts due            |                            |                                       |                |
|----------------------------------------------|-----------------------|------------------------------------|------------------------------------------------------|-----------------------------|---------------------|-----------|------------------------|----------------------------|---------------------------------------|----------------|
| In €<br>thousands                            | Fixed<br>compensation | Annual<br>variable<br>compensation | Deferred/<br>multiannual<br>variable<br>compensation | Exceptional<br>compensation | Benefits in<br>kind | Sub-total | Termination<br>benefit | Non-<br>compete<br>benefit | Supple-<br>mentary<br>pension<br>plan | Grand<br>total |
| <b>Frédéric Saint-Geours</b>                 |                       |                                    |                                                      |                             |                     |           |                        |                            |                                       |                |
| Vice-Chairman of the Board of Directors (**) | 22                    | 38                                 | -                                                    | -                           | -                   | 60        | -                      | -                          | -                                     | 60             |
| <b>Didier Casas</b>                          |                       |                                    |                                                      |                             |                     |           |                        |                            |                                       |                |
| Director, Chairman of the SIC and AARC       | 32                    | 36                                 | -                                                    | -                           | -                   | 68        | -                      | -                          | -                                     | 68             |
| <b>Isabelle Bui Khoi Hung</b>                |                       |                                    |                                                      |                             |                     |           |                        |                            |                                       |                |
| Director (*)                                 | 10                    | 44                                 | -                                                    | -                           | -                   | 54        | -                      | -                          | -                                     | 54             |
| <b>Claire Vernet-Garnier</b>                 |                       |                                    |                                                      |                             |                     |           |                        |                            |                                       |                |
| Director (*)                                 | 7                     | 10                                 | -                                                    | -                           | -                   | 17        | -                      | -                          | -                                     | 17             |
| <b>Céline Lazorthes</b>                      |                       |                                    |                                                      |                             |                     |           |                        |                            |                                       |                |
| Director (*)                                 | 17                    | 58                                 | -                                                    | -                           | -                   | 75        | -                      | -                          | -                                     | 75             |
| <b>André Martinez</b>                        |                       |                                    |                                                      |                             |                     |           |                        |                            |                                       |                |
| Director (**)<br>Chairman of the SIC         | 32                    | 60                                 | -                                                    | -                           | -                   | 92        | -                      | -                          | -                                     | 92             |
| <b>Agnès Touraine</b>                        |                       |                                    |                                                      |                             |                     |           |                        |                            |                                       |                |
| Director<br>Chairwoman of the ARGC & CSR     | 24                    | 38                                 | -                                                    | -                           | -                   | 62        | -                      | -                          | -                                     | 62             |
| <b>Amélie Verdier</b>                        |                       |                                    |                                                      |                             |                     |           |                        |                            |                                       |                |
| Director (*)                                 | 13                    | 16                                 | -                                                    | -                           | -                   | 29        | -                      | -                          | -                                     | 29             |
| <b>Mélanie Joder</b>                         |                       |                                    |                                                      |                             |                     |           |                        |                            |                                       |                |
| Director (*)                                 | 4                     | 10                                 | -                                                    | -                           | -                   | 14        | -                      | -                          | -                                     | 14             |
| Total compensation                           | 161                   | 310                                | -                                                    | -                           | -                   | 471       | -                      | -                          | -                                     | 471            |

(\*) For directors representing the French State, 100% of their gross compensation is paid directly by SNCF SA to the French State (APE).

(\*\*) For directors appointed on the recommendation of the French State, 15% of their gross compensation is paid directly by SNCF SA to the French State (APE).

Directors representing employees on the Board of Directors do not receive compensation due to their directorship.

As at 31 December 2021, the compensation of non-executive and unsalaried corporate officers was as follows:

| As at<br>31/12/2021                                                          |                |                    |                              |                                            |                          | Amounts paid     |           | Amounts due         |                     |                            | Grand total |
|------------------------------------------------------------------------------|----------------|--------------------|------------------------------|--------------------------------------------|--------------------------|------------------|-----------|---------------------|---------------------|----------------------------|-------------|
|                                                                              | In € thousands | Fixed compensation | Annual variable compensation | Deferred/multiannual variable compensation | Exceptional compensation | Benefits in kind | Sub-total | Termination benefit | Non-compete benefit | Supplementary pension plan |             |
| <b>Frédéric Saint-Geours</b><br>Vice-Chairman of the Board of Directors (**) |                | 22                 | 36                           | -                                          | -                        | -                | 58        | -                   | -                   | -                          | 58          |
| <b>Didier Casas</b><br>Director, Chairman of the SIC and AARC                |                | 32                 | 42                           | -                                          | -                        | -                | 74        | -                   | -                   | -                          | 74          |
| <b>Isabelle Bui Khoi Hung</b><br>Director (*)                                |                | 6                  | 22                           | -                                          | -                        | -                | 28        | -                   | -                   | -                          | 28          |
| <b>Hélène Dantoine</b><br>Director (*)                                       |                | 11                 | 40                           | -                                          | -                        | -                | 51        | -                   | -                   | -                          | 51          |
| <b>Céline Lazorthes</b><br>Director (*)                                      |                | 17                 | 56                           | -                                          | -                        | -                | 73        | -                   | -                   | -                          | 73          |
| <b>André Martinez</b><br>Director (**)<br>Chairman of the SIC                |                | 32                 | 56                           | -                                          | -                        | -                | 88        | -                   | -                   | -                          | 88          |
| <b>Agnès Touraine</b><br>Director<br>Chairwoman of the ARGC & CSR            |                | 24                 | 34                           | -                                          | -                        | -                | 58        | -                   | -                   | -                          | 58          |
| <b>Amélie Verdier</b><br>Director (*)                                        |                | 17                 | 34                           | -                                          | -                        | -                | 51        | -                   | -                   | -                          | 51          |
| Total compensation                                                           |                | 161                | 320                          | -                                          | -                        | -                | 481       | -                   | -                   | -                          | 481         |

31 December 2022

03 –

SNCF GROUP  
CONSOLIDATED  
FINANCIAL  
STATEMENTS



|                                                                                   |            |                                                                     |            |
|-----------------------------------------------------------------------------------|------------|---------------------------------------------------------------------|------------|
| <b>CONSOLIDATED INCOME STATEMENT</b>                                              | <b>202</b> | 5.1 DESCRIPTION OF EMPLOYEE BENEFITS                                | 239        |
| <b>STATEMENT OF PROFIT OR LOSS AND GAINS/LOSSES RECOGNISED DIRECTLY IN EQUITY</b> | <b>203</b> | 5.2 CHANGE IN THE NET POSITION OF PLANS                             | 241        |
| <b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>                               | <b>204</b> | 5.3 EMPLOYEE BENEFIT PLAN EXPENSES                                  | 245        |
| <b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY</b>                                | <b>205</b> | 5.4 ACTUARIAL ASSUMPTIONS AND GAINS AND LOSSES                      | 247        |
| <b>CONSOLIDATED CASH FLOW STATEMENT</b>                                           | <b>206</b> | 5.5 MANAGEMENT COMPENSATION                                         | 251        |
| <b>NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS</b>                             | <b>208</b> | <b>6. CAPITAL AND FINANCING</b>                                     | <b>251</b> |
| <b>1. ACCOUNTING STANDARDS BASE</b>                                               | <b>208</b> | 6.1 LIQUIDITY MANAGEMENT DURING THE HEALTH CRISIS                   | 251        |
| 1.1 ADOPTION OF IFRS                                                              | 208        | 6.2 MANAGEMENT OF THE INTEREST RATE BENCHMARK REFORM                | 252        |
| 1.2 CHANGE IN ACCOUNTING METHOD                                                   | 210        | 6.3 NET INDEBTEDNESS                                                | 252        |
| 1.3 ACCOUNTING JUDGEMENTS AND ESTIMATES                                           | 210        | 6.4 MANAGEMENT OF MARKET RISKS AND HEDGING                          | 261        |
| 1.4 BASIS OF CONSOLIDATION                                                        | 211        | 6.5 HEDGING AND DERIVATIVE INSTRUMENTS                              | 267        |
| <b>2. MAJOR EVENTS</b>                                                            | <b>211</b> | 6.6 EQUITY                                                          | 273        |
| 2.1 MAJOR EVENTS OF 2022                                                          | 211        | <b>7. INCOME TAXES</b>                                              | <b>274</b> |
| 2.2 SUBSEQUENT EVENTS                                                             | 212        | 7.1 INCOME TAX EXPENSE ANALYSIS                                     | 274        |
| <b>3. PERFORMANCE FOR THE PERIOD</b>                                              | <b>212</b> | 7.2 TAX PROOF                                                       | 275        |
| 3.1 SEGMENT INFORMATION                                                           | 212        | 7.3 DEFERRED TAX SOURCES                                            | 275        |
| 3.2 REVENUE                                                                       | 215        | <b>8. RELATED PARTY TRANSACTIONS</b>                                | <b>276</b> |
| 3.3 SERVICE CONCESSION AGREEMENTS                                                 | 216        | 8.1 TRANSACTIONS WITH THE FRENCH STATE AND LOCAL COMMUNITIES        | 276        |
| 3.4 OTHER ITEMS                                                                   | 217        | 8.2 TRANSACTIONS WITH ICF GROUP LOW-RENTAL HOUSING COMPANIES (LRHC) | 276        |
| <b>4. OPERATING ASSETS AND LIABILITIES</b>                                        | <b>218</b> | 8.3 TRANSACTIONS WITH MANAGERS                                      | 276        |
| 4.1 GOODWILL                                                                      | 218        | <b>9. OFF-BALANCE SHEET COMMITMENTS</b>                             | <b>277</b> |
| 4.2 INTANGIBLE ASSETS AND PROPERTY, PLANT & EQUIPMENT                             | 219        | 9.1 COMMITMENTS RECEIVED AND GIVEN                                  | 277        |
| 4.3 EQUITY INVESTMENTS AND CHANGES IN GROUP STRUCTURE                             | 225        | 9.2 TRANSFERS OF FINANCIAL ASSETS                                   | 279        |
| 4.4 IMPAIRMENT TESTING OF NON-CURRENT ASSETS                                      | 229        | 9.3 CONTINGENT LIABILITIES                                          | 279        |
| 4.5 WORKING CAPITAL REQUIREMENT                                                   | 235        | <b>10. SCOPE</b>                                                    | <b>280</b> |
| 4.6 PROVISIONS FOR LIABILITIES AND CHARGES                                        | 238        | 10.1 NUMBER OF CONSOLIDATED COMPANIES                               | 280        |
| <b>5. EMPLOYEE BENEFITS</b>                                                       | <b>239</b> | 10.2 ANALYSIS OF THE CONTROL OF CERTAIN ENTITIES                    | 280        |
|                                                                                   |            | 10.3 MAIN ENTITIES WITHIN THE SCOPE OF CONSOLIDATION                | 280        |

# CONSOLIDATED INCOME STATEMENT

| In € millions                                                                                            | Notes | 31/12/2022   | 31/12/2021   |
|----------------------------------------------------------------------------------------------------------|-------|--------------|--------------|
| Revenue                                                                                                  | 3     | 41,449       | 34,752       |
| Purchases and external charges                                                                           | 3     | -17,996      | -14,715      |
| Employee benefit expense                                                                                 | 3     | -15,724      | -14,620      |
| Taxes and duties other than income tax                                                                   | 3     | -1,274       | -1,201       |
| Other operating income and expenses                                                                      | 3     | 159          | 126          |
| <b>EBITDA</b>                                                                                            |       | <b>6,615</b> | <b>4,343</b> |
| Depreciation and amortisation                                                                            | 4.2.5 | -4,169       | -3,822       |
| Net movement in provisions                                                                               | 4.6   | 45           | 92           |
| <b>Current operating profit/loss</b>                                                                     |       | <b>2,491</b> | <b>613</b>   |
| Net proceeds from asset disposals                                                                        | 4.2.6 | 787          | 1,254        |
| Impairment losses                                                                                        | 4.4   | 0            | -51          |
| <b>Operating profit/loss</b>                                                                             |       | <b>3,277</b> | <b>1,815</b> |
| Share of net profit/loss of companies consolidated under the equity method                               | 4.3   | 41           | 7            |
| <b>Operating profit/loss after share of net profit of companies consolidated under the equity method</b> |       | <b>3,318</b> | <b>1,822</b> |
| Net finance costs of employee benefits                                                                   | 5.3   | 245          | 69           |
| Net borrowing and other costs                                                                            | 6.3   | -734         | -966         |
| <b>Net finance cost</b>                                                                                  |       | <b>-489</b>  | <b>-897</b>  |
| <b>Net profit/loss before tax from ordinary activities</b>                                               |       | <b>2,830</b> | <b>925</b>   |
| Income tax expense                                                                                       | 7     | -314         | -158         |
| <b>Net profit/loss from ordinary activities</b>                                                          |       | <b>2,516</b> | <b>767</b>   |
| Net profit/loss from discontinued operations, net of tax                                                 |       | -            | -            |
| <b>Net profit/loss for the year</b>                                                                      |       | <b>2,516</b> | <b>767</b>   |
| <b>Net profit/loss attributable to equity holders of the parent</b>                                      |       | <b>2,425</b> | <b>890</b>   |
| Net profit/loss for the year attributable to non-controlling interests (minority interests)              |       | 91           | -124         |

Notes 1 to 10 are an integral part of these consolidated financial statements.

# STATEMENT OF PROFIT OR LOSS AND GAINS/LOSSES RECOGNISED DIRECTLY IN EQUITY

| <i>In € millions</i>                                                                                 | Notes | 31/12/2022   | 31/12/2021   |
|------------------------------------------------------------------------------------------------------|-------|--------------|--------------|
| <b>Net profit/loss for the year</b>                                                                  |       | <b>2,516</b> | <b>767</b>   |
| Change in foreign currency translation differences                                                   |       | -18          | 116          |
| Tax on change in foreign currency translation differences                                            |       | 4            | -2           |
| Change in fair value of cash flow hedges                                                             | 6.4   | 842          | 815          |
| Tax on change in fair value of cash flow hedges                                                      |       | -24          | -7           |
| Change in fair value of hedging costs                                                                | 6.4   | 16           | 116          |
| Tax on change in fair value of hedging costs                                                         |       | 0            | 0            |
| Share of recyclable other comprehensive income of companies consolidated under the equity method     | 4.3   | -1           | 5            |
| <b>Total recyclable other comprehensive income/loss</b>                                              |       | <b>818</b>   | <b>1,042</b> |
| Actuarial gains/losses on employee defined-benefit plans                                             | 5     | 564          | 250          |
| Tax on actuarial gains/losses on employee defined-benefit plans                                      |       | -22          | 16           |
| Change in value of equity instruments at fair value through equity                                   |       | -3           | -1           |
| Share of non-recyclable other comprehensive income of companies consolidated under the equity method | 4.3   | 14           | -1           |
| <b>Total non-recyclable other comprehensive income/loss</b>                                          |       | <b>553</b>   | <b>263</b>   |
| <b>Gains/losses recognised directly in equity</b>                                                    |       | <b>1,371</b> | <b>1,305</b> |
| <b>Net profit/loss and gains/losses recognised directly in equity</b>                                |       | <b>3,887</b> | <b>2,071</b> |
| <i>Attributable to equity holders of the parent</i>                                                  |       | <i>3,683</i> | <i>2,140</i> |
| <i>Attributable to non-controlling interests</i>                                                     |       | <i>203</i>   | <i>-69</i>   |

Notes 1 to 10 are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## CONSOLIDATED ASSETS

| In € millions                      | Notes   | 31/12/2022     | 31/12/2021     |
|------------------------------------|---------|----------------|----------------|
| Goodwill                           | 4.1     | 2,690          | 2,285          |
| Intangible assets                  | 4.2     | 2,007          | 2,114          |
| Lease right of use assets          | 4.2.3   | 3,950          | 3,425          |
| Property, plant and equipment      | 4.2     | 53,150         | 52,587         |
| Non-current financial assets       | 6       | 38,452         | 32,364         |
| Equity investments                 | 4.3.1   | 843            | 1,014          |
| Deferred tax assets                | 7       | 4,353          | 4,592          |
| <b>Non-current assets</b>          |         | <b>105,445</b> | <b>98,382</b>  |
| Inventories and work-in-progress   | 4.5.1   | 1,504          | 1,385          |
| Operating receivables              | 4.5.2   | 10,349         | 9,649          |
| <b>Operating assets</b>            |         | <b>11,853</b>  | <b>11,034</b>  |
| Current financial assets           | 6       | 5,865          | 4,535          |
| Cash and cash equivalents          | 6.3.2.5 | 9,874          | 10,772         |
| <b>Current assets</b>              |         | <b>27,592</b>  | <b>26,341</b>  |
| Assets classified as held for sale |         | -              | -              |
| <b>Total assets</b>                |         | <b>133,036</b> | <b>124,723</b> |

## CONSOLIDATED EQUITY AND LIABILITIES

| In € millions                                                                 | Notes | 31/12/2022     | 31/12/2021     |
|-------------------------------------------------------------------------------|-------|----------------|----------------|
| Share capital                                                                 | 6.6   | 1,000          | 1,000          |
| Consolidated reserves                                                         |       | 24,123         | 12,754         |
| Net profit/loss for the year attributable to equity holders of the parent     |       | 2,425          | 890            |
| <b>Equity attributable to equity holders of the parent</b>                    |       | <b>27,548</b>  | <b>14,645</b>  |
| Non-controlling interests                                                     | 6.6   | 75             | 40             |
| <b>Total equity</b>                                                           |       | <b>27,623</b>  | <b>14,685</b>  |
| Non-current employee benefits                                                 | 5     | 1,888          | 2,579          |
| Non-current provisions                                                        | 4.6   | 959            | 1,121          |
| Liabilities relating to concession assets excluded from the scope of IFRIC 12 | 4.2.5 | 2,315          | 2,363          |
| Non-current financial liabilities                                             | 6     | 68,668         | 74,006         |
| Non-current lease liabilities                                                 | 6     | 3,131          | 2,677          |
| Deferred tax liabilities                                                      | 7     | 185            | 175            |
| <b>Non-current liabilities</b>                                                |       | <b>77,146</b>  | <b>82,921</b>  |
| Current employee benefits                                                     | 5     | 148            | 167            |
| Current provisions                                                            | 4.6   | 165            | 144            |
| Operating payables                                                            | 4.5.3 | 17,674         | 17,025         |
| <b>Operating liabilities</b>                                                  |       | <b>17,987</b>  | <b>17,335</b>  |
| Current financial liabilities                                                 | 6     | 9,288          | 8,880          |
| Current lease liabilities                                                     | 6     | 993            | 902            |
| <b>Current liabilities</b>                                                    |       | <b>28,268</b>  | <b>27,118</b>  |
| Liabilities associated with assets classified as held for sale                |       | -              | -              |
| <b>Total equity and liabilities</b>                                           |       | <b>133,036</b> | <b>124,723</b> |

Notes 1 to 10 are an integral part of these consolidated financial statements.



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| <i>In € millions</i>                                                                               | Share capital | Capital reserves | Actuarial gains/losses on employee defined-benefit plans | Financial assets at fair value through equity | Group translation reserves | Cash flow hedges | Hedging costs | Retained earnings and other reserves | Equity attributable to equity holders of the parent | Non-controlling interests | Total equity  |
|----------------------------------------------------------------------------------------------------|---------------|------------------|----------------------------------------------------------|-----------------------------------------------|----------------------------|------------------|---------------|--------------------------------------|-----------------------------------------------------|---------------------------|---------------|
| <b>Equity published as at 01/01/2021</b>                                                           | <b>1,000</b>  | <b>4,079</b>     | <b>-612</b>                                              | <b>-68</b>                                    | <b>-303</b>                | <b>-1,626</b>    | <b>-96</b>    | <b>10,317</b>                        | <b>12,691</b>                                       | <b>4</b>                  | <b>12,696</b> |
| Net profit/loss for the year                                                                       | -             | -                | -                                                        | -                                             | -                          | -                | -             | 890                                  | 890                                                 | -124                      | 767           |
| Gains/losses recognised directly in equity                                                         | -             | -                | 231                                                      | -1                                            | 105                        | 793              | 116           | 5                                    | 1,250                                               | 55                        | 1,305         |
| <b>Net profit/loss and gains/losses recognised directly in equity</b>                              | <b>-</b>      | <b>-</b>         | <b>231</b>                                               | <b>-1</b>                                     | <b>105</b>                 | <b>793</b>       | <b>116</b>    | <b>895</b>                           | <b>2,139</b>                                        | <b>-69</b>                | <b>2,071</b>  |
| Dividends paid(*)                                                                                  | -             | -                | 0                                                        | -                                             | -                          | -                | -             | -140                                 | -140                                                | -1                        | -141          |
| Dividends of subsidiaries                                                                          | -             | -                | -                                                        | -                                             | -                          | -                | -             | -                                    | -                                                   | -7                        | -7            |
| Capital transactions                                                                               | -             | -                | -                                                        | -                                             | -                          | -                | -             | 0                                    | 0                                                   | 38                        | 38            |
| Changes in scope, non-controlling interests and non-controlling interest purchase commitments (**) | -0            | -0               | 1                                                        | -                                             | -1                         | -6               | -             | -80                                  | -86                                                 | 8                         | -77           |
| Other changes (***)                                                                                | -             | -                | 2                                                        | -                                             | -                          | 37               | -             | 1                                    | 40                                                  | 65                        | 104           |
| <b>Equity published as at 31/12/2021</b>                                                           | <b>1,000</b>  | <b>4,079</b>     | <b>-377</b>                                              | <b>-70</b>                                    | <b>-199</b>                | <b>-800</b>      | <b>19</b>     | <b>10,992</b>                        | <b>14,645</b>                                       | <b>40</b>                 | <b>14,685</b> |
| Net profit/loss for the year                                                                       | -             | -                | -                                                        | -                                             | -                          | -                | -             | 2,425                                | 2,425                                               | 91                        | 2,516         |
| Gains/losses recognised directly in equity                                                         | -             | -                | 452                                                      | -2                                            | 2                          | 792              | 16            | -0                                   | 1,259                                               | 112                       | 1,371         |
| <b>Net profit/loss and gains/losses recognised directly in equity</b>                              | <b>-</b>      | <b>-</b>         | <b>452</b>                                               | <b>-2</b>                                     | <b>2</b>                   | <b>792</b>       | <b>16</b>     | <b>2,424</b>                         | <b>3,683</b>                                        | <b>203</b>                | <b>3,887</b>  |
| Dividends paid(*)                                                                                  | -             | -                | -                                                        | -                                             | -                          | -                | -             | -394                                 | -394                                                | -                         | -394          |
| Dividends of subsidiaries                                                                          | -             | -                | -                                                        | -                                             | -                          | -                | -             | -                                    | -                                                   | -29                       | -29           |
| Capital transactions                                                                               | -             | -                | -                                                        | -                                             | -                          | -                | -             | 0                                    | 0                                                   | 23                        | 23            |
| Changes in scope, non-controlling interests and non-controlling interest purchase commitments (**) | 0             | -0               | 2                                                        | 0                                             | -0                         | 0                | -             | -357                                 | -355                                                | -160                      | -514          |
| Other changes (****)                                                                               | -             | -                | 0                                                        | -0                                            | -                          | -19              | -             | 9,986                                | 9,968                                               | -2                        | 9,966         |
| <b>Equity published as at 31/12/2022</b>                                                           | <b>1,000</b>  | <b>4,079</b>     | <b>78</b>                                                | <b>-72</b>                                    | <b>-197</b>                | <b>-27</b>       | <b>35</b>     | <b>22,652</b>                        | <b>27,548</b>                                       | <b>75</b>                 | <b>27,623</b> |

(\*) Dividends paid correspond to payments made to French State support fund (see Note 6.6).

(\*\*) Of which changes in Eurostar Group non-controlling interest purchase commitments (see Note 2.1.4) (Eurostar and THI Factory in 2021).

(\*\*\*) Includes the share of minority interests in the conversion of the shareholder loan into equity and remaining dividends payable to Eurostar.

(\*\*\*\*) Including the assumption by the State of the debt of SNCF Réseau of €10 billion on 1 January 2022 (see Note 2.1.2) and the impact relating to the change of accounting method for SAAS contracts for €9 million (see Note 1.1.1).

Notes 1 to 10 are an integral part of these consolidated financial statements.

# CONSOLIDATED CASH FLOW STATEMENT

| <i>In € millions</i>                                                         | Notes             | 31/12/2022    | 31/12/2021   |
|------------------------------------------------------------------------------|-------------------|---------------|--------------|
| <b>Net profit/loss for the year</b>                                          | IS <sup>(1)</sup> | <b>2,516</b>  | <b>767</b>   |
| Eliminations:                                                                |                   |               |              |
| share of net profit/loss of associates                                       | IS <sup>(1)</sup> | -41           | -7           |
| deferred tax expense/(income)                                                |                   | 198           | -25          |
| depreciation, amortisation, impairment losses and provisions                 |                   | 3,870         | 3,718        |
| revaluation gains/losses (fair value)                                        |                   | 124           | -59          |
| net proceeds from disposals and gains and losses on dilution                 |                   | -784          | -1,264       |
| <b>Cash from operations after net borrowing costs and taxes</b>              |                   | <b>5,883</b>  | <b>3,129</b> |
| Eliminations:                                                                |                   |               |              |
| current income tax expense/(income)                                          | 7                 | 115           | 184          |
| net borrowing costs                                                          |                   | 607           | 1,071        |
| dividend income                                                              |                   | -7            | -2           |
| <b>Cash from operations before net borrowing costs and taxes</b>             |                   | <b>6,598</b>  | <b>4,382</b> |
| Impact of change in working capital requirement                              | 4.5               | -230          | 102          |
| Taxes paid (collected)                                                       |                   | -210          | -86          |
| Dividends received                                                           |                   | 29            | 17           |
| <b>Cash flow from operating activities</b>                                   | <b>6</b>          | <b>6,188</b>  | <b>4,415</b> |
| Acquisitions of subsidiaries, net of cash acquired                           |                   | -559          | -130         |
| Disposals of subsidiaries, net of cash transferred (3)                       |                   | 738           | 2,082        |
| Acquisitions of intangible assets and property, plant and equipment          | 4.2               | -7,687        | -8,223       |
| Capitalised interest                                                         | 4.2               | -230          | -228         |
| Disposals of intangible assets and property, plant and equipment             |                   | 246           | 367          |
| New concession financial assets, net of concession liabilities               | 3.3               | -1,805        | -1,853       |
| Cash inflows from concession financial assets, net of concession liabilities |                   | 1,709         | 2,003        |
| Acquisitions of financial assets                                             |                   | 0             | -8           |
| Disposals of financial assets                                                |                   | -1            | 1            |
| Changes in loans and advances                                                |                   | 212           | 97           |
| Changes in cash assets                                                       |                   | 440           | 1,079        |
| Investment grants received                                                   |                   | 4,518         | 4,866        |
| <b>Cash flow from/used in investing activities</b>                           | <b>6</b>          | <b>-2,419</b> | <b>52</b>    |

| <i>In € millions</i>                                                   | Notes                 | 31/12/2022    | 31/12/2021    |
|------------------------------------------------------------------------|-----------------------|---------------|---------------|
| Cash inflows from equity transactions                                  |                       | 22            | 37            |
| Issue of debt instruments                                              |                       | 1,325         | 3,942         |
| Repayments of borrowings net of Public Debt Fund (PDF) receivables (4) |                       | -2,444        | -2,747        |
| Cash inflows from PPP (Public-Private Partnerships) receivables        |                       | 134           | 279           |
| Cash inflows from PPP (Public-Private Partnerships) receivables        |                       | -134          | -282          |
| Net interest paid                                                      |                       | -736          | -921          |
| Repayments of lease liabilities                                        |                       | -1,031        | -965          |
| Interest paid on lease liabilities                                     |                       | -149          | -143          |
| Dividends paid to the Group shareholder                                | Chg eq <sup>(2)</sup> | -394          | -140          |
| Dividends paid to non-controlling interests                            | Chg eq <sup>(2)</sup> | -29           | -7            |
| Increase/decrease in cash borrowings                                   |                       | -1,245        | -636          |
| <b>Cash flow from/used in financing activities</b>                     |                       | <b>-4,679</b> | <b>-1,585</b> |
| Effects of exchange rate fluctuations                                  |                       | -7            | 45            |
| Impact of changes in accounting policies                               |                       | 0             | -49           |
| Impact of changes in fair value                                        |                       | 19            | -14           |
| <b>Increase/decrease in cash and cash equivalents</b>                  |                       | <b>-898</b>   | <b>2,865</b>  |
| Opening cash and cash equivalents                                      | 6                     | 10,384        | 7,519         |
| Closing cash and cash equivalents                                      | 6                     | 9,486         | 10,384        |

(1) Consolidated income statement.

(2) Consolidated statement of changes in equity.

(3) Including sale of the Ermewa subsidiary in 2021 and sale of the Akiem subsidiary in 2022 (see Note 4.2.6).

(4) Including cash inflows for the PDF receivable (see Note 6.3.2.5).

Notes 1 to 10 are an integral part of the consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Notes 1 to 10 are an integral part of these consolidated financial statements.

All amounts are in millions of euros, unless stated otherwise. As the Group has elected not to round off figures, there may be minimal differences.

## 1. ACCOUNTING STANDARDS BASE

Pursuant to European Regulation 1606/2002 of 19 July 2002, the SNCF Group prepares its consolidated financial statements in accordance with IFRS (International Financial Reporting Standards).

The consolidated financial statements for the year ended 31 December 2022 were approved by the Board of Directors of the national company SNCF on 23 February 2023.

The terms “the SNCF Group”, the “Group” and “SNCF” refer to the group formed by the consolidated entities.

“SNCF SA” refers to the national company, SNCF, the group’s head company.

### 1.1 ADOPTION OF IFRS

The consolidated financial statements of SNCF Group for the year ended 31 December 2022 have been prepared in accordance with the international accounting standards issued by the IASB (International Accounting Standards Board) and adopted by the European Union as at this date. The IFRS framework as adopted in the European

Union may be consulted on the European Commission website:

[http://ec.europa.eu/internal\\_market/accounting/ias/index\\_en.htm](http://ec.europa.eu/internal_market/accounting/ias/index_en.htm).

The basis of preparation for the 2022 consolidated financial statements detailed in the following notes is the result of:

- standards and interpretations of mandatory application for fiscal years commencing on or before 1 January 2022; The methods used by the SNCF Group to adopt these texts are described in a grey inset at the start of each note to the financial statements;
- elected accounting options and exemptions applied, as provided for by the standards, in the preparation of the 2022 financial statements. These options and exemptions are described in the relevant notes to the financial statements.

#### 1.1.1 Standards and interpretations applicable to consolidated financial statements for financial periods beginning on or after 1 January 2022

Amendments to standards and interpretations as well as the new standards published and applicable as at 1 January 2022 that more specifically concern the Group’s consolidated financial statements are as follows:



| Standard or interpretation                                                                                                                            | Summary description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Impacts                                                                                                                                                                                                                                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Amendments to IFRS 9, IAS 39 and IFRS 7, "Interest Rate Benchmark Reform - Phase 2"                                                                   | <p>Issued by the IASB: 27 August 2020</p> <p>Endorsed by the EU: Regulation (EU) 2021/25 of 13 January 2021.</p> <p>Phase 2 amendments cover the accounting treatment of the impacts arising from the update of contracts following the interest rate benchmark reform and specific disclosures on these impacts until 2023, when USD LIBOR will cease to be published.</p>                                                                                                                                                                                                                                                                                                                                                                                                              | See Capital and financing note                                                                                                                                                                                                                                                     |
| Amendments to IAS 37 "Provisions, Contingent liabilities and Contingent Assets" regarding the recognition of provisions for onerous contracts         | <p>Issued by the IASB: 14 May 2020</p> <p>Endorsed by the EU: regulation (EU) 2021/1080 of 28 June 2021.</p> <p>The IASB published amendments to IAS 37 "Provisions, Contingent liabilities and Contingent Assets" which specify the costs that a company should include to determine whether or not a contract is onerous.</p> <p>The amendments modify IAS 37 by specifying that the costs of fulfilling a contract include incremental costs, such as labour and materials, and an allocation of other costs that relate directly to the contract, such as the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.</p> <p>The amendments are applicable to financial periods beginning on or after 1 January 2022</p> | No material impacts were identified as at 31 December 2022. Provisions for onerous contracts are immaterial (see Provisions note)                                                                                                                                                  |
| Amendment to IAS 16 "Property, plant and equipment"                                                                                                   | <p>Issued by the IASB: 14 May 2020</p> <p>Endorsed by the EU: Regulation (EU) 2021/1080 of 28 June 2021.</p> <p>The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. These sales should be recognised in profit or loss for the year.</p>                                                                                                                                                                                                                                                                                                                      | The amendment did not modify the SNCF Group accounting rules and methods relating to the definition of the cost of its non-current assets.                                                                                                                                         |
| Amendment to IFRS 9 "Financial instruments"                                                                                                           | <p>Issued by the IASB: 14 May 2020</p> <p>Endorsed by the EU: Regulation (EU) 2021/1080 of 28 June 2021.</p> <p>The amendment specifies that only the fees paid to the lender or borrower should be taken into account when conducting the 10% test referred to in paragraph B3.3.6 on the derecognition of a financial liability.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                   | The SNCF Group was not impacted by the entry into force of this amendment.                                                                                                                                                                                                         |
| Amendment to IFRS 3 "Business combinations"                                                                                                           | <p>Issued by the IASB: 14 May 2020</p> <p>Endorsed by the EU: Regulation (EU) 2021/1080 of 28 June 2021.</p> <p>The amendment requires acquirers to refer to IAS 37 and ISA 21 for transactions falling within the scope of these standards and no longer directly to the conceptual framework, and explicitly states that an acquirer must not recognise contingent assets acquired in a business combination.</p>                                                                                                                                                                                                                                                                                                                                                                      | The SNCF Group was not impacted by the entry into force of this amendment.                                                                                                                                                                                                         |
| IFRIC interpretation on accounting for upgrades relating to the configuration or customisation of programmes in a cloud computing arrangement (SaaS). | <p>Issued by the IASB: April 2021</p> <p>Upgrades relating to the configuration or customisation of programmes in a cloud computing arrangement (SaaS) are costs incurred during the year if the entity does not control the intellectual property of their code for example.</p> <p>The cost of these related upgrades will be amortised over the term of the service agreement if it cannot be distinguished from the software service itself.</p>                                                                                                                                                                                                                                                                                                                                     | The SNCF Group recognised the change in method in its 31 December 2022 financial statements. This resulted in an immaterial €9.1 million decrease in opening consolidated reserves. Due to the time required to calculate the impact of this amendment, it was determined in 2022. |

The Group has not opted for the early application of standards and interpretations of mandatory application in financial periods starting after 31 December 2022, regardless of whether or not they were adopted by the European Commission.

## 1.2 CHANGE IN ACCOUNTING METHOD

The Group implemented the change in method resulting from the IFRIC's decision that was validated by the IASB in April 2021 regarding the recognition of configuration or customisation costs for software through an SaaS arrangement.

These upgrades are expensed during the year if the entity does not have control over them.

This change in method resulted in a decline in opening intangible assets of €16.1 million, offset against a €9.1 million decrease in consolidation reserves and a €7 million increase in costs to be amortised. It did not have a material impact on the balance sheet or net profit.

## 1.3 ACCOUNTING JUDGEMENTS AND ESTIMATES

In preparing the Group accounts, management must make estimates, as numerous items included in the consolidated financial statements cannot be valued precisely. The accounting estimates used for the 31 December 2022 financial statements were prepared under the current context of uncertainty regarding business outlooks (see Note 2.1.1). Management is required to revise its estimates in the event of a change in circumstances on which they are based or as a result of new information or further experience. As such, the estimates adopted at 31 December 2022 may be materially modified and subsequent actual results may differ materially from these estimates based on different assumptions or conditions.

These estimates and assumptions primarily concern:

### – Determination of goodwill

Business combinations are accounted for using fair value estimates of the assets acquired and liabilities assumed and previously held equity investments in a step acquisition are remeasured at fair value. Goodwill is the difference between the acquisition price plus the value of the previously held equity investments and the fair value of the acquired assets and liabilities.

### – Impairment of non-financial assets

When determining the recoverable amount of assets for impairment testing purposes (IAS 36) in accordance with the policy described in Note 4.4, value in use calculations are primarily based on estimates of expected future cash flows from the asset or cash-generating unit (CGU), the appropriate discount rate to be used to calculate the present value of these future cash flows and the growth rate adopted. Market value calculations are based on an assessment of the transaction price that could be obtained for the sale of the assets tested, taking into account the current condition of such assets.

### – Employee-benefit related items

Considering that these benefits are settled several years after the personnel has rendered the corresponding services, the obligations under defined benefit plans and other long-term liabilities are recognised using actuarial valuations based on financial and demographic assumptions including discount, inflation, and salary increase rates and mortality tables. Due to the long-term nature of these plans, changes in these assumptions can generate actuarial gains and losses and may lead to a significant change in the commitments recorded.

### – Recognition of deferred tax assets

A deferred tax asset is recognised when it is probable that the Group will generate future taxable profits against which unused tax savings may be offset. The Group's ability to recover these tax assets is analysed based on its business plan, contingencies relating to the economy and the uncertainties surrounding markets in which the Group is active.

### – Provisions for environmental risks

The Group records a provision for environmental risks when there is a legal or implicit obligation towards a third party that can be reliably measured and which would result in an outflow of resources.

Amounts recorded for site decontamination are based on the best possible estimate resulting from year-end assessments and take into account valuations for known risks currently being assessed (see Note 4.6).

Amounts recorded for the dismantling of rolling stock containing asbestos correspond to the estimated dismantling costs at the end of the equipment life. These costs are determined based on the prices invoiced by scrap metal dealers and asbestos removers and the target prices of the most recent calls for tender. A change in these costs would be passed on to the amounts recorded.

### – Derivative financial instruments

The Group uses assumptions to measure the fair value of its derivative instruments. The recognition and measurement principles are described in Note 6.5.

### – Leases

The main uncertainties concern the inclusion of optional periods when assessing lease terms. The Group bases its estimates on the materiality of the underlying assets in the conduct of operations and a set of other assumptions deemed as reasonable with regard to facts and circumstances.

### – Climate change information

Climate change represents a risk for rail activity, which is by nature faced with weather hazards such as extreme temperatures, gales, violent storms causing trees to fall, flooding as well as rock and land slides. These risks are mapped and monitored by the Group's companies.

The main financial repercussions for the SNCF Group are higher maintenance costs and operating losses due to the decline in quality of service provided. Rolling stock and rail infrastructures are damaged due to high temperatures and unprecedented weather events may result in rail line disruption.

Our valuation of assets and liabilities has taken into account currently available information on our climate change initiatives. These measures give rise to specific investments and/or excess costs which were incorporated into asset impairment tests.

Over and above these risks, rail transport presents a low carbon offering in the face of climate change, which is a major issue for ecological transition.

The Group has therefore undertaken a commitment to reduce GHG emissions in transport across France by 30% by 2030 compared to the baseline year 2015 and by 50% for its real estate portfolio, in line with France's National Low Carbon Strategy. It has also pledged to improve train traction energy performance by 20% between 2015 and 2025.

The pathway to reducing and decarbonising energy consumption is mainly based on the ongoing electrification of rail lines while adapting resistance and robustness levels as well as development of low-emission rolling stock

or rolling stock using renewable energy (bio-fuel, design of “light” materials, new rolling stock technologies).

Regarding its real estate assets, the Group has also undertaken initiatives to optimise the use of its premises.

The CAPEX aligned to the criteria of (EU) regulation 2019-2088 on the drafting of a framework to promote sustainable investment, commonly known as the “Green Taxonomy” and totalling around €2 million in 2022, contributed directly to the Group’s environmental performance. This mainly involves renewal work on the electrical rail network and electrified rolling stock and complies with all the regulation’s DNSH criteria. Other CAPEX of around €3 billion helped maintain and develop the zero CO2 emission collective transport offering.

## 1.4 BASIS OF CONSOLIDATION

### 1.4.1 Entities under control, joint control or significant influence

Companies over which the Group exercises control, directly or indirectly, are fully consolidated. Under IFRS 10, control is defined and determined based on three criteria: power, exposure to variable returns and the relationship between power and these returns.

All material transactions between the controlled companies are eliminated.

The profit or loss of subsidiaries is divided between the Group and the non-controlling interests based on their percentage interest even if this results in the recording of negative non-controlling interests.

Joint arrangements qualified as joint operations within the meaning of IFRS 11 are recorded for their share of assets and liabilities and revenues and expenses after elimination of intra-group transactions.

The following are equity-accounted:

- Joint arrangements qualified as joint ventures under IFRS 11, meaning that they solely give rights to the net assets of an entity.
- Entities in which the Group exercises significant influence over financial and operating policies, but which it does not control (associates) under IAS 28. Significant influence is presumed to exist where the Group holds an interest of 20% or more.
- All internal profits and losses between companies accounted for under the equity method are eliminated according to the percentage interest held. For internal profits realised by the Group on an investment, if the gain to be eliminated exceeds the carrying amount of the investment in the associate or joint venture, this excess amount is recognised as deferred income in accordance with Group standards.

Loans to companies accounted for under the equity method are financial instruments which if necessary are subject to impairment pursuant to IFRS 9.

The results of companies acquired or disposed of during the fiscal year are included in the consolidated income statement of the Group from the date control is acquired up to the date of transfer of control on disposal.

The financial statements of the companies included in the scope of consolidation are drawn up to 31 December 2022 and restated to comply with Group accounting policies.

A list of the main subsidiaries, joint ventures, joint operations, and associates and the factors used to assess control in certain entities is presented in Note 10.

### 1.4.2 Translation of the financial statements of foreign subsidiaries

The financial statements of foreign subsidiaries whose functional currency is not the euro are translated into euros using the period-end exchange rate method:

- balance sheet accounts are translated at the year-end rate of exchange,
- income statement items are translated at the average annual rate of exchange,
- translation differences arising on the retranslation of opening balance sheet items (movement between opening and closing exchange rates) and income statement items (movement between average and closing exchange rates) are taken to “Translation differences” under other comprehensive income in consolidated equity.

Likewise, foreign exchange differences arising from the translation of receivables and payables that are part of the net investment in a foreign subsidiary are also recorded in “Translation differences” in equity. They are recorded in profit or loss upon removal of the net investment.

## 2. MAJOR EVENTS

### 2.1 MAJOR EVENTS OF 2022

#### 2.1.1 COVID-19 health crisis

The COVID-19 health crisis has had a less severe impact on SNCF Group operations since the beginning of 2022.

The Passengers business line reported a gradual upturn in its activity, mainly driven by leisure travellers.

SNCF nevertheless continued to roll out its savings plan and maintained its efforts to adapt to the new economic context and further the growth of its activities.

#### 2.1.2 Partial assumption of SNCF Réseau’s debt by the French State

On 1 January 2022, the French State assumed €10 billion of SNCF Réseau’s debt (at nominal value on repayment), in line with the provisions of the initial 2022 Finance Law.

The terms and conditions of this assumption were the same as those adopted in the first phase when €25 billion was assumed as at 1 January 2020.

The financial grant totalled €2.2 billion as at 01/01/2022.

This debt assumption reduced net debt by €10 billion and annual financial expenses by around €275 million.

#### 2.1.3 Follow-up of the rail recovery plan

The roll-out of the rail recovery plan initiated by the French State in 2020 continued in 2022. A total of €1,761 million has been paid by the State to SNCF Réseau in 2022 through the support fund. This follows the €1,645 million paid in 2021.

#### 2.1.4 Creation of Eurostar Group

The Boards of Directors of SNCF SA (25 January 2022), SNCF Voyageurs (1 February 2022) and SVD (3 February 2022) validated the final phase of the Greenspeed project, duly confirming the merger of Eurostar and Thalys.

In April 2022, this merger resulted in the creation of a Belgian holding company, Eurostar Group, following the transfer of all Eurostar and Thalys securities. Following the merger, the SNCF Group continues to control Eurostar and Thalys through Eurostar Group, which is 55.75% owned.

Non-controlling interests retain a put option on all their shares.

#### 2.1.5 Sale of the AKIEM subsidiary

The sale of the Akiem group and its subsidiaries was signed on 9 December 2022 with the *Caisse de dépôt et*



*placement du Québec (CDPQ)*. Akiem, which has been 50% owned since 30 June 2016, was equity accounted and was reclassified in “Assets held for sale” as at 30 June 2022. The disposal gain recognised under “Net proceeds from asset disposals” totalled €557 million. This transaction enabled the Group to reduce its debt by €0.8 billion.

### 2.1.6 Acquisitions in 2022 by the Geodis subsidiary

#### Acquisition of the American group Need It Now Delivers

Geodis acquired the entire share capital of the American group Need It Now Delivers on 11 October 2022 through its subsidiary Geodis America. This acquisition allows Geodis to expand its presence in the United States in the areas of contract logistics and last-mile delivery. Need It Now Delivers operates a domestic trucking network with more than 65 sites and 300 distributions points and employs around 2,000 people. Since its acquisition, the company has generated revenue of €171 million and net income, Group share of €9 million.

#### Acquisition of the Singaporean Group Keppel Logistics

On 1 July 2022, Geodis acquired the entire share capital of the Singaporean Group Keppel Logistics. This deal will boost contractual logistics activities and e-commerce services in Asia-Pacific. Since its acquisition, the company has generated revenue of €34 million and a net loss, Group share of -€4 million.

### 2.1.7 War in Ukraine

The war that broke out following the invasion of Ukraine by the Russian Federation on 24 February 2022 had no direct impact on the Group as it has no activities in the warring nations or countries subject to economic sanctions. However, the Group suffered the repercussions of rising inflation, and in particular the resulting higher prices for electricity, diesel and raw materials. This changing economic context, which has a limited impact on the Group's 2022 financial statements given the hedging mechanisms in place, has been taken into account in the impairment tests performed at 31 December 2022.

## 2.2 SUBSEQUENT EVENTS

The main subsequent events are as follows:

### 2.2.1 The European Commission opens an in-depth investigation into French support measures for Fret SNCF

On 18 January 2023, the European Commission opened an in-depth investigation to assess whether certain French support measures in favour of Fret SNCF are in line with EU State aid rules, i.e. whether these measures were those that a prudent investor would have taken under the same market conditions. The measures involve:

- cash advances from the beginning of 2007 to 1 January 2020, the date of the transformation of the freight business into a commercial company for an estimated amount of between €4 and €4.3 billion
- cancelling the intra-group borrowings of the Fret SNCF activity at the time of its conversion to a commercial company, in the amount of €5.3 billion, including the advances mentioned above
- injecting €170 million of share capital at the time of the conversion to a commercial company

It is recalled that the opening of this investigation does not pre-empt its outcome. At the date of the Group's financial statements, and in the absence of information on the outcome of the investigation or its possible consequences, no accounting impact has been identified. It should also be

noted that the intra-group debt of €5.3 billion mentioned above, which was cancelled when Fret SNCF SAS was created, was financed by SNCF SA and is therefore included in SNCF consolidated financial debt.

## 3. PERFORMANCE FOR THE PERIOD

EBITDA comprises:

- revenue and other income minus expenses directly attributable to operating activities. Those expenses mainly comprise purchases, sub-contracting, other external services, employee costs, taxes and duties other than income tax, disposals of operating assets (property, plant and equipment - mainly transport equipment - used in the operating cycle and disposed of in connection with upgrades to production facilities) and various other items,
- plus movements in provisions for current assets directly related to operating activities.

Revenue recognition principles are described in Note 3.2. EBITDA is separate from current operating profit, which includes the majority of non-cash items (depreciation and amortisation, provisions, etc.) and other miscellaneous items not directly attributable to another income statement account. Accordingly, charges to provisions for employee benefits (excluding finance costs), provisions for liabilities and charges and reversals of used and unused provisions are recognised below EBITDA under “Net movement in provisions”. EBITDA is therefore only impacted when the expense or loss covered by the provision is effectively incurred.

### 3.1 SEGMENT INFORMATION

#### 3.1.1 Determination of reported segments

The operations of the SNCF Group are organised into five business lines and eleven segments:

– The **Infrastructure Management business line**, comprising two segments:

- SNCF Réseau, whose mission is to commercialise, manage, maintain, upgrade and develop the French national rail network. Its customers are 38 railway operators which use the national rail network and 16 other companies (combined transport operators, ports, etc.), which reserve track slots that they then assign to the railway operator of their choice. The segment includes the Sferis, Altametris, Eurailsout, SNCF ImmoRéseau, Terralpha and Leyfa Measurement subsidiaries.
- SNCF Gares & Connexions specialises in the design, operation and marketing of train stations. It includes SNCF Gares & Connexions SA and its subsidiaries Arep, Retail & Connexions, Hubs & Connexions and Lagardère & Connexions.

– The **Passengers business line** comprises four segments:

- Transilien: local regulated rail transport services in the Île-de-France (Greater Paris) region.
- TER: regulated regional passenger transport services (rail and road, including urban and suburban), and associated services (RITMx).
- TGV-Intercités: door-to-door passenger transport in France and across Europe via SNCF Voyageurs SA (TGV, OUIgo, Intercités), European cooperations (Allee with DB, etc.) and its subsidiaries (Eurostar, Thalys, Lyria, OUIGO España, etc.), and distribution of travel-related products (including the subsidiary SNCF Connect).
- the Industrial Division: Equipment, Traction, and Rail Production activities and the Masteris subsidiary. This division coordinates the Group's industrial operations.



The Equipment activity is particularly responsible for the renovation and heavy maintenance of the Group's rolling stock, the supply chain for parts for all technical maintenance centres and a complete range of maintenance engineering and testing services.

- **Keolis**: in charge of mass transit in 13 countries. Its expertise covers all modes of transportation (train, bus, car, underground, tramway, ferries, bicycles), and parking management.
  - The **Freight & Logistics business line**, comprising two segments:
    - **Geodis**: a European operator with a global reach, offering management solutions across all or part of the logistics chain (Supply Chain Optimization, Air & Sea Freight Forwarding, Distribution & Express, Road Transport, Contract Logistics).
    - **Rail Logistics Europe**: a rail/multi-modal freight specialist, including rail and combined freight operators and freight forwarders in Europe and worldwide (Fret SNCF SAS, Captrain, Combicargo, Forwardis and VIIA).
  - **SNCF Immobilier** acts as agent or service provider for the other SNCF Group companies in four main areas: managing real estate assets used in operations (master plans to optimise real estate assets, the construction and refurbishment of buildings, and managing leased properties), monetising assets not required for railway operations, managing the working environment in key office premises, and managing residential properties through the SNCF SA subsidiary ICF Habitat Group.
- All of these segments are served by corporate support functions and other service providers from within the SNCF Group: Shared Service Centres, holding company activities within SNCF Participations, and SUGE (rail safety), along with certain operational subsidiaries that comprise the "Other" segment.

### 3.1.2 Reported indicators

The key indicators reported for each segment are:

- **External revenue**, excluding transactions with the Group's other segments.
- **Internal revenue** comprising transactions between segments.
- **EBITDA as presented in the consolidated income statement**.
- **Net investments**, which comprise gross acquisitions of property, plant and equipment and intangible assets (including own production capitalised and finance costs), net of investment grants received and new concession financial assets net of cash inflows, i.e. after the impact of changes in working capital requirements relating to investing activities.
- **Investments from all funding sources**, which comprise gross acquisitions of property, plant and equipment and intangible assets as recognised for accounting purposes (including own production capitalised and finance costs), plus new gross concession financial assets.
- **Net indebtedness** is the sum of current and non-current financial liabilities less current and non-current financial assets, when the latter arise from transactions which, in substance, only involve exchanges of cash flow: issue or receipt of cash in consideration for an expected cash reimbursement or remuneration.

The accounting methods adopted for the preparation of financial data for each segment are those used in the preparation of the consolidated financial statements. Internal revenue is eliminated in an "Inter-segment" line item for purposes of reconciliation with the Group consolidated financial statements.

## 3.1.3 Segment information

31/12/2022

| In € millions                    | External revenue | Intragroup revenue | Revenue       | External EBITDA | Net investments | Investments from all funding sources | Net indebtedness |
|----------------------------------|------------------|--------------------|---------------|-----------------|-----------------|--------------------------------------|------------------|
| SNCF Réseau                      | 2,711            | 4,397              | 7,108         | 1,821           | 2,062           | 5,561                                | 18,998           |
| SNCF Gares & Connexions          | 299              | 1,335              | 1,633         | 335             | 371             | 965                                  | 1,024            |
| Intra-business line eliminations |                  | -485               | -485          |                 |                 |                                      |                  |
| <b>Infrastructure Management</b> | <b>3,010</b>     | <b>5,247</b>       | <b>8,257</b>  | <b>2,156</b>    | <b>2,433</b>    | <b>6,525</b>                         | <b>20,022</b>    |
| Transilien                       | 3,235            | 360                | 3,594         | 340             | -73             | 1,092                                | -247             |
| TER                              | 5,124            | 355                | 5,479         | 347             | -103            | 921                                  | -1,293           |
| TGV - Intercités                 | 8,131            | 377                | 8,508         | 1,419           | 568             | 661                                  | 3,519            |
| Industrial Division              | 85               | 1,764              | 1,848         | 153             | 143             | 144                                  | 283              |
| Other                            | 7                | 598                | 606           | 10              | 17              | 20                                   | -184             |
| Intra-business line eliminations |                  | -2,650             | -2,650        |                 |                 |                                      |                  |
| <b>Passengers</b>                | <b>16,582</b>    | <b>803</b>         | <b>17,385</b> | <b>2,269</b>    | <b>552</b>      | <b>2,838</b>                         | <b>2,078</b>     |
| <b>Keolis</b>                    | <b>6,568</b>     | <b>147</b>         | <b>6,715</b>  | <b>574</b>      | <b>147</b>      | <b>208</b>                           | <b>974</b>       |
| Geodis                           | 13,606           | 116                | 13,723        | 1,157           | 199             | 197                                  | 1,014            |
| Rail Logistics Europe            | 1,626            | 83                 | 1,709         | 201             | 84              | 85                                   | -90              |
| Other                            | -                | -                  | -             | 5               | -               | -                                    | -810             |
| Intra-business line eliminations |                  | -21                | -21           |                 |                 |                                      |                  |
| <b>Freight &amp; Logistics</b>   | <b>15,233</b>    | <b>179</b>         | <b>15,411</b> | <b>1,363</b>    | <b>283</b>      | <b>282</b>                           | <b>114</b>       |
| <b>SNCF Immobilier</b>           | <b>44</b>        | <b>735</b>         | <b>779</b>    | <b>202</b>      | <b>30</b>       | <b>29</b>                            | <b>-172</b>      |
| Corporate                        | 13               | 1,071              | 1,085         | 50              | 52              | 53                                   | 1,423            |
| Inter-segment eliminations       |                  | -11,338            | -11,338       |                 |                 |                                      |                  |
| <b>Total</b>                     | <b>41,449</b>    | <b>-</b>           | <b>41,449</b> | <b>6,615</b>    | <b>3,495</b>    | <b>9,936</b>                         | <b>24,439</b>    |

31/12/2021

| In € millions                    | External revenue | Intragroup revenue | Revenue       | External EBITDA | Net investments | Investments from all funding sources | Net indebtedness |
|----------------------------------|------------------|--------------------|---------------|-----------------|-----------------|--------------------------------------|------------------|
| SNCF Réseau                      | 2,651            | 3,954              | 6,605         | 1,672           | 2,105           | 5,666                                | 29,333           |
| SNCF Gares & Connexions          | 239              | 1,306              | 1,545         | 292             | 408             | 877                                  | 960              |
| Intra-business line eliminations |                  | -538               | -538          |                 |                 |                                      |                  |
| <b>Infrastructure Management</b> | <b>2,890</b>     | <b>4,722</b>       | <b>7,612</b>  | <b>1,964</b>    | <b>2,514</b>    | <b>6,543</b>                         | <b>30,293</b>    |
| Transilien                       | 3,052            | 337                | 3,388         | 283             | -354            | 1,382                                | -322             |
| TER                              | 4,827            | 342                | 5,169         | 253             | -130            | 650                                  | -1,336           |
| TGV - Intercités                 | 4,976            | 392                | 5,368         | -399            | 507             | 776                                  | 4,266            |
| Industrial Division              | 71               | 1,620              | 1,692         | 40              | 84              | 97                                   | 346              |
| Other                            | 23               | 518                | 541           | 21              | 37              | 37                                   | 491              |
| Intra-business line eliminations |                  | -2,449             | -2,449        |                 |                 |                                      |                  |
| <b>Passengers</b>                | <b>12,949</b>    | <b>760</b>         | <b>13,708</b> | <b>199</b>      | <b>144</b>      | <b>2,943</b>                         | <b>3,445</b>     |
| <b>Keolis</b>                    | <b>6,190</b>     | <b>123</b>         | <b>6,314</b>  | <b>606</b>      | <b>203</b>      | <b>233</b>                           | <b>1,030</b>     |
| Geodis                           | 10,803           | 102                | 10,906        | 948             | 184             | 178                                  | 447              |
| Rail Logistics Europe            | 1,482            | 112                | 1,594         | 176             | 69              | 74                                   | -57              |
| Other                            | 382              | 57                 | 439           | 240             | 242             | 246                                  | -610             |
| Intra-business line eliminations |                  | -83                | -83           |                 |                 |                                      |                  |
| <b>Freight &amp; Logistics</b>   | <b>12,667</b>    | <b>189</b>         | <b>12,856</b> | <b>1,364</b>    | <b>496</b>      | <b>498</b>                           | <b>-219</b>      |
| <b>SNCF Immobilier</b>           | <b>43</b>        | <b>607</b>         | <b>650</b>    | <b>225</b>      | <b>22</b>       | <b>20</b>                            | <b>-305</b>      |
| Corporate                        | 14               | 1,014              | 1,028         | -15             | 57              | 56                                   | 2,053            |
| Inter-segment eliminations       |                  | -10,486            | -10,486       |                 |                 |                                      |                  |
| <b>Total</b>                     | <b>34,752</b>    | <b>-</b>           | <b>34,752</b> | <b>4,343</b>    | <b>3,435</b>    | <b>10,293</b>                        | <b>36,296</b>    |

Pursuant to IFRS 8 (section 33), information concerning geographical areas is not provided since the necessary information is unavailable.

### 3.2 REVENUE

SNCF Group generates its revenue from contracts with customers, in accordance with IFRS 15. It corresponds to all compensation (transaction price) collected from business transactions carried out in connection with its main standard and recurring operating activities. SNCF Group revenue is generated by its business lines:

- Passengers (TGV Intercités, TER, Transilien, Industrial Division),
- Infrastructure Management (SNCF Réseau, SNCF Gares & Connexions),
- Keolis,
- Freight and Logistics (Geodis, Rail Logistics Europe, including SAS Fret SNCF),
- SNCF Immobilier.

The transaction price mainly comprises:

- fixed contractual compensation agreed to with the customer,
- variable consideration corresponding to an entitlement subject to the realisation of recurring future events that can be reliably estimated using predictive methods. This mainly involves discounts and rebates granted to customers, penalties and indemnification following failure to meet contractual specifications and gains or losses regarding the performance of contractual objectives,
- consideration payable to customers corresponding to amounts paid or payable that is deducted from the transaction price when it does not correspond to distinct services received from the customer.

For the most part, guarantees are granted to customers in connection with passenger and freight transportation. They may be used to provide assurance that services sold meet contractual specifications (assistance guarantee, guarantee for damages, etc.). In this case, costs are provided for in accordance with IAS 37. When they correspond to a penalty incurred because a certain level of performance has not been met, they are deducted from revenue as a variable consideration of the transaction price (punctuality guarantee, travel vouchers issued due to disruptions, etc.). Finally, when they correspond to an additional service provided to the customer, they are

recognised in revenue as a separate performance obligation.

The Group recognises revenue in its consolidated financial statements once control over the service is transferred to the customer:

- Under the multi-year agreements with the Transport Organising Authorities, the Group operates a transportation service. The performance obligation consists in maintaining continued access to the transport public service for users. The transaction price is determined on a yearly basis, according to the estimated operating costs and the criteria for achieving certain contractually defined performance objectives. Given the direct relationship between the parameters used to calculate compensation and the expected level of performance in completing the service over the same period, the annual compensation received is allocated directly to the annual services to which it corresponds. Control is therefore considered to be transferred over time and revenue is recognised on a straight-line basis over the period based on the accepted price quote.
- Regarding the other passenger transport activities, control is transferred as soon as the travel service is provided. Payment of the transaction price is due once the customer receives the service,
  - Rail network usage fees paid by rail operators are recognised as revenue when trains are actually running, with control over the service transferred on such date,
  - Regarding freight transport and logistics services, control over the service is steadily transferred over a short period and revenue can be recognised, given the very short duration, at a given time (goods departure or arrival),
  - Services for which control is transferred over a long period primarily correspond to some real estate activities and certain station management activities.

The SNCF Group derives revenue from providing services, at a point in time or continuously over a period of time, to private individuals and to public and private sector customers in the following main service lines:

| <i>In € millions</i>                                                                                               | 31/12/2022    | 31/12/2021    | Change       | Segment                                                        |
|--------------------------------------------------------------------------------------------------------------------|---------------|---------------|--------------|----------------------------------------------------------------|
| Passenger transport revenue                                                                                        | 7,251         | 4,342         | 2,909        | TGV - Intercites                                               |
| Freight transport revenue                                                                                          | 11,723        | 9,433         | 2,290        | Freight & Logistics business line                              |
| Other services ancillary to transport                                                                              | 3,541         | 2,855         | 686          | TGV - Intercites, Freight & Logistics business line            |
| Fees from Transport Organising Authorities (TOA) for regulated operations                                          | 15,065        | 14,115        | 951          | Transilien, TER, Keolis                                        |
| Rail network management fees                                                                                       | 2,440         | 2,348         | 91           | SNCF Réseau                                                    |
| Station management revenue                                                                                         | 299           | 239           | 61           | SNCF Gares & Connexions                                        |
| Real estate rental revenue (excluding rent generated)                                                              | 95            | 93            | 3            | Freight & Logistics, TGV - Intercites, Corporate business line |
| Transport equipment leasing revenue                                                                                | 42            | 320           | -279         | Freight & Logistics, Transilien, TER, Keolis business line     |
| Upkeep and maintenance services                                                                                    | 172           | 284           | -112         | All segments                                                   |
| Other revenue                                                                                                      | 820           | 723           | 97           | All segments                                                   |
| <b>Revenue by main service line</b>                                                                                | <b>41,449</b> | <b>34,752</b> | <b>6,697</b> |                                                                |
| Public sector (public bodies)                                                                                      | 17,718        | 16,643        | 1,075        |                                                                |
| Private individuals                                                                                                | 7,271         | 4,482         | 2,789        |                                                                |
| Private sector companies                                                                                           | 16,460        | 13,627        | 2,833        |                                                                |
| <b>Revenue by customer type</b>                                                                                    | <b>41,449</b> | <b>34,752</b> | <b>6,697</b> |                                                                |
| Immediate or one-day transfer                                                                                      | 9,779         | 7,137         | 2,642        |                                                                |
| Point-in-time transfer over a period of less than one year (logistics, freight transport and compensation from OA) | 31,295        | 27,384        | 3,911        |                                                                |
| Services provided continuously over more than one year (real estate, some station management operations, etc.)     | 375           | 231           | 144          |                                                                |
| <b>Revenue by recognition rate</b>                                                                                 | <b>41,449</b> | <b>34,752</b> | <b>6,697</b> |                                                                |

### 3.3 SERVICE CONCESSION AGREEMENTS

As part of its transport activities, the Group provides public services on behalf of the Transport Organising Authorities (TOA or OA): the French State or various regional authorities. These rail transport regulated services are covered by operating agreements with terms of 3 to 10 years. They are mainly provided by SNCF Voyageurs (Transilien, TER and Intercités) and Keolis. The assets used to provide a public service and controlled by the Transport Organising Authority (TOA) are included in the scope of IFRIC 12. The control of assets by the OA is deemed to occur when the following two conditions are met:

- the OA controls or regulates the public service, i.e. the OA controls or regulates the services that must be provided with the infrastructure that is the subject of the concession, and determines to whom it must provide them, and at what price; and
- the OA controls the infrastructure, i.e. is entitled to recover the equipment at the end of the contract.

Pursuant to IFRIC 12, the infrastructures developed by the public sector delegate under the operating contract are not recorded as property, plant and equipment in the balance sheet, but rather as an intangible asset ("intangible asset model") and/or a financial asset ("financial asset model") according to the remuneration commitment given by the OA:

- the "intangible asset model" applies where the Group, as operator, receives a right to charge users of the public service and is paid in substance by the user, which means the operator bears a demand risk; this applies to certain contracts within the Keolis scope;
- the "financial asset model" applies where the Group has an unconditional right to receive cash or another financial asset, either directly from the OA or indirectly by means of guarantees given by the OA on the revenue from users of the public service. The consideration is therefore independent of user numbers. Investment grants are classified, in this case, as a repayment clause of the

operating financial asset. The Group has opted to categorise these financial assets in loans and receivables pursuant to IFRS 9 and to record them at amortised cost. This model applies to transport agreements in the SNCF Voyageurs scope (Transilien; TER and Intercités).

Pursuant to IFRS 15 "Revenue from contracts with customers", SNCF Group presents passenger revenue from regulated activities as revenue from transport organising authorities and not from private individuals. For certain contracts, where the Group is not involved in the distribution process as an agent of the Operating Authority, the distribution service is recorded in the amount of service costs plus the margin attributable to this service.

Service concession agreements with Transport Organising Authorities (TOAs) have the following impacts on the SNCF Group's consolidated financial statements:



| <i>In € millions</i>                                                         | 31/12/2022    | 31/12/2021    | Change      |
|------------------------------------------------------------------------------|---------------|---------------|-------------|
| Services with OA                                                             | 12,737        | 12,319        | 418         |
| Revenue generated from passenger ticket sales                                | 2,111         | 1,545         | 565         |
| Services with the French state as OA of the Trains d'Equilibre du Territoire | 157           | 187           | -30         |
| Interest income arising from concession financial assets                     | 61            | 64            | -3          |
| <b>Impacts on revenue (*)</b>                                                | <b>15,065</b> | <b>14,115</b> | <b>951</b>  |
| Cash outflows from concession financial assets                               | -1,805        | -1,853        | 48          |
| Cash inflows from concession financial assets                                | 1,709         | 2,003         | -295        |
| <b>Impacts on cash flow used in investing activities</b>                     | <b>-96</b>    | <b>150</b>    | <b>-247</b> |
| (*) of which Keolis revenue                                                  | 6,207         | 5,831         | 376         |
| of which SNCF Voyageurs revenue                                              | 8,859         | 8,284         | 575         |
| <i>In € millions</i>                                                         | 31/12/2022    | 31/12/2021    | Change      |
| Intangible concession assets                                                 | 94            | 91            | 3           |
| Non-current concession financial assets                                      | 1,531         | 1,653         | -121        |
| <b>Impacts on non-current assets</b>                                         | <b>1,625</b>  | <b>1,744</b>  | <b>-119</b> |

The new outflows on concession financial assets presented in the table above represent the investments in returnable assets in connection with passenger transport regulated activities (Transilien €1,021 million, TER €650 million, Intercités €113 million and Keolis €22 million). Grants allocated to investments are presented under "cash inflows from concession financial assets" and deducted from concession financial assets in the balance sheet.

### 3.4 OTHER ITEMS

#### 3.4.1 Purchases and external charges

Purchases, sub-contracting and other external charges:

| <i>In € millions</i>                     | 31/12/2022     | 31/12/2021     | Change        |
|------------------------------------------|----------------|----------------|---------------|
| Sub-contracting                          | -10,267        | -8,066         | -2,201        |
| Eurotunnel and other infrastructure fees | -778           | -603           | -175          |
| Other purchases and external charges     | -6,135         | -5,519         | -616          |
| Traction energy                          | -816           | -528           | -289          |
| <b>Purchases and external charges</b>    | <b>-17,996</b> | <b>-14,715</b> | <b>-3,281</b> |

The increase in subcontracting was primarily due to the development of activity at Geodis.

The Group's consolidated financial statements were audited by the statutory auditors EY and PWC. The breakdown of their fees for work carried out for the parent company and its French subsidiaries included in "Purchases and external charges" is as follows. Services other than certification mainly include consistency reports, contractual audits and agreed-upon procedures.

This information is not required under IFRS, but disclosed in accordance with regulation 2016-09 of 2 December 2016 issued by the French Accounting Standards Authority (ANC).

| <i>In € millions</i>              | 31/12/2022 |           | 31/12/2021 |           |
|-----------------------------------|------------|-----------|------------|-----------|
|                                   | E&Y        | PWC       | E&Y        | PWC       |
| Accounts certification            | -6         | -4        | -6         | -4        |
| Parent company                    | 0          | -1        | 0          | -1        |
| French subsidiaries               | -6         | -4        | -5         | -3        |
| Services other than certification | -2         | -1        | -1         | 0         |
| Parent company                    | 0          | 0         | 0          | 0         |
| French subsidiaries               | -2         | 0         | -1         | 0         |
| <b>Total</b>                      | <b>-8</b>  | <b>-5</b> | <b>-7</b>  | <b>-4</b> |

#### 3.4.2 Employee benefit expenses and headcount

Employee benefit expenses mainly comprise wages, social security contributions, employee profit-sharing and expenses for other employee benefits, excluding changes in provisions for employee benefits.

Use of the furlough scheme in response to the COVID-19 crisis has been made easier by the latest government job protection measures. Ordinance no. 2020-346 of 27 March 2020 extended the scheme to "non-State employees of enterprises included in the national register of undertakings under majority State control, as mentioned in paragraph 3 of Article L.5424-1 of the French Labour Code", thereby bringing all SNCF Group companies within the scheme. As a result, the SNCF Group companies were able to use the scheme from mid-March onwards. The Group has recognised net furlough payments (excluding the portion self-financed under the UNEDIC unemployment insurance scheme), as a reduction in the expected cost of short-term employee benefits, decreasing employee benefit expenses.

As at 31 December 2022, employee benefit expenses and headcount break down as follows:

| <i>In € millions</i>                 | 31/12/2022     | 31/12/2021     | Change        |
|--------------------------------------|----------------|----------------|---------------|
| Wages and salaries                   | -14,960        | -13,936        | -1,024        |
| Profit-sharing and incentive schemes | -60            | -52            | -8            |
| Seconded and temporary employees     | -704           | -631           | -73           |
| <b>Employee benefit expense</b>      | <b>-15,724</b> | <b>-14,620</b> | <b>-1,104</b> |

The increase in personnel costs is the result of both the growth in average headcount, mainly within Geodis, and salary change measures decided by SNCF management and applied retroactively on 1 January 2022 (instead of on 1 April), following the Compulsory Annual Negotiations on 7 December 2022.

The breakdown of the average number of employees by socio-professional category is as follows.

| <b>Average number of employees</b> | 31/12/2022     | 31/12/2021     |
|------------------------------------|----------------|----------------|
| Managers                           | 64,564         | 59,700         |
| Supervisors                        | 65,967         | 60,621         |
| Labourers                          | 145,740        | 149,975        |
| <b>Total</b>                       | <b>276,271</b> | <b>270,296</b> |

Employees include those from fully consolidated companies and the share in those from joint operations. The calculation represents a mathematical average workforce at the end of each calendar year quarter, pursuant to the ruling 2016.09 of 2 December 2016.

### 3.4.3 Taxes and duties other than income tax

Taxes and duties other than income tax included in EBITDA mainly comprise the flat rate taxation of network companies (IFER), the Territorial Economic Contribution (CET), and the Territorial Solidarity Tax (CST).

The Territorial Solidarity Tax was abolished by the French Parliament on 14 October 2021, effective as of 1 January 2022.

The CET has two components: the *Cotisation Foncière des Entreprises* (CFE), assessed on the rental value of assets subject to real estate tax, and the *Cotisation sur la Valeur Ajoutée des Entreprises* (CVAE), computed on the basis of the added value generated by the company.

The Territorial Solidarity Tax (CST) is based on total revenue collected on the year-end tax due date relating to non-regulated passenger rail transport services and commercial services, net of State contributions compensating reduced and regulated fares.

| <i>In € millions</i>                              | 31/12/2022    | 31/12/2021    | Change     |
|---------------------------------------------------|---------------|---------------|------------|
| IFER                                              | -288          | -284          | -4         |
| Property taxes                                    | -124          | -114          | -9         |
| Territorial Economic Contribution                 | -209          | -193          | -16        |
| Territorial Solidarity Tax                        | 0             | -19           | 19         |
| Payroll taxes                                     | -130          | -127          | -3         |
| Other taxes and duties other than income tax      | -523          | -464          | -59        |
| <i>Of which Other taxes based on compensation</i> | <i>-434</i>   | <i>-388</i>   | <i>-46</i> |
| <b>Taxes and duties other than income tax</b>     | <b>-1,274</b> | <b>-1,201</b> | <b>-73</b> |

The recovery in SNCF Voyageurs activity broadly explained the €16 million increase of the Territorial Economic Contribution.

The Territorial Solidarity Tax was abolished as of 1 January 2022 following the amendment to the 2022 Finance Bill adopted on 14 October 2021 by the French Parliament.

Other taxes and duties other than income tax increased by €59 million, mainly due to a €28 million adjustment to the training obligation, offset in operating income by a reversal of a provision for the same amount. Finally, the business recovery explains the €13 million increase in the Social Solidarity Contribution of Companies (C3S).

## 4. OPERATING ASSETS AND LIABILITIES

### 4.1 GOODWILL

Pursuant to the purchase method, the identifiable assets and liabilities of the acquired company that meet IFRS recognition criteria are recognised at their fair value at the acquisition date, except for assets classified as held for sale, which are measured at fair value less costs to sell, deferred taxes which are recognised under IAS 12 "Income taxes" and employee benefits recognised in accordance with IAS 19.

Costs directly attributable to the acquisition are excluded from the acquisition cost and expensed directly to profit or loss.

Where control is acquired in stages, the previously-held interest is remeasured to fair value through operating profit. Additional consideration is recognised at fair value at the date of acquisition of control through goodwill, if and only if it is received during the allocation period and relates to new information on the existing situation at the date of control. Otherwise, it is recognised in profit or loss or in other comprehensive income in accordance with IFRS 9.

Only identifiable liabilities meeting the recognition criteria of a liability or contingent liability in the acquired company are recognised at the acquisition date for the purpose of allocating the cost of the business combination. Therefore, a restructuring liability of the acquired company is only recognised for the purpose of allocating the business combination cost if, at the date of the acquisition, the acquired entity has a present obligation to perform this restructuring.

Adjustments to the fair value of assets and liabilities acquired as part of a business combination initially recognised based on provisional values (due to ongoing external valuation procedures or outstanding additional analyses) are recognised as retrospective adjustments to goodwill if they arise in the 12 months following the acquisition date and relate to additional information obtained on situations prevailing at the acquisition date. After this period, any adjustments are recognised directly in profit or loss unless they represent corrections of an error.

The Group has opted for the partial goodwill method and recognises in the balance sheet only the portion of goodwill attributable to equity holders of the parent, excluding goodwill attributable to non-controlling interests. Goodwill is not amortised but is subject to impairment tests when there is an indication of impairment and at least once a year, according to the methods described in Note 4.4. Negative goodwill is recognised immediately in operating profit.

In the event of a loss of control of a subsidiary, the disposal capital gain or loss takes into account the net carrying amount of the allocated goodwill.

Purchases and disposals of non-controlling interests (minority interests) without a change in the level of control are allocated to equity.

The main goodwill balances recorded by the Group at the end of the reporting period were as follows:

| <i>In € millions</i>          | Gross        | Impairment  | Net          |
|-------------------------------|--------------|-------------|--------------|
| <b>As at 1 January 2021</b>   | <b>2,516</b> | <b>-389</b> | <b>2,127</b> |
| Acquisitions                  | 92           | 0           | 92           |
| Impairment losses             | 0            | 0           | 0            |
| Disposals                     | -10          | 2           | -8           |
| Currency translation          | 75           | -2          | 73           |
| Other changes                 | 0            | 0           | 0            |
| <b>As at 31 December 2021</b> | <b>2,673</b> | <b>-388</b> | <b>2,285</b> |
| <b>As at 1 January 2022</b>   | <b>2,673</b> | <b>-388</b> | <b>2,285</b> |
| Acquisitions                  | 425          | 0           | 425          |
| Impairment losses             | 0            | 0           | 0            |
| Disposals                     | -48          | 48          | 0            |
| Currency translation          | -19          | 0           | -19          |
| Other changes                 | -1           | 0           | -1           |
| <b>As at 31 December 2022</b> | <b>3,031</b> | <b>-341</b> | <b>2,690</b> |

In 2022, the €425 million increase is linked to the acquisition by Geodis of Need It Now Delivers, Keppel Logistics and Transports Perrier for a total of €418 million as well the acquisition of Transports Pagès and Terminal G by Keolis for €7 million.

**Contribution of the year's main acquisitions to revenue and net profit in 2022:**

| <i>In € millions</i> | Revenue    | Net profit/loss,<br>Group share |
|----------------------|------------|---------------------------------|
| Need It Now Delivers | 171        | 9                               |
| Keppel Logistics     | 34         | -4                              |
| Transports Perrier   | 31         | 0                               |
| Transports Pagès     | 3          | 0                               |
| Terminal G           | 2          | 0                               |
| <b>Total</b>         | <b>241</b> | <b>5</b>                        |

The "Disposals" line relates to the exit of the Rail Europe SAS sub-group that was sold in February 2022.

Foreign exchange differences of -€19 million mainly concern Eurostar goodwill, which is €358 million in 2022 compared to €378 million in 2021.

In 2021, the acquisition of the subsidiaries Pekaes sp. Z.o.o and Gandon Transports generated goodwill of €86 million and €5 million, respectively.

Conversely, the sale of STSI led to a reduction in goodwill of -€8 million.

Goodwill recorded by the Group at the end of the reporting period breaks down as follows:

| <i>In € millions</i>                 | 31/12/2022   | 31/12/2021   | Change     |
|--------------------------------------|--------------|--------------|------------|
| Keolis                               | 638          | 629          | 9          |
| SNCF Voyageurs                       | 401          | 421          | -20        |
| Freight & Logistics                  | 1,649        | 1,234        | 414        |
| <i>of which Geodis CGU</i>           | <i>1,617</i> | <i>1,202</i> | <i>414</i> |
| <i>of which Other rail companies</i> | <i>32</i>    | <i>32</i>    | <i>0</i>   |
| <b>Total</b>                         | <b>2,690</b> | <b>2,285</b> | <b>405</b> |

**4.2 INTANGIBLE ASSETS AND PROPERTY, PLANT & EQUIPMENT****4.2.1 Intangible assets**

Intangible assets mainly consist of brands acquired during business combinations, purchased software and software developed in-house, as well as industrial processes. Intangible assets purchased for valuable consideration are recorded at initial acquisition cost or, where applicable, at fair value at the date of acquisition of control if such assets are acquired in connection with a business combination. Intangible assets developed in-house are recorded in assets at production cost when they satisfy IAS 38 criteria.

Pursuant to IAS 23, production cost includes interest relating to the asset preparation period, calculated at the weighted average rate for borrowings recorded in Group liabilities. Amounts are recorded in the balance sheet net of amortisation and impairment losses. Intangible assets with a definite useful life are amortised over their period of use in accordance with the durations detailed in Note 4.2.5. Intangible assets with an indefinite useful life are tested periodically for impairment as disclosed in Note 4.4.

| <i>In € millions</i>                              | 31/12/2022   |                                |              | 31/12/2021   |                                |              |
|---------------------------------------------------|--------------|--------------------------------|--------------|--------------|--------------------------------|--------------|
|                                                   | Gross        | Amortisation and<br>impairment | Net          | Gross        | Amortisation and<br>impairment | Net          |
| Concessions, patents,<br>software                 | 2,992        | -2,337                         | 655          | 2,845        | -2,173                         | 673          |
| Concession intangible<br>assets (Note 3.3)        | 190          | -96                            | 94           | 171          | -80                            | 91           |
| Other intangible assets                           | 2,225        | -1,345                         | 880          | 2,204        | -1,256                         | 948          |
| Intangible assets in the<br>course of development | 425          | -47                            | 378          | 438          | -36                            | 403          |
| <b>TOTAL</b>                                      | <b>5,833</b> | <b>-3,825</b>                  | <b>2,007</b> | <b>5,659</b> | <b>-3,545</b>                  | <b>2,114</b> |

Other intangible assets mainly include brands acquired during business combinations for €366 million (€394 million in 2021), customers for €80 million (€123 million in 2021) and contractual rights for €280 million (€304 million in 2021).

Movements in intangible assets break down as follows:

| <i>In € millions</i>                        | <b>Concessions,<br/>patents,<br/>software</b> | <b>Intangible<br/>concession<br/>assets</b> | <b>Other intangible<br/>assets</b> | <b>Intangible<br/>assets in the<br/>course of<br/>development</b> | <b>Total</b> |
|---------------------------------------------|-----------------------------------------------|---------------------------------------------|------------------------------------|-------------------------------------------------------------------|--------------|
| <b>Net carrying amount as at 31/12/2020</b> | <b>629</b>                                    | <b>109</b>                                  | <b>985</b>                         | <b>425</b>                                                        | <b>2,148</b> |
| Acquisitions                                | 40                                            | 0                                           | 14                                 | 275                                                               | 329          |
| Disposals                                   | -8                                            | 0                                           | -3                                 | 0                                                                 | -11          |
| Amortisation                                | -268                                          | -24                                         | -100                               | 0                                                                 | -392         |
| Impairment losses                           | 0                                             | 0                                           | -7                                 | -17                                                               | -23          |
| Changes in Group structure                  | -2                                            | 0                                           | 25                                 | 0                                                                 | 23           |
| Currency translation                        | 1                                             | 0                                           | 32                                 | 0                                                                 | 33           |
| Other changes                               | 280                                           | 6                                           | 0                                  | -280                                                              | 6            |
| <b>Net carrying amount as at 31/12/2021</b> | <b>673</b>                                    | <b>91</b>                                   | <b>948</b>                         | <b>403</b>                                                        | <b>2,114</b> |
| Acquisitions                                | 37                                            | 0                                           | 22                                 | 280                                                               | 339          |
| Disposals                                   | -3                                            | 0                                           | -2                                 | 0                                                                 | -5           |
| Amortisation                                | -292                                          | -21                                         | -115                               | 0                                                                 | -428         |
| Impairment losses                           | -15                                           | 0                                           | -14                                | -21                                                               | -50          |
| Changes in Group structure                  | -1                                            | 0                                           | -2                                 | -1                                                                | -3           |
| Currency translation                        | 0                                             | 0                                           | -15                                | -1                                                                | -15          |
| Other changes                               | 256                                           | 24                                          | 58                                 | -283                                                              | 55           |
| <b>Net carrying amount as at 31/12/2022</b> | <b>655</b>                                    | <b>94</b>                                   | <b>880</b>                         | <b>378</b>                                                        | <b>2,007</b> |

Other changes in software include a decrease of €16.1 million due to the change in accounting method for certain related costs for software in Saas mode described in Note 1.2. Acquisitions are described in Note 4.2.4.



#### 4.2.2 Property, plant and equipment

Since 1 January 2020, Group property, plant and equipment has comprised:

- State-owned assets allocated to the Group (SNCF Réseau and Gares & Connexions).
- assets owned outright for all other Group entities that do not manage the infrastructure.

Property, plant and equipment owned outright are recorded in Consolidated assets at acquisition cost. Pursuant to IAS 23, production cost includes interest relating to the asset preparation period, calculated at the weighted average rate for borrowings recorded in Group liabilities. Property, plant and equipment acquired as part of a business combination are recorded at their fair value on entry into the consolidation scope. Internally produced assets are recorded at production cost.

The production cost of assets manufactured comprises the cost of raw materials and labour used to manufacture the assets, including that of purchased spare parts. Borrowing costs directly attributable to the acquisition, construction or production of a qualified asset are capitalised as a cost component of the asset. Property, plant and equipment are not subject to periodic revaluation.

Maintenance and repair expenses are recognised as follows:

- for rolling stock:
  - current maintenance expenses borne during the useful life of equipment (repair work on faulty spare parts and replacement of unusable and missing parts) are recorded as operating expenses;
  - expenses under multi-year major overhaul programmes are capitalised as a separate overhaul component and depreciated;
  - overhauls performed at the end of the initial useful life of a component, together with refurbishment and transformation costs, are capitalised in assets where they extend the useful life;
  - dismantling obligations for rolling stock containing asbestos are offset against an increase in the value of the equipment in balance sheet assets (see Note 4.6).
- for fixed installations:
  - current maintenance and repair expenses (technical inspections, maintenance contracts, etc.) are recorded as operating expenses
  - expenses under multi-year major building maintenance programmes are capitalised via the partial or total replacement of each component concerned.

Investment property

Investment property consists of property assets held by the Group in order to collect rents or for capital appreciation. Investment property is measured at acquisition cost and

depreciated on a straight-line basis over the respective useful lives.

As part of the first-time adoption of IFRS, their balance sheet value was calculated using the most appropriate estimate based on the total value of land and buildings. This amount has since been depreciated and reduced by the value of the disposals.

Rail infrastructures

The expenses incurred for railway asset construction or renewal projects are capitalised in balance sheet assets from the “pre-project” phase or once the asset recognition criteria are met. Prior costs incurred are still expensed. For projects carried out directly, production cost includes the cost of studies, construction work, purchase cost and compensation paid for land acquisitions and direct operating expenses.

The production cost of work carried out under Public Private-Partnerships (PPP) or concession arrangements is recognised in line with the physical progress of work based on the percentage completion communicated by the partners or concession holder. It consists of the sum of fees invoiced by the partners or concession holder plus the present value of future fees payable, multiplied by the percentage completion.

SNCF Réseau recognises an impairment in respect of noncompletion risk on so-called “dormant” projects. A progressive fixed impairment is recognised on these projects where no costs have been allocated for over one year. Furthermore, where a trigger event calls into question the completion of a project, an exceptional impairment is recognised covering 100% of expenditure incurred. Both the fixed impairment and the exceptional impairment are calculated net of earned grants associated with the corresponding projects.

When a project is effectively abandoned, all expenditure incurred and grants earned in respect of the project are recognised in profit or loss and any impairment recorded is reversed.

Investment grants

The Group receives investment grants from third parties (French State, regional authorities, Regions, etc.) to finance the production of certain assets. Grants must be recognised when there is reasonable assurance that the company will satisfy the conditions attached to the grants and the grants will be received. For financing agreements relating to investments, the investment grant recognised in the balance sheet corresponds to the right to consideration from the entity with respect to expenses actually incurred. They are presented as a deduction from the corresponding asset. The methods used to amortise and release grants are specified in Note 4.2.5.

Property, plant and equipment breaks down as follows by category:

| In € millions                                                                                 | 31/12/2022     |                             |               | 31/12/2021     |                             |               |
|-----------------------------------------------------------------------------------------------|----------------|-----------------------------|---------------|----------------|-----------------------------|---------------|
|                                                                                               | Gross          | Depreciation and impairment | Net           | Gross          | Depreciation and impairment | Net           |
| Investment property                                                                           | 276            | -20                         | 256           | 280            | -21                         | 259           |
| Land and buildings                                                                            | 27,622         | -12,673                     | 14,949        | 26,569         | -12,172                     | 14,397        |
| Tracks, earthworks, engineering works and level crossings                                     | 63,170         | -26,394                     | 36,776        | 59,046         | -25,155                     | 33,890        |
| Technical, electrical, telecoms and signalling equipment, plant and tooling, and other assets | 31,790         | -16,952                     | 14,838        | 30,372         | -15,743                     | 14,629        |
| Transport equipment                                                                           | 26,891         | -19,138                     | 7,754         | 30,819         | -21,771                     | 9,047         |
| Property, plant and equipment under construction                                              | 20,380         | -30                         | 20,350        | 20,576         | -33                         | 20,543        |
| <b>Gross total</b>                                                                            | <b>170,130</b> | <b>-75,207</b>              | <b>94,922</b> | <b>167,660</b> | <b>-74,894</b>              | <b>92,766</b> |
| Investment grants                                                                             | 51,227         | -9,455                      | 41,772        | 51,219         | -11,040                     | 40,179        |
| <b>Net total</b>                                                                              | <b>118,903</b> | <b>-65,753</b>              | <b>53,150</b> | <b>116,441</b> | <b>-63,854</b>              | <b>52,587</b> |

Movements in property, plant and equipment, including investment grants, break down as follows:

| <i>In € millions</i>                        | Investment property | Land and buildings | Tracks, earthworks, engineering works and level crossings | Technical, electrical, telecoms and signalling equipment, plant and tooling, and other assets | Transport equipment | Property, plant and equipment under construction | Investment grants | Total net of grants |
|---------------------------------------------|---------------------|--------------------|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------|---------------------|--------------------------------------------------|-------------------|---------------------|
| <b>Net carrying amount as at 31/12/2020</b> | <b>278</b>          | <b>13,895</b>      | <b>32,898</b>                                             | <b>14,806</b>                                                                                 | <b>9,362</b>        | <b>17,807</b>                                    | <b>-36,830</b>    | <b>52,217</b>       |
| Acquisitions                                | 0                   | -5                 | 0                                                         | 149                                                                                           | 352                 | 7,615                                            | -5,198            | 2,913               |
| Disposals                                   | -18                 | -70                | 0                                                         | -89                                                                                           | -36                 | 0                                                | 1                 | -212                |
| Net depreciation                            | -1                  | -691               | -1,132                                                    | -1,187                                                                                        | -921                | 0                                                | 1,427             | -2,505              |
| Impairment losses                           | 0                   | -49                | 0                                                         | 2                                                                                             | 2                   | 3                                                | 0                 | -42                 |
| Change in Group structure                   | 0                   | 36                 | 0                                                         | 2                                                                                             | -1                  | 1                                                | 0                 | 37                  |
| Currency translation                        | 0                   | 3                  | 0                                                         | 10                                                                                            | 64                  | 2                                                | 0                 | 80                  |
| Other changes                               | 0                   | 1,278              | 2,124                                                     | 935                                                                                           | 226                 | -4,885                                           | 421               | 99                  |
| <b>Net carrying amount as at 31/12/2021</b> | <b>259</b>          | <b>14,397</b>      | <b>33,890</b>                                             | <b>14,629</b>                                                                                 | <b>9,047</b>        | <b>20,543</b>                                    | <b>-40,179</b>    | <b>52,587</b>       |
| Acquisitions                                | 0                   | 25                 | 0                                                         | 131                                                                                           | 88                  | 7,548                                            | -4,542            | 3,250               |
| Disposals                                   | -3                  | -40                | -3                                                        | -19                                                                                           | -116                | 45                                               | 31                | -103                |
| Net depreciation                            | 0                   | -698               | -1,250                                                    | -1,235                                                                                        | -992                | 0                                                | 1,406             | -2,770              |
| Impairment losses                           | 0                   | 38                 | 0                                                         | 6                                                                                             | 16                  | 6                                                | 0                 | 67                  |
| Change in Group structure                   | 0                   | 1                  | 0                                                         | 92                                                                                            | 17                  | -9                                               | 0                 | 102                 |
| Currency translation                        | 0                   | -3                 | 0                                                         | 4                                                                                             | -45                 | -2                                               | 0                 | -45                 |
| Other changes                               | 0                   | 1,228              | 4,139                                                     | 1,229                                                                                         | -262                | -7,782                                           | 1,512             | 63                  |
| <b>Net carrying amount as at 31/12/2022</b> | <b>256</b>          | <b>14,949</b>      | <b>36,776</b>                                             | <b>14,838</b>                                                                                 | <b>7,754</b>        | <b>20,350</b>                                    | <b>-41,772</b>    | <b>53,150</b>       |

Property, plant and equipment as at 31 December 2022 is mainly due to:

- acquisitions in the amount of €7,792 million, described in Note 4.2.4;
- disposals in the amount of -€135 million, described in Note 4.2.6;
- commissioning of PP&E previously recognised as PP&E under construction, as well as reclassifications of certain SNCF Voyageurs PP&E as concession financial assets

(see Note 3.3); these flows were grouped together under "Other changes".

Depreciation charges in 2022 and the impacts of impairment losses on the income statement are presented respectively in Notes 4.2.5 and 4.4.

Investment grants relating to property, plant and equipment recognised in 2022 increased by €4,542 million, including €4,252 million for fixed installations and rail infrastructure projects (expansions/renewals) and €290 million for rail equipment.

#### 4.2.3 Leases

Pursuant to IFRS 16, the existence of a lease in a contract is mainly based on the control exercised by the lessee over the right to use an identified asset for a period of time. Eligible contracts are therefore presented on the balance sheet by recording:

- an asset corresponding to the right-of-use of the leased asset over the term of the lease;
- a liability corresponding to the discounted value of the residual payments due to the lessor.

Off-balance sheet lease commitments concern leases that have been signed but the leased assets have not yet been made available, as well as leases of assets with a low value and short-term leases.

##### Measurement of the right-of-use asset

At the commencement date, the right-of-use asset is measured at cost and comprises:

- the initial amount of the lease liability plus any lease payments made to the lessor, less any lease incentives received;
- any initial direct costs incurred by the lessee for the conclusion of the lease;
- an estimate of costs in dismantling and restoring the leased asset, according to the terms and conditions of the lease.

The right-of-use asset is depreciated over the lease term or

the useful life of the underlying asset when the contract provides for a purchase option that the lessee is reasonably certain to exercise.

##### Measurement of the lease liability (see Note 6 Capital and financing)

At the commencement date, the lease liability shall be measured at an amount equal to the present value of the lease payments over the lease term.

The following amounts are taken into account when measuring lease liabilities:

- fixed payments (including in-substance fixed payments, i.e. payments that contain variability but are unavoidable);
- variable lease payments that depend on an index or a rate, using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- payments of penalties on the exercise of an option to terminate or not renew the lease, if the lease term was determined based on the assumption that the lessee would exercise such option.

Certain events may result in the values recorded on the balance sheet being re-estimated. This mainly involves the following situations:

- modification of the lease term, lease payment or scope of the leased assets;

- modification relating to whether it is considered reasonably certain (or not) to exercise an option;  
 - re-estimate relating to residual value guarantees;  
 - revised rates or index on which lease payments are based.

Broadly speaking, as the interest rate implicit in the lease is difficult to determine, the incremental borrowing rate is used to discount the lease liability. This rate is the rate of interest that the lessee would have to pay, at the lease commencement date, to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

This incremental borrowing rate is obtained by adding together the government bond rate and the credit spread. The government bond rate is a rate at maturity, specific to the location, currency and term of the lease. Where necessary, an additional premium may be used to reflect the quality of the underlying asset.

The lease term corresponds to the negotiated contractual term. Termination and extension options are only taken into account if a specific context enables the Group to be reasonably certain to:

- exercise an extension option, for instance, if the leased asset is considered as "strategic" or is subject to "major" investments whereas the residual lease term is significantly low.

- exercise a contractually agreed termination option. In its interpretation of 26/11/2019, IFRIC set forth the principle whereby an "economic" lease term measured beyond the contractual term is taken into account. The Group did not revise the term of its leases as a result of this interpretation.

#### In-substance purchases

Certain transactions are considered as in-substance purchases of property, plant and equipment. These are financial arrangements with the following features:

- the lessee has a retention of legal title used as a guarantee of the repayment and payment of interest;  
 - the Group has initially purchased the equipment or has a predominant role in the purchase process with builders;  
 - the option must be exercised at the lease term in accordance with contractual terms and conditions.

As these financial arrangements are in-substance purchases and not leases, the corresponding liability is considered as a financial liability under IFRS 9 and as an item of property, plant and equipment in assets under IAS 16.

#### Practical expedients

Pursuant to the practical expedients set forth in the standard, the Group does not capitalise short-term leases (term of 12 months or less) and low value assets lease (indicative threshold of €5,000).

Right-of-use assets break down as follows by category:

| <i>In € millions</i> | 31/12/2022   |                             |              | 31/12/2021   |                             |              |
|----------------------|--------------|-----------------------------|--------------|--------------|-----------------------------|--------------|
|                      | Gross        | Depreciation and impairment | Net          | Gross        | Depreciation and impairment | Net          |
| Land and buildings   | 4,245        | -1,841                      | 2,405        | 3,433        | -1,465                      | 1,968        |
| Transport equipment  | 2,537        | -1,140                      | 1,397        | 2,285        | -1,000                      | 1,284        |
| Other                | 300          | -152                        | 148          | 304          | -131                        | 173          |
| <b>TOTAL</b>         | <b>7,082</b> | <b>-3,132</b>               | <b>3,950</b> | <b>6,022</b> | <b>-2,597</b>               | <b>3,425</b> |

Leases mainly involve buildings (warehouses, stores, offices, etc.), rail and road transport (buses, trains, locomotives, cars, etc.), and technical equipment used in the operating cycle with significant financial implications.

Movements in leases break down as follows:

| <i>In € millions</i>                                                                 | Land and buildings | Transport equipment | Other      | Total        |
|--------------------------------------------------------------------------------------|--------------------|---------------------|------------|--------------|
| <b>Net carrying amount as at 31/12/2020</b>                                          | <b>2,178</b>       | <b>1,524</b>        | <b>133</b> | <b>3,836</b> |
| New leases contracted                                                                | 365                | 512                 | 99         | 976          |
| Impact of expired or terminated leases                                               | -154               | -196                | -3         | -353         |
| Depreciation and amortisation                                                        | -507               | -406                | -60        | -972         |
| Impairment losses                                                                    | -5                 | 0                   | 0          | -5           |
| Changes in Group structure                                                           | 6                  | -166                | 0          | -159         |
| Other changes (lease amendments, remeasured assumptions, currency translation, etc.) | 84                 | 16                  | 3          | 103          |
| <b>Net carrying amount as at 31/12/2021</b>                                          | <b>1,968</b>       | <b>1,284</b>        | <b>173</b> | <b>3,425</b> |
| New leases contracted                                                                | 479                | 519                 | 54         | 1,052        |
| Impact of expired or terminated leases                                               | -22                | -46                 | -30        | -98          |
| Depreciation and amortisation                                                        | -556               | -405                | -59        | -1,019       |
| Impairment losses                                                                    | -4                 | -6                  | -3         | -13          |
| Changes in Group structure                                                           | 148                | -24                 | 5          | 130          |
| Other changes (lease amendments, remeasured assumptions, currency translation, etc.) | 391                | 74                  | 7          | 473          |
| <b>Net carrying amount as at 31/12/2022</b>                                          | <b>2,405</b>       | <b>1,397</b>        | <b>148</b> | <b>3,950</b> |

For details of depreciation charged to profit or loss, see Note 4.2.4.

The Group did not capitalise the following lease payments:

| In € millions                       | 31/12/2022  | 31/12/2021  |
|-------------------------------------|-------------|-------------|
| Short-term leases                   | -144        | -129        |
| Low-value asset leases              | -36         | -37         |
| Variable leases                     | -2          | -5          |
| <b>Leases that are not eligible</b> | <b>-182</b> | <b>-171</b> |

#### 4.2.4 Investments

Net cash outflows from investing activities relating to acquisitions of property, plant and equipment and intangible assets break down as follows:

| In € millions                                                   | 31/12/2022    | 31/12/2021    |
|-----------------------------------------------------------------|---------------|---------------|
| Intangible assets                                               | -339          | -329          |
| Property, plant and equipment                                   | -7,561        | -7,882        |
| Capitalised interest                                            | -230          | -228          |
| <b>Total acquisitions</b>                                       | <b>-8,131</b> | <b>-8,440</b> |
| Change in investment WCR                                        | 214           | -11           |
| <b>Intangible assets and PP&amp;E capital expenditure flows</b> | <b>-7,917</b> | <b>-8,451</b> |

Investments in intangible assets and property, plant and equipment in the period relate mainly to:

– software developed in-house, either already brought into service or still under development, of which €143 million for SNCF Voyageurs and €79 million for SNCF Réseau and its subsidiary Gares et Connexions.

– Rail infrastructures in the amount of €5,425 million, including €230 million of capitalised interest. These correspond to network upgrade investments (track renewal, deployment of fibre optics, signalling and Centralised Network Command), network compliance and development projects (EOLE, CDG Express, regional development projects);

– investments by Gares & Connexions for €950 million, mainly comprising station upgrades, station accessibility work, regional development projects financed by the French State-Region plan (CPER) and the EOLE project;

- acquisitions and upgrades of rail and road transport equipment amounting to €717 million (including TGV UFC trains, Eurostar trains, wagons, transcontainers and containers, TGV upgrades; and electric railcars).

Investments for 2021 primarily comprised:

– software developed in-house, either already brought into service or under development, of which €121 million for SNCF Voyageurs and €132 million for SNCF Réseau and its subsidiary Gares et Connexions,

– rail infrastructures in the amount of €5,481 million, including €228 million of capitalised interest. These correspond to network upgrade investments (track renewal, deployment of fibre optics, signalling and Centralised Network Command), network compliance and development projects (EOLE, CDG Express, regional development projects);

– investments by Gares & Connexions for €869 million, mainly corresponding to station upgrades, station accessibility work, regional development projects financed by the French State-Region plan (CPER) and the EOLE project,

– acquisitions and upgrades of rail and road transport equipment amounting to €1,109 million (including TGV UFC trains, Eurostar trains, wagons, transcontainers and containers, TGV upgrades; and electric railcars).

#### 4.2.5 Depreciation and amortisation

##### Amortisation of intangible assets

Intangible assets:

- are amortised on a straight-line basis over their useful life, which is generally less than five years, where they have a definite useful life.

- are amortised over the term of the arrangement, in the case of concession intangible assets.

- where an intangible asset has an indefinite life, it is not amortised but is subject to impairment tests at least once a year, according to the methods described in Note 4.4.

##### Depreciation of property, plant and equipment

Property, plant and equipment are depreciated over their estimated useful life mainly on a straight-line basis. Any improvements and installations that cannot be separated from the leased asset are depreciated using the same assumptions adopted to determine the term of the relevant leases.

Depreciation periods are as follows:

- Fixed installations:

|                       | Complex constructions<br>(stations,<br>administrative<br>buildings, etc.) | Simple<br>constructions<br>(workshops,<br>warehouses,<br>etc.) |
|-----------------------|---------------------------------------------------------------------------|----------------------------------------------------------------|
| Building shell        | 50 years                                                                  | 30 years                                                       |
| Enclosure             | 25 years                                                                  | 30 years                                                       |
| Light work            | 25 years                                                                  | 30 years                                                       |
| Fixtures and fittings | 10 to 15 years                                                            | 10 to 15 years                                                 |
| Technical work        | 15 years                                                                  | 15 years                                                       |

- Rolling stock:

|                   | TGV and<br>motorised<br>carriages | Passenger<br>carriages | Electric and<br>diesel<br>locomotives |
|-------------------|-----------------------------------|------------------------|---------------------------------------|
| Structure         | 30 years                          | 30 years               | 30 years                              |
| Interior fittings | 15 years                          | 15 years               | Not applicable                        |
| Overhaul work     | 15 years                          | 10 to 15<br>years      | 15 years                              |

- Other property, plant and equipment:

|                                                  |                           |
|--------------------------------------------------|---------------------------|
| Land development                                 | 20 to 30 years            |
| Plant and equipment                              | 5 to 20 years             |
| Earthworks                                       | 10 years                  |
| Tracks                                           | 20 to 100 years           |
| Electrical energy facilities                     | 10 to 75 years            |
| Signalling                                       | 15 to 50 years            |
| Telecommunications                               | 5 to 30 years             |
| Level crossings                                  | 15 years                  |
| Engineering works                                | 30 to 70 years            |
| Improvements to buildings owned by third parties | 10 to 15 years            |
| Cars                                             | 5 years                   |
| Freight cars                                     | 30 years ± 20%            |
| Ships                                            | 20 years                  |
| IT equipment                                     | Declining over 4<br>years |
| Other property, plant and equipment              | 3 to 7 years              |

##### Depreciation of lease right of use assets

The right-of-use asset is depreciated over the lease term or the useful life of the underlying asset when the contract



provides for a purchase option that the lessee is reasonably certain to exercise.

#### Reversals of investment grants

Investment grants are recorded in operating profit (decrease in depreciation and amortisation) based on the estimated useful life of the related assets.

For non-depreciable land, grants are reversed to profit or loss according to the average depreciation period of the assets associated with the land.

#### Liabilities related to non-current concession assets outside the scope of IFRIC 12

In certain cases, the Group recognises liabilities in the same amount as the investments carried out under concession arrangements that are excluded from the scope of IFRIC 12. These liabilities are reversed each year based on the depreciation and amortisation recognised for the related assets and under the same line item in the statement of income. They mainly comprise a liability called "an operator's right of use".

Depreciation and amortisation break down as follows:

| In € millions                                                                             | 31/12/2022    | 31/12/2021    | Change      |
|-------------------------------------------------------------------------------------------|---------------|---------------|-------------|
| Amortisation of intangible assets                                                         | -429          | -393          | -36         |
| Depreciation of property, plant and equipment                                             | -4,176        | -3,933        | -243        |
| Depreciation and amortisation - Right-of-use assets                                       | -1,019        | -972          | -47         |
| Grants released to profit or loss                                                         | 1,407         | 1,429         | -22         |
| Reversal of liabilities relating to concession assets excluded from the scope of IFRIC 12 | 48            | 46            | 1           |
| <b>Depreciation and amortisation</b>                                                      | <b>-4,169</b> | <b>-3,822</b> | <b>-347</b> |

#### 4.2.6 Net proceeds from asset disposals

Real estate disposals and asset disposals not directly related to the activity are included in separate transactions below current operating profit due to their unusual nature in terms of both their frequency and amount. This presentation has been adopted in order to provide the most reliable overview possible of the Group's recurring performance.

The net proceeds from disposal correspond to the difference between the sale price (net of costs directly attributable to the transaction) and the net carrying amount of the asset.

With respect to leases:

Net disposal proceeds represent the impact of lease cancellations and transfers. They are calculated as the difference between the net carrying amount of the rights-of-use and the amount of lease liabilities at the lease term. The Group classifies sale and lease-back transactions as transactions that result in a sale within the meaning of IFRS 15. A transaction will be considered as a sale if control of the asset is transferred to the buyer (for example, the lease does not provide for an option to purchase the asset at the lease term).

— Transaction considered as a sale under IFRS 15

The transfer of the asset by the seller-lessee is a sale under IFRS 15, the seller-lessee shall: (i) derecognise the underlying asset, (ii) recognise a right of use corresponding to the retained share of the net carrying amount of the transferred asset.

— Transaction not considered as a sale under IFRS 15

The transfer of the asset by the seller-lessee is a sale under IFRS 15, the seller-lessee shall retain the transferred

asset in its assets and recognise a financial liability equal to the transfer proceeds (received by the buyer-lessor).

Asset disposals had the following impacts on profit or loss:

| In € millions                              | 31/12/2022 | 31/12/2021   | Change      |
|--------------------------------------------|------------|--------------|-------------|
| Disposals of intangible assets             | -4         | -4           | 1           |
| Disposals of property, plant and equipment | 268        | 117          | 151         |
| Disposals of right-of-use assets           | -1         | 2            | -3          |
| Disposals of financial assets              | 523        | 1,138        | -615        |
| <b>Net proceeds from asset disposals</b>   | <b>787</b> | <b>1,254</b> | <b>-467</b> |

(\*) including the impact of share disposals by entities that were previously fully consolidated and under the equity method.

Net proceeds from financial asset disposals for the period relate to the disposal of Akiem shares (€557 million), Rail Europe Group shares (-€36 million) and shares of the Orient-Express subsidiary (+€6 million).

Net proceeds from disposals of property, plant and equipment relate to disposals concerning Parisian development projects (Gobelins, Paris Rive Gauche, Gare de Paris Austerlitz) for €188 million, real estate disposals for €44 million and disposals of railway rolling stock for €36 million.

In 2021, net proceeds from asset disposals related mainly to sales of real estate assets by SNCF Réseau (€83 million, including the sale of the Gare des Mines site in the 18<sup>th</sup> district of Paris), Fret SNCF (€15 million), SNCF Voyageurs (€11 million) and SNCF SA (€10 million).

### 4.3 EQUITY INVESTMENTS AND CHANGES IN GROUP STRUCTURE

#### 4.3.1 Equity investments

The Group holds several investments in joint ventures and associates, consolidated under the equity method. The recognition principles are described in Note 1.4.1.

The movements in this heading over the year break down as follows:

| In € millions                                                                     | 31/12/2022   | 31/12/2021   |
|-----------------------------------------------------------------------------------|--------------|--------------|
| <b>As at 1 January</b>                                                            | <b>1,014</b> | <b>1,014</b> |
| Group share in net profit/loss                                                    | 41           | 7            |
| Impairment                                                                        | 0            | 0            |
| <i>Share of net profit/loss of companies consolidated under the equity method</i> | <i>41</i>    | <i>7</i>     |
| Change in Group structure                                                         | -16          | 3            |
| Reclassification to assets classified as held for sale                            | -187         | 0            |
| Share in other comprehensive income                                               | 11           | -3           |
| Distribution                                                                      | -22          | -15          |
| Currency translation                                                              | 3            | 7            |
| <b>As at 31 December</b>                                                          | <b>843</b>   | <b>1,014</b> |
| <i>Of which: Significant joint ventures</i>                                       | <i>30</i>    | <i>208</i>   |
| <i>Significant associates</i>                                                     | <i>639</i>   | <i>623</i>   |
| <i>Other companies consolidated under the equity method</i>                       | <i>174</i>   | <i>184</i>   |

"Reclassification to assets classified as held for sale" concerns the Akiem Group, which, before being sold in December 2022, was reclassified for €187 million as "Assets held for sale" as of 30 June 2022 in accordance with IFRS 5.

"Change in Group structure" mainly encompasses the disposal of the Orient-Express subsidiary in June 2022 for -€13 million.

### 4.3.1.1 Significant joint ventures

Following the sale of the Akiem group to Caisse de dépôt et placement du Québec (CDPQ) on 9 December 2022, Govia is the SNCF Group's main joint venture.

Govia is a joint venture set up between Keolis, which owns 35%, and the UK group Go-Ahead. This joint venture and its 6 subsidiaries operate in the local passenger transport sector in the UK.

Prior to the sale, Akiem was 50% owned by the SNCF Group since 30 June 2016. The Akiem Group, comprising 10 companies, provided locomotive and locotractor leasing and maintenance services to SNCF Group companies and other European rail operators. The SNCF Group no longer includes Akiem cash flows following the application of IFRS 5. The income statement presents only 5 months (from January to May 2022).

| <i>In € millions</i>                                                                                                 | 31/12/2022   |              | 31/12/2021   |              |
|----------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|
| <b>STATEMENT OF FINANCIAL POSITION</b>                                                                               | <b>Govia</b> | <b>Akiem</b> | <b>Govia</b> | <b>Akiem</b> |
| Cash and cash equivalents                                                                                            | 120          | 0            | 352          | 0            |
| Other current assets                                                                                                 | 377          | 0            | 569          | 92           |
| <b>Total current assets</b>                                                                                          | <b>496</b>   | <b>0</b>     | <b>921</b>   | <b>92</b>    |
| <b>Non-current assets</b>                                                                                            | <b>737</b>   | <b>0</b>     | <b>93</b>    | <b>1,712</b> |
| Current financial liabilities (excluding trade payables, other creditors and provisions)                             | 9            | 0            | 14           | 107          |
| Other current liabilities                                                                                            | 1,136        | 0            | 938          | 150          |
| <b>Total current liabilities</b>                                                                                     | <b>1,145</b> | <b>0</b>     | <b>952</b>   | <b>257</b>   |
| Non-current financial liabilities (excluding trade payables, other creditors and provisions)                         | 0            | 0            | 0            | 1,231        |
| Other non-current liabilities                                                                                        | 1            | 0            | 2            | 17           |
| <b>Total non-current liabilities</b>                                                                                 | <b>1</b>     | <b>0</b>     | <b>2</b>     | <b>1,248</b> |
| <b>Net assets</b>                                                                                                    | <b>87</b>    | <b>0</b>     | <b>61</b>    | <b>299</b>   |
| <i>Reconciliation of financial data with value of investments in companies consolidated under the equity method:</i> |              |              |              |              |
| <b>Group share in net assets</b>                                                                                     | <b>30</b>    | <b>0</b>     | <b>21</b>    | <b>149</b>   |
| Goodwill                                                                                                             | 0            | 0            | 0            | 37           |
| Other                                                                                                                | 0            | 0            | 0            | 0            |
| <b>Net carrying amount of investments in companies consolidated under the equity method</b>                          | <b>30</b>    | <b>0</b>     | <b>21</b>    | <b>187</b>   |

In the context of Govia's activities in England, contractual constraints require the operating companies to have a certain level of cash and cash equivalents. At 31 December 2022, because of this restriction, the liquidity held by Govia at operating company level is classified as cash and cash equivalents that cannot be transferred to the Go Ahead group, Govia's majority shareholder.

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

Department for Transport. Thus, at 31 December 2022, net assets subject to these restrictions held by the Keolis Group in the UK within Govia amount to €24 million under the GTR franchise, out of a total of €30.5 million.

| <i>In € millions</i>                                     | 31/12/2022   |              | 31/12/2021   |              |
|----------------------------------------------------------|--------------|--------------|--------------|--------------|
| <b>INCOME STATEMENT</b>                                  | <b>Govia</b> | <b>Akiem</b> | <b>Govia</b> | <b>Akiem</b> |
| Revenue                                                  | 1,993        | 92           | 2,990        | 218          |
| <b>Operating profit/loss</b>                             | <b>70</b>    | <b>12</b>    | <b>-31</b>   | <b>38</b>    |
| <i>Of which depreciation and amortisation</i>            | <i>-349</i>  | <i>-46</i>   | <i>-510</i>  | <i>-114</i>  |
| <b>Net finance cost</b>                                  | <b>-17</b>   | <b>-11</b>   | <b>-14</b>   | <b>-25</b>   |
| <i>Of which interest expense on debt</i>                 | <i>-1</i>    | <i>0</i>     | <i>-10</i>   | <i>0</i>     |
| <i>Of which revenue from financial assets</i>            | <i>1</i>     | <i>0</i>     | <i>0</i>     | <i>0</i>     |
| <b>Income tax expense</b>                                | <b>-10</b>   | <b>-1</b>    | <b>-3</b>    | <b>-4</b>    |
| <b>Net profit/loss from ordinary activities</b>          | <b>43</b>    | <b>0</b>     | <b>-48</b>   | <b>9</b>     |
| Net profit/loss from discontinued operations, net of tax | 0            | 0            | 0            | 0            |
| <b>Net profit/loss for the year</b>                      | <b>43</b>    | <b>0</b>     | <b>-48</b>   | <b>9</b>     |
| <b>Group share in net profit/loss</b>                    | <b>15</b>    | <b>0</b>     | <b>-17</b>   | <b>5</b>     |

| <i>In € millions</i>                                                                   | 31/12/2022   |              | 31/12/2021   |              |
|----------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|
| <b>OTHER INFORMATION</b>                                                               | <b>Govia</b> | <b>Akiem</b> | <b>Govia</b> | <b>Akiem</b> |
| Net profit/loss for the year                                                           | 43           | 0            | -48          | 9            |
| Other comprehensive income and gains/losses recognised directly in equity (net of tax) | -9           | 0            | 11           | 0            |
| <b>Total comprehensive income/loss</b>                                                 | <b>34</b>    | <b>0</b>     | <b>-36</b>   | <b>9</b>     |
| <b>Dividends paid to the Group</b>                                                     | <b>4</b>     | <b>0</b>     | <b>4</b>     | <b>0</b>     |

#### 4.3.1.2 Significant associates

EUROFIMA is a transnational company based in Basel, Switzerland, 22.6% owned by the SNCF Group, whose purpose is to finance rolling stock equipment and support the development of rail transport in Europe.

Vesta is a real estate company over which the SNCF Group has exercised 20% significant influence since 31 December 2018. It manages and operates a real estate portfolio of around 4,000 housing units.

The Systra group comprises around fifty companies (percentage interests of between 17% and 43%) present worldwide. It specialises in consulting and engineering for the design of transport infrastructures.

The summarised financial statements of associates are shown at 100% and after cancellations of any internal profits.

| <i>In € millions</i>                                                                                                 | 31/12/2022      |              |               | 31/12/2021      |              |               |
|----------------------------------------------------------------------------------------------------------------------|-----------------|--------------|---------------|-----------------|--------------|---------------|
| <b>STATEMENT OF FINANCIAL POSITION</b>                                                                               | <b>Eurofima</b> | <b>Vesta</b> | <b>Systra</b> | <b>Eurofima</b> | <b>Vesta</b> | <b>Systra</b> |
| Current assets                                                                                                       | 4,703           | 47           | 641           | 4,592           | 45           | 512           |
| Non-current assets                                                                                                   | 10,968          | 1,246        | 257           | 11,317          | 1,256        | 242           |
| Current liabilities                                                                                                  | 2,049           | 12           | 554           | 2,392           | 11           | 421           |
| Non-current liabilities                                                                                              | 12,068          | 579          | 146           | 11,960          | 566          | 184           |
| <b>Net assets</b>                                                                                                    | <b>1,553</b>    | <b>702</b>   | <b>198</b>    | <b>1,557</b>    | <b>725</b>   | <b>149</b>    |
| <i>Reconciliation of financial data with value of investments in companies consolidated under the equity method:</i> | <i>0</i>        | <i>0</i>     | <i>0</i>      | <i>0</i>        | <i>0</i>     | <i>0</i>      |
| <b>Group share in net assets</b>                                                                                     | <b>351</b>      | <b>140</b>   | <b>86</b>     | <b>352</b>      | <b>145</b>   | <b>65</b>     |
| Goodwill                                                                                                             | 0               | 12           | 49            | 0               | 12           | 49            |
| Other                                                                                                                | 0               | 0            | 0             | 0               | 0            | 0             |
| <b>Net carrying amount of investments in companies consolidated under the equity method</b>                          | <b>351</b>      | <b>153</b>   | <b>135</b>    | <b>352</b>      | <b>157</b>   | <b>113</b>    |

| <i>In € millions</i>                                     | 31/12/2022 |           |           | 31/12/2021 |           |           |
|----------------------------------------------------------|------------|-----------|-----------|------------|-----------|-----------|
|                                                          | Eurofima   | Vesta     | Systra    | Eurofima   | Vesta     | Systra    |
| <b>INCOME STATEMENT</b>                                  |            |           |           |            |           |           |
| Revenue                                                  | 0          | 46        | 901       | 0          | 47        | 755       |
| <b>Operating profit/loss</b>                             | <b>-9</b>  | <b>14</b> | <b>41</b> | <b>-8</b>  | <b>20</b> | <b>22</b> |
| <b>Net profit/loss from ordinary activities</b>          | <b>17</b>  | <b>3</b>  | <b>13</b> | <b>22</b>  | <b>10</b> | <b>6</b>  |
| Net profit/loss from discontinued operations, net of tax | 0          | 0         | 0         | 0          | 0         | 0         |
| <b>Net profit/loss for the year</b>                      | <b>17</b>  | <b>3</b>  | <b>13</b> | <b>22</b>  | <b>10</b> | <b>6</b>  |
| <b>Group share in net profit/loss</b>                    | <b>4</b>   | <b>1</b>  | <b>6</b>  | <b>5</b>   | <b>2</b>  | <b>3</b>  |

| <i>In € millions</i>                                                                   | 31/12/2022 |          |           | 31/12/2021 |           |          |
|----------------------------------------------------------------------------------------|------------|----------|-----------|------------|-----------|----------|
|                                                                                        | Eurofima   | Vesta    | Systra    | Eurofima   | Vesta     | Systra   |
| <b>OTHER INFORMATION</b>                                                               |            |          |           |            |           |          |
| Net profit/loss for the year                                                           | 17         | 3        | 13        | 22         | 10        | 6        |
| Other comprehensive income and gains/losses recognised directly in equity (net of tax) | -14        | 0        | 36        | -8         | 0         | -1       |
| <b>Total comprehensive income/loss</b>                                                 | <b>3</b>   | <b>3</b> | <b>49</b> | <b>15</b>  | <b>10</b> | <b>5</b> |
| <b>Dividends paid to the Group</b>                                                     | <b>1</b>   | <b>5</b> | <b>0</b>  | <b>1</b>   | <b>3</b>  | <b>0</b> |

Items of property, plant and equipment financed by EUROFIMA were capitalised in the Group financial statements for a gross value of €57 million as at 31 December 2022 (€95 million as at 31 December 2021). The related financing liability amounted to €118 million as at 31 December 2022, the same amount as at 31 December 2021. Eurofima's share capital was not fully called up as at 31 December 2022. The callable share capital attributed to SNCF amounted to €433 million as at 31 December 2022 (€455 million as at 31 December 2021).

On this same date, the share of loans granted by Eurofima to members of countries whose sovereign debt is rated non-investment grade (i.e. rating granted by rating agencies of less than BBB-/Baa3) stood at €112 million (€153 million as at 31 December 2021). These loans are included in the non-current assets of the company's statement of financial position. In addition, Eurofima shareholders are jointly and severally liable for the undertakings falling under the financing agreements granted by Eurofima to the latter, each shareholder in

proportion to its shareholding interest and the maximum amount thereof. This guarantee can only be called following a payment default by the borrower and the related State, which issued the guarantee and when the Eurofima guarantee reserve (€715 million in 2022, €701 million in 2021) is insufficient to cover the loss arising from the payment default. The maximum commitment of SNCF SA amounts to €541 million as at 31 December 2022 (€569 million as at 31 December 2021). The French State guarantees all SNCF SA obligations towards Eurofima (the portion of share capital to be paid up, the fulfilment of financing agreements granted by Eurofima to SNCF SA and the guarantee granted by SNCF SA with respect to these financing agreements).

#### 4.3.1.3 Other companies consolidated under the equity method

The Group also holds interests in other joint ventures and associates which, considered individually, are immaterial.

The aggregate contributions of these companies to the Group's net profit are as follows:

| <i>In € millions</i>                                                                        | 31/12/2022                  |                         |                             | 31/12/2021              |  |
|---------------------------------------------------------------------------------------------|-----------------------------|-------------------------|-----------------------------|-------------------------|--|
|                                                                                             | Non-material joint ventures | Non-material associates | Non-material joint ventures | Non-material associates |  |
| <b>INCOME STATEMENT AND OTHER INFORMATION</b>                                               |                             |                         |                             |                         |  |
| Net profit/loss before tax from ordinary activities                                         | 8                           | 7                       | 0                           | 9                       |  |
| Net profit/loss from discontinued operations, net of tax                                    | 0                           | 0                       | 0                           | 0                       |  |
| <b>Net profit/loss for the year</b>                                                         | <b>8</b>                    | <b>7</b>                | <b>0</b>                    | <b>9</b>                |  |
| Other comprehensive income and gains/losses recognised directly in equity (net of tax)      | 0                           | 2                       | 0                           | 4                       |  |
| <b>Net profit/loss and gains/losses recognised directly in equity</b>                       | <b>9</b>                    | <b>9</b>                | <b>0</b>                    | <b>13</b>               |  |
| <b>Group share in net profit/loss</b>                                                       | <b>8</b>                    | <b>7</b>                | <b>0</b>                    | <b>7</b>                |  |
| <b>Net carrying amount of investments in companies consolidated under the equity method</b> | <b>89</b>                   | <b>85</b>               | <b>84</b>                   | <b>100</b>              |  |

#### 4.3.1.4 Transactions with companies accounted for under the equity method

Transactions with associates, excluding Eurofima, are not material.

The following tables present the main transactions with joint ventures and Group balance sheet headings with respect to these companies. These transactions were conducted on an arm's length basis.

| <i>In € millions</i>              | 31/12/2022 | 31/12/2021 |
|-----------------------------------|------------|------------|
| Revenue                           | 50         | 53         |
| Purchases and external charges    | -61        | -61        |
| Other income and expenses         | 7          | 6          |
| <b>EBITDA with joint ventures</b> | <b>-4</b>  | <b>-1</b>  |

| <i>In € millions</i>              | 31/12/2022 | 31/12/2021 |
|-----------------------------------|------------|------------|
| Current financial assets          | 2          | 2          |
| Non-current financial assets      | 32         | 72         |
| Current financial liabilities     | 3          | 5          |
| Non-current financial liabilities | 0          | 0          |



### 4.3.2 Assets and liabilities classified as held for sale

In accordance with IFRS 5 "Non-current assets held for sale and discontinued operations":

- Non-current assets held for sale are assets whose accounting value will be recovered essentially through sale and not continued use. They are presented on a separate line of the balance sheet at the lower of their net carrying amount and fair value less costs to sell. A noncurrent asset can only be considered as held for sale when a certain number of criteria listed in the standard are met: asset available in its present condition for immediate sale, sale initiated, decided and planned and highly probable within twelve months. In the case of a Group of assets held for sale, any related liabilities are also presented on a separate line under a liability heading.

- Pursuant to the terms used by IFRS 5, a "discontinued operation" is a component from which the Group is separated or which it has transferred to a third party or which is classified as held for sale, and which represents a separate major line of business or geographical area of operations for the Group or which is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations. In addition to the reclassification of assets and liabilities under a separate balance sheet heading, the impact on profit or loss of the period of all discontinued operations, including any expected capital losses, is presented on a separate line of the income statement, after ordinary activities. The impacts of discontinued operations on cash flows are presented in the notes to the financial statements.

### 4.4 IMPAIRMENT TESTING OF NON-CURRENT ASSETS

The Group assesses whether there is an indication that an asset has been significantly impaired at each balance sheet date. Where there is such an indication, an impairment test is performed.

Goodwill and indefinite life intangible assets are subject to an impairment test each year and whenever there is an indication of impairment. Impairment losses recorded on goodwill cannot be reversed.

When performing impairment tests, goodwill is allocated to the Cash-Generating Unit (CGU) or Group of CGUs that are expected to benefit from the synergies of the combination, regardless of whether other assets and liabilities of the acquired entity are allocated to these CGUs or Groups of CGUs. The CGU (or Group of CGUs) in question represents the lowest level at which the goodwill is monitored for internal management purposes. A CGU represents one or more legal entities or is defined based on the purpose of the assets used.

Property, plant and equipment and finite life intangible assets are subject to impairment when events or circumstances during the period (obsolescence, physical deterioration, significant changes in the method of utilisation, performances falling short of forecasts, decline in revenues, other external indicators, etc.) indicate that a loss in value may have occurred and that the recoverable amount may be less than the net carrying amount.

Impairment tests consist of comparing the net carrying amount of an asset or goodwill balance with its recoverable amount, equal to the higher of the fair value less costs to sell and the value in use. The recoverable amount of an asset is determined individually, unless the asset does not generate cash flows independent of those of other assets or Groups of assets. In such cases, which

encompass the majority of property, plant and equipment and intangible assets of SNCF and goodwill balances, the Group determines the recoverable amount of the Group of assets (CGU) to which the tested asset belongs. If the net carrying amount, net of grants, exceeds the recoverable amount, an impairment is recorded in the amount of the difference.

The value in use corresponds to the value of the future economic benefits expected from the asset's use or removal. It is assessed based on discounted future cash flows determined according to economic assumptions and projected operating conditions adopted by SNCF management:

- cash flows are determined in business plans, drawn up for periods of 5 to 11 years and validated by the management bodies;
  - beyond this timeframe, the flows are extrapolated by applying a long-term growth rate that is close to the long-term inflation rate expected by the Group, within the limit of the contractual period, if applicable, or otherwise indefinitely;
  - flows are discounted at a rate appropriate to the activity segment.
- Gross profit corresponds to the EBITDA/revenue ratio.

For investment property, the SNCF Group calculates a fair value less costs to sell for land comprising bare and build- on land based on:

- its location in a geographical area.
- a m<sup>2</sup> market value, taking into account the general use of the land after its sale.

Impacts on the income statement were as follows:

| In € millions                                     | 31/12/2022 | 31/12/2021 | Change    |
|---------------------------------------------------|------------|------------|-----------|
| Intangible assets and property, plant & equipment | 17         | -69        | 86        |
| Goodwill                                          | 0          | 0          | 0         |
| Other                                             | -17        | 18         | -35       |
| <b>Impairment losses</b>                          | <b>0</b>   | <b>-51</b> | <b>51</b> |

#### 4.4.1 Contextual items

Upward trends in raw material costs, energy prices, inflation and market rates are an indication of change in value, leading the Group to test the valuation of CGUs that are highly sensitive to volatility in the above-mentioned areas, in particular because of:

- a limited ability to fully pass on changes in these costs in their pricing;
- a historically high sensitivity to fluctuations in market rates;
- a difference between the economic asset value and the recoverable amount, considered fragile during the most recent impairment tests.

The estimated recoverable amount of these CGUs is based on the latest multi-year trajectory (2021-2030) approved by the Board of Directors on 29 July 2021. Adjustments were made, where necessary, to take account of management's best estimate of the outlook for business activity and changes in the macroeconomic environment over the period 2023-2030.

These tests, as well as the tests performed on CGUs comprising indefinite life intangible assets and/or significant goodwill, did not lead to the recognition of any impairment at 31 December 2022.

#### 4 - OPERATING ASSETS AND LIABILITIES

The impairment of the Intercites CGU was reversed following the signing of the new 2022-2031 TET agreement (see below).

N.B. The values for assets tested as presented in the tables below are shown net of impairment losses charged or reversed during prior periods, and exclude any acquisition or loss of control during the period.

#### 4.4.2 CGUs carrying high levels of goodwill relative to total goodwill

Those CGUs that carry high levels of goodwill are described below.

##### 4.4.2.1 Geodis CGU

Of the total amount of goodwill (net of impairment), €1,617 million (€1,202 million as at 31 December 2021) is allocated to the Geodis cash generating unit, which houses the logistics and freight transport operations of the Freight and Logistics business line. The CGU is tested for impairment at least once annually.

The main assumptions used to determine the recoverable amount are:

|                                  | 2022                                          | 2021                                          |
|----------------------------------|-----------------------------------------------|-----------------------------------------------|
| Segment                          | Freight & Logistics                           | Freight & Logistics                           |
| CGU                              | Geodis                                        | Geodis                                        |
| Assets tested                    | €1,652 million                                | €1,518 million                                |
| Base used for recoverable amount | Value in use                                  | Value in use                                  |
|                                  | 5-year plan                                   | 5-year plan                                   |
| Source used                      | and indefinite projection of a normative year | and indefinite projection of a normative year |
| Discount rate (min - max)        | 7.8% - 8.8%                                   | 7.1% - 8.1%                                   |
| Long-term growth rate            | 1.90%                                         | 1.60%                                         |

The test performed as at 31 December 2022 substantiates the carrying amount of the CGU's assets. The sensitivity analyses performed on the discount rate ( $\pm 50$  bp), the long-term growth rate ( $\pm 10$  bp) and the EBITDA rate ( $\pm 50$  bp) did not call into question the positive difference between the CGU's recoverable amount and the net carrying amount of the tested assets.

##### 4.4.2.2 Keolis CGU

Of the total amount of goodwill, €638 million (€629 million as at 31 December 2021) is allocated to the Keolis cash generating unit, which houses all operations in the multi-modal passenger transport solutions business of the Keolis segment. Indefinite life intangible assets allocated to this CGU amount to €83 million (€83 million as at 31 December 2021), and mainly comprise brands and licences. The CGU is tested for impairment at least once annually.

#### SNCF GROUP FINANCIAL REPORT 31 DECEMBER 2022

The main assumptions used to determine the recoverable amount are:

|                                  | 2022                                          | 2021                                          |
|----------------------------------|-----------------------------------------------|-----------------------------------------------|
| Segment                          | Keolis                                        | Keolis                                        |
| CGU                              | Keolis                                        | Keolis                                        |
| Assets tested                    | €1,588 million                                | €1,579 million                                |
| Base used for recoverable amount | Value in use                                  | Value in use                                  |
|                                  | 6-year plan                                   | 5-year plan                                   |
| Source used                      | and indefinite projection of a normative year | and indefinite projection of a normative year |
| Discount rate (min– max)         | 6.5% - 7.4%                                   | 5.9% - 6.8%                                   |
| Long-term growth rate            | 1.80%                                         | 1.70%                                         |

NB: The carrying amount of goodwill included in the economic asset tested is grossed up to include the unrecognized goodwill attributable to the non-controlling interests.

Explicit forecast period was extended to 6 years to take into account an improvement in available information.

No impairment was recognised as at 31 December 2022. The sensitivity analyses performed on the discount rate ( $\pm 50$  bp), the long-term growth rate ( $\pm 10$  bp) and the EBITDA rate ( $\pm 50$  bp) did not call into question the positive difference between the CGU's recoverable amount and the net carrying amount of the tested assets.

##### 4.4.2.3 Eurostar Group CGU

As a result of the reorganisation that led to the merger between Eurostar and Thalys (see Note 2.1.4 Creation of Eurostar Group), goodwill impairment tests are now carried out at the level of the Eurostar Group CGU, formed by the combination of the Eurostar CGU (which groups together all the cross-Channel passenger transport businesses of the TGV-Intercites sector) and the Thalys CGU (high-speed train service between France; Belgium, Germany and the Netherlands).

€394 million on the total goodwill is allocated to this CGU. Furthermore, indefinite life intangible assets allocated to this CGU amount to €279 million as at 31 December 2022, and mainly comprise brands.

The CGU is tested for impairment at least once annually.

The main assumptions used to determine the recoverable amount are:

|                                  | 2022                                          |
|----------------------------------|-----------------------------------------------|
| Segment                          | TGV-Intercités                                |
| CGU                              | Eurostar                                      |
| Assets tested                    | €2,137 million                                |
| Base used for recoverable amount | Value in use                                  |
|                                  | 15-year plan                                  |
| Source used                      | and indefinite projection of a normative year |
| Discount rate (min– max)         | 7.8% - 8.8%                                   |
| Long-term growth rate            | 1.90%                                         |

NB: The carrying amount of goodwill included in the economic asset tested is grossed up to include the unrecognized goodwill attributable to the non-controlling interests.

At 31 December 2022, the recoverable amount was based on the cash flow in the 2022 Business Plan approved by the Board of Directors on 25 November 2022. This trajectory was based on the following main key assumptions:

- Trends in traffic revenue including the strong business recovery after the slowdown due to the COVID crisis in 2021 and at the start of 2022;
- Changes in operating expenses in line with the inflationary context, particularly the trajectory of infrastructure fee and energy costs;
- The emergence of rail competition, whose positioning is unchanged on 2021 given the current context (crisis, regulatory changes, other rail company announcements, etc.);
- The level of investment required to upgrade the fleet, taking account of performance plans relating to train use optimisation and the arrival of new rolling stock and competitors.

The normative year cash flow is calculated by extrapolating the terminal year target gross profit rate (relative to revenue) derived from the new trajectory prepared in November 2022.

It should be noted that the financial liability, relating to promises to purchase interests from CDPGI, Hermès and SNCB in the Eurostar Group irrevocably granted by SNCF, is valued using the same assumptions as those used to calculate the recoverable amount of the CGU.

No impairment was recognised, as the recoverable amount exceeded the value of the tested assets.

The sensitivity analyses performed did not call into question the positive difference between the CGU's recoverable amount and the net carrying amount of the tested assets:

- A  $\pm 100$  bp change in the normative year EBITDA rate would have an impact of  $\pm \text{€}103$  million;
- A  $\pm \text{€}10$  million change in the normative year investment would have an impact of  $\pm \text{€}37$  million;
- A  $\pm 25$  bp change in the discount rate would result in a change of  $\pm \text{€}115$  million;
- A  $\pm 10$  bp change in the normative year growth rate would have an impact of  $\pm \text{€}14$  million.

#### 4.4.3 Material CGUs or CGUs with indications of impairment losses or reversals in 2022 and/or 2021

##### 4.4.3.1 TGV France and Europe CGU (excluding Eurostar, Thalys and Ouigo España)

As at the end of December 2022, no impairment was identified for TGV France CGU assets; no impairment test was therefore performed.

A rise in ticket prices, within the limits requested by the French State, has already been agreed to offset the short-term impacts of inflation and rise in raw material costs.

It should be noted that the impact of the rise in energy costs is partly contained by hedging contracts implemented as part of the Group's purchasing policy.

In addition, the factors listed below have a positive impact on the trajectory and are good signs that make it possible to rule out any risk to the valuation of TGV CGU assets:

- The 2021 Strategic Plan, validated by the Board of Directors, presents a more favourable financial trajectory than the plan used for the December 2020 test (as a reminder, this test, which was carried out based on the 2020 Strategic Plan, already showed a significant

positive margin between the recoverable value and the net carrying amount of the TGV CGU assets).

- 2022 EBITDA is significantly above budget forecasts.
- The summer of 2022 saw a very strong recovery in traffic, with record levels of train traffic and optimal fill rates.
- The abolition of the CST-TREF taxes from 2023 onwards (Amendment of 30/09/2021) favourably impacts the trajectory with a saving of around  $\text{€}90$  million per year for the CST and  $\text{€}100$  million for the TREF.

| <b>2020</b>                      |                                                                     |
|----------------------------------|---------------------------------------------------------------------|
| Segment                          | TGV-Intercités                                                      |
| CGU                              | TGV France and Europe (excluding Eurostar, Thalys and Ouigo España) |
| Assets tested                    | $\text{€}5,641$ million                                             |
| Base used for recoverable amount | Value in use                                                        |
| Source used                      | 10-year plan and indefinite projection of a normative year          |
| Discount rate (min– max)         | 6.7% - 7.7%                                                         |
| Long-term growth rate            | 1.60%                                                               |

##### 4.4.3.2 Intercites CGU

As at 31/12/2021, considering the end of the 2016-2020 operating agreement that was extended for one year and in a context of uncertainty surrounding the negotiation of the agreement for 2022 and thereafter with the French State, the net carrying amount of the following items relating to regulated activity was fully impaired:

- Rolling stock: investments prior to 2011 (date of the first TET agreement) and the asbestos component;
- Fixed installations and maintenance facilities (ISM)

The new 2022-2031 operating agreement was signed on 17 March 2022. An analysis of its clauses with regard to IFRIC 12 Service Concession Agreements resulted in the following changes from 30/06/2022:

- Inclusion in the scope of IFRIC 12 of regulated activity fixed installations and reclassification of their net carrying amount as a financial receivable. This receivable was impaired by  $\text{€}10$  million to reflect its unconditional recoverable amount;
- Reversal of impairment previously recorded for fixed installations reclassified as financial receivables ( $\text{€}54.4$  million) and rolling stock commissioned prior to 2011 ( $\text{€}1.2$  million).

##### 4.4.3.3 Infrastructure CGU

The year-end impairment test on the Infrastructure CGU assets, carried out as at 31 December 2015, had led to an impairment loss of  $\text{€}9.6$  billion based on a financial trajectory approved by the SNCF Réseau Board of Directors on 9 March 2015, which considered that it represented the best business forecast for the next 15 years.

On 14 June 2018, the adoption of the authorisation law for a new railway pact and the various announcements by the French government, particularly regarding the change in SNCF Réseau infrastructure fee terms and conditions represented new indications of impairment. As part of the 2018 half-year closing using available information taken from the reference framework for the



Public Rail Group economic and financial trajectory and its roll-out for SNCF Réseau that was presented for information purposes to the Board of Directors on 25 July 2018, the impairment test gave rise to the recognition of additional impairment of €3.4 billion.

The SNCF Réseau Group strategic plan, drafted in the first half of 2021, was adopted by the Board of Directors, followed by the performance contract and its financial trajectory on 4 November 2021, signed by the French State in April 2022. This new trajectory, representing an indication of impairment, was taken into account to test assets as at 31 December 2021. The primary directives of this trajectory are as follows:

- Gradual opening of passenger traffic to competition;
- Alignment of infrastructure fee volumes and prices with the SNCF Group strategic plan;
- Steady level of investment needed to restore the resilience of the network in line with the railway pact;
- Revision of the trajectory for upgrade grants obtained through the French State support fund, including grants from the French State recovery plan for €4.05 billion from 2021 and amounts received from Group disposal gains (€480 million);
- Balancing of cash flows in 2024 and a debt level less than six times gross profit in 2026, in accordance with railway pact commitments, investment grants derived from the French State allocation of all or part of the dividends received from the national company SNCF.

The key assumptions used in the 31 December 2021 test relate to the level of infrastructure fees, the level of investment and performance, as well as government funding.

Regarding the level of infrastructure fees:

- The increase in infrastructure fees for trains capable of high-speed travel and freight trains was limited to the Consumer Price Index (CPI) and the indexing of regulated infrastructure fees (TER and TET access fees) was aligned with the opinion of the ART delivered on 9 February 2021 for 2022 (2.2%) and 2023 (2.4%), then set at 3.6% per year as from 2024;
- Furthermore, the French State compensation scheme for freight activity (“Freight compensation”), the amount of which is revised annually to reflect changes in indexing and the switch to the new directly attributable cost model starting with 2019 pricing scales, is assumed to be maintained over the entire period;
- Finally, the 2030 traffic projections for SNCF Group passenger and freight operations were approved under the Group strategic plan, ensuring their reciprocity with the relevant entities, as well as an updated valuation of assumptions on the opening to competition, particularly at the end of the plan.

Regarding the level of performance:

- The performance target was revised to recurring €1.5 billion between 2017 and 2026, with a ramp-up in savings between 2021 and 2024 and further performance measures without activating new levers starting 2025. This performance trajectory complies with the objectives set out in the operational programs;
- This performance will contribute to achieving a normative profitability rate of 46% (EBITDA/revenue) in 2030 as taken into account in the terminal value calculation.

Regarding the level of investments:

- It is based on an average renewal investment trajectory (including Opex) of €2.84 billion.

Regarding government support:

- The renewal investment grant amounts derived from the French State allocation of all or part of the dividends received from the national company SNCF SA out of the profits of its subsidiaries, topped up as necessary by the transfer of a share of the tax gain generated by the Unified Public Group (UPG) tax consolidation, are based on the SNCF Group's economic and financial trajectory and its distribution capacity. The normative amount of these investment grants was €0.9 billion as from 2030;
- The investment grants to be paid by the French State support fund under the railway recovery plan will amount to €0.6 billion taking into account the €1.6 billion received in 2021 and €1.8 billion obtained in 2022. These grants will be earmarked for network renewal investment financing. Divestment proceeds paid under the recovery plan were included for the amount of investments taken into account in the test (compliance investments);
- Measures relating to the new pension regime, and more broadly to the new labour relations framework derived from rail industry collective agreements, were under negotiation during the preparation of the trajectory.

The other methodological components used to determine the recoverable amount as at 31 December 2021 are:

- The methodology used is the same as that applied in the previous impairment test carried out in 2020;
- A financial trajectory that was fully reconstructed in 2021 using complete and updated assumptions taken from the new performance contract;
- Discounted cash flow projections are calculated for the years covered by the new 2021-2030 economic trajectory, updated for newly available information; 2030 remains the normative year as it is considered that the network will have stabilised at a performance/upgrade level that will optimise the amount of maintenance;
- The impairment test includes assets and cash flows corresponding to minor historical regional or local routes that may eventually be subject to management transfer request by the Organising Authorities. No transfers have been anticipated for these routes;
- As regards the Sud Europe Atlantique (SEA) concession, the cash flow projections assume that operation of the line will be taken back from 2061, when the concession held by the current operator expires; the update of current data (tax rate, WACC, inflation) and the application of a discount on future cash flows corresponding to the uncertainty of these future projections do not change the normative value historically calculated in cash flow;
- The terminal value, representing 91% of the recoverable amount, is calculated by projecting the values for the normative year (2030) to infinity at a long-term growth rate of 1.4%;
- The projected cash flows are after tax, adopting a theoretical tax charge calculated using a known rate at each date that is then applied to projected current operating profit;
- Future cash flows were discounted at 4.9% (versus 5.6% as at 31 December 2020). The use of the floor WACC rate taken from the appraisal report drawn up by the external expert (between 4.7% and 5.5%) is explained by the following contextual items:



- A financial trajectory totally reconstructed in the first half of 2021 based on fully documented assumptions,
- A prudent assessment of COVID crisis risks in relation to the traffic turnaround trends observed since May, and a long-term growth rate reduced to 1.4%/year from 2024, based on a long-term growth assumption produced by the IMF deemed prudent,
- A performance plan amounting to €1.5 billion between 2017 and 2026 (compared to €1.6 billion as at 31 December 2020) subject to specific coordination by the SNCF Réseau Management Committee,
- A trajectory safeguard process concluded with the French State (review clauses every 3 years with adjustment of upgrade expenses to safeguard cash flow).

The carrying amount of Infrastructure CGU assets as at 31 December 2021 was €33.16 billion, versus €32.89 billion as at 31 December 2020. Those assets cover lines currently in service, plus upgrade works in progress. The recoverable amount determined by the 31 December 2021 test was close to this net carrying amount.

Update as at 31 December 2022

The cost of OPEX and CAPEX for the Infrastructure CGU with respect to the financial trajectory included in the CGU's 2021-2030 performance contract signed in April 2022 was significantly impacted by the sharp rise in inflation.

Furthermore, rising interest rates set by banks in response to inflation increased the discount rate adopted by SNCF Réseau to measure its future cash flows.

In this context which represented an indication of impairment, a test was carried out on 31 December 2022.

Pending the revision of the strategic plan in the next few months, the impairment test relied on the "base" financial trajectory of the performance contract as described previously, adjusted with regard to (i) the 2023 budget approved by the SNCF Réseau Board of Directors on 14 December 2022, and (ii) the current best estimate of the projected impact of inflation over the next few years.

The methodology used is the same as that applied in the previous impairment test carried out in 2021. The main changes in the assumptions used for this new test are as follows:

- An infrastructure fee trajectory rebased using the new 2024-2026 pricing (draft 2024-2026 Network Reference Document submitted for opinion to the ART);
- A revised level of CAPEX and net investments to take into account the estimated impact of inflation;
- The adjusted trajectory also includes the gradual cancellation of the CVAE by 2024 (Article 55 of the 2023 Finance Act 2022-1726 of 30 December 2022);
- 2030 remains the normative year, as the network is therefore considered to be stabilised at a performance or renewal level that will optimise the amount of maintenance;
- Regarding the SEA concession, the cash flow projections assume that operation of the line will be taken back from 2061, when the concession held by the current operator expires; current data (tax rate, WACC, inflation) was updated;
- The terminal value, representing 93% of the recoverable amount, is calculated by projecting the values for the normative year (2030) to infinity at a long-term growth rate of 1.8%;

– The projected cash flows are after tax, adopting a theoretical tax charge calculated using a known rate at each date that is then applied to projected current operating profit;

– Future cash flows were discounted at 5.4% (versus 4.9% as at 31 December 2021). This WACC rate is taken from the external expert's appraisal report (rate of between 5.1% and 5.8%).

The net carrying amount of Infrastructure CGU assets as at 31 December 2022 was €34.13 billion, versus €33.16 billion as at 31 December 2021. Those assets cover lines currently in service, plus upgrade works in progress. The recoverable amount, determined from the test carried out at 31 December 2022 in a changing and uncertain economic context due to the difficulty in forecasting medium/long-term inflation, is close to this net carrying amount.

Other property, plant and equipment under construction (€2.3 billion as at 31 December 2022 and 2021) relate to capacity investments under development, the value of which is analysed separately in a specific review. The results of the sensitivity analyses carried out as part of the test are:

|                                  | 2022           | 2021           |
|----------------------------------|----------------|----------------|
| Segment                          | SNCF Réseau    | SNCF Réseau    |
| CGU                              | Infrastructure | Infrastructure |
| Asset tested                     | €34.1 billion  | €33.2 billion  |
| Base used for recoverable amount | Value in use   | Value in use   |
| Source used                      | (1)            | (1)            |
| Discount rate                    | 5.1% - 5.8%    | 4.7% - 5.5%    |
| Long-term growth rate            | 1.6%-1.8%      | 1.40%          |

(1) Financial trajectory of the performance contract presented to the SNCF Réseau Board of Directors on 4 November 2021 and signed by the French State in April 2022, adjusted for the 2023 budget, the new draft 2024-2026 pricing and other current estimated impacts relating to inflation.

The results of the sensitivity analyses carried out as part of the test are:

A change of ± 10 bp in the discount rate would represent a variation of +/- €1.1 billion in the recoverable amount;

A change of ± 10 bp in the perpetual growth rate would lead to a variation of +€0.9 billion;

A change of ± €100 million in net annual renewal expenses would represent a variation of ± €1.4 billion in the recoverable amount. This amount is for information only since, beyond a certain threshold, the impact of the change in renewal expenses on the recoverable amount of assets is not linear and the impacts may be material for maintenance, traffic and therefore infrastructure fees;

An annual change of ± €100 million in the infrastructure fees or the backing of the French State would represent a variation of ± €1.4 billion in the recoverable amount.

**4.4.3.4 Gares & Connexions CGU**

In 2021, in connection with the drafting of its new strategic plan approved by the Board of Directors on 22 July 2021, SNCF Gares & Connexions updated its financial trajectory, taking into account:

- Updating of the concession income fee trajectory based on the most recent known short and medium-term factors (including COVID health crisis impacts);
- The 2021-2024 multi-annual investment programme, updated at the end of 2020 and including the savings plans and deferrals rolled out following the COVID crisis, as well as an estimate of the forecast investment requirements for the period 2025-2030;

#### 4 - OPERATING ASSETS AND LIABILITIES

– The 2021 station reference document validated by the ART, with a regulated WACC reduced to 4.5% before tax and non-regulated WACC reduced to 8.0% before tax - these rates were maintained in 2022 and over the entire plan duration in connection with the following station reference documents;

– Integration of a more ambitious savings plan for Opex and Capex.

In the last quarter of 2021, the cancellation due to breach of contract of the concession agreement of the Gare du Nord 2024 project had been identified as an indication of impairment, considering its negative impact on SNCF Gares & Connexions cash flow. An impairment test was therefore carried out on 31 December 2021 based on the strategic plan's financial trajectory readjusted for this cancellation, as included in the draft performance contract with the French State validated by the SNCF Gares & Connexions Board of Directors on 9 December 2021. This impairment test confirmed the net carrying amount of the Gares & Connexions CGU's assets at the end of 2021.

##### Update as at 31 December 2022

The SNCF Gares & Connexions financial trajectory, as included in the performance contract signed with the French State on 27 April 2022 and taken into account in the impairment test at the end of 2021, is now called into question due to the very sharp increase in inflation that is now expected to greatly exceed the assumptions adopted when drawing up the strategic plan and the performance contract in 2021. SNCF Gares & Connexions now believes that this level of inflation represents an indication of impairment, considering its impact on:

– cash flows, due to rising cost indices (consumer price index, wage costs, energy costs, engineering work costs); a percentage of these excess costs could however be passed on customers and inflation should also generate an increase in certain revenues (due to the increase in regulated WACC and rent indexation);

– the discount rate adopted by SNCF Gares & Connexions to measure its future cash flows, due to the rising rates applied by central banks in response to inflation.

In this context, an impairment test was therefore carried out on 31 December 2022. Pending the update of the strategic plan in the next few months, the impairment test is still based on the financial trajectory of the performance contract, adjusted for the 2023 budget and the current best estimate of the projected impact of inflation over the next few years. The adjusted trajectory also includes the gradual cancellation of the CVAE by 2024 (Article 55 of the 2023 Finance Act 2022-1726 of 30 December 2022).

SNCF Gares & Connexions also reviewed certain market parameters, such as the normative discount and

growth rates updated according to the most recent available data.

The test methodology is listed below:

|                                  | 2022                                                      | 2021                                                       |
|----------------------------------|-----------------------------------------------------------|------------------------------------------------------------|
| Segment                          | SNCF Gares & Connexions                                   | SNCF Gares & Connexions                                    |
| CGU                              | Gares & Connexions                                        | Gares & Connexions                                         |
| Asset tested                     | €3.6 billion                                              | €2.9 billion                                               |
| Base used for recoverable amount | Value in use                                              | Value in use                                               |
| Source used                      | 8-year plan and indefinite projection of a normative year | 10-year plan and indefinite projection of a normative year |
| Discount rate                    | 4.9% - 5.6%                                               | 5.16%                                                      |
| Long-term growth rate            | 1.6% - 2.0%                                               | 1.40%                                                      |

Based on a discount rate of 5.37% and a long-term growth rate of 1.8%, the impairment test rolled out as at 31 December 2022 in a changing and uncertain economic context in which it is difficult to forecast medium and long-term inflation levels and changes in certain key parameters, such as the interest rate for the regulated asset base submitted to the opinion of the ART (regulated WACC), did not significantly change the value of Gares & Connexions CGU assets.

The sensitivity analyses conducted on the value of the economic assets as at 31 December 2022 had the following results:

– A ± 10 bp change in the discount rate would result in a variation of between – €119 million to + €126 million in the recoverable amount;

– A ± 10 bp change in the normative year growth rate would have an impact of between +€103 million and -€97 million on the recoverable amount;

– A ± 10 bp change in the normative year gross profit rate would have an impact of ± €31 million on the recoverable amount;

– A ± €10 million change in the normative year investment would have an impact of ± €196 million on the recoverable amount;

– A ± 10 bp change in inflation (consumer price index, wage costs, engineering work costs and rent revision indices) taken into account from 2024 would have an impact of ±€29 million on the recoverable amount;

A ± 10 bp change in the regulated WACC target level would have an impact of ±€53 million on the recoverable amount.

## 4.5 WORKING CAPITAL REQUIREMENT

| In € millions                                                                             | 31/12/2022  | 31/12/2021 |
|-------------------------------------------------------------------------------------------|-------------|------------|
| Change in inventories and work-in-progress                                                | 101         | 89         |
| Change in operating receivables (excluding share disposals and capital expenditure flows) | 645         | 355        |
| Change in operating payables (excluding capital expenditure flows)                        | 516         | 546        |
| <b>Impact of the change in WCR in the consolidated cash flow statement</b>                | <b>-230</b> | <b>102</b> |

### 4.5.1 Inventories and work-in-progress

Inventories are valued at the lower of cost price and net realisable value. Cost price is equal to acquisition or production cost. Production cost includes both direct and indirect production expenses.

Inventory is valued using the weighted average cost method.

Inventories are written down based on the turnover, nature, age and useful life of items.

As at 31 December 2022, inventories break down as follows:

| In € millions                           | 31/12/2022   |             | 31/12/2021   |              | Change     |
|-----------------------------------------|--------------|-------------|--------------|--------------|------------|
|                                         | Gross        | Impairment  | Net          | Net          |            |
| Raw materials                           | 1,168        | -142        | 1,026        | 985          | 40         |
| Finished goods                          | 334          | -3          | 331          | 333          | -2         |
| Work-in-progress                        | 158          | -11         | 147          | 67           | 80         |
| <b>Inventories and work-in-progress</b> | <b>1,660</b> | <b>-156</b> | <b>1,504</b> | <b>1,385</b> | <b>118</b> |

Movements in inventory impairment break down as follows:

| In € millions                           | 31/12/2021  | Charges    | Reversals | Reclassifications | Changes in Group structure |             |
|-----------------------------------------|-------------|------------|-----------|-------------------|----------------------------|-------------|
|                                         |             |            |           |                   | 31/12/2022                 | 31/12/2022  |
| Raw materials and supplies - impairment | -151        | -36        | 47        | -1                | 0                          | -142        |
| Finished goods - impairment             | 0           | -3         | 0         | 0                 | 0                          | -3          |
| Work-in-progress - impairment           | -13         | -2         | 3         | 0                 | 0                          | -11         |
| <b>Impairment of inventories</b>        | <b>-164</b> | <b>-41</b> | <b>50</b> | <b>-1</b>         | <b>0</b>                   | <b>-156</b> |

### 4.5.2 Operating receivables

Receivables are recorded at nominal value on issue, except recognised over a five-year period, reflecting a normal for receivables with a maturity of more than one year, operating cycle for the Group's activities. Operating receivables are subject to the impairment model for expected losses within the meaning of IFRS 9, measured by the Group using the simplified approach that consists in estimating such losses over the life of the relevant receivables. The estimate is based on the ratio between losses on irrecoverable receivables and revenue

recognised over a five-year period, reflecting a normal operating cycle for the Group's activities. Furthermore, impairment is recognised when there is a potential risk of non-recovery (substantial payment delays, disputes, litigation, insolvency proceedings, etc.). This impairment is determined based on an individual or statistical appraisal of non-recovery risk using historical data.

Operating receivables break down as follows:

| In € millions                                                  | 31/12/2022    |             | 31/12/2021    |              | Change     |
|----------------------------------------------------------------|---------------|-------------|---------------|--------------|------------|
|                                                                | Gross         | Impairment  | Net           | Net          |            |
| Trade receivables and related accounts                         | 4,914         | -195        | 4,719         | 4,241        | 478        |
| Amounts receivable from the French State and local authorities | 1,447         | 0           | 1,447         | 1,943        | -496       |
| Other operating receivables                                    | 3,956         | -6          | 3,949         | 3,123        | 826        |
| Amounts receivable on PP&E disposals and share disposals       | 181           | 0           | 181           | 116          | 65         |
| Asset derivatives on forward electricity purchases             | 53            |             | 53            | 226          | -172       |
| <b>Net operating receivables</b>                               | <b>10,551</b> | <b>-202</b> | <b>10,349</b> | <b>9,649</b> | <b>701</b> |

Movements in impairment of trade receivables and other operating receivables were as follows in 2022 and 2021:

| In € millions                                       | 31/12/2021  | Charges    | Reversals | Reclassifications | Change in scope | Change and other | 31/12/2022  |
|-----------------------------------------------------|-------------|------------|-----------|-------------------|-----------------|------------------|-------------|
| Trade receivables and related accounts - impairment | -206        | -56        | 70        | 0                 | -3              | 0                | -195        |
| Other operating receivables - impairment            | -4          | -4         | 2         | 0                 | 0               | 0                | -6          |
| <b>Total</b>                                        | <b>-210</b> | <b>-60</b> | <b>72</b> | <b>0</b>          | <b>-3</b>       | <b>0</b>         | <b>-202</b> |

| In € millions                                       | 31/12/2020  | Charges     | Reversals | Reclassifications | Change in scope | Change and other | 31/12/2021  |
|-----------------------------------------------------|-------------|-------------|-----------|-------------------|-----------------|------------------|-------------|
| Trade receivables and related accounts - impairment | -186        | -109        | 84        | 1                 | 4               | -1               | -206        |
| Other operating receivables - impairment            | -17         | -2          | 14        | 0                 | 0               | 0                | -4          |
| <b>Total</b>                                        | <b>-203</b> | <b>-111</b> | <b>98</b> | <b>1</b>          | <b>4</b>        | <b>-1</b>        | <b>-210</b> |

Due to its business, Group exposure to credit risk is limited. Tickets are sold to passengers on a cash basis. In addition, the Group has significant relations with a number of public-sector customers (regional authorities, RATP, Île de France Mobilités (formerly STIF), armed forces, etc.). In the Freight and Logistics activity, dependence on customers is reduced by their low number. In carrying out its transport and/or freight forwarding activities, the Group also has the right to hold the merchandise with which it is entrusted, which reduces the risk of non-payment for

services. Finally, based on an assessment of customer credit risk, payment terms and conditions before transport may be determined to limit the risk of non-payment.

While receivables from these customers may be past due, the Group considers that there are no grounds for impairment if no other items highlight a risk of non-recovery. Receivables are impaired when the Group is in dispute with a customer or when the ability to recover the receivable in full is hindered.

Trade receivables past due break down as follows (gross value):

| 31/12/2022                             | Not past due |            | Past due but not impaired |                |             |            | Total        |
|----------------------------------------|--------------|------------|---------------------------|----------------|-------------|------------|--------------|
|                                        | Impaired     | < 3 months | 4 to 6 months             | 7 to 12 months | > 12 months |            |              |
| In € millions                          |              |            |                           |                |             |            |              |
| Trade receivables and related accounts | 3,313        | 467        | 763                       | 71             | 134         | 166        | 4,914        |
| <b>Total</b>                           | <b>3,313</b> | <b>467</b> | <b>763</b>                | <b>71</b>      | <b>134</b>  | <b>166</b> | <b>4,914</b> |

| 31/12/2021                             | Not past due |            | Past due but not impaired |                |             |            | Total        |
|----------------------------------------|--------------|------------|---------------------------|----------------|-------------|------------|--------------|
|                                        | Impaired     | < 3 months | 4 to 6 months             | 7 to 12 months | > 12 months |            |              |
| In € millions                          |              |            |                           |                |             |            |              |
| Trade receivables and related accounts | 3,100        | 566        | 481                       | 54             | 101         | 145        | 4,448        |
| <b>Total</b>                           | <b>3,100</b> | <b>566</b> | <b>481</b>                | <b>54</b>      | <b>101</b>  | <b>145</b> | <b>4,448</b> |

#### 4.5.3 Operating payables and other accounts in credit

Operating payables include payments to third parties with respect to operating activities (trade payables, employee-related payables, taxes and duties other than income tax, etc.), and asset acquisitions.

Payables are recorded at nominal value on issue, except for payables with a maturity of more than one year, which are discounted to present value where the impact of discount is material.



Operating payables break down as follows:

| In € millions                                             | 31/12/2022    | 31/12/2021    | Change     |
|-----------------------------------------------------------|---------------|---------------|------------|
| Trade payables and related accounts                       | 7,695         | 7,455         | 240        |
| <i>o/w amounts payable on purchases of PP&amp;E</i>       | 1,339         | 1,098         | 241        |
| Payments received on account for orders                   | 386           | 824           | -438       |
| <i>o/w advances received on sales of PP&amp;E</i>         | 91            | 461           | -370       |
| Employee-related liabilities                              | 2,927         | 2,690         | 237        |
| Amounts payable to the French State and local authorities | 1,488         | 1,558         | -70        |
| Other operating payables                                  | 2,508         | 2,194         | 314        |
| Deferred income                                           | 2,607         | 2,302         | 305        |
| Liability derivatives on forward electricity purchases    | 62            | 1             | 62         |
| <b>Total operating payables</b>                           | <b>17,674</b> | <b>17,025</b> | <b>649</b> |

For the liabilities relating to concession assets excluded from the scope of IFRIC 12, see Note 4.2.5

#### 4.5.4 Customer contract assets and liabilities

Contract assets represent a conditional right to consideration in exchange for goods or services that have already been transferred to a customer. They are reclassified to trade receivables once the right to payment becomes unconditional, i.e. it is no longer subject to any conditions other than the passage of time. They are recognised in operating receivables. Contract liabilities correspond to cash received from a customer, or a right to payment already obtained, for services that have yet to be performed and recognised in revenue. They are recognised in operating payables.

Contract liabilities include:

The main contract assets identified at the Group level involve:

- Sales invoice accruals arising from customer contracts representing the difference between revenue invoiced and revenue to be recognised depending on the completion of costs or the service provided;
- Other contract assets, mainly corresponding to variable consideration for the Group promised in a customer contract.

- Payments received on account for customer orders;

– Customer loyalty programmes, measured and recognised at the fair value of the unused point's consideration in deferred income, with an offsetting decrease in revenue. These contract liabilities are transferred through profit or loss under the revenue heading as and when the loyalty points are used by customers;

– Deferred income relating to issued tickets that have been paid for during the period but which are used for a transport service expected in future periods;

– Deferred income relating to customer contracts recognised in revenue over time according to the percentage of completion method as well as any other deferred income arising from customer contracts;

– Other contract liabilities, including travel vouchers issued to compensate for disruptions and any other variable consideration for customers.

Contract asset and liability balances for the period reconcile as follows:

| In € millions                                       | 31/12/2021   | Increase     | Decrease      | Change in Group structure | Change and other | 31/12/2022   |
|-----------------------------------------------------|--------------|--------------|---------------|---------------------------|------------------|--------------|
| Sales invoice accruals                              | 889          | 709          | -744          | 3                         | 5                | 861          |
| Other customer contract assets                      | 14           | 9            | 0             | 0                         | 0                | 23           |
| <b>Contract assets</b>                              | <b>903</b>   | <b>718</b>   | <b>-744</b>   | <b>3</b>                  | <b>5</b>         | <b>885</b>   |
| Payments received on account for customer contracts | 362          | 148          | -218          | 0                         | 2                | 294          |
| Deferred income from customer contracts             | 1,637        | 1,141        | -723          | 0                         | 17               | 2,073        |
| Other customer contract liabilities                 | 597          | 310          | -460          | 0                         | 0                | 447          |
| <b>Contract liabilities</b>                         | <b>2,597</b> | <b>1,600</b> | <b>-1,402</b> | <b>0</b>                  | <b>18</b>        | <b>2,814</b> |

Contract asset and liability balances for the comparative period reconcile as follows:

| In € millions                                       | 31/12/2020   | Increase     | Decrease      | Change in Group structure | Change and other | 31/12/2021   |
|-----------------------------------------------------|--------------|--------------|---------------|---------------------------|------------------|--------------|
| Sales invoice accruals                              | 886          | 734          | -729          | -18                       | 16               | 889          |
| Other customer contract assets                      | 16           | 13           | -15           | 0                         | 0                | 14           |
| <b>Contract assets</b>                              | <b>902</b>   | <b>747</b>   | <b>-745</b>   | <b>-18</b>                | <b>16</b>        | <b>903</b>   |
| Payments received on account for customer contracts | 336          | 204          | -170          | -8                        | 0                | 362          |
| Deferred income from customer contracts             | 1,477        | 1,191        | -1,034        | -15                       | 20               | 1,637        |
| Other customer contract liabilities                 | 472          | 323          | -198          | 0                         | 0                | 597          |
| <b>Contract liabilities</b>                         | <b>2,285</b> | <b>1,718</b> | <b>-1,402</b> | <b>-24</b>                | <b>20</b>        | <b>2,597</b> |

## 4.6 PROVISIONS FOR LIABILITIES AND CHARGES

Provisions are recorded when, at the balance sheet date, the Group has a present obligation to a third party as a result of a past event and the settlement of this obligation will require an outflow of company resources with no consideration.

This obligation may be legal, regulatory or contractual. It may also result from Group practice or external commitments that create valid expectations in third parties that the Group will assume certain responsibilities.

The estimated amount of the provision reflects the outflow of resources that is likely to be necessary to settle the Group's obligation. If a reliable estimate of this amount cannot be made, no provision is recorded. Disclosure is provided in the notes to the financial statements.

Provisions are discounted when the impact of the time value of money is deemed material. The discount rate is determined with reference to a closing market rate based on leading corporate bonds with a maturity comparable to the estimated maturity of the provision. The reference used is Bloomberg AA for the Eurozone.

A contingent liability is a possible obligation that arises from past events whose existence will only be confirmed by the occurrence of uncertain future events not wholly within the control of the Group, or a probable obligation where it is not probable that an outflow of resources will be required. Except for contingent liabilities recognised as part of a business combination, contingent liabilities are not recorded, but disclosed in the note on off-balance sheet commitments.

Movements in provisions for liabilities and charges break down as follows:

| <i>In € millions</i>                    | 01/01/2022   | Charges    | Reversals in the period (used) | Reversals in the period (unused) | Other changes | 31/12/2022   | of which current | of which non-current |
|-----------------------------------------|--------------|------------|--------------------------------|----------------------------------|---------------|--------------|------------------|----------------------|
| Litigation and contractual risks        | 226          | 83         | -24                            | -39                              | 0             | 246          | 56               | 189                  |
| Tax, employee-related and customs risks | 131          | 47         | -12                            | -32                              | 7             | 141          | 56               | 85                   |
| Environmental risks                     | 719          | 72         | -83                            | -74                              | -66           | 568          | 0                | 568                  |
| Restructuring costs                     | 32           | 11         | -11                            | -3                               | -9            | 19           | 8                | 12                   |
| Other                                   | 157          | 58         | -31                            | -36                              | 2             | 149          | 44               | 105                  |
| <b>Total provisions</b>                 | <b>1,264</b> | <b>271</b> | <b>-161</b>                    | <b>-184</b>                      | <b>-66</b>    | <b>1,124</b> | <b>165</b>       | <b>959</b>           |

### 4.6.1 Provisions for environmental risks

These provisions cover the costs of environmental protection, site restoration and equipment dismantling. The main provisions concern the following risks:

- The risk relating to the Group's legal liability with respect to asbestos and removing asbestos:

obligation on the Group to remove asbestos from dismantled rolling stock and, in certain cases, to remove asbestos from buildings. With respect to rolling stock containing asbestos, there is a present obligation from the time the asbestos is detected. Any increase in the dismantlement provision is offset by an increase in the value of the equipment on the balance sheet for equipment not fully depreciated and in profit or loss for equipment at the end of its useful life. An impairment loss is recognised when the carrying amount of the asset exceeds its recoverable amount. The cost of dismantlement is amortised over the asset's remaining useful life. Should there be a decrease in the estimated probable outflow of resources, the provision is reversed against the corresponding asset in the balance sheet and in profit or loss for the portion exceeding the net carrying amount of this asset. The provision is gradually extinguished in profit or loss as the dismantlement is completed.

- Decontamination and destruction of creosoted railway sleepers:

the obligation to destroy creosoted network railway sleepers in classified installations results from a commitment undertaken by SNCF Réseau. The resulting obligation is recognised in full in liabilities and discounted to present value based on the wooden railway sleeper removal schedule.

– creosoted railway sleeper treatment costs: €67 million (€89 million in 2021);

– site decontamination costs: €51 million (€51 million in 2021).

The -€132 million decrease in the provision for asbestos-related costs was primarily due to the -€133 million decline in the provision for rolling stock dismantling, partially offset by the €15 million increase in the provision for asbestos removal from fixed installations.

The change in rolling stock was attributable to:

– the impact of changes in discount and inflation rates generating a -€91 million decline, offset for -€66 million against the dismantled component (see "Other changes") and for -€24 million against current operating profit/loss (see "Net movement in provisions");

– reversals used following asbestos removal work for -€46 million.

The net change in the asbestos removal provision for fixed installations amounted to €15 million. It comprised depreciation and amortisation for €32 million due to the rise in the number of buildings to be treated following the completion of surveys and the application of their results. Reversals recognised during the period totalled €17 million.

The provisions for rolling stock asbestos removal and laying of creosoted railway sleepers were updated. The resulting time value effect (reverse discounting) amounted to €5 million.

### 4.6.2 Provisions for litigation and contractual risks

The provision for litigation and contractual risks primarily covers risks associated with legal disputes and contract completions, plus other contractual risks.

The main environmental risks covered by provisions at the reporting date are as follows:

– asbestos-related costs: €443 million (€576 million in 2021);

#### 4.6.2.1 Litigation

The Group is involved in several unresolved legal disputes arising in the normal course of its activities. Such disputes are provided based on an assessment of the related risk and the probability of realisation. Unused reversals were mainly attributable to the elimination of risks related to current litigation or the adjustment to their measurement.

#### Ongoing litigation

##### – ART litigation

The ART took the case to the ART Enforcement Committee through its decision 2022-078 of 20 October 2022 (notified to SNCF Réseau on 14/11/2022). The ART terminated the 2 cases against SNCF Réseau regarding the allocation of infrastructure capacities defined in the network reference document on the conditions for allocating work slots (decisions of 15 December 2022). Regarding the cases relating to the conditions for allocating commercial slots, the ART notified SNCF Réseau on 14/11/2022 of its decision to go before the Enforcement Committee. A possible sanction should be handed down by the end of the first half of 2023.

##### – Eckwersheim LGV accident

On 14 November 2015, a test train derailed on the new East European high-speed line from Paris - Strasbourg, leaving 11 dead and 42 injured.

A provision for “civil liability” excess has been recorded in the accounts since the accident. SNCF and SNCF Réseau legal persons have been investigated for involuntary manslaughter and unintentional injury. The legal investigation is still ongoing at the collective accidents unit of the Paris judicial court.

##### – Tunnel des Montets

On 20 February 2012, SNCF Réseau (formerly RFF) entrusted the grouping comprising SPIE Batignolles TPCI, SOTRABAS, CEGELEC CENTRE EST, SPIE Batignolles ENERGIE FONTELEC and BG INGENIEURS CONSEILS with a design and build contract for the renovation of the Tunnel des Montets. During the performance of this contract, the designer filed claims regarding the work statement of account following the work carried out in connection with the tunnel's renovation. Despite the exchanges aimed at settling the contract through an agreement, the grouping filed suit and on 23 October 2015 filed an application to institute proceedings to approve the contract balance. The proceedings are still ongoing.

##### – The Bretagne-Pays-de-Loire High-speed line

The commissioning of the Bretagne-Pays-de-Loire highspeed line generated a litigation involving claims for compensation for public works damage. Prior compensation claims mostly in Sarthe and Ile-et-Vilaine and expert appraisal requests in Mayenne were notified mainly for the noise pollution generated by the operation of the line.

The remaining provisions cover contractual litigation and risks that are individually immaterial.

#### 4.6.3 Provisions for onerous contracts

Provisions are recognised for long-term contracts when they become onerous, that is to say when the inevitable costs required to satisfy the contractual obligations exceed the future economic benefits expected from these contracts. Provisions are valued based on inevitable costs, which reflect the net contract exit cost, that is to say the lower of the contract performance cost or any other compensation or penalty arising from failure of performance.

The provision for contract losses increased by €14 million. This increase is attributable to new risks concerning Keolis Autocars activity in France for €6 million and Geodis' international air freight activity for €8 million.

#### 4.6.4 Provisions for tax, employee-related and customs risks

Provisions for tax risks primarily cover risks relating to taxes and duties other than income taxes; uncertain tax treatments relating to income taxes are recognised as operating payables in accordance with IAS 12, “Income taxes”.

Provisions for tax, employee-related and customs risks mainly relate to URSSAF social security audits.

#### 4.6.5 Provisions for restructuring costs

The cost of restructuring measures is provided in full in the year when such measures are decided and announced in sufficient detail prior to the period-end closing so as to create a valid expectation that they will be implemented.

Provisions for restructuring costs mainly covered the Keolis and Geodis activities.

#### 4.6.6 Other provisions

Other provisions mainly consist of technical provisions relating to the risks carried by the captive reinsurance company SNCF RE, as well as relating to the provisions for the renewal of concessions assets and other operational risks.

### 5. EMPLOYEE BENEFITS

#### 5.1 DESCRIPTION OF EMPLOYEE BENEFITS

##### 5.1.1 Collective agreements and industry agreements

The main collective agreements in force within the Group are as follows:

- urban public transport collective agreement (CCN\_3099) within the Keolis subsidiaries;
- road transport collective agreement (CCN\_3085);
- rail sector collective agreement (CCN\_3217); negotiations relating to the creation of a national collective agreement began in December 2013. Imposed by the Law of 4 August 2014 on rail reform, these negotiations encompass the mandatory sections of an industry collective agreement under French law. Accordingly, five industry agreements each covering a future section of the CCN have already been negotiated and signed:
  - the agreement of 23 April 2015 on the CCN application scope;
  - the agreement of 31 May 2016 on the CCN general provisions;
  - the agreement of 31 May 2016 on employment contracts and the organisation of working time;
  - the agreement of 6 June 2017 on professional training.
  - the agreement of 6 December 2021 on classifications and compensation in the rail sector.

All these agreements were extended by ministerial order and are therefore applicable in full in all rail industry companies. All companies whose principal activity is covered by the application scope of the CCN are therefore concerned. Exceptionally, it should be noted that the “organisation of working hours” section of the CCN covered by the agreement of 31 May 2016 is applicable since 1 January 2017 not only to rail industry companies, but also to employees of companies holding a security certificate or authorisation allocated to rail activities, irrespective of the main activity of their company.



The other sections of the future rail sector national bargaining agreement are still under negotiation. The remaining sectors to be covered are as follows:

- industry employee collective guarantees (provident plan);
- union rights.

Furthermore, Law 2018-515 of 27 June 2018 “for a new rail pact” defined the timetable and procedures for the opening of public passenger rail transport services to competition and tasked the sector with negotiating corporate guarantees, other than those already provided for by the law, for transferred employees in connection with the opening of public passenger rail transport services to competition (the “Sac a dos social” or “social backpack” agreement).

The agreement signed on 6 December 2021, which has now been extended, therefore defines, over and above the rules already provided for by the law (job and pay guarantees, special pension plan membership), the rules for transferring employee corporate guarantees, such as maintenance of rental housing, access to SNCF healthcare, ongoing travel facilities, the future of their time-savings account, etc. at their new employer.

#### 5.1.2 Pension plans and other benefits

Through its subsidiaries, the Group participates in pension plans and other employee benefits in accordance with the laws and customs of each country where it is established and outside of the statutory pension plans governed by law. These benefits comprise end-of-career or retirement benefits (France), defined benefit pension plans (United Kingdom, Italy (TFR), Germany, the Netherlands, Sweden, Norway, Australia and Canada) and retiree health costs (Canada).

In France, pension benefits paid to an employee at the retirement date are determined in accordance with the national collective agreement or the company agreement in force in the entity.

These plans can be partially funded.

In Italy, employees receive the *Trattamento di Fine Rapporto di lavoro subordinato* (TFR). This employment termination benefit, payable by the employer regardless of the reason for the contract's termination, takes the form of a single payment representing approximately 1/14th of the annual compensation per year of service. This plan is recorded as a post-employment benefit since the benefits are granted in respect of the service rendered during the working period.

#### 5.1.3 Compensation for work-related injuries of agents with SNCF special regime status

Compensation for work-related injuries is self-financed for active and retired SNCF, SNCF Voyageurs, SNCF Réseau, Gares et Connexions and FRET SNCF employees, independently of the current general regime.

Life annuities are provided in full at the date of grant to injured employees without any seniority conditions. They represent long-term benefits for active employees during their period of employment and post-employment benefits during their period of retirement.

The provision includes the transferability of work-related accident annuities, which are in principle non-transferable, except when the death of the active or employee or pensioner is due to illness or a work-related accident. In this case, the surviving spouse will receive an annuity as beneficiary.

#### 5.1.4 Social welfare initiatives

A number of social welfare initiatives have been implemented by SNCF, SNCF Voyageurs, SNCF Réseau, Gares et Connexions and FRET SNCF: access to infrastructures, consultation of social workers, etc. All active (short-term benefits) and retired employees with qualifying status and their widows (post-employment benefits) may benefit from these initiatives. A provision in the amount of benefit granted to retired employees was therefore recognised.

#### 5.1.5 Differential provident plan for top executives with special regime status

The provident plan concerns the supplementary benefits plan for top executives with SNCF special regime status. The differential plan pays its members and their beneficiaries in-kind health and maternity insurance benefits, benefits payable in the event of death of an employee, pensioner, spouse or child, and specific benefits (termination benefits, housing benefits, special support benefits for spouses).

#### 5.1.6 Gradual cessation of activity

The Gradual Cessation of Activity programme seeks to adjust the work time of employees who have reached the end of their careers. A work-time formula is thus arranged to provide a transition period between professional activity and retirement. The agreement, effective since July 2008, offers the possibility of a gradual or complete cessation for SNCF, SNCF Voyageurs, SNCF Réseau, Gares et Connexions and FRET SNCF personnel. The granting of benefits is based on a combination of criteria: years of service, hardship and employee category.

The Gradual Cessation of Activity programme is a long-term benefit. The provision calculation is mainly based on the assumption related to the expected proportion of employees that will benefit from the programme.

#### 5.1.7 Long-service awards and other benefits

This heading combines the other long-term benefits granted to employees, particularly bonuses with respect to long-service awards (France) and employment termination benefits under the unemployment self-insurance and the voluntary retirement schemes of SNCF, SNCF Voyageurs, SNCF Réseau, Gares et Connexions and FRET SNCF.

#### 5.1.8 Time savings account

Following the publication of the law 2005-296 of 31 March 2005 on the change in the organisation of working time in companies and the decree of 3 September 2008 on the application of the purchasing power law of 8 February 2008, a collective agreement was signed by the former EPIC SNCF Mobilités on 6 June 2008, providing for the creation of a Time Savings Account in order to save paid holidays to be used either during employment, in addition to the annual paid holidays (short-term benefit) or at employment termination or in connection with a gradual cessation of activity. This agreement is applicable to the employees of SNCF, SNCF Voyageurs, SNCF Réseau, Gares et Connexions and FRET SNCF.

#### 5.1.9 Travel facilities

SNCF Unified Public Group company active and retired employees and their beneficiaries receive train travel facilities (TF) which enable them to travel under certain circumstances at prices that differ from the market.

The Group considers that these travel facilities do not have a material impact on its production resources.

Travel facilities granted to active personnel during their period of activity as well as their beneficiaries, in consideration for services rendered, are considered as



short-term benefits and are expensed during the period in which the service is rendered.

Travel facilities granted to active personnel for the period after their employment as well as retirees and their beneficiaries are post-employment benefits.

The Group obligation for these benefits is estimated based on the marginal average cost of the programme. Since this has always been lower than the average price paid by beneficiaries on reservation, no liabilities have yet been recognised.

The recent agreement signed in August 2022 between ACOSS (Central Agency of Social Security Organisations) and UTP (Public Transport Union) has modified the marginal cost as it generates an increase in social security contributions payable for the travel facilities assumed by the relevant Group entities. As of 1 January 2024, the contribution base will be determined based on a new fixed scale for measuring in-kind benefits.

The fixed scale covering the entire post-employment period for active and retired employees and their beneficiaries is now estimated at €903 million for all the relevant Group entities.

Hence, this change in marginal cost gave rise to the recognition of a provision for employee benefits of €78 million at 31 December 2022, offset against non-recyclable reserves with respect to actuarial gains and losses.

## 5.2 CHANGE IN THE NET POSITION OF PLANS

### 5.2.1 Breakdown of net liabilities (assets)

| In € millions                                         | 31/12/2022   | 31/12/2021   |
|-------------------------------------------------------|--------------|--------------|
| Present value of the obligations                      | 2,623        | 3,226        |
| Fair value of plan assets                             | -644         | -481         |
| <b>Net position of the plans</b>                      | <b>1,979</b> | <b>2,746</b> |
| Effect of the asset ceiling                           | 0            | 0            |
| <b>Total net liabilities (assets) at closing date</b> | <b>1,979</b> | <b>2,746</b> |
| <i>Of which net liabilities recorded</i>              | <i>2,036</i> | <i>2,746</i> |
| <i>Of which net assets recorded</i>                   | <i>57</i>    | <i>0</i>     |

The Group's main employee benefit plans gave rise to the recognition of the following liabilities:

| In € millions                                           | 31/12/2022   | 31/12/2021   |
|---------------------------------------------------------|--------------|--------------|
| Pensions and other similar benefits                     | 311          | 452          |
| Provident obligations                                   | 47           | 63           |
| Social welfare initiatives                              | 179          | 267          |
| Compensation for work-related injuries                  | 788          | 1,038        |
| <b>Liabilities relating to post-employment benefits</b> | <b>1,324</b> | <b>1,819</b> |
| Compensation for work-related injuries                  | 41           | 48           |
| Long-service awards and other benefits                  | 202          | 244          |
| Gradual cessation of activity                           | 212          | 341          |
| Time savings account                                    | 257          | 295          |
| <b>Liabilities relating to other long-term benefits</b> | <b>712</b>   | <b>928</b>   |
| <b>Total liabilities</b>                                | <b>2,037</b> | <b>2,746</b> |
| <i>- of which non-current</i>                           | <i>1,888</i> | <i>2,579</i> |
| <i>- of which current</i>                               | <i>148</i>   | <i>167</i>   |

### 5.2.2 Change in net liabilities (assets)

The items explaining the change in net liabilities over the period are as follows:

| In € millions                                          | 31/12/2022   | 31/12/2021   |
|--------------------------------------------------------|--------------|--------------|
| <b>Total net liabilities (assets) at opening date</b>  | <b>2,746</b> | <b>2,976</b> |
| Current service cost                                   | 232          | 304          |
| Past service cost                                      | 0            | 3            |
| Effect of plan settlements                             | -2           | -3           |
| Net financial interest                                 | 24           | 15           |
| Actuarial gains and losses generated during the period | -839         | -334         |
| Benefits paid to employees by the company              | -177         | -188         |
| Employer's fund contribution                           | -8           | -8           |
| Effect of changes in Group structure                   | 7            | 1            |
| Foreign exchange impact                                | 0            | 14           |
| Other                                                  | -5           | -36          |
| <b>Total net liabilities (assets) at closing date</b>  | <b>1,979</b> | <b>2,746</b> |

The net actuarial gain of €839 million recorded at 31 December 2022 was due to the rise in the discount rate and inflation observed for all the monetary zones, and the adjustment of demographic and financial assumptions (membership rate of the gradual cessation of activity programme, salary increase rate, the ACOSS scale for circulation privileges - see Note 5.1.9) and experience adjustments.

The actuarial gain recognised in "Non-recyclable reserves" with respect to post-employment benefits totalled €564 million. The net gain recognised in finance costs under other long-term benefits amounted to €272 million.

As at 31 December 2021, the increase in current service cost was primarily due to the rise in the volume of days saved in time-savings accounts, a change in the estimated provision for the unemployment risk self-insured by the SNCF Group, and the rise in the number of voluntary retirement plans identified as at 31 December 2021.

The net actuarial gain of €334 million recorded in 2021 was due to the rise in the discount rate observed for all the monetary zones, the adjustment of demographic and financial assumptions (mainly new mortality tables) and experience adjustments.

The actuarial gain recognised in "Non-recyclable reserves" with respect to post-employment benefits totalled €250 million. The net gain recognised in finance costs under other long-term benefits amounted to €84 million.

The foreign exchange impacts mainly involved the pension plans of UK subsidiaries and stemmed from the decrease in the pound sterling / Euro parity observed since Brexit.

Finally, the application in 2021 of the change in method resulting from the IFRIC decision validated by the IASB gave rise to a decrease in the opening provision for termination benefits of €37 million at the beginning of 2021: the adjustment is presented above under the "Other" heading and was recorded through an increase in opening shareholders' equity. Considering the limited impact of this change in method, the Group opted for the simplified approach and recognised the impact of the change at the start of 2021.

Changes in the present value of obligations, the fair value of plan assets and the net liabilities (assets) for 2022 are as follows:

| 31/12/2022<br>In € millions                                | Pensions<br>and other<br>similar<br>benefits | Provident<br>plan | Social<br>welfare<br>initia-<br>tives | Compe-<br>nsation<br>for<br>work-<br>related<br>injuries | Gradual<br>cessation<br>of activity<br>and time<br>savings<br>account | Long-<br>service<br>awards and<br>other<br>benefits | TOTAL        |
|------------------------------------------------------------|----------------------------------------------|-------------------|---------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------|--------------|
| <b>Present value of the obligation at opening date</b>     | <b>932</b>                                   | <b>62</b>         | <b>267</b>                            | <b>1,085</b>                                             | <b>636</b>                                                            | <b>244</b>                                          | <b>3,226</b> |
| Current service cost                                       | 40                                           | 1                 | 5                                     | 39                                                       | 93                                                                    | 53                                                  | 232          |
| Employee contribution                                      | 0                                            |                   |                                       |                                                          |                                                                       |                                                     | 0            |
| Past service cost arising from a plan amendment            | 0                                            | 0                 | 0                                     | 0                                                        | 0                                                                     | 0                                                   | 0            |
| Past service cost arising from a plan curtailment          | 0                                            | 0                 | 0                                     | 0                                                        | 0                                                                     | 0                                                   | 0            |
| Effect of settlements                                      | -2                                           | 0                 | 0                                     | 0                                                        | 0                                                                     | 0                                                   | -2           |
| Finance cost                                               | 14                                           | 1                 | 2                                     | 10                                                       | 6                                                                     | 0                                                   | 33           |
| Actuarial gains and losses generated during the period     | -12                                          | -15               | -88                                   | -248                                                     | -233                                                                  | -31                                                 | -628         |
| Benefits paid to employees by the company                  | -17                                          | -2                | -8                                    | -57                                                      | -33                                                                   | -59                                                 | -177         |
| Benefits paid by the fund                                  | -12                                          |                   |                                       |                                                          |                                                                       |                                                     | -12          |
| Effect of changes in Group structure                       | -14                                          | 0                 | 0                                     | 0                                                        | 0                                                                     | 1                                                   | -13          |
| Foreign exchange impact                                    | -33                                          |                   |                                       |                                                          |                                                                       | 1                                                   | -32          |
| Other                                                      | 0                                            | 0                 | 0                                     | 0                                                        | 0                                                                     | -6                                                  | -6           |
| <b>Present value of the obligation at closing date</b>     | <b>897</b>                                   | <b>47</b>         | <b>179</b>                            | <b>829</b>                                               | <b>469</b>                                                            | <b>202</b>                                          | <b>2,623</b> |
| <i>Of which present value of unfunded obligations</i>      | <i>287</i>                                   | <i>47</i>         | <i>179</i>                            | <i>829</i>                                               | <i>469</i>                                                            | <i>202</i>                                          | <i>2,012</i> |
| <i>Of which present value of fully or partially funded</i> | <i>610</i>                                   |                   |                                       |                                                          |                                                                       |                                                     | <i>610</i>   |

| 31/12/2022<br>In € millions                            | Pensions<br>and other<br>similar<br>benefits |
|--------------------------------------------------------|----------------------------------------------|
| <b>Fair value of plan assets at opening date</b>       | <b>481</b>                                   |
| Implicit return on plan assets                         | 8                                            |
| Actuarial gains and losses generated during the period | 211                                          |
| Effect of curtailments and settlements                 | 0                                            |
| Employer's fund contribution                           | 8                                            |
| Employee fund contribution                             | 0                                            |
| Benefits paid by the fund                              | -12                                          |
| Effect of changes in Group structure                   | -20                                          |
| Foreign exchange impact                                | -32                                          |
| Other                                                  | -1                                           |
| <b>Fair value of plan assets at closing date</b>       | <b>644</b>                                   |
| <b>Effect of the asset ceiling at opening date</b>     | <b>0</b>                                     |
| Change in effect of the asset ceiling                  | 0                                            |
| Interest expense on effect of the asset ceiling        | 0                                            |
| <b>Effect of the asset ceiling at closing date</b>     | <b>0</b>                                     |

| 31/12/2022<br>In € millions                           | Pensions<br>and other<br>similar<br>benefits | Provident<br>plan | Social<br>welfare<br>initia-<br>tives | Compe-<br>nsation<br>for<br>work-<br>related<br>injuries | Gradual<br>cessation<br>of activity<br>and time<br>savings<br>account | Long-<br>service<br>awards and<br>other<br>benefits | TOTAL        |
|-------------------------------------------------------|----------------------------------------------|-------------------|---------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------|--------------|
| (+) Present value of the obligation at closing date   | 897                                          | 47                | 179                                   | 829                                                      | 469                                                                   | 202                                                 | 2,623        |
| (-) Fair value of plan assets at closing date         | -644                                         | 0                 | 0                                     | 0                                                        | 0                                                                     | 0                                                   | -644         |
| (-) Effect of the asset ceiling at closing date       | 0                                            | 0                 | 0                                     | 0                                                        | 0                                                                     | 0                                                   | 0            |
| <b>Total net liabilities (assets) at closing date</b> | <b>254</b>                                   | <b>47</b>         | <b>179</b>                            | <b>829</b>                                               | <b>469</b>                                                            | <b>202</b>                                          | <b>1,979</b> |
| Assets available after effect of the asset ceiling    | 57                                           |                   |                                       |                                                          |                                                                       |                                                     | 57           |
| <b>Total liabilities at closing date</b>              | <b>311</b>                                   | <b>47</b>         | <b>179</b>                            | <b>829</b>                                               | <b>469</b>                                                            | <b>202</b>                                          | <b>2,036</b> |

Changes in the present value of obligations, the fair value of plan assets and the net liabilities (assets) for 2021 were as follows:

| 31/12/2021<br>In € millions                                | Pensions<br>and other<br>similar<br>benefits           | Provident<br>plan | Social<br>welfare<br>initiatives | Compensation<br>for work-<br>related<br>injuries | Gradual<br>cessation<br>of activity<br>and time<br>savings<br>account | Long-<br>service<br>awards<br>and other<br>benefits | TOTAL        |
|------------------------------------------------------------|--------------------------------------------------------|-------------------|----------------------------------|--------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------|--------------|
| <b>Present value of the obligation at opening date</b>     | <b>910</b>                                             | <b>69</b>         | <b>350</b>                       | <b>1,203</b>                                     | <b>630</b>                                                            | <b>208</b>                                          | <b>3,370</b> |
| Current service cost                                       | 44                                                     | 2                 | -4                               | 40                                               | 107                                                                   | 116                                                 | 304          |
| Employee contribution                                      | 0                                                      |                   |                                  |                                                  |                                                                       |                                                     | 0            |
| Past service cost arising from a plan amendment            | 3                                                      | 0                 | 0                                | 0                                                | 0                                                                     | 0                                                   | 3            |
| Past service cost arising from a plan curtailment          | 0                                                      | 0                 | 0                                | 0                                                | 0                                                                     | 0                                                   | 0            |
| Effect of settlements                                      | -3                                                     | 0                 | 0                                | 0                                                | 0                                                                     | 0                                                   | -3           |
| Finance cost                                               | 11                                                     | 0                 | 1                                | 5                                                | 3                                                                     | 0                                                   | 21           |
| Actuarial gains and losses generated during the period     | -9                                                     | -6                | -72                              | -106                                             | -72                                                                   | -10                                                 | -276         |
| Benefits paid to employees by the company                  | -19                                                    | -2                | -8                               | -57                                              | -31                                                                   | -70                                                 | -188         |
| Benefits paid by the fund                                  | -13                                                    | 0                 | 0                                | 0                                                | 0                                                                     | 0                                                   | -13          |
| Effect of changes in Group structure                       | 2                                                      | 0                 | 0                                | 0                                                | 0                                                                     | -1                                                  | 1            |
| Foreign exchange impact                                    | 42                                                     |                   |                                  |                                                  |                                                                       | 0                                                   | 43           |
| Other                                                      | -37                                                    | 0                 | 0                                | 0                                                | 0                                                                     | 0                                                   | -37          |
| <b>Present value of the obligation at closing date</b>     | <b>932</b>                                             | <b>62</b>         | <b>267</b>                       | <b>1,085</b>                                     | <b>636</b>                                                            | <b>244</b>                                          | <b>3,226</b> |
| <i>Of which present value of unfunded obligations</i>      | 247                                                    | 62                | 267                              | 1,085                                            | 636                                                                   | 244                                                 | 2,541        |
| <i>Of which present value of fully or partially funded</i> | 685                                                    |                   |                                  |                                                  |                                                                       |                                                     | 685          |
| <b>31/12/2021<br/>In € millions</b>                        | <b>Pensions<br/>and other<br/>similar<br/>benefits</b> |                   |                                  |                                                  |                                                                       |                                                     |              |
| <b>Fair value of plan assets at opening date</b>           | <b>394</b>                                             |                   |                                  |                                                  |                                                                       |                                                     |              |
| Implicit return on plan assets                             | 6                                                      |                   |                                  |                                                  |                                                                       |                                                     |              |
| Actuarial gains and losses generated during the period     | 58                                                     |                   |                                  |                                                  |                                                                       |                                                     |              |
| Effect of curtailments and settlements                     | 0                                                      |                   |                                  |                                                  |                                                                       |                                                     |              |
| Employer's fund contribution                               | 8                                                      |                   |                                  |                                                  |                                                                       |                                                     |              |
| Employee fund contribution                                 | 0                                                      |                   |                                  |                                                  |                                                                       |                                                     |              |
| Benefits paid by the fund                                  | -13                                                    |                   |                                  |                                                  |                                                                       |                                                     |              |
| Effect of changes in Group structure                       | 0                                                      |                   |                                  |                                                  |                                                                       |                                                     |              |
| Foreign exchange impact                                    | 28                                                     |                   |                                  |                                                  |                                                                       |                                                     |              |
| Other                                                      | -1                                                     |                   |                                  |                                                  |                                                                       |                                                     |              |
| <b>Fair value of plan assets at closing date</b>           | <b>481</b>                                             |                   |                                  |                                                  |                                                                       |                                                     |              |
| <b>Effect of the asset ceiling at opening date</b>         | <b>0</b>                                               |                   |                                  |                                                  |                                                                       |                                                     |              |
| Change in effect of the asset ceiling                      | 0                                                      |                   |                                  |                                                  |                                                                       |                                                     |              |
| Interest expense on effect of the asset ceiling            | 0                                                      |                   |                                  |                                                  |                                                                       |                                                     |              |
| <b>Effect of the asset ceiling at closing date</b>         | <b>0</b>                                               |                   |                                  |                                                  |                                                                       |                                                     |              |

| 31/12/2021<br>In € millions                           | Pensions and other similar benefits | Provident plan | Social welfare initiatives | Compensation for work-related injuries | Gradual cessation of activity and time savings account | Long-service awards and other benefits | TOTAL        |
|-------------------------------------------------------|-------------------------------------|----------------|----------------------------|----------------------------------------|--------------------------------------------------------|----------------------------------------|--------------|
| (+) Present value of the obligation at closing date   | 932                                 | 62             | 267                        | 1,085                                  | 636                                                    | 244                                    | 3,226        |
| (-) Fair value of plan assets at closing date         | -481                                | 0              | 0                          | 0                                      | 0                                                      | 0                                      | -481         |
| (+) Effect of the asset ceiling at closing date       | 0                                   | 0              | 0                          | 0                                      | 0                                                      | 0                                      | 0            |
| <b>Total net liabilities (assets) at closing date</b> | <b>451</b>                          | <b>62</b>      | <b>267</b>                 | <b>1,085</b>                           | <b>636</b>                                             | <b>244</b>                             | <b>2,746</b> |
| Assets available after effect of the asset ceiling    | 0                                   |                |                            |                                        |                                                        |                                        | 0            |
| <b>Total liabilities at closing date</b>              | <b>451</b>                          | <b>62</b>      | <b>267</b>                 | <b>1,085</b>                           | <b>636</b>                                             | <b>244</b>                             | <b>2,746</b> |

### 5.2.3 Breakdown of plan assets

| In € millions                          | 31/12/2022 | 31/12/2021 |
|----------------------------------------|------------|------------|
| Bonds                                  | 128        | 87         |
| Shares                                 | 500        | 369        |
| Real estate                            | 0          | 1          |
| Cash and cash equivalents              | 3          | 2          |
| Other                                  | 13         | 22         |
| <b>Total fair value of plan assets</b> | <b>644</b> | <b>481</b> |
| <i>Of which active market</i>          | <i>643</i> | <i>484</i> |
| <i>Of which Euro zone</i>              | <i>8</i>   | <i>12</i>  |

Assets mainly concern the pension plans for the Group's UK subsidiaries.

### 5.2.4 Reimbursement rights

The plans for certain Geodis subsidiaries, mainly in Germany, have reimbursement rights (€10 million as at 31 December 2022, and €14 million as at 31 December 2021). They are recognised at fair value as a separate asset in the statement of financial position. Actuarial gains and losses generated over the period with respect to these reimbursement rights are recognised immediately in non-recyclable reserves, under the same terms and conditions

as the actuarial gains and losses arising from the plan assets.

### 5.2.5 Analysis of contributions payable to the pension fund in Y+1

Under plans totally or partially funded by plan assets (mainly in Anglo-Saxon countries), the contributions payable in Y+1 by companies and/or beneficiaries break down as follows:

| 31/12/2022<br>In € millions        | Pensions and other similar benefits |
|------------------------------------|-------------------------------------|
| Employer's fund contribution       | 15                                  |
| Employee fund contribution         | 6                                   |
| <b>Total Contributions payable</b> | <b>20</b>                           |

| 31/12/2021<br>In € millions        | Pensions and other similar benefits |
|------------------------------------|-------------------------------------|
| Employer's fund contribution       | 8                                   |
| Employee fund contribution         | 5                                   |
| <b>Total Contributions payable</b> | <b>13</b>                           |



### 5.3 EMPLOYEE BENEFIT PLAN EXPENSES

For the basic plans and other defined-contribution plans, the Group expenses contributions payable when they are due. No provisions are recognised as the Group does not have any obligation beyond the contributions paid. This has primarily involved the special retirement plan for Group company employees with qualifying status since the creation of the SNCF Employee Pension and Provident Fund in 2007.

In the case of defined-benefit plans, when benefits are covered by third parties (insurance contracts, provident organisations unrelated to the Group), and the Group has no legal or implicit obligation to cover any losses relating to past services over the period or prior periods, no obligation is recognised and the insurance/provident premiums paid are recognised as payments to a defined contribution plan, the obligation to provide benefits to employees being the sole responsibility of the third party organisation.

In the other cases, the obligations are subject to actuarial valuations and provisions are recorded on the balance sheet upon vesting of benefit rights by employees. The actuarial liability (or present value of the obligation with respect to defined benefits) is determined according to the projected unit credit actuarial method, which stipulates that each period of service gives rise to an additional unit of benefit and measures each unit separately to determine the final obligation.

These calculations include assumptions concerning the discount rate, mortality, employee turnover and expected future salary levels.

In the case of plans partially or fully funded by plan assets, the net liability (asset) is recognised in the amount of the negative or positive difference between the present value of the obligation and the fair value of the plan assets.

#### 5.3.1 Defined benefit plan net expense

The income statement expense for 2022 and 2021 breaks down in the tables below.

Current service cost for the year totalled €232 million. This expense as well as the other variances, particularly the reverse discounting of the liability, were fully offset by the actuarial gain of €272 million recorded in net finance costs, arising from the sharp increase in the closing discount and inflation rates (see Note 5.4).

| 31/12/2022                                                                              | Pensions and other similar benefits | Provident plan | Social welfare initiatives | Compensation for work-related injuries | Gradual cessation of activity and time savings account | Long-service awards and other benefits | TOTAL       |
|-----------------------------------------------------------------------------------------|-------------------------------------|----------------|----------------------------|----------------------------------------|--------------------------------------------------------|----------------------------------------|-------------|
| <b>In € millions</b>                                                                    |                                     |                |                            |                                        |                                                        |                                        |             |
| Current service cost                                                                    | 40                                  | 1              | 5                          | 39                                     | 93                                                     | 53                                     | <b>232</b>  |
| Past service cost                                                                       | 0                                   | 0              | 0                          | 0                                      | 0                                                      | 0                                      | <b>0</b>    |
| <i>Of which effect of plan amendments</i>                                               | 0                                   | 0              | 0                          | 0                                      | 0                                                      | 0                                      | <b>0</b>    |
| <i>Of which effect of plan curtailments</i>                                             | 0                                   | 0              | 0                          | 0                                      | 0                                                      | 0                                      | <b>0</b>    |
| Effect of settlements on the obligation                                                 | -2                                  | 0              | 0                          | 0                                      | 0                                                      | 0                                      | <b>-2</b>   |
| Effect of settlements on plan assets                                                    | 0                                   |                |                            |                                        |                                                        |                                        | <b>0</b>    |
| Other                                                                                   | 0                                   | 0              | 0                          | 0                                      | 0                                                      | -6                                     | <b>-6</b>   |
| <b>Current operating profit/loss</b>                                                    | <b>38</b>                           | <b>1</b>       | <b>5</b>                   | <b>39</b>                              | <b>93</b>                                              | <b>48</b>                              | <b>225</b>  |
| Net financial interest                                                                  | 6                                   | 1              | 2                          | 10                                     | 6                                                      | 0                                      | <b>24</b>   |
| <i>Of which finance cost</i>                                                            | 14                                  | 1              | 2                          | 10                                     | 6                                                      | 0                                      | <b>33</b>   |
| <i>Of which implicit return on plan assets</i>                                          | -8                                  |                |                            |                                        |                                                        |                                        | <b>-8</b>   |
| <i>Of which interest on asset ceiling</i>                                               | 0                                   |                |                            |                                        |                                                        |                                        | <b>0</b>    |
| Actuarial gains and losses generated during the year with respect to long-term benefits |                                     |                |                            | -7                                     | -233                                                   | -31                                    | <b>-272</b> |
| Other                                                                                   | 1                                   | 0              | 0                          | 0                                      | 0                                                      | 0                                      | <b>1</b>    |
| <b>Net finance cost</b>                                                                 | <b>7</b>                            | <b>1</b>       | <b>2</b>                   | <b>3</b>                               | <b>-228</b>                                            | <b>-31</b>                             | <b>-246</b> |
| <b>Total expense recognised</b>                                                         | <b>45</b>                           | <b>2</b>       | <b>8</b>                   | <b>42</b>                              | <b>-134</b>                                            | <b>17</b>                              | <b>-21</b>  |

In 2021, the increase in current service cost under the “Gradual cessation of activity and time savings account” heading was due to the rise in the number of days saved by Group employees.

The increase in current service cost under the “Long-service awards and other benefits” heading was due to a change in accounting estimate of provision for return to work allowances under the SNCF Group self-insurance scheme (+€37 million), and the rise in the number of

voluntary retirement plans identified as at 31 December 2021 (+€17 million).

The application of the change in method (see Note 1.2) resulting from the IFRIC decision, which had an impact on the provision for termination benefits, had no material impact on the volume of expenses for the year.

| 31/12/2021                                                                              | Pensions and other similar benefits | Provident plan | Social welfare initiatives | Compensation for work-related injuries | Gradual cessation of activity and time savings account | Long-service awards and other benefits | TOTAL      |
|-----------------------------------------------------------------------------------------|-------------------------------------|----------------|----------------------------|----------------------------------------|--------------------------------------------------------|----------------------------------------|------------|
| <b>In € millions</b>                                                                    |                                     |                |                            |                                        |                                                        |                                        |            |
| Current service cost                                                                    | 44                                  | 2              | -4                         | 40                                     | 107                                                    | 116                                    | <b>304</b> |
| Past service cost                                                                       | 3                                   | 0              | 0                          | 0                                      | 0                                                      | 0                                      | <b>3</b>   |
| <i>Of which effect of plan amendments</i>                                               | 3                                   | 0              | 0                          | 0                                      | 0                                                      | 0                                      | <b>3</b>   |
| <i>Of which effect of plan curtailments</i>                                             | 0                                   | 0              | 0                          | 0                                      | 0                                                      | 0                                      | <b>0</b>   |
| Effect of settlements on the obligation                                                 | -3                                  | 0              | 0                          | 0                                      | 0                                                      | 0                                      | <b>-3</b>  |
| Effect of settlements on plan assets                                                    | 0                                   |                |                            |                                        |                                                        |                                        | <b>0</b>   |
| Other                                                                                   | 0                                   | 0              | 0                          | 0                                      | 0                                                      | 0                                      | <b>0</b>   |
| <b>Current operating profit/loss</b>                                                    | <b>44</b>                           | <b>2</b>       | <b>-4</b>                  | <b>40</b>                              | <b>107</b>                                             | <b>116</b>                             | <b>304</b> |
| Net financial interest                                                                  | 5                                   | 0              | 1                          | 5                                      | 3                                                      | 0                                      | <b>15</b>  |
| <i>Of which finance cost</i>                                                            | 11                                  | 0              | 1                          | 5                                      | 3                                                      | 0                                      | <b>21</b>  |
| <i>Of which implicit return on plan assets</i>                                          | -6                                  |                |                            |                                        |                                                        |                                        | <b>-6</b>  |
| <i>Of which interest on asset ceiling</i>                                               | 0                                   |                |                            |                                        |                                                        |                                        | <b>0</b>   |
| Actuarial gains and losses generated during the year with respect to long-term benefits |                                     |                |                            | -2                                     | -72                                                    | -10                                    | <b>-84</b> |
| Other                                                                                   | 1                                   | 0              | 0                          | 0                                      | 0                                                      | 0                                      | <b>1</b>   |
| <b>Net finance cost</b>                                                                 | <b>6</b>                            | <b>0</b>       | <b>1</b>                   | <b>3</b>                               | <b>-70</b>                                             | <b>-9</b>                              | <b>-68</b> |
| <b>Total expense recognised</b>                                                         | <b>50</b>                           | <b>2</b>       | <b>-3</b>                  | <b>44</b>                              | <b>37</b>                                              | <b>107</b>                             | <b>236</b> |

### 5.3.2 Defined contribution plan net expense

The expense recorded for defined contribution plans included in "Employee benefits expense" amounted to €1.5 billion at 31 December 2022 (€1.5 billion in 2021). It has primarily involved the special retirement plan for SNCF, SNCF Voyageurs, SNCF Réseau, Gares et Connexions and FRET SNCF employees with qualifying status since the creation of the SNCF Employee Pension and Provident Fund in 2007.

### 5.3.3 Remeasurement of the net defined liability (asset) benefit in non-recyclable reserves

Actuarial gains and losses generated over the period for post-employment benefits are immediately offset in non-

recyclable reserves (equity).

In the event of the partial or total derecognition of the liability, the gains and losses will never be transferred to profit or loss in subsequent periods. Where necessary, they may be transferred to another equity component (mainly Other reserves).

Actuarial gains and losses generated for other long-term benefits (compensation for work-related injuries of active employees over the period of service, long service awards, time-savings account and gradual cessation of activity) continue to be immediately recognised in finance costs over the period.

| 31/12/2022<br>In € millions                                                               | Pensions<br>and other<br>similar<br>benefits | Provident<br>plan | Social<br>welfare<br>initiatives | Post-<br>employment<br>compensation<br>for work-<br>related<br>injuries | TOTAL       |
|-------------------------------------------------------------------------------------------|----------------------------------------------|-------------------|----------------------------------|-------------------------------------------------------------------------|-------------|
| <i>(losses) and gains</i>                                                                 |                                              |                   |                                  |                                                                         |             |
| <b>Remeasurement at opening date</b>                                                      | <b>-162</b>                                  | <b>-17</b>        | <b>64</b>                        | <b>-347</b>                                                             | <b>-461</b> |
| Actuarial gains and losses generated during the year with respect to obligations          | 12                                           | 15                | 88                               | 241                                                                     | 356         |
| Actuarial gains and losses generated during the year with respect to plan assets          | 211                                          |                   |                                  |                                                                         | 211         |
| Actuarial gains and losses generated during the year with respect to reimbursement rights | -4                                           |                   |                                  |                                                                         | -4          |
| Net change in effect of the asset ceiling                                                 | 0                                            |                   |                                  |                                                                         | 0           |
| Foreign exchange impact                                                                   | -2                                           |                   |                                  |                                                                         | -2          |
| Other                                                                                     | 3                                            | 0                 | 0                                | 0                                                                       | 3           |
| <b>Remeasurement at closing date</b>                                                      | <b>58</b>                                    | <b>-1</b>         | <b>152</b>                       | <b>-106</b>                                                             | <b>103</b>  |

| 31/12/2021<br>In € millions                                                               | Pensions<br>and other<br>similar<br>benefits | Provident<br>plan | Social<br>welfare<br>initiatives | Post-<br>employment<br>compensation<br>for work-<br>related<br>injuries | TOTAL       |
|-------------------------------------------------------------------------------------------|----------------------------------------------|-------------------|----------------------------------|-------------------------------------------------------------------------|-------------|
| <i>(losses) and gains</i>                                                                 |                                              |                   |                                  |                                                                         |             |
| <b>Remeasurement at opening date</b>                                                      | <b>-220</b>                                  | <b>-23</b>        | <b>-8</b>                        | <b>-451</b>                                                             | <b>-702</b> |
| Actuarial gains and losses generated during the year with respect to obligations          | 9                                            | 6                 | 72                               | 105                                                                     | 192         |
| Actuarial gains and losses generated during the year with respect to plan assets          | 58                                           |                   |                                  |                                                                         | 58          |
| Actuarial gains and losses generated during the year with respect to reimbursement rights | 1                                            |                   |                                  |                                                                         | 1           |
| Net change in effect of the asset ceiling                                                 | 0                                            |                   |                                  |                                                                         | 0           |
| Foreign exchange impact                                                                   | -11                                          |                   |                                  |                                                                         | -11         |
| Other                                                                                     | 1                                            | 0                 | 0                                | 0                                                                       | 1           |
| <b>Remeasurement at closing date</b>                                                      | <b>-162</b>                                  | <b>-17</b>        | <b>64</b>                        | <b>-347</b>                                                             | <b>-461</b> |

## 5.4 ACTUARIAL ASSUMPTIONS AND GAINS AND LOSSES

### 5.4.1 Main actuarial assumptions used

Provisions for employee obligations are calculated on an actuarial basis, using the projected unit credit method. The parameters used in the modelling of the main employee benefits are as follows:

#### Discount rate

Obligations relating to post-employment benefits and long-term benefits were discounted at the closing date market rate based on leading corporate bonds of comparable maturity.

#### Mortality table

Since 31 December 2013, social welfare initiative and provident obligations of SNCF, SNCF Voyageurs, SNCF Réseau, SNCF Gares et Connexion and FRET SNCF have been measured using a prospective mortality table by gender specific to railway employees (special pension plan base) prepared by the Caisse de Prevoyance Retraite (provident pension fund) and validated by a certifying actuary.

A table including a degradation coefficient was extrapolated for compensation for work-related injuries/illnesses. Based on the CPRP certified table, the mortality tables of the other plans were also modified.

These mortality table changes satisfy the requirement of the revised standard according to which mortality

assumptions must reflect that of the plan members both during and after employment.

#### Gradual cessation of activity plan membership

The amount of the obligation under the gradual cessation of activity agreement was calculated using a membership assumption. Since the 2015 railway reform, membership rates are determined separately for SNCF, SNCF Voyageurs, SNCF Réseau, SNCF Gares & Connexions and Fret SNCF.

##### 5.4.1.1 Assumptions used for the main Group plans

Benefit obligations for employees of SNCF companies that are part of the public railway group represent almost 85% of the Group total: the actuarial assumptions used for their measurements as well as the comparative data are described below.

|                                                                          | 31/12/2022              | 31/12/2021              |
|--------------------------------------------------------------------------|-------------------------|-------------------------|
| Discount rate                                                            | 3.61%                   | 0.92%                   |
| Inflation rate                                                           | 2.20%                   | 1.80%                   |
| <b>Benefit remeasurement rate</b>                                        |                         |                         |
| <i>Provident plan</i>                                                    | 2.40%                   | 2.40%                   |
| <i>Social welfare initiatives</i>                                        | 2.20%                   | 1.80%                   |
| <i>Compensation for work-related injuries</i>                            | 2.20%                   | 1.80%                   |
| <i>Gradual cessation of activity and time savings account</i>            | 2.70%                   | 2.37%                   |
| <i>Retirement benefits and long-service awards</i>                       | 2.70%                   | 2.37%                   |
| <b>Mortality table</b>                                                   |                         |                         |
| <i>Provident obligation and social welfare initiatives</i>               | <i>CPRM 2070 / CPRW</i> | <i>CPRM 2070 / CPRW</i> |
| <i>Active and retired employees with work-related injuries</i>           | <i>CPR AT 2070</i>      | <i>CPR AT 2070</i>      |
| <i>Widows of employees with work-related injuries</i>                    | <i>CPRW 2070</i>        | <i>CPRW 2070</i>        |
| <i>Gradual cessation of activity and time savings account</i>            | <i>CPR80%M /20%W</i>    | <i>CPR80%M /20%W</i>    |
| <i>Retirement benefits and long-service awards</i>                       | <i>CPR80%M /20%W</i>    | <i>CPR80%M /20%W</i>    |
| Gradual cessation of activity plan membership - SNCF Voyageurs           | 18.39%                  | 22.14%                  |
| Gradual cessation of activity plan membership- FRET SNCF                 | 13.09%                  | 20.98%                  |
| Gradual cessation of activity plan membership- SNCF SA                   | 7.71%                   | 8.96%                   |
| Gradual cessation of activity plan membership - SNCF Gares et connexions | 13.10%                  | 14.55%                  |
| Gradual cessation of activity plan membership - SNCF Réseau              | 21.08%                  | 25.46%                  |

#### 5.4.1.2 Assumptions used for other plans by geographical area

With regard to the employee benefit obligations of the Group's other subsidiaries, the main assumptions used according to their duration, for the principal monetary zones, as well as the comparative data, are described below:

|                      | 31/12/2022             |               |        |          |                          |                        | 31/12/2021    |        |          |                          |        |
|----------------------|------------------------|---------------|--------|----------|--------------------------|------------------------|---------------|--------|----------|--------------------------|--------|
|                      | Eurozone               |               |        |          | UK                       | Sweden                 | Eurozone      |        |          | UK                       | Sweden |
|                      | Geodis CL Germany GmbH | Geodis France | Keolis | Eurostar | Geodis Holding Sweden AB | Geodis CL Germany GmbH | Geodis France | Keolis | Eurostar | Geodis Holding Sweden AB |        |
| Discount rate        | 3.93%                  | 3.48%         | 3.28%  | 5.00%    | 4.00%                    | 0.90%                  | 0.70%         | 0.56%  | 1.90%    | 1.90%                    |        |
| Salary increase rate | 3.50%                  | 2.92%         | 4.44%  | 3.00%    | 3.00%                    | 2.50%                  | 2.76%         | 4.06%  | 2.80%    | 3.10%                    |        |
| Inflation rate       | 2.00%                  | 2.00%         | 2.20%  | 3.30%    | 2.00%                    | 1.60%                  | 1.60%         | 1.80%  | 3.30%    | 2.10%                    |        |

The last two rates indicated correspond to the plans of the subsidiaries that apply the non-rail (Geodis) and freight transport collective agreements.

The rate for Sweden concerns the plans covering the subsidiaries of the Freight and Logistics business unit, while that for the UK concerns Eurostar, the subsidiary of the SNCF Voyageurs business unit.



### 5.4.2 Analysis by nature of actuarial gains and losses

Actuarial gains and losses are recognised according to the plan's qualification:

- for defined benefit plans covering post-employment benefits, actuarial gains and losses are recognised in other comprehensive income under non-recyclable reserves.

They are never recycled in profit or loss but can be reclassified in undistributed reserves if the entity concerned is removed from the consolidation scope;

- for other long-term defined benefit plans (long-service awards, unemployment, salary maintenance, gradual cessation of activity, etc.), actuarial gains and losses are immediately recognised in finance cost.

#### 5.4.2.1 Change and breakdown of actuarial gains and losses

| 31/12/2022<br>In € millions                                                                     | Pensions<br>and<br>other<br>similar<br>benefits | Provident<br>plan | Social<br>welfare<br>initiatives | Post-<br>employment<br>compensation<br>for work-<br>related<br>injuries | TOTAL<br>post-<br>employment<br>benefits | Long-term<br>compensation<br>for work-<br>related<br>injuries | Gradual<br>cessation<br>of activity<br>and time<br>savings<br>account | Long-<br>service<br>awards<br>and<br>other<br>benefits | TOTAL<br>Long-<br>term (*) |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------|----------------------------------|-------------------------------------------------------------------------|------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------|----------------------------|
| <b>Opening actuarial gains<br/>(losses)</b>                                                     | <b>-164</b>                                     | <b>-17</b>        | <b>64</b>                        | <b>-347</b>                                                             | <b>-463</b>                              |                                                               |                                                                       |                                                        |                            |
| Experience adjustments<br>relating to liabilities                                               | -269                                            | -4                | 9                                | -44                                                                     | -308                                     | -1                                                            | 24                                                                    | 5                                                      | 28                         |
| Effects of changes in<br>demographic assumptions<br>relating to liabilities                     | 2                                               | 0                 | 0                                | 0                                                                       | 2                                        | 0                                                             | 0                                                                     | -1                                                     | -1                         |
| Effects of changes in<br>financial assumptions relating<br>to liabilities                       | 279                                             | 20                | 79                               | 285                                                                     | 663                                      | 8                                                             | 209                                                                   | 27                                                     | 245                        |
| <b>Actuarial gains and losses<br/>on the obligation generated<br/>over the year</b>             | <b>12</b>                                       | <b>15</b>         | <b>88</b>                        | <b>241</b>                                                              | <b>356</b>                               | <b>7</b>                                                      | <b>233</b>                                                            | <b>31</b>                                              | <b>272</b>                 |
| Experience adjustments<br>relating to assets                                                    | 214                                             |                   |                                  |                                                                         | 214                                      |                                                               |                                                                       |                                                        |                            |
| Effects of changes in<br>financial assumptions relating<br>to assets                            | -3                                              |                   |                                  |                                                                         | -3                                       |                                                               |                                                                       |                                                        |                            |
| <b>Actuarial gains and losses<br/>generated during the year<br/>with respect to plan assets</b> | <b>211</b>                                      |                   |                                  |                                                                         | <b>211</b>                               |                                                               |                                                                       |                                                        |                            |
| Foreign exchange impact                                                                         | -2                                              |                   |                                  |                                                                         | -2                                       |                                                               |                                                                       |                                                        |                            |
| Other                                                                                           | 3                                               | 0                 | 0                                | 0                                                                       | 3                                        |                                                               |                                                                       |                                                        |                            |
| <b>Closing actuarial gains<br/>(losses)</b>                                                     | <b>60</b>                                       | <b>-1</b>         | <b>152</b>                       | <b>-106</b>                                                             | <b>105</b>                               |                                                               |                                                                       |                                                        |                            |
| <i>Total experience adjustments</i>                                                             | <i>-55</i>                                      | <i>-4</i>         | <i>9</i>                         | <i>-44</i>                                                              | <i>-94</i>                               | <i>-1</i>                                                     | <i>24</i>                                                             | <i>5</i>                                               | <i>28</i>                  |
| <i>Total impacts relating to<br/>changes in actuarial<br/>assumptions</i>                       | <i>278</i>                                      | <i>20</i>         | <i>79</i>                        | <i>285</i>                                                              | <i>662</i>                               | <i>8</i>                                                      | <i>209</i>                                                            | <i>26</i>                                              | <i>244</i>                 |

(\*) For other long-term benefits, actuarial gains and losses were not monitored as they have always been recognised immediately in net finance cost for the period.

| 31/12/2021<br>In € millions                                                                     | Pensions<br>and<br>other<br>similar<br>benefits | Provident<br>plan | Social<br>welfare<br>initiatives | Post-<br>employment<br>compensation<br>for work-<br>related<br>injuries | TOTAL<br>post-<br>employment<br>benefits | Long-term<br>compensation<br>for work-<br>related<br>injuries | Gradual<br>cessation<br>of activity<br>and time<br>savings<br>account | Long-<br>service<br>awards<br>and<br>other<br>benefits | TOTAL<br>Long-<br>term (*) |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------|----------------------------------|-------------------------------------------------------------------------|------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------|----------------------------|
| <b>Opening actuarial gains<br/>(losses)</b>                                                     | <b>-221</b>                                     | <b>-23</b>        | <b>-8</b>                        | <b>-451</b>                                                             | <b>-702</b>                              |                                                               |                                                                       |                                                        |                            |
| Experience adjustments<br>relating to liabilities                                               | 6                                               | -1                | 33                               | 17                                                                      | 56                                       | 1                                                             | 31                                                                    | 5                                                      | 37                         |
| Effects of changes in<br>demographic assumptions<br>relating to liabilities                     | 1                                               | 2                 | 6                                | 39                                                                      | 48                                       | 0                                                             | 0                                                                     | 0                                                      | 0                          |
| Effects of changes in<br>financial assumptions relating<br>to liabilities                       | 1                                               | 5                 | 33                               | 48                                                                      | 88                                       | 1                                                             | 41                                                                    | 5                                                      | 47                         |
| <b>Actuarial gains and losses<br/>on the obligation generated<br/>over the year</b>             | <b>9</b>                                        | <b>6</b>          | <b>72</b>                        | <b>105</b>                                                              | <b>192</b>                               | <b>2</b>                                                      | <b>72</b>                                                             | <b>10</b>                                              | <b>84</b>                  |
| Experience adjustments<br>relating to assets                                                    | 58                                              |                   |                                  |                                                                         | 58                                       |                                                               |                                                                       |                                                        | 0                          |
| Effects of changes in<br>financial assumptions relating<br>to assets                            | 0                                               |                   |                                  |                                                                         | 0                                        |                                                               |                                                                       |                                                        | 0                          |
| <b>Actuarial gains and losses<br/>generated during the year<br/>with respect to plan assets</b> | <b>58</b>                                       |                   |                                  |                                                                         | <b>58</b>                                |                                                               |                                                                       |                                                        | <b>0</b>                   |
| Foreign exchange impact                                                                         | -11                                             |                   |                                  |                                                                         | -11                                      |                                                               |                                                                       |                                                        | 0                          |
| Other                                                                                           | 1                                               | 0                 | 0                                | 0                                                                       | 1                                        |                                                               |                                                                       |                                                        | 0                          |
| <b>Closing actuarial gains<br/>(losses)</b>                                                     | <b>-164</b>                                     | <b>-17</b>        | <b>64</b>                        | <b>-347</b>                                                             | <b>-463</b>                              |                                                               |                                                                       |                                                        | <b>0</b>                   |
| <i>Total experience adjustments</i>                                                             | <i>64</i>                                       | <i>-1</i>         | <i>33</i>                        | <i>17</i>                                                               | <i>114</i>                               | <i>1</i>                                                      | <i>31</i>                                                             | <i>5</i>                                               | <i>37</i>                  |
| <i>Total impacts relating to<br/>changes in actuarial<br/>assumptions</i>                       | <i>3</i>                                        | <i>7</i>          | <i>39</i>                        | <i>88</i>                                                               | <i>136</i>                               | <i>1</i>                                                      | <i>41</i>                                                             | <i>5</i>                                               | <i>47</i>                  |

(\*) For other long-term benefits, actuarial gains and losses were not monitored as they have always been recognised immediately in net finance cost for the period.

#### 5.4.2.2 Analysis of the obligation's sensitivity to the main actuarial assumptions

The amounts below correspond to the decrease (actuarial gain) or increase (actuarial loss) in obligations as recognised as at 31 December 2022 according to changes in actuarial assumptions.

| 31/12/2022<br>In € millions<br>Gains (-) / Losses (+)               | Pensions<br>and other<br>similar<br>benefits | Provident<br>plan | Social<br>welfare<br>initiatives | Compensation<br>for work-<br>related<br>injuries | Gradual<br>cessation of<br>activity and<br>time savings<br>account |
|---------------------------------------------------------------------|----------------------------------------------|-------------------|----------------------------------|--------------------------------------------------|--------------------------------------------------------------------|
| <b>Sensitivity to the inflation rate</b>                            |                                              |                   |                                  |                                                  |                                                                    |
| Change of + 0.50pt                                                  | -60                                          | -3                | -12                              | -46                                              | -12                                                                |
| Change of - 0.50pt                                                  | 66                                           | 3                 | 13                               | 52                                               | 13                                                                 |
| <b>Sensitivity to the inflation rate</b>                            |                                              |                   |                                  |                                                  |                                                                    |
| Change of + 0.25pt                                                  |                                              | 1                 | 7                                | 25                                               |                                                                    |
| Change of - 0.25pt                                                  |                                              | -1                | -6                               | -24                                              |                                                                    |
| <b>Sensitivity to gradual cessation of activity membership rate</b> |                                              |                   |                                  |                                                  |                                                                    |
| Change of + 1pt                                                     |                                              |                   |                                  |                                                  | 11                                                                 |
| Change of - 1pt                                                     |                                              |                   |                                  |                                                  | -10                                                                |

| 31/12/2021<br>In € millions<br>Gains (-) / Losses (+)               | Pensions<br>and other<br>similar<br>benefits | Provident<br>plan | Social<br>welfare<br>initiatives | Compensation<br>for work-<br>related<br>injuries | Gradual<br>cessation of<br>activity and<br>time savings<br>account |
|---------------------------------------------------------------------|----------------------------------------------|-------------------|----------------------------------|--------------------------------------------------|--------------------------------------------------------------------|
| <b>Sensitivity to the inflation rate</b>                            |                                              |                   |                                  |                                                  |                                                                    |
| Change of + 0.25pt                                                  | -48                                          | -2                | -12                              | -39                                              | -19                                                                |
| Change of - 0.25pt                                                  | 48                                           | 2                 | 13                               | 42                                               | 20                                                                 |
| <b>Sensitivity to the inflation rate</b>                            |                                              |                   |                                  |                                                  |                                                                    |
| Change of + 0.25pt                                                  |                                              | 2                 | 12                               | 41                                               |                                                                    |
| Change of - 0.25pt                                                  |                                              | -2                | -12                              | -39                                              |                                                                    |
| <b>Sensitivity to gradual cessation of activity membership rate</b> |                                              |                   |                                  |                                                  |                                                                    |
| Change of + 1pt                                                     |                                              |                   |                                  |                                                  | 15                                                                 |
| Change of - 1pt                                                     |                                              |                   |                                  |                                                  | -15                                                                |

## 5.5 MANAGEMENT COMPENSATION

The main Group managers are members of the Group management committee. The gross taxable compensation of these managers primarily consists of short-term benefits.

| In € millions                | 31/12/2022 | 31/12/2021 |
|------------------------------|------------|------------|
| Short-term employee benefits | 4.0        | 3.9        |
| Long-term benefits           | -          | -          |
| Post-employment benefits     | 0.1        | 0.1        |
| Termination benefits         | -          | 0.2        |
| <b>Total</b>                 | <b>4.1</b> | <b>4.2</b> |

## 6. CAPITAL AND FINANCING

### 6.1 LIQUIDITY MANAGEMENT DURING THE HEALTH CRISIS

The recovery in economic activity from the second quarter of 2022 eased the strain on cash requirements.

Despite this turnaround, uncertainty remains a source of financial market volatility.

Furthermore, in connection with the Ukraine crisis, the SNCF Group complies with the various restrictions adopted by the EU with regard to Russia and Belarus. The Group has no direct bank counterparties in Russia or Belarus.

#### 6.1.1 Financing and liquidity management

In 2022, the SNCF has continued to apply the measures implemented from 2020, which are summarised below.

#### Changes to forecasting and liquidity management tools

The Financing and Treasury Department draws up cash forecasts that are updated on a weekly basis and incorporates, virtually in real time, new assumptions taking into account changes in the economic and financial situation.

The Financing and Treasury Department continued its daily review of changes in its liquidity position as introduced at the beginning of the crisis in 2020. A Liquidity dashboard was also set up to monitor liquidity risk. It is communicated to executive management twice a month.

These adaptations combined with proactive liquidity management ensures that a minimum cash amount of €1 billion is immediately available at all times (overnight).

### Reorganisation of liquidity flows.

The Financing and Treasury Department continued to reorganise the liquidity flows that began in 2020: accelerating the transfer of cash via the cash pooling of subsidiaries, optimising working capital requirements within the subsidiaries, closely tracking the liquidity position of subsidiaries outside the cash pool, etc.

### Expanding the Group's financing sources

The Group operates the following financing programmes:

- a Euro Commercial Paper (ECP) programme capped at €5 billion;
- a Negotiable European Commercial Paper (NEU CP) programme capped at €3 billion;
- a Euro Medium Term Note (EMTN) programme capped at €15 billion.

The Group also has a Revolving Credit Facility (RCF) of €3.5 billion, all of which is accessible, contracted with 20 partner banks.

At 31 December 2022, SNCF SA carried out two financing operations:

- The first operation in June in the form of a euro-denominated private placement of €31.5 million maturing in 12 years
- The second in October in the form of a Green Bond public placement of €500 million maturing in 5 years.

The Group's available cash and cash equivalents totalled €9.5 billion as at 31 December 2022.

As at 31 December 2022, total Green bond emissions totalled €8.1 million (euro exchange value).

These loans do not include KPI linked bond clauses, applying ex-post premiums/losses according to the achievement or not of environmental targets. They comply with the financial and normative criteria prepared ex-ante and documented in a Framework available on the SNCF SA website and supported by one or more special carbon methodologies.

The "Green" nature of the emissions is confirmed by (i) an annual Second Party Opinion prepared by a non-financial rating agency under a Second Opinion Provider assignment and (ii) a specific financial audit engagement to confirm the matching of financial flows with eligible assets (Use of Proceeds notion) and compliance with the management criteria taken from the Framework.

#### 6.1.2 Review of cash flow hedges and bank loan covenants

Future hedged transactions were analysed. This did not call into question the highly probable nature of the future cash flows or the relevant hedging relationships. This is the case for hedging relationships for fluctuations in the price of oil and other commodities as well as cash flow hedging relationships for bank loans (CFH).

The Group also checked whether the impacts of the COVID-19 crisis had led to potential breaches of commitments or covenants contained in bank loan agreements. Based on that analysis, there was no risk of any breach of covenants as at 31 December 2022.

#### 6.1.3 Credit risk management

The SNCF Group is exposed to credit risk through its dealings with banks and credit institutions, and with its customers.

Bank credit risk arises from deposits placed with banks, and derivative financial instruments contracted with banks. The Group is however protected against this risk.

To limit counterparty risk, the risk management framework only authorises the Group to have dealings with first-rate counterparties with solid financial ratings. Furthermore, the credit risk generated by rising interest rates is covered by collateralisation agreements that provide for weekly margin calls.

Pursuant to IFRS 9, the Group continued to monitor potential late payments. In the absence of any major default, no additional credit risk was identified as at 31 December 2022.

## 6.2 MANAGEMENT OF THE INTEREST RATE BENCHMARK REFORM

The roll-out of the fundamental interest rate benchmark reform was finalised in 2022 with the signing of amendments to EONIA-indexed contracts. These amendments gave rise to the collection of financial compensation for immaterial amounts.

All the contracts have now been amended, and the Group confirms that the interest rate benchmark reform has not had a major impact on its financial statements or risk management and does not call into question its hedge accounting.

## 6.3 NET INDEBTEDNESS

Net indebtedness is the sum of current and non-current financial liabilities less current and non-current financial assets, when the latter arise from transactions which, in substance, only involve exchanges of cash flow: issue or receipt of cash in consideration for a cash reimbursement or expected cash reimbursement.

Net indebtedness excludes the following items:

- Pension assets and liabilities which are covered by IAS 19 and presented in Note 5.
- Concession financial assets and liabilities, as they compensate for a transportation service or the right to use an infrastructure under a concession agreement.
- Lease financial receivables and lease liabilities which compensate the right-of-use granted to an underlying asset under a lease.
- Non-controlling interest purchase commitments as they are equity transactions and do not involve an exchange of cash flow. Keeping in line with the exclusion of equity from net indebtedness, the financial liabilities arising from these transactions are also excluded.
- Investments in equity instruments, corresponding to non-consolidated investments.
- Financial assets and liabilities resulting from public-private partnerships that reflect, in substance, a lender-borrower relationship.

### 6.3.1 Net borrowing costs

Net borrowing costs consist of:

- interest paid on Group borrowings;
  - proceeds from the Public Debt Fund receivable (see Note 6.3.2.1);
  - and interest received on available cash balances.
- These items are presented after hedging transactions and include fair value gains and losses on derivative instruments not qualifying for IFRS hedge accounting. Net changes in fair value and hedges records gains and losses on financial instruments at fair value through profit or loss, the ineffective portion of hedges, and the change in fair value of borrowings using the fair value option.



Net borrowing costs break down as follows:

| <i>In € millions</i>                                                                            | 31/12/2022        | 31/12/2021        | Change        |
|-------------------------------------------------------------------------------------------------|-------------------|-------------------|---------------|
| <b>Net change in fair value and hedges</b>                                                      | <b>-138</b>       | <b>69</b>         | <b>-207</b>   |
| Gains and losses on derivative instruments                                                      | -555              | 543               | -1,098        |
| Gains and losses on fair value hedged items                                                     | 474               | -500              | 975           |
| Gains and losses on equity instruments at fair value through profit or loss                     | -6                | -1                | -4            |
| Gains and losses on debt instrument assets at fair value through profit or loss                 | -2                | 0                 | -2            |
| Gains and losses on financial liabilities at fair value through profit or loss                  | 6                 | 7                 | -1            |
| Other fair value gains and losses                                                               | -56               | 21                | -77           |
| <b>Net borrowing costs</b>                                                                      | <b>-439</b>       | <b>-918</b>       | <b>479</b>    |
| <i>Of which interest income (expense) on financial assets at amortised cost</i>                 | <i>1,019</i>      | <i>769</i>        | <i>250</i>    |
| <i>Of which interest income (expense) on financial liabilities at amortised cost</i>            | <i>-1,445</i>     | <i>-1,608</i>     | <i>163</i>    |
| <i>Of which interest income (expense) on financial instruments at fair value through equity</i> | <i>0</i>          | <i>2</i>          | <i>-2</i>     |
| <b>Other interest expense and income</b>                                                        | <b>-157</b>       | <b>-117</b>       | <b>-40</b>    |
| <i>Of which interest expense on lease liabilities</i>                                           | <i>-152</i>       | <i>-143</i>       | <i>-9</i>     |
| <b>Net borrowing and other costs</b>                                                            | <b>-734</b>       | <b>-966</b>       | <b>232</b>    |
| <b><i>In € millions</i></b>                                                                     | <b>31/12/2022</b> | <b>31/12/2021</b> | <b>Change</b> |
| Financial expenses                                                                              | -2,765            | -2,176            | -589          |
| Financial income                                                                                | 2,032             | 1,210             | 821           |
| <b>Net borrowing and other costs</b>                                                            | <b>-734</b>       | <b>-966</b>       | <b>232</b>    |

### 6.3.2 Calculation of net indebtedness

The following tables present the categories and classes of financial assets and liabilities as well as the methods used for their fair value measurement.

The items excluded from the net indebtedness calculation do not appear in the "Net indebtedness" column or the "Group net indebtedness" sub-total.

The classification and measurement of financial assets requires an analysis of the cash flows generated by such assets, and their applied management model.

Cash flow analysis consists in defining whether or not the financial asset generates solely principal repayment flows and related interest payments. These are called SPPI assets (solely payments of principal and interest on the principal amount).

Their management model is analysed to determine whether the financial asset is held by the Group in order to:

- Collect the contractual flows generated by the financial asset;
- Collect the contractual flows generated by the financial asset and following its sale;
- Any other grounds for holding, particularly for short-term trading or optimisation.

This double analysis is carried out to determine the measurement method applicable to each financial asset:

- Measurement at amortised cost;
- Measurement at fair value through other comprehensive income;
- Measurement at fair value through the income statement.

Furthermore, debt instruments in assets (loans, receivables, bonds and other securities) measured at amortised cost are subject to the impairment model for expected losses. This impairment, representing the counterparty's credit risk, is recognised against the income statement as soon as loans and receivables have been granted or securities acquired, without the identification of any objective indication of impairment. It is estimated for the credit losses that the Group expects to incur over a one-year period, based on the historical data or financial rating of the counterparty. In the event of significant credit risk deterioration, it is remeasured to represent the loss expected over the life of the financial asset.

The Group does not recognise impairment for losses expected on the following financial assets:

- Assets held with a government counterparty presenting a negligible credit risk;
- Assets held with an entity included within the Group's scope of consolidation;
- Assets whose expected losses are estimated to be immaterial.

In the event of an objective indication of impairment, which is to say a long-term and material decline in an asset's value, an impairment loss is recognised through profit or loss for the loss in value. An objective indication arises from the Group's knowledge of the debtor's financial difficulties (payment default, liquidation, etc.).

Financial assets or liabilities maturing in less than 12 months at the balance sheet date are recorded in current financial assets or current financial liabilities. The fair value of asset or liability derivative instruments is classified as current or non-current based on the final maturity of the derivative.

The loans, borrowings and fair value of derivative instrument line items include accrued interest.

"Regular way" purchases are recorded at the settlement date.

The level of hierarchy used to calculate the fair value of financial instruments, whether recognised at fair value or amortised cost, is shown by category and comprises the following three levels under IFRS 13:

- Level 1: fair value measured using quoted prices by reference to the closing stock market price for listed financial instruments.
- Level 2: fair value measured using inputs other than quoted prices that are observable directly or indirectly on the market. It is used for unlisted financial instruments, for which there exists listed instruments of a similar nature and maturity and by reference to the stock market price of such instruments.
- Level 3: fair value determined using valuation techniques not based on observable market data. It is used for other unlisted instruments. The fair value is determined using valuation techniques such as the revalued net asset method, discounted cash flows or option valuation models.

| 31/12/2022                                                       |               |               |                  | Financial instruments                         |                               |                                             |                                     | Total                                                 | Fair value          |               |               |              |
|------------------------------------------------------------------|---------------|---------------|------------------|-----------------------------------------------|-------------------------------|---------------------------------------------|-------------------------------------|-------------------------------------------------------|---------------------|---------------|---------------|--------------|
| Balance sheet heading and classes of financial instruments       |               |               |                  | Financial assets at fair value through equity | Measurement at amortised cost | Assets at fair value through profit or loss | Derivatives not qualified as hedges | Net carrying amount of the class on the balance sheet | Fair value of class | Level 1       | Level 2       | Level 3      |
| In € millions                                                    | Non-current   | Current       | Net indebtedness |                                               |                               |                                             |                                     |                                                       |                     |               |               |              |
| Public-private partnership (PPP) receivables                     | 1,791         | 268           | 2,059            | -                                             | 2,059                         | -                                           | -                                   | 2,059                                                 | 2,059               | -             | 2,059         | -            |
| Public Debt Fund (PDF) receivable                                | 32,909        | 3,786         | 36,695           | -                                             | 36,695                        | -                                           | -                                   | 36,695                                                | 31,012              | -             | 31,012        | -            |
| Cash collateral assets                                           | -             | 962           | 962              | -                                             | 962                           | -                                           | -                                   | 962                                                   | 962                 | -             | 962           | -            |
| Other loans and receivables                                      | 914           | 37            | 951              | -                                             | 951                           | 0                                           | -                                   | 951                                                   | 952                 | 0             | 952           | 0            |
| Concession financial assets                                      | 1,531         | 235           | -                | -                                             | 1,767                         | -                                           | -                                   | 1,767                                                 | 1,924               | -             | 1,924         | -            |
| Lease receivables                                                | 9             | 1             | -                | -                                             | 9                             | -                                           | -                                   | 9                                                     | -                   | -             | -             | -            |
| Debt securities                                                  | 46            | -             | 46               | -                                             | -                             | 46                                          | -                                   | 46                                                    | 46                  | -             | 46            | -            |
| <b>Sub-total debt instruments</b>                                | <b>37,201</b> | <b>5,289</b>  | <b>40,713</b>    | <b>-</b>                                      | <b>42,443</b>                 | <b>46</b>                                   | <b>-</b>                            | <b>42,489</b>                                         | <b>36,955</b>       | <b>0</b>      | <b>36,955</b> | <b>0</b>     |
| Pension plan assets                                              | 67            | -             | -                | -                                             | -                             | -                                           | -                                   | -                                                     | -                   | -             | -             | -            |
| Investments in equity instruments                                | 268           | 0             | -                | 245                                           | -                             | 23                                          | -                                   | 268                                                   | 268                 | -             | -             | 268          |
| Trading instruments                                              | -             | 16            | 16               | -                                             | -                             | 16                                          | -                                   | 16                                                    | 16                  | 0             | 16            | -            |
| Positive fair value of hedging derivatives                       | 801           | 426           | 1,227            | -                                             | -                             | -                                           | 1,227                               | 1,227                                                 | 1,227               | -             | 1,227         | -            |
| Positive fair value of trading derivatives (*)                   | 115           | 134           | 249              | -                                             | -                             | 249                                         | -                                   | 249                                                   | 249                 | -             | 249           | -            |
| Cash and cash equivalents                                        | -             | 9,874         | 9,874            | -                                             | -                             | 9,874                                       | -                                   | 9,874                                                 | 9,874               | 8,397         | 1,433         | 44           |
| <b>Total current and non-current financial assets</b>            | <b>38,452</b> | <b>15,739</b> | <b>52,079</b>    | <b>245</b>                                    | <b>42,443</b>                 | <b>10,208</b>                               | <b>1,227</b>                        | <b>54,124</b>                                         | <b>48,589</b>       | <b>8,397</b>  | <b>39,879</b> | <b>313</b>   |
| Bond issues                                                      | 53,866        | 7,715         | 61,581           | -                                             | 61,518                        | 63                                          | -                                   | 61,581                                                | 63,073              | -             | 63,073        | -            |
| Bank borrowings                                                  | 3,188         | 188           | 3,376            | -                                             | 3,376                         | -                                           | -                                   | 3,376                                                 | 3,752               | -0            | 3,752         | -            |
| Asset financing liabilities                                      | 123           | 1             | 123              | -                                             | 123                           | -                                           | -                                   | 123                                                   | 123                 | -             | 123           | -            |
| <b>Sub-total borrowings</b>                                      | <b>57,177</b> | <b>7,903</b>  | <b>65,080</b>    | <b>-</b>                                      | <b>65,017</b>                 | <b>63</b>                                   | <b>-</b>                            | <b>65,080</b>                                         | <b>66,948</b>       | <b>-0</b>     | <b>66,948</b> | <b>-</b>     |
| <i>of which:</i>                                                 |               |               |                  |                                               |                               |                                             |                                     |                                                       |                     |               |               |              |
| - not hedged                                                     | 45,449        | 6,157         | 51,606           | -                                             | 51,606                        | -                                           | -                                   | 51,606                                                | 51,514              | 0             | 51,514        | -            |
| - recognised using cash flow hedge accounting                    | 9,517         | 1,699         | 11,216           | -                                             | 11,216                        | -                                           | -                                   | 11,216                                                | 12,828              | -             | 12,828        | -            |
| - recognised using fair value hedge accounting                   | 2,149         | 46            | 2,195            | -                                             | 2,195                         | -                                           | -                                   | 2,195                                                 | 2,542               | -             | 2,542         | -            |
| - designated at fair value(**)                                   | 63            | 0             | 63               | -                                             | -                             | 63                                          | -                                   | 63                                                    | 63                  | -             | 63            | -            |
| Negative fair value of hedging derivatives                       | 1,815         | 29            | 1,844            | -                                             | -                             | -                                           | 1,844                               | 1,844                                                 | 1,844               | -             | 1,844         | -            |
| Negative fair value of trading derivatives (*)                   | 108           | 47            | 155              | -                                             | -                             | 155                                         | -                                   | 155                                                   | 155                 | -             | 155           | -            |
| <b>Loans and borrowings</b>                                      | <b>59,100</b> | <b>7,979</b>  | <b>67,079</b>    | <b>-</b>                                      | <b>65,017</b>                 | <b>218</b>                                  | <b>1,844</b>                        | <b>67,079</b>                                         | <b>68,947</b>       | <b>-0</b>     | <b>68,947</b> | <b>-</b>     |
| Cash borrowings and overdrafts                                   | -             | 1,028         | 1,028            | -                                             | 1,028                         | -                                           | -                                   | 1,028                                                 | 1,025               | 389           | 636           | -            |
| Amounts payable on non-controlling interest purchase commitments | 1,383         | -             | -                | 1,383                                         | -                             | -                                           | -                                   | 1,383                                                 | 1,383               | -             | -             | 1,383        |
| Lease liabilities                                                | 3,131         | 993           | -                | -                                             | 4,124                         | -                                           | -                                   | 4,124                                                 | -                   | -             | -             | -            |
| Public-Private Partnership (PPP) payables                        | 1,848         | 279           | 2,126            | -                                             | 2,126                         | -                                           | -                                   | 2,126                                                 | 2,126               | -             | 2,126         | -            |
| Financial grant                                                  | 6,285         | -             | 6,285            | -                                             | 6,285                         | -                                           | -                                   | 6,285                                                 | 6,285               | -             | 6,285         | -            |
| Concession financial liabilities                                 | 53            | 2             | -                | -                                             | 55                            | -                                           | -                                   | 55                                                    | 55                  | -             | 55            | -            |
| <b>Total current and non-current financial liabilities (***)</b> | <b>71,799</b> | <b>10,281</b> | <b>76,519</b>    | <b>1,383</b>                                  | <b>78,635</b>                 | <b>218</b>                                  | <b>1,844</b>                        | <b>82,080</b>                                         | <b>79,821</b>       | <b>389</b>    | <b>78,050</b> | <b>1,383</b> |
| <b>Group net indebtedness (****)</b>                             | <b>30,656</b> | <b>-6,217</b> | <b>24,439</b>    | <b>-</b>                                      | <b>33,789</b>                 | <b>-9,967</b>                               | <b>617</b>                          | <b>24,440</b>                                         | <b>31,987</b>       | <b>-8,009</b> | <b>40,040</b> | <b>44</b>    |

(\*) The instruments shown as trading derivatives mainly correspond to Group debt economic hedging transactions.

(\*\*) The nominal amount of liabilities recorded under the fair value option was €56 million. Those liabilities were designated at fair value on initial recognition.

(\*\*\*) Including the lease liabilities presented on a specific line of the consolidated statement of financial position.

(\*\*\*\*) The French State assumed €10 billion (at nominal value on repayment) of SNCF Réseau's debt.

| 31/12/2021                                                       |               |                  |                                               | Financial instruments         |                                             |                                     |                                                       | Total               | Fair value    |               |            |
|------------------------------------------------------------------|---------------|------------------|-----------------------------------------------|-------------------------------|---------------------------------------------|-------------------------------------|-------------------------------------------------------|---------------------|---------------|---------------|------------|
| Balance sheet heading and classes of financial instruments       |               | Net indebtedness | Financial assets at fair value through equity | Measurement at amortised cost | Assets at fair value through profit or loss | Derivatives not qualified as hedges | Net carrying amount of the class on the balance sheet | Fair value of class | Level 1       | Level 2       | Level 3    |
| In € millions                                                    | Non-current   |                  |                                               |                               |                                             |                                     |                                                       |                     |               |               |            |
| Public-private partnership (PPP) receivables                     | 1,956         | 268              | 2,224                                         | -                             | 2,224                                       | -                                   | 2,224                                                 | 2,224               | -             | 2,224         | -          |
| Public Debt Fund (PDF) receivable                                | 25,685        | 2,508            | 28,193                                        | -                             | 28,193                                      | -                                   | 28,193                                                | 34,721              | -             | 34,721        | -          |
| Cash collateral assets                                           | -             | 1,401            | 1,401                                         | -                             | 1,401                                       | -                                   | 1,401                                                 | 1,401               | -             | 1,401         | -          |
| Other loans and receivables                                      | 1,091         | 37               | 1,128                                         | -                             | 1,127                                       | 0                                   | 1,128                                                 | 1,126               | 0             | 1,125         | 1          |
| Concession financial assets                                      | 1,653         | 124              | -                                             | -                             | 1,776                                       | -                                   | 1,776                                                 | 1,807               | 0             | 1,807         | -          |
| Lease receivables                                                | 9             | 0                | -                                             | -                             | 9                                           | -                                   | 9                                                     | -                   | -             | -             | -          |
| Debt securities                                                  | 85            | -                | 85                                            | -                             | -                                           | 85                                  | 85                                                    | 85                  | -             | 85            | -          |
| <b>Sub-total debt instruments</b>                                | <b>30,478</b> | <b>4,338</b>     | <b>33,030</b>                                 | -                             | <b>34,731</b>                               | <b>85</b>                           | <b>34,816</b>                                         | <b>41,363</b>       | <b>0</b>      | <b>41,362</b> | <b>1</b>   |
| Pension plan assets                                              | 14            | -                | -                                             | -                             | -                                           | -                                   | -                                                     | -                   | -             | -             | -          |
| Investments in equity instruments                                | 285           | 0                | -                                             | 262                           | -                                           | 23                                  | 285                                                   | 285                 | 8             | -             | 277        |
| Trading instruments                                              | -             | 14               | 14                                            | -                             | -                                           | 14                                  | 14                                                    | 14                  | 14            | -             | -          |
| Positive fair value of hedging derivatives                       | 1,223         | 47               | 1,269                                         | -                             | -                                           | 1,269                               | 1,269                                                 | 1,269               | -             | 1,269         | -          |
| Positive fair value of trading derivatives (*)                   | 364           | 137              | 501                                           | -                             | -                                           | 501                                 | 501                                                   | 501                 | -             | 501           | -          |
| Cash and cash equivalents                                        | -             | 10,772           | 10,772                                        | -                             | -                                           | 10,772                              | 10,772                                                | 10,772              | 9,197         | 1,575         | 0          |
| <b>Total current and non-current financial assets</b>            | <b>32,364</b> | <b>15,308</b>    | <b>45,587</b>                                 | <b>262</b>                    | <b>34,731</b>                               | <b>11,395</b>                       | <b>47,657</b>                                         | <b>54,204</b>       | <b>9,219</b>  | <b>44,707</b> | <b>278</b> |
| Bond issues                                                      | 60,158        | 5,935            | 66,093                                        | -                             | 66,023                                      | 70                                  | 66,093                                                | 77,063              | -             | 77,063        | -          |
| Bank borrowings                                                  | 3,133         | 260              | 3,393                                         | -                             | 3,393                                       | -                                   | 3,393                                                 | 3,805               | 0             | 3,805         | -          |
| Asset financing liabilities                                      | 120           | -0               | 120                                           | -                             | 120                                         | -                                   | 120                                                   | 119                 | -             | 119           | -          |
| <b>Sub-total borrowings</b>                                      | <b>63,411</b> | <b>6,195</b>     | <b>69,606</b>                                 | -                             | <b>69,536</b>                               | <b>70</b>                           | <b>69,606</b>                                         | <b>80,987</b>       | <b>0</b>      | <b>80,987</b> | -          |
| <i>of which:</i>                                                 |               |                  |                                               |                               |                                             |                                     |                                                       |                     |               |               |            |
| - not hedged                                                     | 48,657        | 4,423            | 53,079                                        | -                             | 53,079                                      | -                                   | 53,079                                                | 64,209              | 0             | 64,209        | -          |
| - recognised using cash flow hedge accounting                    | 12,061        | 1,534            | 13,595                                        | -                             | 13,595                                      | -                                   | 13,595                                                | 13,785              | -             | 13,785        | -          |
| - recognised using fair value hedge accounting                   | 2,624         | 238              | 2,862                                         | -                             | 2,862                                       | -                                   | 2,862                                                 | 2,924               | -             | 2,924         | -          |
| - designated at fair value(**)                                   | 69            | 0                | 70                                            | -                             | -                                           | 70                                  | 70                                                    | 70                  | -0            | 70            | -          |
| Negative fair value of hedging derivatives                       | 2,421         | 22               | 2,443                                         | -                             | -                                           | 2,443                               | 2,443                                                 | 2,443               | -             | 2,443         | -          |
| Negative fair value of trading derivatives (*)                   | 279           | 91               | 370                                           | -                             | -                                           | 370                                 | 370                                                   | 370                 | -             | 370           | -          |
| <b>Loans and borrowings</b>                                      | <b>66,111</b> | <b>6,308</b>     | <b>72,419</b>                                 | -                             | <b>69,536</b>                               | <b>439</b>                          | <b>72,419</b>                                         | <b>83,800</b>       | <b>0</b>      | <b>83,800</b> | -          |
| Cash borrowings and overdrafts                                   | -             | 2,291            | 2,291                                         | -                             | 2,291                                       | -                                   | 2,291                                                 | 2,292               | 389           | 1,904         | -          |
| Amounts payable on noncontrolling interest purchase commitments  | 867           | -                | -                                             | 867                           | -                                           | -                                   | 867                                                   | 867                 | -             | -             | 867        |
| Lease liabilities                                                | 2,677         | 902              | -                                             | -                             | 3,580                                       | -                                   | 3,580                                                 | -                   | -             | -             | -          |
| Public-Private Partnership (PPP) payables                        | 2,008         | 279              | 2,287                                         | -                             | 2,287                                       | -                                   | 2,287                                                 | 2,287               | -             | 2,287         | -          |
| Financial grant                                                  | 4,886         | -                | 4,886                                         | -                             | 4,886                                       | -                                   | 4,886                                                 | 4,886               | -             | 4,886         | -          |
| Concession financial liabilities                                 | 133           | 2                | -                                             | -                             | 135                                         | -                                   | 135                                                   | 135                 | -             | 135           | -          |
| <b>Total current and non-current financial liabilities (***)</b> | <b>76,683</b> | <b>9,782</b>     | <b>81,883</b>                                 | <b>867</b>                    | <b>82,715</b>                               | <b>439</b>                          | <b>86,465</b>                                         | <b>94,268</b>       | <b>389</b>    | <b>93,012</b> | <b>867</b> |
| <b>Group net indebtedness</b>                                    | <b>42,601</b> | <b>-6,306</b>    | <b>36,296</b>                                 | <b>-</b>                      | <b>46,055</b>                               | <b>-10,933</b>                      | <b>1,174</b>                                          | <b>36,297</b>       | <b>-8,823</b> | <b>49,977</b> | <b>-1</b>  |

(\*) The instruments shown as trading derivatives mainly correspond to Group debt economic hedging transactions.

(\*\*) The nominal amount of liabilities recorded under the fair value option was €60 million. Those liabilities were designated at fair value on initial recognition.

(\*\*\*) Including the lease liabilities presented on a specific line of the consolidated statement of financial position.

### 6.3.2.1 Financial assets at amortised cost

Loans, receivables and debt securities are recognised at amortised cost in the balance sheet when they generate solely payments of principal and interest on the principal amount (SPPI) and are held for the sole purpose of collecting these same cash flows.

#### Public private partnership (PPP) receivables and payables

As part of its infrastructure activity, the Group has entered into public-private partnerships (PPP) via SNCF Réseau for projects relating to:

– the Bretagne-Pays-de-Loire (BPL) high-speed line with the manufacturer Eiffage.

– the high-speed line for the Nimes Montpellier Bypass with the manufacturer Oc'Via.

– the Global System for Mobile communication for Railways (GSM-R) with the manufacturer Synerail.

A portion of the projects is pre-financed by the manufacturers, which are subsidised by the French State and regional authorities. Therefore, according to the percentage completion of work, the Group recorded:

– The amount of grants to be claimed from the French State and regional authorities under “Public-Private Partnership receivables” in current and non-current financial assets, of which €979 million for BPL, €962 million for CNM and €119 million for GSM-R (€1,026 million, €1,083 million and €193 million as at 31 December 2021, respectively).

– The amounts payable to manufacturers under “Public-Private Partnership payables” in current and non-current financial liabilities.

Regarding BPL and CNM, SNCF Réseau has received grants and repaid the related borrowings (same amounts as the grants) since 2017, the year of project completion. As for GSM-R, the grant received is lower than the related borrowing as the project is not 100% subsidised. The payment schedules are identical for both receivables and payables and all relevant projects.

Information on investments and investment grants recorded is disclosed in Note 4.2.2.

Claims were received by SNCF Réseau for 2015 to 2018 for the BPL and CNM PPPs. These claims were mostly challenged by the company and only those accepted amounts were recognised.

#### Public debt fund receivable

##### Receivable carried by SNCF SA (originating from SNCF Mobilités)

In accordance with the corporate plan (*contrat de plan*) signed by the French State and SNCF SA (formerly SNCF Mobilités) in 1990, a Special Debt Account was set up on 1 January 1991 in order to isolate a portion of SNCF Mobilités' debt.

On the preparation of SNCF Mobilités opening IFRS balance sheet as at 1 January 2006, the debt from the Special Debt Account was transferred to the EPIC Mobilités balance sheet. At the same time, confirmation of the French State's commitment to contribute to the amortisation and servicing of the debt led to the recognition of a receivable in respect of expected payments from the French State.

In December 2007, in order to find a long-term and definitive solution to the future of these commitments and the financing of Special Debt Account debts, a series of transactions were carried out in order to replace the French State receivable with a Public Debt Fund receivable, the terms and conditions of which reflect commitments to third-parties ring-fenced in the Special Debt Account.

Following these transactions, SNCF Mobilités:

– remained indebted towards holders of securities with the banking counterparties of forward financial instruments (foreign currency and interest rate swaps) it has contracted;

– held a receivable on the Public Debt Fund exactly reflecting the amount of the Special Debt Account debt and its terms and conditions and also covering the related derivatives.

The method of accounting for the receivable is unchanged in relation to the method that had been adopted for the recognition of a receivable in respect of expected payments from the French State in the opening IFRS balance sheet as at 1 January 2006, namely:

– the receivable is initially recorded, at the transfer date, at the fair value of debts transferred and subsequently at amortised cost;

– derivative instruments relating to the receivable are recorded at fair value, with gains and losses on remeasurement recognised in profit or loss.

The net carrying amounts do not include derivative instruments.

##### Receivable carried by SNCF Réseau

Following the reform resulting from the New Railway Pact law which entered into effect on 01/01/2020, the 2020 Initial Finance Law introduced the principle of a transfer of SNCF Réseau debt of €25 billion to the French State effective 1 January 2020. At the same time, the French State announced that this transfer would be accompanied by an additional transfer of €10 billion effective 1 January 2022 which was confirmed by the 2022 French Budget Act.

As at 1 January 2020, this debt transfer was conducted in two stages:

– set-up of a liability and a mirror receivable of a nominal amount of €25 billion between SNCF Réseau and CDP, effective 1 January 2020;

– substitution of the French State in favour of SNCF Réseau as debtor vis-à-vis CDP, and then waiver by the French State of its receivable from SNCF Réseau, also effective 1 January 2020.

In accounting terms, this transaction resulted in:

– The recognition of the loan receivable and the mirror loan payable at market value, including a €6.1 billion fair value remeasurement in assets and liabilities compared to the €25 million nominal value;

– Simultaneously, the SNCF Group recognised the State's debt waiver by (i) incorporating into reserves the €25 billion nominal value of the assumed debt and (ii) recognising a financial grant on liabilities corresponding to the difference between the Réseau debt average interest rate and the current market rate.

With effect from 1 January 2020, the PDF loan receivable is accounted for as a financial asset at amortised cost. In parallel, the financial grant is being written back to profit or loss on an actuarial basis, as and when the fair value remeasurement associated with the receivable is reclassified to profit or loss via the amortised cost calculation.

Consequently, the impact of this transaction on net finance costs is an amount of net financial income that exactly mirrors the finance cost effectively borne by SNCF Réseau on the portion of its historical debt assumed by the State.

The PDF receivable repaid by the French State offset the repayments of its debt by SNCF Réseau.

The assumption of the additional €10 billion debt effective on 1 January 2022 was recognised using the same accounting entries, including a €2.2 billion fair value remeasurement.

##### Other loans and receivables

Other loans and receivables include the employee-profit sharing receivables, "construction assistance" loans and other loans and guarantee deposits (excluding cash collateral assets) as well as the EOLE porting. For the most part, these financial instruments are initially valued at fair value and then subsequently at amortised cost based on the effective interest rate (EIR). When they do not satisfy SPPI criteria, these assets are measured at fair value (see Note 6.3.2.3).

These instruments are presented in non-current assets, except for assets maturing in less than 12 months at the balance sheet date, which are recorded in current assets.



### 6.3.2.2 Financial assets at fair value through equity

Debt instruments in assets (other loans and receivables, debt securities) that generate solely payments of principal and interest on the principal amount (SPPI) and are held for the sole purpose of collecting these same cash flows and the proceeds from their subsequent disposal are recognised at fair value through recyclable equity.

Equity instruments (shares and non-consolidated investments) may be measured at fair value through non-recyclable equity if irrevocably chosen by the Group. A method is chosen for each security.

Investments in equity instruments include Group investments in non-consolidated companies for €245 million (€0 million as at 31 December 2021) that the Group does not hold for short-term profit (particularly the low-rental housing companies (LRHC) described in Note 10.2) and are not held for sale.

These equity investments are measured at fair value at each balance sheet date and any changes in fair value are recorded directly in equity in a specific account under other comprehensive income. Fair value is determined based on the financial criteria most appropriate to the specific situation of each company. It is measured according to Level 1 when quoted prices are available, according to Level 2 when similar transaction prices are observable on the market, and, otherwise, according to Level 3, based on profitability outlooks or the share of equity when it provides a good indication of the investment's market value. In the event of disposal, amounts recorded in equity are not transferred to profit or loss. The capital gain or loss is therefore maintained in equity.

These instruments are not subject to impairment.

### 6.3.2.3 Assets at fair value through profit or loss

Financial assets that do not generate solely principal repayment flows and related interest payments (non-SPPI) and those held for a short-term profit (trading assets) are recognised at fair value through profit and loss.

Non-SPPI assets include bonds redeemable in shares, Group shares in venture capital funds and any shares and equity investments that the Group has not elected to measure at fair value through equity (see Note 6.2.2.2).

Trading assets consist of assets that the Group intends to sell in the near term in order to realise a capital gain and assets recorded in this category by designation when the required criteria are satisfied.

In particular, SNCF Group cash flow is globally managed pursuant to a general market risk management framework approved by the Board of Directors and combining investments in negotiable debt instruments and French money market mutual funds (UCITS). Its performance is measured, in the same way as that of UCITS, by reference to EONIA (Euro Overnight Index Average). As UCITS are measured at net asset value taking into account portfolio fair value, and in order to achieve overall consistency, investments with an initial maturity of more than three months are recorded in this category by designation.

### 6.3.2.4 Current and non-current financial liabilities

Financial liabilities are measured according to one of the following methods:

- At fair value through the income statement for liabilities held for trading and those that the Group elects to measure under the fair value option when the required criteria are satisfied;
- At amortised cost using the effective interest rate (EIR) method for other financial liabilities.

As at 31 December 2022, the Group did not hold any debt instruments measured at fair value through equity.

Financial liabilities include guarantee deposits received in respect of derivative instruments. The outstanding amounts of these deposits are included in the aggregate "Cash collateral liabilities."

Borrowings and other financial liabilities are initially measured at fair value less transaction costs and subsequently at amortised cost determined using the effective interest rate.

Certain borrowings are subject to fair value or cash flow hedge accounting. In addition, certain borrowings with detachable embedded derivatives recorded using hedge accounting are recorded at fair value ("fair value" option). This option is used when the corresponding liabilities comprise an embedded derivative significantly modifying the cash flows which would otherwise result in the contract or where the Group is unable to value the embedded derivative separately. Any change in this fair value is recorded in net finance cost, apart from the specific credit risk component which is to be recognised directly in equity. This option only concerns liabilities of SNCF SA. The Group considers that exposure to own credit risk does not give rise to any change in value.

The fair value of financial liabilities is determined using measurement techniques such as option valuation models or the discounted cash flow method. The models take into account assumptions based on market data at the balance sheet date.

IFRS 10, "Consolidated financial statements", and IAS 32, "Financial instruments: presentation", as they currently stand, lead the Group to record firm and conditional non-controlling interest purchase commitments as a financial liability with an offsetting reduction in non-controlling interests. Where the commitment value exceeds the amount of non-controlling interests, the residual balance is deducted from Group equity. The fair value of non-controlling interest purchase commitments is reviewed at each balance sheet date. It is measured according to Level 1 when quoted prices are available, Level 2 when the commitment stems from a recent transaction and, otherwise, Level 3. The corresponding financial liability is offset in equity.

### 6.3.2.5 Cash and cash equivalents

Cash and cash equivalents consist of immediately available liquid assets (cash) and short-term investments, easily converted into a known amount of cash with an initial maturity of less than or equal to three months and which are exposed to a negligible risk of change in value. In particular, investments in French mutual funds (SICAV) and monetary funds with marginal sensitivity are classified in this category. This primarily involves French mutual funds and monetary funds classified by the French Financial Markets Authority (AMF) in the Euro monetary category or which have a sensitivity of less than 0.25 basis points

For these securities, the fair value adopted is the UCITS net asset value. The fair value falls under Level 1 of the fair value hierarchy set forth in paragraph 72 of IFRS 13. However, considering their residual life at closing, other investments, particularly, negotiable debt securities, are recognised at nominal value, as the Group considers this to be a reasonable estimate of their market value.

Current bank facilities classified as current financial liabilities are included in cash and cash equivalents in the cash flow statement.

| <i>In € millions</i>                                                                                           | 31/12/2022   | 31/12/2021    | Change      |
|----------------------------------------------------------------------------------------------------------------|--------------|---------------|-------------|
| Monetary mutual funds equivalent to cash and negotiable debt securities maturing in less than three months (*) | 6,668        | 7,391         | -723        |
| Cash at bank and in hand                                                                                       | 3,206        | 3,381         | -175        |
| <b>Cash and cash equivalents in the statement of financial position</b>                                        | <b>9,874</b> | <b>10,772</b> | <b>-898</b> |
| Accrued interest payable                                                                                       | -1           | -1            | 0           |
| Current bank facilities                                                                                        | -387         | -387          | 0           |
| <b>Cash and cash equivalents in the cash flow statement</b>                                                    | <b>9,486</b> | <b>10,384</b> | <b>-898</b> |

(\*) Including deposits and commercial paper

The Group considers the nominal value of negotiable debt securities recorded in cash and cash equivalents to be a reasonable estimate of their market value. The risk of changes in value is immaterial for these instruments. Monetary mutual funds equivalent to cash are stated at fair value and amounted to €5,248 million as at 31 December 2022 (€5,796 million as at 31 December 2021).

For its internal financing and cash management, SNCF also uses both national and international short-term financing instruments such as "Treasury bills" and "Commercial Paper", granting diversified access to liquid financial resources. Foreign-currency denominated negotiable debt securities are hedged using currency swaps.

Net cash from operating activities posted a net inflow of €6,188 million in 2022 (€4,415 million in 2021), primarily generated from operations for €5,883 million (€3,129 million in 2021).

Net cash used in investing activities totalled €2,419 million in 2022 (net cash from investing activities totalled €52 million in 2021).

#### 6.3.2.6 Reconciliation with "cash flow from/(used in) financing activities"

The table below reconciles movements in components of net debt presented in the statement of financial position with cash flow from/used in financing activities:

- The cash outflows were primarily attributable to:
    - capital expenditure on intangible assets and property, plant and equipment, including capitalised interest, in the amount of -€7,917 million in 2022 (-€8,451 million in 2021); it is described in Note 4.2;
    - new concession financial assets for €1,805 million in 2022 (€1,853 million in 2021);
    - a change in cash assets for -€440 million in 2022 (-€1,079 million in 2021).
    - scope change impacts for -€559 million in 2022 (€130 million in 2021);
  - They were offset by:
    - scope change impacts for €738 million in 2022 (€2,082 million in 2021);
    - disposals of intangible assets and property, plant and equipment for €246 million in 2022, compared to €367 million in 2021;
    - investment grants received for €4,518 million in 2022, compared to €4,866 million in 2021;
    - amounts received from concession financial assets for €1,709 million in 2022, compared to €2,003 million in 2021.
- Net cash used in financing activities totalled €4,679 million in 2022 (net cash of €1,585 million was used in financing activities in 2021). The item essentially stems from:
- net financial interest payment for €736 million (€921 million in 2021);
  - cash liability repayments for -€1,245 million (compared to repayments of -€636 million in 2021);
  - borrowing repayments, net of amounts received on the PDF receivable, for €2,444 million (€2,747 million in 2021). Amounts received on the PDF receivable totalled -€2,980 million (-€1,271 million in 2021);
  - new borrowings, net of issue costs and premiums, for €1,325 million (€3,942 million in 2021).

| In € millions                                                       | 31/12/21      | Cash flow from/used in financing activities |                           |                                                           |                   |                                  |                                    |                                         | Non-cash movements |                             |                            |                                |               | 31/12/22      |
|---------------------------------------------------------------------|---------------|---------------------------------------------|---------------------------|-----------------------------------------------------------|-------------------|----------------------------------|------------------------------------|-----------------------------------------|--------------------|-----------------------------|----------------------------|--------------------------------|---------------|---------------|
|                                                                     | Total         | Issue of debt instruments                   | Re-payments of borrowings | Cash inflows/(outflows) from PPP receivables and payables | Net interest paid | Repay-ments of lease liabilities | Interest paid on lease liabilities | In-crease /de-crease in cash borrowings | Fair value hedges  | Ex-change rate fluctuations | Changes in Group structure | Non-mone-tary change in leases | Other         | Total         |
| <b>Liabilities (A)</b>                                              | <b>85,942</b> | <b>1,325</b>                                | <b>-5,426</b>             | <b>-134</b>                                               | <b>-237</b>       | <b>-1,031</b>                    | <b>3</b>                           | <b>-1,245</b>                           | <b>-861</b>        | <b>-61</b>                  | <b>31</b>                  | <b>1,052</b>                   | <b>2,279</b>  | <b>81,637</b> |
| Bond issues                                                         | 66,093        | 531                                         | -4,474                    | 0                                                         | -202              | 0                                | 0                                  | 0                                       | -373               | 0                           | 0                          | 0                              | 6             | 61,581        |
| Bank borrowings                                                     | 3,393         | 790                                         | -952                      | 0                                                         | 3                 | 0                                | 0                                  | 0                                       | 30                 | -58                         | 57                         | 0                              | 112           | 3,376         |
| Asset financing liabilities                                         | 120           | 4                                           | -1                        | 0                                                         | 0                 | 0                                | 0                                  | 0                                       | 0                  | 0                           | 0                          | 0                              | 0             | 123           |
| Cash borrowings (excluding overdrafts)                              | 1,903         | 0                                           | 0                         | 0                                                         | 0                 | 0                                | 0                                  | -1,245                                  | -27                | -1                          | 9                          | 0                              | 1             | 640           |
| Lease liabilities                                                   | 3,580         | 0                                           | 0                         | 0                                                         | 0                 | -1,031                           | 3                                  | 0                                       | 553                | -3                          | -34                        | 1,052                          | 4             | 4,124         |
| Liabilities for commitments to buy out non-controlling interests    | 867           | 0                                           | 0                         | 0                                                         | 0                 | 0                                | 0                                  | 0                                       | 516                | 0                           | 0                          | 0                              | 0             | 1,383         |
| Public-private partnership (PPP) payables                           | 2,287         | 0                                           | 0                         | -134                                                      | 0                 | 0                                | 0                                  | 0                                       | -27                | 0                           | 0                          | 0                              | 0             | 2,126         |
| Negative fair value of hedging and trading derivatives              | 2,813         | 0                                           | 0                         | 0                                                         | -38               | 0                                | 0                                  | 0                                       | -761               | 0                           | 0                          | 0                              | -14           | 1,999         |
| Financial grant                                                     | 4,886         | 0                                           | 0                         | 0                                                         | 0                 | 0                                | 0                                  | 0                                       | -772               | 0                           | 0                          | 0                              | 2,170         | 6,285         |
| <b>Assets (B)</b>                                                   | <b>32,231</b> | <b>0</b>                                    | <b>-2,983</b>             | <b>-134</b>                                               | <b>44</b>         | <b>0</b>                         | <b>0</b>                           | <b>0</b>                                | <b>-1,024</b>      | <b>-1</b>                   | <b>11</b>                  | <b>0</b>                       | <b>12,139</b> | <b>40,283</b> |
| Public Debt Fund (PDF) receivable                                   | 28,193        | 0                                           | -2,980                    | 0                                                         | 100               | 0                                | 0                                  | 0                                       | -788               | 0                           | 0                          | 0                              | 12,170        | 36,695        |
| Public-private partnership (PPP) receivables                        | 2,224         | 0                                           | 0                         | -134                                                      | 0                 | 0                                | 0                                  | 0                                       | -31                | 0                           | 0                          | 0                              | 0             | 2,059         |
| Other loans and receivables - Accrued interest                      | 5             | 0                                           | 0                         | 0                                                         | 1                 | 0                                | 0                                  | 0                                       | 0                  | 0                           | 0                          | 0                              | 1             | 7             |
| Deposits and caution money                                          | 39            | 0                                           | -3                        | 0                                                         | 0                 | 0                                | 0                                  | 0                                       | 0                  | 0                           | 11                         | 0                              | 0             | 46            |
| Positive fair value of hedging and trading derivatives              | 1,770         | 0                                           | 0                         | 0                                                         | -57               | 0                                | 0                                  | 0                                       | -205               | 0                           | 0                          | 0                              | -32           | 1,476         |
| <b>Financial income and expenses (C)</b>                            |               | <b>0</b>                                    | <b>0</b>                  | <b>0</b>                                                  | <b>-455</b>       | <b>0</b>                         | <b>-152</b>                        | <b>0</b>                                | <b>0</b>           | <b>0</b>                    | <b>0</b>                   | <b>0</b>                       | <b>0</b>      |               |
| Expenses                                                            |               | 0                                           | 0                         | 0                                                         | -2,131            | 0                                | -152                               | 0                                       | 0                  | 0                           | 0                          | 0                              | 0             |               |
| Income                                                              |               | 0                                           | 0                         | 0                                                         | 1,676             | 0                                | 0                                  | 0                                       | 0                  | 0                           | 0                          | 0                              | 0             |               |
| <b>Financing cash flows per the cash flow statement (A - B + C)</b> | <b>53,710</b> | <b>1,325</b>                                | <b>-2,444</b>             | <b>0</b>                                                  | <b>-736</b>       | <b>-1,031</b>                    | <b>-149</b>                        | <b>-1,245</b>                           | <b>163</b>         | <b>-61</b>                  | <b>21</b>                  | <b>1,052</b>                   | <b>-9,860</b> | <b>41,354</b> |

| 31/12/20                                                            |               | Cash flow from/used in financing activities |                          |                                                               |                   |                                 |                                    |                                      | Non-cash movements |                            |                            |                               |             | 31/12/21      |
|---------------------------------------------------------------------|---------------|---------------------------------------------|--------------------------|---------------------------------------------------------------|-------------------|---------------------------------|------------------------------------|--------------------------------------|--------------------|----------------------------|----------------------------|-------------------------------|-------------|---------------|
| In € millions                                                       | Total         | Issue of debt instruments                   | Repayments of borrowings | Cash inflows/(out-flows on) from PPP receivables and payables | Net interest paid | Repayments of lease liabilities | Interest paid on lease liabilities | Increase/decrease in cash borrowings | Fair value hedges  | Exchange rate fluctuations | Changes in Group structure | Non-monetary change in leases | Other       | Total         |
| <b>Liabilities (A)</b>                                              | <b>88,847</b> | <b>3,942</b>                                | <b>-4,014</b>            | <b>-282</b>                                                   | <b>-2</b>         | <b>-965</b>                     | <b>0</b>                           | <b>-636</b>                          | <b>-1,342</b>      | <b>152</b>                 | <b>-594</b>                | <b>976</b>                    | <b>-138</b> | <b>85,942</b> |
| Bond issues                                                         | 65,887        | 2,787                                       | -3,128                   | 0                                                             | 8                 | 0                               | 0                                  | 0                                    | 532                | 0                          | 0                          | 0                             | 6           | 66,093        |
| Bank borrowings                                                     | 3,195         | 1,155                                       | -886                     | 0                                                             | 0                 | 0                               | 0                                  | 0                                    | -25                | 91                         | 30                         | 0                             | -166        | 3,393         |
| Asset financing liabilities                                         | 123           | 0                                           | -1                       | 0                                                             | 0                 | 0                               | 0                                  | 0                                    | 0                  | 0                          | 0                          | 0                             | -3          | 120           |
| Cash borrowings (excluding overdrafts)                              | 2,493         | 0                                           | 0                        | 0                                                             | 0                 | 0                               | 0                                  | -636                                 | 46                 | 0                          | 0                          | 0                             | 1           | 1,903         |
| Lease liabilities                                                   | 4,015         | 0                                           | 0                        | 0                                                             | 0                 | -965                            | 0                                  | 0                                    | 113                | 58                         | -624                       | 976                           | 6           | 3,580         |
| Liabilities for commitments to buy out non-controlling interests    | 812           | 0                                           | 0                        | 0                                                             | 0                 | 0                               | 0                                  | 0                                    | 55                 | 0                          | 0                          | 0                             | 0           | 867           |
| Public-private partnership (PPP) payables                           | 2,439         | 0                                           | 0                        | -282                                                          | 0                 | 0                               | 0                                  | 0                                    | 131                | 0                          | 0                          | 0                             | 0           | 2,287         |
| Negative fair value of hedging and trading derivatives              | 4,399         | 0                                           | 0                        | 0                                                             | -9                | 0                               | 0                                  | 0                                    | -1,599             | 3                          | 0                          | 0                             | 19          | 2,813         |
| Financial grant                                                     | 5,480         | 0                                           | 0                        | 0                                                             | 0                 | 0                               | 0                                  | 0                                    | -594               | 0                          | 0                          | 0                             | 0           | 4,886         |
| <b>Assets (B)</b>                                                   | <b>34,514</b> | <b>0</b>                                    | <b>-1,268</b>            | <b>-279</b>                                                   | <b>-9</b>         | <b>0</b>                        | <b>0</b>                           | <b>0</b>                             | <b>-735</b>        | <b>1</b>                   | <b>0</b>                   | <b>0</b>                      | <b>6</b>    | <b>32,231</b> |
| Public Debt Fund (PDF) receivable                                   | 30,076        | 0                                           | -1,271                   | 0                                                             | -2                | 0                               | 0                                  | 0                                    | -610               | 0                          | 0                          | 0                             | 0           | 28,193        |
| Public-private partnership (PPP) receivables                        | 2,376         | 0                                           | 0                        | -279                                                          | 0                 | 0                               | 0                                  | 0                                    | 127                | 0                          | 0                          | 0                             | 0           | 2,224         |
| Other loans and receivables - Accrued interest                      | 5             | 0                                           | 0                        | 0                                                             | 1                 | 0                               | 0                                  | 0                                    | 0                  | 0                          | 0                          | 0                             | -1          | 5             |
| Deposits and caution money                                          | 34            | 0                                           | 4                        | 0                                                             | 0                 | 0                               | 0                                  | 0                                    | 0                  | 1                          | 0                          | 0                             | 0           | 39            |
| Positive fair value of hedging and trading derivatives              | 2,023         | 0                                           | 0                        | 0                                                             | -8                | 0                               | 0                                  | 0                                    | -252               | 0                          | 0                          | 0                             | 7           | 1,770         |
| <b>Financial income and expenses (C)</b>                            |               | <b>0</b>                                    | <b>0</b>                 | <b>0</b>                                                      | <b>-928</b>       | <b>0</b>                        | <b>-143</b>                        | <b>0</b>                             | <b>0</b>           | <b>0</b>                   | <b>0</b>                   | <b>0</b>                      | <b>0</b>    |               |
| Expenses                                                            |               | 0                                           | 0                        | 0                                                             | -2,035            | 0                               | -143                               | 0                                    | 0                  | 0                          | 0                          | 0                             | 0           |               |
| Income                                                              |               | 0                                           | 0                        | 0                                                             | 1,107             | 0                               | 0                                  | 0                                    | 0                  | 0                          | 0                          | 0                             | 0           |               |
| <b>Financing cash flows per the cash flow statement (A - B + C)</b> | <b>54,332</b> | <b>3,942</b>                                | <b>-2,747</b>            | <b>-4</b>                                                     | <b>-921</b>       | <b>-965</b>                     | <b>-143</b>                        | <b>-636</b>                          | <b>-606</b>        | <b>150</b>                 | <b>-594</b>                | <b>976</b>                    | <b>-144</b> | <b>53,711</b> |



### 6.3.2.7 Debt classified as French State debt

In a press release published on 6 September 2018, INSEE announced that it had decided in agreement with Eurostat to reclassify SNCF Réseau as a public administration, as defined by the Maastricht Treaty, from 2016 considering that this operator is a Centrally Administered Body Accordingly.

The SNCF Réseau operating loss was incorporated into the French State's operating loss and its debt has been included in the public debt since 2016. This reclassification did not lead to a change in the SNCF Réseau financial statements. The SNCF Group remains responsible for the operating management of the debt.

Pursuant to Article 2111-17-1 of the rail reform, SNCF Réseau publishes every year the amount of reclassified debt in the French State debt as well as the related forecast changes.

## 6.4 MANAGEMENT OF MARKET RISKS AND HEDGING

The management of financial risks in the Group is strictly governed by the "Financial risk management framework", a document approved by the SNCF SA Board of Directors.

This management framework details the central role within the Group of SNCF SA, which is responsible for strategic and financial management. More precisely, it defines the methods for managing financial risks and specifies the instruments authorised and the intervention limits.

In 2022, SNCF SA helped Keolis extend its €670 million Credit Revolving Facility until 2027, renegotiate its €600 million Term Loan Sustainable maturing in 2026, and set up a €100 million bank loan in early 2023 as part of its refinancing. These transactions enabled Keolis to maintain a solid liquidity while diversifying its financing sources, reducing its refinancing risk and reducing its number of credit lines.

SNCF SA ensures compliance with the financial risk management framework on a day-to-day basis by preparing daily reports.

As the sole issuer on financial markets, SNCF SA secures financing for the entire Group. The subsidiaries may be financed in the short-term through current account advances and in the long-term through loans granted by SNCF SA. A bank account cash pooling system was also set up by 22 Group subsidiaries.

### 6.4.1 Interest rate risk management

The cost of long-term net indebtedness is optimised, with regard to interest rates, by managing the mix of fixed and floating rate borrowings. A target long-term debt structure that is at least 90% fixed-rate validated by the SNCF SA Board of Directors has been maintained during 2022. A limited margin of +/- 3 points around this target is nonetheless authorised.

After the health crisis of 2020/2021, the world economy has been going through a crisis since 2022 characterised by major supply difficulties, inflationary shock and rate hikes unprecedented for several decades. Nevertheless, the Group's exposure to interest rate risk remains under control.

In order to manage the allocation of its debt by interest rate type, the Group uses firm and optional interest rate swap instruments within the limits defined by the above general framework.

The fixed-rate portion of gross long-term borrowings minus the PDF receivables of the Group's two main contributors (SNCF SA and SNCF Réseau) as at 31 December 2022

represented 88.18% compared to 89.96% as at 31 December 2021. This allocation is monitored on a daily basis.

For this same scope, the cost of long-term debt net of the PDF receivable was 2.49% for fiscal year 2022, compared to 2.71% for fiscal year 2021.

In managing its interest rate risk, SNCF SA is also authorised to enter into advanced hedges of future issues.

Within the General risk framework, SNCF therefore launched an advanced hedging campaign covering a potential increase in 2022 to 2024 long-term annual financing rates:

- Advance hedging of 2022 financing totalling €500 million through six interest rate swaps, unwound on the issue of a bond of the same amount in October. The unwinding of this transaction led to the receipt of a balancing amount of approximately €51.5 million
- Advance hedging at 31/12/2022 of future 2023 issues through six interest rate swaps totalling €600 million
- Advance hedging at 31/12/2022 of future 2024 issues through six interest rate swaps totalling €300 million.

#### Sensitivity analysis

The sensitivity of profit or loss to the risk of interest rate fluctuations is related to:

- floating-rate net debt after taking into account hedges;
- fair value option debt;
- derivative instruments not qualified as hedges within the meaning of IFRS 9.

The sensitivity of recyclable reserves (equity) to the risk of interest rate fluctuations is related to derivatives qualified as cash flow hedges.

The sensitivity analysis was determined based on a 50 basis point (bp) increase and decrease in the interest rate curve at the year-end, and breaks down as follows:

| In € millions                                                                     | 31/12/2022 |                     |            |                     | 31/12/2021 |                     |            |                     |
|-----------------------------------------------------------------------------------|------------|---------------------|------------|---------------------|------------|---------------------|------------|---------------------|
|                                                                                   | +50 bp     |                     | - 50 bp    |                     | +50 bp     |                     | - 50 bp    |                     |
|                                                                                   | Net profit | Recyclable reserves | Net profit | Recyclable reserves | Net profit | Recyclable reserves | Net profit | Recyclable reserves |
| Floating-rate financial instruments (after taking into account fair value hedges) | 24         | 0                   | -24        | 0                   | 23         | 0                   | -24        | 0                   |
| Fair value option debt                                                            | 1          | 0                   | -1         | 0                   | 2          | 0                   | -2         | 0                   |
| Derivatives not qualified as hedges                                               | 0          | 0                   | 0          | 0                   | 0          | 0                   | -2         | 0                   |
| Derivatives qualified as cash flow hedges                                         | 36         | 418                 | -30        | -464                | 40         | 662                 | -47        | -747                |
| <b>Total</b>                                                                      | <b>62</b>  | <b>419</b>          | <b>-56</b> | <b>-465</b>         | <b>65</b>  | <b>662</b>          | <b>-74</b> | <b>-748</b>         |

The breakdown by interest rate of loans and borrowings, before and after adjustment for derivatives (hedging and trading), is as follows:

| In € millions                     | Initial debt structure |               | Structure after IFRS hedging |               |
|-----------------------------------|------------------------|---------------|------------------------------|---------------|
|                                   | 31/12/2022             | 31/12/2021    | 31/12/2022                   | 31/12/2021    |
| Fixed rate                        | 56,492                 | 61,113        | 58,883                       | 61,988        |
| Floating rate                     | 4,316                  | 4,472         | 3,742                        | 5,256         |
| Inflation rate                    | 4,273                  | 4,021         | 2,456                        | 2,362         |
| <b>Total loans and borrowings</b> | <b>65,080</b>          | <b>69,606</b> | <b>65,081</b>                | <b>69,606</b> |

#### 6.4.2 Economic hedging transactions

The interest rate derivatives presented under trading instruments all relate to economic hedging transactions.

The transactions can be broken down into two debt rate hedging strategy groups. Their nominal amounts and fair values as at 31 December 2022 and 2021 are presented below:

| In € millions                                                 |     | Nominal amount | 31/12/2022               |                               | Total carrying amount |
|---------------------------------------------------------------|-----|----------------|--------------------------|-------------------------------|-----------------------|
|                                                               |     |                | Carrying amount (assets) | Carrying amount (liabilities) |                       |
| Group debt floating-rate payer swaps                          |     | 3,376          | 119                      | 59                            | 62                    |
| Floating-rate debt reset swaps                                | (1) | 3,376          | 53                       | 52                            |                       |
| Cross currency swaps hedging debt under the fair value option | (2) | 61             | 0                        | 1                             | -1                    |
| Debt economic hedge swaps                                     | (3) | 100            | 6                        | 6                             | 0                     |
| <b>Total</b>                                                  |     | <b>6,913</b>   | <b>178</b>               | <b>118</b>                    | <b>60</b>             |

| In € millions                                                 |     | Nominal amount | 31/12/2021               |                               | Total carrying amount |
|---------------------------------------------------------------|-----|----------------|--------------------------|-------------------------------|-----------------------|
|                                                               |     |                | Carrying amount (assets) | Carrying amount (liabilities) |                       |
| Group debt floating-rate payer swaps                          |     | 3,376          | 454                      | 0                             | 98                    |
| Floating-rate debt reset swaps                                | (1) | 3,376          | 0                        | 357                           |                       |
| Cross currency swaps hedging debt under the fair value option | (2) | 61             | 7                        | 0                             | 7                     |
| Debt economic hedge swaps                                     | (3) | 220            | 1                        | 13                            | -11                   |
| <b>Total</b>                                                  |     | <b>7,033</b>   | <b>463</b>               | <b>369</b>                    | <b>93</b>             |

(1) Prior to the transition to IFRS 9, the Group reset debts hedged by fixed-rate receiver/floating-rate payer swaps by setting up cross currency swaps. It could not be classified as a hedging relationship as the combination of instruments was not eligible for hedging under IAS 39. The floating-rate payer and reset swaps are perfectly matched and do not expose the Group to interest rate risk. These swaps were recognised as trading instruments as the floating-rate payer swaps were declassified upon setting up the reset swaps. The impacts of these swaps on Group net finance costs were immaterial as changes in fair value were offset against net interest income.

(2) Derivatives were set up as an economic hedge of a debt recognised at fair value through profit or loss (fair value option). The changes in fair value of the derivatives

recognised in profit or loss were offset by the changes in fair value of the hedged debt recognised in profit or loss. These transactions did not generate any P&L volatility.

(3) This heading includes debt economic hedging derivatives that do not qualify for hedging in accounting terms. These transactions did not generate any major P&L volatility.

#### 6.4.3 Foreign currency risk management

Foreign currency-denominated transactions are translated by the subsidiary into its functional currency at the exchange rate prevailing on the transaction date. Monetary items in the balance sheet are retranslated at the closing exchange rate at each balance sheet date. The resulting translation differences are recorded in profit or loss

or as a separate equity component if they relate to hedging transactions qualifying as net investments or cash flows under IFRS.

The commercial activities of the Group do not expose it to material foreign currency risk.

As part of its financial strategy which aims to diversify access to sources of finance and optimise finance costs, SNCF SA issues bonds in foreign currencies that are

The breakdown by currency of loans and borrowings, before and after adjustment for derivatives (hedging and trading), is as follows:

| In € millions                     | Initial debt structure |               | Structure after currency hedging |               |
|-----------------------------------|------------------------|---------------|----------------------------------|---------------|
|                                   | 31/12/2022             | 31/12/2021    | 31/12/2022                       | 31/12/2021    |
| Euro                              | 55,169                 | 57,802        | 64,372                           | 68,728        |
| Swiss franc                       | 1,201                  | 1,228         | 0                                | 0             |
| US dollar                         | 2,021                  | 3,262         | 112                              | 114           |
| Canadian dollar                   | 201                    | 223           | 0                                | 0             |
| Pound sterling                    | 5,053                  | 5,464         | 508                              | 625           |
| Yen                               | 538                    | 657           | 0                                | 0             |
| Australian dollar                 | 373                    | 396           | 43                               | 64            |
| Hong Kong dollar                  | 175                    | 165           | 0                                | 0             |
| Norwegian krone                   | 51                     | 60            | 0                                | 0             |
| Swedish krona                     | 254                    | 275           | 0                                | 0             |
| Singapore dollar                  | 0                      | 0             | 0                                | 0             |
| Other                             | 44                     | 75            | 44                               | 75            |
| <b>Total loans and borrowings</b> | <b>65,080</b>          | <b>69,606</b> | <b>65,080</b>                    | <b>69,606</b> |

Given the small percentage of unhedged foreign currency denominated borrowings, net profit or loss is not, in the Group's opinion, sensitive to foreign currency risk.

#### 6.4.4 Commodity risk management

The Group's production requirements expose it to the risk of fluctuations in the price of petroleum products and more broadly energy. This risk is managed using firm and optional derivatives (swaps, options, caps, floors).

– At Keolis, six zero premium diesel hedging collars for a volume of 8,100 tonnes of diesel as at 31 December 2022 were set up by Keolis SA and designated as cash flow hedges. These collars are accounted for as operating receivables and present a fair value of €0.2 million as at the end of December. These collars expire between 30 June 2023 and 31 December 2023.

To recap, Keolis had set up and designated as cash flow hedges nine diesel hedges involving zero-premium collars for a volume of 9,850 tonnes of diesel as at 31 December 2021. These collars presented a fair value of €0.8 million as at the end of December.

– SNCF Énergie, in its capacity as electricity supplier to the Group's subsidiaries for their energy needs on the French traction network, enters into forward contracts with the market or regulatory bodies.

When the volumes contracted are exclusively intended to cover the Group's physical needs, they are not qualified as derivatives, under the "own use" exemption stipulated in IFRS 9.

From 1 January 2020, forward electricity purchases on an annual basis (excluding ARENH nuclear power quotas) performed by SNCF Énergie are classified as cash flow hedges. The objective of the strategy remains to hedge the purchase price of electricity and purchase energy at the lowest possible cost.

Conversely, and marginally, when the volumes can be settled on the market for financial optimisation purposes, they are qualified as trading derivatives.

covered by currency hedges from the bond issue date. The foreign currency denominated cash flows (principal payments and interest) are hedged by currency derivatives which convert this debt into euro debt.

Regarding SNCF Réseau, the foreign currency risk on resources raised in currencies other than the euro is also hedged by currency hedges that convert such resources into euros.

#### 6.4.5 Counterparty risk management

The Group is exposed to counterparty risk in connection with its cash investments and the subscription of derivatives from its financial partners, insofar as the debtor refuses to honour all or part of its commitment or does not have the means to respect it. To manage and limit this risk, investment instruments and derivatives are only entered into with financial institutions corresponding to the credit rating and equity criteria validated by the SNCF SA Board of Directors. A limited commitment amount by institution is determined according to these criteria. Compliance with the authorised limit by counterparty is monitored daily. To hedge counterparty risk regarding their derivative financial instruments, SNCF Réseau and SNCF SA perform weekly margin calls with their financial counterparties. Collateral (in cash only) is called up in the amount of the market value of the financial instrument portfolios for each counterparty with whom SNCF Réseau and SNCF SA are at risk.

Customer credit risk is limited and presented in Note 4.5.2.

##### 6.4.5.1 Financial investments

The aforementioned general framework defines the counterparty approval procedure, which is based on a quantitative and qualitative analysis of counterparties.

Volume limits according to investment terms are defined for each counterparty, taking into account its equity, rating and nationality. The extent to which authorised limits are used, based on the nominal amount of the transactions, is measured daily and reported.

##### Cash and cash equivalents

Financial investments are diversified. They primarily consist of negotiable debt instruments (commercial paper) and subscriptions to French money market mutual funds (UCITS). Given their short residual term and breakdown, no major credit risk exposure is generated.

### Portfolio of investments in equity instruments

Investments in equity instruments solely comprise nonconsolidated investments. The fair value of these instruments is determined at each balance sheet date.

#### 6.4.5.2 Derivative financial instruments

The purpose of derivative instruments is to manage interest rate, foreign currency and commodity risk.

The financial risk management framework defines the counterparty approval procedure for derivatives, which is based on a quantitative and qualitative analysis of counterparties.

Volume limits are defined for each counterparty, taking into account its equity, rating and geographic zone. The extent to which authorised limits are used, based for investments on the nominal amount of transactions, is measured daily and reported. The counterparty approval procedure for derivative instruments also involves the signature of a framework agreement. A collateral agreement defining the collateral management terms is signed with all bank counterparties working with SNCF SA and SNCF Réseau in order to limit credit risk. All the

medium and long-term derivative financial instruments (interest rate swaps, currency swaps) negotiated with bank counterparties are hedged by these collateral agreements.

The table below presents the information required by IFRS 7 “Disclosures: offsetting financial assets and financial liabilities.” For financial assets and liabilities subscribed as part of agreements with a legally enforceable netting clause, this involves a presentation of amounts before and after offsetting as at 31 December. It includes commodity derivatives. These derivatives are recorded in operating payables and receivables when they qualify as hedging instruments within the meaning of IFRS 9.

As at 31 December 2022, they were classified as assets for €53 million (€226 million as at 31 December 2021) and liabilities for €62 million (€1 million as at 31 December 2021). The “Cash collateral” column corresponds to the outstanding on collateralisation agreements for derivative financial instruments that do not meet the offsetting criteria established by IAS 32 “Financial instruments: Presentation.”

| 31/12/2022<br>In € millions | Gross | Amounts<br>offset in the<br>balance<br>sheet | Net<br>amounts<br>presented<br>in the<br>balance<br>sheet | Amounts not offset in the balance sheet |                                       | Net<br>amounts |
|-----------------------------|-------|----------------------------------------------|-----------------------------------------------------------|-----------------------------------------|---------------------------------------|----------------|
|                             |       |                                              |                                                           | Cash<br>collateral                      | Derivatives with<br>netting agreement |                |
| Asset derivatives           | 1,546 | 0                                            | 1,546                                                     | 325                                     | 888                                   | 334            |
| Liability derivatives       | 2,078 | 0                                            | 2,078                                                     | 840                                     | 886                                   | 352            |
| Net derivative position     | -532  | 0                                            | -532                                                      | -515                                    | 1                                     | -19            |

| 31/12/2021<br>In € millions | Gross | Amounts<br>offset in the<br>balance<br>sheet | Net<br>amounts<br>presented<br>in the<br>balance<br>sheet | Amounts not offset in the balance sheet |                                       | Net<br>amounts |
|-----------------------------|-------|----------------------------------------------|-----------------------------------------------------------|-----------------------------------------|---------------------------------------|----------------|
|                             |       |                                              |                                                           | Cash<br>collateral                      | Derivatives with<br>netting agreement |                |
| Asset derivatives           | 1,996 | 0                                            | 1,996                                                     | 375                                     | 1,068                                 | 553            |
| Liability derivatives       | 2,814 | 0                                            | 2,814                                                     | 1,345                                   | 1,056                                 | 413            |
| Net derivative position     | -818  | 0                                            | -818                                                      | -971                                    | 12                                    | 140            |

#### 6.4.6 Liquidity risk management

Due to the proactive management of its liquidity, the quality of its signature and its frequent presence on international capital markets, SNCF SA enjoys diversified access to both short-term (treasury bills, commercial paper) and long-term (public and private bond issues and monetisation of receivables) financing sources.

SNCF SA assures its daily liquidity through a Neu-CP programme (formerly a commercial paper programme) capped at €3,000 million and used in the amount of €664.2 million as at 31 December 2022 (€1,333 million as

at 31 December 2021) and in the amount of €662.4 million on average in 2022.

SNCF SA has set-up an EMTN programme capped at €15 billion on the long-term financial markets for financing purposes. Programme outstandings stood at €9.2 billion as at 31 December 2022.

In 2022, SNCF financed €531.5 million on the markets in two long-term deals. SNCF SA set up a Euro Commercial Paper program in early 2020 for a maximum amount of €5,000 million, used in the amount of €210.7 million as at 31 December 2022 and in the amount of €463.3 million on average in 2022.

Furthermore, SNCF SA has an unused syndicated credit facility in the amount of €3,500 million in 2022.

Total confirmed credit lines of the Group break down as follows:

| In € millions                           | Total | Maturity schedule |              |           |
|-----------------------------------------|-------|-------------------|--------------|-----------|
|                                         |       | < 1 years         | 1 to 5 years | > 5 years |
| Confirmed credit lines as at 31/12/2022 | 4,446 | 164               | 4,208        | 74        |
| Confirmed credit lines as at 31/12/2021 | 4,466 | 129               | 4,283        | 54        |



The maturity schedule for the carrying amounts of loans and borrowings is as follows:

| <i>In € millions</i>                               | 31/12/2022    | 31/12/2021    |
|----------------------------------------------------|---------------|---------------|
| Less than 1 year                                   | 7,568         | 6,193         |
| 1 to 5 years                                       | 17,829        | 21,395        |
| 5 to 10 years                                      | 13,109        | 14,153        |
| 10 to 20 years                                     | 14,781        | 12,975        |
| 20 years and thereafter                            | 12,270        | 14,944        |
| Changes in fair value (designated at "fair value") | -1            | 5             |
| Changes in fair value (hedge accounting)           | -476          | -61           |
| <b>Total</b>                                       | <b>65,080</b> | <b>69,606</b> |
| Fair value of non-current derivatives              | 1,923         | 2,701         |
| Fair value of current derivatives                  | 76            | 113           |
| <b>Total loans and borrowings</b>                  | <b>67,079</b> | <b>72,420</b> |

The maturity schedule of financial assets and liabilities included into the definition of indebtedness based on year-end exchange and interest rates (outflows in negative and inflows in positive) is as follows:

| <i>In € millions</i>                                                        | 31/12/2022     |                  |                |                |                |                         |
|-----------------------------------------------------------------------------|----------------|------------------|----------------|----------------|----------------|-------------------------|
|                                                                             | Total          | Less than 1 year | 1 to 5 years   | 5 to 10 years  | 10 to 20 years | 20 years and thereafter |
| <b>Bonds</b>                                                                | <b>-81,262</b> | <b>-9,733</b>    | <b>-20,048</b> | <b>-16,582</b> | <b>-18,230</b> | <b>-16,669</b>          |
| <i>Principal</i>                                                            | -61,087        | -6,807           | -15,078        | -12,531        | -13,721        | -12,949                 |
| <i>Interest cash flow</i>                                                   | -20,175        | -2,926           | -4,970         | -4,051         | -4,508         | -3,720                  |
| <b>Bank borrowings</b>                                                      | <b>-3,526</b>  | <b>-280</b>      | <b>-2,670</b>  | <b>-121</b>    | <b>-455</b>    | <b>-1</b>               |
| <i>Principal</i>                                                            | -3,120         | -180             | -2,430         | -82            | -427           | -1                      |
| <i>Interest cash flow</i>                                                   | -406           | -99              | -239           | -39            | -28            | 0                       |
| <b>Asset financing liabilities</b>                                          | <b>-158</b>    | <b>-4</b>        | <b>-18</b>     | <b>-136</b>    | <b>0</b>       | <b>0</b>                |
| <i>Principal</i>                                                            | -123           | 0                | -4             | -119           | 0              | 0                       |
| <i>Interest cash flow</i>                                                   | -35            | -4               | -15            | -16            | 0              | 0                       |
| <b>Borrowings sub-total</b>                                                 | <b>-84,946</b> | <b>-10,016</b>   | <b>-22,736</b> | <b>-16,839</b> | <b>-18,685</b> | <b>-16,670</b>          |
| <i>Principal</i>                                                            | -64,330        | -6,988           | -17,512        | -12,732        | -14,148        | -12,950                 |
| <i>Interest cash flow</i>                                                   | -20,615        | -3,029           | -5,224         | -4,107         | -4,537         | -3,720                  |
| <b>Cash borrowings and overdrafts</b>                                       | <b>-1,028</b>  | <b>-1,028</b>    | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>                |
| <b>Public-Private Partnership (PPP) payables</b>                            | <b>-2,980</b>  | <b>-279</b>      | <b>-910</b>    | <b>-942</b>    | <b>-848</b>    | <b>0</b>                |
| <i>Principal</i>                                                            | -2,126         | -279             | -769           | -633           | -446           | 0                       |
| <i>Interest cash flow</i>                                                   | -853           | 0                | -142           | -310           | -402           | 0                       |
| <b>I - Total borrowings</b>                                                 | <b>-88,954</b> | <b>-11,324</b>   | <b>-23,646</b> | <b>-17,781</b> | <b>-19,533</b> | <b>-16,670</b>          |
| <b>Public-private partnership (PPP) receivables</b>                         | <b>2,896</b>   | <b>268</b>       | <b>837</b>     | <b>941</b>     | <b>850</b>     | <b>0</b>                |
| <i>Principal</i>                                                            | 2,059          | 268              | 713            | 631            | 447            | 0                       |
| <i>Interest cash flow</i>                                                   | 837            | 0                | 125            | 310            | 402            | 0                       |
| <b>Public Debt Fund receivable</b>                                          | <b>37,062</b>  | <b>3,698</b>     | <b>8,769</b>   | <b>7,543</b>   | <b>10,480</b>  | <b>6,573</b>            |
| <i>Principal</i>                                                            | 29,929         | 3,052            | 6,873          | 5,930          | 8,813          | 5,260                   |
| <i>Interest cash flow</i>                                                   | 7,134          | 646              | 1,895          | 1,613          | 1,667          | 1,313                   |
| <b>Other loans and receivables and cash collateral</b>                      | <b>2,050</b>   | <b>993</b>       | <b>900</b>     | <b>85</b>      | <b>68</b>      | <b>3</b>                |
| <i>Principal</i>                                                            | 2,048          | 993              | 899            | 85             | 68             | 3                       |
| <i>Interest cash flow</i>                                                   | 2              | 1                | 2              | 0              | 0              | 0                       |
| <b>Cash and cash equivalents</b>                                            | <b>9,874</b>   | <b>9,874</b>     | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>                |
| <b>II - Financial assets</b>                                                | <b>51,882</b>  | <b>14,834</b>    | <b>10,506</b>  | <b>8,568</b>   | <b>11,398</b>  | <b>6,576</b>            |
| <i>Interest cash flow on hedging derivatives with a negative fair value</i> | -740           | -49              | -274           | -194           | -159           | -65                     |
| <i>Interest cash flow on trading derivatives with a negative fair value</i> | -130           | -32              | -76            | -20            | -1             | -1                      |
| <i>Interest cash flow on hedging derivatives with a positive fair value</i> | 641            | 125              | 115            | 124            | 151            | 127                     |
| <i>Interest cash flow on trading derivatives with a positive fair value</i> | 194            | 69               | 103            | 22             | 0              | 0                       |
| <b>III - Derivative financial instruments</b>                               | <b>-37</b>     | <b>112</b>       | <b>-132</b>    | <b>-69</b>     | <b>-9</b>      | <b>60</b>               |
| <b>Net indebtedness (I + II + III)</b>                                      | <b>-37,108</b> | <b>3,622</b>     | <b>-13,272</b> | <b>-9,282</b>  | <b>-8,144</b>  | <b>-10,033</b>          |

| Maturity schedule                                                           |                |                  |                |                |                | 31/12/2021              |
|-----------------------------------------------------------------------------|----------------|------------------|----------------|----------------|----------------|-------------------------|
| <i>In € millions</i>                                                        | Total          | Less than 1 year | 1 to 5 years   | 5 to 10 years  | 10 to 20 years | 20 years and thereafter |
| <b>Bonds</b>                                                                | <b>-86,429</b> | <b>-8,082</b>    | <b>-24,842</b> | <b>-17,345</b> | <b>-16,612</b> | <b>-19,547</b>          |
| <i>Principal</i>                                                            | -64,665        | -4,856           | -19,333        | -13,220        | -11,958        | -15,297                 |
| <i>Interest cash flow</i>                                                   | -21,764        | -3,226           | -5,509         | -4,125         | -4,654         | -4,250                  |
| <b>Bank borrowings</b>                                                      | <b>-3,491</b>  | <b>-310</b>      | <b>-2,355</b>  | <b>-366</b>    | <b>-459</b>    | <b>-2</b>               |
| <i>Principal</i>                                                            | -3,258         | -256             | -2,232         | -342           | -427           | -2                      |
| <i>Interest cash flow</i>                                                   | -233           | -54              | -123           | -24            | -32            | 0                       |
| <b>Finance lease liabilities</b>                                            | <b>-123</b>    | <b>1</b>         | <b>-2</b>      | <b>-3</b>      | <b>-118</b>    | <b>0</b>                |
| <i>Principal</i>                                                            | -120           | 0                | -2             | 0              | -118           | 0                       |
| <i>Interest cash flow</i>                                                   | -3             | 1                | 0              | -3             | 0              | 0                       |
| <b>Borrowings sub-total</b>                                                 | <b>-90,043</b> | <b>-8,392</b>    | <b>-27,200</b> | <b>-17,714</b> | <b>-17,189</b> | <b>-19,548</b>          |
| <i>Principal</i>                                                            | -68,043        | -5,112           | -21,567        | -13,562        | -12,503        | -15,299                 |
| <i>Interest cash flow</i>                                                   | -22,001        | -3,280           | -5,633         | -4,152         | -4,687         | -4,250                  |
| <b>Cash borrowings and overdrafts</b>                                       | <b>-2,291</b>  | <b>-2,291</b>    | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>                |
| <b>Public-Private Partnership (PPP) payables</b>                            | <b>-3,456</b>  | <b>-487</b>      | <b>-980</b>    | <b>-993</b>    | <b>-997</b>    | <b>0</b>                |
| <i>Principal</i>                                                            | -2,287         | -279             | -838           | -663           | -508           | 0                       |
| <i>Interest cash flow</i>                                                   | -1,169         | -208             | -142           | -330           | -489           | 0                       |
| <b>I - Total borrowings</b>                                                 | <b>-95,790</b> | <b>-11,170</b>   | <b>-28,180</b> | <b>-18,706</b> | <b>-18,186</b> | <b>-19,548</b>          |
| <b>Public-private partnership (PPP) receivables</b>                         | <b>3,385</b>   | <b>475</b>       | <b>918</b>     | <b>990</b>     | <b>1,003</b>   | <b>0</b>                |
| <i>Principal</i>                                                            | 2,224          | 268              | 783            | 660            | 513            | 0                       |
| <i>Interest cash flow</i>                                                   | 1,161          | 207              | 135            | 330            | 489            | 0                       |
| <b>Public Debt Fund receivable</b>                                          | <b>30,677</b>  | <b>2,809</b>     | <b>9,047</b>   | <b>5,802</b>   | <b>6,888</b>   | <b>6,131</b>            |
| <i>Principal</i>                                                            | 22,909         | 2,109            | 6,880          | 4,144          | 5,090          | 4,686                   |
| <i>Interest cash flow</i>                                                   | 7,768          | 699              | 2,167          | 1,658          | 1,799          | 1,445                   |
| <b>Other loans and receivables and cash collateral</b>                      | <b>2,788</b>   | <b>1,454</b>     | <b>921</b>     | <b>313</b>     | <b>94</b>      | <b>5</b>                |
| <i>Principal</i>                                                            | 2,705          | 1,432            | 874            | 300            | 94             | 5                       |
| <i>Interest cash flow</i>                                                   | 83             | 22               | 48             | 13             | 0              | 0                       |
| <b>Cash and cash equivalents</b>                                            | <b>10,772</b>  | <b>10,772</b>    | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>                |
| <b>II - Financial assets</b>                                                | <b>47,622</b>  | <b>15,510</b>    | <b>10,886</b>  | <b>7,105</b>   | <b>7,985</b>   | <b>6,136</b>            |
| <i>Interest cash flow on hedging derivatives with a negative fair value</i> | -889           | -15              | -229           | -289           | -288           | -68                     |
| <i>Interest cash flow on trading derivatives with a negative fair value</i> | -365           | -106             | -236           | -13            | -5             | -5                      |
| <i>Interest cash flow on hedging derivatives with a positive fair value</i> | 1,093          | 70               | 278            | 293            | 286            | 165                     |
| <i>Interest cash flow on trading derivatives with a positive fair value</i> | 463            | 143              | 303            | 17             | 0              | 0                       |
| <b>III - Derivative financial instruments</b>                               | <b>303</b>     | <b>92</b>        | <b>117</b>     | <b>9</b>       | <b>-6</b>      | <b>92</b>               |
| <b>Net indebtedness (I + II + III)</b>                                      | <b>-47,865</b> | <b>4,432</b>     | <b>-17,177</b> | <b>-11,593</b> | <b>-10,207</b> | <b>-13,321</b>          |

The maturity schedule of financial assets and liabilities not included in the definition of indebtedness based on year-end exchange and interest rates is as follows:

| Maturity schedule                                                 | 31/12/2022    |                  |               |               |                |                         |
|-------------------------------------------------------------------|---------------|------------------|---------------|---------------|----------------|-------------------------|
| (In € millions)                                                   | Total         | Less than 1 year | 1 to 5 years  | 5 to 10 years | 10 to 20 years | 20 years and thereafter |
| <b>Lease liabilities</b>                                          | <b>-4,547</b> | <b>-1,104</b>    | <b>-2,623</b> | <b>-647</b>   | <b>-154</b>    | <b>-19</b>              |
| Principal                                                         | -4,106        | -975             | -2,392        | -586          | -140           | -13                     |
| Interest cash flow                                                | -441          | -130             | -231          | -61           | -14            | -5                      |
| <b>Concession financial liabilities</b>                           | <b>-51</b>    | <b>2</b>         | <b>-41</b>    | <b>-5</b>     | <b>-2</b>      | <b>-4</b>               |
| Principal                                                         | -51           | 2                | -41           | -5            | -2             | -4                      |
| Interest cash flow                                                | 0             | 0                | 0             | 0             | 0              | 0                       |
| <b>Public-Private Partnership (PPP) payables</b>                  | <b>0</b>      | <b>0</b>         | <b>0</b>      | <b>0</b>      | <b>0</b>       | <b>0</b>                |
| Principal                                                         | 0             | 0                | 0             | 0             | 0              | 0                       |
| Interest cash flow                                                | 0             | 0                | 0             | 0             | 0              | 0                       |
| <b>I - Financial liabilities not included in net indebtedness</b> | <b>-4,597</b> | <b>-1,102</b>    | <b>-2,665</b> | <b>-652</b>   | <b>-156</b>    | <b>-23</b>              |
| <b>Public-private partnership (PPP) receivables</b>               | <b>0</b>      | <b>0</b>         | <b>0</b>      | <b>0</b>      | <b>0</b>       | <b>0</b>                |
| Principal                                                         | 0             | 0                | 0             | 0             | 0              | 0                       |
| Interest cash flow                                                | 0             | 0                | 0             | 0             | 0              | 0                       |
| <b>Concession financial assets</b>                                | <b>1,916</b>  | <b>295</b>       | <b>1,580</b>  | <b>36</b>     | <b>5</b>       | <b>0</b>                |
| Principal                                                         | 1,783         | 246              | 1,497         | 36            | 5              | 0                       |
| Interest cash flow                                                | 133           | 50               | 84            | 0             | 0              | 0                       |
| <b>Lease receivables</b>                                          | <b>13</b>     | <b>1</b>         | <b>3</b>      | <b>3</b>      | <b>5</b>       | <b>0</b>                |
| Principal                                                         | 9             | 1                | 2             | 2             | 4              | 0                       |
| Interest cash flow                                                | 3             | 0                | 1             | 1             | 1              | 0                       |
| <b>II - Financial assets not included in net indebtedness</b>     | <b>1,929</b>  | <b>296</b>       | <b>1,584</b>  | <b>39</b>     | <b>10</b>      | <b>0</b>                |

| Maturity schedule                                                 | 31/12/2021    |                  |               |               |                |                         |
|-------------------------------------------------------------------|---------------|------------------|---------------|---------------|----------------|-------------------------|
| (In € millions)                                                   | Total         | Less than 1 year | 1 to 5 years  | 5 to 10 years | 10 to 20 years | 20 years and thereafter |
| <b>Lease liabilities</b>                                          | <b>-3,880</b> | <b>-973</b>      | <b>-2,183</b> | <b>-616</b>   | <b>-92</b>     | <b>-16</b>              |
| Principal                                                         | -3,566        | -888             | -2,018        | -570          | -80            | -11                     |
| Interest cash flow                                                | -314          | -85              | -165          | -46           | -12            | -6                      |
| <b>Concession financial liabilities</b>                           | <b>-133</b>   | <b>1</b>         | <b>-132</b>   | <b>-2</b>     | <b>0</b>       | <b>0</b>                |
| Principal                                                         | -131          | 2                | -131          | -2            | 0              | 0                       |
| Interest cash flow                                                | -2            | -1               | -1            | 0             | 0              | 0                       |
| <b>Public-Private Partnership (PPP) payables</b>                  | <b>0</b>      | <b>0</b>         | <b>0</b>      | <b>0</b>      | <b>0</b>       | <b>0</b>                |
| Principal                                                         | 0             | 0                | 0             | 0             | 0              | 0                       |
| Interest cash flow                                                | 0             | 0                | 0             | 0             | 0              | 0                       |
| <b>I - Financial liabilities not included in net indebtedness</b> | <b>-4,013</b> | <b>-972</b>      | <b>-2,315</b> | <b>-618</b>   | <b>-92</b>     | <b>-16</b>              |
| <b>Public-private partnership (PPP) receivables</b>               | <b>0</b>      | <b>0</b>         | <b>0</b>      | <b>0</b>      | <b>0</b>       | <b>0</b>                |
| Principal                                                         | 0             | 0                | 0             | 0             | 0              | 0                       |
| Interest cash flow                                                | 0             | 0                | 0             | 0             | 0              | 0                       |
| <b>Concession financial assets</b>                                | <b>1,907</b>  | <b>180</b>       | <b>1,725</b>  | <b>2</b>      | <b>0</b>       | <b>0</b>                |
| Principal                                                         | 1,799         | 124              | 1,673         | 2             | 0              | 0                       |
| Interest cash flow                                                | 108           | 57               | 51            | 0             | 0              | 0                       |
| <b>Lease receivables</b>                                          | <b>13</b>     | <b>1</b>         | <b>3</b>      | <b>3</b>      | <b>6</b>       | <b>0</b>                |
| Principal                                                         | 9             | 0                | 1             | 2             | 5              | 0                       |
| Interest cash flow                                                | 4             | 0                | 1             | 1             | 1              | 0                       |
| <b>II - Financial assets not included in net indebtedness</b>     | <b>1,920</b>  | <b>181</b>       | <b>1,727</b>  | <b>5</b>      | <b>6</b>       | <b>0</b>                |

## 6.5 HEDGING AND DERIVATIVE INSTRUMENTS

Under IFRS 9, derivative instruments are financial instruments that require no or little initial investment, whose value fluctuates in response to changes in an underlying item (interest rate, exchange rate, commodity prices, etc.) and are settled at future date.

The derivative instruments used by the Group to manage currency, interest rate and commodity risks are initially recognised at fair value and remeasured in the balance

sheet to their fair value at closing.

Fair value is determined using measurement techniques such as option valuation models or the discounted cash flows method. The models fall under Level 2 of the fair value hierarchy set forth in paragraph 81 of IFRS 13.

Derivative instruments are by default recognised as trading derivatives, unless a hedging relationship has been documented at their inception.

**Cash flow hedges**

The Group trades on the derivatives market to hedge floating-rate receivables and payables and receipts and payments related to its commercial activities. When IFRS 9 criteria are met, the derivative instruments are designated as cash flow hedges and fair value gains and losses are recorded directly in a specific account in other comprehensive income, except for the ineffective portion of the hedge, which is recorded in profit or loss. When the hedged item impacts profit or loss, the amounts deferred in other comprehensive income are released to profit or loss to match the flows of the hedged item.

**Fair value hedges**

The Group also uses derivative instruments to hedge the fair value of fixed-rate receivables and payables denominated in euro and foreign currencies. When IFRS 9 criteria are met, the derivative instruments are designated as fair value hedges and:

- fair value gains and losses arising on the derivative are recorded in profit or loss for the period,
- the hedged item is initially recognised at amortised cost

and remeasured to its fair value at the balance sheet date, for the hedged portion of the risk, through profit or loss. As such, fair value gains and losses on the derivative and the hedged item cancel out in profit or loss, except for the ineffective portion of the hedge.

**Hedging costs**

Pursuant to IFRS 9, hedging costs, including foreign currency basis spread impacts and the time value of options, are excluded from hedging relationships. Changes in their fair value are recognised in recyclable equity and their actual cost is recognised in profit or loss consistently over the term of the hedging relationship (time period related approach).

**Trading**

When the conditions for hedge accounting are not satisfied within the meaning of IFRS 9, the instrument is classified as a trading derivative. Any changes in its fair value are recorded in profit or loss for the period within net finance cost, even when the derivative is associated to commodities.

The fair value of current and non-current asset and liability derivative instruments (excluding commodity derivatives qualified for hedging) breaks down as follows:

| <i>In € millions</i>                          | 31/12/2022   |            |              | 31/12/2021   |            |              |
|-----------------------------------------------|--------------|------------|--------------|--------------|------------|--------------|
|                                               | Non-current  | Current    | Total        | Non-current  | Current    | Total        |
| Asset derivative instruments                  |              |            |              |              |            |              |
| Cash flow hedging derivatives                 | 637          | 411        | 1,048        | 797          |            | 797          |
| Fair value hedging derivatives                | 163          | 16         | 179          | 425          | 47         | 472          |
| Trading derivatives                           | 115          | 134        | 249          | 364          | 137        | 501          |
| <b>Total asset derivative instruments</b>     | <b>916</b>   | <b>560</b> | <b>1,476</b> | <b>1,586</b> | <b>184</b> | <b>1,770</b> |
| Liability derivative instruments              |              |            |              |              |            |              |
| Cash flow hedging derivatives                 | 1,576        | 45         | 1,621        | 2,374        | 32         | 2,406        |
| Fair value hedging derivatives                | 239          | -16        | 224          | 47           | -10        | 38           |
| Trading derivatives                           | 108          | 47         | 155          | 279          | 91         | 370          |
| <b>Total liability derivative instruments</b> | <b>1,923</b> | <b>76</b>  | <b>1,999</b> | <b>2,701</b> | <b>113</b> | <b>2,813</b> |

**6.5.1 Economic relationship between derivative instruments and hedged items**

Hedging relationships are defined by the Group to offset any changes in fair value or cash flow of a hedging instrument with those of a hedged item.

The SNCF Group operates regularly on the foreign currency derivatives market, primarily in order to hedge borrowings issued. The purpose is therefore to hedge against foreign currency risk that corresponds to changes in the value or cash flows of borrowings due to exchange rate fluctuations.

The Group operates in the interest rate swap and swaption market in order to manage its exposure to interest rate risk on borrowings. The hedged risk therefore

corresponds to the risk that the value or cash flow of the borrowings changes due to market interest rate fluctuations.

Furthermore, due to the price fluctuations of certain commodities that are essential to production, the Group enters into forward swaps or contracts in order to hedge the price risk.

Derivative instruments which are not classified as hedging instruments within the meaning of IFRS 9 are recognised as trading assets.

The following table presents, by type of risk, the economic relationship between derivative instruments and hedged items:



| 31/12/2022<br>In € millions         | Nominal amount of derivative instruments |               | Carrying amount of derivative instruments (1) |              | Change in fair value of the derivative instrument over the period | Carrying amount of the hedged item (2) |              | Total change in fair value recognised on the hedged item | Change in fair value of the hedged item over the period (3) | Hedging ineffectiveness (4) |
|-------------------------------------|------------------------------------------|---------------|-----------------------------------------------|--------------|-------------------------------------------------------------------|----------------------------------------|--------------|----------------------------------------------------------|-------------------------------------------------------------|-----------------------------|
|                                     | Given                                    | Received      | Assets                                        | Liabilities  |                                                                   | Assets                                 | Liabilities  |                                                          |                                                             |                             |
| <b>Interest rate risk</b>           | <b>1,682</b>                             | <b>1,682</b>  | <b>26</b>                                     | <b>118</b>   | <b>-209</b>                                                       | <b>501</b>                             | <b>878</b>   | <b>114</b>                                               | <b>224</b>                                                  | <b>15</b>                   |
| Interest rate swaps                 | 1,682                                    | 1,682         | 26                                            | 118          | -209                                                              |                                        |              |                                                          |                                                             |                             |
| <b>Foreign currency risk</b>        | <b>1,214</b>                             | <b>1,188</b>  | <b>153</b>                                    | <b>106</b>   | <b>-254</b>                                                       | <b>-662</b>                            | <b>503</b>   | <b>-23</b>                                               | <b>245</b>                                                  | <b>-9</b>                   |
| Cross-currency swaps (*)            | 1,214                                    | 1,188         | 153                                           | 106          | -254                                                              |                                        |              |                                                          |                                                             |                             |
| Foreign currency sales or purchases | 0                                        | 0             | 0                                             | 0            | 0                                                                 |                                        |              |                                                          |                                                             |                             |
| <b>Fair value hedges</b>            | <b>2,896</b>                             | <b>2,870</b>  | <b>179</b>                                    | <b>224</b>   | <b>-463</b>                                                       | <b>-160</b>                            | <b>1,382</b> | <b>91</b>                                                | <b>469</b>                                                  | <b>5</b>                    |
| <b>Interest rate risk</b>           | <b>5,456</b>                             | <b>6,024</b>  | <b>557</b>                                    | <b>229</b>   | <b>1,007</b>                                                      |                                        |              |                                                          | <b>-1,008</b>                                               | <b>0</b>                    |
| Interest rate swaps                 | 5,456                                    | 5,456         | 519                                           | 221          | 979                                                               |                                        |              |                                                          |                                                             |                             |
| Swaptions                           | 0                                        | 568           | 38                                            | 8            | 28                                                                |                                        |              |                                                          |                                                             |                             |
| Pre-hedging instruments             | 0                                        | 0             | 0                                             | 0            | 0                                                                 |                                        |              |                                                          |                                                             |                             |
| <b>Foreign currency risk</b>        | <b>8,903</b>                             | <b>8,044</b>  | <b>491</b>                                    | <b>1,392</b> | <b>26</b>                                                         |                                        |              |                                                          | <b>-25</b>                                                  | <b>0</b>                    |
| Cross-currency swaps (**)           | 8,903                                    | 8,023         | 491                                           | 1,392        | 25                                                                |                                        |              |                                                          |                                                             |                             |
| Foreign currency sales or purchases | 0                                        | 19            | 0                                             | 0            | 0                                                                 |                                        |              |                                                          |                                                             |                             |
| Foreign currency options            | 0                                        | 0             | 0                                             | 0            | 0                                                                 |                                        |              |                                                          |                                                             |                             |
| Pre-hedging instruments             | 0                                        | 0             | 0                                             | 0            | 0                                                                 |                                        |              |                                                          |                                                             |                             |
| <b>Price risk</b>                   | <b>(***)</b>                             | <b>(***)</b>  | <b>53</b>                                     | <b>62</b>    | <b>-234</b>                                                       |                                        |              |                                                          | <b>-227</b>                                                 | <b>0</b>                    |
| Firm instruments                    |                                          |               | 53                                            | 62           | -234                                                              |                                        |              |                                                          |                                                             |                             |
| Conditional instruments             |                                          |               | 0                                             | 0            | 0                                                                 |                                        |              |                                                          |                                                             |                             |
| <b>Cash flow hedges</b>             | <b>14,360</b>                            | <b>14,068</b> | <b>1,101</b>                                  | <b>1,683</b> | <b>799</b>                                                        |                                        |              |                                                          | <b>-1,260</b>                                               | <b>1</b>                    |
| <b>Interest rate instruments</b>    | <b>6,902</b>                             | <b>6,902</b>  | <b>178</b>                                    | <b>117</b>   | <b>-33</b>                                                        |                                        |              |                                                          |                                                             |                             |
| Interest rate swaps                 | 6,902                                    | 6,902         | 178                                           | 117          | -33                                                               |                                        |              |                                                          |                                                             |                             |
| Swaptions                           | 0                                        | 0             | 0                                             | 0            | 0                                                                 |                                        |              |                                                          |                                                             |                             |
| <b>Foreign currency instruments</b> | <b>244</b>                               | <b>244</b>    | <b>3</b>                                      | <b>4</b>     | <b>-32</b>                                                        |                                        |              |                                                          |                                                             |                             |
| Currency swaps                      | 140                                      | 142           | 1                                             | 3            | -26                                                               |                                        |              |                                                          |                                                             |                             |
| Cross-currency swaps                | 61                                       | 53            | 0                                             | 1            | -8                                                                |                                        |              |                                                          |                                                             |                             |
| Foreign currency sales or purchases | 43                                       | 49            | 2                                             | 0            | 2                                                                 |                                        |              |                                                          |                                                             |                             |
| <b>Pricing instruments</b>          | <b>0</b>                                 | <b>0</b>      | <b>68</b>                                     | <b>33</b>    | <b>24</b>                                                         |                                        |              |                                                          |                                                             |                             |
| Firm instruments                    |                                          |               | 68                                            | 33           | 24                                                                |                                        |              |                                                          |                                                             |                             |
| Conditional instruments             |                                          |               | 0                                             | 0            | 0                                                                 |                                        |              |                                                          |                                                             |                             |
| <b>Trading</b>                      | <b>7,146</b>                             | <b>7,146</b>  | <b>249</b>                                    | <b>155</b>   | <b>-42</b>                                                        |                                        |              |                                                          |                                                             |                             |

(\*) Of which interest rate risk hedging portion amounting to €6 million.

(\*\*) Of which interest rate risk hedging portion amounting to -€334 million.

(\*\*\*) The nominal amounts of price hedging instruments are measured in volumes, and presented in Note 6.4.2.

- (1) The carrying amount of foreign currency and interest rate risk hedging instruments is recorded in the statement of financial position within current or non-current financial assets or financial liabilities depending on their type and maturity. The carrying amount of price risk hedging instruments is recorded in the statement of financial position within operating receivables or payables depending on their type.
- (2) The carrying amount of net indebtedness items is recorded in the statement of financial position within current and non-current financial liabilities depending on their maturity. The carrying amount of WCR items is recorded within operating receivables and payables. Future transactions are not recorded in summary reports.
- (3) The change in fair value shown corresponds to that used to calculate ineffectiveness.
- (4) Foreign currency and interest rate risk hedging ineffectiveness is recorded in the consolidated income statement within net borrowing and other costs. The ineffectiveness generated by price risk hedging is recorded within EBITDA. A positive amount corresponds to a gain, a negative amount corresponds to a loss.

The immaterial ineffectiveness shown may result from:

- Different benchmark rates between the hedging instrument and the hedging item;
- Different cash flow settlement dates (maturity date, payment date, etc.) between the hedging instrument and the hedged item;
- Difference in accrued interest between the hedged item and the hedging instrument.

| 31/12/2021<br>In € millions         | Nominal amount of derivative instruments |               | Carrying amount of derivative instruments |              | Change in fair value of the derivative instrument over the period | Carrying amount of the hedged item |              | Total change in fair value recognised on the hedged item | Change in fair value of the hedged item over the period | Hedging Ineffectiveness |
|-------------------------------------|------------------------------------------|---------------|-------------------------------------------|--------------|-------------------------------------------------------------------|------------------------------------|--------------|----------------------------------------------------------|---------------------------------------------------------|-------------------------|
|                                     | Given                                    | Received      | Assets                                    | Liabilities  |                                                                   | Assets                             | Liabilities  |                                                          |                                                         |                         |
| <b>Interest rate risk</b>           | <b>1,772</b>                             | <b>1,772</b>  | <b>132</b>                                | <b>6</b>     | <b>-69</b>                                                        | <b>778</b>                         | <b>1,397</b> | <b>-97</b>                                               | <b>69</b>                                               | <b>0</b>                |
| Interest rate swaps                 | 1,772                                    | 1,772         | 132                                       | 6            | -69                                                               |                                    |              |                                                          |                                                         |                         |
| <b>Foreign currency risk</b>        | <b>1,259</b>                             | <b>1,260</b>  | <b>341</b>                                | <b>32</b>    | <b>97</b>                                                         | <b>0</b>                           | <b>1,465</b> | <b>-280</b>                                              | <b>-97</b>                                              | <b>0</b>                |
| Cross-currency swaps (*)            | 1,259                                    | 1,260         | 341                                       | 32           | 97                                                                |                                    |              |                                                          |                                                         |                         |
| Foreign currency sales or purchases | 0                                        | 0             | 0                                         | 0            | 0                                                                 |                                    |              |                                                          |                                                         |                         |
| <b>Fair value hedges</b>            | <b>3,031</b>                             | <b>3,032</b>  | <b>472</b>                                | <b>38</b>    | <b>28</b>                                                         | <b>778</b>                         | <b>2,862</b> | <b>-377</b>                                              | <b>-28</b>                                              | <b>-1</b>               |
| <b>Interest rate risk</b>           | <b>4,591</b>                             | <b>5,007</b>  | <b>225</b>                                | <b>935</b>   | <b>413</b>                                                        |                                    |              |                                                          | <b>-410</b>                                             | <b>4</b>                |
| Interest rate swaps                 | 4,591                                    | 4,556         | 223                                       | 935          | 411                                                               |                                    |              |                                                          |                                                         |                         |
| Swaptions                           | 0                                        | 450           | 2                                         | 0            | 2                                                                 |                                    |              |                                                          |                                                         |                         |
| Pre-hedging instruments             | 0                                        | 0             | 0                                         | 0            | 0                                                                 |                                    |              |                                                          |                                                         |                         |
| <b>Foreign currency risk</b>        | <b>9,874</b>                             | <b>9,120</b>  | <b>572</b>                                | <b>1,471</b> | <b>709</b>                                                        |                                    |              |                                                          | <b>-727</b>                                             | <b>0</b>                |
| Cross-currency swaps (**)           | 9,864                                    | 9,100         | 572                                       | 1,471        | 709                                                               |                                    |              |                                                          |                                                         |                         |
| Foreign currency sales or purchases | 0                                        | 10            | 0                                         | 0            | 0                                                                 |                                    |              |                                                          |                                                         |                         |
| Pre-hedging instruments             | 0                                        | 0             | 0                                         | 0            | 0                                                                 |                                    |              |                                                          |                                                         |                         |
| <b>Price risk</b>                   | <b>(***)</b>                             | <b>(***)</b>  | <b>226</b>                                | <b>0</b>     | <b>216</b>                                                        |                                    |              |                                                          | <b>208</b>                                              | <b>0</b>                |
| Firm instruments                    |                                          |               | 226                                       | 0            | 216                                                               |                                    |              |                                                          |                                                         |                         |
| Conditional instruments             |                                          |               | 0                                         | 0            | 0                                                                 |                                    |              |                                                          |                                                         |                         |
| <b>Cash flow hedges</b>             | <b>14,466</b>                            | <b>14,127</b> | <b>1,023</b>                              | <b>2,406</b> | <b>1,339</b>                                                      |                                    |              |                                                          | <b>-929</b>                                             | <b>4</b>                |
| <b>Interest rate instruments</b>    | <b>6,972</b>                             | <b>6,972</b>  | <b>456</b>                                | <b>369</b>   | <b>32</b>                                                         |                                    |              |                                                          |                                                         |                         |
| Interest rate swaps                 | 6,972                                    | 6,972         | 456                                       | 369          | 32                                                                |                                    |              |                                                          |                                                         |                         |
| Index swaps                         | 0                                        | 0             | 0                                         | 0            | 0                                                                 |                                    |              |                                                          |                                                         |                         |
| Swaptions                           | 0                                        | 0             | 0                                         | 0            | 0                                                                 |                                    |              |                                                          |                                                         |                         |
| <b>Foreign currency instruments</b> | <b>940</b>                               | <b>864</b>    | <b>34</b>                                 | <b>0</b>     | <b>26</b>                                                         |                                    |              |                                                          |                                                         |                         |
| Currency swaps                      | 844                                      | 772           | 28                                        | 0            | 34                                                                |                                    |              |                                                          |                                                         |                         |
| Cross-currency swaps                | 61                                       | 58            | 7                                         | 0            | -7                                                                |                                    |              |                                                          |                                                         |                         |
| Foreign currency sales or purchases | 34                                       | 34            | 0                                         | 0            | 0                                                                 |                                    |              |                                                          |                                                         |                         |
| <b>Pricing instruments</b>          |                                          |               | <b>11</b>                                 | <b>0</b>     | <b>5</b>                                                          |                                    |              |                                                          |                                                         |                         |
| Firm instruments                    |                                          |               | 11                                        | 0            | 5                                                                 |                                    |              |                                                          |                                                         |                         |
| Conditional instruments             |                                          |               | 0                                         | 0            | 0                                                                 |                                    |              |                                                          |                                                         |                         |
| <b>Trading</b>                      | <b>7,912</b>                             | <b>7,836</b>  | <b>501</b>                                | <b>370</b>   | <b>63</b>                                                         |                                    |              |                                                          |                                                         |                         |

(\*) Of which interest rate risk hedging portion amounting to €130 million.

(\*\*) Of which interest rate risk hedging portion amounting to -€412 million.

(\*\*\*) The nominal amounts of price hedging instruments are measured in volumes, and presented in Note 6.4.2.

### 6.5.2 Maturities of nominal commitments

As at 31 December 2022 and 2021, the nominal commitments and maturities, by type of hedged risk, of the different hedging instruments subscribed were as follows:

| Nominal commitments received<br>31/12/2022 |               |                  |              |               |                |                         |
|--------------------------------------------|---------------|------------------|--------------|---------------|----------------|-------------------------|
| <i>In € millions</i>                       | Total         | Less than 1 year | 1 to 5 years | 5 to 10 years | 10 to 20 years | 20 years and thereafter |
| Interest rate risk                         | 1,682         | 24               | 436          | 1,060         | 162            | 0                       |
| Foreign currency risk                      | 1,188         | 0                | 262          | 327           | 599            | 0                       |
| <b>Fair value hedges</b>                   | <b>2,870</b>  | <b>24</b>        | <b>697</b>   | <b>1,387</b>  | <b>761</b>     | <b>0</b>                |
| Interest rate risk                         | 6,024         | 1,331            | 2,252        | 809           | 1,431          | 200                     |
| Foreign currency risk                      | 8,044         | 1,427            | 1,204        | 2,302         | 1,169          | 1,942                   |
| Price risk                                 | 0             | 0                | 0            | 0             | 0              | 0                       |
| <b>Cash flow hedges</b>                    | <b>14,068</b> | <b>2,759</b>     | <b>3,457</b> | <b>3,111</b>  | <b>2,600</b>   | <b>2,142</b>            |
| Nominal commitments received<br>31/12/2021 |               |                  |              |               |                |                         |
| <i>In € millions</i>                       | Total         | Less than 1 year | 1 to 5 years | 5 to 10 years | 10 to 20 years | 20 years and thereafter |
| Interest rate risk                         | 1,772         | 352              | 460          | 850           | 110            | 0                       |
| Foreign currency risk                      | 1,260         | 54               | 0            | 496           | 710            | 0                       |
| <b>Fair value hedges</b>                   | <b>3,032</b>  | <b>406</b>       | <b>460</b>   | <b>1,346</b>  | <b>820</b>     | <b>0</b>                |
| Interest rate risk                         | 5,007         | 56               | 2,276        | 731           | 1,493          | 450                     |
| Foreign currency risk                      | 9,120         | 1,344            | 2,697        | 1,734         | 1,331          | 2,013                   |
| Price risk                                 | 0             | 0                | 0            | 0             | 0              | 0                       |
| <b>Cash flow hedges</b>                    | <b>14,127</b> | <b>1,401</b>     | <b>4,973</b> | <b>2,465</b>  | <b>2,824</b>   | <b>2,463</b>            |
| Nominal commitments given<br>31/12/2022    |               |                  |              |               |                |                         |
| <i>In € millions</i>                       | Total         | Less than 1 year | 1 to 5 years | 5 to 10 years | 10 to 20 years | 20 years and thereafter |
| Interest rate risk                         | 1,682         | 24               | 436          | 1,060         | 162            | 0                       |
| Foreign currency risk                      | 1,214         | 0                | 350          | 237           | 628            | 0                       |
| <b>Fair value hedges</b>                   | <b>2,896</b>  | <b>24</b>        | <b>785</b>   | <b>1,297</b>  | <b>790</b>     | <b>0</b>                |
| Interest rate risk                         | 5,456         | 1,188            | 1,829        | 809           | 1,431          | 200                     |
| Foreign currency risk                      | 8,903         | 1,377            | 1,367        | 2,625         | 1,377          | 2,158                   |
| Price risk                                 | 0             | 0                | 0            | 0             | 0              | 0                       |
| <b>Cash flow hedges</b>                    | <b>14,360</b> | <b>2,564</b>     | <b>3,196</b> | <b>3,434</b>  | <b>2,808</b>   | <b>2,358</b>            |
| Nominal commitments given<br>31/12/2021    |               |                  |              |               |                |                         |
| <i>In € millions</i>                       | Total         | Less than 1 year | 1 to 5 years | 5 to 10 years | 10 to 20 years | 20 years and thereafter |
| Interest rate risk                         | 1,772         | 352              | 460          | 850           | 110            | 0                       |
| Foreign currency risk                      | 1,259         | 45               | 0            | 520           | 694            | 0                       |
| <b>Fair value hedges</b>                   | <b>3,031</b>  | <b>397</b>       | <b>460</b>   | <b>1,370</b>  | <b>804</b>     | <b>0</b>                |
| Interest rate risk                         | 4,591         | 54               | 1,863        | 731           | 1,493          | 450                     |
| Foreign currency risk                      | 9,874         | 1,344            | 2,052        | 2,835         | 1,485          | 2,158                   |
| Price risk                                 | 0             | 0                | 0            | 0             | 0              | 0                       |
| <b>Cash flow hedges</b>                    | <b>14,466</b> | <b>1,398</b>     | <b>3,915</b> | <b>3,566</b>  | <b>2,979</b>   | <b>2,608</b>            |

For diesel volume hedges, the nominal amounts are expressed in volumes, and presented as follows:

| Nominal commitments received<br>31/12/2022 |               |                  |               |               |                |                         |
|--------------------------------------------|---------------|------------------|---------------|---------------|----------------|-------------------------|
| <i>in tonnes</i>                           | Total         | Less than 1 year | 1 to 5 years  | 5 to 10 years | 10 to 20 years | 20 years and thereafter |
| Price risk                                 | 59,788        | 48,207           | 11,581        | 0             | 0              | 0                       |
| <b>Cash flow hedges</b>                    | <b>59,788</b> | <b>48,207</b>    | <b>11,581</b> | <b>0</b>      | <b>0</b>       | <b>0</b>                |
| Nominal commitments received<br>31/12/2021 |               |                  |               |               |                |                         |
| <i>in tonnes</i>                           | Total         | Less than 1 year | 1 to 5 years  | 5 to 10 years | 10 to 20 years | 20 years and thereafter |
| Price risk                                 | 53,155        | 43,255           | 9,900         | 0             | 0              | 0                       |
| <b>Cash flow hedges</b>                    | <b>53,155</b> | <b>43,255</b>    | <b>9,900</b>  | <b>0</b>      | <b>0</b>       | <b>0</b>                |
| Nominal commitments given<br>31/12/2022    |               |                  |               |               |                |                         |
| <i>in tonnes</i>                           | Total         | Less than 1 year | 1 to 5 years  | 5 to 10 years | 10 to 20 years | 20 years and thereafter |
| Price risk                                 | 59,788        | 48,207           | 11,581        | 0             | 0              | 0                       |
| <b>Cash flow hedges</b>                    | <b>59,788</b> | <b>48,207</b>    | <b>11,581</b> | <b>0</b>      | <b>0</b>       | <b>0</b>                |

| Nominal commitments given<br>31/12/2021<br>in tonnes | Total         | Less than 1 year |               |          | 10 to 20 years | 20 years and thereafter |
|------------------------------------------------------|---------------|------------------|---------------|----------|----------------|-------------------------|
|                                                      |               | 1 to 5 years     | 5 to 10 years |          |                |                         |
| Price risk                                           | 53,155        | 43,255           | 9,900         | 0        | 0              | 0                       |
| <b>Cash flow hedges</b>                              | <b>53,155</b> | <b>43,255</b>    | <b>9,900</b>  | <b>0</b> | <b>0</b>       | <b>0</b>                |

### 6.5.3 Discontinuation of hedging relationships

A hedging relationship is discontinued once the conditions for effectiveness are no longer satisfied within the meaning of IFRS 9, or when the derivative instrument matures or is cancelled, exercised or sold, or when the hedged item is cancelled or sold. Furthermore, the Group

may at any time decide to discontinue a hedging relationship. In this case, hedge accounting is no longer applicable. The accounting impacts of a discontinued hedging relationship differ depending on whether it involves fair value hedging or cash flow hedging.

#### Fair value hedges

The hedged borrowing is no longer adjusted for changes in fair value relating to the hedged risk. Prior recognised

remeasurements are amortised at the same rate as the hedged item:

| In € millions            | Total change in fair value of the item that is no longer hedged |             |
|--------------------------|-----------------------------------------------------------------|-------------|
|                          | 31/12/2021                                                      | 31/12/2020  |
| Interest rate risk       | -72                                                             | -110        |
| Foreign currency risk    | 48                                                              | -184        |
| <b>Fair value hedges</b> | <b>-24</b>                                                      | <b>-294</b> |

#### Cash flow hedges

The total gains and losses on the hedging instrument recorded under other comprehensive income within

equity are fixed and only reclassified to profit or loss when symmetrically impacted by the hedged item:

| 31/12/2022              | Hedging reserves for continued hedging relationships | Hedging reserves for discontinued hedging relationships | Hedging reserves recycled as the hedged item has impacted P&L (*) | Hedging reserves recycled as the hedged item no longer exists (*) |
|-------------------------|------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------|
| Interest rate risk      | 5                                                    | -98                                                     | -11                                                               | -1                                                                |
| Foreign currency risk   | -325                                                 | 0                                                       | 57                                                                | 0                                                                 |
| Price risk              | -9                                                   | 0                                                       | -29                                                               | 0                                                                 |
| <b>Cash flow hedges</b> | <b>-328</b>                                          | <b>-98</b>                                              | <b>17</b>                                                         | <b>-1</b>                                                         |

(\*) The P&L reclassification of the other comprehensive income relating to foreign currency and interest rate risk hedging instruments is recorded in net borrowing and other costs within the consolidated income statement. The recycling of other comprehensive income relating to price risk hedging instruments is recorded in EBITDA within the consolidated income statement.

| 31/12/2021              | Hedging reserves for continued hedging relationships | Hedging reserves for discontinued hedging relationships | Hedging reserves recycled as the hedged item has impacted P&L | Hedging reserves recycled as the hedged item no longer exists |
|-------------------------|------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|
| Interest rate risk      | -917                                                 | -109                                                    | 4                                                             | -18                                                           |
| Foreign currency risk   | -439                                                 | 0                                                       | -80                                                           | 0                                                             |
| Price risk              | 225                                                  | 0                                                       | -5                                                            | 0                                                             |
| <b>Cash flow hedges</b> | <b>-1,132</b>                                        | <b>-109</b>                                             | <b>-81</b>                                                    | <b>-18</b>                                                    |



### 6.5.4 Type of financial instruments subject to cash flow hedging

The fair value of derivatives designated as cash flow hedges (excluding commodity hedges) breaks down by hedged item as follows:

| In € millions                                                   | 31/12/2022  | Maturity schedule |              |               |                |                         |
|-----------------------------------------------------------------|-------------|-------------------|--------------|---------------|----------------|-------------------------|
|                                                                 |             | Less than 1 year  | 1 to 5 years | 5 to 10 years | 10 to 20 years | 20 years and thereafter |
| Bond issues                                                     | -627        | 339               | -171         | -287          | -112           | -395                    |
| Non-bond borrowings                                             | 47          | 20                | 35           | 3             | -11            | 0                       |
| Asset financing liabilities                                     | 0           | 0                 | 0            | 0             | 0              | 0                       |
| Loans and receivables                                           | 7           | 0                 | 4            | 3             | 0              | 0                       |
| <b>Fair value of derivatives designated as cash flow hedges</b> | <b>-573</b> | <b>359</b>        | <b>-133</b>  | <b>-282</b>   | <b>-123</b>    | <b>-395</b>             |

| In € millions                                                   | 31/12/2021    | Maturity schedule |              |               |                |                         |
|-----------------------------------------------------------------|---------------|-------------------|--------------|---------------|----------------|-------------------------|
|                                                                 |               | Less than 1 year  | 1 to 5 years | 5 to 10 years | 10 to 20 years | 20 years and thereafter |
| Bond issues                                                     | -1,534        | 21                | 152          | -724          | -361           | -622                    |
| Non-bond borrowings                                             | -72           | -11               | -23          | 0             | -38            | 0                       |
| Finance lease borrowings                                        | 0             | 0                 | 0            | 0             | 0              | 0                       |
| Loans and receivables                                           | -3            | 0                 | -3           | 0             | 0              | 0                       |
| <b>Fair value of derivatives designated as cash flow hedges</b> | <b>-1,609</b> | <b>10</b>         | <b>126</b>   | <b>-724</b>   | <b>-398</b>    | <b>-622</b>             |

### 6.5.5 Impacts of hedging transactions on recyclable equity

The impacts on recyclable equity (other comprehensive income), excluding deferred tax impacts, break down as follows (- debit, + credit):

| In € millions                                                | Recyclable equity |
|--------------------------------------------------------------|-------------------|
| <b>Opening balance as at 01/01/2021</b>                      | <b>-2,137</b>     |
| Recycled in profit or loss                                   | -88               |
| Change in the effectiveness of cash flow hedging instruments | 942               |
| Interest rate risk hedge                                     | 666               |
| Foreign currency risk hedge                                  | 42                |
| Of which hedged future transactions                          | 0                 |
| Price risk hedge                                             | 234               |
| Change in value of hedging costs                             | 116               |
| Interest rate risk hedge                                     | 126               |
| Foreign currency risk hedge                                  | -10               |
| Price risk hedge                                             | 0                 |
| Scope exit                                                   | -5                |
| <b>Closing balance as at 31/12/2021</b>                      | <b>-1,173</b>     |
| <b>Opening balance as at 01/01/2022</b>                      | <b>-1,173</b>     |
| Recycled in profit or loss                                   | -87               |
| Change in the effectiveness of cash flow hedging instruments | 910               |
| Interest rate risk hedge                                     | 1,058             |
| Foreign currency risk hedge                                  | 57                |
| Of which hedged future transactions                          | 0                 |
| Price risk hedge                                             | -205              |
| Change in value of hedging costs                             | 16                |
| Interest rate risk hedge                                     | 3                 |
| Foreign currency risk hedge                                  | 13                |
| Price risk hedge                                             | 0                 |
| Scope exit                                                   | 0                 |
| <b>Closing balance as at 31/12/2022</b>                      | <b>-334</b>       |

## 6.6 EQUITY

### 6.6.1 Share capital

As at 1 January 2022, SNCF Group consolidated reserves increased by €10 billion following the assumption by the French State of SNCF Réseau's debt. As a reminder, a €25 billion debt was already assumed under the same terms and conditions as at 1 January 2020 (see Note 2.1.2).

In 2021, SNCF SA had made two payments totalling €140 million to the French State support fund (€20 million in October and €120 million in December recognised as a distribution of reserves). These payments were made in accordance with the memorandum of understanding signed with the French State in 2021 providing for the mobilisation by the Group of €600 million in disposal gains to be paid in instalments between 2021 and 2025.

In 2022, SNCF also made several payments totalling €394 million to the French State support fund (€135 million in April 2022 to finance the EOLE project, €91 million in August 2022 for the mobilisation of disposal gains and €168 million in December 2022). These payments were recognised as a distribution of reserves.

Other changes were mainly due to the updating of the put option held by Eurostar Group non-controlling interests. The put option was offset against borrowings (Note 5.4).

### 6.6.2 Non-controlling interests

Non-controlling interests break down according to the following sub-groups:

| In € millions         | 31/12/2022 | 31/12/2021 | Change    |
|-----------------------|------------|------------|-----------|
| Geodis                | 7          | 7          | 0         |
| Rail Logistics Europe | 37         | 33         | 4         |
| SNCF Voyageurs        | 0          | -8         | 8         |
| Keolis                | 11         | 7          | 4         |
| Other                 | 19         | 2          | 17        |
| <b>Total</b>          | <b>75</b>  | <b>40</b>  | <b>35</b> |

The Keolis sub-group, whose main indicators are monitored by Group management (Note 3.1), is 30% owned by minority shareholders.

The condensed financial information for this sub-group, before cancellation of transactions with the rest of the Group, is as follows:

| In € millions                                                 | 31/12/2022 | 31/12/2021 |
|---------------------------------------------------------------|------------|------------|
| Revenue                                                       | 6,715      | 6,314      |
| Net profit/loss for the year                                  | 66         | 65         |
| <i>Of which net profit attributable to minority interests</i> | 22         | 28         |
| Total comprehensive income/loss                               | 81         | 70         |
| Cash flow generated during the period                         | 27         | -93        |
| <i>Of which dividends paid to minority shareholders</i>       | -21        | -1         |
| Current assets                                                | 2,050      | 1,845      |
| Non-current assets                                            | 3,402      | 3,541      |
| Current liabilities                                           | 2,893      | 2,840      |
| Non-current liabilities                                       | 2,408      | 2,432      |
| <b>Net assets</b>                                             | <b>150</b> | <b>113</b> |

The approval of Keolis' minority shareholders is required for divestments, disposals or restructurings exceeding a predefined threshold.

The net profit of the Keolis sub-group attributable to minority shareholders totalled €22 million for the year ended 31 December 2022 (€28 million for the year ended 31 December 2021).

## 7. INCOME TAXES

Income tax expense encompasses all taxes calculated on an accounting profit or loss net of income and expenses. The following items are recognised under this line item at the bottom of the income statement:

- Corporate income tax and the various additional contributions associated with it;
- Sponsorship and foreign tax credits;
- Fixed-rate taxes calculated on an item of net profit or loss;
- The tax on rail company profits (*Taxe sur le Résultat des Entreprises Ferroviaires* - TREF): established by Article 65 of the 2011 Finance Law, it is based on corporate taxable income, before the allocation of tax loss carry-forwards, with respect to the last year closed before the tax due date. The tax was capped at €226 million as from 1 January 2016 (€200 million as from 1 January 2013). Taking into account its base, this tax is recorded under "Income tax expense." Only SNCF Voyageurs SA is concerned within the Group. As from 2022, the tax expense no longer includes the tax on rail companies, cancelled by the French Parliament on 14 October 2021.

The impact of tax reassessments and uncertainties surrounding tax positions in respect of income tax and deferred tax;

- Deferred tax.

### Deferred tax

The Group recognises, for each tax entity, deferred tax on all timing differences between the tax and book values of assets and liabilities in the consolidated balance sheet. Deferred tax is calculated using the liability method, applying the most recently voted tax rate at the year-end applicable to the period in which the timing differences are expected to reverse.

Deferred tax assets in respect of timing differences and tax losses or credits carried forward are recognised when recovery is deemed probable. The Group's ability to

recover these tax assets is assessed through an analysis of its business plan and the uncertainties presented by the economy and Group markets. The bases used are the same as those used to calculate values in use in impairment tests.

A deferred tax liability is recognised in respect of investments in subsidiaries, joint ventures and associates on all temporary differences between the carrying amount and tax base of shares, unless:

- the Group controls the date at which the temporary difference will reverse (e.g. through a dividend distribution or the sale of an investment); and
- it is probable that this difference will not reverse in the foreseeable future.

Therefore, a deferred tax liability is only recognised in respect of wholly or proportionately consolidated companies in the amount of any withholding tax due on dividend distributions planned by the Group.

A deferred tax asset is only recognised to the extent that it is probable that:

- the temporary difference will reverse in the foreseeable future; and
- taxable profits will exist against which this temporary difference can be offset.

Deferred tax assets and liabilities are not discounted and are offset in a separate line item under non-current assets and liabilities.

### Income tax expense

The income tax expense other than deferred tax is offset against operating payables and receivables in the balance sheet.

## 7.1 INCOME TAX EXPENSE ANALYSIS

### 7.1.1 Tax in the income statement

| In € millions                 | 31/12/2022  | 31/12/2021  | Change      |
|-------------------------------|-------------|-------------|-------------|
| Current tax (expense)/income  | -116        | -183        | 67          |
| Deferred tax (expense)/income | -198        | 25          | -223        |
| <b>Total</b>                  | <b>-314</b> | <b>-158</b> | <b>-156</b> |

The TREF was withdrawn as of 2022. The current tax expense for the year nevertheless takes into account a TREF adjustment of €9 million for 2021. In the 2021 financial statements, the TREF expense was €97 million.

The tax group within the meaning of Article 223 A bis of the French Tax Code created on 1 January 2015, whose parent was EPIC SNCF and members included EPIC SNCF Mobilités, EPIC SNCF Réseau and their subsidiaries, continues under Law no. 2018-515 of 27 June 2018 for a new railway pact and Order no. 2019-552 of 3 June 2019 including various clauses relating to the SNCF Group. The former EPIC SNCF MOBILITES, which became SNCF SA, has been the new tax grouping head since 1 January. The absorption of the former parent by its subsidiary did not call into question the former tax consolidation regime which remains in place (Art. 32If of the French Tax Code).

A tax approval was previously granted to EPIC SNCF Mobilités on 19 July 2019 to retain its tax losses that could be offset against a wider tax base in the event of a change in actual activity due to the merger between EPIC SNCF and EPIC SNCF Mobilités, pursuant to Article 32 of the 2019 Finance Law.

The new tax group scope, of which SA Société Nationale SNCF is the parent, comprises 230 companies as at 31

December 2022 (219 as at 31 December 2021) and has the following specificities:

- The loss carryforwards generated by SNCF Réseau until 31 December 2014 date back prior to its entry into the tax consolidation and can only be allocated to its results. Considering its lifecycle, SNCF Réseau can make longer term loss recovery forecasts than the rest of the Group. A 20-year timeframe is therefore considered as a reasonable period for the utilisation of the tax asset to recognise its deferred tax asset receivable.
- The 31 December 2014 losses of the former integrated group SNCF Mobilites may be allocated to the results generated by a selection of entities from the former scope and members of the new tax consolidation group, the Group having opted for the wider tax base according to the tax measures applicable in France.

## 7.2 TAX PROOF

For its tax proof, the Group adopted the corporate income tax rate (25%) applicable in France, plus the 3.3% social security contribution for the tax share exceeding €763,000.

The wider tax base losses and any losses arising from 2015 may be offset against the future profits of the SNCF Group in place as of 1 January 2020.

SNCF deferred tax asset recovery forecasts are determined by taking into account these specificities.

As at 31 December 2022, the main variation concerned the recognition of a deferred tax expense of €217 million due to the update of the deferred tax calculation in respect of tax losses of the Group's tax consolidation.

### 7.1.2 Tax in comprehensive income

As at 31 December 2022, the deferred tax expense recognised in other comprehensive income amounted to €42 million.

As at 31 December 2021, the deferred tax income recognised in other comprehensive income amounted to €6 million.

| <i>In € millions</i>                                                                                       | 31/12/2022    | 31/12/2021    |
|------------------------------------------------------------------------------------------------------------|---------------|---------------|
| <b>Net profit/loss for the year</b>                                                                        | <b>2,516</b>  | <b>767</b>    |
| Share of net profit/loss of companies consolidated under the equity method                                 | 41            | 7             |
| Income tax expense                                                                                         | -314          | -158          |
| <b>Net profit/loss before tax from ordinary activities and before the share of net profit of companies</b> | <b>2,789</b>  | <b>918</b>    |
| Income tax rate applicable in France                                                                       | 25.82%        | 28.41%        |
| <b>THEORETICAL INCOME TAX (EXPENSE)/INCOME</b>                                                             | <b>-720</b>   | <b>-261</b>   |
| Permanent differences                                                                                      | 42            | 242           |
| Capitalisation of prior year losses (*)                                                                    | 6             | 11            |
| Change in tax consolidation losses and unrecognised temporary differences                                  | 338           | -50           |
| Impairment of deferred taxes previously capitalised                                                        | 0             | -10           |
| Utilisation of tax losses and temporary differences not previously capitalised (*)                         | -20           | -6            |
| Rate vs Group rate differences                                                                             | 5             | -86           |
| Tax credits                                                                                                | 6             | 8             |
| Impacts of rate changes - deferred liability method                                                        | 31            | -7            |
| <b>INCOME TAX (EXPENSE)/INCOME RECORDED</b>                                                                | <b>-314</b>   | <b>-158</b>   |
| <b>EFFECTIVE TAX RATE</b>                                                                                  | <b>11.25%</b> | <b>17.23%</b> |

(\*) excluding the tax consolidation group

– The income tax rate was 25.83% in 2022, compared to 28.41% in 2021. The rate reduction already voted in the 2018 Finance Act was anticipated from 2019 when assessing the deferred tax position.

– The “Change in tax consolidation losses and non-capitalised temporary differences” line reflects the change

in losses eligible for capitalisation at tax consolidation level.

– The “Permanent differences” heading mainly concerns the impact of the sale of the Akiem group in 2022 and the Ermewa group in 2021.

## 7.3 DEFERRED TAX SOURCES

Group tax losses carried forward as at 31 December 2022 amounted to €33.0 billion, compared to €32.5 billion as at 31 December 2021. Out of this amount, €30.3 billion

involve French entities for which the losses can be carried forward indefinitely (€29.5 billion as at 31 December 2021). Tax assets not recognised at this date totalled €7.5 billion (€7.7 billion as at 31 December 2021).

| <i>In € millions</i>                                                                          | 31/12/2021    | Net profit  | Equity      | Reclassifications | Change in Group structure and foreign exchange | 31/12/2022    |
|-----------------------------------------------------------------------------------------------|---------------|-------------|-------------|-------------------|------------------------------------------------|---------------|
| <b>Tax losses carried forward</b>                                                             | <b>8,341</b>  | <b>316</b>  | <b>-5</b>   | <b>0</b>          | <b>-58</b>                                     | <b>8,594</b>  |
| <i>Employee benefits</i>                                                                      | 37            | -44         | -90         | 0                 | 2                                              | -96           |
| <i>Differences in asset values</i>                                                            | -552          | -60         | 2           | -28               | -2                                             | -641          |
| <i>Finance leases</i>                                                                         | 22            | 4           | 0           | 0                 | 0                                              | 26            |
| <i>Tax-driven provisions</i>                                                                  | -34           | 1           | 0           | 0                 | 1                                              | -32           |
| <i>Financial instruments</i>                                                                  | 328           | -28         | -258        | 42                | -1                                             | 83            |
| <i>Remeasurement of identifiable assets and liabilities acquired in business combinations</i> | -191          | 11          | 0           | 0                 | 3                                              | -177          |
| <i>Internal profits and losses</i>                                                            | 130           | -12         | 0           | 0                 | 0                                              | 118           |
| <b>Total consolidation restatements</b>                                                       | <b>-260</b>   | <b>-128</b> | <b>-346</b> | <b>14</b>         | <b>4</b>                                       | <b>-717</b>   |
| <b>Non-deductible provisions and other tax differences</b>                                    | <b>3,999</b>  | <b>-191</b> | <b>-2</b>   | <b>0</b>          | <b>2</b>                                       | <b>3,809</b>  |
| <b>Deferred taxes not recognised</b>                                                          | <b>-7,663</b> | <b>-195</b> | <b>309</b>  | <b>-15</b>        | <b>46</b>                                      | <b>-7,518</b> |
| <b>Net deferred taxes recognised</b>                                                          | <b>4,417</b>  | <b>-198</b> | <b>-44</b>  | <b>-1</b>         | <b>-6</b>                                      | <b>4,168</b>  |
| Deferred tax assets                                                                           | 4,592         |             |             |                   |                                                | 4,353         |
| Deferred tax liabilities                                                                      | 175           |             |             |                   |                                                | 185           |
| <b>Net deferred taxes on balance sheet</b>                                                    | <b>4,417</b>  |             |             |                   |                                                | <b>4,168</b>  |

## 8. RELATED PARTY TRANSACTIONS

SNCF, a national company wholly owned by the French State, is related, in the meaning of IAS 24, "Related Party Disclosures", to all companies and entities controlled by the French State.

Individually or collectively material transactions with the related parties concern the following entities:

- The French State, as shareholder;
- Transport Organising Authorities (regional authorities and the French State) and
- ICF Group low-rental housing companies.

The transactions carried out by the SNCF Group as part of its everyday operations with public service providers (EDF, Orange, La Poste, etc.) as well as the taxes paid pursuant to ordinary law are excluded from the scope of the related party transactions.

### 8.1 TRANSACTIONS WITH THE FRENCH STATE AND LOCAL COMMUNITIES

The information presented below concerns transactions entered into with the French State via its ministries, central authorities and transport Organising Authorities (OA), which are not carried out under market conditions and are not governed by ordinary law.

The operating grants transferred to SNCF Group by the French State and local communities are presented in the following table:

| <i>In € millions</i>              | 31/12/2022 | 31/12/2021 |
|-----------------------------------|------------|------------|
| <b>Investment grants received</b> | <b>432</b> | <b>294</b> |

Investment grants allocated by the French State and local communities are presented in Note 4.2.2.

Furthermore, the Group invoices the French State via SNCF Réseau SA for the access fees related to regional passenger trains (TER) and Trains d'Equilibre de Territoire (TET, Intercities). These fees also include rate compensation paid by the French State to cover the marginal cost of freight traffic, in addition to fees paid by freight companies. The following amounts are recognised in revenue.

| <i>In € millions</i> | 31/12/2022 | 31/12/2021 |
|----------------------|------------|------------|
| Access fees (*)      | 2,029      | 1,965      |
| Freight compensation | 176        | 159        |

(\*) Of which TER fees of €1,580 million (€1,530 million in 2021) and TET fees of €449 million (€435 million in 2021)

The amounts received from the French State and the OA in connection with transport services are presented in Note 3.3.

### 8.2 TRANSACTIONS WITH ICF GROUP LOW-RENTAL HOUSING COMPANIES (LRHC)

#### 8.2.1 Balance sheet headings

| <i>In € millions</i>              | 31/12/2022 | 31/12/2021 |
|-----------------------------------|------------|------------|
| Current financial assets          | 15         | 13         |
| Non-current financial assets      | 244        | 255        |
| Current financial liabilities     | 0          | 0          |
| Non-current financial liabilities | 0          | 0          |

Non-current financial assets primarily comprise building loans granted by SNCF and ICF to LRHC subsidiaries and equity investments of the LRHC subsidiaries. The latter amounted to €145 million (€145 million as at 31 December 2021) and were included in financial assets at fair value through equity (see Note 6.2.2.2). Given the low rental housing regulations and the SNCF structure, these assets cannot be transferred to other Group entities.

#### 8.2.2 Income and expenses

Transactions with low-rental housing companies recorded in the income statement are not material.

### 8.3 TRANSACTIONS WITH MANAGERS

A few employment contracts contain a clause allocating capped severance payments over and above contractual amounts in the event of dismissal. There were no transactions between a Group entity and its managers other than the compensation presented in Note 5.5.



## 9. OFF-BALANCE SHEET COMMITMENTS

### 9.1 COMMITMENTS RECEIVED AND GIVEN

Commitments received and given are detailed in the following tables:

| Commitments received (in € millions)                                  | Notes   | 31/12/2022       |                                  |                   |                   | 31/12/2021       |  |
|-----------------------------------------------------------------------|---------|------------------|----------------------------------|-------------------|-------------------|------------------|--|
|                                                                       |         | Total commitment | Amount of commitments per period |                   |                   | Total commitment |  |
|                                                                       |         |                  | Less than 1 year                 | From 1 to 5 years | More than 5 years |                  |  |
| <b>Commitments relating to financing</b>                              |         | <b>4,543</b>     | <b>173</b>                       | <b>4,253</b>      | <b>117</b>        | <b>4,572</b>     |  |
| Personal collateral                                                   |         | 97               | 9                                | 45                | 43                | 106              |  |
| Unused confirmed credit lines                                         | 6.4.6   | 4,446            | 164                              | 4,208             | 74                | 4,466            |  |
| <b>Commitments relating to operations</b>                             |         | <b>19,443</b>    | <b>7,101</b>                     | <b>9,649</b>      | <b>2,693</b>      | <b>22,049</b>    |  |
| Investment commitments for operation of rail equipment                | 9.1.2.1 | 7,293            | 2,161                            | 4,054             | 1,078             | 7,746            |  |
| Purchase commitments for non-current assets other than rail equipment | 9.1.2.2 | 8,451            | 3,372                            | 4,477             | 602               | 10,250           |  |
| Property sale undertakings                                            | 9.1.2.3 | 103              | 83                               | 21                | -                 | 253              |  |
| Operational and financial guarantees                                  | 9.1.2.4 | 2,169            | 1,301                            | 578               | 290               | 2,196            |  |
| Operating leases: equipment                                           | 9.1.2.5 | 18               | 1                                | 0                 | 17                | 21               |  |
| Operating leases: property                                            | 9.1.2.5 | 1,398            | 181                              | 515               | 702               | 1,568            |  |
| Commitments relating to operating and fixed asset purchase agreements |         | 11               | 3                                | 4                 | 3                 | 14               |  |
| <b>Commitments relating to the Group consolidation</b>                |         | <b>17</b>        | <b>0</b>                         | <b>17</b>         | <b>-</b>          | <b>17</b>        |  |
| Warranties                                                            |         | 0                | 0                                | -                 | -                 | 0                |  |
| Security commitments (option contracts)                               |         | 17               | -                                | 17                | -                 | 17               |  |
| <b>Other commitments received</b>                                     |         | <b>3</b>         | <b>3</b>                         | <b>0</b>          | <b>0</b>          | <b>4</b>         |  |
| <b>Total commitments received</b>                                     |         | <b>24,006</b>    | <b>7,278</b>                     | <b>13,919</b>     | <b>2,810</b>      | <b>26,641</b>    |  |

| Commitments given (in € millions)                                     | Notes   | 31/12/2022       |                                  |                   |                   | 31/12/2021       |  |
|-----------------------------------------------------------------------|---------|------------------|----------------------------------|-------------------|-------------------|------------------|--|
|                                                                       |         | Total commitment | Amount of commitments per period |                   |                   | Total commitment |  |
|                                                                       |         |                  | Less than 1 year                 | From 1 to 5 years | More than 5 years |                  |  |
| <b>Commitments relating to financing</b>                              |         | <b>1,402</b>     | <b>911</b>                       | <b>280</b>        | <b>211</b>        | <b>1,482</b>     |  |
| Personal collateral                                                   | 9.1.1.1 | 385              | 194                              | 147               | 43                | 309              |  |
| Personal collateral: guarantees given for employee loans              |         | 286              | 52                               | 129               | 105               | 350              |  |
| Security interests                                                    | 9.1.1.2 | 731              | 664                              | 5                 | 62                | 822              |  |
| <b>Commitments relating to operations</b>                             |         | <b>29,530</b>    | <b>6,822</b>                     | <b>13,436</b>     | <b>9,272</b>      | <b>28,433</b>    |  |
| Investment commitments for operation of rail equipment                | 9.1.2.1 | 11,850           | 2,171                            | 6,464             | 3,214             | 10,736           |  |
| Purchase commitments for non-current assets other than rail equipment | 9.1.2.2 | 9,945            | 3,592                            | 5,042             | 1,310             | 10,914           |  |
| Property sale undertakings                                            | 9.1.2.3 | 104              | 83                               | 21                | -                 | 275              |  |
| Operational and financial guarantees                                  | 9.1.2.4 | 2,203            | 181                              | 1,032             | 990               | 2,455            |  |
| Customs guarantees                                                    |         | 267              | 219                              | 6                 | 42                | 276              |  |
| Commitments relating to operating and fixed asset purchase agreements | 9.1.2.6 | 4,035            | 275                              | 473               | 3,287             | 3,109            |  |
| Firm commodity purchase commitments (electricity, diesel, etc.)       | 9.1.2.7 | 1,127            | 301                              | 397               | 429               | 668              |  |
| <b>Commitments relating to the Group consolidation</b>                |         | <b>238</b>       | <b>1</b>                         | <b>233</b>        | <b>4</b>          | <b>237</b>       |  |
| Security commitments                                                  |         | 1                | -                                | -                 | 1                 | 2                |  |
| Other commitments relating to the Group consolidation scope           |         | 237              | 1                                | 233               | 2                 | 235              |  |
| <b>Total commitments given</b>                                        |         | <b>75</b>        | <b>48</b>                        | <b>14</b>         | <b>12</b>         | <b>107</b>       |  |
| <b>Total commitments given</b>                                        |         | <b>31,244</b>    | <b>7,782</b>                     | <b>13,963</b>     | <b>9,499</b>      | <b>30,258</b>    |  |

As of 31 December 2022, commitments with joint ventures, included in the total, amounted to:

- €0 million for commitments received (€2 million for 2021);
- €134 million for commitments given (€133 million for 2021).

### 9.1.1 Commitments relating to financing

#### 9.1.1.1 Personal collateral

The €76 million increase in personal collateral given was attributable for €59 million to the rise in endorsements and sureties given by Geodis SA.

#### 9.1.1.2 Security interests

The €92 million decline in security interests was primarily attributable in the amount of €97 million to guarantees given by Eurostar for bank loans.

### 9.1.2 Commitments relating to operations

#### 9.1.2.1 Investment commitments for operation of rail equipment

Commitments received correspond to investment funding receivable from the OA for ordered rolling stock. They decrease by the amount of the investments ordered by the Organising Authorities that have been carried out. Conversely, they increase in the amount of new investment orders.

The €452 million decline in commitments received in 2022 was mainly attributable to:

- calls for funds at TER (Regio2N -€360 million and Régiolis trains -€180 million) and Transilien (Regio2N -€263 million, RER NG -€140 million, NAT trains -€136 million and tram-trains -€59 million);
- the increase at TER of investment grants receivable from the regions (net of calls for funds) for +€419 million; these investments mainly involved the renovation and upgrade of AGC and TER 2N NG trains (OPTER project);
- the signing at Transilien of a new financing agreement for the acquisition of 7 Regio2N trains for €135 million and the upwards revision of the commitment relating to the acquisition of new rolling stock for the RER B line (+€104 million).

Commitments given concern investments concluded with rolling stock manufacturers, in connection with certain commitments with the transport Organising Authorities (OA) for the future commissioning of new equipment. The €1,114 million increase recorded for the period was attributable to a higher level of new commitments compared to investments.

This rise was primarily attributable to:

- the upward revision due to inflation and rising labour costs of the contract for the acquisition of 100 TGV 2020 trains (+€704 million);
- the new contract for the acquisition of 15 TGV 2020 trains for the south corridor (+€626 million);
- the signing of new contracts with the Nouvelle Aquitaine, Pays de la Loire, Bourgogne Franche-Comté and Hauts-de-France regions as part of the OPTER rolling stock renovation project (+€510 million);
- the decline in residual equipment investments following down payments and deliveries. This mainly involved Regio2N (-€297 million), RER NG (-€185 million) and NAT trains (-€124 million) as well as trams (-€76 million) for Transilien and Régiolis trains (-€79 million) for TER.

#### 9.1.2.2 Purchase and financing commitments for non-current assets other than rail equipment

Financing commitments received for the purchase of non-current assets other than rail equipment decreased by €1,799 million in line with:

- payment by the French State to SNCF Réseau in 2022 of a renewal grant for €1,761 million (€1,068 on 4 March 2022 and €693 million on 31 August 2022). The payment

was recognised in the SNCF Réseau balance sheet as an investment grant.

For the record, SNCF Réseau had reported under commitments received as at 31 December 2021 a grant of €2,405 million corresponding to the rail sector recovery plan;

- a +€381 million increase in investment grants receivable by SNCF Réseau pursuant to financing agreements;
- a decline in investment grants receivable from Île-de-France Mobilités by SNCF Gares & Connexions for -€247 million;

– issue by Transilien of calls for funds vis-a-vis Île-de-France Mobilités for investment projects not covered by the State/Region contract for -€222 million.

Non-current asset purchase commitments given decreased by €969 million with:

- the decrease in programmes as part of the 4-year Investment Plan binding SNCF Gares & Connexions and Île-de-France Mobilités until the end of 2023 for -€358 million;

– the €206 million decline at Transilien of investment programmes not covered by the State/Region contract;

– the decline in SNCF Gares & Connexions investment programmes (excluding the 4-year Investment Plan) for -€114 million; this mainly involved the work in the Paris-Lyon and Paris-Est stations for -€149 million and -€43 million, respectively, and the refurbishment of Paris Saint-Lazare station for +€85 million;

– the €355 million decrease in purchase commitments for non-current assets relating to financial agreements or in line with renewal projects at SNCF Réseau.

#### 9.1.2.3 Property sale undertakings

The decline in commitments given and received relating to property sale undertakings was primarily due to the sale of the Gobelins site (Paris 13<sup>th</sup> district) at the end of 2022.

#### 9.1.2.4 Operational and financial guarantees

Operational and financial guarantees received were mainly impacted during the year by:

- the return of three first-demand guarantees vis-a-vis the supplier Ceetrus (-€193 million);
- the increase in bank guarantees received by TER from rolling stock suppliers for Regio2N carriages (+€231 million);
- the discounting of the guarantee received under the TGV 2020 purchase agreement (+€264 million);
- the decrease in bank guarantees received by Transilien from manufacturers Bombardier and Alstom (-€379 million);
- the receipt of two new guarantees vis-a-vis Alstom as part of the Paris-Austerlitz project (+€81 million).

Operational and financial guarantees given declined by €252 million mainly due to the end of most commitments relating to the Keolis contracts in the UK.

### 9.1.2.5 Commitments relating to equipment and property operating leases

As at 31 December 2022, the payment schedule of lease commitments received breaks down as follows:

| In € millions                     | 31/12/2022   | 31/12/2021   |
|-----------------------------------|--------------|--------------|
| <b>Equipment operating leases</b> |              |              |
| Less than 1 year                  | 1            | 18           |
| 1 to 2 years                      | 0            | 3            |
| 2 to 3 years                      | 0            | 1            |
| 3 to 4 years                      | -            | 0            |
| 4 to 5 years                      | -            | 0            |
| 5 years and thereafter            | 17           | -1           |
| <b>Total</b>                      | <b>18</b>    | <b>21</b>    |
| <b>Property operating leases</b>  |              |              |
| Less than 1 year                  | 181          | 183          |
| 1 to 2 years                      | 161          | 131          |
| 2 to 3 years                      | 123          | 120          |
| 3 to 4 years                      | 123          | 110          |
| 4 to 5 years                      | 108          | 108          |
| 5 years and thereafter            | 702          | 916          |
| <b>Total</b>                      | <b>1,398</b> | <b>1,568</b> |

Equipment and property operating leases decreased by €173 million primarily due to the decline in the index used by SNCF Gares & Connexions to calculate the average increase in station retail outlet rent.

### 9.1.2.6 Commitments relating to operating and fixed asset purchase agreements

This heading mainly includes purchase commitments for rail and station access and track reservation commitments.

Commitments relating to operating and fixed asset purchase agreements will by nature have a positive offset for the Group in connection with its roles or activities.

Commitments given relating to operating and fixed asset purchase agreements totalled €4,035 million, up €926 million. This increase was attributable to:

- the €743 million increase in future payments to Eurotunnel relating to network access and rail traffic in the Eurotunnel. This increase was primarily attributable to the updated Eurostar business plan and the consumer price indexation of the Channel tunnel use agreement;
- the increase in track reservation commitments at Eurostar by +€229 million, mainly due to inflation.

### 9.1.2.7 Firm commodity purchase commitments (electricity, diesel, etc.)

Commodity purchase commitments rose by €459 million. This increase was attributable to:

- the signing by SNCF Énergie of 4 new renewable energy Power Purchase Agreements for €241 million;
- a new traction electricity purchase agreement signed by Fret SNCF for €125 million.

### 9.1.2.8 Total commitments given

In December 2022, Geodis signed an agreement to acquire the company trans-o-flex, a leading player in the premium express transport sector in Germany, specialising in temperature-controlled transport of pharmaceutical products. This transaction will become effective upon the lifting of conditions precedent and in particular once the regulatory approvals are obtained.

## 9.2 TRANSFERS OF FINANCIAL ASSETS

### Geodis factoring

SNCF set up a revolving trade receivables factoring facility in the Geodis segment. Factoring transactions cover the entire amount of the receivables assigned, and can be carried out on a monthly basis. Counterparty and late payment risks are transferred to the factor, as are the benefits associated with the receivables. As the receivables are denominated and assigned in euros, there is no foreign exchange risk. Consequently, the Group is deemed to have transferred substantially all the risks and rewards relating to the receivables. Because these are operating receivables, the cash inflows from assigning them are presented as cash flows from operating activities in the cash flow statement. Assignments at the year-end resulted in a net receipt of €176 million in 2022 (€227 million in 2021) being obtained in advance from the factor compared to the usual debt collection period.

## 9.3 CONTINGENT LIABILITIES

### 9.3.1 Alleged aid from the French State and the Île de France Regional Council

The Optile consortium of transport operators, including Keolis, was affected by the ruling of the Conseil d'Etat on the recovery of grants allocated by the Ile-de-France Regional Council on the grounds that it had illegally profited from the State aid programme. The Optile consortium of transport operators, including Keolis, was affected by the ruling of the Conseil d'Etat on the recovery of grants allocated by the Île-de-France Regional Council on the grounds that it had illegally profited from the State aid programme. As the programme was deemed compatible with the internal market, but not notified to the Commission, the Conseil d'État, in a ruling handed down on 18 March 2020, requested the Île-de-France region to "take the necessary measures to ensure that each company that had operated in a market open to competition and illegally benefited from the aid programme pays amounts corresponding to the interest...that the company would have paid had it been required to borrow funds".

In the absence of methods for implementing this decision and determining the relevant net amounts, the Keolis Group did not record a provision for this litigation.

### 9.3.2 Termination of the Gare du Nord concession agreement

Following the notification by SNCF Gares & Connexions as Concession Granting Authority on 21 September 2021 of the termination due to breach of contract of the concession agreement, an analysis was conducted to estimate the forfeiture compensation for the concessionaire and the damage incurred by the Concession Granting Authority. This analysis led the Concession Granting Authority to notify the Concessionaire on 21 December 2021 by presenting it with the provisional breakdown of expenses incurred for the cancellation.

At the same time, on 24 December 2021 the Concessionaire notified the Concession Granting Authority of a Preliminary Compensation Claim, which was included in the action for damages filed on 6 January 2022 with the Paris Administrative Court.

In response, on 18 February 2022, SNCF Gares & Connexions filed:

- its defence statement, seeking to show that the termination decision for breach of contract was well founded, which would entail the rejection of GDN 2024's claims and vice versa;

– for compensatory remedy against GDN 2024 at the Administrative Court. This appeal supplements a payment summons filed on 24 January 2022 at the Commercial Court of Paris, under a first-demand guarantee clause.

Considering the legitimate nature of the concession agreement cancellation and the analysis of its impacts, no provision for litigation was recorded as at 31 December 2022.

## 10. SCOPE

### 10.1 NUMBER OF CONSOLIDATED COMPANIES

The number of companies consolidated by SNCF Group breaks down as follows:

|                                                                | 31/12/2022 | 31/12/2021 | Change     |
|----------------------------------------------------------------|------------|------------|------------|
| Parent company and fully consolidated companies                | 818        | 840        | -22        |
| Companies consolidated by percentage shares (joint operations) | 0          | 0          | 0          |
| Equity-accounted companies (joint ventures)                    | 44         | 48         | -4         |
| Equity-accounted companies (significant influence)             | 64         | 67         | -3         |
| <b>Total scope of consolidation</b>                            | <b>926</b> | <b>955</b> | <b>-29</b> |

### 10.2 ANALYSIS OF THE CONTROL OF CERTAIN ENTITIES

#### 10.2.1 LRHC (Low-rental housing companies)

The assessment of control exercised over low-rental housing companies (LRHC) is a complex issue that the Group has approached, taking into account the constraints resulting from the extremely strict regulatory framework governing low-rental housing and the focus set for its housing policy. It would appear that consolidation is not appropriate as:

– if SNCF exercises influence over certain aspects of management of the LRHC, it cannot be qualified as a controlling influence; SNCF neither directs the relevant activities of the LRHC pursuant to IFRS 10, nor influences policy-making pursuant to IAS 28 revised, due to the restrictions and strict supervision imposed by the Law;

– the SNCF Group's decision to own the four LRHC concerned is primarily based on institutional and general interest arguments and not on financial and asset ownership considerations, whether direct or indirect, the potential returns being very limited.

Shares in LRHC are therefore retained in balance sheet assets and classified in available-for-sale financial assets (see Notes 6.1.2.4 and 8.2.2).

The main consolidated balance sheet headings of these companies were as follows:

– Non-current assets: €4,995 million (€4,738 million in 2021).

– Non-current liabilities: €2,583 million (€2,431 million in 2021).

The net indebtedness of unconsolidated low-rental housing companies amounted to €2.52 billion (€2.38 billion as at 31 December 2021).

#### 10.2.2 SNCF Habitat

SNCF holds shares in a group of real-estate financing companies. Under the SOCRIF brand, the group comprises SNCF Habitat (a wholly-owned public interest cooperative), Sofiap (a credit institution 34% held and controlled by La Banque Postale since 20 May 2014 after having been 49% held by Credit Immobilier de France Développement) and Soprim (a wholly-owned simplified joint stock company). Given the legal restrictions governing the returns obtained by investors from public interest cooperatives for home ownership (specific statutory regulations enacted by the French Construction and Housing Code), the Group is neither exposed to the variable returns of SNCF Habitat, nor can it exercise any power on these returns. Consequently, SNCF Habitat is not consolidated according to IFRS 10. The same is true for Sofiap and Soprim, which are indirectly held through SNCF Habitat, due to the absence of effective control. Soprim has a very limited activity. The shares are therefore retained in balance sheet assets and classified under investments in equity instruments. The year-end financial aggregates of Sofiap were as follows:

– non-current assets: €2,323 million (€2,212 million as at 31 December 2021)

– non-current liabilities: €2,244 million (€2,178 million as at 31 December 2021)

#### 10.2.3 SNCF Réseau, Fret SNCF, SNCF Gares & Connexions and SNCF Voyageurs

Pursuant to Article L. 2102-10 of the French Transport Code, the financial statements of SNCF Réseau, Fret SNCF, SNCF Gares & Connexions and SNCF Voyageurs were fully consolidated by the SNCF Group.

### 10.3 MAIN ENTITIES WITHIN THE SCOPE OF CONSOLIDATION

The following table lists only the main significant entities. A significant entity is any entity with revenue of over €30 million or total assets of over €50 million.

Consolidation methods:

**FC:** Full Consolidation

**JO:** Joint Operation - Recognition of shares of assets, liabilities, revenues and expenses

**JV:** Joint Venture - Equity-accounted

**SI:** Significant Influence - Equity-accounted

**NC:** Non consolidated

**F:** Company absorbed by another Group company

**Percentage interest:** share in the share capital of the consolidated company held by the consolidating company, either directly or indirectly.

**Percentage control:** percentage of voting rights held by the consolidating company in the consolidated company, either directly or indirectly.



| Geographical area         | Country              | Company                                                   | M  | PC     | PI     | PC       | PI       |
|---------------------------|----------------------|-----------------------------------------------------------|----|--------|--------|----------|----------|
|                           |                      |                                                           |    | Year Y | Year Y | Year Y-1 | Year Y-1 |
| <b>Parent company</b>     |                      |                                                           |    |        |        |          |          |
| FRANCE                    | FRANCE               | Société Nationale SNCF                                    | FC | 100%   | 100%   | 100%     | 100%     |
| <b>Business line</b>      |                      | <b>Infrastructure Management</b>                          |    |        |        |          |          |
| <b>Segment</b>            |                      | <b>SNCF Réseau</b>                                        |    |        |        |          |          |
| FRANCE                    | FRANCE               | SNCF Réseau                                               | FC | 100%   | 100%   | 100%     | 100%     |
|                           | FRANCE               | GI CDG Express                                            | JV | 33%    | 33%    | 33%      | 33%      |
| <b>Segment</b>            |                      | <b>SNCF Gares &amp; Connexions</b>                        |    |        |        |          |          |
| FRANCE                    | FRANCE               | SNCF Gares & Connexions                                   | FC | 100%   | 100%   | 100%     | 100%     |
|                           | FRANCE               | Retail & Connexions                                       | FC | 100%   | 100%   | 100%     | 100%     |
|                           | FRANCE               | Lagardère & Connexions                                    | FC | 100%   | 50%    | 50%      | 50%      |
|                           | FRANCE               | Gare du Nord 2024                                         | SI | 34%    | 34%    | 34%      | 34%      |
| <b>Business line</b>      |                      | <b>Passenger activity</b>                                 |    |        |        |          |          |
| <b>Segment</b>            |                      | <b>SNCF Voyageurs</b>                                     |    |        |        |          |          |
| EUROPE                    | AUSTRIA              | Rail Holding AG                                           | SI | 17%    | 17%    | 17%      | 17%      |
| (EXCLUDING FRANCE)        | BELGIUM              | THI Factory                                               | FC | 100%   | 56%    | 60%      | 60%      |
|                           |                      | Eurostar Group                                            | FC | 56%    | 56%    | 0%       | 0%       |
|                           | UK                   | Groupe Eurostar                                           | FC | 100%   | 56%    | 55%      | 55%      |
|                           | SPAIN                | Ouigo España SA                                           | FC | 100%   | 100%   | 100%     | 100%     |
| FRANCE                    | FRANCE               | SNCF Voyageurs                                            | FC | 100%   | 100%   | 100%     | 100%     |
|                           | FRANCE               | SNCF Énergie                                              | FC | 100%   | 100%   | 100%     | 100%     |
|                           | FRANCE               | Masteris                                                  | FC | 100%   | 100%   | 100%     | 100%     |
|                           | FRANCE               | SVD SAS                                                   | FC | 100%   | 100%   | 100%     | 100%     |
| <b>Segment</b>            |                      | <b>Keolis</b>                                             |    |        |        |          |          |
| AFRICA, MIDDLE EAST       | UNITED ARAB EMIRATES | Keolis -MHI Rail Management and Operation LLC             | FC | 70%    | 49%    | 70%      | 49%      |
|                           | QATAR                | RKH Qitarat LLC                                           | SI | 31%    | 21%    | 33%      | 23%      |
| AMERICAS                  | CANADA               | Keolis Canada Inc                                         | FC | 100%   | 70%    | 100%     | 70%      |
|                           | UNITED STATES        | Keolis Transit America                                    | FC | 100%   | 70%    | 100%     | 70%      |
|                           |                      | Keolis Commuter Services LLC                              | FC | 100%   | 82%    | 100%     | 82%      |
| ASIA, PACIFIC             | AUSTRALIA            | KDR Victoria Pty Ltd                                      | FC | 100%   | 36%    | 100%     | 36%      |
|                           |                      | KD Hunter Pty Ltd                                         | FC | 100%   | 36%    | 100%     | 36%      |
|                           |                      | Path Transit Pty Ltd                                      | FC | 100%   | 36%    | 100%     | 36%      |
|                           |                      | KDR Gold Coast PTY LTD                                    | FC | 100%   | 36%    | 100%     | 36%      |
|                           |                      | Keolis Downer Adelaide                                    | FC | 100%   | 36%    | 100%     | 36%      |
|                           |                      | KD Northern Beaches Pty Ltd                               | FC | 100%   | 36%    | 100%     | 36%      |
|                           | CHINA                | Shanghai Keolis Public Transport Operation Management Co. | SI | 49%    | 34%    | 49%      | 34%      |
| EUROPE (EXCLUDING FRANCE) | BELGIUM              | Parking Cathedrale SA                                     | FC | 100%   | 70%    | 100%     | 70%      |
|                           | DENMARK              | Keolis Danmark                                            | FC | 100%   | 70%    | 100%     | 70%      |
|                           | UK                   | Nottingham Trams Ltd                                      | FC | 80%    | 56%    | 80%      | 56%      |
|                           |                      | Keolis-Amey Metrolink                                     | FC | 60%    | 42%    | 60%      | 42%      |
|                           |                      | Keolis-Amey Docklands Ltd                                 | FC | 70%    | 49%    | 70%      | 49%      |
|                           |                      | Govia Thameslink Railway Limited                          | JV | 35%    | 24%    | 35%      | 24%      |
|                           | NETHERLANDS          | Keolis Nederland BV (formerly Syntus)                     | FC | 100%   | 70%    | 100%     | 70%      |
|                           | SWEDEN               | Keolis Sverige                                            | FC | 100%   | 70%    | 100%     | 70%      |
|                           | NORWAY               | Keolis Norge AS                                           | NC | 0%     | 0%     | 100%     | 70%      |

| Geographical area | Country              | Company                                                                                          | M                                                                          | PC     | PI     | PC       | PI       |      |
|-------------------|----------------------|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|--------|--------|----------|----------|------|
|                   |                      |                                                                                                  |                                                                            | Year Y | Year Y | Year Y-1 | Year Y-1 |      |
| FRANCE            | FRANCE               | Transport Daniel Meyer                                                                           | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Transports de l'agglomération de Metz Métropole                                                  | SI                                                                         | 40%    | 32%    | 40%      | 32%      |      |
|                   |                      | Saemes                                                                                           | JV                                                                         | 33%    | 23%    | 33%      | 23%      |      |
|                   |                      | Keolis Tours                                                                                     | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Rennes                                                                                    | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Pays d'Aix                                                                                | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Métropole Orléans                                                                         | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Lyon                                                                                      | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Lille Métropole                                                                           | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Grand Nancy                                                                               | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Dijon Mobilités                                                                           | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis CIF                                                                                       | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Caen Mobilités                                                                            | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Bordeaux Métropole                                                                        | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Besançon Mobilités                                                                        | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Atlantique                                                                                | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Amiens                                                                                    | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis                                                                                           | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Versailles                                                                                | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Alpes Maritimes                                                                           | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Côte Basque - Adour                                                                       | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Argenteuil Boucles de Seine                                                               | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Keolis Bus Verts                                                                                 | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Hello Paris                                                                                      | JV                                                                         | 100%   | 35%    | 100%     | 35%      |      |
|                   |                      | Hello Paris Services                                                                             | JV                                                                         | 100%   | 35%    | 100%     | 35%      |      |
|                   |                      | Effia Stationnement et Mobilité                                                                  | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | EFFIA Park                                                                                       | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   |                      | Effia Concessions                                                                                | FC                                                                         | 100%   | 70%    | 100%     | 70%      |      |
|                   | <b>Business line</b> | <b>Freight &amp; Logistics activity</b>                                                          |                                                                            |        |        |          |          |      |
|                   | <b>Segment</b>       | <b>Ermewa Group</b>                                                                              |                                                                            |        |        |          |          |      |
| FRANCE            | FRANCE               | Groupe Akiem                                                                                     | NC                                                                         | 0%     | 0%     | 50%      | 50%      |      |
|                   | <b>Segment</b>       | <b>Geodis</b>                                                                                    |                                                                            |        |        |          |          |      |
| AFRICA            | SOUTH AFRICA         | Geodis South Africa Pty Ltd                                                                      | FC                                                                         | 100%   | 100%   | 100%     | 100%     |      |
| AMERICAS          | ARGENTINA            | Geodis Wilson Argentina S.A.                                                                     | FC                                                                         | 100%   | 100%   | 100%     | 100%     |      |
|                   | BRAZIL               | Geodis Gerenciamento de Fretes do Brasil Ltda (formerly GW Freight Management Brazil)            | FC                                                                         | 100%   | 100%   | 100%     | 100%     |      |
|                   | CANADA               | Geodis FF Canada Ltd                                                                             | FC                                                                         | 100%   | 100%   | 100%     | 100%     |      |
|                   | CHILE                | Geodis Chile Soluciones Integrales De Logistica Limitada (formerly Geodis Wilson Chile Limitada) | FC                                                                         | 100%   | 100%   | 100%     | 100%     |      |
|                   | COLOMBIA             | Geodis Colombia Ltda                                                                             | FC                                                                         | 100%   | 100%   | 100%     | 100%     |      |
|                   | UNITED STATES        |                                                                                                  | Geodis USA, LLC                                                            | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                      |                                                                                                  | Geodis Transportation, LLC                                                 | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                      |                                                                                                  | Geodis Transportation Solutions, LLC                                       | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                      |                                                                                                  | Geodis SCO USA Inc (formerly Geodis Global Solutions USA Inc)              | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                      |                                                                                                  | Geodis Logistics, LLC (Logistic activity)                                  | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                      |                                                                                                  | Geodis America                                                             | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                      |                                                                                                  | Need It Now Delivers                                                       | FC     | 100%   | 100%     | 0%       | 0%   |
|                   | MEXICO               |                                                                                                  | Geodis Mexico S.A. de C.V. (formerly Geodis Wilson Mexico S.A. de C.V.)    | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                      |                                                                                                  | Geodis Mexico S.A. de C.V. - Logistics                                     | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                      |                                                                                                  | Geodis Mexico Solutions SA de CV (formerly Geodis Global Solutions Mexico) | FC     | 100%   | 100%     | 100%     | 100% |

| Geographical area | Country                        | Company                                                                 | M                                                                             | PC     | PI     | PC       | PI       |      |
|-------------------|--------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------|--------|--------|----------|----------|------|
|                   |                                |                                                                         |                                                                               | Year Y | Year Y | Year Y-1 | Year Y-1 |      |
| ASIA, PACIFIC     | AUSTRALIA                      | Geodis Australia Pty Ltd (formerly Geodis Wilson Pty Ltd Australia)     | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   | CHINA                          | Geodis Hong Kong Ltd. (formerly Geodis Wilson Hong Kong Ltd.)           | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis China Limited (formerly Geodis Wilson China Limited)             | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis China Limited - Logistics (formerly Geodis Wilson China Limited) | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Combined Logistics (Hong Kong) Limited                                  | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   | SOUTH KOREA                    | Geodis Korea Co. Ltd.                                                   | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   | INDIA                          | Geodis India Pvt Ltd (formerly Geodis Overseas India)                   | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   | MALAYSIA                       | Geodis Malaysia Sdn Bhd                                                 | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   | NEW ZEALAND                    | Geodis New Zealand Limited (formerly Geodis Wilson. New Zealand Ltd)    | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   | SINGAPORE                      | Geodis Singapore Pte Ltd (formerly Geodis Wilson Singapore Pte Ltd)     | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis Logistics Singapore Pte Ltd                                      | FC                                                                            | 100%   | 100%   | 0%       | 0%       |      |
|                   | THAILAND                       | Geodis Thai Ltd                                                         | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   | TURKEY                         | Geodis TURKEY NAKLİYAT A.Ş.                                             | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   | EUROPE (EXCLUDING FRANCE)      | GERMANY                                                                 | Geodis CL Germany GmbH (formerly Geodis Logistics Deutschland GmbH)           | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                                |                                                                         | Geodis FF Germany GmbH & Co. KG (formerly Geodis Wilson Germany GmbH & Co KG) | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                                |                                                                         | Geodis RT Germany GMBH                                                        | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                                | BELGIUM                                                                 | Geodis FF Belgium (formerly Geodis FF Belgium N.V.)                           | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                                |                                                                         | Sealogis Freight Forwarding Belgium                                           | FC     | 100%   | 99%      | 100%     | 99%  |
|                   |                                | DENMARK                                                                 | Geodis Denmark A/S (formerly Geodis Wilson Denmark A/S)                       | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                                | SPAIN                                                                   | Geodis RT Spain SA                                                            | FC     | 100%   | 100%     | 100%     | 100% |
|                   |                                | Geodis FF Spain SL (formerly Geodis Wilson Spain, S.L.U.)               | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
| UK                |                                | Geodis FF United Kingdom Ltd (formerly Geodis Wilson UK Ltd)            | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis Contract Logistics United Kingdom Ltd                            | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
| HUNGARY           |                                | Geodis Hungary Logistics Kft - Freight                                  | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
| IRELAND           |                                | Geodis Ireland Ltd                                                      | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
| ITALY             |                                | Geodis CL Italia Spa (formerly Geodis Logistics S.P.A.)                 | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis RT Italia Srl                                                    | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis FF Italia Spa (formerly Geodis Wilson Italia Spa)                | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
| LUXEMBOURG        |                                | Lexsis                                                                  | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
| NETHERLANDS       |                                | Geodis Benelux Holding BV (formerly Geodis Holding BV)                  | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis CL Netherlands B.V. (formerly Geodis Logistics Netherlands BV)   | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis RT Netherlands BV                                                | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis FF Netherlands B.V. (formerly Geodis Wilson Netherlands B.V.)    | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
| POLAND            | Geodis Road Network sp. z.o.o. | FC                                                                      | 100%                                                                          | 100%   | 100%   | 100%     |          |      |
|                   | Pekaes sp. z.o.o.              | FC                                                                      | 100%                                                                          | 100%   | 100%   | 100%     |          |      |
|                   | Geodis Poland Sp. z.o.o.       | FC                                                                      | 100%                                                                          | 100%   | 100%   | 100%     |          |      |
| NORWAY            | Geodis Norway AS               | FC                                                                      | 100%                                                                          | 100%   | 100%   | 100%     |          |      |
| SWEDEN            | Geodis Sweden AB               | FC                                                                      | 100%                                                                          | 100%   | 100%   | 100%     |          |      |
| FRANCE            | FRANCE                         | BM Virolle                                                              | SI                                                                            | 35%    | 35%    | 35%      | 35%      |      |
|                   |                                | Bourgey Montreuil Alsace                                                | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Bourgey Montreuil Savoie (formerly BM Route)                            | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Gandon Transports                                                       | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis D&E Alsace (formerly Calberson Alsace)                           | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis D&E Armorique (formerly Calberson Armorique)                     | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis D&E Bretagne (formerly Calberson Bretagne)                       | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Calberson Ile de France                                                 | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |
|                   |                                | Geodis D&E Loiret (formerly Calberson Loiret)                           | FC                                                                            | 100%   | 100%   | 100%     | 100%     |      |

| Geographical area               | Country              | Company                                     | M  | PC     | PI     | PC       | PI       |
|---------------------------------|----------------------|---------------------------------------------|----|--------|--------|----------|----------|
|                                 |                      |                                             |    | Year Y | Year Y | Year Y-1 | Year Y-1 |
|                                 |                      | Geodis D&E Mediterranee                     | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis D&E Normandie                        | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis D&E Paris                            | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis D&E Picardie                         | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis D&E Rhône-Alpes                      | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Calberson SAS                               | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis D&E Sud-Ouest                        | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Chaveneau Bernis Transport                  | FC | 100%   | 72%    | 100%     | 72%      |
|                                 |                      | Dusolier Calberson                          | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Flandre Express                             | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis CL Automotive Est                    | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis D&E Aquitaine                        | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis D&E Lille Europe                     | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis D&E Valenciennes                     | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis FF France                            | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis CL Ile de France                     | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis CL Nord                              | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis CL Rhône-Alpes                       | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis D&E Seine et Marne                   | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis D&E Seine                            | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis D&E Auvergne                         | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis SA                                   | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Grimaldi ACL France                         | NC | 0%     | 0%     | 60%      | 60%      |
|                                 |                      | Giraud Rhône-Alpes                          | NC | 0%     | 0%     | 100%     | 100%     |
|                                 |                      | Giraud Zone Longue                          | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Geodis D&E Dauphiné                         | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | SCI Ney - Geodis                            | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Sealogis                                    | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Sealogis Freight Forwarding                 | FC | 99%    | 99%    | 99%      | 99%      |
|                                 |                      | Transports Bernis                           | FC | 68%    | 68%    | 68%      | 68%      |
|                                 |                      | Transports Perrier                          | FC | 100%   | 100%   | 0%       | 0%       |
|                                 |                      | XP LOG                                      | FC | 100%   | 99%    | 100%     | 99%      |
|                                 |                      | Walbaum                                     | FC | 100%   | 100%   | 100%     | 100%     |
|                                 | <b>Segment</b>       | <b>Holding company - Logistics activity</b> |    |        |        |          |          |
|                                 |                      | Transport Logistique Partenaires            | FC | 100%   | 100%   | 100%     | 100%     |
|                                 | <b>Segment</b>       | <b>Rail Logistics Europe</b>                |    |        |        |          |          |
| FRANCE                          | FRANCE               | VIIA                                        | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | VFLI                                        | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | SAS Fret SNCF                               | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Naviland Cargo                              | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Forwardis SAS                               | FC | 100%   | 100%   | 100%     | 100%     |
| EUROPE<br>(EXCLUDING<br>FRANCE) | GERMANY              | Captrain Deutschland CargoWest              | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Dortmunder Eisenbahn                        | FC | 65%    | 65%    | 65%      | 65%      |
|                                 |                      | Forwardis GmbH                              | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Hansebahn Bremen                            | FC | 51%    | 51%    | 51%      | 51%      |
|                                 |                      | ITL Eisenbahngesellschaft GmbH              | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | NEB AG                                      | JV | 67%    | 34%    | 67%      | 34%      |
|                                 | BELGIUM              | Railtraxx                                   | FC | 100%   | 100%   | 100%     | 100%     |
|                                 | SPAIN                | Captrain España                             | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Primavia                                    | JV | 50%    | 50%    | 50%      | 50%      |
|                                 | ITALY                | Captrain Italia                             | FC | 100%   | 100%   | 100%     | 100%     |
|                                 | LUXEMBOURG           | Lorry Rail                                  | FC | 60%    | 60%    | 60%      | 60%      |
|                                 | SWITZERLAND          | BLS Cargo                                   | SI | 45%    | 45%    | 45%      | 45%      |
|                                 | <b>Business line</b> | <b>SNCF Corporate activity</b>              |    |        |        |          |          |
|                                 | <b>Segment</b>       | <b>Property</b>                             |    |        |        |          |          |
| FRANCE                          | FRANCE               | S2FIT1                                      | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Novedis-ICF                                 | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | ICF                                         | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Hébert                                      | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Foncière Vesta                              | SI | 20%    | 20%    | 20%      | 20%      |
|                                 |                      | Projet immobilier chemin du raisin Toulouse | FC | 100%   | 100%   | 100%     | 100%     |
|                                 |                      | Projet immobilier Gare de Lyon Daumesnil    | FC | 100%   | 100%   | 100%     | 100%     |
|                                 | <b>Segment</b>       | <b>Other</b>                                |    |        |        |          |          |
| EUROPE<br>(EXCLUDING<br>FRANCE) | SWITZERLAND          | Eurofima                                    | SI | 23%    | 23%    | 23%      | 23%      |
| FRANCE                          | FRANCE               | Systra                                      | SI | 43%    | 43%    | 43%      | 43%      |
|                                 | FRANCE               | SNCF Participations                         | FC | 100%   | 100%   | 100%     | 100%     |



# 04 – STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

**Société Nationale SNCF**

**Statutory Auditors' report  
on the consolidated financial statements**

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

**PricewaterhouseCoopers Audit**  
63, rue de Villiers  
92208 Neuilly-sur-Seine Cedex, France

Statutory Auditor  
Member of the *Compagnie  
régionale de Versailles et du Centre*

**Ernst & Young Audit**  
Tour First TSA 14444  
92037 Paris-La Défense Cedex, France  
Simplified joint-stock company (*société  
par actions simplifiée*) with variable  
capital  
344 366 315 R.C.S. Nanterre

Statutory Auditor  
Member of the *Compagnie  
régionale de Versailles et du Centre*

**Statutory Auditors' report  
on the consolidated financial statements**

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

*This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

**Société Nationale SNCF**  
2, place aux Etoiles  
93633 La Plaine Saint-Denis Cedex, France

To the Sole Shareholder,

**Qualified opinion**

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Société Nationale SNCF for the year ended 31 December 2022.

Subject to the qualification described in the "Basis of the qualified audit opinion" section of our report, 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 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.

The audit opinion expressed above is consistent with our report to the Audit, Accounts and Risk Committee.

## Basis of the qualified audit opinion

### *Reason for issuing a qualified opinion*

As stated in Notes 4.4.1 and 4.4.3.3 to the consolidated financial statements concerning impairment testing of the assets of the Infrastructure cash-generating unit (the "Infrastructure CGU"), the sharp rise in inflation significantly impacted operating expenses and the Infrastructure CGU's investment spending with regard to the financial trajectory defined in the 2021-2030 performance agreement signed between the Infrastructure CGU and the French State in April 2022.

This context constituted an indication of impairment and led SNCF Réseau to carry out another impairment test at 31 December 2022 based on a similar methodology to that used during the previous test carried out at 31 December 2021.

This new test did not result in the recognition of any additional impairment against the Infrastructure CGU's assets. The balance in the negotiations between the French State and SNCF Réseau underlying the financial trajectory used in the test remains based on the assumption that (i) SNCF Réseau will achieve its productivity goals and (ii) the French State will effectively implement all means and make all commitments necessary to support the recoverable amounts of the Infrastructure CGU's assets. This is illustrated, in particular, by the recapitalising of Société Nationale SNCF at the end of 2020 and the subsequent dividend distribution made to the support fund (*fonds de concours*) and intended to contribute to the financing of infrastructure investments.

The cash flow forecasts used for the impairment test were based on the financial trajectory set out in the 2021-2030 performance agreement adjusted in light of the 2023 budget approved by SNCF Réseau's Board of Directors on 14 December 2022 and the estimated impact of inflation to date for 2024 and thereafter. These cash flow forecasts comprised (i) cash inflows (infrastructure fees, investment subsidies) mainly arising from commitments received from the French State, (ii) operating expenses (particularly installation work and maintenance), net of productivity gains, and (iii) capital investment, particularly in network renovations.

The assumptions underlying these projections remain subject to major risks and uncertainties accentuated by the current evolving and uncertain economic context, particularly due to difficulties in forecasting the level of inflation in the medium and long term:

- The forecasts used in the impairment test carried out on the Infrastructure CGU at 31 December 2022 are based on the 2021-2030 performance agreement signed with the French State in April 2022 and adjusted in light of the 2023 budget and the estimated impact of inflation to date for 2024 and thereafter. Certain assumptions, in particular those based on a decision by or agreement with the French State or those linked to the economic environment, are likely to change over time and in the context of the revision of the strategic plan which should take place in the coming months.
- The toll fee projections are based in particular on:
  - Traffic trajectories and competition assumptions that are still uncertain, particularly in view of changes in travellers' behaviour and the economic environment.
  - Certain pricing assumptions are submitted to the French transport authority (ART) for an opinion. Toll rate indexing remains aligned with the ART's opinion dated 9 February



2021 for 2023 and SNCF Réseau's 2024-2026 draft Registration Document subject to the ART's opinion and then maintained at 3.6% thereafter.

- The investment subsidies allocated to renovation work and financed through the support fund are based on the payment by the French State to SNCF Réseau of:
  - €4.05 billion paid in December 2020 to the support fund by Société Nationale SNCF subsequent to its recapitalisation by the French State, of which €3.4 billion was paid to SNCF Réseau at the end of 2022.
  - Dividends to be received from Société Nationale SNCF, the estimation of which is based on Société Nationale SNCF's capacity to make distributions in the abovementioned context.
- 2030 was maintained by SNCF Réseau as the standard final year for the railway network currently in service, considering that 2030 will correspond to the year in which the network will be stabilised at expected performance levels. This unprecedented target performance level in 2030 is based on the regeneration investment trajectory set out in the performance agreement and adjusted for inflation. Terminal value therefore represents the essential factor in measuring the recoverable amount.
- The measures concerning the future pension scheme and, more broadly, the new social framework resulting from the rail industry agreements were still under negotiation at the reporting date and may consequently affect the projected future performance.

These major risks and uncertainties, the impact of which should be assessed in conjunction with the discount rate used, weigh on the discounted future cash flow forecasts used to measure the Infrastructure CGU's property, plant and equipment, and intangible and right-of-use assets as presented in the Company's statement of financial position at 31 December 2022. Consequently, the amount of the related impairment loss could be underestimated. These projections are also used to assess the recoverability of deferred tax assets and therefore to determine their amount in the statement of financial position. The amount of deferred tax assets in the statement of financial position may be overestimated.

As a result, we are unable to assess the pertinence of the projections used and are therefore unable to express an opinion on the carrying amount of the assets concerned which, at 31 December 2022, amounted to €34.1 billion (excluding work-in-progress) for property, plant and equipment, and intangible and right-of-use assets, and €4.4 billion for deferred tax assets.

In our report dated 25 February 2022 on the consolidated financial statements for the year ended 31 December 2021, we also expressed a qualified opinion on the carrying amount of the assets concerned, which amounted to €33.2 billion (excluding work-in-progress) for property, plant and equipment and intangible assets, and €4.6 billion for deferred tax assets.

#### **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 these standards are further described in the Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements section of our report.

### **Independence**

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from 1 January 2022 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No. 537/2011.

### **Justification of assessments – Key audit matters**

In accordance with the requirements of articles L.823-9 and R.823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, apart from the matter described in the "Basis of the qualified audit opinion" section of our report, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

### **Measurement of the Eurostar Group CGU's assets and the associated purchase commitments**

*Notes 2.1.4, 4.4.1, 4.4.2.3 and 6.3.2 to the consolidated financial statements*

#### **Description of risk**

- As stated in Notes 2.1.4 and 4.4.2.3 to the consolidated financial statements concerning impairment testing of the assets of the Eurostar Group cash-generating unit (the "Eurostar Group CGU"), the goodwill impairment test will henceforth be carried out on the Eurostar Group CGU, comprising the Eurostar CGU and Thalys. The impairment test performed by management to determine the recoverable amount of the CGU's assets, whose carrying amount at 31 December 2022 was €2,137 million (including €394 million in goodwill and €262 million in intangible assets with an indefinite useful life), consisted in discounting the CGU's estimated future cash flows in a context marked by high inflation, in particular with regard to the trajectory of toll and energy costs.
- Furthermore, a financial liability corresponding to the irrevocable commitment made by SNCF to purchase the interests in Eurostar Group owned by the CDPGI, Hermès and SNCB is included in the liability corresponding to non-controlling interest purchase commitments, which amounted to €1,383 million at 31 December 2022. The liabilities relating to these commitments mentioned in Notes 4.4.2.3 and 6.3.2 to the consolidated financial statements relating to the impairment testing of the Eurostar Group CGU's assets and financial liabilities are measured at fair value on the same basis.

Given (i) the materiality of these assets and liabilities in the Group's financial statements, (ii) the uncertainty of the cash flow forecasts used to determine their recoverable amount and fair value in the above-described context, and (iii) the high level of sensitivity of these amounts to the assumptions used, we deemed management's measurement of the recoverable amount of these assets and the fair value of the associated purchase commitments to be a key audit matter.

#### **How our audit addressed this risk**

We verified the consistency of the methodology used by management with the appropriate accounting standards and examined the methods for implementing the test.

Our work consisted primarily in:

- based on the impairment test prepared by management, reconciling the net economic assets tested and the financial liabilities with the underlying accounting data;
- assessing any differences between the forecasts and past outcomes;
- comparing the cash flows used in the impairment test with the strategic plan defined by management and approved by the Board of Directors of Eurostar Group on 25 November 2022;
- assessing the consistency of the cash flow projections with available sources of information;
- examining the methodology for calculating the recoverable amount of the Eurostar Group CGU's assets and the fair value of the financial liability;
- assessing the measurement inputs used by management (discount rates and long-term growth rates) with the support of our valuation experts;
- examining the sensitivity tests performed by management and comparing the results with those described in Note 4.4.2.3 to the consolidated financial statements.

Lastly, we obtained assurance that Notes 2.1.4 and 4.4.2.3 to the consolidated financial statements provide appropriate disclosures on the assumptions used and the analysis of the sensitivity of the recoverable amounts to changes in those assumptions.

#### **Measurement of employee benefit obligations**

*Note 5 to the consolidated financial statements*

##### **Description of risk**

Employees of the SNCF Group qualify for various post-employment benefit plans which are classified as either defined-benefit or defined-contribution plans.

At 31 December 2022, the defined-benefit plans gave rise to the recognition of an obligation in liabilities for a net amount of €1,979 million after taking into account plan assets measured at €644 million. Employee benefit obligations mainly comprise:

- post-employment benefit plans, social welfare initiatives and compensation for work-related injuries;
- other long-term benefit plans such as long-service awards and similar benefits, and gradual cessation of activity.

As indicated in Note 5 to the consolidated financial statements, these obligations are primarily measured on an actuarial basis using financial and demographic assumptions such as discount rate, mortality, staff turnover and projected future salary increases.

As indicated in Note 5 to the consolidated financial statements, since the creation of the SNCF employee pension and provident fund (*Caisse autonome de Prévoyance et de Retraite du Personnel de SNCF*), the special retirement plan for employees of SNCF, SNCF Réseau, SNCF Voyageurs, SNCF Gares & Connexions and Fret SNCF with qualifying status is considered to be a defined-contribution plan. No liability is recognised for defined-contribution plans as the Group does not have any obligation beyond the contributions paid each year.

A liability of €78 million has been recognised for 2022 in respect of travel benefits as these benefits, granted to active employees in the post-employment period, as well as to retirees and their dependants, constitute post-employment benefits. The valuation of this commitment was carried out on the basis of the new flat-rate scale of benefits in kind established by the agreement between ACOSS (*Agence Centrale des Organismes de Sécurité Sociale*) and UTP (*Union des Transports Publics*) signed during the year.

Given the complexity of the plans and the analysis underlying their classification, the number of employee benefit plans in the Group and the materiality of the associated liabilities, the complexity of the actuarial calculations performed, the degree of uncertainty surrounding the underlying financial and demographic assumptions, and the very high level of sensitivity of the actuarial value of the liability to those assumptions, we deemed management's measurement of employee benefit obligations to be a key audit matter.

#### **How our audit addressed this risk**

We familiarised ourselves with the procedure used by management to classify and measure its main employee benefit obligations.

Our work also consisted in:

- obtaining and examining internal and external documentation relating to these benefit obligations, including statements of plan assets;
- assessing, on the basis of management's analyses:
  - the classification of post-employment benefit plans as defined-benefit or defined-contribution,
  - the potential impact of developments and events during the year on the classification of existing plans, and in particular changes in contribution rates;



- examining, on a sample basis, the basic data used in the actuarial calculations against the underlying accounting data;
- assessing, with the guidance of our actuarial experts, the appropriateness of the main actuarial assumptions used to measure the benefit obligations according to the type and duration thereof and the available market data (discount and inflation rate, mortality, staff turnover and projected future salary increases);
- examining the consistency of the principles and methods used to measure and recognise the net liability with the prevailing contractual, collectively-negotiated, legal and regulatory provisions.

Lastly, we verified that Note 5 to the consolidated financial statements provides appropriate disclosures, particularly concerning the classification of certain obligations and the sensitivity of the value of the obligations to the assumptions used.

### **Specific verifications**

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also performed the specific verifications on the information pertaining to the Group presented in the Board of Directors' management report.

With the exception of the potential impact of the matters described in the "Basis of the qualified audit opinion" section of our report, we have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial performance statement required under article L.225-102-1 of the French Commercial Code is included in the information pertaining to the Group presented in the management report. However, in accordance with article L.823-10 of the French Commercial Code, we have not verified the fair presentation and consistency with the consolidated financial statements of the information given in that statement, which will be the subject of a report by an independent third party.

### **Other verifications and information pursuant to legal and regulatory requirements**

#### ***Presentation of the consolidated financial statements to be included in the annual financial report***

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the financial statements to be included in the consolidated financial report referred to in paragraph I of article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018. As it relates to the consolidated financial statements, our work included verifying that the markups in the financial statements comply with the format defined by the aforementioned Regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

Due to the technical limitations inherent to block tagging the consolidated financial statements in the European single electronic reporting format, the content of some of the tags in the notes may not be rendered identically to the accompanying consolidated financial statements.

In addition, it is not our responsibility to ensure that the consolidated financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

### ***Appointment of the Statutory Auditors***

We were appointed Statutory Auditors of Société Nationale SNCF by the French Minister for the Economy, Industry and Employment on 21 April 2008 for PricewaterhouseCoopers Audit and by the French Minister for the Economy, Industrial Renewal and Digital Affairs on 18 April 2014 for Ernst & Young Audit.

At 31 December 2022, PricewaterhouseCoopers Audit and Ernst & Young Audit were in the fifteenth and the ninth consecutive year of their engagement, respectively.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of 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 expects to liquidate the Company or to cease operations.

The Audit, Accounts and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

**Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements**

### ***Objective and audit approach***

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 of 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 taken by users on the basis of these consolidated financial statements.

As specified in article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their 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;
- obtain an understanding of the internal control procedures 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;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess 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 the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain 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 Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

**Report to the Audit, Accounts and Risk Committee**

We submit a report to the Audit, Accounts and Risk Committee which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit, Accounts and Risks Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit, Accounts and Risk Committee with the declaration provided for in article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit, Accounts and Risks Committee.

Neuilly-sur-Seine and Paris-La Défense, 27 February 2023

The Statutory Auditors

PricewaterhouseCoopers Audit

Ernst & Young Audit

François Guillon

Philippe Vogt

Valérie Desclève

Nicolas Pfeuty



**SNCF SA**  
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